

### GSJ: Volume 10, Issue 10, October 2022, Online: ISSN 2320-9186 www.globalscientificjournal.com

# EFFECTS OF SUPPLEMENTARY SERVICES ON CUSTOMER LOYALTY IN TANZANIA: A CASE OF SELECTED HOTELS IN IRINGA MUNICIPALITY

#### Ahmad Hamza

*Author name is currently pursuing master degree program at University of Iringa, Tanzania. E-mail: <u>ahmadmfaume33@gmail.com</u> KeyWords: Supplementary services; Facilitating services; Enhancing services; Exceptional services; Customer loyalty.* 

#### ABSTRACT

The purpose of this study was to assess the effects of supplementary services on customer loyalty in Tanzania. Specifically, the study intended to assess effect of facilitating services, enhancing services and exception services towards the customer loyalty of hotel sector in Iringa Municipality. The research employed a quantitative research approach whereby a descriptive design was used. The targeted population was 120 customers of selected hotels from in Iringa Municipality where a sample size of 90 was drawn out of it. Convenient sampling techniques were used for the selection of respondents. Descriptive statistics was used to analyse data. From the findings, it was observed that that majority of hotel customers are loyal because of the facilitating services provided by hotels. Effective facilitating services towards the customer loyalty of hotel sector helps to increase customer loyalty of hotel sector at Iringa Municipality. In addition, majority of hotel customers are loyal because of the enhancing services provided by hotels. In addition, enhancing services like consultation and hospitality on hotel is very higher and they influence customer loyalty. Furthermore, exception services in hotel industry affect more customer loyalty. The way customer gets more exception services such as access to water polo service, conference centre, quality internet service or attractive arcade (gallery) influence customers to stay more in hotel while building their loyalty to such hotel. The study concludes that for the hotels, facilitating services like provision of insights information, taking orders, bills payment information and inquires on any payments to customers are very useful in developing customer loyalty of hotel sector. Safety is most important; thus, hotel owners should invest more on the safety of their customers to influence customer loyalty hence increasing hotel market share. The researcher recommends that hotel owners should ensure that supplementary services are attractive to customers and are consistence to attract more customers in the hotel industry. On the staff point of view, it is important that staff to have hospitality to their customers and provide any supplement services when needed by the customers under hotels condition. Such services will increase customer loyalty.

#### INTRODUCTION

Customer loyalty results in an emotional attachment to the service provided, which is driven primarily by commitment and affection. The customer develops affection for the service/product in a manner similar to a friendship (Berry, 2018). Businesses develop services/products with the principal objective of drawing and retaining customers (Kotler and Keller, 2016).

Hotel services involve human activities whereby one travel from one point (original place) to the other place (destination) for various purposes and stay there for not more than one consecutive period and not less than 24 hours (Hohnholz, 2014). According to Mathieson and Wall (2012), tourism refers to the temporary movement of people and go outside of their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater their needs.

Service is any intangible act or performance that one party offers to another that does not result in the ownership of anything (Kotler and Keller, 2016). Service can also be defined as an intangible offer by one party to another in exchange of money or pleasure. According to Parasuraman et al., (2017) the characteristics of services are intangibility, heterogeneity, and inseparability which must be acknowledged for a full understanding of services delivery.

Hotel service is usually perceived as a critical prerequisite for satisfying and retaining valued customers (Taylor & Baker, 2017). Therefore, hotel industry should first identify what the consumer perceives as a core service or supplementary service to successfully leverage service quality as a competitive edge. Supplementary service will enable organizations to make more sales which will in turn increase the profitability of the firm and hence improving the hotel's image (Berry, 2018). Satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's performance (outcome) in relation to his or her expectation (Kotler and Keller, 2016). It is a psychological concept that involves the feeling of well-being and pleasure that results from obtaining what one hopes for and expects from an appealing product and/or service (World trade organization, 2018).

Supplementary service has become an increasingly important factor for success and survival in any hotel. Isa (2019) argues that provision of supplementary services aids in meeting several requirements such as customers' perception and its subsequent loyalty and market share, soliciting new market share, improved productivity, financial performance and profitability service. Supplementary service is very important to any hotel because it is a route to competitive advantage and profitability. Quality superiority has been found to provide substantial performance related benefits such as customer loyalty, responsiveness to demand, market share growth and productivity (Berry & Parasuraman, 2017). Hotel supplementary services are usually perceived as a critical prerequisite for satisfying and retaining valued customers (Taylor & Baker, 2017). Service quality enables the hotel to make more sales which will in turn increase the profitability of the firm and hence improving the firm's image and growth of the industry (Kotler & Keller, 2016).

Empirical evidence points out the need of providing supplementary service to customers is to increase the assurance of business. For instance, Berry, (2018) who conducted a study on the importance of providing supplementary service to customers insisted that supplementary services attract more customers and enhances market penetration. In addition, Kotler and Keller, (2016) found that provision of supplementary services become inevitable on hotel industry since tourist needs quality services. Due to these observations, hotel industry was required first to identify what the consumer perceives as core service and supplementary service to successfully leverage service quality as a competitive edge.

In creating a competitive advantage, the flower of service concept by Lovelock (2016) divided service product into core service and supplementary services and showed that most of the different types of core services often share the use of similar supplementary services. The core services are those that customers view as baseline expectations, so customers will not consider doing business with a company unless it offers that level of service. The core services respond to the customers need for a basic benefit (Forbes, 2015). Thus, performing well on the core service is a matter of survival. Meanwhile, supplementary services being a part of full-service product offered by marketers can be utilized as a beneficial tool to create interest and to develop awareness among customers (Goyal, 2015). The core services in hotel industry includes all basic services provided to hotel customers, guest rooms are deemed important functions of all hotels. Therefore, these two functions can be considered as a core service. Lovelock (2016) capture eight variables of tangible and intangible supplementary services that embellish the core. These eight variables include the areas of information, consultation, order taking, hospitality, caretaking (safekeeping), exceptions, billing and payment.

The major and popular competitive advantage strategy (the positioning view strategy) helps to determine the kinds of supplementary services to be included. A strategy of adding benefits to increase customers' perceptions will probably require more supplementary services and a high level of performance on all such elements than strategy of competing on low price (Wirtz, & Koh, 2018). In addition, the search for competitive advantage in a hotel industry often focuses on differentiating the product through better supplementary services (Wirtz, 2019).

Hotel sector is one of the world's fastest growing industries which have tremendous impact on people's lives. Today, tourism is gradually being one of the essential keys in economic sectors in many Least Developed Countries (LDCs) (Honholt, 2014), including Tanzania. Both developed and developing countries have supported tourism for various reasons, ranging from economics to the political. This can be explained by the nature of the countries' internal social, economic and political conditions. Developed countries, for example, have used tourism primarily to tackle problems related to unemployment caused by de-industrialization, while developing countries have diverse reasons to use tourism as a strategy towards development.

Hotel services comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (Matthew, 2015). Tourism is a major service industry which comprises attraction, accommodation and accessibility for many developing countries and has much potential to provide competitive advantages from them and understanding the reasons for tourist satisfaction has always been a concern of tourist bodies. While Tanzania tourism industry continues to be one of the key sources of foreign exchange, the industry depends primarily on the flow of international tourist to the country. World travel and competitiveness report shows that Tanzania is number one worldwide in terms of nature based tourism resources and therefore the majority of international people make their plans of visiting Tanzania (Hohnholz, 2014).

In view of Iringa, the RCO, (2020) reports that Iringa is one of the upcoming marketing platforms for all attractions and activities in the southern circuit with the aim of bringing together all key tourism stakeholder around Tanzania to support and market the southern tourism circuit. Therefore, developments of hotel industry are crucial in terms of quality services provision to the customers and tourist at large. But developments of hotel industry need an assessment from customers based on their need and requirements. However, little was known on the effects of supplementary services on customer loyalty in Tanzania. Therefore, this study assessed the effects of supplementary services on customer loyalty to hotel industry in Iringa Municipality which was the hub of tourism developments in Southern circuit.

Service quality in the hotel industry has become the key driver in profit making, basis for customer satisfaction, financial performance, customer retention and hotel reputation both at local and international level (Vargo & Lusch, 2018). But the global services are composed not only by the competitive market but by the rapid change in destination marketing strategies, thus amid global competition, service marketing organizations are looking at innovative ways to put their market at the best position (Zott & Amit, 2019). There was need for service business players in the hotel industry to appreciate effects of supplementary services not only in the service commodities and its processes but to realize the new changes in service and business performance.

In addition, many researchers did studies on the service quality offered to customer and customer perception on hotel industry, but there are contradicting results; while some say that the services offered by hotel industry do not reveal the contents of the supplementary services and others, conclude that the services are standard (Tiwary, 2020). From this study, however, little was known on the effects of supplementary services on customer loyalty in Tanzania.

In fact, to date, the assumption (flower of service concept) has not been empirically tested in Tanzania content specifically in Iringa Municipality. There were also no existing studies that focus on the effects of supplementary services towards customer loyalty of hotel sector in Iringa, no matter from the theoretical or the empirical perspective. Thus, for the purpose of this study, the researcher adapted the flower of service concept which originally consists of eight variables of supplementary services based on the hotel sector. The researcher therefore assessed the effects of supplementary services on customer loyalty in Tanzania, specifically to hotel industry in Iringa Municipality.

#### LITERATURE SURVEY

#### The Effect of Facilitating Services towards Customer Loyalty of Hotel Sector

Stringam et al. (2019) studied on "The Importance and Relationships of Information and Supplementary Services in UK". The study used cross-section design and applied convenience sampling technique to obtain sample size of 60 respondents. Data analysis was done qualitatively through content analysis. The study found that the basic criteria when choosing a hotel facility are location, room size, staff, buildings and food quality. While researching the relationship between staff and guests, they came to a conclusion that information supplements the services that is needed by customers for service delivery. It provides guidance and understanding of the usage of core products, conditions of sales; pricing etc. without it, customers will be left unsure. Customer may also require important information such as information or how to use or obtain a service or product. Examples of elements information on usage instructions, prices, direction to service site, conditions of sale, service/schedule hours, warnings, confirmation of reservations, documentation, notification of changes, and reminders.

Dominici and Guzzo, (2018) conducted a study on "Customer satisfaction in the hotel industry from Sicily in Italy". The study employed a cross-sectional design and primary data was collected from 50 respondents. Data analysis was done qualitatively and quantitatively through content and descriptive analysis. The study found that successful management of satisfaction of services users implies understanding users' expectations and preferences and creating offer accordingly such as billing and payments. Bills should be accurate clear and intelligible to customers. Example of elements related to bills includes machine display of required amount or selfbilling (computed by clients). Billing is a common supplementary service almost all services especially for paid services. Incomplete, illegible or inaccurate bill may disappoint customers who may be satisfied with the service or experience. Hotel facilities that have the ability to quickly understand and meet expectations and preferences of customers can successfully manage satisfaction and thus provide good operating result.

Ariffin and Maghzi, (2017) studied on "Customer Expectations of Hotel Hospitality in India". Cross-sectional study was employed and data was collected from 90 respondents. Descriptive and inferential statistics were used to analyze data that was collected using questionnaires. The study found that the quality of hospitality can be defined as a factor that raises the level of guest satisfaction to such an extent that the guest will be ready to make a re-purchase of the same hotel service, i.e. there will be a conversion into a satisfied loyal guest. Like information, payment/invoicing are a facilitating supplementary service that is needed by customers for service delivery. Customers want to know what they pay for, how to pay and when they need to pay. This can be facilitated by clear, accurate and on-time invoice. Customer can pay more cheerfully and faster if a company makes transaction more convenient and simple for them. Examples of elements include automation deduction, direct to payee or self-service payment, insert card, entering credit card number directly online to intermediary or payee, electronic funds transfer, cash or token into machine, change giving or cash handling, and improvement of voucher automation deductions from financial deposits.

Watson et al., (2017) conducted a study on "Hotel Preferences and Services: Implementing the Changes in the Nigerian Hotels". The study employed a cross-sectional design and primary data was collected from 75 respondents. Data analysis was done qualitatively and quantitatively through content and descriptive analysis. The study found that customer may want to be informed about what may be available and secure commitment to delivery. It is important to make the process smooth and fast. The hotel's ordertaking should also be accurate, fast and polite to enable customer to endure unnecessary physical or mental effort and not to waste time. Reservations notably check-in and appointments are a special form of order-taking which entitles clients to specific units of service at a given location and time for example, a hotel room, admission to a facility, a restaurant table or an airline seat. Examples of elements include order entry, applications, check-in and reservations, vehicle or equipment rental, memberships in programs/clubs, order entry, prerequisite based services (college enrollment, financial credit), telephone/mail/web order reservations, on-site order fulfillment, seats/rooms/tables, and professional appointments.

#### The Effect of Enhancing Services towards Customer Loyalty of Hotel Sector

Choi and Chu (2018) conducted study on "Determinants of hotel guests' satisfaction and repeat support in the Hong Kong hotel industry". The study used survey design and applied purposive sampling technique to obtain sample size of 80 respondents. Data analysis was done qualitatively through content analysis. The study identified seven factors that have influenced the selection intentions of guests: quality of professional staff, room features, infrastructural connection of the hotel, and business infrastructure within the hotel, safety and auxiliary facilities at the hotel. The technique of multiple regression analysis used indicated that the quality of professional staff, room features and safety are three factors with the most significant influence on selection of the hotel and retention intentions.

Patterson and Wirz (2018) conducted a study on "Hospitality and Services Marketing in Australia". A case study was employed and questionnaires were used to collect the information from 60 respondents. Data analysis was done quantitatively through descriptive analysis. The study found that the business need to treat customers who invest effort and time to visit the business and use it services should be handled with hospitality it deserves. Hospitality is an enhancing supplementary service. It enhances service delivery by adding value to the firm's products and services and making them more appealing to clients. Hospitality-related services need to reflect pleasure to greet old clients when they come back and meeting new ones. These services should be designed to welcome to welcome new customers. Well-managed companies invest in ensuring that customers treat clients with courtesy and as guests. Consideration for needs of clients should apply to telephone interactions as well as to face-to-face encounters. Hospitality begins from the service site and the offer of transport. It includes offering refreshments, creating comfortable waiting areas, cleaning toilets, and making customers to feel welcome. Other elements that enhance hospitality include offering drinks (food and beverages), security, greeting, toilets and washrooms, and waiting facilities and amenities, weather protection, seating, lounges, waiting areas, security, transport, and entertainment, newspapers and magazine.

Mahumbe and Paul (2020) conducted a study on "Supplementary Services as a Differentiation Strategy on Hotel performance in Kenya". The study used a survey design and sample of 50 respondents. Data analysis was done qualitatively through content analysis. The study found that customers visiting a service site will want to be assisted with personal possessions. Unless the company provides safekeeping services like convenient and safe car packaging), these customers may cease to come. Safekeeping involves keeping records for the clients safely, private and confidential. Like hospitality, safekeeping is an enhancing supplementary service. It enhances service delivery by adding value to the firm's products and services and making them more appealing to clients. Safe keeping increases customer trust in the company and its staff. The company must look after client's personal possessions.

#### The Effect of Exception Services towards Customer Loyalty of Hotel Sector

Mohamed (2019) studied on "Service quality, customer satisfaction, and customer value: A holistic perspective in Tanzania". Crosssectional study was employed whereby 90 respondents were involved. Both qualitative and quantitative approaches were applied in this study. Data analysis was done through descriptive and content analysis. The study found that managing satisfaction is extremely important in the management of hotels. Hotel facilities that operate successfully pay a significant attention to the quality of services in order to reach positive customer satisfaction. The study also argues that it is necessary to design the service in accordance with the perceived exceptions that the user expects to use by consuming the services in order to ensure his/her satisfaction. Hotel facilities that ignore the category of the exceptions such as mini bar, restaurants, water polo, babysitting, conference rooms, compliments or complaints, special request in advance, problem solving, or resolving difficulties arising from the use of products can provide services that results in lower levels of guest satisfaction and on these grounds generate negative satisfaction.

Tsai et al. (2016) conducted a study on "Hotel selection criteria used by Tanzania mainland and foreign individual travelers to Zanzibar". A case study was used to collect data from 90 respondents. Data analysis was done through descriptive analysis. The study compared the preferences of tourists from Tanzania mainland and other tourists who visited Zanzibar with reference to the most important factors they take into account when choosing a hotel. The results pointed to the fact that foreign tourists are far more demanding than from Tanzania Mainland in terms of exceptions such as water polo, internet, spa, shopping or gallery that a hotel should have, compared to other tourists staying at hotels throughout Zanzibar.

#### METHODOLOGY

The research employed a quantitative research approach whereby a descriptive design was used. The targeted population was 120 customers of selected hotels from in Iringa Municipality where a sample size of 90 was drawn out of it. Convenient sampling techniques were used for the selection of respondents. Descriptive statistics was used to analyse data.

#### ANALYSIS

Data analysis was done using descriptive statistics. Data analysis includes editing, coding, classification and tabulation of collected data so that to make them ready for analysis (Kothari, 2014). The data, after collection, particularly in surveys, they are "raw" data. Thus, they need to be processed before they can be subjected to any useful analysis (Ambrose, 2016). Quantitative data was ana-

lysed using descriptive statistical analysis in SPSS whereby frequencies and percentages was generated to determine the relative importance of the quality dimensions as viewed by respondents.

#### RESULTS

#### Effect of Facilitating Services towards the Customer Loyalty of Hotel Sector

The researcher wanted to identify the effect of facilitating services towards the customer loyalty of hotel sector in the Iringa Municipality. To know this the researcher listed some of the basic questions and the respondents were supposed to pinpoint their views by rounding their right choices against the right answers if they agree or disagree. The results were as shown on Table 1. **Table 1: Effect of Facilitating Services towards the Customer Loyalty of Hotel Sector** 

	SD		D		Ν		Α		SA		Total
Statement	F	%	F	%	F	%	F	%	F	%	F
This hotel provides insight information when I need any services					4	4.4	39	43.3	47	52.3	90
This hotel helps me on taking room orders when I need such service					12	13.3	34	37.8	44	48.9	90
This hotel helps me in bills payment information					9	10.0	36	40.0	45	50.0	90
This hotel helps me when I have inquired on any payments	7	7.8	7	7.8	16	17.8	36	40.0	24	26.7	90
This hotel is very useful in bills taking services					19	21.1	24	26.7	47	52.2	90

## Key: SD- Strongly Disagree; D-Disagree; N-Neutral; A-Agree; SA-Strongly Agree; F-Frequency Source: Field data (2022)

Table 1 shows that out of 90 respondents, statement 1, 95.6% of the respondent agreed (both strongly agree and agree) that hotels provide insight information when they need any services while the remaining 4.4% were neutral with the statement. Statement 2, 86.7% of respondents agreed that, hotels help them on taking room orders when they need such service while the remaining 13.4% were neutral to the statement. Statement 3, 90% agreed with the statement that hotels help them in bills payment information, while 10% remained neutral to the statement. Statement 4, 66.7% of respondents agreed that hotels help them when they have inquired on any payments, 17.8% of the respondents were neutral while the remaining 15.6% agreed to the statement. Statement 5, 78.9% of respondents agreed that hotels are very useful in bills taking services, while the remaining 21.1% remained neutral.

The findings revealed that in Iringa Municipality majority of hotel customers are loyal because of the facilitating services provided by hotels. In addition, supplementary services like provision of insights information, taking orders, bills payment information and inquires on any payments to customers' influences customer loyalty. Also, the study revealed that there is a tendency of performing supplementary services in different hotels in Iringa Municipality to develop customer loyalty to their hotels.

The results are supported by Stringam et al. (2019) who studied on "The Importance and Relationships of Information and Supplementary Services in UK". The study revealed that the basic criteria when choosing a hotel facility are location, room size, staff, buildings and food quality. While researching the relationship between staff and guests, they concluded that information supplements the services that is needed by customers for service delivery. It provides guidance and understanding of the usage of core products, conditions of sales; pricing etc. without it, customers will be left unsure. Customer may also require important information such as information or how to use or obtain a service or product. Examples of elements information on usage instructions, prices, direction to service site, conditions of sale, service/schedule hours, warnings, confirmation of reservations, documentation, notification of changes, and reminders.

In addition, the results are supported by Dominici & Guzzo, (2018) who conducted a study on "Customer satisfaction in the hotel industry from Sicily". The study revealed that successful management of satisfaction of services users implies understanding users' expectations and preferences and creating offer accordingly such as billing and payments. Bills should be accurate clear and intelligible to customers. Example of elements related to bills includes machine display of required amount or self-billing (computed by clients). Billing is a common supplementary service almost all services especially for paid services. Incomplete, illegible or inaccurate bill may disappoint customers who may be satisfied with the service or experience. Therefore, effective facilitating services towards the customer loyalty of hotel sector will help to increase customer loyalty of hotel sector at Iringa Municipality. For the hotels, facilitating services like provision of insights information, taking orders, bills payment information and inquires on any payments to customers are very useful in developing customer loyalty of hotel sector.

#### Effect of Enhancing Services towards the Customer Loyalty of Hotel Sector

The researcher wanted to determine the effect of enhancing services towards the customer loyalty of hotel sector in Iringa Municipality. The researcher listed some of the basic questions and the respondents were supposed to pinpoint their views by rounding their right choices against the right answers if they agree or disagree. The results were as shown on Table 2.

Table 2: Effect of Enhancing Services towards the Customer Loyalty of Hotel Sector

%	F	%	F 6	% 6.7	F 27	% 30.0	F 57	% 63.3	F 90
			6	6.7	27	30.0	57	63.3	۹N
									50
			9	10.0	30	33.3	51	68.7	90
			9	10.0	32	35.6	49	54.4	90
			10	11.1	31	34.4	49	54.5	90
			6	6.7	22	24.4	62	68.9	90
				10	10 11.1   6 6.7	10 11.1 31   6 6.7 22	10 11.1 31 34.4	10 11.1 31 34.4 49	10 11.1 31 34.4 49 54.5   6 6.7 22 24.4 62 68.9

Key: SD- Strongly Disagree; D-Disagree; N-Neutral; A-Agree; SA-Strongly Agree; F-Frequency Source: Field data (2022)

Table 2 shows that out of 90 respondents, statement 1, 93.3% of the respondent agreed that customers been consulted well on the services provides by hotels while the remaining 6.7% of respondents remained neutral to the statement. Statement 2, 90% of respondents agreed with the statement that they get good hospitality form hotels, while 10% respondents were neutral to the statement. Statement 3, 90% of respondents agreed with the statement that they statement that the statement agreed with the statement 4, 88.9% of respondents agreed that they are satisfied with the consultation received by hotels, while the remaining percent that is 11.1% remained neutral to the statement. Statement 5, 93.3% of respondents agreed that they are aware that they are safe when they stay in this hotel while 6.7% of respondents were neutral to the statement.

The findings revealed that in Iringa Municipality majority of hotel customers are loyal because of the enhancing services provided by hotels. In addition, enhancing services like consultation and hospitality on hotel is very higher and they influence customer loyalty. Also, the study revealed that safety is very important in hotels, and majority of customers build their loyalty based of safety of the hotel.

This is in line with the study conducted by Choi and Chu (2018) who conducted study on "Determinants of hotel guests' satisfaction and repeat support in the Hong Kong hotel industry". The study identified seven factors that have influenced the selection intentions of guests: quality of professional staff, room features, infrastructural connection of the hotel, and business infrastructure within the hotel, safety and auxiliary facilities at the hotel. The technique of multiple regression analysis used indicated that the quality of professional staff, room features and safety are three factors with the most significant influence on selection of the hotel and retention intentions.

In addition, the results are supported by Mahumbe, and Paul, (2020) conducted a study on "Supplementary Services as a Differentiation Strategy on Hotel performance in Kenya". The study discovered that customers visiting a service site will want to be assisted with personal possessions. Unless the company provides safekeeping services like convenient and safe car packaging), these customers may cease to come. Safekeeping involves keeping records for the clients safely, private and confidential. Like hospitality, safekeeping is an enhancing supplementary service. It enhances service delivery by adding value to the firm's products and services and making them more appealing to clients. Safe keeping increases customer trust in the company and its staff. The company must look after client's personal possessions. Generally, the researcher observed that enhancing services as supplementary services in hotels is very important to customers and it helps to make customer loyal to the hotels. Safety is most important; thus, hotel owners should invest more on the safety of their customers to influence customer loyalty hence increasing hotel market share.

#### Effect of Exception Services towards the Customer Loyalty of Hotel Sector

In this question a researcher wanted to ascertain the effect of exception services towards the customer loyalty of hotel sector in the Iringa Municipality. The researcher listed some of the basic questions and the respondents were supposed to pinpoint their views by rounding their right choices against the right answers if they agree or disagree. The results found are as shown in Table 3.

Statement	SD		D		Ν		Α		SA		Total
	F	%	F	%	F	%	F	%	F	%	F
Accessing the water polo service by this hotel satisfies me			3	3.3	13	14.4	50	55.6	24	26.7	90
The conference centre offered by this hotel is very exclusive			2	2.2	22	24.4	42	46.7	24	26.7	90
I stay in this hotel because it offers quality internet service					5	5.6	38	42.2	47	52.2	90
The arcade (gallery) of this hotel is very attractive and made					4	4.4	39	43.3	47	52.2	90
me to stay on this hotel											
The exception services provided by this hotel influences			2	2.2	11	12.2	32	35.6	45	50.0	90
hotel growth											

#### Table 3: Effect of Exception Services towards the Customer Loyalty of Hotel Sector

Source: Field data (2022)

Table 3 shows that out of 90 respondents, statement 1, 82.3% of respondents agreed with the statement that accessing the water polo service in hotels satisfies them,14.4% of respondents were neutral the statement while the remaining 3.3% respondents were against to the statement. Statement 2, 73.4% of respondents agreed that the conference centre offered by the hotel is very exclusive, 24.4% were neutral with the statement, and the remaining 2.2% disagreed. Statement 3, 94.4% of respondents agree with the statement that they stay in the hotel because it offers quality internet service and 9.6% remained neutral to the statement. Statement 4, 95.6% of respondents agreed with the statement that the arcade (gallery) of the hotel is very attractive and made them to stay on the hotel, and the remaining 4.4% of respondents were neutral. Statement 5, 85.6% of respondents agree that the exception services provided by hotel influences hotel growth, 12.2% were neutral while 2.2% were against the statement.

The findings revealed that in Iringa Municipality, exception services in hotel industry affect more customer loyalty. The way customer gets more exception services such as access to water polo service, conference centre, quality internet service or attractive arcade (gallery) influence customers to stay more in hotel while building their loyalty to such hotel. Thus, exception services provided by hotels as supplementary services are essential in influencing customer loyalty. Lack of these exceptional services will discourage customer satisfaction hence reducing their loyalty form hotel services.

This is in line with the study conducted by Tsai et al. (2016) who conducted a study on "Hotel selection criteria used by Tanzania mainland and foreign individual travellers to Zanzibar". The study compared the preferences of tourists from Tanzania mainland and other tourists who visited Zanzibar with reference to the most important factors they consider when choosing a hotel. The results pointed to the fact that foreign tourists are far more demanding than from Tanzania Mainland in terms of exceptions such as water polo, internet, spa, shopping or gallery that a hotel should have, compared to other tourists staying at hotels throughout Zanzibar.

In addition, the results are supported by Mohamed (2019) studied on "Service quality, customer satisfaction, and customer value: A holistic perspective in Tanzania". The study exposed that hotel facilities that operate successfully pay a significant attention to the quality of services to reach positive customer satisfaction. The study also argues that it is necessary to design the service in accordance with the perceived exceptions that the user expects to use by consuming the services to ensure his/her satisfaction. Hotel facilities that ignore the category of the exceptions such as mini bar, restaurants, water polo, babysitting, conference rooms, compliments or complaints, special request in advance, problem solving, or resolving difficulties arising from the use of products can provide services that results in lower levels of guest satisfaction and on these grounds generate negative satisfaction. Generally, the researcher observed that effective exception services in hotel industry attract more customers to use such hotel while increases their loyalty to that hotel. On the other hand, exception services such as access to water polo service, conference centre, quality internet service or attractive arcade (gallery) influence customers to stay more in hotel while developing their loyalty to such hotel.

#### **Customer Loyalty of Hotel Sector**

A researcher listed some of the basic questions about customer loyalty of hotel sector based on supplementary services and the respondents were supposed to pinpoint their views by rounding their right choices against the right answers if they agree or disagree.

Statement	SD		D		Ν		Α		SA		Total	
	F	%	F	%	F	%	F	%	F	%	F	
I am loyal to this hotel because of supplementary ser-			13	14.4	28	31.1	40	44.4	9	10.0	90	
vices offered												
I enjoy to use this hotel due to unique services offered			14	15.6	28	31.1	28	31.1	20	22.2	90	
I prefer this hotel due to supplementary services of-					9	10.0	36	40.0	45	50.0	90	
fered												
I prefer to provide services feedback because they					17	18.9	44	48.9	29	32.2	90	
influence the growth of the hotel sector												
Availability of supplementary services offered by this					16	17.8	53	58.9	21	23.3	90	
hotel are very essential of the growth of the hotel sec-												
tor												

#### Table 4: Customer loyalty of hotel sector

Key: SD- Strongly Disagree; D-Disagree; N-Neutral; A-Agree; SA-Strongly Agree; F-Frequency Source: Field data (2022)

Table 4 shows that out of 90 respondents, statement 1, 54.4% of respondents agreed with the statement that customers are loyal to hotels because of supplementary services offered, 31.1% were neutral while 14.4% were against the statement. Statement 2, 53.3% of respondents agree they enjoy using those hotels due to unique services offered, 31.1% remained neutral while the remaining 15.6% were against the statement. Statement 3, 90% of respondents agreed on the statement that customers prefer those hotels due to supplementary services offered, while 10% were neutral to the statement. Statement 4, 81.1% of respondents agreed that customers prefer to provide services feedback because they influence the growth of the hotel sector while 18.9% of respondents remained neutral to the statement. Statement 5, 82.2% of respondents agreed with the statement that availability of supplementary services offered by hotels are very essential of the growth of the hotel sector while 17.8% were neutral to the statement.

The findings revealed there is availability of supplementary services offered by hotels in Iringa Municipality because is very essential of the growth of the hotel sector. In addition, the customer loyalty of hotel sector is being built by the provision of supplementary services by hotels which increases market share of the hotel and contributing to the growth of the hotel.

This is in line with the study conducted by Isa, (2019) who argued that provision of supplementary services aids in meeting several requirements such as customers' perception and its subsequent loyalty and market share, soliciting new market share, improved productivity, financial performance and profitability service. Supplementary service is very important to any hotel because it is a route to competitive advantage and profitability.

Generally, the researcher observed that identifying first what the consumer perceives as a supplementary service in hotel industry is very important to successfully leverage service quality as a competitive edge. Supplementary services enable hotels to make more sales and hence improving the hotel's image.

#### CONCLUSION

The study revealed that facilitating services, enhancing services and exception services affects the customer loyalty of hotel sector. For the hotels, facilitating services like provision of insights information, taking orders, bills payment information and inquires on any payments to customers are very useful in developing customer loyalty of hotel sector. Safety is most important; thus, hotel owners should invest more on the safety of their customers to influence customer loyalty hence increasing hotel market share. On the other hand, exception services such as access to water polo service, conference centre, quality internet service or attractive arcade (gallery) influence customers to stay more in hotel while developing their loyalty to such hotel.

#### REFERENCES

- [1] Ambrose, L. (2016). Research Methods in Social Relations. (5th Ed.). New York:
- [2] Ariffin, A. A. M. & Maghzi, A. (2017). A preliminary study on customer expectations of hotel hospitality in India: Influences of personal and hotel factors. *International Journal of Hospitality Management*, 31(1), 191-198.
- [3] Berry, L. (2018). Relationship marketing of services growing interest, emerging perspectives. Journal of the Academy of Marketing Science, 23,236-45.
- [4] Berry, L. L. & Parasuraman, A. (2017). *Marketing services- Competing through Quality*, Free Press, New York, NY.
- [5] Best, C. and Kahn, K. (2015). *Research Methodologies*. An Applied Orientation. 2<sup>nd</sup> Ed. Prentice hall International, Inc.
- [6] Choi, T. Y. & Chu, R. (2018). Determinants of hotel guests' satisfaction and repeat patronage in the Hong Kong hotel industry. International Journal of Hospitality Management, 20(3), 277-297.
- [7] Dominici, G. & Guzzo, R. (2018). Customer satisfaction in the hotel industry: a case study from Sicily. International Journal of Marketing Studies, 2(2), 3-12.
- [8] Forbes, J. (2015). Education as service: The understanding of university experience through the service logic. *Journal of Marketing for Higher Education*, 19(1), 38-64.
- [9] Goyal, A. (2015). Role of supplementary services in the purchase of credit card services in India. Asia Pacific Journal of Marketing and Logistics, 16(4), 36-51.
- [10] Hair, J. Croner F. & Michel, B. (2014). Quantitative Analysis in Research Methods. Glencoe, IL: Free Press.
- [11] Hohnholz, J. H. (2014). Agro tourism A new sector of rural integrated development, Malaysia and Germany as case studies: Applied Geography and Development, Vol.44: 40-58.
- [12] Isa, M. (2019). "An examination of the relationship between service quality perception and customers' perception", International Journal of Management, Eritrea. 1 (3), 191 – 209.
- [13] Kothari, C. (2014). Research Methodology: Methods and Techniques. New Delhi: New Age International (P) Ltd.
- [14] Kotler, P. & Keller, K. (2016) Marketing management. 12th Edition, Pearson Education Inc, New Jersey.
- [15] Kotler, P. and Armstrong, G. (2010). Principles of Marketing. Pearson Education
- [16] Levitt, T. (2010). Marketing Success through Differentiation of Anything. Harvard Business Review, 94-102.
- [17] Lovelock, C. (2011). Adding Value to Core Products with Supplementary Services. In Services Marketing. 2"1 edition, (pp.337-359), Englewood Cliffs, NJ: Prentice-Hall.
- [18] Lovelock, C. (2016). Services marketing people, technology, strategy (3 ed.).
- [19] Mahumbe, S., & Paul, H. G. (2020). Supplementary Services as a Differentiation Strategy on Business performance in Kenya: An Empirical Investigation of Lovelock's Model. Journal of Quality Assurance in Hospitality & Tourism, 1(1), 67-80.
- [20] Malhotra, N. (2014). Marketing Research, An applied Approach Printicel Hall.
- [21] Mathieson, A. and Wall, G. (2012). "Tourism: Economic, physical and social impacts", Longman, London.
- [22] Matthew, G. (2015). International tourism reports: Tanzania "The economist intelligence unit" London: Business International Unit.
- [23] Miles, N. K., & Huberman, D. F. (2014). Marketing Research, An applied Approach Printicel Hall.
- [24] Mlyuka, J. (2011). Determining Sample Size for Research Activities. University of Minnesota. Duluth. Publications.
- [25] Mohamed, H. (2019). Service quality, customer satisfaction, and customer value: A holistic perspective in Tanzania. International Journal of Hospitality Management, 18(1), 67-82.
- [26] Parasuraman, A., Zeithaml, V., & Berry, L. L. (2017). "A conceptual model of service quality and its implications for future research" Journal of Hospitality & Leisure marketing, 3, 5.
- [27] Patterson, P. G., & Wirz, J. (2018). Hospitality and Services Marketing: An Asia-Pacific and Australasian Perspective. Frenchs Forest, NSW: Pearson Australia.
- [28] Pizam A. (2015). A fad, ploy or fact of life? International Journal of Hospitality Management. Editorial: Green hotels.
- [29] Sapsford, P. & Jupp, L. (2016). Research Methodologies. 13<sup>th</sup> Ed. Saddle River. NJ: prentice. Hall.
- [30] Saunders, R. K. (2016). Understanding Research philosophies and Approaches. Research Gate, 2330.
- [31] Shulman, M. (2015). Case study research: *Design and methods* (2nd Ed.). Newbury Park, CA: Sage.
- [32] Som, R. (2016). Research design, Qualitative, Quantitative and Mixed method Los angles. Sage publication Inc.
- [33] Stringam, B. B., Gerdes Jr, J. & Vanleeuwen, D. M. (2019). Assessing the Importance and Relationships of Information and Supplementary Services in UK. Journal of Quality Assurance in Hospitality & Tourism. 11(2), 73-92.

- [34] Taylor, S. A. & Baker, T. L. (2017). "An assessment of the relationship between service quality and customers' perception in the formation of consumer purchase intentions", *Journal of Retailing*, 70 (2), 163-78.
- [35] Tiwary B. K. (2020). Consumer Perception and Satisfaction of Hotel Products and Services A Comparative Study of Select Indian Public and Private Sector. Indian Streams Research Journal Vol I.
- [36] Tsai, H., Chebe, S. & Yim, P. H. (2016). Hotel selection criteria used by Tanzania mainland and foreign individual travelers to Zanzibar. International Journal of Hospitality & Tourism Administration, 12(3), 252-267.
- [37] Vargo, K. & Lusch, M. (2018). Service innovation: A review of the literature. In The handbook of service innovation, Springer London. 27-51.
- [38] Watson, E. H., McKenna, M. A. & McLean, G. M. (2017). Hotel Preferences and Services: Implementing the Changes in the Nigerian Hotels. International Journal of Contemporary Management, 4(2), 17-20.
- [39] Wirtz, J. (2019). Services marketing, people, technology, strategy (7 ed.). NJ: Prentice Hall.
- [40] Wirtz, J., & Keh, H.T. (2018). Services marketing in Asia: Managing people, technology and strategy. NJ: Prentice Hall.
- [41] World Trade Organization, (2018). Identification and Evaluation of those Components of Tourism Services which have a Bearing on Tourist Satisfaction and which can be Regulated, and State Measures to Ensure Adequate Quality of Tourism Services. World Tourism Organization, Madrid.
- [42] Yin, R. K. (2016). Research Methodology. A step by step for Beginner. London: SAGE Publication Itd. Publications.
- [43] Zott, H. & Amit, A. (2019). Service innovation: managing innovation from idea generation to innovative offer (Master's thesis, University of Twente).

