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EFFECTIVE MARKETING OF HOTEL AND CATERING SERVICES:

A CASE STUDY OF THE NIGERIAN AIRFORCE CLUB, KADUNA.

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OCTOBER 1999

DECLARATION

I hereby declare that this project is a record of my own research work. All sources of information and application of other writers and views have been duly acknowledged in the Bibliography.

NAME **MOHAMMED SANI**

SIGNATURE 

DATE October '99

CERTIFICATION

This project entitled "**EFFECTIVE MARKETING HOTEL AND CATERING SERVICES. A CASE STUDY OF NIGERIAN AIRFORCE CLUB - KADUNA** prepared and submitted by **MOHAMED SANI** in partial fulfillment of the requirements for the Degree of Master of Business Administration (M.B.A) has been produced under my supervision. I am satisfied that the document meets the requirement of the Department for the award of Master of Business Administration (M.B.A) Degree of the Ahmadu Bello University, Zaria. Thus, is approved for its contribution to knowledge and literary presentation.

J. K. YERE SUPERVISOR	28/10/1999 DATE
Professor Usman A. Zahradeen EXTERNAL EXAMINER	17/07/2000 DATE
Date HEAD OF DEPARTMENT	15/1/01 DATE
DEAN, POST GRADUATE SCHOOL	22/04/03 DATE

DEDICATION

This project work is dedicated to the following people who I hold very dearly:-

1. My parents who taught me the importance of hard work, discipline, honesty, modesty and above all patience is a noble virtue.
2. My wife Saadiya Garba Gusau whose encouragement and endurance during the period of the study will forever be appreciated.
3. My son Abubakarr Sadiq Sani who I surely believe will emulate and surpass my hard work when he grows up.

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I wish to place on record the cooperation and assistance received from management and staff of NAFF Club Kaduna.

Finally, I am indebted to the authors of the various books, journals and articles consulted in the process of this study. Thank you all for having ventured into the field before me and for laying the foundation upon which I built.

ABSTRACT

This project, "Effective Marketing of Hotel and Catering Services" was designed to find out how hotel and catering services industry can be effectively marketed. Data for this study was collected from both primary and secondary sources.

Questionnaire were administered on management and staff of the Nigerian Airforce Club (NAF). Kaduna, while personal interviews were carried out with customers/guests of NAF Club.

Secondary sources included records of transactions of NAF Club and other related sources.

The study revealed that NAF Club (which is managed by NANET Group Limited) has high quality service, good customer relationship, customer service conscious, good facilities and so on.

The study, however, identified poor promotion to reach potential customers as one of the problems affecting the hotel industry, investors feel reluctant to make financial commitments for fear of poor returns on investment.

Among others, the study made the following recommendations:

(i) Hotel and catering industry should engage the services of professionals when they embark on some marketing activities.

(ii) They should also engage the services of marketers and other sales staff to carry out all the sales and marketing functions of the industry.

(iii) Stakeholders should set aside part of their sales/turnover to strengthen their marketing activities.

(iv) The services of professionally trained managers should be engaged to run the hotel and catering industry.

(v) Also, recommendations were made on some action guides that would ensure a coordinated marketing plan.

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CHAPTER ONE

1.0 INTRODUCTION:

BACKGROUND OF THE STUDY

Hotel and catering services are basically concerned with the essentials of food, housing, but they are profit centers too; also offering entertainment, providing myriad services and meeting many other needs. Man's basic need for food and shelter has not changed in the course of civilization, but the environment in which they exist is undergoing constant change. Adapting to the change calls for flexible leadership, one of the many attributes of management and one not usually required of technically skilled workmen. Some changes are gradual, of course, others come suddenly. But all of them contribute to the dynamic nature of the society and to one important segment of that society - the ever-changing hotel and catering field.

In the past, hospitality management was a management of personality. Few managers of the old school were managers in the present day sense of the word. Capital investment was smaller, labour problems were almost unknown, most were family businesses; government control and regulation practically unheard of. Management was the skill of Mine Host, the ability to comfort the traveller and welcome the stranger.

Not so today where investment requires corporate ownership; labour involves complex contracts and a myriad of government regulations, limitations and restrictions tap the energy of the modern manager.

It is not surprising therefore, that today's executives are meeting in conferences, attending seminars, talking to the experts and consulting with advisers. They are less and

less on the floors of their establishments and more and more behind their desks. Here, efforts are concentrated on the problems of rising costs and slender profits. Increasing competitions, costly modernization and other problems preoccupy our present-day managers. With increasing expectations, they look to the implementation of sound business practices to provide the means of countering the many few pressures facing the hotel and catering industry.

For any hotel, no matter how well operated, must have to be first located in an ideal spot, in perfectly favourable economic conditions to be able to attain an ultimate efficiency without marketing activity backup. The fact is that business exists in a dynamic environment affected by economic, legal, political and technological conditions that have varied impact on business fortune in terms of periods of boom and adversity.

The truth is that no matter the quality of management in terms of capacity, standards and resources, hotels and catering houses definitely need marketing efforts to achieve corporate goals and objectives of profit maximization.

Marketing entails management functions "which organize and direct all the business activities involved in assessing customer needs and converting customers purchasing power into effective demand for a specific product or service and in moving that product or service to the final consumers or users so as to achieve the profit target or other objectives set by the company" as defined by the Institute of Marketing.

Having established the need for marketing in the Hotel and Catering Industry and understanding the services so offered and their nature, it becomes absolutely necessary for this study to find out their implications of marketing in Hotel and Catering Industry and suggest the best ways to effectively market the services provided by the industry.

1.1 STATEMENT OF THE PROBLEMS

In comparison with industrial manufacturers and consumer goods, inadequate marketing efforts by proprietors of hotels and catering services have been identified as the main problems of the Hotel and Catering Industry in Nigeria. From the economic and financial returns of their performance one easily observes that most hotels have not been able to meet main business objectives of profit making and maximization. Statistics show that many well-researched, built and commissioned hotel projects in Nigeria have not done well in profit maximization due to poor and low sales volume. Many cannot pay staff salaries or undertake major repairs and renovations to meet today's challenges as a result of this. Added to this, is the problem of poor or inadequate marketing efforts. There is poor drive to create awareness of general services offered by the hotel industry in Nigeria. It is hoped that at the end of this study, solutions to these problems would have been proferred so as to introduce effective marketing to Hotel and Catering services in Nigeria.

1.2 STATEMENT OF HYPOTHESIS

The study seeks to provide answers to the relationship if any, between conscious marketing efforts and business prosperity in terms of enhanced profits. In other words can effective marketing in hotels and catering services industry be relied upon for improved business fortunes? It is hoped that at the end of the study adequate answers/solutions could had been provided.

1.3 OBJECTIVES OF THE STUDY

Generally, the study is designed to find ways of effectively marketing Hotels and Catering Services to customers in Nigeria. Specifically the study will attempt to:

(a) Highlight effective marketing strategies to create awareness on services provided by firms in the hotel and catering industry.

(b) Find the reasons for the general apathy to hotel and catering services by the customers.

(c) Find the causes of the low level of marketing efforts offered by the hotel and catering industry.

(d) Identify the causes of low sales and low profits in the hotels and catering services.

(e) Identify some of the management problems faced by the industry.

(f) Identify the major customers complain in service area

(g) Find solutions to customers complaints.

(h) Suggest ways which hotels and catering services can maximize profits

(i) Suggest ways to effective communication in the business.

1.4 SIGNIFICANCE OF THE STUDY

Few research works are known to have been carried out to this area.

It is necessary to study the ways of operating hotels and catering services in marketing their services effectively to the customers. It is also significant to assess the service quality of the hotels and catering industry and the measures that can be put in place for the overall aim of enhancing efficiency, profitability and customer satisfaction.

It is hoped that at the end of the study, suggestions will be made which will benefit the hotels, customers and the entire nations as a whole.

Findings from this research is expected to enhance better quality services for the satisfactions of customers. The study will also be useful to the Hotels and Catering Industry as a future reference point.

1.5 SCOPE OF THE STUDY

The project is basically concerned with the effective marketing of Hotel and Catering Services. The area of study is however restricted to the Nigerian Air Force Club, Kaduna as the case study.

1.6 LIMITATION OF THE STUDY

The major limitation of this study is the fact that very few known research work has been carried in this area. As a result of this the number of relevant existing literature to be reviewed is scanty.

Time constraints is another limitation with the limited time given for the submission of this project and meagre financial resources of the researcher, it was not possible to travel far to gather diverse data for this work.

1.7 RESEARCH METHODOLOGY

This study intends to use the survey methods of gathering both primary and secondary data, primary data will be collected through questionnaire and personal interviews of the management and staff of NAF club, Kaduna and their customers.

The secondary data will be obtained through documentary research techniques by consulting books, journals and records of the Nigerian Airforce Club, Kaduna. Data collected will be analyzed, conclusions drawn and recommendations made accordingly.

CHAPTER TWO

2.0 REVIEW OF LITERATURE

2.1 HOTEL DEFINED

According to the dictionary definition a hotel is "a usually large house run for the purpose of giving travellers food, lodging, etc"[1] This definition has some of the characteristics of modern hotels but has restricted the use of the facilities to only one specific type of customer (i.e. the traveller). The modern day hotel has more complexity and variety than this.

According to the Innkeepers Act of 1956[2] of Britain, a hotel is defined as "an establishment held onto by the proprietor as offering food, drink and if so required, sleeping accommodation without special contract to any traveller presenting himself who appears able and willing to pay a reasonable sum for the services and facilities provided and who is in a fit state to be received." From this definition, three elements of services stand out - they are food, drinks and sleeping accommodation.

The complexity of hotels today calls for the provision of a variety of facilities for customers. These include food, drinks, lodging, laundry, swimming pool, conference halls, games, relaxation places, business centres and many more, to ensure maximum comfort and satisfaction for the customer. It should be a "home away from home".

According to S. Medlik (1978)[3] "hotel and catering industry has come into common usage where the designation catering industry may not be descriptive enough. It embraces the economic activity of undertaking that aims at satisfying the demand for accommodation, food and drinks away from home. Statutory recognition of this group in

1943 has no doubt stimulated its emergence as an entity with common interest and the concept as we understand it today probably dates back from that year.

It has been recognized as a distinct and separate group in successive official Standard Industrial Classification[4] and has set up its own professional body of hoteliers and caterers[5]... To a greater or lesser extent many products of the group as well as other characteristics distinguish its entrepreneurs from others. They all have a common function- that is to supply the basic needs for those away from home.

Abraham Maslow, an American human motivation expert had in 1943 proposed a theory of needs based on hierarchical model with basic needs for food, shelter, sex, etc at the bottom. These basic needs are more-or-less provided by hotels and catering industry services.

The scope of the hotel and catering industry has widened greatly and there has been an emergence of new types of establishments from the 17th century onwards. The functions and activities of individuals units have been blurred by the separate demand for food and drink in conjunction with overnight shelter.

2.2. MARKETING DEFINED

According to Philip Kotler (1991)[6] "Marketing means working with markets" which denotes attempting to actualize potential exchange for the purpose of satisfying human needs and wants. But in order to satisfy human needs and wants certain things or activities must be carried out, considering the day to day exchange processes. These activities will include product planning, pricing, promotion and distribution.

Martin Christopher et al 1992[7] defines marketing as "the ways in which an organization matches its own human, financial and physical resources with the wants of the customers."

Larry Rosenberg (1977)[8] views marketing as "a matching process based on goods and capabilities by which a producer provides a marketing mix (product, services, advertising, distribution, pricing etc.) that meets consumer needs within the limit of society."

Since marketing is seen as a matching process, it therefore appears natural that any mis-match will lead to a failure. What it means here is that a business, whether private or public, exists by selling its products and services. By doing this it seeks to achieve its profit and other objectives. To be able to achieve this, the marketer has to adopt an appropriate method of carrying out his marketing activities effectively.

2.2.1 Marketing and Sales Promotion

a. Management for Guests.

In the zeal of applying principles to decision making, the goals of management and the means to those goals are sometimes confused and management becomes more concerned with clean surplus statements than with clean wares.

According to Jerome J. Vallen et al (1977)[9] "Management does not manage for its employee or itself; it manages for the guests and for the jobs and profits that guest patronage represents." In other words the owner, manager and worker depend on their guest who gets relegated to a

secondary role when the means of managing becomes the goals of business.

Understanding and communicating the relationship between owner, manager, worker and guest is very important. Discourtesy, apathy and an indifferent job today start a sequence of events that leads to a costly end and perhaps no job tomorrow. On the other hand, a positive approach to guest service carries direct benefits, even to as far as the wage-bargaining table months later.

The efforts to please guests do not begin with business promotion programme. Furthermore, the success of such programmes cannot be measured in the amount of money spent or in the umbrella of coverage obtained, but only by their ability to deliver to the quest what is promised.

According to Lucius Boomer, in Jerome (1977) first make the product worth selling and then sell hard. Bringing the guest to the hotel once will not recoup the cost of an, advertising campaign. Only a quality product assures their repeat visit. The product is supported, but never replaced, by a sales programme.

This means that a strong selling effort is needed in every department. Organization may designate one department as the sales department, but this does not relieve other departments of the sales responsibility. They have as much effect on the final outcome as those who are assigned sales as a prime function. Certainly, the operating department have a far greater influence on the satisfactory performance of the sales department than

vice-versa. Managing for guests requires all management people to be aware of their departmental contribution. They must know what there is to sell (the product), what the customer wants to buy (the market) and how best to match them by managing their departments for their guests, Jerome J. Vallen et al (1977).

b. The Product

The passing of the era of good times and the arrival of low occupancy, low volume and low profits have been loudly lamented. However, a greater emphasis on effective marketing is gradually replacing the ineffective wailing. New guests and old are being approached, cajoled, promised and petted.

Sales has a correlative relationship with purchases for a sale by a purveyor is a purchase by a buyer. Every transaction can be approached from these two directions. Either act the role of the purveyor and sell or make the product so attractive and sellable that the buyer comes to buy. "When the purchaser grows more interested in the product, the sale is consummated with less effort" Jerome et al (1977). Increasing the intrinsic value or desirability of the product produces the same results, and with longer lasting effects than an attack on the buyer with sales gimmicks, limericks and giveaways.

The present buyer's market precludes any sudden or overwhelming demand for hotel facilities.

According to Jerome J. Vallen et al (1977) "a high-quality, industry-wide product is needed to capture the attention of the buyer and set the image of the industry. Along with this joint effort, the member hotel is faced with the need to make its own facilities unique at a competitive level.

C Hospitality

A concerted effort by the industry to sell to the public requires a product worthy of their joint labours. Every hotel, regardless of size, type (commercial or resort) or class (average room rate) is selling hospitality.

According to Jerome J. Vallen et al (1977) hospitality, as cordial, generous and gracious reception of strangers, touches every phase of hotel management. Since it is an intangible, it cannot be gifted-wrapped like the fine pastries from the bakershop and it lacks the eye appeal of the pousse-café. It has neither the character of a buffet table nor the aroma of fresh baked bread. They further said that yet, hospitality is all these things and more. The comfort of a good bed, the pleasure of a hot shower and the delight of a well-prepared breakfast unobtrusively served.

Hospitality is a myriad of little services. In the day of the modern hotel and an era that makes hospitality a business, no guests expects the personal contact and individual attention that the boniface of the colonial are personally rendered. The welcome is felt in the efficiency of the reception, the condition of the plant and the attitude of the personnel.

The hospitality of the hotel is the personality of management.

The hotel reflects and the guest feels, the attitude of its owners and operators. The guest need never meet them to know whether they are old-fashioned, pessimistic and out of touch with the public or professional, outgoing and alive with ideas and values, the atmosphere of the hotel will tell all. Like the hospitality, the atmosphere of the hotel never becomes tangible.

If there is no tangible product, what do guests carry away as they leave the hotel? All guests come away with an impression of that elusive something called hospitality, manifested, perhaps, by a courteous employee or a crisp salad. If recognized and encouraged, this atmosphere and the consequent guest attitude carry the potential of an ever-increasing volume of business. The adage that "satisfied guest being the best advertisement" contains too much truth to be ignored.

This is the reason why small establishments continue to operate and prosper in spite of many competitive disadvantages. The owner manager is able to coddle his guests and his care and hospitality is direct. Only the small operator, who does everything himself, can offer this type of hospitality. Many people think it compensates for the lack of other features available only in the larger and less personal hostelries, Jerome J. Allen et at (1977).

d. Uniqueness

Jerome J. Allen et al (1977) said that the hotels must strive for uniformity in dispensing the basic ingredients of hospitality. The public needs assurance that the welcome of the member houses will be cordial and guest-oriented. The greater the certainty of this kind of reception, the greater is the likelihood that the guest will seek entertainment in some hotel. This correlative of selling – the guests desire to buy – accrues to the benefit of all.

Once having met industry standards of hospitality, the attraction of each hotel is its very lack of standardization. Each must create and maintain its own charm, attract and hold its own guests in competition. The chains and associations are well aware of this and attempt to capitalize on both the uniformity and differences of the separate operations.

While the personality of the hotel remains fundamentally the personality of management, inanimate features can be promoted and used to good advantage. In some cases these attractions are the product of imaginative management while at other times they are indigenous to the location and merely need promotion. Artificial attractions can be costly to create and may be less spectacular than natural ones.

Urban hotels take advantage of different features such as nearness to shopping areas, theatre districts, transportation facilities, museums, convention halls and sports arenas. Uptown hotels should sell the advantages of their locations while downtown hotels should benefit from

theirs. Every hotel has some features to sell. Managements job is selecting the most advantage features and blending them into the general personality of the house.

2.3 SERVICE QUALITY

This is the totality of features and characteristics of products or service that bears on its ability to satisfy stated or implied needs.

Quality also means.

- Fitness for the purpose of use (JURAN)
- Conformance (CROSSBY)

Mike Robson defined quality as "meeting the requirement of the customer now and in the future".

Adeniyi, B. and Babatunde Adeniyi Badiru (1989) provided the following systems oriented definition of quality; refers to an equilibrium of level of functionality possessed by a product or service based on the products capability and the customer's needs.

Quality of a product or service has two aspects WAKLU (1995). The first relates to the features and attributes of the product or services these ensure that the product meets the needs of its users. The second aspect concerns the absence of deficiencies in the product. The users of products (customers) are satisfied by a product only if it meets their expectations through these attributes.

Few Nigerian organizations owe their success to good service quality. Companies that differentiate on the basis of service can ask higher prices for comparative products or

services and achieve superior profit margins. These same companies are more resistant in economic down turns and experience growth in economic boom periods, Harovitz and Panak (1993)

They also have an average lower advertising cost, lower sick leave rate. Consequently, service quality excellence has become the most recent 'buzz' phrase in management circles and the strategic objective of many major firms. Companies which find it difficult to compete on the basis of price or technology, find service quality an attractive option.

It is an attractive option because unlike most strategies, a strategy based on excellent service quality is nearly impossible to imitate or duplicate. Service quality converts a company from an anonymous object into a familiar face. (Harovitz and Panak).

THE SIX Cs THAT MAKE QUALITY HAPPEN

- Communication of vision,
- Cooperation of function,
- Coordination of efforts,
- Commitment of resources,
- Constancy of purpose,
- Control of operation.

TOTAL QUALITY MANAGEMENT

Total quality is performance superiority in delighting customers. The means used are people, committed to employing organization resources to provide value to customers, by doing the right things, the first time, every time.

Others define Total Quality Management as a philosophy of management that strives to make the best use of all available resources and opportunities by constant improvement.

WHY IS IT TOTAL?

In Total Quality the performance standard is, "ZERO DEFECTS'. It is apparent that no single individual in an organization can bring this about. Total Quality is called because:-

a. It involves everybody in the organization

b. It involves every single piece of work done in the organization.

c. It requires total (management) commitment, uncompromising satisfaction and astonishment.

2.4 RETAILING

Generally, retailing could be said to include all activities involved in the sale of small quantities of goods and services at a profit to ultimate consumers for personal use.

Philip Kotler, (1991) defined retailing to include all activities involved in selling goods or services directly to final consumers for their personal use. Retailing is the buying of goods and services to satisfy the consumer.

In one form or another, retailing dates back to the earliest times. Its history covers constitutions and sales people from trading posts, peddlers and rural general stores to small five and ten cent store, mail –order retailers, department stores, mass merchandising, franchise operators and catalog showroom.

Cox and Britain, (1992) however, defined retailing as the sales of goods and services to the ultimate consumer for personal, family or household use. Thus, retailing involves more than selling tangible products. The purchase of service such as a haircut or dry-cleaning is also a retail transaction.

According to Wingate and Samson, (1975) retailing involves the sales of goods to the final consumer. Retailing, the final step in distribution, serves as collector or assembler of products from all over the country and the world. These goods are then sold to those persons who will use them. The contribution of retailing includes the following:

- Specialization, place utility, time utility, possession utility, information, interpretation and supportive service.

2.4.1 FUNCTIONS OF RETAILING

A retail sale is one in which the buyer is the final consumer and the purchase is for non-business use. Cox and Britain, (1992) provide the following functions of retailing.

a. The final link in the chain of production which begins at the extractive stages; moves through manufacturing process and ends by the distribution of goods to the final consumer.

b. They act as important tax collection point e.g. value added tax (VAT)

c. Selection of an assortment of merchandise appropriate to the particular market.

d. Breaking of bulk so that small quantities can be sold.

e. Holding of stock, for instance availability at relatively stable price.

f. Causing goods to move through the system for example from warehouse to retailer and finally to the consumer.

g. Providing product guarantees, after-sales services and dealing with customers' complains.

h. Providing credit and hire purchase facilities.

i. Place utility, the role of retailers is assembling goods at a source readily available to customer is one of the major economic justification of retailing.

j. Time utility, they provide goods in sufficient quantities at the time consumer wants them.

2.4.2 STRATEGIC PLANNING IN A CHANGING RETAILING ENVIRONMENT

In a free economy, no given market remain homogenous since each customer group will tend to want a slight different service or product. In adopting strategies by any firms or organization, all effort is geared towards satisfying the customers needs and wants and in doing this will secure the consumers patronizing the firm in achieving the aim of making profit and staying in business.

According to Cox and Britain, the corporation cannot reach out to meet the different or diverse needs and wants of the customers. No business can stand still as it needs to adapt to change.

There are several ways suggested by Cox and Britain, (1992) in which growth can be achieved in changing situations. This includes penetration strategy, merchandise development, market development and diversification, selectivity strategies, segmentation strategy and location strategies. However, these strategies were applicable for situations where growth can be achieved.

Cox and Britain, (1992) said the retailer is part of the large environment and must therefore monitor changes and adapt in such a manner as to thrive in the new environment. Additionally, forecasting changes in the environment will then allow the retailer to plan the adaptation process. The retailing environment can be thought of as having two levels, the micro-environment and the macro environment. The study of the macro environment deals with those elements within the environment which can not be controlled by the retail organization and which consist of the larger societal forces such as demographic; economic, cultural and social, political, legal, technological and natural factors. Cox and Britain only considered economic factor in a booming economy and so did not look at the opposite condition of depressed economy.

Cox and Britain, (1992) also suggested that the standard of living of the population can affect the sales of goods and that many retail companies now use corporate planning techniques or variants thereof. Corporate planning has been described as the total planning of a company's entire resources for the achievement of both long and short-term objectives.

The retailing concept proposes that the most critical factor in determing the success of a store is the identification and satisfaction of customers needs. Thus specific retail strategies should address this objective requiring the retailer first to identify their target customers and then to satisfy their needs through an appropriate retail mix strategy considering location, merchandise, price, communication, store atmosphere, layout and customer services.

2.5 COMMUNICATION

According to Jerome J. Vallen et al, (1977) "Communication is the means of relating a manager and his work to the success of the firm." They further said that communication is the tie between business and the society in which it functions as the foundation of business promotions.

It is not surprising therefore, to find that communication, which is the nervous system of the business enterprise, is one of management's major concerns.

2.5.1 The Importance of Communication

The lines of formal and informal organization delineate the channels of communication as they outline the flow of authority and responsibility. Communication is the interchange among the member parts of organization. It is the mortar that binds the individual parts into a meaningful whole. Dynamic management needs the tools of both organization and communication to accomplish the objectives of the enterprises.

Organization is an effective economic and social tool for combining individual efforts. However, as organizations grow, the aims of the whole become less identifiable as those of the individual, and the contribution of the individual loses significance in the output of the mass. Business communication brings the distant aims of the enterprise closer to the goals of the individual workers, as can be seen in the earlier definition.

In the days of the colonial Innkeeper and his apprentice, the boss and the employee worked and lived side by side each aware of the satisfaction or discontent of the other. It is ironic that today, when the need for mutual understanding is so much greater the distance between employer and employee is also greater.

Two gaps appear as a business grow, Jerome et al. They said the first results from simple physical distances and the second from the limitations of specialization and departmentalization. The very process of organizing narrows the employee's field of interest and limits the department manager's sphere of influence. It restricts the worker's knowledge of his employer and his problems. The reverse is also true; management views employee problems as labour problems and not as those of individual workers.

According to them (Jerome et al, 1977) the scope of business activity has grown so vast that the participation of the employee is restricted to those areas that concern him most directly. Many of his interests have been assigned to his representative, the union.

Many attempts are being made to bridge the gap created by size and specialization, professional management and collective labour and to establish a rapport reminiscent of the Innkeeper and his apprentice. The term used to encompass these efforts is communication. What had been an informal, almost unconscious thing has become a formal, deliberate effort - a tool of management.

Jerome et al (1977) further said that the problem of adequate communication is not confined to employer- employee relations, but extends to the relationship between business and the community. This is a new concern for the hotel and catering industries. Until recently, they have been relatively free of public notice. Public attention has come along with the growth in size. Now that the hotel and catering industries present a large enough target, they find need for a common voice in explaining the other side of numerous problems. Among these problem are taxes on rooms, Federal and State labour legislation, competition from non-taxpaying institutions, restrictions on travel and

entertainment expenses and consumer matters like menu identification. External communications – public relations is every bit as important as internal communications.

Communications Devices:

Many new mechanical devices are being introduced into hotel communications to facilitate faster and better communication. Theoretically at least, this makes possible a wider span of control and a corresponding decrease in the height of the organizational structure.

The telephone has long been an important communication instruments, by itself, or when used as part of other communication systems.

Small-transistorized receivers can also be used to contact members of the staff.

Another system makes use of the radio. Each housekeeper carries a jack similar to those used on telephone switchboards. She plugs this into a wall receptacle or the radio. This device does not interfere with the normal operation of other sets but does prevent the keeper from using the radio of the room in which she is working. It also, lights a bulb in the linen room, so the keeper knows where each housekeeper is and for how long and converts the radio into a special receiver that picks up calls from the reception. If the housekeeper wishes to speak with the receptionist, she tells her so over the one-way receiver and the employee telephones the reception room. This contact is only to pass on information on the next room housekeeper is to prepare.

With a flick of a switch the desk clerk can communicate check-outs to the housekeeper. The switch lights the number of the vacated room on the board in the linen room and on another at the desk. When the room is ready, the housekeeper turns the light off, and the room clerk knows the room is ready for occupancy. In some installations, a third light is

activated by the check-out switch. It is over the entrance of the room just vacated and aids the maid in making her work schedule. In a modification of this, the housekeeper's key activates a switch in the lock when she enters the room.

All the lights blink until she leaves and this locates her for the receptionist, the manager and the supervisor. These devices were suggested by Jerome J. Vallen et al in their book "The Art and Science of Managing Hotels, Restaurants Institutions (HRI)

2.6 GOOD RECORD-KEEPING

a. Accounting

According to Jerome J. Vallen (1977) if the organization of business represents the cement blocks of a building and communication the major mortar that holds them together, accounting, then, must symbolize the reinforcement rods that strengthen the structure and keep it upright.

According to them good managers, the builders of successful hotel structures, find accounting to be one of the essential tools of modern business construction.

The parallel development of management as a body of knowledge and accounting as a profession accentuates their relationship. But while accounting has been able to enter the ranks of management, it still serves as observer and reporter to the ownership interests. On the one hand, accounting can contribute to the decisions of management, and on the other hand, report these decisions and their consequences to ownership.

Simply put, 'Accounting is recording, classifying, summarizing and interpreting business events," Jerome J. Vallen et al.

Like scientific management, which Frederick Taylor introduced a half century ago, accounting has undergone many changes. New ideas have rapidly replaced old ones and within a relatively short span of time accounting has gone from the quill pen to the electronic computer.

In the past, Accountants had been viewed, and had viewed themselves, in the role of unbiased observers and reporters of commercial scene. This aloofness placed the accountant as a buffer between management and proprietorship and was a natural outgrowth of the separation between the two. To assure his role as unprejudiced reporter, the Accountant refrained from active participation in management decision-making, even if this reluctance to participate contribute directly to the weakness of the enterprise. Thus his knowledge his ability and his advice were not available to management.

A good proportion of the Accountants time is still, spent in the preparation of reports for the proprietors interests. However, a new notion has taken hold and few will deny that Accounting's primary responsibility today is to supply management with information for decision making.

b. Information

In order to weigh the pros and cons and to make final decision, management needs unlimited information about past events, current problems and future possibilities. Once the decision has been made, there is need for control, for a review of what is being done, in relation to what was planned and what is feasible, Jerome J. Vallen et al (1977).

According to them, the transformation of the Accountant from watchdog for ownership to full-fledged member of the management team has involved three steps, representing three services that accounting renders today, historical, delegated and advisory:

i. Historical Services

There is evidence that business records were maintained in clay and papyrus as long as 4500 years ago. While the techniques have changed to photostat and electronics, the reasons for keeping records remain. The Accountant's role of historian librarian has been dictated by tradition. Nevertheless, it is still the most important of the accounting services and its value has not been reduced by the addition of new responsibilities.

Knowledge is based on experiences that have gone before and on the outcomes of particular decisions made in the face of particular circumstances. Supplying this information, reminding management of past decisions and their consequences, is a proper job of accounting.

As Eugene Lott of Laventhol and Horwath asks:

"Where can you get a better and truer record of your own history than in the recorded transactions of your own business the transactions in which, you, yourself, participated and of which you know the background?"

According to Jerome et al, the Accountant serves the enterprise in the same manner that the historian and librarian serve the society. Like the historian, the Accountant supplies more than the specific bit of information that is requested. He enlarges on the topic and by furnishing current and related data, widens the scope of the enquiry. The historian does more than narrate the sequence of historical events. He establishes guides for the future by explaining the past in terms of current conditions and expectations. Similarly,

the hospitality Accountant is not restricted to the observation, notation and narration of events. He too, is expected to analyze them and to interpret them in terms of current conditions and likely developments.

The Accountant's job includes sorting out functions and the selection of relevant information for management. Historical records are not restricted to the accounting function. Every department at every level keeps records. For example, it is historical information that helps the reservation department guess so closely and the banquet manager plan so accurately. Reporting the facts involves a more formalized procedure in accounting. Certain reports are submitted daily- like the daily report to the manager; others periodically like the monthly food reports and the annual financial statements.

ii. Delegated Services

Much of the immense amount of record keeping and paper work would never have come about except for the requirements of tax and social legislation. Income tax accounting was born in 1909 with the Sixteenth Amendments to the American Constitution. It permitted taxation without apportionment between states and without regard to census or enumeration. After this action, no business could exist in total darkness and many businessmen asked themselves why they shouldn't make some use of all the material prepared for the government. With this rationale, accounting was launched into its modern period.

In the triangle of employer, employee and government, accounting finds a whole new assignment. It is the responsibility of the employer to account for much of the employee tax contributions. This includes the recording, reporting and payment procedures established by the income tax and social security laws. Under the American wage-and –

hour laws there must be an accounting for room and board, tips and uniforms. Federal and State unemployment regulations require special reporting. There are workmen's compensation and disability insurance records that need attention. Philanthropic groups urge company withholdings for charity; the unions do the same for dues; and the government for savings bonds. Some employees want their cheques deposited and so the list grows. All of these functions mean more records and more accounting personnel to handle them.

Other areas that require proper record-keeping are fringe benefits, such as medical, life insurance, housing, transport, utility service, retirement benefits and many others. Various commissions and governmental bureaus have delegated tasks. For example, as companies began, to sell stock and go public, ownership grew further and further away from the operations. These absentee owners needed information and protection. Hence, an agency like the Securities and Exchange Commission appeared and with it, rules, regulations and paper work. Carrying on negotiations with Government takes knowledge, ability and manpower, and represents a real cost to the business enterprise. Changes in our society have delegated these tasks to business and business has assigned them to the accounting function. Other changes in society have more directly affected the Accountant. Credit, as a way of commercial life, is one example. There has been an increased use of company credit cards and national credit card companies. Sales and advertising promotions include easier credit and enlarged city ledgers almost as a matter of course. Depreciation and similar tax deduction matters continue as another of the services assigned to accounting.

For the Accountant himself, there are new changes. Data processing is relieving the Accountant of the doing aspects of his delegated tasks. Today computers print out cheques and invoices and do a variety of similar tasks previously done by hand. With fewer skilled personnel involved in detail, a new phase of management accounting has emerged.

iii. Advisory Services

If historical records keeping is the traditional role of accounting and delegated services the contemporary role, then advisory services are accounting's future role.

This new role was made possible in large part by the introduction of electronic data processing, which not only frees skilled personnel from detail work, but itself contributes to the sorting, categorizing and analyzing of information

According to Jerome J. Allen et al (1977) when all this information reaches the tip of the organizational pyramid, one man, the manager, is expected to digest and evaluate it. He must do it quickly enough to make use of what he knows. The need for advice and consultation is obvious, and it is the Accountant who falls heir to the job of advisor. The company treasurer or accountant because of his contact with every aspect of the business, knows many facts about many things. He has many intracompany functions and associations and assimilates material in the same manner as the manager is expected to do.

According to Jerome J. Vallen (1977) 'Today, the hotel Accountant who is a modern thinker has established his place as an important member of the hotel organization. He not only supervises the recording of transactions as a history of what has transpired, but he also interprets these transactions to management and owners in a way that enables

them to grasp easily the picture of what has actually resulted from their policies and efforts. He goes even further in pointing out to them how they might further improve their results."

The Accountant thus emerges as a centralizing influence as the business catalyst. This role places him closer to top management and in a strong position in the staff organization.

The accounting profession is now providing economic feasibility studies in which the pros and cons of business expansion or other major changes are considered before they are undertaken. The Accountant is being asked for alternatives in financing, decisions that have long range effects on the health of the enterprise. He has been assigned the role of detective, searching among the complexities of organization and data for the problem, often as elusive as the solution.

According to Jerome, (1977) the Accountant could become the de facto line manager. Budget administration has been used for in roads of this type. Instead of aiding the operating divisions, the accounting department could scrutinize expenditures and subject them to restrictions and explanations.

2.7 PERSONNEL TRAINING

According to Jerome J. Vallen, et al (1977) personnel management is concerned with planning, organizing, directing and controlling the personnel of the enterprise. That personnel management has its basis in three principles; human relations, personnel development and personnel administration.

This study will limit its discussion, to personnel development in this section. To be more specific, discussion will be centred on job training.

Job training cannot be successfully undertaken without job analysis. Job analysis comes before job training because the trainer needs to know what he is teaching and why. The job study provides him with both the purpose of the instruction and the procedural order of the job, called the job breakdown.

Training for technical proficiency is not enough in a service industry. Attitude and an appreciation for the role of the guest must also be taught. Training for hospitality work suffers when the guest is disassociated from the job, for in many cases the guest is the job. Job descriptions and job specification that cover working conditions, equipment and routine duties and make no mention of the guest are incomplete, Jerome, J. A. et al.

An internal training programme supports external recruiting efforts and more importantly, widens the scope of the search. Candidates with certain personal traits can be employed even though they lack experience in the mechanics of the job. A woman with poise and tact can be hired for any one of the many hotel and catering jobs requiring such attributes. It is far easier to train in credit, sales or dining-room procedures, than to teach qualities like poise and sensitivity.

Training is not only for new employees, older workers need retraining and reminding, new training and upgrading. The latter prepares them for promotions and readies the operation for emergencies. Employers trained in complementing jobs can be shifted to cover sudden voids in the staff. Job analysis identifies the most logical job roles and indicates which people should be trained in what skills. A firm that has a regular training programme is doing more about internal promotion than talking.

According to Jerome J. A. et al, (1977) trained employees do a faster job at a higher performance level than the untrained, with less waste of time and material that guests take away a positive image, for pride and high morale are products of self-confidence that comes from training. Reduced turnover and absenteeism are other products of this process, which makes the training of new employees by the departing employee appear to be a very strange teaching techniques.

Supervisors are training people all the time, although it is rarely a formal matter and hardly ever anticipates the need. Such training usually is no more than getting an obstinate employee to do it the boss's way, right or wrong. This random approach is partly due to the failure to teach the supervisors to train and partly caused by the naïve assumption that all good supervisors are good teachers. A good hostess, even one who was once a line waitress, may not be able to train others in the skill of table service.

To worsen matters, good trainers rarely get special attention for their effort or even compensatory time from their regular duties. Management must acknowledge the contribution of the trainer with something more tangible. At least, his effort should be supported up the line.

2.8 DISTINGUISHING FEATURES OF SERVICE INDUSTRIES

Two main features have been identified as distinguishing features of service industries. According to Sasser, Olsen and Wyckoff (1978) manufactures goods should be at one end while pure services should be at the other side as in the figure below.

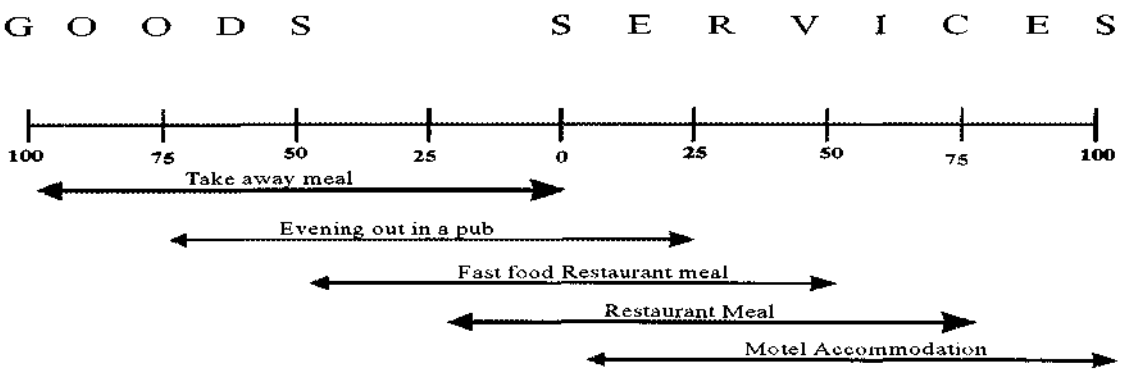

Fig. 2.1 Comparism of Goods and Services packages in the Hospitality Industry.

Source: Adopted from management of service operations; Sasser, Olsen and Wyckoff

This demonstrates the idea that most services are not pure services but a combination of service and product, for example, a meal can easily be seen to include a sizeable product element and indeed some products that appear to be largely tangible can also have a high service component.

The second approach is the one by Wild (1971)[12], whose classification gave rise to four groupings, namely services, manufacturing, transport and supply. Each of these has a different utility or value to the consumer. Attempts to classify business into one of these four groupings is difficult for the same reasons identified in the Sasser et al model which states that all activities can be seen to include elements of two or more of these categories. For instance, railways do not only provide transport but also provide element of services, retail business also provide service and transport; restaurants are manufacturers, suppliers and equally service providers; hotels could be seen to include all the four.

This approach has led to the development of the analytical work by Armistead and Killeya (1984)[13]. In their analytical work, hotel operations are largely services with some elements of supply, manufacturing and the possibility of transport. The service component is largely to do with the change in state of the customer through the provision of accommodation, food, drinks and space in which to relax or to conduct business.

The supply component is the provision of meals and drinks through the hotels food service department and the supply of information through the front office desk.

The manufacturing component changes the form of raw food items into meals and dirty bedrooms into clean and habitable abodes.

The implication of this approach is that the four groupings each have different operational performance characteristics and hence require different approaches for their effective management.

Levitt (1981)[14], argues that the distinction between goods and services is of a limited value and that instead we should consider tangible and intangibles.

Tangible products have tangible elements (i.e. things that can be directly experienced, seen, touched, smelled, tasted, and tested) probably in advance of purchase.

Intangible products on the other hand cannot be tried out in advance. Thus, it can be seen that even most tangible of products will have some intangible elements, some features which cannot be tested in advance of purchase. It is the degree of this intangibility which makes some products more difficult to manage and not necessarily whether or not they can be classified as goods or services.

Shostach (1977)[15], in her approach, proposes a molecular model of an enterprise as being made up of a tangible or intangible nucleus surrounded by additional tangibles or

intangibles elements. In this way, the enterprise can be seen to be either tangible or intangible dominant. But it stresses that a business is made up of a mixture of discrete elements that need not be of the same type. The overall characteristics of the business are made up of the nature of the core plus the nature of each of the separate elements.

The molecular model relates well to the nature of the hotel product since it also comprises of a collection of separate but inter-related elements such as the room facilities, décor, food in the restaurant, service received from hotel staff, the overall ambience of the establishment built around the intangible core of a nights stay away from home.

From the molecular approach it can be concluded that intangible dominant enterprises should stress the tangible features of the operation to counteract the abstract nature of the intangible features. In this way it is suggested that hotels and catering services proprietors and entrepreneurs should pay particular attention to the people who work with them, have contact with guests, decorate the establishments, pay attention to the complaints of guests, etc; for the smooth operation of the industry.

2.9 CHARACTERISTICS OF HOTEL AND CATERING SERVICES

Hotel and catering services display some characteristics of other services in business. There are reasons adduced to this.

In the first place, the services are perishable. This is so because if a hotel room is not sold (i.e. occupied) on any day, it cannot be stored until a later date since its revenue will be lost for that day. Thus, during off peak periods, fixed costs must be incurred with its consequent effect on profits whilst peaks may be much greater than the hotels is capable

of handling. Management cannot take advantage of this excess demand by using previously inventoried, surpluses as is possible in a manufacturing situation. Also, hotel rooms cannot be built overnight, as it requires an average of six months to make a hotel room ready for use. Equally, food and drinks are by nature perishable.

Secondly, services are intangible, in the sense that it is often difficult to pinpoint the benefits of visiting a pub or patronizing a particular hotel. The benefits may be associated in the personality of the staff, the image of the establishment or the attraction of associating with other customers. In these circumstances, identifying, gaining and prompting a competitive advantage is a difficult and complex task.

Thirdly, services are heterogeneous. The services given to one customer may differ from the services given to another customer in the next room. This may be deliberate perhaps because one customer is attending a conference, another could be a specialty weekend-break package, while another may yet be strictly a business customer. It could also be explained that for whatever reasons, hotel staff prefer serving one type of customer to another. It is therefore difficult to establish and monitor quality standards for service than for manufactured goods.

Fourthly, services are mostly contact dependent. Unlike, manufacturing where the producer and the customer may never come into contact, it is almost impossible for the customer to experience the hotels services without a physical interaction with the personnel. In the same way the customer must initially make choices about which hotel to stay prior to experiencing the facilities of the hotels. On the other hand, manufactured goods can be described, catalogued, measured and even tasted before purchase.

Lastly, the purchase of a service does not give the customer ownership of whatever it is that has been purchased. All the physical attributes necessary for the provision of accommodation remain the property of the hotelier. In essence, customers are hiring these facilities during their period of stay. Thus, the relationship between the hotelier and his customer is different from that between the manufacturer or supplier and his customer.

2.10 HOSPITALITY- MARKETING PLANNING PROCESS

Bell M. L. (1981)[16] argued that the planning process for services marketing should be considered different from that for goods marketing. The process can be divided into three stages, namely:

- Pre-consumption
- Consumption and
- Post-consumption.

For goods, market planning largely takes place prior to consumption whilst for services less planning activity takes place prior to consumption. Since services are contact dependent, the planning process and marketing strategies are carried out during consumption in terms of products modification, pricing, and so on, which Bell (1981) refers to as 're-mixing'. These modifications are made possible by observing the consumer during the consuming process and receiving immediate feedback that warrants a very rapid response.

Therefore hotel managers have a strategic role in operating their units. They are required to make decisions about the marketing mix that are normally made at corporate level when compared to other types of business activities.

2.11 HOSPITALITY MARKETING MIX

The basic marketing approach is to consider the 4PS of marketing.

These are:

- Product,
- Promotion,
- Price and
- Place

This was proposed by McCarthy, E. J. (1964)[17]

However, there are a variety of views on the validity of this approach.

According to Foxall, G. in his Journal, "Marketing in Service Marketing" (Vol. 4, No 3, PP 1-6)[18] the marketing of services is not significantly different from marketing of product.

Levitts, T (1981) suggests that it is only a question of the level of intangibility.

Shostack on the other hand, rejects the product/service dichotomy but advocates an entirely new conceptual model such that for service marketing to be effective and successful, a mirror opposite view of conventional product marketing practice is required.

Both views however, accept the fundamental marketing concepts of the 4Ps.

Booms and Bitner (1982 :35- 39)[19] (See Appendix 1) modified the 4Ps for services firms by introducing an additional 3Ps to the existing four. These are:

- People,
- Physical evidence and
- Process

Gronroos (1978: 588 – 601)[20] rejected the traditional marketing mix entirely, regarding it as being of little value to service managers.

Renaghan (1981: 31-35)[21] suggests, that for the hospitality industry to succeed there should be an entirely different marketing mix.

Buttle (1986)[22] argued that the addition of people, physical evidence and process is unnecessary, as the first two should be regarded as part of the product and the process is part of the place.

Gronroos (1978) emphasized that the intangible nature of services requires an integrated marketing approach. He then suggested three major components for consideration.

These are:

- Accessibility,
- Personal market communication and
- Auxiliary service.

He also pointed out that service organizations in their marketing planning process cannot operate these new elements of the marketing mix as they are so inextricably linked to the provision of the service itself.

Renaghan's (1981) model was developed specifically for the hospitality industry. His suggested marketing mix is made up of three major sub-mixes, namely:

1. The product/service mix - these are products and services aimed at satisfying target market.

2. The presentation mix – this is designed to make the product/service more tangible at the point of sale and
3. The communication mix – this involves all the media used to persuade customers to buy, heighten product/service tangibility and monitor satisfaction.

2.12 MARKETING HOTEL SERVICES

Research investigation has been very limited as far as Hotel Industry in Nigeria is concerned. Neither has it dealt accurately with the problems confronting the hotel industry.

Many authors of hotel management books and journals spend most of their time on the pages of papers discussing issues like "what does it take to set up a hotel? 'what does it take to manager a hotel?' While very few journals or books talk on problems facing the hotel industry.

Chebezie (1979)[23], carried out a review of his own work and that of others and suggested that the extent to which a hotel can be successful depends on a large extent upon the relationship it has with its environment. His main review is based upon the need for adjustment and adaptation to their immediate environments. He also emphasized that most hotels have very short life span, not only because of lack of trained personnel or lack of capital, but because they lack strategic planning and as such management of these hotels, do not plan ahead of time so as to be aware of the future implications of their present decisions on location, finance and personnel.

Some investigations in Zaria have also shown that the above conclusion holds true in that most hotels fail because the management do not plan ahead of time.

They further argue that most hotels are in their present locations because the management of such hotels might have considered the size of the town in which they are located as at that time. But as these towns continue to expand, their success and space can no longer cope with the demand. Therefore, many proprietors have now acquired land else where to put up new hotels since their present locations are inadequate.

Nwokolo (1979)[24] carried a survey on some hotels in places like former Bendel State. In which he said the hotels in Benin, Warri, Sapele, Agbor, etc are facing problems.

Most recently, investigations into the problem of inefficiency among hotels in Nigeria have fallen under two broad lines:- Namely; problems created by the hotel management and also the economic and social problems in which the hotels find themselves.

Winglet (1973)[25] said that "hotel industry demands and requires initiative, hardwork, together with high standard of cleanliness, of buying, preparing and presenting of goods as well as every other aspect of services, or customers satisfaction that goes to give service in it's widest best form to the community".

He also regretted that in the developing countries, there are no qualified and trained personnel to ensure this. He also said the hotel industry has a notorious reputation for it's high labour turnover and also has the problem of attracting the right personnel where they are available.

The basic reason for this according to him are poor management style and lack of adequate incentives and fringe benefits.

Eboh (1980)[26] has also highlighted some doubts on Chebezies view that lack of strategic planning is one of the greatest problems, facing hotel industry today. He also noted that the dynamism and frequent changes that are prevailing all the time make the exercise a

futile one and this is due to poor management of Nigerian political economy. The country seems to deal with this various economic crisis through short term austerity measures, Structural Adjustment Programme (SAP) which often come without adequate warning to the industry.

This he said creates problems in terms of planning and most hotels see such economic measures as threats rather than opportunities for improving their performance through changes in policy and strategy on personnel and marketing, etc.

Dorothy (1982), said that current economic recession and inflation has adversely affected the hotel industry. The effects of the recession are felt by the large and small hotels alike. The recession and inflation has led to general increase in charges of lodging by the hotels over the years. She also said that nearly all the menu have been changed and in some cases there were slight price increase.

Dorothy maintained that the rate of this price increase has been more than the inflation rate with about 15 percent over the last five years.

Labour turnover is another problem identified with the hotel industry. The situation she said is such that the bigger hotels are used as training grounds and when any small hotel springs up it attracts the labour especially the lower cadre from bigger hotels.

The attraction mainly is through better prospects in the smaller hotels and in some cases better pay. A study by Johnson also confirms that waiters employed in the large government hotels, after working for a while will easily be employed by the smaller privately owned hotels as head waiter with a fatter salary because of his or her experience. To this extent the bigger hotels have much less employees than they started with.

She also concluded by saying it would not be correct however, to say that the sole or the only reason why there has been less employees over the past few years in the bigger hotels is due to high labour turnover in the industry.

According to her some Managing Directors have confessed that initially over –staffing is not realized until after a while. As a result of that the other subsequent vacant posts were phased out. This is probably the reason why the bigger hotels record a reduced number of employees than they started with.

Chuma (1981)[27], is of the opinion that the greatest problem facing the hotel industry today is lack of finance. He said, "most investors do not put into consideration the amount of capital they have and where they will get additional capital in future. They only consider that profits are made in the hotel industry and as such when they get a small amount of money they go into hotel business only for them to pack up later or build sub-standard hotels".

This he said is the reason why Nigerian hotels are predominantly small scale and privately owned and are usually operated as family businesses.

Ofedi (1981)[28], tended to support Chumas views when he noted that the establishment of a large number of small hotels competing desperately against one another has ruined many investors in the field, and should be discouraged, if necessary by legislation. He further said that there is the urgent need for pooling of capital and manpower in partnership, joint stocks and cabinets.

Durojaiye (1982)[29], had identified inadequate infrastrcutural facilities such as access to good water supply, electricity, good roads, telephone, postal agencies, etc as a major problem the hotel industry is confronted with. Out of two thousand (2000) respondents

from all the hotels in Nigeria, over 98% expressed disappointment over the poor state of affairs in our hotels. They cited irregular supply of electricity, water and other conveniences as well as increased cost of raw materials and equipments.

Hawkins (1982)[30], gathered that as a result of the over increasing cost of items needed to provide first class service in most hotels, charges have gone up in Lagos. Also in Lagos Thompson (1982)[31], recorded that prices are fixed according to the cost of providing services in most Hotels. This he said is the reason why charges for similar services are different from one hotel to the other.

He noted that older hotels charges are lesser than those of new generation hotels since price of equipment like generating plants, gas cookers were relatively cheap when they bought them. He even went further to state the fees charged by the new hotels.

Thompson (1982)[32], listed other sets of financial planning problems in the hotels industry which includes mainly the volume at the expense of returns on investment, poor pricing policy, improper credit granting, and handling of accounts payable. He noted that almost all hotels in big cities make use of credit facilities since they are more attractive. While, the management is striving to keep its debtors down to the bearest minimum it tries to make optimal use of the credit facilities offered by its suppliers.

This leads to the hotels delaying payment to their suppliers and this eventually makes their credit rating to fall. And before long they have lost their credit facilities as well as their image. These are some aspects of financial planning problems.

According to Rivlin (1982), poor corporate image management is one major problem management is facing in the hotel industry. On this he asserted that this corporate image factor has always been treated with levity and handled in a very myopic way by majority

of Nigerian hotels to their own disadvantages. The importance of a good image to the success or failure of hotel cannot be over emphasized. It increases the organizations ability to attract and retain customers. Being rated high by the public therefore leads to high patronage, which will later increase profitability not only for the survival of the industry, but for the organization's success. This is true because in the final analysis, it is the customers that determines in a free enterprise economy whether the organization will survive or not.

Sanders et al (1981) said another financial problem facing hotel industry can be seen as too much dependent on borrowing, inadequate bank relations and over looking of risks return trade off. In times of general price increases the desire to hold more than necessary stock is very strong in most hotels. This is due to the fact that such decisions tend to provide a sort of insurance against future price escalations. Most hotels usually show their interest by failing to realize the fact that prices are rising to decide to stock pile. Every decision that is taken or made in business has it own cost effect. The decision to increase stock to beat price increase has often not been viewed against risk of obsolence and deterioration.

Imadejor (1982), defined corporate image as the perception of a company by its various public customers and employees, the press, the community, present and potential stockholders, security analysts and investment bankers. In short how the public perceives an organization as an entity makes up the image of the organization. He also saw the faults in the ways hotels in Nigeria are being run; all these constitute the corporate image of the management.

Chuma (1982) further identified bad corporate image as a major problem affecting the hotel industry in Nigeria. He said "that the inability of most hotels to attract, employ and retain well trained, qualified, skilled and experienced workers are some of the problems facing the hotels industry."

There is also the problem of inability of some hotels to secure funds from creditors and investors alike; the inability to market their products and services; the inability to get favourable attitude or disposition from the government which might grant them privileges.

Based on this review of researches into the problems facing the hotel Industry in Nigeria, Orumah (1993), concluded by saying that the problems remained in the inefficiency of our hotels, poor marketing plans and strategy as well as over staffing resulting in diminishing returns. He also said that the hotel management's do not believe in promotion and advertising while they also fixed arbitrary prices by either charging too low or too high prices.

Also individual opinions have been expressed on the problems of inefficiency in Nigerian Hotels. People like Ezeanya (1983) said that hotels in Nigeria have been observed by the general public, as being inefficient as a result of a general family methods of recruitment of staff, inadequate trained personnel and the lack of adequate incentive for the employees.

Oyanah (1983), agreed that the inefficiency of hotels is as a result of the inefficiency of our public utilities. Which is also blamed on the government for not providing adequate and modern infrastructural facilities.

Oyanah also emphasized on the point that the managers of hotels should be more effective in their performance and that the government should try to encourage this, by providing the necessary infrastructure facilities to enhance the hotels' performance.

2.13 KEY RESULT AREAS IN HOTEL MANAGEMENT

A study conducted on the attitude of management and staff in a large international hotel chain has shown that a major component of all managers job is "getting things done" - a common orientation of activities and results.

This was reinforced by Lord Forte in his autobiography - "success rests first and foremost on the activities of the managers on the spot". In ensuring the success of the unit, the manager is not interested in marketing, finance and personnel management as disciplines in their own right, he is more interested in using their techniques to achieve results required of the unit at any point in time. His success as a manager will be determined by the results he achieves compared against the results expected of him.

Results are not only a target but also a measure of success. The results that a manager aspires to achieve must be derived from the three major components of the hotel operation;

The Customer

The Workforce

The Assets

A key result area can be defined as an area of activity that must be successfully managed in order to ensure the continued existence and the ultimate success of the operations. From the foregoing an attempt is now being made to identify key results areas that are

derived from managing the three components mentioned above. Thus the key result area derived from the customer is ensuring customer satisfaction, from the workforce is maintaining employee high standards of performance whilst for the assets is to ensure that they are protected from any threat. Often these components interact and overlap. Where each component interacts with one of the other two, a new key result area is evident. The interaction of the workforce and the customer highlights the key results area of managing customers service. The workforce and assets interface , is concerned with maximizing productivity whilst the interaction between the customer and the assets focuses the managers attention on maximizing income and profit contribution see [Fig. 2.2 Illustration] Interface of three major components of Hotel Operations

Source: Adopted from Management of Hotel Operations Jones P and Lockwood A

The combined interaction of all three components focuses on the key result area of MANAGING QUALITY - which -in hospitality terms is refereed to as 'PACKAGE'. That is the services/ products offered for sale by hotel and catering establishment which can hardly be purchased as a single entity. It is always a combination of these 'services' that the customer buys or purchases.

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CHAPTER THREE

3.0 INTRODUCTION

This chapter will discuss the Nigerian Airforce Club, Kaduna and its activities with regards to its hospitality services.

3.1 THE HISTORICAL BACKGROUND OF THE NIGERIAN AIRFORCE CLUB, KADUNA

The Nigerian Airforce Club (NAF) is owned by the Airforce solely. It is managed under lease agreement by Nanet Hotels Limited, a hospitality group based in Kaduna. It is conveniently located in GRA along Rabah/Katuru road not too far from the historic Arewa House. It is about 25 kilometres from the Kaduna International Airport and 10 kilometers away from the International Trade Fair Complex.

The club commenced business in May 1998. It is a high profile hotel complex. It offers a variety of hospitality services and is rated among the best hotels in this part of the country. It's clientele include both national and international guests. It was not a surprise therefore that it was selected as one of the hotels to accommodate some of the contingents for the recently concluded FIFA organized Nigeria '99 World Youth Football Championships.

It boasts of simple but well maintained facilities and structures. Guests are assured of high standard of comfort, security and quality service. Even though it is owned by the Nigerian Airforce, it is not for the exclusive use of meant for the Airforce personnel but is opened to the general public. However, members of the Nigerian Armed Forces and paramilitary bodies enjoy some discount on some of the services offered.

It is run purely on commercial basis. It's original goals and objectives was to serve as a MESS for the senior officers of the Nigerian Airforce. The present economic reality and the wind of privatization together with the need to raise additional funds for other projects may have informed their decision to lease out the management of the complex.

3.2 FACILITIES/SERVICES OFFERED

(a) ACCOMMODATION

The club has 50 luxury rooms including 4 elegant suites all tastefully furnished. They boast of spacious sitting areas, digital telephone, cables satellite reception, in-house movies, complimentary drinks, etc.

(b) DINING RESTAURANTS

The only restaurant has 25 seats. There is a wide variety of local and continental dishes including 'A la Carte' and 'Table d'hote' menu with occasional buffet services on 24 hours daily.

(c) DINING BAR

There are two bars - inner and garden bars. They serve various drinks, beverages, cocktails and are opened for 24 hours daily. It hosts Karaoke every Wednesday evenings.

(d) DINING ROOM SERVICE

It run for 24 hours for both meals and drinks. It offers fast and efficient services.

(e) ENTERTAINMENT

The club is highly competitive in its entertainment package with programmes on its television systems. They have a live band which performs at weekends and during festival periods. There is giant size television at the garden bar.

(f) BANQUETING/CONVENTION/MEETING FACILITIES

There is a large hall which can accommodate 250 to 400 guests for cocktails parties and it has an elevated stage with public address system and other facilities. The hall has hosted a number of events which include national and professional groups and individual events. It is constantly hired by organisers of events.

(g) MINI CONFERENCE HALL

The club has a conference hall which can contain 40 guests for small meetings, banquets, seminars/workshops, lectures and exhibitions.

(h) BUSINESS CENTRE

A moderately sized business centre that provides efficient secretarial services mostly to in house guests is also available. The services range from computer word processing, desktop printing, binding, photocopying, to laminating. It is opened for 18 hours daily.

(i) RECREATION FACILITIES

It boasts of the best equipped, functional ultra-modern gymnasium and fitness centre. It is mostly visited by the elites. It has a power room, massage room offering exercise, fitness and press-ups to members. In addition, it has an air-conditioned squash court, a lawn tennis court, games room for table tennis, snookers, dart, etc. Membership is by periodic subscription.

(j) SHOP AND CONFECTIONERY

The club has three shops - a hair salon, provisions and gifts shop and pharmaceutical shop. There is a plan for an in-house clinic to take care of emergencies and first aids.

CHAPTER FOUR

4.0 INTRODUCTION

This section deals with the details of the procedures of the research study, describes the research instruments that was used, subject administration of the instruments as well as data collection.

4.1 RESEARCH DESIGN

This study is a survey type of research. There was neither a central monitoring group nor the manipulation of variables. Data were collected through three principal sources.

- A representative sample of guests/ customers of NAF Club Kaduna.
- The Management of NAF Club Kaduna.
- The Staff of NAF Club Kaduna.

4.2 INSTRUMENTS OF DATA COLLECTION

The methods used for data collection were through:

- Questionnaire
- Interview
- Record Inspection
- Observation.

4.2.1 QUESTIONNAIRE

Questionnaire was employed to elicit for information from the respondents (see appendix II) because of its obvious advantages of reaching highly dispersed respondents quickly, convenience, anonymity and for the fact that its encourages frank responses. Two sets of questionnaires were administered: one on the patronizing public (i.e. customers/guest) at the Nigerian Airforce Club Kaduna, the other on management of NAF Club (NANET the management group operating the hotel on behalf of the NAF Management). There was flexibility of response enhance by the indepth description as well as the way the questions were structured

Questionnaire was used the extract detailed facts from the respondents who are mostly elites and usually prefer to complete the questionnaire at leisure. At least 10 days was allowed all respondents to complete and turn in the questionnaire. This was facilitated by the support of insiders in talking and convincing the respondents on the researchers behalf. The same obtained for those administered on management.

A total of 68 questionnaires for both guests and management staff were completed for the study. The respondents age range from below 30 and 53 years for both sexes. The questionnaire were supplemented with numerous interviews covering a wide range of respondents. The researcher was physically on hand with management staff who facilitated the opportunity to offer guides and interview the whole lot. Problem encountered was that not all the respondents were knowledgeable and patient enough to answer all the questions therefore adequate facts about such questions may not be available for proper analysis.

4.2.2 INTERVIEW

Structured interview was carried out to obtain more information about the study directed principally at those unwilling to complete the questionnaire for one reason or the other. About 30 guest both resident and non-resident including key personnel of the management group were interviewed. The advantage of this technique is that it allows face to face contact, discussion, very flexible, probing and comprehensive information are reliably obtained without the respondents knowledge. Hence responses on the questionnaire could be cross checked and corroborated.

4.3 POPULATION AND SAMPLE SIZE

All hotels and catering establishment in Nigeria especially those located in the North constitute the population of this research effort. But for the ease in collection of facts and data to support the argument of this study truly representative sample - NIGERIAN AIRFORCE CLUB KADUNA - was selected for understudy - which is believed to be representative enough of the classes, sizes, rating etc. of Hotels in Nigeria.

4.4 VALIDITY AND RELIABILITY

Also a test-retest method was used to determined the reliability of information supplied on a random sample. Some of the respondents were administered the instrument again after a period of two weeks. Correlation co-efficient obtained was considered to be sufficiently high and significant hence the adoption for analysis.

4.5 DATA ANALYSIS

Data collected during the course of this study were analyzed as given below.

Eight (8) questionnaires were administered to the management and eighty were distributed customers of NAF Club. Sixty were completed and returned.

4.5.1 Nationality of Respondents

Response	Frequency	%
Nigerians	40	66.7
0Foreigners	20	33.3
TOTAL	60	100

Source: Questionnaire

The table above shows 40, representing 66.7% of the respondents were Nigerians while 20, representing 33.3% were foreigners.

4.5.2 Sex of Respondents

Response	Frequency	%
Male	45	75
Female	15	25
TOTAL	60	100

Source: Questionnaire

The table above shows that 45, representing 75% of the respondents were males while 15, representing 25% were females.

4.5.3 Marital Status

Response	Frequency	%
Married	40	66.7
Single	10	16.7
Divorced	5	8.3
Widow	5	8.3
TOTAL	60	100

Source: Questionnaire

The table above shows that 40, representing 66.7% of the respondents were married, 10, representing 16.7% were single, 5 representing 8.3% were widows.

4.5.4 Place of Residence

Response	Frequency	%
Kaduna	36	60
Outside Kaduna	24	40
TOTAL	60	100

Source: Questionnaire

The above table shows that 36, representing 60% of the respondents reside within Kaduna township while 24, representing 40% reside outside Kaduna.

4.5.5 Transportation to and from NAF Club

Response	Frequency	%
By Public Transport	10	16.7
Personal car	36	60
Car Hire	10	16.7
On foot	4	6.6
Others	-	-
TOTAL	60	100

Source: Questionnaire

The table above shows that 10, representing 16.7% of the respondents get to NAF Club by public transport, 36, representing 60% go with their personal cars, 10 representing 16.7% use car hire services while 4 representing 6.6% trek.

4.5.6 Engagement at Leisure

Response	Frequency	%
Stay at home	36	60
Go to the office	6	10
Visit hospitality places	8	13.4
Travel	5	8.3
Engage in charity activities	5	8.3
TOTAL	60	100

Source: Questionnaire

The table above shows tat 36, which is 60% of the respondents stay at home during their leisure, 6, which is 10% go to office, 8, which is 13.4% visit hospitality place, 5, which is 8.3% travel while 5, which is 8.3% engage in charity activities.

4.5.7 Profession/Occupation

Response	Frequency	%
Civil Servants	5	8.3
Private Sector	15	25
Businessmen	25	41.7
Military Personnel	15	25
TOTAL	60	100

Source: Questionnaire

The table above shows that 5(8.3%) of the respondents are civil servants, 15(25%) work with the private sector, 25(41.7%) while 15(25%) are military personnel.

4.5.8 Monthly income

Response	Frequency	%
N10,000 - N50,000	10	16.7
N60,000 - N90,000	35	58.3
N100,000 and above	15	25
TOTAL	60	100

Source: Questionnaire

The table above shows that 10(16.7%) of the respondents earn between N10,000 and N50,000 per month, 35 (58.3%) earn between N60,000 and N90,000 per month while 15(25%) earn from N100,000 and above.

4.5.9 Monthly average spending on hotels/catering services

Response	Frequency	%
N2,500 - N9,000	30	50
N10,000 - N50,000	20	33.3
N60,000 and above	10	15.7
TOTAL	60	100

Source: Questionnaire

The table above shows that 5(8.3%) of the respondents said that hey always require the services of hotels, 15 (25%) said that they often require their services, 20(33.3%) said they occasionally require hotel services while 20(33.3%) said they seldom require hotel services.

4.5.14 Convenient period for your visit

Response	Frequency	%
Morning	2	3.3
Afternoon/Evening	30	50
Public holidays/Special Occasions	10	16.7
Working days	3	5
Weekends	15	25
TOTAL	60	100

Source: Questionnaire

The table above shows that 2(3.3%) of the respondents visit hotels in the morning, 30(50%) prefer to go in the afternoon or evening after working hours, 10(16.7%) go during public holidays or on special occasions, 3(5%) go during working hours while 15(25%) prefer to go during weekends.

4.5.15 Preference of NAF Club to other hospitality establishments.

Response	Frequency	%
Yes	50	83.3
No	10	16.7
TOTAL	60	100%

Source : Questionnaire

The table above shows that 30 (50%) of the respondents spend between N2,500.00 and N9,000.00 on hotels expenses in a month, 20 (33.3%) spend between N10,000 and N50,000 while 10 (16.7) spend from N60,000 and above.

4.5.10 Purpose of visits to hotels/catering establishments

Response	Frequency	%
For Business	10	16.7
For pleasure/relaxation	5	8.3
For Business/Pleasure	45	75
Others	-	-
TOTAL	60	100%

Source: Questionnaire

The table above shows that 10 (16.7%) of the respondents visits hotels for business purpose, 5(8.3%) for pleasure or relaxation while 45(75%) visit hotels for both business and pleasure.

4.5.11 Duration of time during visits

Response	Frequency	%
2 - 3 hours	30	50
4 - 6 hours	10	16.7
6 hours and above	5	8.3
1 - 3 days	10	16.7
4 - 6 days	5	8.3
1 week and above	-	-
TOTAL	60	100%

Source: Questionnaire

The table above shows that 30 (50%) of the respondents spend between 2 to 3 hours in the hotel on every visit, 10 (16.7%) spend between 4 to 6 hours, 5(8.3%) spend 6 hours and above, 10 (167%) spend between 1-3 days while 5(8.3%) spend 4-6 days.

4.5.12 Sponsoring during visits

Response	Frequency	%
Employer	39	65%
Self	12	20
Friends	5	8.3
Business Associates	4	6.7
TOTAL	60	100%

Source: Questionnaire

The table above shows that 39(65%) of the respondents were sponsored by their employers, 12(20%) visit hotels on their own sponsorship, 5(8.3%) were sponsored by friends while 4(6.7%) were sponsored by business associates.

4.5.13 Frequency of requirements for hotel/catering services

Response	Frequency	%
Always	5	8.3
Often	15	25
Occasionally	20	33.3
Seldom	20	33.3
TOTAL	60	100

Source: Questionnaire

The table above shows that 5(8.3%) of the respondents said that hey always require the services of hotels, 15 (25%) said that they often require their services, 20(33.3%) said they occasionally require hotel services while 20(33.3%) said they seldom require hotel services.

4.5.14 Convenient period for your visit

Response	Frequency	%
Morning	2	3.3
Afternoon/Evening	30	50
Public holidays/Special Occasions	10	16.7
Working days	3	5
Weekends	15	25
TOTAL	60	100

Source: Questionnaire

The table above shows that 2(3.3%) of the respondents visit hotels in the morning, 30(50%) prefer to go in the afternoon or evening after working hours, 10(16.7%) go during public holidays or on special occasions, 3(5%) go during working hours while 15(25%) prefer to go during weekends.

4.5.15 Preference of NAF Club to other hospitality establishments.

Response	Frequency	%
Yes	50	83.3
No	10	16.7
TOTAL	60	100%

Source : Questionnaire

The table above shows that 50 (83.3%) of the respondents said that they prefer NAF Club to other hospitality establishment while 10(16.7%) said that they prefer going to other hotels

4.5.16 Possibility of making a repeat call

Response	Frequency	%
Yes	58	96.7
No	2	3.3
TOTAL	60	100

Source: Questionnaire

The table above shows that 58(96.7%) of the respondents will make a repeat call to NAF Club while 2(3.3%) said they will not.

4.5.17 Whether you would recommend NAF Club to other people

Response	FREQUENCY	%
YES	60	100
NO	-	-
TOTAL	60	100

Source: Questionnaire

The table above shows that all the respondents (i.e. 100%) said that they would recommend NAF Club to other people.

4.5.18 Reasons for patronage of NAF Club

Response	Frequency	%
Staff appearance	6	10
Prompt Attention	6	10
Services offered	10	16.7
Rates/security	3	5
Location	10	16.7
Aesthetics/Decorations	5	8.3
Facilities/amenities	10	16.7
Promotions/advertisement	5	8.3
Other Marketing activities	-	-
Influence of friends	5	8.3
Others	-	-
TOTAL	60	100

Source: Questionnaire

The table above shows that 6(10%) of the respondents said that they patronize NAF Club because of the appearance of their staff, 6(10%) said because of their prompt attention to customers, 10(!6.7%) said because of the services offered, 3(5%) said because of their rates (prices) and security, 10(16.7%) said because of its location, 5(8.3%) said the aesthetics and decorations there, 10(16.7%) said because of the facilities they have, 5(8.3%) said because of their sales promotions and advertisement, while 5(8.3%) said friends influenced their patronage of the club.

4.5.19 Hospitality services normally patronized while in NAF Club.

Response	Frequency	%
Restaurant	2	3.3
Bar (inner)	10	16.7
Garden Bar	9	15
Barbecue/Grill	3	5
Banquet	3	5
Lodging	2	3.3
Telephone	3	5
Business Centre	2	3.3
Laundry	2	3.3
Fitness/Recreation	5	8.3
Snacks Shop	8	13.3
Special Shows	8	13.3
TV., Cable, Karaoke	1	1.7
Car hire	2	3.3
Others	-	-
TOTAL	60	100

Source: Questionnaire

The table above shows that 9(15%) of the respondents said that they usually patronize the restaurant whenever they are in NAF Club, 5(8.3%) said they patronize the bar, 8(13.3%) said they patronize their barbeque or Grill, 2(3.3%) said they patronize their banquet hall, 10(16.7%) said they go for lodging, 3(5%) said they patronize the laundry section, 2(3,3%) said the patronize the snacks shop, 3(5%) said they patronize special shows there, 1(1.7%) said he goes to watch either Television, Cable satellite or Karaoke, while 3(5%) said they patronize car hire.

4.5.20 What are the things that influence your patronage of Hotel and Catering services?

The respondents gave the following as having great influence on their patronage of hotel and catering services

(a) Products - Food, drinks, accommodation, entertainment

On the products they said quality of services, brand name, packaging, warranty and after services have great influence

(b) Place - As for place they said suitability of location, wide coverage, good accessibility and channels of distribution (branches) also have influence.

(c) Price - In relation to price they said a fairly relative level price, discount offered and fair terms equally have great influence.

(d) Promotion - With regards to promotion, the respondents said advertising, personal sellings, sales promotion, public relations, publicity and merchandising have tremendous influence on customers.

(e) People - Equally important in influencing customers patronage of hotel and catering services according to the respondents is the attitude of the staff to their customers. That is good training, commitment, nice appearance, good personality, good attitude, captivating incentives, nice social skills and other customers.

(f) Physical Environment

The respondents also said that colour, layout, furnishing (good environment), water, electricity, telephone and security also have great influence on patronage

(g) Process - Also have great influence on patronage, according to the respondents, are policies (customer oriented) good procedure, high automation, employee discretion, customer involvement, flow of activities and customer direction.

ANALYSIS OF RESPONSES FROM MANAGEMENT

4.5.21 Whether you consider marketing effort necessary

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100%

Source: Interview

The table above shows that the management staff agreed that marketing efforts is very necessary in hotel and catering services.

4.5.22 The things you think are necessary to be marketed in hotels and catering services.

The management staff gave the following as things to be marketed in a hotel and catering services.

(a) Food and beverages

(b) Accommodation

(c) Meetings and conference halls

(d) Entertainment

(e) Recreation and fitness centres

(f) Car hire services

4.5.23 The things that have impact on your business performance

The respondents (management staff) said the following have impact on their business performance

(i) Financial economy

(ii) Culture

(iii) Religion

(iv) Legal

(v) Political

(vi) Technology

4.5.24 Rate your current level of business performance.

Response	Frequency	%
Not so encouraging	-	-
Fairly encouraging	-	-
Bright prospects	2	25
High level of achievement	6	75
Optimum performance	-	-
TOTAL	8	100%

Source: Questionnaire

The table above shows that 2(25%) of the respondents said that NAF Club has bright prospects while 6(75%) said that there is high level of achievement.

4.5.25 Whether you consider it commensurate with your level of investment

Response	Frequency	%
Yes	8	100
No	-	_-
TOTAL	8	100%

Source: Questionnaire

The table above shows that all the respondents (i.e. 100%) agreed that the performance of NAF Club is commensurate with their level of investment in the business

4.5.26 Whether you expect any improved performance

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100%

Source: Questionnaire

The table above shows that all the respondents (100% agreed that there is a prospect of improved performance in NAF Club.

4.5.27 Whether you rely on marketing efforts to help achieve your enhance performance

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100%

Sources: Questionnaire

The table above shows that all respondents agreed that the club relies on effective marketing efforts to help achieve enhanced performance.

4.5.28 Whether you commit resources to improve marketing efforts and programmes

Response	Frequency	%
Yes	7	87.5
No	1	12.5
TOTAL	8	100%

Source: Questionnaire

The table above shows that 7(87.5%) of the respondents said that resources are normally committed to improve marketing efforts and programmes while 1(12.5%) disagreed.

4.5.29 Marketing strategies used in the promotion of the business

The respondents gave the following as ways used in promoting the business:

(a) advertising (Television, radio, newspaper, e.t.c)

(b) Personal selling

(c) Sales Promotion

(d) Public relations

(e) Publicity

(f) Merchandising

(g) Bill boards

4.5.30 Whether you keep proper records of your transactions.

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100%

Source: Questionnaire

All the respondents agreed that proper records all transactions are kept.

4.5.31 Whether you have effective communication system (specify them)

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100%

Source: Questionnaire

Al the respondents agreed that NAF Club has effective systems of communication.

Specifically, they said that the club is equipped with telephones, cellular, planes, intercoms and call bells.

4.5.32 Personnel Training (Type of training)

Response	Frequency	%
On the job training	5	62.5
In-service training	3	37.5
TOTAL	8	100%

Source: Questionnaire

The table above shows that 5(62.5%) of the respondents said that NAF Club has on the job training for its staff while 3(37.5%) sad that the staff are sent on in-service training

4.5.33 Whether you operate car hire service

Response	Frequency	%
Yes	8	100
No	-	-
TOTAL	8	100

Source: Questionnaire

The table above shows that all the respondents (100%) said that NAF Club operates a car hire service.

4.5.34 Analysis of the financial records and marketing activities of the NAF Club shows the following - from May 1998 when its commenced operation to October, 1999

MONTH/YEAR	MARKETING COST (₦MILLION)	SALES TURNOVER (₦ MILLIONS)
1998		
May	0.07	3.5
June	0.10	4.1
July	0.12	4.6
August	0.12	4.8
September	0.14	5.2
October	0.145	5.7
November	0.16	6.4
December	0.17	6.7
TOTAL	₦ 1.025 million	₦41.0 million
1999		
January	0.20	6.9
February	025	7.4
March	0.3	8.1
April	0.27	8.0
May	0.25	7.8
June	0.20	7.4
July	015	7.1
August	0.18	7.5
September	0.19	7.7
October	0.20	7.9
TOTAL	₦2.155 Million	₦ 75.8 Million
GRAND TOTAL	₦3.18 Million	₦ 116.8 Million

Source: Financial records of NAF Club, Kaduna from May, 1998 - October, 1999

The table above shows that the marketing cost of NAF Club between May 1998 and October, 1999 was ₦3.18 Million while they had a sales turn-over of 116.8 million Naira.

When Karl Pearson's Correlation coefficient was applied in analyzing the above data, results shows that there exist a high correlation coefficient of up to 0.80 or 80% between marketing efforts and sales Turnover [See Appendix III for calculation].

CHAPTER FIVE

5.1 SUMMARY

The hospitality industry is closely tied to innovation that it cannot help but be affected by the accelerated rate of change which characterizes our times. The hotels and catering industry and its managers are faced with new challenges and new horizons.

The industry undoubtedly faces a period of great adjustment with economic difficulty looming in the immediate future. The need for qualified trained managers to help shape the final product and to adapt tomorrow's hotels, restaurants and catering services to future demands is stronger than ever. The future success of the hospitality industry lies in the effective management and marketing of the industry in Nigeria.

The study was therefore designed to see how hotel catering services can be effectively marketed to meet customers' expectations and to maximize profit. Since it was impossible to conduct a census of all the hotels in the country, a case study of the Nigerian Airforce Club, Kaduna was carried out.

In chapter one of the project, the research design was presented.

Review of related literature was carried out in chapter two. Chapter three was devoted to the historical background and activities of NAF Club, Kaduna. While the analysis of the data collected was done in chapter four. The summary, conclusion and recommendations were presented in chapter five.

5.2 CONCLUSION

The major findings of the research work shows that there is a relationship between marketing efforts and financial returns as a result of patronage. Increased marketing activities leads to increase in the volume of business and consequently higher returns on investment. Where little marketing efforts are consciously embarked upon, the resultant effect is low turn-over and subsequent reduction in financial returns. Marketing of hotels and catering services requires a thorough, aggressive and purposeful marketing effort to be able to attract customers. This calls for concerted marketing effort on the part of the operators and managers of Hotel and Catering establishments who should reach out to guests/ customers.

From this research findings one can conclude that only a small fraction of the Nigerian populace, even among those with strong purchasing power, patronize hotel and catering establishments and their services. Through concerted marketing efforts this trends can be reversed so that potential customers could be targeted to visit and request for hotel services.

The study also reveals that people are attracted to Hotel and Catering establishments by the qualities and attributes of staff, the type of services offered in the food and drinks section the environment of the hotel, promotions given by the management.

Of equal importance, as revealed by the study, the services quality, the quality of facilities and amenities also attract customers, price and location also a play an important role in customer attraction. The security of customers is of no mean importance.

Based on the research findings it can be seen that guests are easily discouraged and turn off by the quality of staff, the environment, internal decorations, amenities and facilities

and the influence of friends. Also, lack of promotional activities, poor services quality, lack of security, and poor location discourage patronage.

The study further revealed that areas that receive high patronage are the bars, special shows and general entertainment such as cable, television, Karaoke, e.t.c. These are followed by snack shops, fitness and recreation, telephone, banqueting and barbeque. Trailing behind are the business centre, laundry services, car hire and shops.

The study also revealed that NANET, the management group, operating in NAF Club has an in- house training for is staff and sometimes sends some of them for in service training to update their knowledge on service, quality delivery and customer relationship.

The following were found to be the major determinants of attaining effective marketing goals in the hotel and catering industry.

- Products (quality, level, aftersales service, e.t.c.)
- People (personnel, training commitment, appearance, incentive e.t.c)
- Promotion (advertising, selling, sales promotion, publicity public relations e.t.c)
- Place (location, accessibility, coverage, channels of distribution)
- Physical evidence (colour, layout, furnishings, tangible clues)
- Process (policies, procedure, mechanization, employee, discretion, customer involvement, flow of activities, e.t.c)
- Price (level, discounts, terms, differentiation)

5.3 RECOMMENDATIONS

The following are the recommendations based on the research findings:

(1) There is the need for hotel and catering industries to engage the services of professionals when embarking on some marketing activities to ensure that the marketing efforts achieve the desired goals and objectives.

(2) It is equally important that hospitality managers and operators of hotels and catering business engage the services of marketers and other sales staff to carry out all the sales and marketing functions of the company.

(3) Stakeholders in the hotel and catering industry should take urgent steps to curtail the lukewarm attitude of their members. They should be ready to set aside part of their sales/turnover to strengthen their marketing activities, since the study has revealed that the more the marketing effort the higher the returns on investment in business.

(4) Management remains the most important future of the hotel and catering services industry. Their expertise is the key element in the direction and ultimate success of the industry. It is therefore necessary to engage the services of professionally, trained managers.

(5) There is also the need to pay attention to the following elements of marketing mix namely: products, price, promotion, place, processes and physical evidence.

In this regards the following action guides are recommended to ensure coordinated marketing plan.

(a) Promotion - here it is expected that customers are made aware of the catering and hotel establishment, to be persuaded to visit the unit and be encouraged to make a repeat visit. This could be done through advertising on posters, newspapers, televisions, radio, direct mail, magazines, journals, e.t.c. Another way is through personal selling where a salesman approaches a prospective customer and answers

objections, profer solutions to problems or areas of doubt and follow through to the completion of the sales.

Sales promotion is another area of advertising where discount offers, price reductions and special offers are made. Other areas to be noted in advertising are merchandising, public relations, agents, brochures, correspondence and handbills,

(b) To create goodwill for the establishment to organize concerts, children party, funfare and cultural displays, fashion shows, festivity party, gala nights could be organized. This will create awareness to the fans on the existence of the outfit and the type of services it offers.

(c) On the marketing activities side, the following need to be noted:

Hotel Bedrooms: notepads, pencils, and pens as trays could carry the name, logo, address and phone number of the hotel.

Dining Rooms: Drink coasters, ashtrays, mint envelopes will also carry the name, logo, address and phone number of the hotel on them.

Bar: drink coasters, ashtrays, match boxes will also have the name, logo, address and phone number of the hotel printed on them.

Other areas that could carry the name, logo, address and phone number of the hotel are business cards, bill cards, billboards, letterhead papers, menu and wine list.

Tastefully furnished places of worship within the hotel complex like mosques and altar could be used to inform the public the range of services available.

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APPENDIX I

BOOMS AND BITNERS MARKETING MIX FOR SERVICES

PRODUCT

- Range
- Quality
- Level
- Brand Name
- Warranty
- After Sales Service
-

PEOPLE

- Personnel
  - Training
  - Commitment
  - Appearance
  - Incentives
  - Social Skills
- Attitudes
- Other Customers

PLACE

- Location
- Channels of distribution
- Coverage
- Accessibility
- Differentiation
-

PHYSICAL EVIDENCE

- Environment
  - Colour
  - Layout
  - Furnishing
- Facilitating goods
- Tangible Clues

PRICE

- Level
- Discounts
- Terms
- Differentiation

PROMOTION

- Advertising
- Publicity
- Merchandising

PROCESS

- Procedures
- Mechanization
- Employee discretion
- Customer involvement
- Flow of activities
- Customer discretion
- Customer discretion

APPENDIX II

QUESTIONNAIRE FOR CUSTOMERS (A)

1. Respondent's Nationality:
2. Sex:
3. Marital Status:
4. Place of Residence:
5. How do you get to NAF Club?

   By Public transport [ ] Others (specify) [ ]

   By Personal Car [ ]

   By Personal Car [ ]

   By Car Hire [ ]

   On foot [ ]

6. What do you do at your leisure time?

   Stay at Home [ ] Travel [ ]

   Go to the Office [ ] Engage in Charity activities [ ]

   Visit Hospitality places [ ] Others (Specify) [ ]

7. What is your profession/Occupation
8. What is your monthly income?

   N10,000 - N50,000 [ ] N100,000 - and above [ ]

   N60,000 - N90,000 [ ]

9. How much do you spend on the average in a month on hotel. Catering services?

   N2,500 - N9,000 [ ] N60,000 and above [ ]

   N10,000 - N50,000 [ ]

10. What is your main purpose of visits to hotel/catering establishment?

For Business [ ] For Business/Pleasure [ ]

For pleasure/relaxation [ ] Others (Specify) [ ]

11. For how long do you stay during visits?

2 - 3 hours [ ] 1-3 hours [ ]

4 - 6 [ ] 4 - 6 [ ]

6 hours and above [ ] 1 week and above [ ]

12. Who sponsors you during your visits?

Employer [ ] Friends [ ]

Self [ ] Business Associates [ ]

13. How frequent do you require Hotel/Catering Services?

Always [ ] Occasionally [ ]

Often [ ] Seldom [ ]

14. Which period of the day is most convenient for your visits?

Morning time [ ]

Afternoon or evening [ ]

Public holiday of special occasions [ ]

Working days [ ]

Week ends [ ]

15. Do you prefer NAF Club to other hospitality establishments offering similar services?

Yes [ ]

No [ ]

16. Do you intend to have a repeat call?

Yes [ ] No [ ]

17. Would you recommend NAF Club to other people

Yes [ ]

No [ ]

18. Why do you patronize NAF Club?

Staff appearance	[ ]	Promotions/advertisement	[ ]
Prompt attention	[ ]	Other marketing activities	[ ]
Services Offered	[ ]	Influence of Friends	[ ]
Rates/Security	[ ]	Facilities/amenities	[ ]
Location	[ ]	Others (Specify)	_____
Aesthetics/Decorations	[ ]		

19. Which hospitality service(s) do you patronize when you visit NAF Club.

Restaurant	[ ]	Business Center	[ ]
Bar (Inner)	[ ]	Laundry	[ ]
Garden Bar	[ ]	Fitness/Recreation	[ ]
Barbeque/Grill	[ ]	Snacks shop	[ ]
Banquet	[ ]	Special Shows	[ ]
Lodging	[ ]	TV, Cable, Karaoke	[ ]
Telephone	[ ]		

QUESTIONS FOR MANAGEMENT STAFF (B)

1. Designation

2. Profession:

3. Department:

4. Do you consider marketing effort necessary?

   Yes [ ] No [ ]

5. From your experience what are the things do you consider necessary to be marketed in a hospitality business?

   _____

6. Which of the following had impact on your business performance?

   Finance/economy [ ]

   Culture [ ]

   Religion [ ]

   Legal [ ]

   Politics [ ]

   Technology [ ]

7. What is your current level of business performance?

   Not so encouraging [ ]

   Fairly encourage [ ]

   Bright prospects [ ]

   High level of achievement [ ]

   Optimum performance [ ]

8. Is it commensurate with your level investment?

   Yes [ ] No [ ]

9. Do you expect any improved performance?

   Yes [ ] No [ ]

10. Do you rely on marketing efforts to help achieve your enhanced performance?

    Yes [ ] No [ ]

11. Do you commit resource to improved marketing efforts and programmes?

    Yes [ ] No [ ]

12. Do you keep proper records of your daily transactions?

    Yes [ ] No [ ]

13. Do you have effective communication system(s)? Specify them

14. What type of training do you give to your personnel?

    On the job training [ ]

    In-Service training [ ]

15. Do you operate any car hire service?

    Yes [ ] No [ ]

APPENDIX III

Table showing marketing cost and sales turnover In =N=(m)

	Marketing Cost ₦ (000,000)	Sales Turnover ₦ (000,000)			
Month	X	Y	x^2	y^2	xy
May '98	0.07	3.5	0.0049	12.75	0.245
June	0.10	4.1	0.01	16.81	0.41
July	0.12	4.6	0.0144	21.16	0.552
Aug.	0.12	4.8	0.0144	23.04	0.576
Sept.	0.14	5.2	0.0196	27.04	0.728
Oct.	0.145	5.7	0.0210	32.49	0.8265
Nov.	0.16	6.4	0.0256	40.96	1.024
Dec.	0.17	6.7	0.0289	44.89	1.139
Jan. '99	0.20	6.9	0.04	47.61	1.38
Feb.	0.215	7.4	0.0462	54.76	1.591
Mar.	0.3	8.1	0.09	65.61	2.43
Apr.	0.27	8.0	0.0729	64.0	2.16
May	0.25	7.8	0.0625	60.84	1.95
June	0.20	7.4	0.04	54.76	1.48
July	0.15	7.1	0.0225	50.41	1.065
Aug.	0.18	7.5	0.0324	56.25	1.35
Sept.	0.19	7.7	0.0361	59.29	1.463
Oct.	0.20	7.9	0.04	62.41	1.58
N = 18	3.18	116.8	0.6214	794.58	21.9495

$X = \frac{3.18}{18} = 0.176,$ $Y = \frac{116.8}{18} = 6.48$

applying formula (Karl Pearson's correlation co-efficient

$$r = \frac{\sum (XY) - N(X)(Y)}{\sqrt{(\sum X^2 - N(X)^2 [Y^2 - N(\sum Y)^2}}$$

$$= \frac{21.9495 - 18 \times (0.176 \times 6.48)}{0.6214 - (180x00303][794.58 - (18 x41.99)}$$

$$\frac{[0.6214 - 0.54] \quad [794.58 - 755.82]}{[0.814] \quad [38.76]}$$

$$\frac{1.4295}{3.155} = \frac{1.4295}{1.7762}$$

= 0.8048 or 80%

APPENDIX IV

Department of Business Administration
Institute of Administration,
Ahmadu Bello University,
Kongo Campus,
Zaria - Nigeria.

15th October, 1999.

Dear Respondent,

SOLICITATION: RE: SURVEY QUESTIONAIRES ON EFFECTIVE MARKETING OF HOTEL AND CATERING SERVICES: A CASE STUDY OF NAF CLUB- KADUNA.

This survey is primarily for academic purposes, not for any profit or political goals. As such, all responses to the questions posed, or any other information supplied here below would be treated with strictest confidentiality.

2. It is therefore greatly appreciated if you could please tick, check or fill in the appropriate answer in the relevant blank box or space to the best of your judgement and a applicable.

3. In case of additional comments, documents references or suggestions relevant to the success of this work, please feel free to write down such additional information at the back of the questionnaires of attached documents.

4. Thank you very much for your co-operation and for sparing your most valuable time for this project.

Yours faithfully,

Mohammed Sani