


# Customer intelligence and customer retention in hotels in south-west Nigeria

Edwin Chigozie Nwokorie<sup>1\*</sup> , Polycarp Amaogananya Igbojekwe<sup>2</sup> & Emmanuel Nnabugwu Ukabuilu<sup>2</sup>

<sup>1</sup>Department of Hospitality Management, The Federal Polytechnic Ilaro, Nigeria

<sup>2</sup>Department of Hospitality and Tourism Management, Imo State University Owerri, Nigeria

\*Correspondence: [edwin.nwokorie@federalpolyilaro.edu.ng](mailto:edwin.nwokorie@federalpolyilaro.edu.ng)

**ABSTRACT:** The impact of customer intelligence on customer retention in midscale and luxury hotels in south-west Nigeria was examined in this study. A model was developed for the consequent variables to test the research hypotheses relative to the impulse buying theory. A total of 1 972 research instruments were retrieved from customers of 160 conveniently sampled midscale and luxury hotels, and used for analysis. Descriptive statistics were used to analyse the demographic elements, while the Pearson Correlation was utilised to reveal the statistical relationship between customer retention and the customer intelligence constructs. The linear regression model was employed to test the research hypotheses and determine significant relationships between the consequent variables of the study. Results showed the effectiveness of the regression model in identifying relationships between the consequent variables, in which a positive relationship was revealed between customer intelligence and customer retention in the hotel industry. The study concludes that data generated through customer intelligence can filter customer preferences, help hotels prioritise purchases, and further create a sense of need in their customers. Recommendations include that hotels should consider their products and services as tangible elements that would become routine in due time, while considering customer reviews as vital for analysing weaknesses in the service delivery processes.

**KEYWORDS:** consumer behaviour, customer analytics, customer loyalty, customer satisfaction, guest expectation

## Introduction

Customers are the mainstay of every hotel establishment in all parts of the world. The value of the customer in sales and profit maximisation for the hotel sector cannot be underemphasised since all products and services are targeted at building customer loyalty. Profit maximisation is a major interest in the hotel industry for reasons including business survival and sectoral sustainability. Similarly, customer loyalty in the hotel industry is a focal point for reasons of competitive advantage and business continuation for a given establishment. Businesses do more to add value for their existing customers, in recent times, and keep them from switching allegiances. The extra mile taken to study the conditions that trigger customer actions towards a given brand is vital for business survival.

Customer behaviour is an applied paradigm in marketing that has a tremendous influence on customer loyalty in the service industry (Tsiotsou, 2012). Customers do not simply buy anything they see, even though customer buying behaviour is connected with products and service consumption. Therefore, customer behaviour is subject to factors of personal, social, religious and cultural dimensions. These factors are the major reason why it is important for hotels to continually study the behaviours of their customers, and reasons for their change in product preference, using customer intelligence.

Customer intelligence involves the collection and analysis

of customer-related data from internal and external sources to discern customer behaviours, like what they need and what motivates them to repurchase. Customer intelligence assists business organisations in segmenting their customers. Being a customer-centric business strategy, customer intelligence provides behavioural segmentation and enables businesses to deliver personalised services for each segment. By gathering transactional, behavioural, demographic and psychographic data through customer intelligence, businesses could improve customer service effectiveness and enhance customer loyalty as well as make better data-driven decisions (Dilmegani, 2022).

Customers of hotel organisations are said to have purchasing patterns that need systematic analyses to unlock retention opportunities and organisational effectiveness (Lukanova & Ilieva, 2019). The purchasing pattern is influenced by several cultural and socio-economic factors that could lead to a decline in product demand for the hotel industry (Morwitz, 2014).

Before purchasing hospitality products or services, customers make informed actions through various logical processes, either online or offline (Morwitz, 2014; Obiora & Nwokorie, 2019). The process may involve consulting marketers or advertising agencies, booking agents and tour operators, event planners and event operators, engaging with posts from social media, searching through the internet and other means of identifying purchasing points (Obiora & Nwokorie, 2019). Consequently, hotel enterprises must understand consumer buying behaviour

because it helps businesses better modify their marketing initiatives to the business efforts that have successfully influenced consumers previously.

Specifically, the investment climate in Ogun State has been conducive to small, medium and luxury hotels since 2019 as a result of favourable policies of the state government (Nwokorie & Obiora, 2018; Aneke, 2019; Ogungbayeri et al., 2019). Similarly, Lagos State has tremendous potential in terms of customer base in the hotel industry, with a wide array of establishments providing a variety of products and services daily (Arowosafe et al., 2020; Nwokorie & Adeniyi, 2021). The states in south-west Nigeria have proximities that stimulate customer-friendly investments in hospitality and tourism in terms of the quality of the establishments, similarity in the local culture, religious tolerance, availability of tourism products and facilities and viable trans-border trade. The recreational attitude and tourism culture of south-western Nigerian residents is quite encouraging for sustainable hospitality and tourism development (Nwokorie & Obiora, 2018). The visible opportunity created by existing and emerging tourism businesses, as well as numerous hotel enterprises in the region, makes hospitality and tourism entrepreneurship a very attractive venture.

The customer base of specific industries is unarguably a major determinant for sustainable business development. The population of citizens migrating to the south-west from other regions of the country every week is also a favourable matrix for improving the hotel customer base for the region (Nwokorie & Obiora, 2018; Nwokorie & Adeniyi, 2021). In the same vein, the cosmopolitan characteristics of the south-west Nigerian population is suggestive of the dynamic nature of the customer outlook for the hotel industry in the region (Onwuka, 2005; Nwokorie & Adeniyi, 2021). Business development for other sectors has also created opportunities for product development and effective demand for hotel products and services (Ogungbayeri et al., 2019; Nwokorie & Adeniyi, 2021). The growing manufacturing, education and banking sectors in the south-west are potential generators of a distinctive customer base for the hotel industry in terms of meetings, conventions and conferences, excursions and employee training venues.

Akkuş and Arslan (2021) write that while tourism activities require a safe and secure environment, inherent social disorder and risk factors in a society could create fear of offense among potential visitors. Such conditions can create a negative impact on customer purchase intentions and the overall tourism experience. Hotels must find a means of retrieving similar discouraging views from customers and addressing these perceptions that impact negatively on their purchase behaviour to engender continuous patronage of hotel products and stimulate growth in the sector.

Most importantly, there appears to be a dearth of data to show that the local hotel industry has an adopted approach to measuring the customer intelligence index from time to time. There are currently little or no empirical studies on customer intelligence for the local hotel industry in Nigeria, specifically from a holistic viewpoint. Studies on customer behaviour offer the opportunity to identify customer intelligence indices such as social influence and customer strength and weakness portfolios to measure willingness to pay, customer loyalty-based segmentation, frequency of product usage and attitude, price elasticity, level of awareness of a given brand or products, customer information sources, customer advocacy to measure

net promoter scores, attrition, customer lifetime values and the possibility of next-best offers (Rajagopal & Sanchez, 2005; Grinblatt et al., 2008; Garry et al., 2010; Wood & Hayes, 2012; Cohen et al., 2014; Morwitz, 2014; Nwokorie & Ezeibe, 2016; Ogungbayeri et al., 2019; Arowosafe et al., 2020; Zhang et al., 2020; Akkuş & Arslan, 2021; Nwokorie & Adeniyi, 2021). These indices are necessary for identifying a possible line of action of the hotel customer and their repurchase intentions to enable the hotel to further understand the customer and determine possible product lines to keep in the competitive business environment.

Hotels must identify weaknesses in their businesses. Thus, for hotels to continuously fine-tune their products and services to meet current demand, they need to constantly listen to their customers, and understand their needs, strengths and weaknesses and the factors that inspire their product selection process.

Therefore, this study evaluates the impact of customer intelligence on customer retention in hotels in midscale hotels in south-west Nigeria. Specifically, and in relation to the conceptual model (Figure 1), the study:

- (1) examines the extent of association between customer analysis and customer retention in the hotel sector;
- (2) evaluates the extent of association between customer support and customer retention in the hotel sector;
- (3) measures the relationship between the voice of the customer and customer retention in the hotel sector; and
- (4) assesses the relationship between customer behaviour data and customer retention in the hotel sector.

## Literature review

### Conceptual review

Bearing the concept of customer intelligence in mind, the question of what constitutes the most effective marketing strategy in the ever-progressive hospitality sector needs to be answered. The certainty is that succeeding in the hospitality business environment requires a thorough knowledge of the hotel customers and their dynamic composition. Miller (2018) suggested that the best approach to guest familiarity by business organisations is through an insightful, action-based and data-based method directed toward customer loyalty. Most importantly, the perception of customer loyalty to a hotel organisation is where customer intelligence is necessary. The use of customer data is critical to an organisation's ability to compete in the present-day competitive marketplace. Organisations in various sectors today are more willing than ever to assist their customers (regardless of who they are) and use a variety of methods to do so. Developing new strategies to study the dynamic attitudes of the hotel customer is a necessity for continuous improvement.

### Meaning of customer intelligence

Ahmed (2020) saw customer intelligence as the process of gathering and evaluating customer data to help a business enterprise understand the customers better. The author wrote that there may be a lot of available data that customers leave behind in the service encounter. However, much relevant data would help an enterprise assemble valuable information on the behaviour of particular customer segments which would help the enterprise make informed decisions for business success. Similarly, customer intelligence aids in the creation of customer

personas and having important communication with them (Ahmed, 2020).

Precisely, customer intelligence is an approach to managing customers for most business enterprises in recent times due to the fluctuating dynamics in customer experience, especially in the hotel industry (Miller, 2018). The local hotel industry is expected to develop strategies for customer relationship management that would constantly engage the customers, ensure their ultimate satisfaction, and maximise the organisation's return on investment.

With so many different types of customer intelligence data, a hospitality enterprise may have a lot of decisions to make on where to start searching and the types of information they should gather. Some of the most important information to consider, according to McCarthy (2022), are customer satisfaction surveys, call recordings and transcripts, customer reviews and integrated customer relationship management.

#### *Customer behaviour data*

Customer behaviour can be summarised as the specific actions, attitudes, ideas, or experiences that satisfy consumer needs and desires (Cohen et al., 2014). It includes all engagements that are directly associated with the procurement, use and discarding of products and services, as well as the decision-making procedures that come before and after these engagements (Engel et al., 1995). Customer behaviour remains an interesting research theme in marketing and tourism, encompassing terms like "travel behaviour" or "tourist behaviour".

Customer environments are extraordinarily complex (Lemon & Verhoef, 2016). They require knowledge acquisition, sense-making and the ability to make appropriate decisions. Information technology-enabled interfaces with rich detection capabilities are in high demand as firms attempt to separate and sort customers based on the information they have gathered. While customers are interacting with organisations through the front office, Raddats et al. (2019) argue that the organisation's internal business forms are determined by customer-driven business models. When combined with the customer-driven interface, the organisation's business horizon will expand in terms of its capability of responding effectively based on the company's goals in relation to customer estimations and communication costs.

#### *Customer loyalty*

Precisely, and for the hotel industry, customer loyalty is the degree of a customer's likeliness to repeat the patronage of a hotel establishment or brand. It is the outcome of the satisfaction a customer has with a hotel, the affirmative customer experiences and the overall value of the products or services received by the customer from the hotel (Al-Msallam, 2015; Górska-Warsewicz & Kulykovets, 2020).

Customer loyalty is indispensable irrespective of the size of a hotel. First-time customers are more difficult to convince because they lack experience with the quality of products and services offered by the hotel (Górska-Warsewicz & Kulykovets, 2020). Consequently, the hotel requires a detailed marketing channel to get them to purchase. However, customers who have already patronised the hotel are more accessible because they know their expectations. Retrieving information from existing customers is easier than from those who have not bought from

the hotel before (Cohen et al., 2014; Nwokorie, 2016; Abo-Murad et al., 2019).

#### *Customer retention*

Customer retention is about the ability of a business enterprise to turn customers into repeat buyers and prevent them from switching to a competitor. Kulbyte (2021) summarises that the difference between growing and non-growing business organisations in a particular sector is customer retention. The more an organisation can retain its customers and continue to sell to them, the more likely they are to achieve their organisational objectives. However, the major task for many organisations is how and where to start. Therefore, Kulbyte suggested useful strategies for keeping existing customers happy over a long period while enhancing profit maximisation. Strategies, such as listening to customers, noticing turnover signs in advance, targeting customers with special offers, rewarding the most profitable (VIP) customers, personalising follow-ups, and keeping follow-up promises, are vital for customer loyalty.

Ensuring the happiness of existing customers is generally more cost-effective than acquiring first-time customers (Nwokorie, 2016; 2021; Olson, 2020). Acquiring a new customer can be five to 25 times more expensive than holding on to an existing one (Gallo, 2014; Olson, 2020). The organisation does not need to spend on marketing, advertising, or sales outreach. It is easier to turn existing customers into repeat ones since they already trust the organisation through previous purchases. New customers, however, often require more convincing when it comes to that initial sale.

Customer loyalty will give more than just repeat business. Loyal customers are more likely to give free recommendations to their colleagues, friends and family. Creating that cycle of retained customers and buzz marketing is one way an organisation can cultivate customer loyalty for long-term success.

#### *Factors causing customer turnover*

Cases of customer turnover have become recurrent in the local hotel industry in recent times (Nwokorie, 2017; Ogungbayi et al., 2019). Customers stop buying from a hotel organisation for unique and personal reasons, and they tend to fall under a few similar categories. Kulbyte (2021) identified unfair treatment as a key factor that drives customers away. Even though price is the greatest factor that influences turnover, people are willing to stay if they are treated fairly. When another company promises a better experience at a lower price point, it is a quick win for competitors to acquire new customers.

#### *Customer analysis*

A customer analysis, or customer profile, is an important part of a company's business or marketing plan (Lavinsky, 2023). This section of the plan can provide an organisation with a guide on how to achieve its goals and increase revenue. Understanding what a consumer analysis is can help an organisation identify its target market in a business and establish how they are going to meet consumers' needs.

Customer analysis is the critical section of the business plan or marketing plan of an enterprise which identifies target customers, ascertains the needs of these customers, and then specifies how the product satisfies these needs. Customer analysis, according to Majumder (2021), can be broken down into a behavioural profile (why your product matches a customer's

lifestyle) and a demographic profile (describing a customer's demographic attributes). A customer profile is a simple tool that can help businesses better understand current and potential customers so that they can increase sales and grow their business. Customer profiles are a collection of information about customers that help determine why people buy or do not buy a product. Customer profiles can also help develop targeted marketing plans and help ensure that products meet the needs of their intended audience.

#### *Customer support*

Customer support involves the process of assisting customers who have questions, concerns, or problems related to a company's products or services. Ideally, the responsibilities of customer support might seem a different subject to the organisation's culture and the customers. Customer-support employees work on many different tasks every day. These duties cut across several channels and can be very helpful for the organisation's competitive edge. The most frequent responsibilities customer-support employees carry out in their daily activities, as suggested by Bernazzani (2019), are:

- (1) Prompt responses to customer phone calls;
- (2) Prompt replies to email requests and queries;
- (3) Live chat operations on the website for customer needs;
- (4) Managing customer complaints and feedback;
- (5) Customer advisory roles;
- (6) Product or service understanding, inside and out, to provide ample support;
- (7) Customer subscription management; and
- (8) Finding solutions to customer pain points, among other activities.

#### *Voice of the customer*

Voice of the customer is a term that describes customer feedback about their experiences with and expectations for the products or services of an enterprise. The voice of the customer is critical to understanding customer needs, improving customer satisfaction, and driving business success. It helps businesses listen to their customers and act on the information provided. Important voice of customer benefits, which make this significant, according to Yasar and Amsler (2023) are:

- (1) Delivering actual product features to customers;
- (2) Improving business offerings and creating something the target market values;
- (3) Creating opportunities for businesses to inform their customers that their opinions matter and are being addressed;
- (4) Capitalising on satisfied customers and addressing the concerns of dissatisfied ones;
- (5) Retaining customer loyalty;
- (6) Increasing revenue;
- (7) Providing a better customer experience; and
- (8) Improving products and services.

#### *Customer behaviour data*

Customer behaviour data has to do with data collected about how customers interact with a company, its products and its services. A customer behaviour analysis provides a framework for collecting, analysing and using data about the customers of an organisation in a meaningful way. It is a process that assists

an organisation in gaining insights into customer behaviour, as well as the motives and influences behind these behaviours.

A proper behavioural analysis records the buyer's journey to understanding what drives consumer purchasing decisions and uncovers insights into what, why, how and when customers do what they do. A thorough customer analysis involves several steps. When properly executed, the behavioural analysis provides a wealth of information that can be used across the organisation.

There are multiple benefits to understanding customer behaviour, especially in an increasingly complex hotel business environment. Custer (2023) states that collecting and leveraging customer insights helps an organisation to improve the customer experience, identify problem areas and opportunities for continuous improvement, improve customers' lifetime value, decrease customer attrition, and promote engagement with the product.

#### *Theoretical review*

##### *Hawkins Stern's impulse buying theory*

Hawkins Stern held to the notion of impulse behaviour, rather than the rational actions of the consumer. Stern argued that unexpected purchase impulses are suitable to rational purchasing decisions which depict the true character of the average consumer (Stern, 1962). Impulsive purchasing behaviours are mostly driven by external motivations and have almost no correlation to traditional decision-making.

Stern recognised four sets of impulse purchasing. According to Muruganatham and Bhakat (2013, p. 150), these are:

the pure impulse purchases, like a candy bar at the checkout line of a grocery store; consumers making reminded impulse buys, like placing a display of hot dog buns next to a meat cooler; suggested impulse purchases, such as a warranty for an electronic device; and consumers making planned impulse decisions, where they know they want to buy a product, but are unsure about the specifics.

Stern's theory presents numerous prospects for hotel enterprises. Every feature of a hotel product, and the way the product or service is presented, has an impact on a customer's impulse control. Theories on consumer behaviour predict how customers make purchasing decisions and show hotels how best to exploit predictable behaviours. Hotels who can understand customers' impulsive thoughts and close the sale will have the most success.

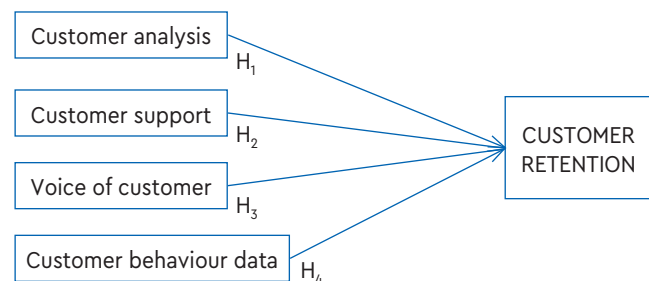


FIGURE 1: Conceptual model {Figure must be mentioned in text, insert}

### Empirical review

Regardless of well-established customer management practices, there is an indication that a business relationship may be terminated by either the hotel or the customer, and as a result customer turnover continues to occur. Customer attrition may occur voluntarily or involuntarily, leading to business recession. Hotels may have reasons for terminating a business relationship with one or a group of individuals. Conversely, customers may find reasons to halt their patronage of a given hotel for several explanations. This research specifically reviewed the literature on voluntary attrition of hotel customers and the factors that generate it, hence customer intelligence is necessary.

The relationship between customers and the hotel industry has been well documented and reveals, for instance, how customer relationship management affects hotel organisations and their employees and by extension causes loyalty disruptions, and how customer retention improves the fortunes of hotel organisations (Khan, 2013; Nurul & Putra, 2014). Moreover, extensive research has been dedicated to addressing the issues related to social disturbances, willingness to pay and their impact on business enterprises. For instance, studies have examined how customer social stimulus combines social intentions and the outcomes of these intentions on customers' data processing and their consumption and buying decisions (Grinblatt et al., 2008; Wood & Hayes, 2012). Studies have also examined customer purchase behaviour, customer advocacy and customer retention and their roles in organisational effectiveness (Yeh, 2013; Li et al., 2020; Zhang et al., 2020). Most of the research on customer intelligence has been directed at a specific population or group and has not concurrently captured a combination of customer intelligence constructs and the impact on guest loyalty.

### Gap in the literature

Several variables of customer intelligence have been studied previously in the hospitality industry at the same time in a single research project. Factors such as changing customer behaviour, the shift in priorities and preferences, aggregate socio-economic inconsistencies, customer data quality and relevance and the nature of guest reviews and feedback are necessary for product rejuvenation for the present-day hotel business. Additionally, studies relating to the variables of the research in previous studies have either targeted a minute segment of the hotel industry, or a small population of customers. Addressing these voids through targeted research can contribute to developing an all-inclusive framework for using customer analytics to drive business success and improve customer loyalty in the hotel industry.

## Methodology

### Research design

The accidental sampling method was used to select 160 midscale and luxury hotels from the 18 senatorial zones of the six states of south-west Nigeria (Ekiti, Lagos, Ondo, Ogun, Osun and Oyo). The method was instructive since hotels find it difficult to freely allow research access to some areas of their environment during peak periods. Further, the Z-score statistics was adopted to determine the sample size from the unknown population of hotel customers from the study area. The sample size for the study arrived at 2 310 customers (385 per state) of the selected hotels, given the Z-score formula:

$$n = \frac{(Z\text{-score})^2 \times \text{StdDev} (1 - \text{StdDev})}{(\text{Margin of error})^2}$$

Each of the six states that make up the study population in south-west Nigeria was given an equal sample opportunity given the stratification by senatorial districts. This opportunity for population spread helped in reducing the element of bias for the various stratifications of the study area.

The questionnaire was prepared in three sections, with 54 statements. Elements of the research instrument were adopted from previous studies, including Yeh (2013), Dah and Dumenya (2016), Nwokorie and Igbojekwe (2019), Arowosafe et al. (2020), Li et al. (2020), Akkuş and Arslan (2021) and Nwokorie (2021), in preparing the statements.

Section one elicited responses on respondents' demographic characteristics. Sections two and three addressed the constructs of the consequent variables, including customer analysis, customer support, voice of customer, customer behaviour data and customer retention. These were measured using a four-point Likert scale of 1 to 4 (1 = strongly disagree; and 4 = strongly agree). Oral interviews and focus group discussions were used in some areas of the study to corroborate responses in some elements of the research instrument.

The data collected were analysed using version 22 of the Statistical Package for Social Sciences. Standard statistical techniques, including descriptive and inferential statistics, frequency, means, linear regression, Pearson correlation and analysis of variance (ANOVA) were used to analyse the data. The purpose of applying these techniques was to reduce the mass of data into a compact and precise form which showed generated trends and relationship between the variables.

The descriptive statistics were used to describe constructs of customers' experience in the hotel industry in terms of quality of service delivery, ambience, employee responsiveness (feedback management) and customer satisfaction. In addition, demographic information of the respondents were tabulated using frequency and percentage.

The distribution of the population was checked for normality using the Kolmogorov Smirnov (one-sample) test, to consider the similarity between the cumulative distribution of the samples and the cumulative distribution of the normal population. A  $p$ -value  $\leq 0.05$  of the significance threshold in the test confirms that the population is normally distributed, which demonstrates that the observations of the respondents are independent of each another. This further indicates that results from data analysis are accurate relying on the principle that each data point provides unique and separate information.

The one-way analysis of variance was used to determine the mean differences in the customer analysis, customer support, voice of customer and customer behaviour data relationships among customers with diverse demographic profiles. A post hoc test was carried out to isolate the mean differences after the statistical tests for main effects which identified some or general significant variations.

## Results

A total of 2 060 questionnaires were returned out of 2 310 distributed for the study (89.2% net effective response rate) between October 2023 and January 2024. There were 88 unusable questionnaires, with usable questionnaires at 1 972



(97.7% usable response rate), hence the net response rate for the study was 85.4%. Descriptive statistics were used for data analysis, while principal component analysis was carried out for data compression and commonality tests. The study used multiple regression analysis to test the null hypotheses with the decision to reject the hypothesis if  $p \leq 0.05$ .

#### Factor analysis

The principal component analysis was computed with VARIMAX rotation, factor loadings greater than 0.05 and eigenvalues  $\geq 1$ . The loading of the variables in the constructs was considered at  $\geq 0.60$ , and the reliability of the measured values was above 0.70 of Cronbach's  $\alpha$ . Nine items with loadings less than 0.6 were removed to enhance the construct validity for optimum results (Table 1).

#### Demographics of respondents

The study confirms that the majority of the participants are above the age of 36, suggesting that the survey is primarily composed of adults. It is assumed that individuals within the different age cohorts of the study are likely to be homogenous or identical in their personality and behaviour, especially in targeting hospitality and related products. A study by ModiHost (2020) on "how age affects hotel choice" observed that age is a factor when it comes to the choice of luxury hotels, with 22% and 21% of Generation X and Millennials respectively preferring to stay at expensive hotels. Consequently, it was suitable to segment these age cohorts in the present study to ensure that the essentiality of the study is properly targeted to eliminate further bias.

Approximately 40.1% of the participants were male, while the remaining 59.9% were female. This suggests that the majority of the survey respondents were women, which may be due to work trips, solo travel, tourist and recreational travel, family vacations, attending conferences/events and for safety concerns.

The statistical analysis of the marital status of the respondents highlights a significant pattern, demonstrating that a considerable percentage of the customer base, within the timeframe of the study, consisted of married persons, regardless of their gender. Understanding the marital status of customers is crucial for analysing the demographic makeup of the target market. This information can help us customise services and offerings to better suit the interests and needs of this significant group. However, Koçoğlu et al. (2022) observed that marital status is among the factors that affect holiday decisions for tourists, while single guests have lower customer-centric values (satisfaction, repurchase intentions, willingness to recommend, value for money and quality relationship with the hotel) compared to guests living in partnership with children in the study by Haverila et al. (2023).

Results revealed a prominent demographic makeup, with almost 97.7% of the participants identifying themselves as Nigerian. The significant majority emphasises the presence of local representation in the group of respondents. It is crucial to understand the national makeup of the respondents to place the survey results within the unique cultural and social framework of Nigeria. This will offer vital insights for any implications or recommendations derived from the study.

Regarding the religious views of the respondents, the poll revealed that a large part (77.7%) of respondents identified as Christians, while the remaining 22.3% declared their allegiance with Islam. This distribution offers useful insights into the religious diversity of the studied population, providing a framework for understanding the cultural and theological context that may influence service provision in the study area. In a study on factors influencing hotel consumer selection (Andii & Ibrahim, 2016), it was found that 38% of the population studied indicated religion as a major factor prompting their decision-making process for hotel choice. For the present study, religion is also indicated since 1 533 out of the 1 972 respondents were found to be Christians, which shows that Christians mostly purchase hotel products and services in the study area. However, further study is necessary to find out the underlying conditions for the imbalance in the population of guests from the two major religions in the study area.

In the context of the duration of patronage, a breakdown of responses indicates various trends. Approximately 62.4% of participants indicated a patronage period of one to three months, with 13.2% extending their patronage to the range of four to six months. Furthermore, 7.4% asserted a patronage period spanning seven to nine months, while the remaining 17% revealed prolonged patronage ranging between 10 to 12 months. This distinction offers vital insights into the varied patterns of customer interaction, contributing to the understanding of loyalty and the possible impact on the total customer relationship. The statistics here could be used to measure loyalty-related outcomes, except in situations where first-time visits are indicated, especially by respondents who are in the first three months. Additionally, Chen et al. (2022) found a positive relationship between guests' income levels and their length of stay, reuse intention and word of mouth, which have also been indicated in the present study.

A detailed examination of respondent preferences emerged while investigating the nature of patronage. Notably, 66.8% of the sample verified a single patronage, showing a tendency of persons electing to visit the hotel alone. Additionally, 15.2% showed a preference for patronising the hotel as a couple, while 18% underlined their patronage as a family unit. This data shows a considerable propensity for solo trips, followed by a notable fraction opting for family experiences. The trend provides useful

TABLE 1: Factor loading for construct reliability and validity

Component	Number of entries	Eigen value	Loading	Variance (%)	Cronbach's $\alpha$
Customer analysis (CA) values	4	1.000	0.685	25.5	0.71
Customer support (CS) values	10	1.000	0.708	6.7	0.84
Voice of customer (VC) values	4	1.000	0.740	10.6	0.79
Customer behaviour data (CBD) values	6	1.000	0.802	11.7	0.81
Customer retention (CR)	2	1.000	0.795	14.8	0.83

Extraction: Principal component analysis; Rotation: VARIMAX method with Kaiser Normalisation; Variance explained: 64.7%

insights into the different dynamics of guest preferences in the study area, as Hada and Chaturvedi (2014) observed that relaxation are major factors that influence the customer decision process when selecting hotel accommodation.

## Discussion

### *Analysis of customer intelligence constructs*

#### *Customer analysis*

Responses on whether the level of guests' education affected their usage of hotel facilities reveal that 54.9% agreed that their level of education has an impact on their usage of amenities in the hotel. Studies confirm that employee involvement in service provision is essential in promoting customer satisfaction, ease of facility usage, customer retention, and productivity, especially for guests with poor education background (Baquero, 2023; Bhuian, 2021; Lu, 2021). Guests' education level also contributes to the hotel's success by creating a positive atmosphere, which enhances the guest experience and strengthens the business.

Up to 77.3% of the respondents were in strong disagreement that their income level impedes their purchasing power of a variety of hotel products. The outcome implies that the costs of hotel products in the study area are within the means of a majority of the respondents. Ikechi and Tamuno (2023) found that hotel guests react negatively to high prices of hotel products and services, which does not guarantee guest retention.

The majority of the respondents (89.2%) are in disagreement about encountering language difficulties while interacting with hotel employees. Wagner (2018) wrote that one of the strategies for handling guest dissatisfaction is hiring multilingual staff that would help minimise language barriers and improve service quality, guest satisfaction and hotel reputation.

A majority of 70% of respondents believed that the ICT system of the hotels has a positive influence on customer choice of hotel products and services. Srayes (2021) found a significant relationship between ICT implementation and guest satisfaction in the hotel industry. However, studies suggest that some components of hotel ICT may not significantly improve hotel performance, hence continuous research is necessary to find out which components of the hotel ICT have the highest impact on guest fulfilment which may enhance hotel product quality (Khan, 2018; Srayes, 2021).

#### *Customer support*

Customer preference for car hire services scored a total of 30.2% disagreements and 69.8% agreements. Primarily, renting a car offers flexible affordability for the average hotel guest, thus eliminating the need to ride in taxis or on motorbikes with their accompanying risks, especially for guests who are not familiar with the local area. The lack of an organised transport system was found to have a significant negative impact on tourism development by Ukabuilu et al. (2018).

Most respondents prefer a hotel with in-house eateries and restaurants, with agreement responses going as high as 91.1%. Providing food and beverages in-house is a feasible means of improving convenience for hotel guests who do not need to leave the premises to eat. Similarly, in-house provision of food for the hotel guest improves satisfaction and creates a mutual connection between the hotel and the guest, while making the guest feel safe throughout the period of stay (Perramon et al., 2022).

Responses show that as much as 56.6% and 37.7% of the respondents made strong agreement and agreement responses that they prefer a hotel with in-house internet services. Provision of internet services is a way of assisting guests to fulfil their ongoing needs, especially business guests who may need to connect to their business partners online.

Data output reveals that a combined 89.3% of the respondents preferred a hotel with an in-house variety store. Thomas (2023) noted that hotels that operate sundry shops may do well in improving overall guests' experience in the accommodation encounter, since guests may not have to worry about making purchases away from the hotel for souvenirs and related items.

On guests' preference for a hotel with in-room telephone service, 45.1% and 49.4% agreed and strongly preferred a hotel with in-house telephone service. Guests may need to make requests for services or report an issue in their room. The in-room telephone service provides an easy and convenient means of making contact with the front desk to lodge any form of complaint and make additional requests (Hertzfeld, 2018).

The respondents (44.7% and 50.5%) made agreement and strong agreement responses on their preference for hotels with the availability of uninterrupted customer service channels by the hotels in the study area. Research has discovered that hotels use customer service channels to enhance brand reputation, boost referrals and increase customer retention (Khan et al., 2015; Perramon et al., 2022).

Guest preference for personalised services received agreement responses of 55% while strong agreement responses were 37.4%. To this end, the majority of the respondents preferred hotels with personalised services for their guests. Customer preference for hotels with in-house banking services received positive responses of up to 91.8%. Implementing an in-house bank in a hotel can offer services compared to banks and can add great value to the organisation in terms of customer satisfaction and advocacy (Bartsch, 2014).

On guest preference for hotels with in-house medical services, a combined 91.3% agreed with the statement. Hotels are doing well to improve on medical emergencies in recent times. Angels of Medical Care (2023) observed that "having a doctor on call service can help differentiate a hotel from its competitors, attracting guests who value health and safety, and potentially increasing booking and revenue".

Analysis shows that most of the respondents preferred hotels that have loyalty programmes for their customers. A combined 93.6% of the respondents preferred a hotel with loyalty programmes for its customers. Koo et al. (2020) found that poor affective commitment and lack of the attractiveness of alternatives relating to a hotel's loyalty program mediated in the relationship between the perceived value of a loyalty programme and consumer brand loyalty.

#### *Voice of the customer*

The ability of the hotel establishments to respond quickly to guest complaints was investigated. A combination of about 70% of the respondents received quick responses to their complaints by the hotel.

On the statement concerning guests arguing with hotel staff on service failure, about 63% had argued with hotel staff on service failure on some occasions. Cases of service failure are a major reason for staff-guest altercations in the hotel industry

which are likely causes of guest resentment and possible attrition (Yilmaz, 2018; Simbine & Tukamushaba, 2020; Nwokorie, 2021).

Responses reveal that 40.8% and 38.8% agreed and strongly agreed that a dedicated customer complaint channel is available in the hotels studied. Dah and Dumanya (2016) affirmed that creating operative customer feedback channels would encourage guests to inform the management of a hotel about their satisfaction (or otherwise) during the guest cycle, thus creating opportunities for service improvement for the hotel.

On the hotels having a social media page for customer interaction, about 73% affirmed that there is availability of a social media page for customer interaction in the study area. A strong presence on social media can help a hotel to constantly update their upcoming events, promotions, amenities and services, as well as create a strong emotional connection with customers needed for their retention, which is the major factor that can guarantee the success of the business (Heaton, 2023).

Combined disagreement responses to the statement concerning guests' complaints about the expensive nature of the hotels' products about their quality were up to 41%. Similar to Narangajavana (2007), quality hospitality products can lead to better guest satisfaction and positive customer advocacy that can promote the business, while also establishing a brand image and reputation that can be favourable to the enterprise in the long term. Meanwhile, the findings of Chen and Schwartz (2008) demonstrate that the price pattern of rooms observed by price-sensitive travellers impacts their room rate expectations and consequently affects their propensity to book.

#### *Customer behaviour data*

Locating the hotel in the city was not difficult for as much as 77.2% of the respondents. Researchers suggest that the location of a hotel and its accessibility by road is significantly associated with guest satisfaction and loyalty, with its attendant implications for the revenue of the hotel (Lee et al., 2010; Shoval et al., 2011).

The facilities of the hotels studied are user-friendly, according to 91.9% of the respondents. User-friendly hotel facilities are a function of efficient facility management which encompasses a range of functions and processes that contribute to guest satisfaction, including personnel assistance.

On tying service techniques to guests' beliefs, 63.4% of the respondents liked the sociocultural sensitivity of the hotels' service procedures. Studying the culture-specific attributes of the customer base is beneficial in the service encounter (Nwokorie, 2021) to ensure mutual respect between the hotel employees and the clientele. Such situations are specific requirements for improved customer satisfaction in the hotel industry.

Responses on the visibility of prostitutes in the vicinity of the hotel and its influence on the guest's decision to lodge revealed 73% disagreements. Prostitution was linked to customer attrition in the study of Nwokorie and Igbojekwe (2019), in which the presence of prostitutes in the hotel vicinity was seen to cause guest resentment.

Guests' suspicion of losing their personal effects was measured in the study. Consequently, a total of 59% of the respondents were in disagreement that they had a feeling of losing some of their personal belongings during their stay. For a hotel to maintain customer loyalty and perform optimally, an altercation between customers and hotel employees arising

from accusations of theft must be kept to the barest minimum (Nwokorie, 2017).

A combined 53.4% of the respondents felt that the fear of pandemics and emerging diseases influenced their decision to buy food in the hotel. Previous research on the impact of pandemics on hotel and restaurant financial performance found that disease outbreaks lead to a decline in stock returns as a result of the stigma associated with disease management (García-Gómez et al., 2020; Kim et al., 2020).

The majority of the respondents affirmed that they would not lodge in a hotel with poor road access, with 52.3% (agree) and 33.1% (strongly agree) mentioning the negative influence of poor road access to hotel facilities. In a study on poor road infrastructure and tourism development, Odeku (2020) observed that this is a major impediment to the growth of the tourism industry in Nigeria.

On the behaviour of customers about calling the hotel from home, post-departure, to thank them for their hospitality, 75.6% affirmed that they do not call the hotel. Previous studies have revealed that customers' post-departure unhappiness is related to customer turnover (Igwe & Onuoha, 2017; Yilmaz, 2020). Hotels need to find means to follow up with their guests and find out how they feel about their guest experience, as follow-up helps soften negative guest experiences (Nwokorie, 2016; 2021; Ogungbayi et al., 2019).

#### ***Analysis of customer retention constructs***

##### *Propensity to repurchase*

The level of encouragement received by guests of the hotels studied was investigated. Up to 83.5% agreed that the hotels provide services that encourage their customers. Previous research in the service sector has revealed that the dimensions of service quality (tangibility, assurance, time, reliability, and responsiveness) have a significant impact on customer satisfaction (Nwokorie, 2021; Wang et al., 2023).

As much as 78.7% of the respondents agreed that the product quality of the hotels generated a good experience. In the study by Cruz (2015), undesirable customer satisfaction and poor loyalty continue to arise because consumers relate cost, quality and the safety features of a product with other competing products.

On the conducive and friendly nature of the hotel location, most respondents (92.5%) were of the view that the hotels in the study area had a friendly and conducive atmosphere. This affirms that consideration is given to location while citing hotel establishments in the study area. About 85% of responses are in the affirmative that the price of the products is relatively attractive.

##### *Net promoter score*

A combined 26% and 38.8% of the respondents were in disagreement that hotels in the study area have reward packages for their customers. Further, 19% and 39.7% of the respondents strongly disagreed and disagreed with the availability of a loyalty programme for customers of the hotels in the study area. Studies have shown that loyalty programmes can enhance guest satisfaction by providing incentives and rewards that make guests' stay more pleasant (La Rose & Rowson, 2017; Gebicki, 2022; Booking Success Insider, 2023). Guests who are part of a loyalty programme feel more cherished and appreciated, which



leads to positive reviews and better advocacy for the hotel (Gebicki, 2022).

On guests' invitation to the hotel's social-based programmes, 79.9% of the respondents were not invited by the hotel to grace one of their occasions. For guest referrals, about 64% of the respondents attested to having referred other guests to the hotels in the study area. Bughin et al. (2021) suggest that guest referrals are more like "a snowball rolling downhill gathering more snow as it goes" and are therefore a viable tool for hotel customer base improvement.

On the receipt of gifts by guests, 25.6% and another 42.5% of the respondents strongly disagreed and disagreed to have received a branded souvenir from the hotels. In the present study, guests who were approached (during focus group discussions) believe that the presentation of branded souvenirs helps in leaving a lasting impression about their stay, which is also a way of improving customer satisfaction and positive advocacy for the hotels.

#### Customer retention

Peculiarities of customer retention were investigated in the study to understand the loyalty characteristics of the respondents. The details depict the respondents' reactions to the statement relating to repeat purchases, in which 59.8% of the respondents had patronised the same hotel on more than three occasions. The study by Han et al. (2019) affirms a positive association between quality and satisfaction and repeat purchases for hotel restaurant products, in which purchase decisions vary between new and existing patrons.

Pleasant experiences for subsequent guests' visits were examined. Strong agreement and agreement responses were up to 12.4% and 65.5%, respectively, for the statement on whether the last experience at the hotel encouraged the guest to patronise the hotel again. Högnäs (2015) observed that "first impressions" are not always accurate, as they are subject to different factors such as pressure, apprehension and the current state of the physical environment. In this case, a regenerated impression may be another first impression that could end up being the last for a guest who was not satisfied during the encounter.

About 63% of responses affirmed that they were not discouraged from revisiting the hotels in the study area due to the fear of crime or theft. Theft and constant fights by

commercial sex workers were indicated in a study by Diminyi et al. (2020) as critical factors for customer loyalty and business continuity in selected hotels in Makurdi, Nigeria. Similarly, Hotel Staff Hub (2023) notes that theft of employees' belongings can result in a loss of reputation by the hotel, employees feeling undervalued as a result of the indictment, and a loss of customer trust which harms revenue from customer spending.

Regarding product updates as the stimulus for customer retention, the majority of the respondents (65%) disagreed that information from the hotel on product updates stimulated their intention for follow-up patronage. Zeithaml and Binter (2013) view that businesses lose customers mostly because customers switch to competitors not to miss out on emerging trends in the industry. Likewise, Aluri et al. (2016) found that hospitality establishments use communication as a marketing strategy to keep regular customers and attract prospective ones through their websites and related channels.

The statement on the security features in the hotel stimulating guest confidence received agreement responses of about 83%. Rana (2022) discovered that hotel safety and security services have a significant mediating impact between guest satisfaction and repeat patronage intentions. Singh (2015) found that safety and security concerns haunt the thought processes of guests, and suggested that hotels should use reliable approaches to gain guests' confidence. In another study, Berezina (2010) saw a significant relationship between credit card breaches on guests' perceived service quality, customer advocacy and revisit intentions.

#### Correlations

The study examines the correlations between the independent variables of the study and customer retention (Table 2). The correlation coefficients indicate a moderate positive association between customer analysis (CA), customer support (CS), voice of customer (VC), customer behaviour data (CBD) and customer retention (CR). The correlations of 0.068 between CA and CR, 0.175 between CS and CR, 0.281 between VC and CR, and 0.303 between CBD and CR are considered positive and statistically significant. The *p*-values are below the 5% threshold for statistical significance, hence, the relationships between the variables are meaningful. Additionally, correlations between the dependent independent variables equally suggest a positive

TABLE 2: Correlations between the variables (N = 1 972)

Variable		Customer analysis	Customer support	Voice of customer	Customer behaviour data	Customer retention
Customer analysis	Pearson correlation	1	0.130**	0.336	0.414**	0.068**
	Sig. (2-tailed)		0.000	0.000	0.000	0.002
Customer support	Pearson correlation	0.130**	1			0.175**
	Sig. (2-tailed)	0.000				0.000
Voice of customer	Pearson correlation	0.336		1		0.281**
	Sig. (2-tailed)	0.000				0.000
Customer behaviour data	Pearson correlation	0.414**			1	0.303**
	Sig. (2-tailed)	0.000				0.000
Customer retention	Pearson correlation	0.068**	0.175**	0.281**	0.303**	1
	Sig. (2-tailed)	0.002	0.000	0.000	0.000	

\*\*Correlation is significant at the 0.01 level (2-tailed)

statistically significant relationship with *p*-values below the 0.05 significance threshold.

**Regression coefficients**

*Hypotheses*

- H<sub>1</sub>: There is no association between customer analysis and customer retention in the hotel sector.
- H<sub>2</sub>: There is no association between customer support and customer retention in the hotel sector.
- H<sub>3</sub>: There is no relationship between voice of customer and customer retention in the hotel sector
- H<sub>4</sub>: There is no relationship between customer behaviour data and customer retention in the hotel sector.

Table 3 shows the result of the hypotheses tests for the study. Analysis of variance shows a statistically significant relationship between customer retention and the constructs of customer intelligence from the *F*-value (*F* = 110.1 *p* ≤ .001), which also attests to the research model's goodness of fit. The result also illustrates that without conducting customer analysis, the rate of client retention is approximately 14.7%. Each additional unit in customer analysis led to a substantial 9.3% rise in customer retention, with a standard error of 0.030 and a *t*-value of 3.047. The *p*-value is ≤ 0.002 of the significance threshold, indicating that customer analysis has a stimulating effect on customer retention in the hotels, hence hypothesis one is rejected. In addition, the data indicated that customer analysis accounted for only 0.5% of the differences in customer retention. The *F*-value of 9.285 indicates a statistically significant result with a significance level lower than 5%. The outcome demonstrates the model's effective and precise identification of a relationship between customer analysis and customer retention.

Findings illustrated a 48.0% rate of customer retention without customer support. However, each additional unit in customer support led to a substantial 27.7 unit increase in customer retention, with a standard error of 0.035 and a *t*-value of 7.902. The *p*-value is lower than the 5% significance threshold, thereby hypothesis two is rejected. Additionally, the data indicates that customer support accounts for up to 3.1% variations in customer retention. The *F*-value of 62.445 indicates a statistically significant result to demonstrate that the model is sufficient in relating customer retention and customer support.

For hypothesis three, the results show that without voice of customer, the rate of customer retention is approximately 36.5%. Each additional unit in voice of customer led to a substantial 36.6 unit increase in customer retention, with a standard error of 0.028 and an absolute *t*-value of 13.015. The *p*-value is ≤ 0.000, indicating that voice of customer influences customer retention in the hotels. Again, the data indicated that voice of customer is

responsible for about 79.0% variations in customer retention The *F*-value of 169.4 indicates a statistically significant result with a significance level lower than 0.05. The outcome demonstrates the model is adequate in relating customer retention and voice of the customer.

The test of hypothesis four indicates that in the absence of customer behaviour data, customer retention stands at about 89.3%. However, a unit increase in customer behaviour data will result in a 56.9% increase in customer retention. The standard deviation is 0.303, with *t*-statistics of 14.113. The *p*-value of 0.05 indicates that the test is significant. The *R*<sup>2</sup> value indicates that about 9.2% of variations in customer retention could be attributed to customer behaviour data with an *F*-value of 14.113. The study therefore concludes there is a relationship between customer behaviour data and customer retention (Figure 2).

**Conclusion**

This study has demonstrated that a statistically significant relationship exists between customer retention and customer intelligence. From the outcome of the study, it was evident that the rate of customer retention for a hotel would be minimal without the hotel conducting customer analysis, supporting their customers, listening to their voices, and analysing customer behavioural data. However, customer retention for the hotel industry is substantially influenced, positively, with each additional increase in customer analysis, customer support, understanding the voice of the customer, and analysing customer behaviour data.

The positives of customer intelligence on customer retention in the hotel industry have been shown in this study. Hotels can take advantage of the strength of their customer demographic portfolios to improve product quality and influence customer loyalty. The study has indicated age as a critical factor for customer segmentation. The study affirms the suitability of

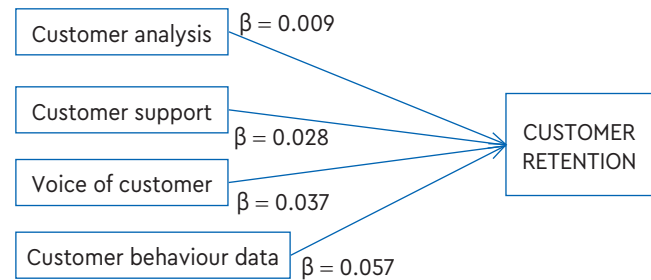


FIGURE 2: Result of hypotheses testing

TABLE 3: Regression coefficients of the variables (dependent variable: CR)

Model	Unstandardised coefficients		Standardised coefficient	t-value	F-value	p-value
	B	SE	Beta			
Constant	1.471 <sup>M</sup>	0.095x1		16.495		<0.001
CA <sup>a</sup>	0.093	0.030	0.068	3.047	9.285	0.002
CS <sup>b</sup>	0.277	0.035	0.175	7.902	62.445	<0.001
VC <sup>c</sup>	0.366	0.028	0.218	13.015	169.4	<0.001
CBD <sup>d</sup>	0.567	0.040	0.303	14.113	199.1	<0.001

*R* = 0.209; *R*<sup>2</sup> = 0.052; Adjusted *R*<sup>2</sup> = 0.051; *F* = 110.1; *p* ≤ 0.001

<sup>M</sup>2.147<sup>a</sup>; 1.480<sup>b</sup>; 1.365<sup>c</sup>; 0.893<sup>d</sup> <sup>M</sup>0.018<sup>a</sup>; 0.115<sup>b</sup>; 0.079<sup>c</sup>; 0.106<sup>d</sup>

segmenting customers according to age cohorts by hotels for service provision, which could ensure that interventions are properly targeted, thereby assisting in cost reduction. Guest income was also indicated to have a significant impact on guests' ability to buy, as well as their loyalty tendencies.

The possibility of ease of customer data assemblage is equally made manifest in the study. Therefore, gathering customer intelligence for the local hotel industry is not unfeasible. Additionally, a favourable business environment exists for the hotel industry in south-west Nigeria in the location and customer base of the industry.

One major way to ensure the needs of customers are met and improved upon is by continuously reviewing their satisfaction levels after the consumption of the hotel's products or services. This study equally affirms that through the collection of customer intelligence, hotels can adopt the voice of the customer tools to expose defects in their product quality, and loopholes in their service techniques. By so doing, action could be taken to correct problems and develop new features for product competitiveness.

Conditions necessary for a sustained loyalty level of the hotel guest have also been revealed. Factors such as guests' preferences for customer support situations, and complaints that may alter guests' expectations and influence the voice of the customer, are critical issues for the local hotel industry. Discrepancies and similarities in customer analysis and customer behaviour data are also indicated in the study as vital elements for customer reviews and continuous improvement of product quality for the hotel industry.

Specifically, overall outcomes of customer analyses are necessary to demonstrate specific effects of guest interaction for easy comparison in service situations. Such comparisons will help in segmenting target customers appropriately to further specify how they would be satisfied and which products will suit their ongoing needs. Customer support statements are concerned with what a hotel can do to help the guests in solving their challenges and pain points immediately and effectively, fulfil their constant needs, and enjoy their guest experience. Gupta (2023) wrote that customer support services may be technical and service-related. Therefore, the hotels in the study area are favourably disposed to incorporating customer service and customer support to help guests deal with technical difficulties in using hotel products and services both in short-term and long-term interactions.

The voice of the customer has been indicated as crucial to guest satisfaction in this study. A hotel must collect both direct and indirect customer feedback to understand the desires of their customers to be able to implement a voice of the customer strategy needed to improve customer retention. The relationships and/or direction of the voice of the customer-related outcomes are beneficial for hotels in making strategic decisions in solving customer-related complaints. Similarly, the relationships of customer behaviour data outcomes can be beneficial to hotels in studying the behaviour of customers pre-arrival, during the guest experience and post-departure, thereby assisting the hotel towards continuous improvement in service delivery.

#### **Practical implications**

While it is getting increasingly difficult to measure the actual representative sample of the customer base, this study offers

the opportunity for data modelling to provide better insight into customer loyalty based on actual customer behaviour instead of perception alone. Additionally, hotels will use information generated through customer reviews to understand customer pain points and future expectations. Such data will assist hotels in creating new products and other artificial needs for the guests relative to the motivation impulse buying theory of Hawkins Stern. Data generated through customer intelligence can filter customer preferences, predict customer behaviour, help a hotel prioritise purchases, and further create a sense of need in their customers and create impulses for repurchase. Consequently, the study will help hotel establishments understand the necessity of customer intelligence, while influencing customer behaviour to grow customer relationships, thus influencing a hotel's net promoter score to sustain profitable growth.

#### **Theoretical implications**

Customers of hotel organisations, through the study, will appreciate the need for a feedback mechanism and its effectiveness in continuous improvement and meeting customers' ongoing expectations. Loyalty programmes can be highlighted to maintain existing customers and enhance advocacy while looking out for prospective new customers. There is a good side for the hotels in terms of loyalty expectations for the industry in the study area. Guest patronage for the same hotel for up to three occasions within the period of the research can be considered a trait of customer loyalty.

#### **Recommendations**

- (1) Hotels would be successful in the usage of customer intelligence for customer retention by successfully analysing the individual attributes and behaviours of the customer, listening to what the customers say, and providing support throughout the purchase encounter. This could be achieved by having dedicated employees who are constantly empowered by the organisation with the requisite machinery for customer data collection.
- (2) Gathering customer intelligence should not be a "one-off" activity for the hotel establishment. To predict customer behaviour, hotels should ensure continuous improvement in collecting customer data, bearing in mind the dynamic nature of human activities which can cause a sudden change in their consumption patterns.
- (3) Hotels should strategise around their mechanism of customer data collection to include attributes that showcase unpredictable customer lifestyle (to predict customers' next line of action), like their next destination. Such information can help a hotel to analyse the future behaviours of the customer and further determine the possibilities of a follow-up on the guest to give a sense of friendship, and as a way of enhancing retention.
- (4) In the area of customer support, hotel employees should be keen to assist guests in the usage of facilities, bearing in mind the uniqueness of most of the hotel facilities which may be unfamiliar to many of the guests.
- (5) It is important that hotels should always listen to the voice of their customers. Hotels should consider their products and services as tangible elements that would become routine in due time. Customer reviews should be adopted as vital for analysing weaknesses in the service delivery processes,

while working towards the rejuvenation of the products and services for customer retention.

- (6) A guest follow-up programme is important in the contemporary hospitality business. Hotels should use loyalty programmes to follow up with their customers and to prevent switching loyalty. By doing this, hotels will do their best to do something new, or something different to improve on existing product quality or service dimension, hence ensuring a dynamic business environment for the industry.

## ORCID iDs

Edwin Chigozie Nwokorie – <https://orcid.org/0000-0002-4722-4154>

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