HOTEL RATING SYSTEM DIMENSIONS AS DETERMINANTS OF SERVICE EXPECTATIONS AND CUSTOMER SATISFACTION IN STAR-RATED HOTELS IN SELECTED CITIES IN MALAWI

BY:

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DECLARATION

Declaration by the Candidate:

I hereby declare that this thesis is my original work and has not been presented for a degree in any other University. No part of this thesis may be reproduced without the prior written permission of the author and/or Moi University.

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DEDICATION

This thesis is dedicated to my dearest parents, Mr. Benito Sepula, and Mrs. Felistas Chimombo-Sepula, my late Father and Mother, respectively, for the unrivalled sacrifices they genuinely made in ensuring that I receive education at every stage of my life. Their unfaltering guidance and pieces of advice still cling to my mind's eye as I look back with sincere appreciation. The successes I have registered along the way are culminating into this level of academic achievement.

ABSTRACT

Over the years, countries continue to introduce hotel rating systems to indicate to customers the level of comfort and service quality expected in different hotel categories. Previous studies on conventional hotel rating systems mainly focused on the structures and characteristics of the hotel rating criteria. In 2010, for instance, the Government of Malawi introduced hotel rating system as a mark of quality and an indicator of standard of services offered in hotels as compared to the international ones. However, there is paucity of information on whether customers use the ratings consistent with their expectations and satisfaction levels. Furthermore, little research has empirically investigated the underlying relationship between hotel rating system dimensions and customer satisfaction. Hence, the objective of this study was to establish the effect of the basic registration standard and grading standard as dimensions of hotel rating system on service expectations and customer satisfaction. The study was anchored on Stimuli-Organism-Response (S-O-R) and Servicescape theories. It was hypothesised that there is a relationship between hotel rating system dimensions, service expectations and customer satisfaction. Using an explanatory and descriptive survey design and pragmatist paradigm, the study focused on 11 star-rated hotels in Lilongwe and Blantyre cities in Malawi and targeted 225 hotel guests, 11 hotel managers and 8 hotel grading assessors. A total of 216 respondents comprising of 203 hotel guests, 10 hotel managers and 3 assessors, participated in the study. Multiple sampling techniques were adopted, whereby, census sampling was used to select the star rated hotels and managers, and simple random sampling and convenience sampling techniques were used to select hotel guests and the assessors respectively. Data was collected using self-administered questionnaires for the hotel guests and semi-structured interviews for managers and assessors. The data collected from the hotel guests was analysed with the help of Statistical Package for Social Sciences (SPSS 20.0) alongside Analysis of Moment Structures (AMOS 22.0). Structural Equation Modelling (SEM) was used to establish the relationships between hotel rating system dimensions, service expectations and customer satisfaction as latent variables of the hypothesised model. The underlying model factor structure was established using a unidimensionality test. Model fit indices of the structural model revealed that the model was perfect (χ^2 /df = 1.524; GFI = .958; CFI = .986; RMSEA = .043, p> 0.05). Furthermore, both the basic registration standard and the grading standard were found to significantly affect customer satisfaction (β= 0.356; t=4.000; p<0.05); (β = 0.434; t=3.280; p<0.05), respectively. Grading standard was found to significantly affect service expectations (β= 0.817; t=6.633; p<0.05). However, basic registration standard did not significantly affect service expectations (β = 0.061; t=0.471; p>0.05). Moreover, the research findings revealed both the basic registration standard and grading standard accounted for 86% (R^2 = .86) of the proportion of variance in customer satisfaction. The study concluded that both basic registration standard and grading standard are determinants of customer satisfaction in star rated hotels in Malawi; with grading standard being a more powerful determinant of both service expectations and customer satisfaction. The study provides a missing link in the presumed relationship existing between hotel rating systems, service expectations and customer satisfaction, thereby, contributing to knowledge on the importance of hotel rating systems and relationships they share with service expectations and customer satisfaction. Hence, hotel managers need to allocate adequate resources and dedicate efforts to improving hotel rating system dimensions on regular basis for they provide an array of attributes that hotels use to enhance customer satisfaction. Future research should investigate various star rated serviced accommodation countrywide to minimise generalisability concerns related to the findings.

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LIST OF ABBREVIATIONS AND ACRONYMS

AA	Automobile Association
AAA	American Automobile Association
AGFI	Adjusted-Goodness-of-Fit Index
AMOS	Analysis of Moment Structures
AVE	Average Variance Extracted
BICC	Bingu wa Mutharika International Convention Centre
BSR	Basic Registration Standard
CAWS	Central African Wilderness Safaris
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
DoT	Department of Tourism
EAC	East African Community
EFA	Exploratory Factory Analysis
ETBs	English Tourist Boards
GDP	Gross Domestic Product
GFI	Goodness-of-Fit Index
GoM	Government of Malawi
GS	Grading Standard
HRM	Human Resource Management
IAA	Impact Asymmetry Analysis
IDC	Industrial Development Corporation
IHRA	International Hotel and Restaurant Association
IPA	Importance Performance Analysis
IRPA	Impact-Range Performance Analysis
ISO	International Standards Organization
MDC	Malawi Development Corporation
MGDS	Malawi Growth and Development Strategy
MLE	Maximum Likelihood Estimation
NCST	National Commission for Science and Technology (Malawi)
NHSGS	National Hotel Star Grading System

NNFI	Non-Normed Fit Index
OECD	Organisation for Economic Co-operation and Development
RAC	Royal Automobile Club
RMSEA	Root Mean Square Error of Approximation
SADC	Southern African Development Community
SEM	Structural Equation Modelling
SERVPERF	Service-Performance
SERVQUAL	Service-Quality
SPSS	Statistical Package for Social Sciences
SRMR	Standardized Root Mean Residual
TDIC	Tourism Development and Investment Company of Malawi
TGCSA	Tourism Grading Council of South Africa
THB	Tourism and Hotels Board
UN-HABITAT	United Nations Human Settlements Programme
UNTWO	United Nations World Tourism Organisation
WTO	World Trade Organization
ZoT	Zone of Tolerance
WTTC	World Tourism and Travel Council

OPERATIONAL DEFINITIONS OF TERMS

Basic registration standard: refers to set of hotel attributes representing the minimum and basic requirement of quality that a hotel property must meet at all costs and it can be considered as a precursor to the actual hotel grading (Narangajavana & Hu, 2008).

Classification: refers to the process distinguishing of hotel according to certain physical features such as amenities, facilities, service and cost (Cser & Ohuchi, 2008)

Customer satisfaction: refers to customer's post consumption evaluative judgement of a product or service in terms of whether the product or the service has met customer's needs and expectations. This is an overall satisfaction based on a customer's universal or holistic assessment of a service provider which occurs after a purchase occasion based on all service experiences (Muskat *et al.*, 2019; Pizam *et al*., 2016; Zeithaml *et al.*, 2013)

Endogenous construct: Latent, multi-item equivalent to dependent variables, represented by a variate of dependent variables. In terms of a path diagram, one or more arrows lead into the endogenous construct (McQuitty & Wolf, 2013; Testa, 2000)

Exogenous construct: Latent, multi-item equivalent of independent variables. They are constructs determined by factors outside the model (McQuitty & Wolf, 2013; Testa, 2000)

Factor analysis: refers to a multivariate statistical procedure used to reduce a large number of variables (factors) into a smaller set. Furthermore, it establishes underlying dimensions between measured factors and latent variables, thereby allowing the formation and refinement of theory (Hair *et al*., 2009)

Grading: refers to the identification of hotels based on certain verifiable objective features of the service offered (Cser & Ohuchi, 2008)

Grading Standard: which also implies "quality grading" (Callan, 1994), refers to the qualitative, intangible service-related aspects in addition to the physical requirements (specified in the basic registration standard) that hotels must meet (Guillet & Law, 2010; Narangajavana & Hu, 2008).

Hotel: based on English Common Law, refers to a place where all who being able and ready to pay for their entertainment are received, if there be accommodation for them, and who without any stipulated engagement as to the duration of their stay or as to the rate of compensation, are supplied at a reasonable cost with their meals, lodging and such services and attention as are necessarily incidental to the use of the house as a temporary home' (Bhatia, 2011).

Hotel rating: broadly refers to the classification of accommodation establishments denoting a system of the same type, such as hotels, motels or inns, conventionally broken down into classes, categories, or grades according to their common physical and service characteristics and established at government, industry or other private levels (Narangajavana & Hu, 2008).

Service expectations: refer to the beliefs held by customers about future service delivery that serve as a reference point against which service performance is judged (Zainol *et al*., 2010).

Structural Equation Modelling (SEM): refers to a multivariate statistical technique appropriate to analyse the relationships among any number of observed (measured) and unobserved (latent) variables of a hypothesised model of a study. SEM effectively is a combination of path analysis, factor analysis and regression modelling (Testa, 2000).

Structural Model: A set of one or more dependence relationships linking the hypothesised model's constructs. The structural model is most useful in representing the interrelationships of variables between constructs (McQuitty & Wolf, 2013).

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CHAPTER ONE

INTRODUCTION

1.0 Overview

This chapter presents the background of the study, with special emphasis on the nature and development of the tourism and hospitality industry from the global perspective, the development of the tourism and accommodation sector in Malawi, the emergence of hotel rating system in the country, the problem statement, study objectives, research hypotheses, justification of the study, the scope and anticipated limitations of the study.

1.1 Background of the study

The recent years have seen unprecedented growing attention to tourism as one of the most important avenues for economic growth and development for many countries globally (Africa Tourism Monitor, 2018; Cobbinah & Darkwah, 2016; United Nations World Tourism Organisation [UNWTO], 2019). Tourism sector is steadily growing, making incredible strides at a more rapid rate outpacing both the global economy and other significant sectors such the financial and business services, manufacturing, public services and transport sectors, successfully creating jobs, driving exports and generating prosperity across the world (World Travel & Tourism Council [WTTC], 2017; 2018; UNTWO, 2019). Several countries have engaged an extra development gear by nurturing the industry owing to its enormous potential as a panacea for delivering economic and social benefits to the communities supporting it (Africa Tourism Monitor, 2015; Langvinienė & Daunoravičūite, 2015; WTTC, 2017). More aptly, tourism has become an avenue for sharing cultures, creating peace, and building mutual understanding (WTTC, 2017).

Despite several calamities, from the growing incidents of terrorism, such as the recent DustD2 Hotel attack in Kenya, political uncertainties in some African countries, to health pandemics such as, the Ebola outbreak in West Africa in 2014, the recent Ethiopian Airlines plane crash and natural disasters like the water floods by Tropical Cyclone IDAI that devastatingly affected some parts of the Southern Africa including Malawi, Africa continues to get more tourist arrivals (Africa Tourism Monitor, 2015; Africa News, 2019a; 2019b; BBC News, 2019; UNWTO, 2019; WTTC, 2017). For instance, in 2018 tourist arrivals in Africa registered a record of 67 million representing 4.9% of the 1.4 billion global tourist arrivals, with this number having increased by 4% already in the first quarter of 2019 (UNWTO, 2019). There is a surge of new arrivals from developing economies in Asia and Europe, all looking for the cultural heritage, astonishing wildlife and scenic African landscapes (Africa Tourism Monitor, 2015; 2018). Notwithstanding the major developmental strides registered in recent years, Africa still faces several challenges affecting the growth and progress of the tourism industry. One of the crucial elements constraining the effectiveness of the industry to play a significant role in the national economies and hence, the development and transformation of the continent, is lack of quality services. This is partly due to inadequate enforcement of acceptable standards, lack of professionalism and inadequate investment in luxurious accommodation facilities, such as hotels, in the hospitality sector (Africa Tourism Monitor, 2015; Industrial Development Corporation [IDC], 2012; World Bank, 2010).

Quality services in the hospitality industry are becoming a more important ingredient than ever before, especially during hard and turbulent economic times when customers are seeking to bolster value for money and are less forgiving of lousy service delivery (Hudson & Hudson, 2013). Again, quality of service in hospitality has widely been

linked to customer satisfaction. This is perhaps one reason why there has been a major paradigm focus on the enhancement of customer satisfaction, reckoned as an important factor influencing positive customer behaviours such as loyalty and future recommendations (Cetin & Walls, 2016).

The hospitality industry is generally the biggest export service sector worldwide *(*Organisation for Economic Co-operation and Development [OECD], 2008). The importance of hospitality, in the growth of economies worldwide cannot be over-emphasised (Angur, 1998; Grönroos, 2016; Mohsin & Lockyer, 2010). Many economic experts confirm that hospitality services make a steady-fast and important contribution to the development of the tourism industry in general (Zeithaml, Bitner & Gremler, 2013). Looy, Gemmel and Dierdonck (2013) identified two major streams of contributing factors to this growing trend. First is the increasing consumer incomes and sociological changes among consumers from dual income families, leading to a greater demand for hospitality services. Second, the increasing professionalism in the hospitality industry, coupled with tremendous technological evolutions has created a new array of services. Moreover, the upsurge in travel has impacted occupancy ratios and average room rates (Mohsin & Lockyer, 2010), with several international hotel chains, such as, Hilton, Accor, Marriott and InterContinental Hotel Group, taking this as an investment, development and internationalisation opportunity (Brookes & Roper, 2010; Mohsin & Lockyer, 2010; Rogerson, 2016; WTTC, 2017).

Globally, many hospitality establishments such as hotels are striving to make their services and products more unique and contemporary in line with the increasing changing customer wants, needs and tastes (Zaibaf, Taherikia & Fakharian, 2013). Consequently, there is a considerable growing effort in the hospitality industry to

improve the service or product offerings by way of adopting strategies that suit the ever-changing customer sense of taste. Such strategies include customer experience management (Cetin & Walls, 2016; Hwang & Seo, 2016), which entail service quality and customer satisfaction considerations resulting into more intensified competition in the hospitality industry for establishments' long-term success (Back & Lee, 2015).

Customer satisfaction is regarded as a corporate survival essential component and a strategic issue in a competitive market, especially in most service industries (Back & Lee, 2015; Hwang & Seo, 2016; Zaibaf *et al.*, 2013). Subsequently, this recognition has created the challenge of maintaining high levels of service, awareness of customer expectations and improvement in services and products. Customer satisfaction is viewed as an affective condition that emanates from an assessment of all the elements that empowers a customer to build relationships with the hospitality facility providers (Zaibaf *et al.*, 2013). In this respect, customers usually possess some anticipations of the quality and type of services provided by an establishment (Akama & Kieti, 2003; Yuksel & Yuksel, 2001a, 2001b). Infact, satisfaction with a hotel experience is derived from cumulative satisfaction with individual attributes of all hotel products and services that constitute a specific experience (Pizam, Shapoval & Ellis, 2016). These attributes are generally based on aspects of accommodation, food and drink, recreation or entertainment, ancillary services, safety and security, value-added services, hotel location, staff appearance, pricing and payment issues (Amin, Yahya, Ismayatim, Nasharuddin & Kassim, 2013).

While Yuksel and Yuksel (2001a) acknowkedge that there is no consensus on the conceptualization of customer satisfaction, the concept has widely been accepted as an evaluation outcome drawn from the comparison of customer's prior expectations about

a service or product and its actual performance. Thus, the concept refers to the consumer's overall subjective post-consumption evaluative judgment based on all encounters and experiences with an establishment (Pizam *et al.,* 2016; Yuksel & Yuksel, 2001a; Zeithaml *et al.*, 2013). Since a number of hospitality experiences possess several individual components, both tangible and intangible (Yuksel & Yuksel, 2001a), a hospitality customer is likely to interact with varying experiences of the service product. Consequently, there will be a combined weight of these experiences "so that high levels of satisfaction derived from some components [will] compensate for lower levels from others and form an overall impression of the entire experience" (Yuksel & Yuksel, 2001a, p.53).

Customer satisfaction is widely associated with several benefits and has a spill-over effect. It contributes to increased levels of retention of customer patronage; it influences repeat purchases, consequently building long-term brand loyalty and word-of-mouth recommendations leading to acquisition of new business (Pizam *et al.,* 2016) and eventually resulting into more revenue, an indication of economic success and determinant of profitability of business (Akama & Kieti, 2003; Mohsin & Lockyer, 2010; Heskett, SasserJr. & Schlesinger, 2014). A satisfied customer is more likely to spread a positive word about the service offering and later recommend it to others looking for a similar service offering, thereby providing a cheaper means of marketing and promoting the business (Akama & Kieti, 2003; Fakharyan, Omidvar, Khodadadian, Jalilvand & Vosta, 2014).

Related to customer satisfaction, is the service quality concept. Service quality serves as a means by which customers differentiate competing hospitality establishments (Back & Lee, 2015). The performance of hotels in the current competitive business

environment where hotels share similarities in the type of physical facilities they possess, depends to some degree, on the way service quality is executed to yield corresponding customer delight (Mohsin & Lockyer, 2010). Moreover, enhancing service quality is becoming important to the hotel industry based on customer expectations (Yilmaz, 2010). Service providers should use service quality to establish a relationship with customers who are input resources for many service operations (Johnson, Clark & Shulver, 2012; Kandampully, 2014) throughout the delivery process. Most importantly, customers are the final judges as to how well the quality of the service delivered matches up to their requirements, and by their continued support, govern the long-term success of the establishment (Grönroos, 2016; Johnston *et al*., 2012).

A host of hotel service and physical attributes have been found to influence customer satisfaction. Attributes such as, hotel room, reception, dining, leisure and recreational facilities, boutique facilities, information sharing, staff, cleanliness, car park, concierge service, employees, and state of maintenance and repair of facilities, have previously been investigated (Ali, Amin & Ryu, 2016; Chen, Chen & Lee, 2013; Iacobucci, Ostrom & Grayson, 1995; Jin, 2015) within the context of service quality. Additional host of hotel aspects have been examined but within the following contexts: the physical environment in which service takes place; hotel designs (access, space, and use); or atmospherics (décor and artifacts, spatial layout, ambient conditions, color, lighting, style, and furnishings) (Bitner, 1992; Bodet, Anaba & Bouchet, 2017; Countryman & Jang, 2006; Hoffman & Turley, 2002; Mari & Poggesi, 2013; Mehrabian & Russell, 1974; Zemke, Chena, Raaba & Zhong, 2017). Environmental psychologists argue that the environment is capable of influencing a wide range of customer behaviours as well

as providing a context in which these behaviours occur, which in turn affect the evaluation of satisfaction (Hoffman & Turley, 2002).

Emir (2016) acknowledges that studies involving the link between customer satisfaction or service quality and physical environment or servicescape or atmospherics in the hospitality sector have principally been conducted in first class, luxury or star rated hotels. The assumption is that the rapid growth in hotel rating systems results from the realisation that the hotel industry has had arguably a major impact on the customer experience (Hensen, Struwig & Dayan, 2011; Narangajavana & Hu, 2008). The hotel rating system evaluates the overall quality of a hotel in terms of its physical environment and services on the basis of some attributes, such as architecture, level of service, facilities, maintenance, sanitation and hygiene, service quality, and perhaps guest satisfaction (Cser & Ohuchi, 2008). In other words, a rating system reflects both tangible and intangible aspects of a property, and therefore, a clear indication of the service quality level and competitive edge in the marketplace (Adongo, 2011; Hensens, 2016; Narangajavana & Hu, 2008).

A hotel rating is broadly treated as "a classification of accommodation establishments, denoting a system of the same type, such as hotels, motels or inns, conventionally broken down into classes, categories or grades according to their common physical and service characteristics and established at government, industry or other private levels" (Narangajavana & Hu, 2008, p.36-37).

Hotel rating systems fall into two branches namely: official and non-official (Cser & Ohuchi, 2008). The former is established and administered by governmental tourism authorities or agencies based mandatory and regulatory provisions, while non-official hotel rating systems are usually administered by private organizations, on the account

of voluntary participation by hotels themselves (Narangajavana & Hu, 2008). Conceptually, a hotel rating system embraces two important dimensions: a basic registration standard and a grading standard (Narangajavana & Hu, 2008), which have been widely reported in literature (Callan, 2000; Narangajavana & Hu, 2008; Guillet & Law, 2010). The basic registration standard refers to the physical standard requirement that a hotel property must meet at all costs; it is the minimum quality requirement, whereas the grading standard refers to the more qualitative, less tangible service-related elements alongside the minimum physical requirements that hotels must meet. The grading standard, being a quality aspect, allows a hotel to be compared with other properties (Back & Lee, 2015; Callan, 2000; Narangajavana & Hu, 2008). The symbol most universally recognised is stars, because most countries have at least one rating system using stars to represent quality grades.

There are disparities in hotel rating systems among different countries reflecting local cultural differences in values, choices and preferences (Cser & Ohuchi, 2008; Leung, Lee & Law, 2011; Su & Sun, 2007). As the official hotel rating systems vary from country to country, the tendency is to use different symbols such as stars, plum blossoms, crowns or diamonds (Narangajavana & Hu, 2008; Su & Sun, 2007) to distinguish between various hotel categories, consequently, throwing into a state of disarray both the consumers and the entire hospitality industry in general. Grönroos (2016) argues that such inconsistencies may affect the customer evaluation of both the functional (process related) and quality aspects of the establishments, both of which underpin the customer experiences with the service delivery process and ultimate customer satisfaction. Nonetheless, hotel rating systems provide invaluable benefits to various stakeholders such as travel agencies, tour operators (safaris), governments and consumers and enable them to compare hotels' service provisions and delivery they can

expect for the prices tagged (Cser & Ohuchi, 2008; Narangajavana & Hu, 2008). From the hoteliers' perspective, the hotel rating system provides a platform for advertising the hotels' positioning in the marketplace, thereby creating a win-win situation for both the consumer and the hotel business.

Despite the rapid growth of the tourism and hospitality industry after independence in 1964, Malawi, a sub-Saharan country, was the only travel destination within the Southern African Development Community (SADC) without an official hotel rating system for accommodation establishments such as hotels, motels/lodges and inns until the year 2010 (World Bank, 2010). According to the IDC's (2012) report highlighting the status of the business hotel industry in selected East and West African countries, Malawi was singled out as one country in the region with very few hotels of international standards due to inadequate investments in the hotel sector. IDC (2012) further stated that although some of the existing facilities in the major cities of the country had a perceived international status, they fell short of refurbishment and/or rebranding as a mark of quality. Hence, the introduction of the National Hotel Star Grading System (NHSGS) in 2010 by the Government, was not just coincidental, but rather a timely panacea expected to uplift the overall quality of service of Malawi's hotels and perhaps boost customer satisfaction and confidence levels. This is arguably beneficial because the system brings into close alignment local standards with both regional and international standards, an aspect supported by Narangajavana and Hu (2008).

1.2 Statement of the Research Problem

Creating high levels of customer satisfaction has become one of the critical elements in the contemporary hospitality industry considered to be among the most experience-

intensive services (Cetin & Walls, 2016; Hwang & Seo, 2016). The conceptual elements of customer satisfaction have received growing academic inquiry in the hospitality industry. Unfortunately, as noted by Yuksel and Yuksel (2001a), relatively minimal attention has been given to the development of informative and straightforward models that help hotel practitioners understand what customers view as the determinants of an acceptable hotel experience, and how such aspects are better managed to enhance satisfaction and future repeat visits. Furthermore, any efforts to do so, have not explored any hotel rating system approaches or frameworks. Moreover, the availability of several satisfaction measurement tools such as, Expectancy-Disconfirmation, Perceived Performance only (PPo) and Importance-Performance Analysis (IPA) models (Cronin & Taylor, 1992; 1994; Martilla & James, 1977; Pizam *et al*., 2016; Yuksel, & Yuksel, 2001a; 2001b), have created more confusion among hotel managers, for lack of agreement on the best framework appropriate for customer satisfaction evaluation. Hence, using the hotel rating system approach or dialogue to determine customer satisfaction, may yield a more comparable, reliable alternative instrument for use by hotels especially in Malawi.

Although a few hotels in Malawi would traditionally institute various mechanisms to assess customer satisfaction and gather feedback that provides an assessment of the establishment's performance by adopting modern technological means such as online surveys, there is very little empirical evidence on the role of conventional Malawi hotel rating criteria in determining customer satisfaction. Several scholars (Reid & Bojanic, 2010; Tam, 2004) put their weight on this critical component of gathering feedback and advise that benchmarks can be established, and future progress can be evaluated in order to gauge customer expectations and perceptions of a service process. How such information is precisely utilised to appraise a hotel's commitment to customer

satisfaction and inform sound product and service quality improvements in the Malawian context, is sparse in literature. Therefore, this study was conducted in an effort to fill the apparent gap.

Since the advent of hotel rating systems, several studies on the conventional hotel rating systems have largely been conducted in Europe, America and Asia, focusing on the criteria/content and structural characteristics of the systems. For instance, there are comparative study analyses of country specific hotel rating systems done in the United Kingdom, United States, China and Taiwan (Su & Sun, 2007); and also, structural analysis of hotel classification frameworks done in Switzerland, Germany, Hungary, China and Japan (Cser & Ohuchi, 2008). Callan (1994; 1989; 1999; 2000) and Adongo (2011) spent a great deal of focus investigating what hotel attributes prospective guests use to select hotels, the actual utilisation of hotel rating schemes by different target groups, and the importance of different hotel attributes to guests targeting the UK hospitality industry. Yet no similar studies have been conducted in Malawi, pre- and post-introduction of the National Hotel Star Grading System (NHGS).

The rating criteria in countries mentioned above, have been studied as discrete packages of features characterising various hotel rating systems. It is not clearly established in research how these hotel rating criteria characteristics are intertwined with the body of customer satisfaction literature to explain any significant relationships. More importantly, although customer satisfaction is readily associated with hotel rating (Hensen *et al*., 2011), it is not clear how this relationship is conceptualised. There was need for an empirical study to investigate these relationships. Apparently, many studies including those of Narangajavana and Hu (2008) and Su and Sun (2007) further reveal that the emphasis is placed on getting the input of managers as key decision makers

who participate in the hotel rating. Callan (2000) solicited views of the hotel rating inspectors or assessors, while neglecting the views or perceptions of the customers. Thus, it is difficult to critically establish what exactly drives customers in choosing the star rated hotels despite United Nations World Tourism Organization [UNWTO] (2014) claiming, without further elaboration, that being officially rated and working to improve hotel guest review scores, lead to a considerable positive financial impact. However, UNWTO's (2014) assertion raises an important consideration to understand how hotel rating impacts on customer satisfaction and in the process boost up the hotel's profitability.

Furthermore, recent focus on contemporary hotel rating is directed on the campaign to strengthen the rating criteria. Such campaigns focus on integrating environmental management practices and online guest reviews beyond objective tangible standards in hotels (Hensens, Struwig & Dayan, 2011; Hensens, 2016). It appears that very little or no studies have pushed the agenda to investigate the underlying relationship between hotel rating systems and customer satisfaction as another competitive aspect of the hotel business. Most of customer satisfaction studies are largely conducted in first class and luxurious hotels (Mohsin & Lockyer, 2010; Wilkins, 2010) or full-service hotels affiliated with major international hotel chain companies (Bodet *et al.*, 2017; Zemke *et al.*, 2017), all of which are star-rated. In fact, UNTWO (2014) acknowledges that customers who make a hotel reservation often use official hotel ratings as a filter mechanism before making a final hotel selection, as long as they know the existence of the hotel ratings. Hence, there was need to further explore and investigate fully the underlying relationship between hotel ratings that largely characterise customers' selection of hotels, their service expectations and satisfaction levels with the service experiences. In the case of Malawi, it is not clear if customers often use the ratings

consistent with their expectations when choosing the hotels. This apparent gap in knowledge necessitated the investigation of this important but neglected component of research area.

1.3 Research Objectives of the Study

1.3.1 General Objective

To investigate hotel rating system dimensions as determinants of service expectations and customer satisfaction in star-rated hotels in selected cities in Malawi.

1.3.2 Specific Objectives of the Study:

i. To establish the effect of basic registration standard dimension of hotel rating system on customer satisfaction in star-rated hotels in Malawi.

ii. To determine the effect of grading standard dimension of hotel rating system on customer satisfaction in star-rated hotels in Malawi.

iii. To assess the effect of basic registration standard on service expectations in star rated hotels in Malawi.

iv. To assess the effect of grading standard on service expectations in star-rated hotels in Malawi.

v. To establish the effect of service expectations on customer satisfaction in star-rated hotels in Malawi.

vi. To establish the zone of tolerance (ZoT) derived from service expectations of hotel guests in star rated hotels in Malawi.

vii. To examine perceptions of hotel managers and hotel rating assessors about the contribution of a hotel rating system to customer satisfaction in star-rated hotels in Malawi.

1.3.3 Research Hypotheses

The study tested the following five hypotheses related to the research objectives:

H_{01}: There is no significant effect of basic registration standard on customer satisfaction in star-rated hotels.

H_{02}: There is no significant effect of grading standard on customer satisfaction in star-rated hotels.

H_{03}: Basic registration standard has no significant effect on service expectations in star-rated hotels.

H_{04}: Grading standard has no significant effect on service expectations in star-rated hotels.

H_{05}: Service expectations have no significant effect on customer satisfaction in star-rated hotels.

H_{06}: There is no significant difference between desired service expectations and adequate service expectations of hotels guests in star-rated hotels.

1.3.4 Research Question

i. What are the perceptions of hotel managers and hotel rating assessors about the contributions of a hotel rating system to customer satisfaction in star rated hotels in Malawi?

1.4 Significance of the Study

Existing studies on hotel rating systems, service expectations and customer satisfaction aspects in hotels (mostly rated ones) are much more focused on either European or Western or even Asian backgrounds and to a lesser extent, in some parts of Africa (Kiplagat, Makindi & Obwoyere, 2015; Nadiri & Hussain, 2005; Narangajavana & Hu, 2008; Ramsaran-Fowdar, 2007; Sohail, Roy, Saeed & Ahmed, 2007; Tefera &

Govender, 2016). Although there has been an upturn and growth in the volume of academic hospitality research in Africa, Malawi hospitality sector remains somehow neglected. In a review of published tourism and hospitality research between 2000 and 2010 for 15 countries of the Southern Africa Development Community (SADC), it was obvious that research on Malawi hospitality, was hugely undeveloped (Rogerson & Rogerson, 2011). The apparent limited research to inform the country's hospitality industry development agenda in specific areas such as hotel rating system, is consequently dangerous for the future of the industry. Therefore, this study was conducted to make significant contribution to academia by filling in the apparent limited research on Malawi's hospitality industry. Specifically, this study makes contribution to the understanding of hotel rating dimensions' effect on service expectations and customer satisfaction in the hospitality industry in Malawi; and additionally provides an opportunity for future researchers to take a more strategic thinking and keen interest to establish the magnitude and meaningful contribution of the sector to the country's economy.

Importantly, from the theoretical perspective, the missing link in the relationship that is presumed to exist between hotel rating systems, service expectations and customer satisfaction, provided an avenue for this study to make contributions to literature on the importance of hotel rating systems and knowledge about relationships they share with service expectations and customer satisfaction. While literature acknowledges existence of relationships between some hotel service attributes, service expectations and customer satisfaction, there is little evidence in literature that supports the extent to which conventional hotel rating systems affect both service expectations and customer satisfaction. Hence, this study was conducted to make significant contribution to our

understanding of the effect of the hotel rating system dimensions on service expectations and customer satisfaction in star-rated hotels in Malawi.

The managerial implications of this study would assist industry regulators and policy makers in Government, managers of various star-rated establishments and those in the lower categories, educators and the rest of the stakeholders in the industry to understand the concept of customer satisfaction, how best it is measured from the hotel rating system perspective and utilised to drive successfully hotel business in Malawi. The findings of this study thus provide an avenue to establish that an official hotel rating system is an equally important aspect that hotel practitioners need to place on high priority status in relation to customer satisfaction to remain competitive. By developing a structural equation model, the study provided both theoretical and practical frameworks for these stakeholders. The stakeholders, especially hotels, may use the findings to help them enhance their service provisions in areas they were falling short to captivate their clientele. Findings of the study would encourage hotels yearning for higher star level as a commitment to service quality to take immediate action in improving both hotel's physical and service features in time for the next rating exercise. This would consequently help to build confidence and dispel information irregularities to customers who may harbour different expectations about the hotel. The study findings provide an impetus to industry regulators (government) to seek means of regularly revising the hotel rating criteria, as a policy matter, to reflect the dynamic hospitality practices and ever-changing needs and tastes of the knowledgeable and sophisticated customers in order to suit their needs.

1.5 Scope of the Study

The purpose of the study was to investigate the effect of hotel rating system dimensions on service expectations and customer satisfaction in star-rated hotels in selected cities in Malawi. The study has focused on the mandatory conventional (official) rating system only administered by the Malawi Government through the Department of Tourism and Tourism and Hotels Board. The hotel rating system dimensions under investigation were basic registration standard and grading standard. Hotel rating system in Malawi encompasses all the serviced accommodation properties which include categories such as hotels, holiday resorts, lodges and guesthouses found across the country. Notwithstanding, the present study targeted a sample of star rated city hotels only in all five-star categories, primarily serving both leisure and business travellers in two major cities in Malawi, that is, Lilongwe in the Centre and Blantyre in the South of Malawi.

Additionally, the respondents for the research were drawn from the star-rated hotels situated in the two selected cities and included hotel guests and hotel managers, and trained hotel grading assessors from the Department of Tourism responsible for the grading system and standards. Data was collected between January and May 2018.

CHAPTER TWO

LITERATURE REVIEW

2.0 Overview

This chapter discusses literature related to the concept of customer satisfaction, its benefits and measurement in the hospitality industry. It provides insights into the role customer service expectations play in understanding customer satisfaction in relation to hotel rating systems. The chapter further presents the dimensions of hotel rating systems and the integration of service quality in the dimensions and how they affect customer satisfaction. Various models pertaining to the research topic, theoretical and conceptual frameworks underpinning the study are also presented and discussed.

2.1 The Concept of Customer Satisfaction

Customer satisfaction is one of the prominently discussed topics that has gained a lot of attention in both business or management and academic research from the period customer efforts, expectations and satisfaction were first examined (Cardozo, 1965). A review of extant literature reveals that there still exist diverse definitions of customer satisfaction and disagreements on how best to conceptualize it (Ekinci & Dawes, 2009; Yuksel & Yuksel, 2001a). Nevertheless, there is a consensus that customer satisfaction is critical to the successful delivery of hospitality services commensurate with customers' needs and wants (Fallon & Schofield, 2004; Pizam *et al*., 2016; Yuksel & Yuksel, 2001a; 2001b). Since satisfaction relates to customer's personal assessment of his/her experience, it is unlikely that different customers may apply similar criteria in assessing a given service experience, which are specific to a situation (Yuksel & Yuksel, 2001a). Specifically, satisfaction may result from an easy to complex process involving a person's cognition, attitudes and other silent psychological and physiological traits (Zaibaf *et al*., 2013; Zemke *et al.*, 2017).

Following the challenges associated with proper conceptualisation of customer satisfaction, Oliver (1980) describes customer satisfaction as customers' attitudes or assessments resulting from comparing their earlier purchase expectations of what they would get from a product and/or service to their individual perceptions of the after-purchase performance of what they actually received. Such attitudes may also be labelled as "affect" or "evaluation", depending on the context aggregated from the experiences (Ajzen & Fishbein, 2000; Li, Ye & Law, 2013; Zemke *et al*. (2017).

Pizam *et al*., (2016, p.4) view customer satisfaction as "*a psychological concept that involves the feeling of well-being and pleasure that results from obtaining what one hopes for and expects from an appealing product and/or service*". From the seminal works on the disconfirmation perspective (Oliver, 2010), customers experience a service and compare the encounter with their expectations, and the resultant emotional reaction they attach to the entire service at the after-purchasing point (Li *et al*., 2013). For instance, using the hotel guest's experience, Zemke *et al*. (2017) illustrate that the guest forms and evaluates a string of beliefs about their hotel stay, and then experiences feelings of either being satisfied or dissatisfied, including judgements of whether to return to the hotel or spread word-of-mouth about the experiences. Pizam *et al*. (2016) suggest that some definitions characterise satisfaction as the end-state (outcome) resulting from the experience of consumption, while other definitions support the assessment of satisfaction as being service process-oriented. Pizam *et al*. (2016) further point out that the process-oriented definitions of satisfaction, are more preferred to the outcome-oriented approach, because the former place emphasis on the entire experience and the process, which may lead to customer satisfaction with unique measures capturing prominent aspects of each stage.

Generally, customer satisfaction is an after-consumption assessment of a product or service in light of whether the product or the service matches the needs and expectations of every customer (Oliver, 2010; Zeithaml *et al.*, 2013). Moreover, customer satisfaction is related to other forms of customer feelings such as a sense of fulfilment, contentment, pleasure, delight, relief and ambivalence (Zeithaml *et al.*, 2013). Specifically, customer satisfaction in the hospitality industry, is viewed as an all-inclusive emotional response to the delivery of the entire intangible service (Li *et al*. 2013; Yuksel & Yuksel, 2001a; 2001b). A hospitality customer is likely to interact with different components of the service product at different stages. Yuksel and Yuksel (2001a) believe that there is some level of balance in which high satisfaction levels derived from some service components, complement lower levels of satisfaction from other components, resulting in an overall impression of the entire experience.

There are two widely debated formulations of satisfaction – transient (or transaction-specific) and overall (holistic or cumulative) satisfaction (Ekinci & Dawes, 2009; Yuksel & Yuksel, 2001a). Transient satisfaction is viewed as the outcome of a distinct interaction at a particular service encounter. Thus, transient satisfaction is taken immediately after each interactive service transaction. On the other hand, overall satisfaction is an aggregate following a customer's universal or holistic assessment of a service provider which occurs after a purchase occasion based on all service experiences (Muskat, Hortnagl, Prayag & Wagner, 2019; Pizam *et al*., 2016; Yuksel & Yuksel, 2001a). For example, a customer's evaluation of a dining experience involves food as a tangible consumable service element, served in some manner (behaviour and attitude) by the service personnel in some service environment (ambience and atmospherics) (Jin, 2015; Yuksel & Yuksel, 2001a; 2001b). Virtually all satisfaction studies have adopted the holistic satisfaction formulation because it is more central and

useful than the transient satisfaction, even in predicting a consumer's behavioural intentions and an establishment's financial performance (Ekinci & Dawes, 2009; Yuksel & Yuksel, 2001a). Hence, this study adopted the overall satisfaction formulation to allow better understanding of the relationship of customer satisfaction and the hotel rating system dimensions.

2.2 The Role of Customer Satisfaction

Given the significance of customer satisfaction to many service industries including hospitality, enormous attention has been devoted to research exploring its importance and the process by which customers form evaluative judgements about a particular service experience (Yuksel & Yuksel, 2001a). Yuksel and Yuksel (2001a) argue that while measuring customer satisfaction is very vital, it should not be the final point in itself. Thus, adequate efforts should be put in place to integrate satisfaction information emanating from research into the development and implementation of service improvement strategies for more intensified competition in the hospitality industry (Back & Lee, 2015; Gregory & Parsa, 2013). For example, Yilmaz (2010) suggests that understanding the important determinants of customer satisfaction may help boost hotels' market share. Hotel practitioners seek ways of making their products/services unique from the competition by establishing means of understanding their customer needs and lay out mechanisms to exceed their needs. In the growing competitive environment, improving quality of service is becoming imperative for the hotel industry based on customer expectations, and if these expectations are met, customers are satisfied, in the process influencing positively their buying behaviours (Hoffman & Turley, 2002).

Achieving customer satisfaction is highly recommended for the long-term success of a business. Akama and Kieti (2003), Amin *et al.* (2013) and Fallon and Schofield (2004) assert that being able to successfully assess customers' satisfaction levels and apply that knowledge, potentially allows hospitality practitioners to have an edge over competitors through such external benefits as increased customer retention, loyalty and positive word-of-mouth communication and also boost the company's profits and market share. Furthermore, Fallon and Schofield (2004) argue that proper measurement of satisfaction provides internal opportunities, such as facilitation of resource management, product enhancement and differentiation. Additionally, Hu, Kandampully and Juwaheer (2009) and Pizam *et al.* (2016) weigh in by suggesting that customer satisfaction provides a mechanism to gauge how customers define quality of service and product attributes, influencing repeat purchases, consequently brand loyalty. Finally, customer satisfaction also acts as the cheapest means of business promotion. Hence, both academics and practitioners need to take considerable interest of better understanding the importance of customer satisfaction in various business set ups (Hu *et al.*, 2009).

From the service-profit chain perspective (Heskett *et al.*, 2014), it appears customer satisfaction tends to influence internal employee satisfaction. There are established connections between high profits, customer loyalty and employee satisfaction, loyalty and productivity. The propositions in the model suggest that profit and business growth are primarily elicited from customer loyalty which is also directly affected by customer satisfaction. Satisfaction is largely influenced by the quality and value of services customers get from the establishments's satisfied, loyal and productive staff. Employees satisfaction, in turn, results primarily from the establishment's high-quality support services and policies that enable employees to deliver results to their customers

(Heskett *et al.*, 2014). In other words, the service-profit chain framework emphasises that all the components within it, relate to and reinforce each other in a unified fashion with the ultimate goal of driving customer satisfaction and profits for the establishment.

To demonstrate the importance of the service-profit chain framework, Chi and Gursoy (2009) used it in three and four star rated hotels in five destinations and established that the level of customer satisfaction is critical to an establishment's profitability drive. Palmer (2008) argues that in order to gain customer loyalty, any service rendered must exude value for money spent by the customer. Since customer expectations are dynamic, an establishment should therefore strive to support the changes. Palmer (2008) further argues that value of a product or service means different things to different customers because many individuals associate value with an emotional aspect of the purchase based on experiences. This is consistent with the hospitality experience where the customer comes into encounter with several experiences that leave him either satisfied or not, depending on his emotional attachment to the services provided, leading to financial implications on the hospitality business (Pizam *et al.*, 2016).

2.3 Models of Customer Satisfaction

2.3.1 The Kano Model of Customer Satisfaction

Most customer satisfaction studies have focused on a set of perceived service quality attributes as a significant direct antecedent of overall customer satisfaction in the hospitality industry (Back & Lee, 2015). Consequently, several studies tend to treat the relationship between service attributes and customer satisfaction as being often correlational in nature (Back & Lee, 2015; Gregory & Parsa, 2013). The assumption is that performance of some service attributes produces greater customer satisfaction. However, an earlier study by Kano, Seraku, Takahashi and Tsuji (1984) dispute the

conventional or traditional customer satisfaction models which suggest that higher satisfaction occurs irrespective of the inherent nature of the attributes. Several customer satisfaction researchers agree that the relationship between service quality performance and customer satisfaction with service might indeed be asymmetrical and nonlinear (Back & Lee, 2015; Gailevičiūtė, 2011; Lin, Liao, Shih, Lin & Peng, 2011; Luor, Lu, Chien & Wu, 2015).

Initially, Kano *et al.* (1984) proposed that service attributes do not have the same influence on customer satisfaction levels, and that the attributes may have different degrees of importance among customers. It was resolved that there ought to be nonlinear relationships existing between service attribute performance and customer satisfaction (Gregory & Parsa, 2013). In some instances, a customer may not even prefer at all presence of some of the attributes in a given service experience (Gregory & Parsa, 2013). An understanding of individual service attributes' impact on customer satisfaction is thus, key to boosting overall customer satisfaction (Back & Lee, 2015). This proposition led to the development of the famous Kano model of customer satisfaction. Accordingly, the manner in which the model classifies service attributes is useful for guiding decisions as it helps to indicate what is good enough and how much of it is better (Gregory & Parsa, 2013).

Review of the Kano model of customer satisfaction (Figure 2.2) by Gregory and Parsa (2013) reveals that understanding both functional requirements of a service attribute and satisfaction score, provides an array of features or attributes that an establishment monitors to remain competitive, differentiate themselves from the competition and enhance customer satisfaction. Originally, Kano *et al.* (1984) proposed that service attributes could be divided into five categories according to their expected impact on

customer satisfaction. These categories were: attractive quality; one-dimensional quality; must-have (must-be) quality; indifferent quality; and reverse quality. The first three have widely been used in satisfaction research and the model has consequently been re-designated as a three-factor model to examine the asymmetric relationship between quality attributes and overall customer satisfaction (Back & Lee, 2015; Gailevičiūtė, 2011; Gregory & Parsa, 2013). Gregory and Parsa (2013) argue that the apparent reduction from five to three attributes is believed to emanate from the fact that the model has been employed predominantly in the area of quality improvement.

The three attributes in the three-factor model (attractive, one-dimensional, and must-have) are also commonly referred to as delighters or excitement or attractive attributes; satisfiers or hybrids or performance attributes; and dissatisfiers or basic needs or threshold, respectively (Back & Lee, 2015; Gailevičiūtė, 2011; Gregory & Parsa, 2013).

Based on Gregory and Parsa's (2013) explanations, *delighters* or *attractive quality attributes* result in increased customer satisfaction if these attributes are present, however, their absence does not cause dissatisfaction either. These attributes are not expected but are well received and appreciated when provided to the customer. *Attractive attributes*, also referred to as "*excitement needs*" or "*surprises that result in delight*", are described as those which the customer may not expressly state but which can be customised for them. These are unanticipated attributes that provide a differentiation platform for the establishment in the marketplace. These attributes typically follow a curvilinear fashion, when evaluated for customer performance. Some examples from the hotels may include fluffy pillows or extra beddings for a guest who makes a special request.
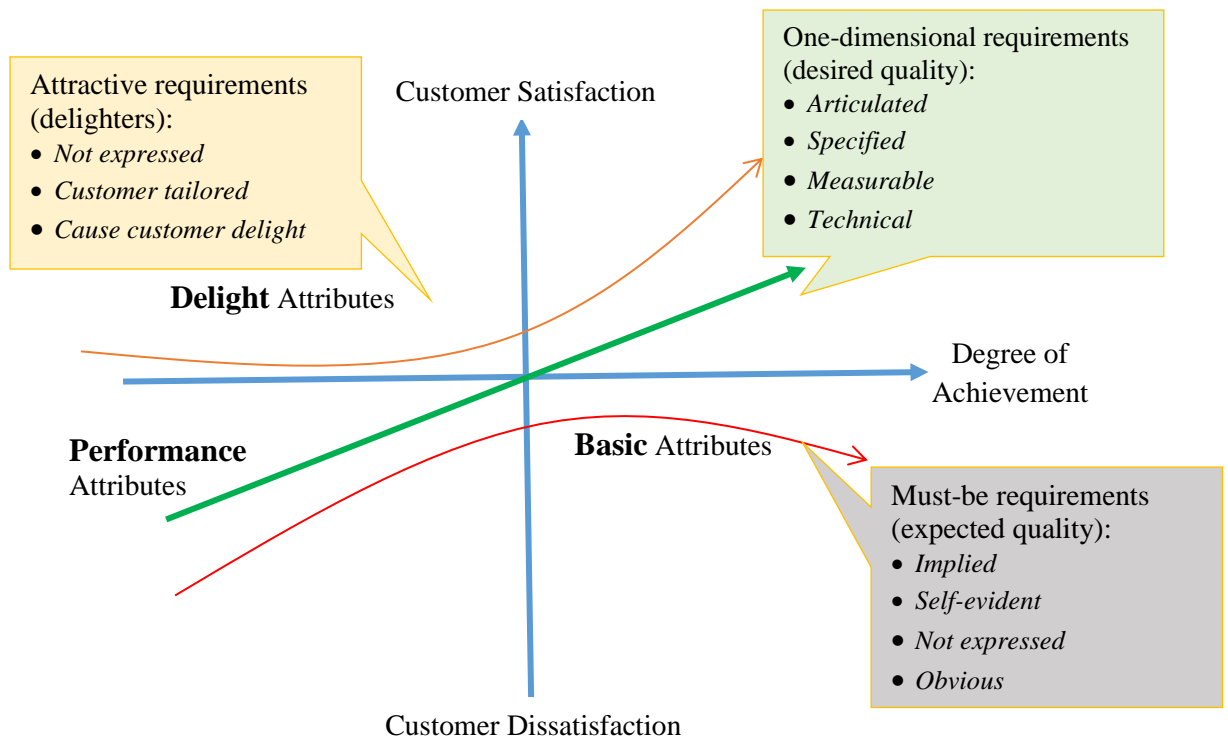
Figure 2.1: The Kano Model

Source: *Gailevičiūtė (2011)*

One-dimensional quality attributes or *performance needs*, according to Gregory and Parsa (2013), are those attributes that share a positive relationship with customer satisfaction. In other words, if the performance of these attributes goes higher, the level of customer satisfaction increases correspondingly. Contrariwise, if the performance attribute is weak, it decreases customer satisfaction. These attributes are considered by customers as key to their levels of satisfaction. One-dimensional qualities behave in a linear fashion with customer satisfaction. In other words, these attributes present aggregated requirements appropriate for evaluation of service or product ideas that will meet or exceed customer satisfaction level.

According to Gregory and Parsa (2013) *dissatisfiers or must-have (must-be) or basic or threshold quality attributes* are the anticipated attributes or basic/minimum requirements or "entry requirements" of a service, and do not offer much possibility for service distinction. By increasing the performance of these attributes results in a shrinking effect on customer satisfaction levels. Lack of these attributes will obviously escalate dissatisfaction levels in customers; however, their availability does not necessarily guarantee enhancement of customer satisfaction either. Dissatisfiers' examples include general cleanliness of the guestrooms, a reception area or availability of toilets facilities in a bar or within a restaurant in a hotel. Similar to the attractive qualities, these attributes also behave in a curvilinear fashion.

The Kano model has been applied across a wide range of research contexts in different industries. For example, Luor *et al*. (2015) reviewed 94 academic articles related to the Kano model between 1998 and 2012. They established an increased trend in the use of the model in a variety of settings, with researchers from Asia, Africa, America and Europe making the most contributions to this field. Similarly, Gregory and Parsa (2013) investigated the evolution of the Kano model and presented an extensive review of literature on the Kano model, synthesis of competing concepts, criticism of the model, methodological implications, and its application to the hospitality and tourism industry. Lin *et al*. (2011) applied a Kano two-dimensional quality model to establish tourists' perceptions of service quality in the leisure industry and provide suggestions for service improvements of leisure industries. The results indicated that one-dimensional (performance) quality elements and indifferent quality elements accounted for the largest proportion among the twenty-seven (27) service quality items categorised by the Kano model, an indication that not all service quality elements were symmetric and linear with tourists' perceptions. Kuo, Chen and Boger (2016) conducted a guest survey

at two Taichung Taiwan City Center hotels in which several hotel service quality attributes were rated in terms of their perceived importance and satisfaction. These quality attributes were further rated and classified into five categories using the Kano satisfaction model. The fact that the study suggested effective distribution of resources and establishment of service quality improvement strategies (Kuo *et al.*, 2016), such recommendations signaled the existence of varied levels of importance attached to the quality attributes by the guests.

While the Kano model has been widely used by industries and researchers, two major weaknesses of the model have been reported by Yang (2005) and Mkpojiogu and Hashim (2016). The first weakness, according to Yang (2005), is the model's failure to consider the degree of importance attached to certain quality elements by customers. Consequently, Yang (2005) refined the model by adding the importance quality attribute to the model resulting into twelve categories instead of five. Based on the modification of the model, Yang (2005) suggested that firms can now obtain a more accurate understanding of the quality attributes from the customer's perspective and can thus make more precise quality decisions. The second criticism of Kano model is due to the structure of the questionnaire, whereby each attribute is presented in a functional and dysfunctional manner, making the questionnaire more cumbersome (Gregory & Parsa, 2013), thereby resulting in attrition or low response rate (Saunders, Lewis & Thornhill, 2016; Yilmaz, 2010).

The third and last weakness of Kano model is due to its qualitative nature and faces limitations of not being effective in the quantitative evaluation of customer satisfaction (Mkpojiogu & Hashim, 2016). Several improvements have however been made on the original Kano model to incorporate quantitative evaluation of customer satisfaction

(Berger *et al*. 1993; Mkpojiogu & Hashim, 2016; Park, Jang & Song, 2012). However, quantitative assessments proposed are not consistent or compatible with the structural equation modelling (SEM) requirements used in the current study to investigate the effect of dimensions of hotel rating system on customer satisfaction in some selected star-rated hotels in the Malawi. The application of the model to determine customer satisfaction using hotel rating system dimensions, was therefore inadequate in this study. More research is required to investigate and test its compatibility, if any, with the traditional SEM.

2.3.2 A Deconstructed Model of Service Quality and Customer Satisfaction

Having noted the confusion that lingers on the distinction between quality and satisfaction and the relationship between the two (Yuksel & Yuksel, 2001a; 2001b), Torres (2014) contend that the amalgamation of the two concepts in service marketing literature, has not served the hospitality industry well and threatens their continued existence as separate constructs. However, a closer examination at the conceptualisations of the two constructs reveals that while service quality takes its comfort in the gap analysis and SERVQUAL model of Parasuraman, Zeithaml and Berry (1985, 1994a), customer satisfaction basks in the glory of the expectancy-disconfirmation paradigm (Oliver, 2010), both anchored on similar ideas. The constructs suggest that customers have expectations beforehand, and that they engage in some kind of comparison of such expectations, which would ultimately result in satisfaction/dissatisfaction or perceived service quality or lack thereof (Torres, 2014; Yuksel & Yuksel, 2001a).

In the dissection of extant literature, service quality has been studied as either a separate variable or as an antecedent to satisfaction as opposed to being part of an overall

experience construct (Cetin & Walls, 2016; Huang, Liu & Hsu, 2014; Hwang & Seo, 2016; Torres, 2014). As the result of the conceptualisation challenges of service quality, Torres (2014) argues in favour of a more inclusive approach on service quality that considers consumer-driven, internally driven and intrinsic or expert-driven sources. According to Torres' proposed framework, customer-driven service quality is guided by ideal expectations, performance, detailed criteria and value perceptions of a particular service provision. Expert-driven quality is determined by levels of service standards, facility's ratings or recognisable awards. Internally driven quality is determined by benchmarking, organizational quality circles and staff empowerment, and brand standards within the company. Each category is further guided by a different set of factors (Torres, 2014).

In the deconstructed model shown in Figure 2.1, Torres (2014) argues that a view of quality that considers various perspectives will likely be more helpful to practitioners seeking to implement quality programs. He further posits and stresses the importance of obtaining information from both consumers and non-consumers/experts. Information from consumers may help establish areas of opportunities, whereas information from experts will aid in designing programs to enhance service quality. Torres' (2014) model suggests that whereas customer satisfaction emphasises the customer experience based on his or her desired expectations, service quality is a more persevering assessment of the service's value contribution against a certain set of standards, consistent with Yuksel and Yuksel (2001a). While, satisfaction is only measured from a customer's point of view and is transaction-specific, quality on the other hand, embraces the perspectives of many stakeholders including customers and experts. However, Grönroos (2016) disagrees with Torres (2014) and insists that quality is best defined by the customer only. At the heart of the differences is the idea that a service must have

substance, a service must have a series of performance characteristics before it is experienced by a customer (Torres, 2014).

The deconstructed model informed this study based on the premises that during a hotel rating process property owners or managers of hotels (internally driven) complete a hotel rating application form providing details such as, when they are comfortable to be rated, what star rating they would wish to be awarded and current facilities at the property as stipulated in the hotel rating criteria in the context of Malawi (Department of Tourism [DoT], 2016). At that point they have already decided and put in place the service improvements deemed to be commensurate with the rating category being applied for. Based on the model in Figure 2.1, Torres (2014) encourages hotel property owners or managers to design a service of quality, before a customer determines whether or not they are satisfied with it. Based on such assessments, hotel practitioners can gain the right feedback essential to make changes and adjustments to their service standards. Additionally, the study interrogates experts such as the hotel grading assessors (expert driven) to provide their perceptions of the contribution of a hotel rating system to customer satisfaction. Finally, perceptions of hotel guests are sought (consumer driven) on the dimensions of hotel rating system and based on their ideal expectations, how these dimensions affect their satisfaction levels. The model is thus very holistic.
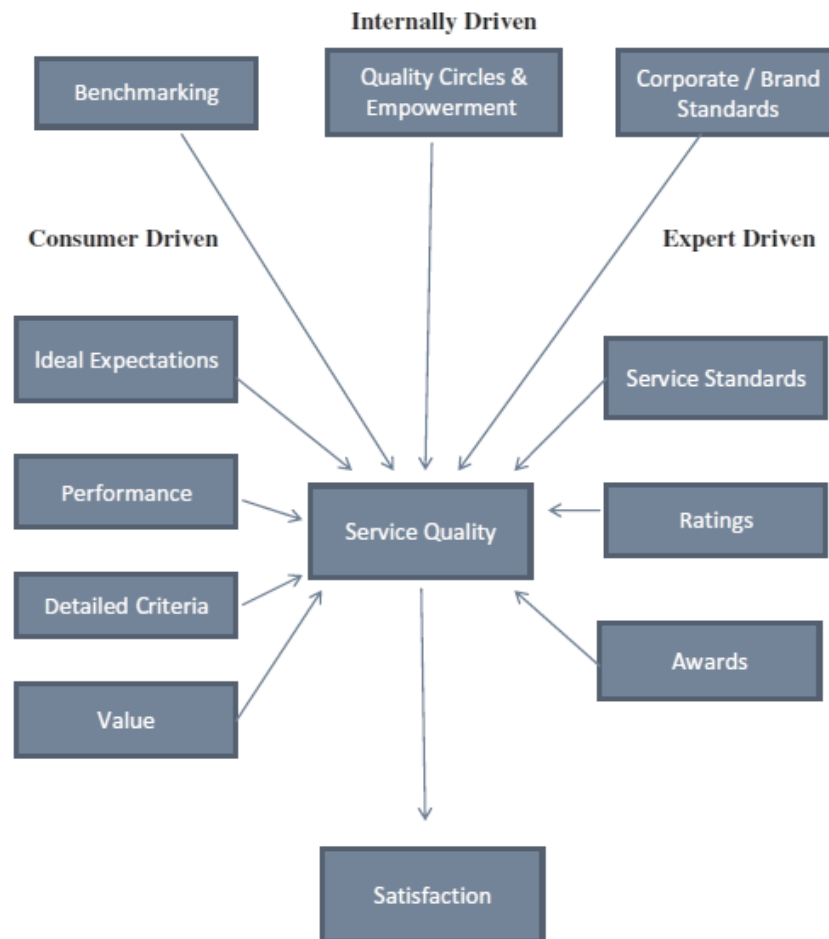
Figure 2.2: The Comprehensive Service Quality Model

Source: Torres (2014)

2.4 Customer Satisfaction in the Hospitality Industry

Several studies of customer satisfaction have extensively been conducted in various hospitality settings including the star rated hotels. The studies have largely revolved around relationships among concepts of customer satisfaction, service quality, perceived value and their influence on post purchase behaviour. Tam (2004), for instance, established that customer satisfaction and perceived value significantly influence post-purchase behaviour. Elsewhere Ismail *et al*. (2009) investigated the effect of service quality and perceived value on customer satisfacation. The results demonstrated that the interaction between the perceived value and some dimensions of service quality such as responsiveness and assurance, did not significantly correlate

with customer satisfaction, except the assurance dimension. Furthermore, Hu *et al.* (2009) sought to understand the relationships between service quality and perceived value and how they impact customer satisfaction, corporate image, and behavioural intentions. Their conceptual framework postulated that high-quality service delivery coupled with superior customer value, may yield increased customer satisfaction and enhanced corporate image, effectively resulting into consumer retention (Hu *et al.*, 2009). Amin's *et al.* (2013) examined the relationship between the service quality dimensions and customer satisfaction in the Malaysian hotel industry. The findings of Amin's *et al.* study revealed that dimensions related to service quality significantly influence customer satisfaction. This is a clear indication that there is indeed a pool of studies that have examined antecedents and consequences of the construct because of the benefits satisfaction brings to customers and hospitality establishments (Ali *et al.*, 2016). Such studies provide an indication that there could be more antecedents in different settings which may further be investigated to establish a better understanding of customer satisfaction determinants.

Acknowledging the vastness of research on customer satisfaction, Kattara, Weheba and El-Said (2008) took a human resource management perspective in a study conducted in five-star establishments in Egypt. Kattara *et al.* (2008) investigated the link between staff behaviours, customers' perception of service quality and their satisfaction. The study indicated that both desirable and undesirable staff behaviours were strongly influenced customers' overall satisfaction. The study recommended to hotel practitioners to be strategic and implement effective tools that motivate staff towards behaving more positively with customers they interact with in every service transaction. Conversely, Chand (2010) examined the effects of human resource management (HRM) practices, such as recruitment, training and development and job design, on

service quality, customer satisfaction and hotel performance in India. The study revealed that HRM practices have a positive influence on service quality improvement, customer satisfaction and hotel performance in terms of profitability. A closer examination of the service attributes within several hotel rating criteria reveals that inclusion of some of these HRM practices form an important pillar that can significantly affect customer satisfaction. The need for trained personnel, for instance, provides more credence to the hotel rating systems.

From an environmental psychology perspective (Mehrabian & Russell, 1974), studies of customer satisfaction take a new twist where the physical environment is said to play a major role. Ali *et al*. (2016) underscore how customers' perceptions of the environment influence their levels of satisfaction in service settings where they spend a significant amount of their time. Ali's *et al*. (2016) argument is drawn from the early works of Kotler (1973) who determined that if the physical environment has an effect on human behaviour, it would also influence and provide context of the behaviour of individuals in consumer settings. Kotler (1973) introduced the term atmospherics to describe such a physical environment. Bitner (1992) extended this line of thought and coined the term "servicescape" as the physical environment in which services take place, such as the hospitality settings.

Han and Ryu (2009) identified overall décor and artifacts, spatial layout and ambient conditions as the primary dimensions of the physical environment that can influence customer satisfaction within the context of restaurants in the hospitality industry. Previously, Countryman and Jang (2006) investigated the atmospheric elements such as color, lighting, layout, style and furnishings that make up the physical environment of a hotel lobby and their effect on overall guest perceptions and impressions.

Countryman and Jang's (2006) findings confirmed that atmospheric elements significantly influenced overall customer impression of a hotel lobby. Ali *et al*. (2016) examined the links between physical environment, price perceptions, consumption emotions and customer satisfaction in Chinese resort hotels. The study results showed that the hotel physical environment significantly predicts both consumption emotions and price perceptions, which ultimately affect levels of customer satisfaction. Moreover, consumption emotions and price perceptions significantly mediated the relationship between physical environment and customer satisfaction (Ali's *et al*., 2016). Each of these studies, thus, reveal a context-specific approach being applied, i.e., restaurants (Han & Ryu, 2009); hotel lobby (Countryman & Jang, 2006); and resort hotels only (Ali *et al*., 2016).

Using a tetraclasse model, Bodet *et al*. (2017) identified hotel attributes' contribution to satisfaction and compared them across consumer segments from eight European countries and between hotels. Bodet *et al*. (2017) established several hotel attributes namely: hotel room, reception, breakfast, dinner, leisure activities, boutique, information, staff, cleanliness, bar, car park, luggage service, concierge service and swimming pool. Results showed that the service attributes' contributions to satisfaction are influenced by country of residence and vary between hotels. Amin *et al*. (2013) summarise that customer satisfaction is based on a range of aspects from hotel board and lodging, security and safety, recreation and entertainment, ancillary services, innovation and value-added services, transport provisions, hotel location, physical facility's and staff appearance, to pricing structure and payment methods. In the study of customer perceptions of service quality and its impact on customer satisfaction in India, Mohsin and Lockyer (2010) deliberately targeted front office, room service and restaurant, representing areas of customer contact and service delivery process

providing maximum moments of truth opportunities where the service provider comes in direct interaction with the customer.

Given the attention customer satisfaction debate has received in research (Reid & Bojanic, 2010), it is clear that a number of determinants of customer satisfaction have been investigated using several approaches and measurement models. Many of these studies have interestingly established a pool of attributes of a service offering that influence customer satisfaction ranging from room cleanliness, security, value for money and courtesy and attitudes of staff to convenience of location (Chand, 2010; Kattara *et al.*, 2008; Markovic & Raspor, 2010; Tam, 2004), thereby confirming the heterogeneous nature of hotel services. Zeithaml *et al.* (2013) further proposed several determinants of customer satisfaction beyond the actual hotel service attributes, namely; product features, customer emotions, attribution for service success or failure, perceptions of equity or fairness and other customers, relatives or friends and workmates.

Due to the broad set of hotel service attributes considered in various customer satisfaction studies, Li *et al.* (2013) raise some important methodological concerns for consideration. No study has presented a measurement instrument that best fits or is commonly used among hotel industry practitioners (Zemke *et al.*, 2017). Importantly, Li *et al.* (2013) note that studies on customer satisfaction in the hospitality industry often face two challenges. First, it is not always possible to include all potential factors in a questionnaire, for example, for extraction as reliable items to measure satisfaction. Second, the order of these measurement indicators in terms of significance in evaluating customer satisfaction cannot just be deduced only through the survey findings. More importantly, the hotel attributes highlighted above were often studied in relation to

customer satisfaction under service quality, human resource management, post purchase behaviour, geographical contexts and perceived value perspectives. Most of these attributes are often included in official hotel rating criteria of various rating systems in a number of countries, it is still very obscure how such hotel rating systems have been linked with customer satisfaction. Following Li's *et al*. (2013) observations, this study only included hotel factors or attributes that are consistent with those provided in the criteria of hotel rating in Malawi to successfully measure customer satisfaction and establish any significant relationships applying the widely used performance-only measurement approach of Cronin and Taylor (1992).

2.5 The Hospitality Industry in Malawi

In Malawi, a sub-Saharan African country, tourism is a relatively new phenomenon in the national economic development planning. Since independence in 1964, the country's economy has predominantly relied on agriculture. Five decades later, the Malawi Growth and Development Strategy II (MGDS II) 2011 - 2016 became the central operational medium-term strategy for the country, and its major thrust was to create wealth through sustainable economic growth and infrastructure development as a means of achieving poverty reduction (GoM, 2012). The main objective of the strategy was to maximise the contribution to economic growth through the potential sectors of growth, among thems tourism. Upon the expiry of the MGDS II, the Malawi Government recently formulated and launched another blueprint, dubbed MDGS III (GoM, 2017). Both strategy white papers have highlighted the Malawi Government's vision in which tourism development was given a priority status as another potential alternative industry to spike enhance the country's economy. The recent version is emphasising on the theme of "*Building a Productive, Competitive and Resilient Nation*"

(GoM, 2017, p.10), following a number of socio-economic challenges that eroded the effective implementation of the MDGS II.

Soon after independence in 1964, Malawi took a bold step to include tourism in its development plans. Such influence emanated from the fact that other African countries in the region had taken major strides in establishing and promoting tourism full throttle (Magombo, Rogerson & Rogerson, 2017). Within the first five years after independence, there was a dramatic improvement in the country's hotel position. However, in the original survey of Malawi hotels and other accommodation units done by the Malawi Government in 1965, none of the existing hotels were considered as suitable for long-term development. The survey quickly revealed the glaring poor standards of existing hotel accommodation, which did not meet existing acceptable international standards at that time (Department of Information, 1970).

According to the Department of Information (1970), government immediately drew up a three-pronged approach of providing more and better hotel accommodation for the burgeoning number of tourists visiting the country in the post-independence period. Firstly, government actively played the role of a hotelier by entering the hotel business through the establishment of Malawi Development Corporation (MDC) mandated to carry out an extensive hotel development programme and create an attractive investment atmosphere to encourage potential private investors to enter the industry. The second trajectory saw the establishment of three government inter-connected tourism institutions namely: the Division of Tourism in the Ministry of Trade and Industry then, the Hotels Board and the Tourism Board (Magombo *et al.*, 2017). Concurrently, a hotel legislation specifying the minimum standards applicable to all hotels was also established through the Tourism and Hotels Act, 1968. On one hand,

the functions of the Division of Tourism included the investigation and assessment of the potential of all aspects of Malawian tourism, the production of plans for the efficient exploitation of each aspect, and the propping up a favourable country's tourism image abroad. On the other hand, the Hotels Board was an inspectorate body responsible for the maintenance of minimum standards of accommodation, grading, classifying and licensing hotels while the Tourism Board was a governmental appendage providing advice to the line ministry concerning the promotion of tourism and the development of Malawi's tourism facilities and amenities (Magombo *et al.*, 2017).

The introduction of star rating system was first reported way back in 1912 in the United Kingdom (AA Hotel Services, 2017). But in Malawi, however, no formal hotel classification system in form of star grading or rating was yet established as an instrument to classify various hospitality units in line with the existing international standards. The industry was still very far from being developed (World Bank, 2010). Such an attempt only became evident almost four decades later after independence when the amended Hotel and Tourism Act (Chapter 50:1) (GoM, 2005) included the first hotels minimum star grading requirements. But there is no clear evidence that enforcement of these requirements was done until 2010. Prior to this development, most privately-owned hotels at that time went a step further in improving their hotels than was demanded by the new regulations by providing a facelift, extensions and more comfortable facilities in what appeared to be a more self-initiated refurbishment drive. The improvements also included recreational and sporting facilities especially in hotels around the lakeshore districts of the country (Department of Information, 1970). The third and last trajectory was government's effort to encourage private investment in the hotel industry. This was met with huge success because the first private sector-led project was the construction of a resort facility in the lakeshore district along Lake

Malawi. Consequently, more private investors successfully negotiated with government for the establishment of more hotels in different parts of the country (Department of Information, 1970; The Star, 1977).

Fast forward to 1990s, Magombo *et al.* (2017) narrates that the political climate change that swept in Malawi in 1994, was of great significance to the Malawi tourism and hospitality development. The year witnessed the end of the 30 year-one-party rule and ushered in the emergence of political pluralism and democracy igniting considerable changes that affected development. The first chapter of the multi-party government brought changes in the nature of hotel and accommodation developments in the country. Hitherto, the focus had been upon larger unit developments but from 1994, notwithstanding, there was a new focus upon small-scale accommodation developments. Many small and medium accommodation units in forms of hotels, lodges, inns and other entrants flooded the hospitality market. The Ministry of Tourism reported that in 2010 alone, about 1000 units were licensed (GoM, 2010) while World Bank (2010) reported 500 licensed hospitality units in the same year. Such a discrepancy in statistics calls into question the reliability of the information on the magnitude of the industry at that stage. But GoM (2010) admits that due to limited capacity, the ministry, however, could not inspect each unit, and there remained many small and medium accommodation units that were unaccounted for. Some hospitality units were unplanned developments scattered along the lakeshore. These developments became a source of conflict between the government and the local entrepreneurs. Nevertheless, many of them had appealed to the budget tourists, which became a popular focus in Malawi from the mid-1990s.

The diversity of ownership of hospitality units, including groups with wider business interests, was evident in urban, lake, and protected areas. Although the Malawi hotel industry is largely under local control, there has been some significant interest from foreign investors over the past few years. First, the old Ryalls Hotel became part of the Protea Hotels Group, a South Africa's largest hotel enterprise and now it is called Protea Hotel by Marriott (Marriot International Inc., 2017) after the management and stakes of the hotel were taken over by Marriot International Inc. in early 2016. Secondly, the Botswana-based luxury safari lodge enterprise, Central African Wilderness Safaris (CAWS), secured a concession to build its first lodge in Malawi. This concession followed from CAWS's operations and management of upmarket lodges in two different national parks from 2010. Another upmarket lodge (along the lakeshore) launched its operation in 2009 under the Robin Pope Safaris group, which recently commenced another new investment in Majete Wildlife Reserve. Its investment was a positive sign for Malawi, as it targeted multi-national, high-end visitors. Finally, in 2010 Chinese investors were engaged in developing a new convention facility and a hotel in Malawi's expanding capital city, Lilongwe. The US$90 million hotel facility was constructed to become the Malawi's first "5-star hotel" financed under the Chinese Loan Agreement (Magombo *et al.*, 2017). The hotel is in fully operations and managed by Peermont Ltd. The new involvement of these foreign investors is a sure signal of an emerging new competitive environment in the Malawi hotel industry and a reflection of wider trends taking place also in the African hotel industry as a whole, albeit slowly.

By 2010, according to World Bank, there were twenty-six hospitality enterprises classified as hotels**.** There are other single hotels, locally owned, but often as part of a diverse group of holdings/investments, such as Pacific Hotel, in Lilongwe, which is owned by investors with interest in commercial and residential property development.

The same group is now developing another hotel and shopping mall complex in Blantyre. The owner of Victoria Hotel in Blantyre has a printing business. The Makokola Retreat (formerly called Club Makokola), regarded as a premier lakeshore resort (Malawi Tourism Guide, 2016), is part of the SR Nicholas Group, whose main vested interests are in the construction industry but also owns a lodge in South Luangwa National Park, Zambia.

Of special importance is the emergence of Sunbird Tourism plc as the leading local hotel enterprise of Malawi (Sunbird Tourism plc, 2018). It is partially listed on the Malawi Stock Exchange (MSE) and has a small element of public and employee ownership, with its majority shareholder (71%) being the GoM. The company, to-date, has a total of eight hotels, all strategically located in Malawi's key business hubs and resort locations. With this portfolio, Sunbird Hotels and Resorts is by far the largest hospitality and tourism enterprise in Malawi. The company was incorporated in 1988 as a private company following the amalgamation and consolidation of hotels previously owned by the Government of Malawi under different investment vehicles. The company was formally called Tourism Development and Investment Company of Malawi (TDIC) until 2000 when it changed its name to Sunbird Tourism Limited and now Sunbird Tourism plc since 2017 (Sunbird Tourism plc, 2018). The vision and mission statements of the company underscore the importance of being unique on the market place, thus Sunbird Tourism plc as a hospitality service provider, yearns to become a preferred brand in the hospitality industry and existing to providing excellent accommodation, catering and related hospitality services with the goal of maximising shareholder value (Sunbird Tourism plc, 2018).

The consequence of these developments has witnessed the Malawi tourism and hospitality sector generally being characterised by a diverse set of enterprises, with relatively few large, specialist, or international operators. Most operators are domestic, though a few have some international parent companies or relationships (World Bank, 2010). Sadly, the industry has not been able to attract large multinational hotel groups, like in the neighbouring countries (IDC, 2012). As the result the industry is riddled with many small operators with limited industry experience and invest out of profits from their core businesses, particularly construction. This is a disadvantage for the sector as it is insufficiently "professionalised" (World Bank, 2010). The situation confirms what Jones (2002) established in the study of the UK hospitality industry that "a great many people enter the business as small hoteliers, licensees, guesthouse owners and restaurateurs without any previous experience of the industry" (p.1), with the wrong perceptions that the industry is straightforward and unsophisticated (Jones, 2002). The aftermath of this mindset has resulted into several businesses becoming unsuccessful and perhaps registering highest levels of bankruptcy of any industry especially the small and medium hospitality enterprises (Jones, 2002).

Notwithstanding, the Department of Tourism within the Ministry of Industry, Trade and Tourism in Malawi, has been given the responsibility to develop and promote tourism in a manner that would yield significant economic benefits to the people of the country. It is pleasing to note that the department is working to improve the business environment for new and established businesses, address infrastructure development and strengthen public-private sector dialogue. There are several major investment opportunities in the tourism and hospitality sector in the pipeline meant to bolster the industry's image and economic status of the country (Malawi Investment and Trade Centre [MITC], 2016). Some of the notable hotel projects in the offing are: two hotels

to be constructed to the tune of US$10 million in Blantyre City and along the Shores of Lake Malawi by a locally based investor, Countrywide Group of Companies; and a US$2.6 billion Cape Maclear Resort, a 3-in-1 project comprising a resort, an international airport and a business hub promoted by the Cape Maclear Hotel and Golf Resort Limited. This projected will be located at Cape Maclear along Lake Malawi, offering the most prime beaches and crystal-clear waters on Lake Malawi (MITC, 2016).

Despite this potential rapid growth of the hospitality sector, Malawi remained the only tourist destination in the Southern Africa suffering from lack of a functional national rating system as an indicator of the service quality level for the hospitality properties until 2010.

2.6 The Hotel Rating System

Historically, early accommodation facilities such as hotels and inns were merely providers of just a bed and simple food to eat (Kiplagat *et al.*, 2015). But the advent of tourism around the 19th century illuminated the direction for improved standards of the early inns and similar establishments (Bhatia, 2011). Some pressure was exerted on these establishments to offer some minimum standards in order to help customers to identify those establishments with some specific facilities or amenities (Kiplagat *et al.*, 2015; Narangajavana & Hu, 2008). To underscore the importance of this development, a rating system was introduced out of efforts by the Automobile and cycling clubs in Europe, who kept a list of recommended hotels to their membership, based on the guaranteed facilities which these hotels/inns offered (Kiplagat *et al.*, 2015). This marked the genesis of checking the standards and quality in the hotels. Rating systems such as the United Kingdom's Automobile Association (AA) and its American

counterpart, the American Automobile Association (AAA) and the Michelin Red Guide and other mobile guides, were then established (Guillet & Law, 2010; Narangajavana & Hu, 2008; Su & Sun, 2007). According to Miller (2016), Mobile Travel Guides were the first to establish a rating system for hotels in 1958. The system was established soon after a national road network was constructed, so travellers would have a guide to know the quality of lodging available on their road trips. The Mobile Travel Guide's rating system was precise and consistent, using the same list of criteria for every inspection and on every property.

As the hospitality's focus migrated from providing protection to making information available to the consumer in recent years, standardisation alongside marketing strategies of hotel services, emerged as supporting pillars to the creation of various national hotel rating or classification systems (Cser & Ohuchi, 2008). Using the term hotel classification, Cser and Ohuchi (2008) argue that this was created to be meaningful, both for the customer and hotel business; and to contribute to a more transparent operating environment that guarantees safety of hotel offers in the process. This in turn helps customers to determine what sort of conditions they can expect, which will be commensurate with the price they pay. Furthermore, from the practitioner's perspective, classification offers advertising opportunities for the hotels in the marketplace. The rapid growth in hotel rating systems stems from the realisation that hospitality industry has played a major role on the customer experience, further evidenced from the manner customers are increasingly turning to online reviews (user-generated content) on internet to share their experiences (Hensens *et al.*, 2011; UNWTO, 2014).

Fascinated by the concept of the hotel rating system, in 2004, the United Nations World Tourism Organization (UNWTO) and the International Hotel and Restaurant Association (IHRA), jointly described hotel rating as the categorisation of similar accommodation establishments, such as, hotels, motels or inns, all of them representing a system (Narangajavana & Hu, 2008). These accommodation establishments are "conventionally broken down into classes, categories or grades according to their common physical and service characteristics and established at government, industry or other private levels" (UNWTO & IHRA, 2004, p. 9). Narangajavana and Hu (2008) further clarify the term provided by the European Standardization Committee by suggesting that a rating or classification scheme of accommodation properties can be viewed as ''a system providing an assessment of the quality standards and provision of facility and/or service of tourist accommodation, typically within five categories, often indicated by one to five symbols'' (Narangajavana & Hu, 2008, p.37).

To minimise confusion, Cser and Ohuchi (2008) distinguish two other most commonly applied terms (classification and grading), which are often used interchangeably with rating. Classification differentiates accommodation establishments, such as hotels, according to particular tiers of physical attributes (amenities, facilities, service and cost), including the number of rooms with a private bathroom. Grading, on the other hand, deals with the identification of accommodation establishments based on certain intangible but provable objective features of the service offered, for example, whether room service is available or not. Thus, the term "rating" appears to encompass both. World Bank (2010) further elaborates that while classification is the determination of the different categories and standards within hotels and other similar establishments, grading or rating on the other hand, is the awarding of a particular classification to a particular operator using a mixture of both objective and subjective scoring systems

tailored to different types of properties. For instance, with different set of standards for hotels or even lodges, an elevator will be a more appropriate feature in a multistory hotel located in the heart of the city, than in a one-story lodge in the park. In this study, the term "hotel rating system" is used to embrace both the physical and service features of the hotels as used extensively in the international context (Agušaj, Bazdan, & Lujak, 2017; Alčaković, Mizdraković, & Džamić, 2016; Andersson & Jia, 2018; Callan, 2000; Narangajavana & Hu, 2008) and these features also are verifiable in the Malawi context in the Tourism and Hotels (Grading) Regulations (Government of Malawi [GoM], 2005).

2.6.1 Categories and Types of Hotel Rating Systems

The hotel rating systems worldwide are reportedly categorised into two distinct groups: official and non-official (Leung *et al.*, 2011). In distinguishing the two, Narangajavana and Hu (2008) explain that official hotel rating systems are established, managed and conducted by government authorities or national organisations (Hensens *et al.* (2011), and followed on a compulsory and regulatory basis. Non-official hotel rating systems, on the other hand, are developed and implemented by more autonomous and private bodies, such as, hotel or tourism associations and national or regional automobile associations, travel media, online travel agents and social media, and participated in voluntarily by hotels (Hensens *et al.* (2011). The official rating systems mainly act as a measure for monitoring hotel prices and taxes, while non-official systems do not exert any social obligations to the hotels and establishments alike (Narangajavana & Hu, 2008). Additionally, the official rating systems are useful to customers or third parties such as travel agents to gauge the availability of services and amenities offered in hotel properties (Leung *et al.*, 2011).

Almost by mid-2000, ninety countries worldwide pursued the use of an official hotel rating or classification system, with 37 European countries, representing 42% leading the campaign, followed by Asia and Africa covering less than one-third of the world (Cser & Ohuchi, 2008). China is one of the well-known countries that successfully embraced the use of an official rating system unlike the United States of America (USA) and Britain who use non-official rating systems only. The three most popular hotel rating systems used in the USA, are AAA (diamond rating), Mobil (star rating), and Utell (Narangajavana & Hu, 2008). Similarly, in Britain, several hotel rating schemes are offered by private organizations and regional tourist boards. For example, the English Tourist Board (ETB) uses a system that awards crowns to successful hotels in England, whereas the Automobile Association (AA) and the Royal Automobile Club (RAC) assess tourist accommodations using the star systems with different criteria. Consequently, the same property could have multiple ratings (Narangajavana & Hu, 2008; Su & Sun, 2007). Official hotel rating systems are country-specific and often use different symbols (stars, diamonds or plum blossom) to differentiate between hotel categories and in the process, creating unwarranted confusion to both customers and the hospitality industry in general (Cser & Ohuchi, 2008). However, Adongo (2011) notes that despite the apparent confusion with various symbols used, the hotel rating schemes still remain vital to customer's decision making, choices they make and service quality expectations.

Although the official hotel rating systems appear to be objective and consistent about hotels, allowing service quality and physical features of hotels in the same star rating bracket to remain comparable, they are criticised for not reflecting the present customers' wants and needs (Leung *et al.*, 2011). It appears there are suspicions from some circles about the extent to which these systems are completely free from being

corrupted (World Bank, 2010), and therefore cannot tell the exact truth about the ratings. If not carefully executed, the judgements arising from official rating systems can, thus, easily erode both hotels' and customers' confidence. In fact, Callan (2000) argues that some hotels tend to oppose the compulsory rating schemes due to concerns over bureaucratic interferences, with customers expecting guaranteed service quality out of these official systems.

Following the concerns raised on the integrity of the official rating systems, more customers tend to rely on hotel ratings based on non-official rating systems provided by private organizations or regional tourist boards and quite recently, online reviews by third parties on internet to make travel decisions (Andersson & Jia, 2018; Guillet & Law, 2010; Hensens *et al.*, 2011; Leung *et al.*, 2011; UNWTO, 2014). However, while the online reviews are reportedly being increasingly sought after lately, they are not without a fair share of criticisms. The efficacy of online reviews on third-party distribution websites such as TripAdvisor is questionable, because they appear to be influenced by what UNWTO (2014) refers to as self-selection bias or a misalignment bias, creating doubts about how truly authentic and objective the systems are (Guillet & Law, 2010; Guizzardi, Monti & Ranieri, 2016; UNWTO, 2014; Westcott, 2015). In fact, Westcott (2015) and Guizzardi *et al.* (2016) claim that anyone including the hoteliers themselves can write and post reviews on these sites under pretention, exposing customer experiences from a rather private setting into a public space.

Based on the challenges associated with the hotel rating systems, UNWTO (2014) proposes that further research investigates how to reduce the gap between guests' expectations and experiences. In other words, hotel rating systems (official) and guest reviews (non-official) need to be closely integrated in a manner which encompasses

both subjective elements and objective requirements to benefit both the consumers and hotels. UNWTO (2014) reports that most customers and industry players support the idea of closer integration of hotel rating systems and guest reviews in order to make hotel rating systems more holistic, robust and trustworthy. Both reviews expressed by hotel customers and hotel ratings may work hand in hand to serve the same goal. Whereas hotel rating systems concentrate on objective, amenity-based elements, guest review systems lend more focus to the customers' perception of service-related experiences (Andersson & Jia, 2018; UNWTO, 2014).

Although there is some agreement that hotel rating systems are critical to the hotel industry, it is reported variations exist in the systems administered in different countries owing to differences in culture and levels of economic activities (Cser & Ohuchi, 2008; Leung *et al*., 2011; Pierret, 2013; Su & Sun, 2007). In the same way cultural beliefs exert some influence on consumer behaviour, they are more likely to affect ratings by organisations from different cultural backgrounds (Leung *et al*., 2011; Su & Sun, 2007). Additionally, Cser and Ohuchi (2008) claim that various stakeholders such as tourists, scholars of tourism and hospitality, industry captains and governments consider hotel rating to be a rather ambiguous discipline. This could be an accurate assertion owing to the fact that none of the statutory classification schemes is believed to be watertight, and therefore, it is almost impossible to pin down one single ideal system that sticks (Cser & Ohuchi, 2008).

According to Su and Sun (2007) hotel rating systems have been evaluated and compared in many studies since 1990. For instance, in analysing previous studies whose focus was on the UK systems, Hensens *et al.* (2011) established that a great deal of attention was placed on what hotel characteristics or attributes prospective clients use

to select hotels, the actual utilisation of hotel grading schemes by different target groups, and how important various hotel attributes are to guests. Conclusions often exposed discrepancies between the systems and what the guests actually use, want, or value. Hensens *et al.* (2011) observe that UK studies were typically based on opinions of hotel executives or managers; and often neglecting customers of the hotel services in the consultations on grading, resulting in limited contribution from the actual guests to the improvement of rating systems (Hensens *et al.*, 2011; Narangajavana & Hu, 2008). These studies have further revealed several trends in hotel rating systems, for example, that service quality is increasingly being emphasised worldwide (Adongo, 2011; Guizzardi *et al.*, 2016; Hensens *et al.*, 2011; Stringam & Gerdes Jr, 2012). The goal was to confirm both a high quality of service, and that the expectations and demands of the customer are met beyond the minimum requirements which essentially are embedded within the basic registration standard. But Hensens *et al.* (2011), however, observe that it is clear that conventional rating systems have not been very successful in assessing and communicating the quality of hotels in a way that provides realistic expectations to prospective customers. Nonetheless, as hotel rating systems continue to emphasise service quality, measurement of that quality can be subjective, and ratings can vary greatly (Pierret, 2013; UNWTO, 2014).

One of the most critical questions is whether a hotel rating has been accepted worldwide as an indicator of quality or it makes contribution to improvements in quality of facilities and service (Adongo, 2011; Callan, 2000; Stringam, Gerdes Jr., & Vanleeuwen, 2010). Although conventional hotel ratings are often used as indicators of service quality, unfortunately, they offer just some distinct and gritty measured scores (Guizzardi *et al.*, 2016). The rating systems provided by the government or a volunteer organisation, concentrate mainly on physical facility attributes and the number of

services, and only a few of them refer to the actual assessment of quality itself (Cser & Ohuchi, 2008). Consequently, this has created one basic misunderstanding leaving some customers disenfranchised and disappointed because they often think about hotel rating as an accurate reflection of quality of the hotel. Notwithstanding all these glaring challenges, Agušaj *et al.* (2017) maintain that hotel star rating is still a major tool that helps both customers and hoteliers, and those who want to invest in hotels that fall into specific star category.

Consistent with the observations of both Hensens *et al.* (2011) and Agušaj *et al.* (2017), it is argued that whereas most of the comments made on online review websites, such as TripAdvisor, focus on service quality, conventional rating systems tend to focus primarily on objective, tangible criteria such as the availability or size of facilities and services, occasionally on subjective tangibles such as cleanliness and state of repair or renovations as signs of maintenance, and rarely on service quality. However, Leung *et al.* (2011) categorically insist that the rating system evaluates the overall quality of a hotel in terms of physical features and services on the basis of certain aspects, such as, architecture, level of service, facilities, maintenance, sanitation and hygiene, service quality and guest satisfaction. This is perhaps one reason why the current study was undertaken to confirm Leung's *et al*. claims but in the Malawian context.

2.7 Dimensions of the Hotel Rating System

As earlier mentioned, various rating systems reflect the diversity of hospitality services and refer to the different cultures and geographical situations. However, these systems have something in common: a rating is given out according to technical parameters based on what the hotel offers, and not based on the quality of the services (Guillet & Law, 2010). Interestingly, Hensen *et al.* (2011) argue that the main disputes challenging

the earlier conventional hotel rating systems focus on criteria that are too detailed to allow hoteliers to innovate or position their properties in their own unique market segments. Consequently, the use of characteristics such as size (number of rooms), room price, quality of management and other features of a hotel that do not relate directly to the quality offered, have generated controversy (Hensens, 2016). Hence, the success of any rating system is dependent on the effectiveness of the criteria covered in that system as well as how the system is operated and brought into close alignment with other systems (Cser & Ohuchi, 2008).

While agreeing that hotel rating systems, historically focused on objective tangible standards, Hensens (2016) notes that the scope of hotel rating systems over the last decade has migrated towards more subjective tangible standards and service delivery as well as online guest reviews. In addition, systems have also grown their scope to accomplish standards that may not directly contribute to guest comfort, such as environmental concerns, but can be argued to constitute a further development in quality and sustainability thinking (Bruns-Smith, Choy, Chong & Verma, 2015; Hensens, 2016). To this effect, Hensens (2016) argues that as the objective of most governments is to develop and grow the hospitality sector, they must ensure customers are satisfied and delighted to spread positive word of mouth about the hotels and the destination in general, an element supported by Bruns-Smith *et al*. (2015) who agree that guest satisfaction with hotels' sustainability programs is indeed believed to be crucial for their success. Adjudging from this discourse, that although customer satisfaction in this case has thinly been associated with hotel rating systems, Bruns-Smith *et al*. (2015), Leung *et al*. (2011) and Hensens (2016) do not explain clearly the exact nature of the relationship or association between the two aspects. Therefore, this

apparent lack of empirical evidence to support such claims calls for further investigation to fill the research gap as was the case with the current study.

Two major dimensions that have emerged and been reported in literature on hotel rating systems are Basic Registration Standard and Grading Standard (Callan, 2000; Guillet & Law, 2010; Narangajavana & Hu, 2008). The Basic Registration Standard represents the minimum standard requirement of quality that a hotel property must meet at all costs and it can be considered as a precursor to the actual hotel grading. The Grading Standard, which also implies "quality grading" (Callan, 1994), refers to the qualitative, intangible service-related aspects in addition to the physical requirements (specified in the basic registration standard) that hotels must meet (Guillet & Law, 2010). Additionally, the grading standard provides an avenue for a hotel to be compared with similar properties in the same hotel star rating category (Narangajavana & Hu, 2008). The symbol most unanimously recognised and awarded after hotel grading is successfully done, is the stars, as most countries have at least a rating system that uses stars to represent quality grades.

After conducting a thorough review of various hotel rating systems, Su and Sun (2007) provide a better analysis that helps to explain how both basic registration and grading standards as dimensions of the hotel rating systems are operationalised in different systems in four countries. For instance, Su and Sun (2007) established that the hotel rating system used in Britain previously operated by three different organisations, namely: the English Tourist Boards (ETBs), the Automobile Association (AA), and the Royal Automobile Club (RAC) and is divided into two dimensions: facility classification and quality grading. These are somewhat equivalent to the basic registration standard and grading standard dimensions, respectively. The crown

classification awarded to an establishment in the British hotel rating system does not depend on the assessment of its service quality. However, the quality grade awarded to an establishment reflects the overall achievement on the individual aspects. It is a balanced view of what is provided and does not acknowledge individual areas of excellence (Su & Sun, 2007). The scholars' further analysis reveal that the quality assessment in the British rating system includes such qualitative and intangible aspects as warmth of reception and service efficiency, the standard of the furnishings, fittings and décor, and the standard of meals and their presentation as aspects that might affect customer's overall experience. Lately, the hotels stars in Britain are being offered by the AA, Visit Britain and its sister bodies, Visit Scotland and Visit Wales (Which, 2019). Hotel rating inspectors assess the following aspects: hospitality service, bedrooms, bathrooms, cleanliness, food, the hotel exterior, public areas, and the dining rooms or restaurants.

The well-known system in the American hotel rating system is perhaps the AAA's diamond-based ratings, alongside the Mobil Travel Guides' star-based system (Su & Sun, 2007). Room appointments and luxurious amenities which appear to fall under the basic registration standard, are to some extent combined with service quality, an aspect of grading standard. Thus, the AAA diamond ratings combine the overall quality, the range of facilities, and the level of services offered by a property just like in the British hotel rating system. The overall evaluation process involves a review of six key areas: management and staff; housekeeping and maintenance; exterior, grounds, and public areas; room decoration, ambience, and amenities; bathrooms; and guest service (Su & Sun, 2007).

In the Chinese hotel rating system, except for the criteria of evaluating the building's facilities and equipment (equivalent of basic registration standard), the main focus is to set up the criteria of service quality (equivalent of grading standard) for four- or five-star hotels. The Chinese rating system is similar to the Taiwanese rating system except that the Taiwanese system provides an option for a further service quality evaluation (the grading standard) in order for those hotels to earn either a four or five-star status (Su & Sun, 2007). Otherwise the facility evaluation (basic registration standard) is adequate enough for hotels to qualify them within the one to three-star band. The criteria for service quality include the appearance of the service personnel, lobby, guest rooms, and restaurant (bar) and operation of extra services (including medical service, hair and beauty salon, business service, postal service and telecommunications, child care, children's' recreation room, commercial services, flower shop, ballroom, and conference service), hotel security, and the hotel's reputation (Su & Sun, 2007). The rating system in China is operated by the central government using a rating of one to five stars. The National Tourism Administration established a hotel grading organization and is responsible for the implementation of the star-based evaluation throughout the country and is responsible for evaluating hotels rated three stars and above. On the other hand, Tourism Bureaus are responsible for evaluating local tourist hotels and one- or two-star hotels in provinces, autonomous regions, and municipalities directly under the jurisdiction of the central government (Su & Sun, 2007).

A quick glance at the Republic of South Africa's hotel grading criteria reveals that the criteria also possesses two dimensions: the minimum requirements and grading criteria (Tourism Grading Council of South Africa [TGCSA], 2013). These are consistent with the basic registration standard and grading standard dimensions of Narangajavana and Hu (2008). The TGCSA grading criteria also employs the star ratings from one to five.

According to TGCSA (2013) a hotel should provide formal accommodation with full or limited service to the traveling public. A hotel should possess a reception area and offer a dining facility. A hotel must have a minimum of four guestrooms. The minimum entry requirements (basic registration standard) specified for all hotel categories in the TGCSA criteria include provision of any meal/s and beverages within the boundary walls of the property; servicing of the guestrooms (linen/towel change, removal of rubbish and cleaning); en-suite bathroom facilities; formal reception; an on-site representative ought to be reachable always.

From the customer's perspective, evaluating the effectiveness of a hotel grading criteria offered by various organisations can be very difficult. This is why Guillet and Law (2010) are concerned with the apparent lack of unclear standardized star rating system globally. Different organizations such as central and local governments, independent organisations, hotel associations, national consumer travel organizations, guidebooks, travel websites and volunteer organizations assign star ratings to hotels using their own criteria. Callan (2000) notes that assessing standards for tangible elements is relatively straightforward, but assessing intangible elements is somewhat less obvious. For instance, the staff competence, manner, appearance and other personal characteristics are more subjective and probably more important. These features need to be matched as closely as possible to the client's perceptions, in order to eliminate any confusion and provide more transparency in the way hotels are portrayed to guests (Agušaj *et al.*, 2017; Callan, 2000; Cser & Ohuchi, 2008). In this regard, there is need for a constant review of specifications to match the changing customer perceptions.

Qu, Ryan, & Chu's (2000) study of the importance of hotel attributes that contribute to customer satisfaction towards service and facility quality in three Hong Kong hotel

market segments, namely; High-Tariff A, High-Tariff B and Medium Tariff, revealed six dimensions had a significant impact on the overall satisfaction of travellers with service quality and facilities in all hotel market segments. Quality of staff performance was the most influential factor followed by quality of room facilities, value for money, variety and efficient services, business related services, and safety and security respectively (Qu *et al.*, 2000). The study of Qu *et al.* therefore concluded that by establishing the most important hotel dimension in influencing customers' satisfaction levels, hotel practitioners are able to formulate strategies aligned with changing customer needs and expectations. Further, implementing training of the staff that emphasizes the fact that service quality is part of each employee's job, should result in a significant impact on guest re-purchase future intentions. This is in line with the intentions of any hotel rating system that incorporates in the grading criteria the attributes similar to those established by Qu *et al.* (2000) in order to address any customer satisfaction concerns related to hotels.

2.7.1 Basic Registration Standard and Customer Satisfaction

Basic Registration Standard (BRS), being the minimum hotel physical attributes or standard requirements that a hotel property must meet at all costs before even embarking on the actual grading, has arguably been regarded as a critical component in the hospitality industry. BRS' relationship with customer satisfaction, can best be understood through the prism of studies conducted previously on hotel designs (Zemke *et al.*, 2017), hotel-based service attributes (Bodet *et al.* 2017; Kuo *et al.*, 2010), the role of the hotel physical environment (Ali *et al.*, 2016; Chen, Chen, & Lee, 2013) and the effects of atmospheric elements (Countryman & Jang, 2006; Hoffman & Turley, 2002; Kim, Kang & Park, 2014).

Zemke *et al.*'s (2017) study on hotel design investigated guest appraisals of a hotel's functionality (access, space, and use) and impact (social integration, internal environment, forms and materials, and character and innovation) qualities. The design quality results were then used to investigate their impact on hotel guest satisfaction, guest's future intentions to repeat a visit to the hotel and their likelihood of sharing their thoughts about the experience with other people. The results confirmed the significance of the relationships between functionality and impact and their effect on guest satisfaction. In addition, the study findings confirmed that satisfaction predicts the behavioural intentions of the hotel guests. Clearly, the findings of the study demonstrate the important relationship that exists between hotel design elements (hotel functionality and impact), satisfaction and post consumption behaviour of customers, which cannot be ignored by the hoteliers for the successful performance of the hotel business. Basic registration standard as a dimension of hotel rating system may embrace some of these aspects and allow them to be incorporated into the criteria for grading hotels.

Bodet's *et al.* (2017) study identified a wide range of hotel attributes namely: hotel room, reception, breakfast, dinner, leisure activities, boutique, information, staff, cleanliness, bar, car park, luggage service, concierge service, and swimming pool. Some of these attributes appear to be consistent with those provided in the BRS dimension of the Malawi's hotel grading criteria. Study findings of Bodet *et al.* (2017) confirmed that customers perceived these hotels' attributes highly and consequently made significant contributions to customer satisfaction although the influence was based on the country of residence and varied between hotels. Another study by Amin *et al.* (2013) identified five dimensions regarding the hotel service industry. The five dimensions were hotel ambience and staff courtesy, food and beverage service quality, staff grooming and professional knowledge, reservation services and value for money.

Amin *et al*. (2013) pointed out that both the physical and service qualities of a hotel were highly perceived and made a positive impact on customer satisfaction. While the hotel attributes identified in these studies may fall under different dimensions, there is no doubt that the same attributes may also be used as criteria items to identify basic registration standard dimension in the hotel rating system similar to Callan's (2000) study, South African grading system (TGCSA, 2013), and Malawi's hotel grading system (GoM, 2005).

Countryman and Jang (2006) examined the atmospheric elements of color, lighting, layout, style, and furnishings that make up the physical environment of a hotel lobby because previous studies established that these atmospheric attributes affect customer's impressions and perceptions. However, Countryman and Jang (2006) recommended there are other physical spaces within a hotel (other than the lobby) that may have more influence on guest perceptions and impressions, thus necessitating further investigation. Atmospherics have also been linked to consumer decision processes. Earlier, Hoffman and Turley (2002) developed a propositional inventory that postulated the relationship between atmospherics and the three primary stages of consumer decision processes: pre-purchase, consumption, and post-purchase evaluations, which are believed to have an ultimate impact on customer's emotional satisfaction. Careful scrutiny of hotel rating system criteria of different countries reveals inclusion of the elements of atmospherics into the basic registration standard dimension. This provided a basis for seeking to establish their effect on customer satisfaction in star rated hotels in Malawi.

Evidently, there is an overwhelming number of hotel attributes that are eligible for consideration in the BRS. However, it may not be possible to take on board all attributes for extraction as reliable indicators to measure the dimension (Li *et al*., 2013). Based

on Li's *et al*. (2013) methodological concerns on how many attributes are suitable for measuring BRS, this study selected and aligned hotel factors or attributes that are consistent with those provided in the hotel rating system in Malawi (GoM, 2005) to successfully measure customer satisfaction and establish any significant relationships.

It is important to note that the Malawi National Star Grading System (NSGS) was modeled on the South Africa Grading Criteria. The BRS emphasises on the objective, quantifiable and physical presence or availability of the minimum hotel attributes as earlier mentioned by Cser and Ohuchi (2008). From the structural and content analysis of the basic registration standard of various rating systems including the South Africa's grading criteria, it is clear that the dimension possesses several hotel attributes for rating. Drawing from the scrutiny of the works of Callan (2000), Cser and Ohuchi (2008) and the Malawi hotel rating system criteria (GoM, 2005), the BRS dimension is considered to embrace the following attributes or indicators: Bedroom Structure (e.g. bedroom furniture, suitable electrical requirements, lighting, bedroom information and communication system, stationery, bed linen, sanitary installations); Public Areas (reception, lobbies, porterage, banquet or conference hall, entertainment, recreation, sports, outdoor areas, sanitary installation for common areas, thermal conditions, corridors, etc.); Service types (room service provision, catering for breakfast, lunch and dinner, valet and laundry, lounges, taxis, airport transfers); Safety and Security (refuse disposal, adequate security of hotel and their belongings, emergency power, insect protection, emergency information and procedures); Staff skills (professionally trained with courtesy, patience, self-control, uniforms with personal badges, appearance and personal grooming, suitable employee/room ratio) (Callan, 2000; GoM, 2005; Cser & Ohuchi, 2008; TGCSA, 2013).

Based on the discourse above, the study postulated that basic registration standards as a dimension of hotel rating system had an effect on customer satisfaction. Thus, the study tested the following null hypothesis:

H_{01}:   *There is no significant effect of basic registration standards on customer satisfaction in star rated hotels in Malawi.*

2.7.2 Grading Standard and Customer Satisfaction

The Grading Standard (GS) as a dimension of hotel grading refers to qualitative, intangible service-related aspects in addition to the physical requirements that hotels must meet. The grading standard provides a platform over which a hotel property is compared to another (Narangajavana & Hu, 2008). To ensure that there is a standardised way of placing various hospitality establishments in their right categories or classifications based on overall quality beyond the minimum requirements specified in the basic registration standard, a grading standard was included in different hotel rating systems (Callan, 2000).

The grading standard dimension comprises hotel service attributes which are assessed qualitatively and with some degree of subjectivity. They are score- or point-based in order to place the hotels in their right category. The dimension can be equated to the Criteria for Hotel Service Quality of the Chinese or Taiwanese hotel rating system (Su & Sun, 2007). Based on Callan (2000) and TGCSA (2013), the Grading Standard as a latent variable for assessing quality is linked to hotel attributes grouped into measurement dimensions such as: Structural features (appearance of the buildings, adequacy and spaciousness of facilities such as bathroom/toilet facilities, bedrooms, suites, dining rooms, lounges, public toilets, and their state of repair); Furnishings, fittings and décor (their adequacy, quality, comfort, convenience throughout the hotel,

including soft furnishings and linen, provision of television, telephones in bedrooms, cleanliness, and state of their repair); Service or staff rapport (staff's close and harmonious relationships with customers, availability, respect for customers, attention to detail, efficiency, customer confidence building, and courtesy of staff throughout the hotel particularly those related to the reception area, room service, dining rooms, and lounges); Food and Beverages (preparation, presentation, variety of food, availability and variety of beverage items, quality of cutlery, crockery and glassware, and quality service); Other features/Extras (provision of business centre, background music in the lounges, entertainment, recreation, sporting and dancing facilities provided for guest convenience and comfort). All these attributes are included in the hotel rating assessment criteria used in many countries including Malawi (Callan, 2000; GoM, 2005; TGCSA, 2013).

Incidentally, all these attributes in the grading standard are consistent with similar attributes that have previously been investigated in service quality research (Ivan *et al.*, 2018). For example, aspects of structural features such as building appearances, adequacy of space and facilities, and state of guest facilities, which Walter, Edvardsson and Öström (2010) refer to as service infrastructure, are key to providing hotel's external physical environment and important to customer satisfaction levels. Good quality ceilings, full range bathroom and bedroom linen, and furnishing, and functional bedroom lighting have previously been acknowledged as key elements that exert a significant effect on the importance of hotel service quality dimensions among customers (Ali *et al.*, 2016; Wilkin, 2010). Furniture/fittings/décor, as part of the hotel physical environment, serve as an aide-mémoire or a recognizable characteristic in helping customer differentiate among hotel properties (Countryman & Jang, 2006).

Jin (2015) argues that food and beverage service quality is a critical factor for customers' choice of hotel restaurants, and they will most likely assess their dining experiences on that basis to inform their future intentions to revisit, guaranteeing their loyalty to the hotel. Lin and Mattila (2010) investigated the effect of restaurant servicescape on customers' emotions and satisfaction. Their study revealed that matching the restaurant theme with food served and matching the exterior look with the interior décor of the dining areas (perceived congruency) had a positive impact on customers' pleasure level and satisfaction. Similarly, Walter *et al.* (2010) established that food and beverages are also one of the frequent drivers for customer service experiences.

Staff rapport has also been investigated. For example, quality staff who are unobtrusive, respectful and polite are considered to be important in guaranteeing customer satisfaction (Wilkin, 2010). In addition, Kuo *et al.* (2010) suggest that professional knowledge of staff is often perceived as important by the hotel customers and may have a direct and positive effect on their satisfaction as was the case in the present study. Echoing similar sentiments that staff rapport is crucial to the success of star rated hotels as established in this study, Kattara *et al.* (2008) found that both positive and negative staff behaviours can significantlly affect perception of service quality as well as overall customer satisfaction in star rated hotels.

Su and Sun (2007) investigated the perceived resemblance in content of the Taiwanese Grading Standard to the traditional five service quality dimensions (reliability, assurance, tangible, empathy and responsiveness) of Parusaraman *et al.* (1988). They established the existence of the four service quality dimensions in the rating system except the dimension of empathy of service. Su and Sun (2007) suggested that the

Grading Standard attributes should be rebalanced to constitute a better representation of service quality in all five dimensions. The study of Su and Sun (2007) provides an empirical evidence that the grading standard as a dimension of any rating system, just like service quality, can therefore have an influence on customer satisfaction, as noted in previous studies. For example, Akkiraju (2009) argues that the hotel industry has always been under the impression that only objective factors like physical facilities, appearance, or ambience, are the most important aspects of customer satisfaction. This creates a huge gap between customer expectations and the hotel service quality perceived by the customers. Akkiraju (2009) has specifically advised the hotel grading agencies to take into consideration both objectivity and subjectivity when grading hotels.

Since grading standard is seen through the lens of service quality, there is growing evidence that studies of hotel service quality (Amin *et al.*, 2013; Markovic & Raspor, 2010; Ramsaran-Fowdar, 2007) have recast the attributes that define or measure service quality dimensions and their influence on customer satisfaction and behavioral intentions (Emir, 2016; Hemsley-Brown & Alnawas, 2016; Luo & Qu, 2016). Consequently, such dimensions have been adjusted based on the outcomes of exploratory factor analysis (Li *et al.*, 2013), a clear testimony that hotel service provision may be heterogenous (Grönroos, 2016). Perhaps, a better explanation is offered by Luo and Qu (2016) who argue that dimensions of hotel service quality are contextual differing in terms of country, time and levels of hotel services. Therefore, existing theories or models of service quality such as the SERVQUAL may not be directly applied to all hotel services. Today's hotel services are very experience oriented, and that guest needs may not be static over time owing to social and economic development, as well as different cultural contexts (Cetin & Walls, 2016; Luo & Qu,

016). Apparently, the attributes that define Grading Standard vary from one hotel rating system to another as earlier acknowledged by Cser and Ohuchi (2008) due to geographical, cultural, or economic differences. This is perhaps one reason why harmonisation efforts have generally failed to yield one universally standardised rating system due to these disparities.

This study utilised Grading Standard attributes that are consistent with those provided in the hotel rating system in Malawi (GoM, 2005) and South Africa (TGCSA, 2013) to determine their effect on both service expectations and customer satisfaction. Furthermore, most of the hotel attributes included in the rating criteria are consistent with service quality attributes reviewed from the studies of Amin *et al.* (2013), Callan (2000), Ramsaran-Fowdar (2007), Mohsin and Lockyer (2010) and Wilkins (2010). Furthermore, Luo and Qu (2016) observe that all the measures for hotel service quality were developed by researchers based on existing quality models or from hotel managers' viewpoints rather than from those of hotel guests. Similarly, Narangajavana and Hu (2008) acknowledge that hotel managers are usually the key decision makers to participate in the conventional hotel rating systems. What is, however, unclear is whether the grading standard attributes viewed from the hotel rating system prism, have any effect on customer satisfaction. Therefore, the present study postulated that there could a relationship between grading standard dimension and customer satisfaction in hotels. The study sought to obtain views of both the hotel managers and customers as it has been presumed that integration of their views can help bolster the rating systems (UNWTO, 2014). Drawing from the discourse above, the following hypothesis was tested:

H₀₂: *There is no significant effect of grading standard on customer satisfaction in star-rated hotels in Malawi.*

2.8 Harmonisation of Hotel Rating Systems

Following the variations observed in the hotel rating systems of many countries, the International Standards Organization (ISO) and the World Trade Organization (WTO) jointly discussed the harmonisation attempts of hospitality classification standards in 1998, but with very little success (Cser & Ohuchi, 2008; Hensens *et al.*, 2011). The only plausible explanation why internationally harmonised classification failed is best offered by Cser and Ohuchi (2008) who observe that tourists from different countries in the world possess different personal motives, needs and conceptions. So, an international standard would only create false expectations that could not be fulfilled after all. It is pleasing to note the debate on harmonisation is ongoing and further research is needed to draw lessons that may make this initiative happen or send it into oblivion. Lessons can perhaps be drawn from other professions such as accounting that have, over the years, successfully managed to establish standardised procedures and are being applied across the globe (Fritz & Lämmle, 2003).

Many of the harmonisation attempts of the hotel rating systems have been more country or region specific than universal because the criteria are often adjusted and localised (Guillet & Law, 2010; Hensens *et al.*, 2011). Some of the notable examples of harmonisation attempts include the Nordic-Baltic Rating scheme where the Danish hotel rating system was used as the basis for the systems in Sweden, Iceland, Lithuania, Latvia and Estonia. Harmonisation was also pursued at a national level, with Russia and the United Kingdom (UK) being recent examples (Hensens *et al.*, 2011). From 2009, hotels in seventeen European countries implemented a harmonized rating system

dubbed as Hotelstars Union for common criteria and procedures in the participating countries. The union is aimed at promoting the reputation and quality of the hotel industry in the member countries by creating transparency and guest security, in the process, enhancing hotel marketing (HOTREC, 2018).

Within the African continent, the East African Community (EAC) comprising Burundi, Kenya, Rwanda, Tanzania and Uganda, developed criteria for standardisation of hotels, restaurants and other tourist accommodation facilities of East Africa and was gazetted in August 2010 (Tourism Regulatory Authority [TRA] of Kenya, 2015). The EAC criteria included schedules for the star-rating classification of lodges, motels, tented camps, town hotels, vacation hotels, villas, cottages and serviced apartments and restaurants (TRA, 2015). The harmonisation dialogue on hotel rating systems in the Southern African Development Community (SADC) to which Malawi belongs, was initiated about ten years ago (Jimu, 2013). The harmonisation was expected to see member countries adopting the South African hotel rating system which has stood the test of time. The system was considered as the best in the SADC region owing to the fact that South Africa, being one of the biggest tourist destinations in Africa, has a well-developed tourism sector attracting millions of tourists annually and therefore, the country has the stringent ways of rating her hotels and similar establishments in order to meet customer quality expectations. Additionally, the harmonisation attempt was necessary to provide all countries in the region an equal platform to market and sell themselves to potential international tourists (Jimu, 2013).

Several benefits associated with a well-planned and administered hotel rating system have been reported. Hensens *et al.* (2011) outline some of the benefits that appear to be multifaceted. A hotel rating system assists government planning by providing

comprehensive and reliable statistical data for different types of accommodation. This is in congruence with World Bank's (2010) assertion that a hotel system that is applied in a consistent and transparent manner, with good communication of the grades and criteria to customers, can build confidence and correct information irregularities. A good rating system also encourages hoteliers to improve standards and the range of facilities by pinpointing weaknesses or deficiencies in operations. It eliminates poor hotels which harm the good reputation of the better hotels, in the process, encouraging existing operators to improve standards and professionalise their operations progressively (World Bank, 2010). Further, a robust hotel rating system assists contemporary guests to base their purchasing decisions on information published on websites. Today's tourist does not rely on a travel agent to tell him or her which hotel to visit, as this information is readily available on the Internet (Hensens *et al*., 2011; UNWTO, 2014; Westcott, 2015). A rating system generally provides a brief, but comprehensive overview of what the guest could reasonably expect from a property because the ratings are often used by prospective customers as a filter mechanism in the booking process, with guest reviews being used to make a final selection among a smaller group of hotels (UNWTO, 2014).

In summary, Hensens *et al.* (2011) suggest that a well-managed rating system yields the following three-pronged benefits: quality control (to protect both the tourist and the destination, and agitate necessary hotel improvements); marketing (providing an overview for potential visitors and the travel trade, levelling the playing field for local hotels that need to compete with international brands, and facilitating the travel trade in creating packages); and business development (assisting in tourism planning and facilitating hotel investors in positioning their properties in the market by outlining the requirements before they start building).

A critical review of studies done on hotel rating systems or classifications, reveals that more focus has been placed on the hotel rating's relationship with aspects such as hotel room pricing, affiliations, profitability, financial turnover, hotel performance, service quality improvements, local culture, user generated content/online reviews/third party websites/social media, and integration of environmental management practices; or considerations for a more integrated approach encompassing both hotel classifications and online guest reviews which are all important to the hotels. Table 2.1 provides a chronological summary of studies conducted on hotel rating systems spanning nearly the past two decades. From these studies, it is evident, very little attempt has addressed the direct relationships between official hotel rating systems and customer satisfaction that these systems can generate. There are thinly veiled attempts mentioning how hotel ratings can reduce the gap between guests' expectations and experiences. But such attempts merely skirt around hotel ratings' and guest reviews' ability to describe subjective elements and objective requirements; and potential benefits they render to both consumers and hotels (UNWTO, 2014). Little strides in research have been made to explore further the effect of hotel rating systems on customer satisfaction. Although customer satisfaction is neglected in the hotel rating system discourse, this study was, hence, conducted to address this gap in research by investigating specifically the effects of hotel rating system dimensions on customer satisfaction in star-rated hotels, particularly in Malawian context.

Table 2.1: Chronological Summary of Key Studies done in Hotel Rating System Research

Authors	Purpose of the study	Methodology	Context of the study	Key findings
(Andersson & Jia, 2018)	Comparison of official (star ratings) and subjective (experience-based consumer feedback via a major online travel agency) hotel attributes	Analysis of online guest feedback; Regression analysis	Hotels listed on Agoda website in China targeting, all hotel guests booking their rooms via the site	Consumer perceptions explain much of the variability within a given star-rating of the hotel; Online ratings are imperfect substitutes and complements for official star ratings.
(Agušaj *et al.*, 2017)	The relationship between customer online rating, hotel category and room pricing power	Pairwise comparison analysis of online customer reviews/ratings from *Kayak.com*, *TripAdvisor.com* and *Booking.com* websites.	3-, 4- and 5-star hotels operating in Dubrovnik – Neretva County in Serbia	A significant relationship between hotel star category, online rating and hotel's room pricing power
(Alčaković *et al.*, 2016)	The connection between the quality rating systems and profitability	Hotel financial statements from the Serbian Business Registers Agency. Multivariate analysis of variance (MANOVA) and Pearson's correlation coefficient for the analysis	Large and medium-sized Serbian hotels listed in the official classification of business entities	A positive correlation between selected financial ratios with the hotels' official star ratings.
(Hensens, 2016)	Integration of environmental management practices in hotels into hotel classification systems	Content analysis of some recently updated hotel classification systems	Eight hotel classification systems of Abu Dhabi, Australia, Dubai, France, Hotel Stars Union, Qatar, South Africa, and USA	Hotel classification systems include environmental management standards but use different structures, which lead to different impacts on the actual hotel rating and thus present varying levels of control.

(Stringam & Gerdes Jr, 2012)	User generated travel reviews, word use patterns and frequencies used, associated with hotel ratings hotels in lower priced and higher priced segments	An automated Web spider collection method; Data mining	Hotel reviews and ratings posted on the Expedia, Inc website; Hotels from the 100 largest U.S. cities.	Differences across different hotel segments on travellers' use of words and word patterns in comments accompanying online ratings.
(Adongo, 2011)	The introduction of a national quality grading scheme for meeting venues	Secondary research; Appraisal of schemes in the United Kingdom and selected countries	The conference industry in the United Kingdom	A nationwide scheme is feasible; implementation is dependent on how venues and planners view its usefulness; the scheme would thrive on cooperation among industry and the various tourist boards
(Hensens *et al.*, 2011)	Investigation of social media and conventional hotel ratings	An exploratory case study	Comparison of guest ratings on TripAdvisor and conventional ratings of hotels from eleven international destinations	Difficult to retrieve conventional rating system databases; Almost 50% of conventional ratings displayed on Trip Advisor are incorrect.
(Leung *et al.*, 2011)	The impact of culture on hotel ratings	An exploratory case study	Ratings of hotels in China from five distribution channels (Chinese and USA sources)	The hotel ratings on the Chinese sources were cconsiderably higher than those on the U.S. channels, attributed to the unique value of "giving face" in Chinese culture
(Guillet & Law, 2010)	Analysis of hotel star ratings on selected third-party distribution	An exploratory case study	Hotels in Hong Kong on eleven travel websites (third-party electronic distribution channels)	Only 24% of the hotels had consistent star rating across different distribution channels.

(Narangajavana & Hu, 2008)	The relationship between the hotel rating system, service quality improvement, and hotel performance changes	A cross-sectional survey using the canonical correlation analysis	Managers of hotels in Thailand	Four dimensions of service quality improvement were not significantly associated with hotels' star levels; Two significant relationships between service quality improvement and changes in hotel performance.
(Su & Sun, 2007)	Analysis of the hotel rating system from the service quality perspective	Content analysis of hotel evaluation/rating schema based on SERVQUAL dimensions	Comparison of four hotel rating systems, in the United Kingdom, United States, China, and Taiwan; SERVQUAL dimensions focussed on the Taiwanese hotel rating system	Taiwan's hotel rating system was strong on two out of five SERVQUAL dimensions i.e., assurance and tangibles
(Callan, 2000)	Assessment of hotel grading inspectors' opinions on the grading schemes	Content analysis of criteria of classification and grading schemes; A survey	Hotel grading inspectors in the UK	The inspectors expressed the assessment specificity of 65 important hotel selection attributes indicating those which could be assessed by observation, or could be assessed specifically, or could not be assessed at all.
(Israeli & Uriely, 2000)	The impact of star ratings and corporate affiliation on hotel room prices	Analysis of the Israel Hotel Guide database	Hotels form different locations in Israel	High-quality (i.e. four- and five-star) hotels tend to be affiliated with chains and signal this affiliation using a naming strategy; The industry-based star rating system explains a large part of the price variation

Source: *From various authors as indicated in the table.*

2.9 The National Hotel Star Grading System (NHSGS) in Malawi

Despite the recent rapid growth of the hospitality sector, nearly for five decades after independence, Malawi was the only travel destination in the Southern African Development Community (SADC) without a recognisable national rating system for the hospitality properties until 2010. This system reflects both tangible and intangible aspects of a property and is a clear indication of the service quality level and provides a competitive edge in the marketplace (Goodman, 2009; Narangajavana & Hu, 2008).

Christened as the National Hotel Star Grading System (NHSGS) by the Malawi's Tourism and Hotels Board, its introduction was expected to uplift the overall service quality standards of the Malawi's tourism and hospitality industry. This is arguably beneficial because the system brings into close alignment local standards with both regional and international standards, an aspect supported by Narangajavana and Hu (2008).

According to the DoT (2016) the hotel star rating for Malawi entails an assessment of all service elements as well as non-service elements provided at an establishment. This system was introduced with the objective of indicating to customers the property's commitment to quality service and standards depicted by the stars. It also leads to an overall improvement in service levels and physical facilities of a property. It offers industry recognition to graded properties and therefore enhances the image of the hotel. A plaque (Figure 2.3) is displayed on the hotel front. Finally, the hotel star rating is meant to ensure that hotels provide services that match the best hotel standards within the region and internationally and therefore enhances competitiveness (DoT, 2016).

Figure 2.3: A sample of a plaque displayed on star-rated hotels in Malawi

Source: Department of Tourism (2016)

In Malawi, the hotel star grading process is official and mandatory. The Department of Tourism adopted a system that contributes to the sustainable development of tourism in the country by developing and managing an internationally recognized star grading system that assesses, monitors and brands Malawi tourism products and services (DoT, 2016). Just like the other rating system criteria discussed in this study, the NHSGS in Malawi appears to possess both the basic registration standard (BRS) and grading standard (GS) components. All the service accommodation properties which include categories such as hotels, lodges, holiday resorts and guesthouses, are collectively referred to as "tourism enterprises" (DoT, 2016). They are graded in compliance with the minimum standards as per the Tourism Regulations alongside the specified minimum criteria for star grading (GoM, 2005). The present study focused on hotels only, which according to Malawi Tourism Regulations means:

> "any premises, wherein or whereon the business of supplying lodging and
> meals for reward is or is intended to be conducted and includes an inn"
> (GoM, 2005, p.68).

This definition is consistent with the English Common Law cited in Bhatia (2011) which states that a hotel is:

"a place where all who being able and ready to pay for their entertainment are received, if there be accommodation for them, and who without any stipulated engagement as to the duration of their stay or as to the rate of compensation, are supplied at a reasonable cost with their meals, lodging and such services and attention as are necessarily incidental to the use of the house as a temporary home' (Bhatia, 2011, p.397).

What is important from the two definitions is that hotels primarily provide board and lodging at a price stipulated by the hotels although the entertainment aspect is conspicuously ignored in the definition provided by GoM (2005).

While the NHSGS' actual grading criteria is largely modeled on the South African grading scheme (TGCSA, 2013), it is generally expected that the Malawi hotel grading criteria obviously possesses some aspects different from the rest of other hotel grading criteria from different countries reflecting economic, local, cultural differences in values, choices and preferences (Su & Sun, 2007). For instance, grading of the serviced accommodation, referred to as "tourism enterprises", includes the following five categories in the Malawi context: hotels, lodges, holiday resorts, guesthouses, bed and breakfast (Tourism and Hotels Board [THB], 2016). Further, the grading criteria includes nine overarching categories or attributes, namely: the exterior of the buildings; the bedrooms; the bathrooms; public areas; dining facilities; kitchen facilities; food and beverage; service and services; and housekeeping. Table 2.2 summarises the categories and aspects of assessment as stipulated in the criteria:

Table 2.2: A Summary of the Malawi National Hotel Grading Criteria

No.	Grading Criteria Category	Aspects of Assessment
1.	The Exterior of the building	Appearance of buildings, grounds and gardens as well as parking
2.	The Bedrooms	The quality of decorations in the bedrooms, furniture and furnishings, flooring and ceiling, beds and linen, temperature control, lighting, accessories and also spaciousness and overall impression.
3.	The Bathrooms	The decoration and flooring of the bathroom, fixtures and fittings, bathroom linen, lighting and ventilation, accessories and spaciousness of the bathrooms (5 & 4 Stars to have separate bath & shower)
4.	Public Rooms	Conference facilities, corridors, public areas, lounges, reception areas, fitness centers and business centers. The assessor will look at the decorations, furnishings and fixtures, flooring and ceiling, lighting as well as the atmosphere and ambience.
5.	Dining Facilities	Decoration, furnishings, flooring and ceiling, lighting, menu presentation, table appointments and atmosphere and ambience.
6.	Food and Beverage	Applies to internal Food & Beverage, and includes; dinner presentation, dinner quality and breakfast presentation.
7.	Services and Service	Welcome, friendliness and attitude, reservation, check-in and general efficiency, porterage, room service, public area service, meal service, check-out efficiency and tourist information provided by the establishment.
8.	Kitchen facilities	Overall cleanliness, food storage, lighting and ventilation, spaciousness and kitchen staff presentation.
9.	Housekeeping	Cleanliness of bedrooms, guest bathrooms, public areas, public toilets, restaurant and appearance of staff.

Source: *Tourism and Hotels Board (2016)*

At the time this study was conducted, there were eight trained and qualified grading assessors comprising five Chief Tourism Officers (one of whom is the master assessor), three Principal Tourism Officers. All these assessors are drawn from the Department of Tourism, under the Ministry of Trade, Industry and Tourism. The Department was planning to train additional assessors. It should also be noted that a team of three assessors is recommended per establishment being assessed. However, in some cases,

two are allowed to conduct the grading. Su and Sun (2007) recommend that assessors need to be carefully selected and trained in order to apply the quality standards consistently and fairly. In South Africa, the assessors are actually accredited to the TGCSA. There are over 30 assessors located in all the provinces and the hospitality establishments are given the liberty to choose an assessor that will best suit them (TGCSA, 2016). In the Eastern African Community (EAC), there were 19 EAC recognised assessors in Kenya, 13 from Rwanda while 17 were from Tanzania by 2011. The training process for the EAC assessors was scheduled in Burundi and Uganda (The Star, 2011). The variation in the number of assessors in each country may highlight the magnitude of development of the industry and also reflects the level of economic activity in that country.

Drawing from GoM (2005)[1], the grade (star award) of a hotel is determined in line with the provisions of Tourism and Hotels (Minimum Standards) Regulations, the *First Schedule* representing the basic registration standard (BRS), and the number of points scored in respect of various grading factors outlines in the *Second Schedule* representing the grading standard (GS). The GS dimension has further been translated into the grading criteria as an assessment tool employed in the actual grading process itself. As previously noted by Narangajavana and Hu (2008), the BRS representing the minimum requirements for the establishment, has to be fulfilled before the GS component is evaluated. BRS is largely considered as part of the regulatory framework, and Figure 2.4 depicts the scenario how the BRS of the NHSGS fits into the regulatory framework before stimulating the grading process.

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[1]Tourism and Hotels Act (Chapter 50:01) *Tourism Regulations*, Tourism and Hotels Board, Lilongwe
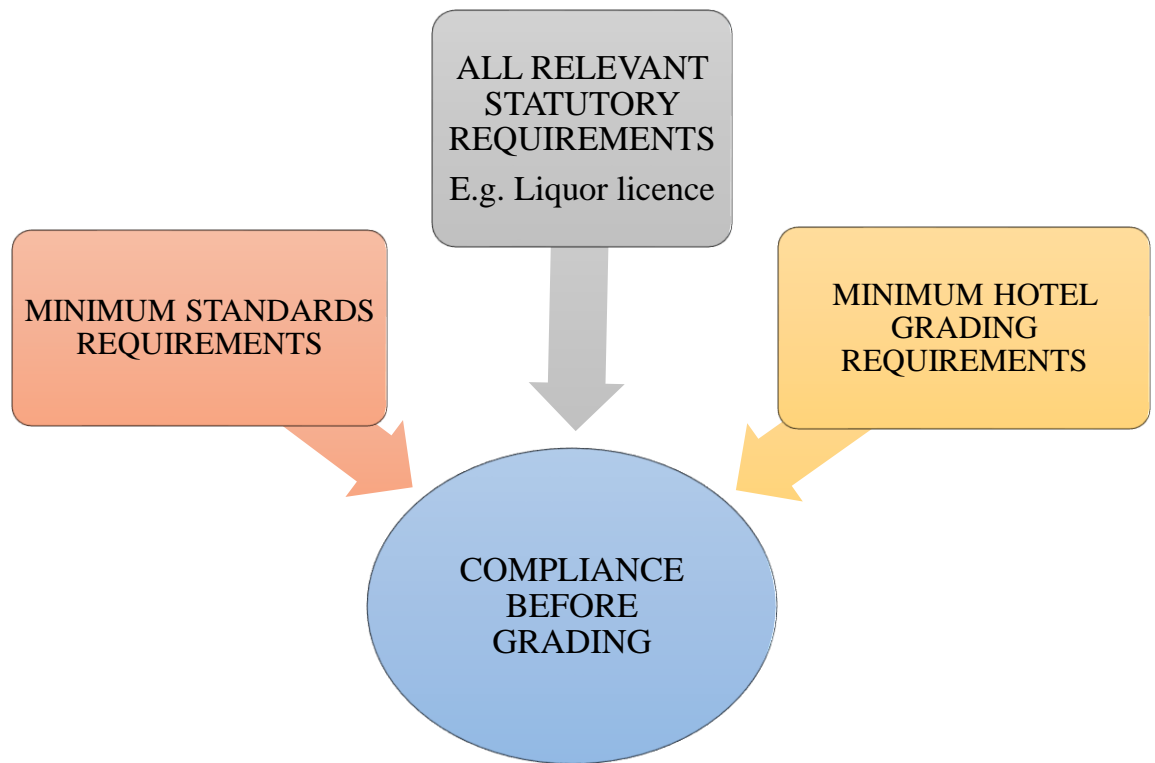
Figure 2.4: The Regulatory framework showing minimum requirements before grading

Source: *Department of Tourism (2016)*

In order to understand how the two schedules work in concert, in the grading process, GoM (2005) demonstrates the interplay between the two schedules specified in the regulations, using a five-star qualification of a hotel as an example in this case. For instance, a hotel qualifies for a five-star award if it - (please note the Italics are provided by the Researcher for emphasis):

> (i) *Complies with the requirements of the First Schedule [the Basic Registration Standard] for a five-star hotel; and*
>
> (ii) *Has been awarded a total of not less than nine hundred and one [901] points in respect of all the factors set out in the Second Schedule [Grading Standard].*

(GoM, 2005, p.109)

The scores for each standard attribute specified in the grading criteria are defined as follows: a score of 10 denotes "Excellent"; 9 "Very good"; 8 "Good"; 6 or 7 "Standard"; 5 "Acceptable"; 3 or 4 "Poor"; 1 or 2 "Unacceptable". Table 2.3 summarises the grading scores for each category and explanations of the meanings they carry for each grading band. It is noted that the meanings attached to the overall scores in the Malawi NHSGS, are pointing to the more highly subjective aspects of the grading standards as noted by Hensens *et al*. (2011) and Hensens (2016).

Table 2.3: A Summary of the grading scores and meanings of the stars for each grading band.

Star Category	Required Overall Score	Provision in the Tourism Regulations	Meaning of the Stars
5 Stars	• Overall score of 95% - 100% • Items to score 9 or 10 • No more than 1 item to score 8	• A hotel complies with the requirements of the First Schedule for a five-star hotel • A hotel has been awarded a total of not less than nine hundred and one [901] points in respect of all the factors set out in the Second Schedule	• Exceptional quality and luxurious accommodation (matching best international standards). • Highest standard of furnishings, flawless service and meticulous guest care.
4 Stars	• Overall score of 85% - 94% • Items to score 8 or more • No more than 1 item to score 7 • All service elements to score 8, 9 or 10	• A hotel complies with the requirements of the First Schedule for a four-star hotel • A hotel has been awarded a total of not less than eight hundred and one [801] points in respect of all the factors set out in the Second Schedule	• Superior (excellent) comfort and quality with a high standard of furnishings, service and guest care
3 Stars	• Overall score of 71% - 84% • Items to score 7 or more • No more than 2 items to score 6	• A hotel complies with the requirements of the First Schedule for a three-star hotel • A hotel has been awarded a total of not	• Very good quality in the overall standard of furnishings, service and guest care

	• All service elements to score 8, 9 or 10	less than six hundred and one [601] points in respect of all the factors set out in the Second Schedule	
2 Stars	• Overall score of 61% - 70% • Items to score 6 or more • No unacceptable items, less than 3 • No more than 2 items to score 5 • All service elements to score 7, 8, 9 or 10	• A hotel complies with the requirements of the First Schedule for a two-star hotel • A hotel has been awarded a total of not less than five hundred and one [501] points in respect of all the factors set out in the Second Schedule	• Good quality in the overall standard of furnishings, service and guest care
1 Star	• Overall score of 51% - 60% • No unacceptable items, less than 3 • All service elements to score 7, 8, 9 or 10	• A hotel complies with the requirements of the First Schedule for a one-star hotel • A hotel has been awarded a total of not less than four hundred and one [401] points in respect of all the factors set out in the Second Schedule	• Fair to good (acceptable/modest) quality in the overall standard of furnishings, service and guest care • Clean, comfortable and functional accommodation

Source: DoT (2016); GoM (2005)

2.10 The Concept of Service Expectations

Satisfaction as a relative concept is often adjudicated in relation to some yardstick. The Expectancy-disconfirmation paradigm posits that customers compare the actual product or service performance with their prior expectations (Oliver, 2010). This framework views expectations as the primary determinant of customer dis/satisfaction. If expectations are met or exceeded, the consumer is satisfied, and dissatisfaction occurs if the perceived service or product performance falls short of expectations (Yuksel & Yuksel, 2001a). In this case, Kim *et al.* (2012) regard expectations as the customer's

anticipations, desires or wishes that service providers, such as hotels, should have ideally offered.

Expectations have become a popular theoretical concept among zone of tolerance scholars such as Grönroos (2016). For most scholars, customer expectations are viewed as customers' beliefs about imminent service delivery that serve as a reference point against which performance is evaluated (Zainol, Lockwood & Kutsch, 2010). In fact, expectations of what constitutes a good service are somewhat individual-specific, business-specific, and also encounter-specific; and knowing in advance what customers expect is very critical in delivering quality service. For instance, in a hotel set-up, it is essential to manage and influence those customer perceptions during the service delivery process in order to achieve the desired level of overall satisfaction (Zainol *et al.*, 2010).

The earlier works of Miller (1977), Zeithaml, Berry and Parasuraman (1993), Ekinci (2004) and Yilmaz (2010) concede that the nature of customer expectations is somewhat obscure. This is particularly evident in the customer satisfaction/dissatisfaction and service quality theoretical approaches using the disconfirmation framework (Parasuraman *et al.* 1985) comparing the extent to which experiences and outcomes of a service process meet customer's expectations (Kotler & Keller, 2012; Grönroos, 2016). Nonetheless, expectations have played a role in service delivery including the hospitality industry.

2.10.1 Types of Service Expectations

Different types of customer expectations have been explored and the most commonly discussed expectations fall into several categories (Ekinci, 2004; Zeithaml *et al.*, 2013). Firstly, *ideal* expectations reflect the desired level of performance of a service or

product. Secondly, *normative* expectations reflect what the level of performance of service or product should be or ought to be. Ekinci (2004) describes a normative expectation as a deserved expectation based on the value of money paid for, for a particular service or an investment. *Experience-based norm* expectations rely on customers' use of experiences as a comparison standard for reaching a decision on their satisfaction levels with a performance of a service (Ekinci, 2004). The *acceptable* expectations represent just the adequate level of service performance devoid of outstanding add-ons (Zeithaml *et al*. 2013). The last and lowest level of customer expectations for a service performance is described as the *minimum tolerable* level and reflects what the bare minimum level of a service performance must be (Ekinci, 2004).

Several studies have raised concerns and revealed the yawning gaps associated with analysing expectations in this manner. Teas (1994), Ekinci (2004) and Yilmaz (2010) generally believe that customers do not hold expectations of a particular service attribute on a single given level because the interpretation of a service performance tends to be customer specific, thereby making this manner of categorisation of expectations unstable and inconsistent. For example, Teas (1994) points out that in certain situations the perceived customer satisfaction may decline even if the actual performance exceeded the ideal expectation. In order to address this problem, Zeithaml *et al*. (1993) established the use of multiple expectations in the measurement of customer satisfaction studies.

The multiple expectations' approach is positively accepted and emanates from the belief that customers tend to hold various types of expectations about a service (Kettinger & Lee, 2005; Zeithaml *et al*., 2013). Basically, customer expectations can be considered from both narrow and broad perspectives. While a narrow perspective

looks at expectations as simple beliefs in future performance of a product or service, a broad prospective takes expectations as multidimensional and are associated with different levels of performance (Yilmaz, 2010). The two most frequently used expectations are *desired service* and *adequate service* (Gwynne, Devlin, & Ennew, 2000; Yilmaz, 2010; Zainol *et al.*, 2010). The desired service represents the highest level of service the customer hopes or wishes to receive from a service offering (Kettinger & Lee, 2005; Zeithaml *et al.*, 2013). A service offering which is believed to surpass this type of expectation is considered to be of excellent quality (Ekinci, 2004). The adequate expectation represents the least and threshold level of acceptable service – the minimum level a customer is willing to accept (Grönroos, 2016; Zeithaml *et al.*, 2013).

2.10.2 The Zone of Tolerance (ZoT) and Hotel Rating System Dimensions

Customers tend to assess the performance of a service on the account of desired service and adequate service expectations. These two important bounds form the borders of customer's *Zone of Tolerance* (ZoT), a concept earlier suggested by Parasuraman *et al.* (1991). If the actual service experiences of the customer fall midway these two borders, such experiences will be tolerated, and the perceived quality is viewed favourably (Grönroos, 2016). Since hospitality services have an aspect of heterogeneity in their nature, variation in the ZoT is expected from customer to customer, across hotels, across employees of the same hotel, and perhaps with the same employee at different times (Grönroos, 2016; Zainol *et al*. 2010; Zeithaml *et al.*, 2013). Thus, this is an indication that hotel guests may use a multi-expectation framework as a comparison yardstick in assessing hotel services as suggested by Yilmaz (2010).

Zeithaml *et al*. (1993) and Ekinci (2004) have previously discussed the use of expectation as a frequently used comparison standard or reference point. They argue that the use of expectation standard as beliefs about service delivery is widely seen in the customer's evaluation of service quality and satisfaction when service expectations are compared with the actual performance. It is important to clearly define the nature of service expectations and their resultant antecedents. This consequently helps to distinguish whether customers hold service expectations as predictions or ideal standards because levels of customer satisfaction are what set apart two service providers in the same category of business, i.e. star rated hotels, while attempting to keep their customers consistently happy (Zeithaml *et al.*, 2013).

In fact, Zeithaml *et al*. (2013) summarise better the consequences of what will likely happen in the ZoT:

> "If the service drops below the adequate service – the minimum level considered acceptable – customers will be frustrated and most likely dissatisfied with the company. If the service performance is above the zone of tolerance at the top end – where performance exceeds desired service – customers will be very pleased and probably quite surprised." (Zeithaml *et al.*, 2013, p.54-55).

Consistent with the assertion of Zeithaml *et al*. (2013) above, Gwynne *et al*. (2000), Nadiri, Kandampully and Hussain (2009) and Zainol *et al*. (2010) acknowledge that customers who enter the service process with prearranged anticipations in their minds, can depart from the service with three possible outcomes: - a more than acceptable, acceptable, or unacceptable outcome. The "more than acceptable" outcome refers to service performance which delights customers by exceeding their expectations, while the "unacceptable outcome" relates to performance which is below expectations and

hence dissatisfying (similar to the Kano Model discussed earlier in this chapter). The "acceptable outcome" means that, although the service may not meet expectations in all respects, customers are, however, willing to accept variations within a specified range of performance while still being satisfied with the outcome. Specifically, Zainol *et al*. (2010) explain that customers have a larger ZoT when facing negative encounters and a narrower ZoT when dealing with positive encounters. This is particularly true in the hospitality industry where the dimensions of hotel rating systems are of great importance.

Zeithaml *et al*. (2013) discuss a number of factors that influence both desired service and adequate service expectations. They have neatly packaged these as personal needs, personal service philosophy, derived service expectations, perceived service alternatives and situational factors. In addition, Gwynne *et al*. (2000) agree that the ZoT is central to customer evaluations of service quality, by extension, the hotel rating system and customer satisfaction. At this point, Zainol *et al*. (2010) urge hotel managers to identify shortfalls of both physical features and service attributes, whose performance is below the tipping point of adequate service and concentrate their corrective efforts on those attributes that are important to customers' perceived quality. These attributes are the same ones that characterize the basic registration standard and grading standard; the two dimensions of hotel rating systems. Zainol *et al*. maintain that once corrective actions have been taken to address the shortfalls, higher quality service and greater operational efficiency will take root, perhaps, yielding better ratings in future for the hotels. This is consistent with Kano's *et al.* (1984) views on taking corrective action in relation to the shortfalls identified with attributes that affect or contribute to customer satisfaction.

Since, the generally accepted notion of the ZoT is that it falls between two expectation standards - the desired service level and the adequate service level (Zainol *et al.*, 2010), the study utilised these two expectation levels to gauge customers' perceptions with different degrees of variability in terms of their ZoT when facing positive or negative hotel services. In addition, the investigated importance attached to the dimensions of service quality (Gwynne *et al.*, 2000), and by extension, dimensions of hotel rating system appear to influence the level of desired expectations. However, the extent to which both basic registration standard and grading standard affect service expectations is not clear. It can thus, be postulated that attributes of a hotel rating system dimensions, generally considered the most important, will appear to be linked to a larger ZoT as well. Ultimately, the magnitude of ZoT is assumed to have an effect on customer satisfaction. In this regard, the following hypotheses were tested:

H_{03}: *Basic registration standard has no significant effect on service expectations*

H_{04}: *Grading standard has no significant effect on service expectations*

H_{06}: *There is no significant difference between desired service expectations and adequate service expectations*

2.10.3 Service Expectations and Customer Satisfaction

Customer expectations result from the perception of various pieces of information that are relevant to a hospitality establishment. Yuksel and Yuksel (2001a) suggest the information can be obtained from three possible sources: either from individual-specific sources, pre-encounter sources, or intra-encounter sources.

To begin with, individual-specific information sources vary from an individual to another and may lead to different individuals expecting different levels of service in similar consumption set-ups. Examples of the individual-specific sources are well articulated by Zeithaml *et al.* (2013) and include an individual's personal service philosophy, personal needs, and perceived service alternatives. Secondly, pre-encounter information sources may include what Yuksel and Yuksel (2001a) refer to as biased and unbiased information impetuses that are received by customers before a given service encounter. Biased pre-encounter impetuses have implied marketing flavour and are those pieces of information such as facilities available, services and products provided, commitment to service quality that hotels deliberately disseminate in order to secure business. For example, sales calls carried out by the hotel marketing teams, distribution of hotel brochures and use of billboards in strategic spots (Yuksel & Yuksel, 2001a). These biased sources of information become particularly important to the formation of expectations when customers lack alternative sources of information. Unbiased pre-encounter impetuses include information sources that do not obviously originate from hotels directly and are likely to be seen as more objective and credible sources of information. For example, previous experience with the hotel services, personal word-of-mouth, and third-party information (user generated content from the Internet) (Yuksel & Yuksel, 2001a).

It is further argued that customers rely heavily on informal messages to form expectations, particularly when the information source are colleagues and relations (Oliver, 2010). In addition to these two main sources, the information that the customer receives during the service encounters is likely to influence the formation and level of expectations. As customers interact with the hotel staff, for instance at the reception or the waiting staff in the restaurant, the physical environment of the service encounter,

and other customers present, customer expectations are more likely to be tinkered one way or the other during a service encounter (Yuksel & Yuksel, 2001a; Grönroos, 2016).

In conclusion, Yuksel & Yuksel (2001a) doubt that given the basic assumption of the expectancy–disconfirmation paradigm, that a customer must have pre-purchase expectations to be able to experience disconfirmation of those expectations, it may not work in situations where customers do not possess well-formed expectations. Lack of experience or familiarity with a hotel service may cause expectations to be transient and uncertain. This is why many hospitality services, especially in star-rated hotels, are based squarely on experience and credence elements, which may only be available or more easily judged only after, rather than before the consumption experience (Reid & Bojanic, 2010).

Following the discourse above, the study sought to investigate the effect of service expectations on customer satisfaction. Using a modified combination of hotel service attributes from extant literature (Amin *et al.*, 2013; Mohsin & Lockyer, 2010; Wilkins, 2010) and consistent with attributes of hotel rating system dimensions, the study attempted to establish an academic research agenda and an overall model that identified the underlying determinants of customer satisfaction. Since the effect of service expectations on these hotel service attributes treated as aspects of service quality have traditionally been investigated in various service contexts (Kettinger & Lee, 2005; Gwynne *et al*., 2000; Nadiri *et al*., 2009; Zainol et al., 2010), there is little evidence of whether service expectations may similarly exert an effect on customer satisfaction. To this end, the following hypothesis was further proposed:

H05:   *Service expectations have no significant effect on customer satisfaction.*

2.11 Theoretical Framework of the Study

A theoretical framework being abstract but logical structure based on the identification of key concepts and the relationships among them, provides a point of focus for tackling the unknown in a specific area (Serem, Boit & Wanyama, 2013). It explains intellectually the natural progression of a phenomenon under study, thereby bringing into close alignment the key factors, constructs or variables and identifies presumed interrelationships among them (Creswell, 2014). The current study was largely informed by and anchored on the environmental psychology (stimulus-organism-response [S-O-R] paradigm) and servicescape theoretical frameworks to examine hotel rating dimensions and their effect on service expectations and customer satisfaction.

2.11.1 The Stimulus-Organism-Response (S-O-R) Framework

The stimulus-organism-response (S-O-R) paradigm of Mehrabian and Russell (1974), is a well-known and most widely applied framework in the environmental psychology literature. Based on its postulation, the stimulus (S) consists of various elements of the physical atmosphere which constitutes the environment. The stimulus affects people's inner assessment as organisms (O) which, in turn, influences their behavioural responses (R). The organism refers to the internal processes and structures providing an interplay between stimuli and the behavioural actions or responses of an individual (hotel guests) (Ali *et al.*, 2016). Accordingly, three emotional responses, namely: pleasure/displeasure, arousal/non-arousal and dominance/submissiveness (PAD) are generated, which in turn elicit either approach or avoidance behaviour with regards to the environment (Countryman & Jang, 2006; Mari & Poggesi, 2013). Hotel guest's expectations and perceptions are the typical examples of formed emotional responses

to the hotel stimuli. The environmental pyschology S-O-R framework further presupposes that if the physical environment has an effect on human behaviour, it would influence the behaviour of customers in settings such as star-rated hotels, and also offer a context in which the customer behaviours would happen (Bitner, 1992; Hoffman & Turley, 2002; Mari & Poggesi, 2013).

According to the theory, the ultimate customer responses to the set of environmental stimuli are typically characterised as approach behaviour or avoidance behaviour (Hoffman & Turley, 2002). These behaviours and outcomes manifest themselves in one of the four ways: (1) a desire to stay (approach) or leave (avoid) a service; (2) a desire to further explore and interact (approach) or a tendency to ignore the service (avoidance); (3) a desire to communicate with others (approach) or to ignore (avoid); and (4) feelings of satisfaction (approach) or dissatisfaction or disappointment (avoidance) with the hotel service experience.

The present study was based on the S-O-R theoretical framework because it established determinants of customer satisfaction (an approach behaviour) in star rated hotels where the hotel property forms the environment in which a service takes place. Such an environment is obviously capable of influencing varied behavioural actions from the customer perspective, as well as providing a context in which the actions occur. The hotel rating system dimensions consist of hotel attributes well laid out in the hotel rating criteria document and regulations. Some of the key hotel attributes were the bedroom structure; public areas; service types; safety and security; staff skills and rapport; hotel structural features; furniture, fittings and décor; and food and beverage which provided the set of stimuli. Depending on the performance or state of the hotel attributes, they trigger responses in the hotel guests. These hotel attributes referred to as cues (Mari &

Poggesi, 2013), provide the basis for setting up the environment where services are executed and delivered. The organism component in this study, were the hotel guests described as the recipients of the set of stimuli. The responses (perceptions) of hotel guests to the set of stimuli were influenced by the behavioural outcomes of feeling satisfied with the hotel service experience (Hoffman & Turley, 2002).

In its original proposition, the S-O-R framework largely explains effects of the service environment's (the star rated hotels in this study) elements such as Ambient conditions (temperature, air quality, noise, odour, etc); Space/Function (layout, equipment, furnishings); Signs, Symbols and Artefacts (directional signage, personal artefacts, style of décor and colour patterns, etc); the hotel exterior, interior design, lighting, employee appearance, uniforms, and other features (Hoffman & Turley, 2002; Mari & Poggesi, 2013). These are generally physical and tangible in nature and equivalent to hotel attributes specified in the hotel rating system dimensions. The present study moved a step further by examining effects of more qualitative, intangible and service-related attributes such as staff skills, rapport, behaviour and attitude, food and beverage service quality, different service types. Hotels that devote much of their resources and effort to improving their services and physical facilities, are on the right course of guaranteeing their customers' levels of confidence with the hotel experience within the hotel environment of several players.

It is further argued that the physical environment in which a product or service is purchased, is an important part of the total consumption package (Jin, 2015). The S-O-R theoretical framework has reportedly been applied in a wide range of research contexts including the hospitality industry. For instance, using the framework, Ali *et al.* (2016) investigated the links between physical environment, price perceptions,

consumption emotions and customer satisfaction in resort hotels in China. By employing the S-O-R, Countryman and Jang (2006) examined the atmospheric elements of color, lighting, layout, style and furnishings that constitute the physical environment of a hotel lobby. Lin and Mattila (2010) investigated the effect of physical surroundings and customer-employee interactions on customers' emotions and satisfaction in an actual restaurant setting. Applying the framework, Chen *et al.* (2013) investigated customers' perceptions about physical environment quality, personal interaction quality in bed and breakfast establishments, and the effects of these perceptions on behavioural intentions relating to customer satisfaction and customer loyalty.

Hence, this study was grounded in the S-O-R (Mari & Poggesi, 2013; Mehrabian & Russell, 1974) in order to study the hotel service and physical attributes (stimuli) that characterise the hotel rating system dimensions and their ultimate effect on service expectations and satisfaction levels (R) based on customers' internal emotional states (O) in star rated hotels in Malawi.

2.11.2 The Servicescape Theory

Bitner (1992) is credited for popularising the term "servicescape" to describe the "built environment (the man-made, physical surroundings as opposed to the natural or social environment)" (p.58), in which services are delivered and where the service provider and customer interact. The term atmospherics was introduced to describe the new focus of research by Countryman and Jang (2006). Earlier, Kotler (1973) defined atmospherics as the "conscious designing of space to generate specific emotional impacts within consumers that boost their purchase probability" (p. 50). Moon, Yoon and Han (2017) acknowledge that the description emphasises the importance of

environments for service settings. The environment being referred to in this case is consistent with the physical environment described in the S-O-R framework. Customers' perceptions of atmospherics closely relate to their satisfaction and levels of intention to re-patronise in service contexts (Jin, 2015). For example, in the hotel setting, the hotel lobby, and other public spaces such as the guest rooms, the dining area or restaurant, conference rooms, or lounges, form part of the physical environment appropriate for a service to take place. It is usually easier to meet or exceed customer expectations when the first impressions have been positive in these areas (Jin, 2015).

Several propositions were made based on the servicescape theoretical framework of Bitner (1992). Among them, three were of particular interest to this study. First, customers perceive environments holistically with every aspect of servicescape affecting overall perception independently or through interaction with the other dimensions. Second, positive thoughts of the perceived servicescape can lead to positive beliefs and acknowledgements being associated with the hotel, its people, services and products. Third, the physical environment serves as an aide-mémoire or a recognisable characteristic in helping customer differentiate among hotel properties (Countryman & Jang, 2006). The physical characteristic of a hotel is very influential in driving the hotel purchase decision among customers and it creates value for the guests during their stay. Therefore, it is important that hotels pay a great deal of attention to the physical settings by enhancing those hotel attributes that affect the customer. This augurs well with the hotel rating system dimensions of basic registration standard and grading standard.

Although the servicescape framework appears to suffer from one major weakness of placing much emphasis on the physical environment only, there is, however, a myriad

number of both hotel service and physical attributes established to exert influence on customer satisfaction. From a slightly different but a related angle, Zemke *et al*. (2017) argue for the right balance of what they call hedonic and utilitarian satisfaction, which is even more important, owing to the length of time that the customer spends within the service environment. For instance, hotel guests may interact with the hotel servicescape for a period that lasts between a few hours and many days or weeks. At this point in borrowing from the S-O-R perspective, both Hoffman and Turley (2002) and Mari and Poggesi (2013) believe that environment dimensions such as, ambient conditions (temperature, music, odour); spatial layout and functionality (equipment and furnishings); and style of décor (signs, symbols and artefacts) may impact both employee and customer behaviours and their social interactions; and the degree to which a service transaction is successfully conducted. For this reason, hotel managers continually plan, build, and change a hotel's physical surroundings in an attempt to control its influence on clientele, without really knowing the impact of a specific design or atmospheric change on its users (Hoffman & Turley, 2002).

In essence, according to Hoffman and Turley (2002), the servicescape consists of three components: (1) facility exterior: - exterior design, signage, parking, landscaping, and the surrounding environment; (2) facility interior: - interior design, equipment used to serve the customer directly or used to run the business, signage, layout, air quality, and temperature; and (3) other tangibles such as business cards, stationery, billing statements, reports, employee appearance, uniforms, and brochures, all of which affect customer satisfaction in one way or another. However, satisfaction with a hotel stay, for example, looks at the sum total of satisfaction of individual elements of all products and services that constitute the experience (Pizam *et al.*, 2016). Detecting the deficiencies that the servicescape framework suffers, Pizam *et al*. (2016) include two

other additional elements such as the material product, like food and beverage, and the behaviour and attitude of employees hosting or serving the customers in direct interface, besides the physical environment. All these aspects, as noted by Countryman and Jang (2006), Lin and Mattila (2010), and Walter *et al.* (2010), have an impact on service expectations, customer impression and ultimately, satisfaction.

This study was anchored on the servicescape theory owing to the fact that most of the hotel service and physical attributes found in the dimensions of hotel rating system were similar to those that form the "service environment" and are responsible for invoking customer satisfaction consistent with studies conducted in various hospitality contexts (Ali *et al.* 2016; Chen *et al.*, 2013; Countryman & Jang, 2006; Lin & Mattila, 2010). Drawing from these studies, the theory was considered to be more relevant for this study.

2.10.3 Measurement of Customer Satisfaction

Due to similarities between service quality and customer satisfaction owing to their conceptualisation and operationalisation (Torres, 2014; Yuksel & Yuksel, 2001a), the two constructs are viewed as "identical twins" (Markovic & Raspor, 2010). However, Yuksel and Yuksel (2001a) argue that the two concepts are distinctly different based on several notable aspects. Firstly, while quality expectations are mirrored against ideal or perceptions of excellence, several elements that are not quality related, such as fairness or equity, form the basis for satisfaction judgments. Secondly, while service quality is regarded as perceptions of a service experience or the customer's overall impression of superiority or inferiority of an establishment and its services, customer satisfaction, on the other hand, is specifically associated with disconfirmation with an element of comparison or surprise (Yuksel & Yuksel, 2001a). Furthermore, Yuksel and

Yuksel (2001a) argue that the dimensions explaining quality evaluations are somewhat precise, unlike customer satisfaction whose dimensions can be derived from any spot regardless of whether or not it is quality related. Lastly, quality perceptions do not necessarily need a consumer to have an experience with the service provision unlike satisfaction. The argument emanates from the assumption that perceived service quality is viewed as a form of attitude (Cronin & Taylor, 1992, 1994), an ongoing evaluation, whereas satisfaction is seen as being tied to a specific transaction. Additionally, different comparison standards for a service performance for both service quality and satisfaction are at play, the most widely used being customer expectations (Yilmaz, 2010). Evaluation of these two constructs may come from comparison with different set of expectations for the same feature of the establishment or the services experienced: ideal for quality and predicted expectations for satisfaction (Yuksel & Yuksel, 2001a; 2001b).

Fallon and Schofield (2004) note that there has been an on-going discourse about one best and reliable tool of measuring customer satisfaction using pre- and post-experience features, such as, 'expectations', 'importance' and 'performance'. It is worth noting that over the last three decades, the debate on measurement of customer satisfaction dwelt on a comparison of single construct measurements, such as performance-only frameworks (SERVPERF); and multiple construct measurements, such as, expectation-performance (SERVQUAL), and importance-performance frameworks (IPA) (Angur, 1998; Amin *et al.*, 2013; Back & Lee, 2015; Pizam *et al.*, 2016).

Due to the vast array of studies done on customer satisfaction, various dominant frameworks have been applied in measuring customer satisfaction. The most notable frameworks include the Expectancy-Disconfirmation Theory (discrepancy between

predictive expectations and perceived performance), the Equity Theory (consumer inputs and outputs), the Value-Percept Theory (values and desires), and the Comparison Level Theory (experience-based norms) (Ivan, Hitchcock, Yang & Tun-Wei, 2018; Pizam *et al.*, 2016; Torres, 2016; Yuksel & Yuksel, 2001b). These frameworks are based on the proposition that consumer satisfaction is a relative notion, which is usually evaluated against some yardstick. Of all these, the Expectancy-Disconfirmation (Oliver, 1980; 2010) became the most prominent approach of consumer satisfaction and dissatisfaction assessment in research more than the other frameworks (Pizam *et al.*, 2016; Yuksel & Yuksel, 2001b).

The Expectancy-Disconfirmation theory asserts that customers get goods and services with prior expectations about their anticipated performance (Pizam *et al*., 2016). Once the product or service has been exchanged in a transaction, and then consumed, its performance outcomes are then compared against earlier held expectations (Fallon & Schofield, 2004). When the outcome matches expectations, confirmation occurs, and disconfirmation occurs when there are differences between the expectations and the outcomes (Ivan *et al.*, 2018; Pizam *et al*. (2016). In fact, negative disconfirmation occurs when product or service performance is far much lower than what is expected. This means that positive disconfirmation is imminent when performance of the product or service is better than expected. Herein, satisfaction is believed to be caused by confirmation or positive disconfirmation of consumer expectations. Conversely, dissatisfaction results from negative disconfirmation of customer expectations (Ivan *et al.*, 2018; Oliver, 2010; Pizam *et al*., 2016).

The Expectancy-Disconfirmation framework appears to suffer from several limitations, raising questions about its validity and reliability in assessing customer satisfaction on

the account of perceived customers' subjectivity in evaluating their own satisfaction (Torres, 2014; Yuksel & Yuksel, 2001b). The challenge comes from the comparison process involved between product or service performance and a suitable comparison yardstick or several yardsticks (Parasuraman *et al.*, 1994; Teas, 1994). The choice of appropriate comparative standards as a yardstick that "sticks" seems to present a bone of contention for both researchers and managers owing to inadequate research evidence available to support what comparison yardsticks customers use in different contexts (Pizam *et al.*, 2016; Yuksel & Yuksel, 200a; 2001b). Consequently, Yuksel and Yuksel (2001b) are concerned about disparities arising from this, and further argue that the use of different comparative yardsticks by different customers may obviously result in different levels with which the performance is compared, thus yielding different measurement results of customer satisfaction. Hence, this measurement framework was not considered appropriate for this study to measure customer satisfaction owing to the potential performance inconsistencies that could arise from the comparative standard measurement elements from the perspective of the hotel rating system.

Sensing the dangers associated with the use of different comparison standards employed in measuring customer satisfaction, several studies have explored and compared the predictive validity of various model instruments used in the measurement of satisfaction (Angur, 1998; Back & Lee, 2015; Cronin & Taylor, 1992; Ekinci, 2004; Fallon & Schofield, 2004; Martilla & James, 1977; 1994; Kim, Choi, & Schwartz, 2012; Pizam *et al.*, 2016; Taylor & Cronin, 1994). Nonetheless, three instruments, namely; Importance-Performance Analysis (IPA) (Martilla & James, 1977), SERVQUAL (Parasuraman *et al.*, 1988) and Performance-Only (SERVPERF) (Cronin & Taylor, 1992), gained wide usage and popularity in measuring customer satisfaction owing to their perceived supremacy in providing better predictive validity. At this point,

customer satisfaction is principally being best represented by the discrepancy between the perceived service performance levels and customers' prior expectations. According to Kim *et al.* (2012) *expectations* are customer's anticipations, desires or wishes that service providers should have ideally offered, and *perceptions* are customer's beliefs about the realistic performance of a service consumed or experienced.

The Importance Performance Analysis (IPA), was introduced by Martilla and James (1977) from the growing empirical evidence which suggested that customer satisfaction is viewed as a function of both expectations associated with certain important attributes and evaluation of performance of those attributes (Kim *et al.,* 2012; Wilkins, 2010). Qu and Sit (2007) take a perception route and argue that according to IPA, quality is a function of the importance of the attributes and customer's beliefs about their performance; and therefore, customers' expectations are ignored in the IPA. Whatever the case, Wilkins (2010) asserts that the technique allows charting of performance in relation to customer's importance consideration of service attributes permitting identification of areas of both low and high performance or even beyond these limits. In light of these considerations, IPA has been found to be a useful technique extensively utilised especially in strategic marketing, as it properly guides marketing resource rationalization and allocation decisions (Kim *et al*., 2012). IPA is of great benefit in addressing decisions regarding whether an establishment should continue concentrating on certain attributes of a marketing activity or should abandon it and re-route its resources to something else different (Back & Lee, 2015).

IPA's application has attracted the attention of scholars in the hospitality industry. Using the IPA technique, Mohsin and Lockyer (2010) assessed the perceptions of service quality from customers of luxury hotels (four- and five-star hotels), in New

Delhi, India. The use of the IPA technique assisted the hotel management to identify areas that needed attention to meet and surpass customer expectations (Mohsin & Lockyer, 2010). The study further established that the importance score obtained, was statistically significant to and higher than the performance response score for attributes such as, front office, room service and in-house cafe´/restaurant. Qu and Sit (2007) investigated the levels of hotel service quality to assist hotel operators in Hong Kong to establish customer specific strategies to enhance their ability to perform the service promised to their international clientele. They identified six underlying hotel service quality dimensions, namely: reliability; augmented service quality; value; food service quality; room quality; and staff service quality. Out of the six, four dimensions (reliability; augmented service quality; room quality; and staff service quality) were found to be influential factors and good predictors of the clientele's overall satisfaction levels as well as their intentions to return to the hotels. Elsewhere, Wilkins (2010) examined customer satisfaction in first class (four-star) and luxury hotels (five-star) in Queensland, Australia. The study identified a number of areas where hotels performed highly or lowly. Wilkins' (2010) findings were also of practical use to hotel managers in resource allocation and assisting them in identifying the aspects of performance that needed further fine-tuning or improvement.

Despite the popularity of IPA, Back and Lee (2015) raised some methodological concerns regarding its use. They identified three main threats in which IPA was considered weak, that is; deficiencies in predictive validity, potential errors occurring in skewed data, and asymmetric and nonlinearity issues existing between attribute-performance and satisfaction. Back and Lee (2015) argue that the relationship between service quality performance and customer satisfaction with service might be asymmetrical and nonlinear. The asymmetric relationship may suggest that attribute

performances have differing effects on overall customer satisfaction, consistent with Kano *et al*. (1984) model. In light of these challenges with IPA application, Back and Lee (2015) applied an impact-range performance analysis (IRPA) and impact asymmetry analysis (IAA) using Kano's *et al*. (1984) three-factor theory (i.e. dissatisfier, satisfier, and hybrids) of customer satisfaction to mitigate the problems faced by IPA use. This approach was used to measure the range of an attribute's impact on overall customer satisfaction as opposed to measuring its importance. By assessing the relative importance of each attribute on customer satisfaction/dissatisfaction, the IRPA and IAA specifically evaluated the asymmetric relationship between the relative importance of service quality attributes and overall customer satisfaction in Korean casino settings. Results validated the rigour and robustness of IRPA and IAA over IPA in ascertaining key attributes that determine customer satisfaction or dissatisfaction among various casino service quality attributes.

Later on, a number of studies on both customer satisfaction and/or service quality took much of their comfort in the widely utilised SERVQUAL measurement tool developed and refined by Parasuraman *et al.* (1985, 1991). The model is based on the expectation-perception gap theory where performance results of a purchase of a service or product are compared against prior anticipations or expectations shaped before the purchase is made (Pizam *et al.*, 2016). The model captures five generic dimensions (Parasuraman *et al*., 1991, 1994a, 1994b) – *Tangibles* (the physical surrounding i.e. facilities, equipment and appearance of employees); *Reliability* (the service provider's ability to perform the promised service dependably and accurately); *Responsiveness* (willingness to help customers and provide prompt service); *Assurance* (knowledge and courtesy of the establishment's employees and their ability to inspire trust and confidence); *Empathy* (the establishment's caring, individualised attention to its customers).

Parasuraman *et al*. (1985) illustrated that customers' perceptions of service quality are largely influenced by a number os service gaps occuring in a service provision. Consequently, from the service provider's perspective, the gaps created may hinder proper delivery of services that customers perceive to be high quality. These gaps occur between customer expectations and management perceptions of customer expectations; difference between management perceptions of customer expectations and service quality specified; difference between service quality specified and the actual service delivered; difference between service delivered and what was earlier communicated about the service to the customer; and finally, the difference between service expectations and the percieved service quality in the eyes pf the customer (Parasuraman *et al*., 1985).

Several methodological and operational concerns associated with SERVQUAL have been raised by several researchers (Buttle, 1996; Pizam *et al*., 2016). For example, Buttle (1996) argue that SERVQUAL suffers from paradigmatic doubts because it is founded on a disconfirmation paradigm rather than an attitudinal paradigm; and it also fails to take a holistic approach by drawing from well-established economic, statistical and psychological theories (Buttle, 1996) to accurately measure customer satisfaction. Further, Buttle (1996) faults SERVQUAL for its lack of dimensionality. The framework's traditional five dimensions fail to account for universality; thus, the dimensions tend to be situation specific and items always fail to load onto the factors in a typical exploratory fashion as one would anticipate; and there is a high degree of collinearity among the five dimensions that are believed to identify the framework. Notwithstanding the theoretical and operational deficiencies of SERVQUAL (Buttle, 1996), the instrument has been employed in a range of service settings including the hospitality industry (Ivan *et al*., 2018; Pizam *et al*., 2016) to identify the gaps between

customer's expectations of the service and their perceptions of the actual performance of the service providers – if expectations are met or exceeded, service quality is perceived to be satisfactory (Yilmaz, 2010). However, based on these concerns, the SERVQUAL framework was considered not appropriate in this study.

Following the endless debate about the best customer satisfaction measurement tool (Pizam *et al*. 2016) increasing attention has shifted to a single construct measurement, such as, performance-only model (SERVPERF) proposed by Cronin and Taylor (1994a; 1994b). A performance-only model proposes that evaluations of satisfaction with an establishment, such as a hotel, are affected only by perceptions of performance of a service or experience offered by that establishment (Fallon & Schofield, 2004). Fallon and Schofield (2004) argue that perceptions are guided by how well the establishment fulfills customer's motives, needs and wants, rather than any performance comparison with prior purchase or visit predictions/expectations. These expectations are believed to be unstable owing to changes in customer experiences (Yilmaz, 2010).

Some researchers fervently support the use of performance-only measure because the scale consistently explains more of the variation in customer satisfaction than many of the other alternatives such as SERVQUAL which mostly provide a better understanding of areas of service deficiency in different service environments (Angur, 1998; Tefera & Govender, 2016; Yuksel & Yuksel, 2001b). Actually, Fallon and Schofield (2004) suggest that performance is believed to play a distinguished role in the formation of customer satisfaction because it is considered as the main feature of the consumption experience. Moreover, when the performance-only scale is compared to SERVQUAL, the former appears to be more efficient than the latter in terms of increased response

rate by respondents; and it reduces the number of items that must be measured by 50% (for example, forty four items in a traditional SERVQUAL scale are reduced to twenty two 22 items in performance-only scale) (Angur, 1998). However, Angur (1998) concludes that both scales in their own right, may contribute different valuable information depending on context.

Since debate on satisfaction is further convoluted by the influence of more personal and subjective factors such as needs, disposition and previous experience which accompany the customer in the service encounter (Fallon & Schofield, 2004), the present study utilised the performance-only approach which performs better in explaining variances in customer satisfaction. Since most hospitality experiences are an amalgam of products and services, satisfaction with a hospitality experience is actually the sum total of satisfaction with individual elements or attributes of all products and services that make up such an experience (Pizam *et al.*, 2016). Pizam *et al*. identify a harmonious mixture of three elements that have an impact on customer satisfaction in a hospitality setting, namely: (1) the *material product*, e.g. food and beverage selection/menus, bedrooms and accessories, conference facilities, dining facilities, reception/lobby, recreational and entertainment facilities; (2) the *behaviour and attitude* of employees hosting or serving the customers in direct contact with customers and (3) the *environment* such as the building, layout, the furnishing, ambience (atmospherics), operating hours. These attributes were used in this study to measure the overall customer satisfaction and its relationship with the hotel rating system dimensions and service expectations.

2.12 The Conceptual Framework for the Study

Adom, Hussein and Agyem (2018) describe conceptual framework as a structure that depicts the interrelationship among important variables in a study. Adom *et al*. (2018)

further explain that a conceptual framework expresses the researcher's views in a graphical manner about the constructs considered important in a study. In this study the conceptual framework is an abstraction and synthesis of the theory and research objectives.

The proposed conceptual framework for this study (Figure 2.4) modeled the relationship between two dimensions of hotel rating system (basic registration standard and grading standard), service expectations and customer satisfaction as four latent variables. It is assumed that both basic registration standard and grading standard as dimensions of a hotel rating system are independent variables (exogenous variables) that affect service expectations and customer satisfaction (both as endogenous variables) in star rated hotels in Malawi.
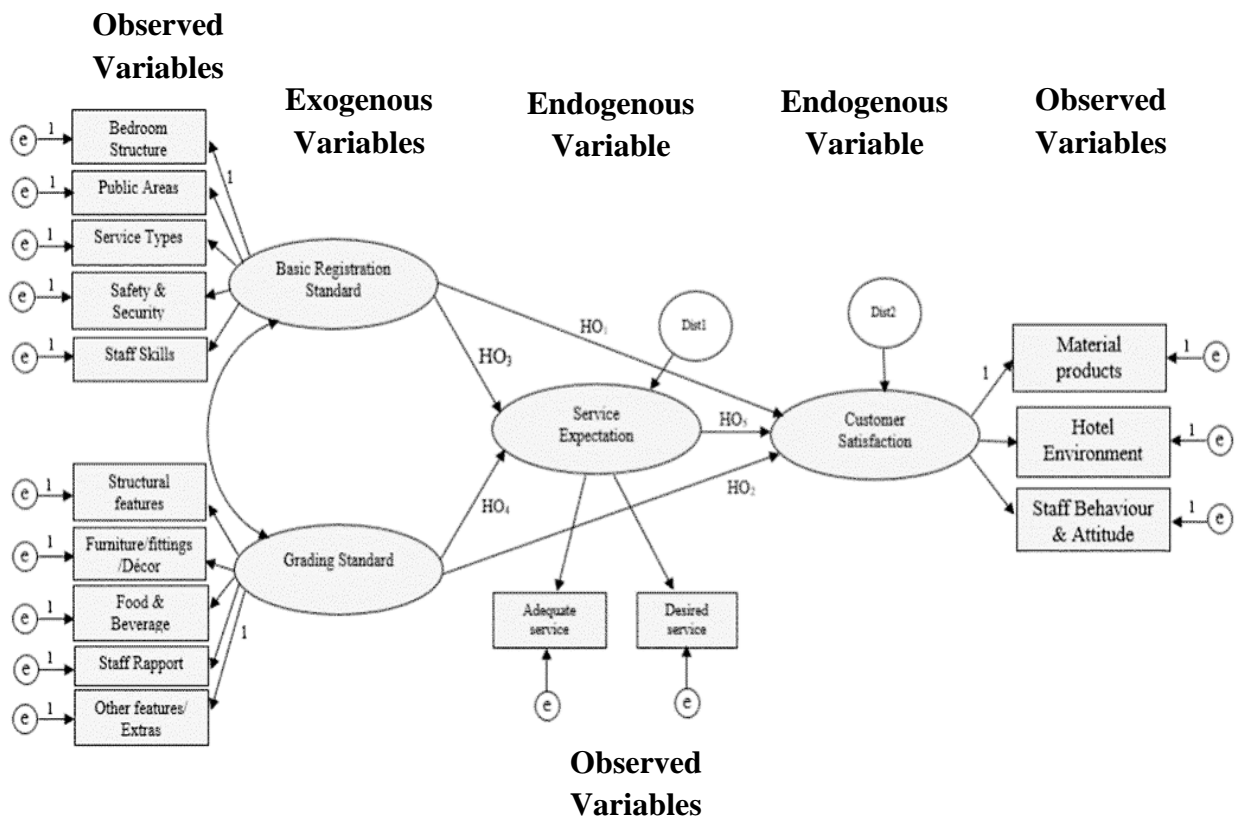
Figure 2.5: The Proposed Conceptual Framework

Source*: Adapted from Ali et al. (2016); Callan (2000); Chen et al. (2013); Kuo et al. (2016); Mohsin and Lockyer (2010); Narangajavana and Hu (2008); Pizam et al. (2016); GoM (2005); Yilmaz (2010)*

Hypotheses:

H_{01}: There is no significant effect of Basic Registration Standard on Customer Satisfaction

H_{02}: There is no significant effect of Grading Standard on Customer Satisfaction

H_{03}: Basic Registration Standard has no significant effect on Service Expectations

H_{04}: Grading Standard has no significant effect on Service Expectations

H_{05}: Service Expectations have no significant effect on Customer Satisfaction

H_{06}: There is no significant difference between Desired Service Expectations and Adequate Service Expectations

Key to the SEM Path Model Diagram Symbols used in the Conceptual Framework above:
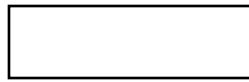
▭	Observed/Measurement/Manifest Variable
⬭	Latent variable/Unmeasured/Unobserved Variable
◯	Error/Residual Term
→	Direct Relationship
↔	Covariance/Correlation (*may be curved*)
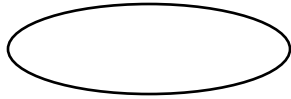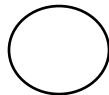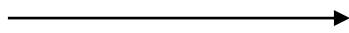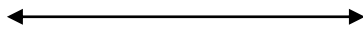
Source: Testa (2000)

CHAPTER THREE

RESEARCH METHODOLOGY

3. 0 Overview

This chapter presents the research methodology and the philosophical assumptions underpinning this study based on the following sub-sections: the study area, research paradigm, research method, research design, target population, sampling design and sample size, data collection, validity and reliability of research instruments, data analyses and presentation, ethical considerations and limitations of the study.

3.1 The Study Area

The study was carried out in two major cities of Malawi, Lilongwe, the Capital City, in the Central Region and Blantyre in the Southern Region. Lilongwe, the largest city in the country, is the capital and administrative city of Malawi, while Blantyre is the second largest city and the country's financial and commercial hub providing a number of potential economic opportunities (United Nations Human Settlements Programme [UN-HABITAT], 2011). At the time of the study, the two cities had the largest number of star rated hotels compared to other cities in the country. For this reason, the two cities were purposively considered appropriate for this study.

Malawi[2], one of the potential destinations in Africa, is dubbed as "The Warm Heart of Africa" in the tourism circles, because of her perceived gentle, warm and friendly people (Visit Malawi, 2016). The total population was officially standing at 17.5 million according to the 2018 population and housing census report (GoM, 2018). The country is landlocked with a surface area of 118,484 km^2 (land: 94,080 km^2, water: 24,404 km) (Briggs, 2016; DoT, 2014). Geographically, the country is situated in the

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[2] *For the full Map of Malawi, see Appendix VIII*

south-eastern Africa, neatly squeezed between Zambia to the north-west (the border stretches over 837 km), Tanzania to the north-east (475 km) and Mozambique to the south, south-west and south-east (1,569 km) (Briggs, 2016; DoT, 2017). The country is divided into three administrative regions, North, Central and South, and has a total of 28 administrative districts (Briggs, 2016).

The country relatively enjoys a subtropical climate with the rainy season running from November to May; dry season May to November. Maximum average temperature in southern lake region varies from 21°C in June and July to 27°C in October to March. In terms of elevations, the lowest level is the intersection of the Shire River and the international boundary with Mozambique at 37 metres above sea level. The highest peak is Sapitwa (Mount Mulanje) standing at 3,002 metres. Malawi enjoys a time difference of GMT +2 hours, CET + 1 hour, UTC + 7 hours (DoT, 2017).

Predominantly, the main income generating activity, though susceptible to weather conditions, has been agriculture (Briggs. 2016). Agriculture accounts for almost 40% of the GDP, 90% of export revenue, supporting about 80% of the population and the workforce (Briggs, 2016; Lindgreen, Swaen & Campbell, 2010). More importantly, tobacco has been the major foreign exchange earner and major export product for the country accounting for up to 70% of the export revenue, depending on annual output and world prices (Briggs, 2016). Malawi is the second-largest tobacco producer in Africa and ninth largest globally, with an annual yield of up to 110,000 tonnes (Briggs, 2016). Tobacco exports grew from $262 million in 2001 to $585 million in 2010, accounting for a bigger proportion of total country's exports. Tobacco accounted for 53% of exports in 2001 and 49% in 2010 and the next largest were services which accounted for 12% of exports according to the Malawi National Export Strategy 2013

- 2018 (GoM, 2012). Threatened by worldwide anti-smoking lobby in recent years, it is apparent that the tobacco industry will likely collapse with declining prices in the nearest future in the main source markets of Europe and other developed countries (Briggs, 2016).

The Malawi tourism industry depends largely on natural resources for its development and sustainability. Malawi is a haven for people who love nature, offering a good variety of wildlife in most of its parks and reserves. Most species of large game are confined to game reserves and national parks owing to increased poaching recent years. Exclusively, three categories of protected areas exist in Malawi: and these are national parks, wildlife reserves and nature sanctuaries (DoT, 2014). These harbour approximately 11% of the country's total land (Visit Malawi, 2016).

Lake Malawi – the 'Lake of Life'– is the body of water that dominates the lives of the population and covers almost one-fifth of country. No visit to Malawi is complete without a visit to Lake Malawi, whose shores are marvelous, and possess good-quality campsites. Lake Malawi National Park is one of the designated UNESCO World Heritage Sites in the country. Lake Malawi is known as the 'Calendar Lake' because it is 365 miles long and 52 miles wide with 12 main rivers flowing into the lake, and with one and only largest river, the Shire River (402 km long, meandering south), as the only major outlet. The lake is the Africa's third largest lake (ninth largest in the world) and contains over 1000 species of cichlid, 99% of which are found nowhere in the world (Visit Malawi, 2016). The lake is believed to have been 'discovered' by a Scottish explorer, David Livingstone who became the first European to set eyes on the lake, which he named Lake Nyasa in 1859 even though the first inhabitants are believed to have settled around the lake as long ago as 10,000 BC.

In terms of ethnic groups, Malawi has eight major tribes: *Chewa, Nyanja, Tumbuka, Yao, Lomwe, Sena, Tonga, Ngoni,* and *Ngonde*. English is used as the official language with Chichewa being the national language. Other extensively spoken languages are *Tumbuka, Yao, Lomwe* and *Sena*. Currently, Malawi boats of being a home to both Europeans and Asians (particularly, Indian communities) extending the country's cultural diversification, particularly in the cuisine and entrepreneurial spirit localised mainly in Lilongwe and Blantyre cities. On the religion front, 80% of the population are Christians, followed by Muslims 13%, other religions constitute 3%, and finally, 4% have no religion (DoT, 2014).

Malawi perches amid a pulsating travel and tourism region that is growing rapidly and increasing its world market share (Visit Malawi, 2016). Sharing boundaries with countries that already have vibrant and thriving tourism sectors, Malawi has a relatively underdeveloped diversity of natural, cultural, and man-made attractions. From the World Bank perspective, the country has the potential to develop and implement effective policies with the support from both public and private sector engagement to attain an economically productive, multiple tourist experience destination (World Bank, 2010). Christie, Fernandes, Messerli and Twining-Ward (2013) projected that the tourism sector will likely grow at a rate of 6 -7% per annum over the next decade. However, currently Malawi receives no more than 1.5% of the tourism arrivals to Africa and is only just beginning to witness increased investment in quality hotels. In fact, WTTC (2015) and World Bank (2017) statistics show that there has been a steady increase of international tourist arrivals to Malawi from almost 438, 000 in 2005 to an estimated 849,000 in 2015.

From the tourism economic impact analysis by WTTC (2017), the direct contribution of travel and tourism to Malawi's GDP was found to be MWK138,039.0 million (USD194.9 million) in 2016 representing 3.4% of total GDP). The amount is projected to rise by 4.9% pa, from 2017-2027, to MWK231,772.0 million (USD327.2 million), 3.4% of total GDP in 2027. Statistics for 2016, revealed that leisure spending accounted for 27%; while 73% originated from business spending (WTTC, 2017). Meanwhile, domestic travel spending generated 90.2% of direct travel and tourism GDP in 2016 compared with 9.8% for visitor exports (i.e. foreign visitor spending or international tourism receipts). In terms of employment, the industry directly supported 217,500 jobs (2.9% of total employment) in 2016. This was projected to rise by 3.1% per annum to 305,000 jobs (2.8% of total employment) by 2027 (WTTC, 2017).

3.1.1 Lilongwe City

Lilongwe City was declared both the capital and administrative city of Malawi in 1975 following relocation from Zomba. It is currently the largest city in the country. The city has seen a rising urbanisation growth, augmented by the relocation drive of all government head offices from the city of Blantyre to Lilongwe initiated in 2005. The city is clustered into four zones (Old Town, Capitol Hill, Kanengo, and Lumbadzi) (UN-HABITAT, 2011).

According to the preliminary population and housing census report released in December 2018, Lilongwe had a population of 989,318 and the city's population is rapidly growing with an intercensal annual growth rate of 3.8% (GoM, 2018). The city is found in the Central Region of Malawi, close to the borders Mozambique and Zambia borders. It is an important economic 'epicentre' for the central region of Malawi, named after the Lilongwe River. Lilongwe is located on a plateau in Central Malawi, forming

part of the East African Rift Valley situated at an altitude of 1,050 metres above sea level, along Lilongwe River (Briggs, 2016).

Lilongwe City is located at the centre of a massive agricultural area with countless number of economic activities taking flourishing in the city. Lilongwe's economy is largely anchored by the government and public institutions. Kanengo, located in the north of the city, is the main industrial hub, where food processing, tobacco storage and sales, maize storage, and other activities related to light industry are harboured. The main economic activities in the city include but not limited to banking and finance, retail trade, transport, tourism and tobacco manufacturing (Briggs, 2016). Lilongwe wears both New and Old City faces. The New City of Lilongwe is a home of several hotels, embassies, governmental institutions and offices, while the Old Town distinctly hosts markets, bus terminals, cafes and eateries (Briggs, 2016). The modern shops of the City are contrasted by the street and walled markets of Old Town. 76% of Lilongwe's populace live in less formal settlements. The civil service employs about 27% of all formal workers, while 40% work in the private sector and 2% are self-employed (UN-HABITAT, 2011). The City is governed by the Lilongwe City Council.

In terms of accessibility and transport infrastructure, many flights touch down at Kamuzu International Airport, Malawi's main airport, located about 35 km north of Lilongwe. The major international carriers are Malawian Airlines, Ethiopian Airlines, Kenya Airways and South African Airways; operating to and from Kamuzu International Airport providing flights to main destinations worldwide. The road network is generally very good, and there are regular bus/coach services from Lilongwe to Blantyre, Salima, Zomba, Kasungu and Mzuzu.

There are several up-market hotels in Lilongwe such as the large and commercially centred Crossroads Hotel and the long established and still going very strong Sunbird Tourism Limited properties – Sunbird Capital, located in the New City; and Sunbird Lilongwe, in Old Town. A new addition to the city's horizon is the 11-storey, 5-star President Walmont Hotel, a wing of Umodzi Park, where the Bingu Wa Mutharika International Convention Centre (BICC) managed by Peermont, is located. There is also Ufulu Gardens Hotel, located in the affluent Area 43 neighbourhood. Just in the outskirts of Lilongwe City is the magnificient Kumbali Country Lodge. In the heart of Lilongwe Old Town, there is old Imperial Hotel which was completely renovated and is now operating as the Kiboko Town Hotel. In Lilongwe Old Town, there is Korea Garden Lodge which offers a broad range of room types. Mafumu Hotel is also another rapidly growing hotel, within the Old Town, gaining a great reputation (Malawi Tourism Guide, 2016).

3.1.2 Blantyre City

Blantyre, the second largest city, is Malawi's financial and commercial hub supporting a population of 800,264 people (GoM, 2018). Blantyre is sharply contrasted to the political capital, Lilongwe, because it has been heralded as the commercial and industrial capital of Malawi.

Historically, Blantyre City was founded in 1876 through the missionary work of the Church of Scotland. The origins of the name are traced back a town called Blantyre in Scotland, a birthplace of one David Livingstone, the explorer. Blantyre's rich historical significance cannot be compared to any other city in the country owing to its vast historic and cultural heritage resources, which are vital and lend a crucial identity to the city, cultural and social fabric and attractiveness to business and tourism (Visit

Malawi, 2016). Blantyre is believed to be the oldest city in the eastern, central and southern Africa region encompassing Nairobi, Harare and Johannesburg. Furthermore, Blantyre remains a prominent city with the longest historic and cultural heritage in the region. The Chichiri Museum is within the proximity to the Civic Centre offices at Chichiri and constitutes an asset of the city (Malawi Tourism Guide, 2016).

The reputation of the city as a hub of commerce and industry emanated from its involvement in colonial ivory trade. Consequently, Blantyre rapidly gained reputation as a nexus for trade within Southern Africa. Currently, Blantyre City has become Malawi's "apiary" of manufacturing activities which include shoe production, corn flour production, beverage production, baking, stationery and tobacco manufacturing (Malawi Tourism Guide, 2016).

Blantyre City is located in the Shire Highlands in the Southern Region of the country. The city is well connected with the road or rail networks and air links to all corners of the country and surrounding countries such as Mozambique, Zimbabwe, South Africa, Zambia and Tanzania. It covers an area of 228 km^2 (DoT, 2014). The city is categorised as a 'National Urban Centre' within the designated six hierarchical levels system of urban centres of the country and acts as the regional administrative headquarters of the Southern Region. In fact, Blantyre is regarded as a crucial transport hub, a gate way to the northwest terminus of the Tete Corridor linking Zimbabwe with Malawi through western Mozambique. This route was popular among travellers crossing between South Africa and East Africa (DoT, 2014).

Chileka International Airport located 16 km from the city centre serves Blantyre. In order to meet the growing international traffic seeping into Blantyre, a strategic investment in the renovation of airport infrastructure was carried out. These renovations

were done beetween 2014 and 2015. All the major carriers into Malawi also operate into Chileka, thus providing a convenient travel option for both leisure and business customers (DoT, 2014).

3.2 Research Paradigm - Pragmatism

A paradigm is a "set of interrelated assumptions about the social world which provides a philosophical and conceptual framework for the organized study of that world" (Filstead, 1979, cited in Ponterotto, 2005, p. 127). The paradigm selected for a study guides the researcher in philosophical assumptions about the research and in the selection of tools, instruments, participants and methods used in the study (Ponterotto, 2005).

Several paradigms governing both quantitative and qualitative research exist, and researchers apply different paradigmatic schemas to conceptually locate their own research (Brierley, 2017; Guba & Lincoln, 2000; Ponterotto, 2005; Saunders *et al*., 2016). On one hand, quantitative research methods dwell on the stringent observation or data quantification while meticulously controlling the study variables, involving vast scale sampling techniques and executing statistical analyses to investigate means and variances (Ponterotto, 2005). The emphasis is placed on the measurement and analysis of causal or correlational relationships between study variables (Denzin & Lincoln, 2000). On the other hand, qualitative research methods deal with a set of empirical procedures aimed at capturing and interpreting respondents' or participants' context-specific experiences (Daher, Carré, Jaramillo, Olivares & Tomicic, 2017; Denzin & Lincoln, 2000). Findings from a qualitative study are commonly presented in everyday language and often include participants' perspectives in their own words describing events, lived experience or phenomenon (Daher *et al*., 2017; Jwan & Ong'ondo, 2011).

More specific defining characteristics of qualitative methods are dependent on the research paradigm.

Pragmatism has been identified as a philosophical panacea to counter the link between epistemology and method (Daher *et al.*, 2017; Korir, 2012). The paradigm assumes that both quantitative and qualitative methods are compatible. Pragmatists place more importance on research questions than the methodology or the underlying assumptions of the research methods (Brierley, 2017; Daher *et al.*, 2017; Pansiri, 2005). Both quantitative and qualitative methods are extremely useful and their employment in research would entirely depend on the research questions to be answered. While a large proportion of studies on customer satisfaction have taken a more positivist approach as noted by Yuksel and Yuksel (2001a; 2001b) due to heavy emphasis placed on quantitative methods and statistical analyses, it was not clear if other paradigmatic approaches could have worked in the present study. It is important to mention that several researchers do not explicitly confess their paradigmatic orientations in their studies (Johnson, Buehring, Cassell & Symon, 2006), thus, the method of enquiry and analysis that they employ are inadequate enough to reveal their inclinations to these paradigms. Pragmatism has been hailed as the foundation of mixed methods and, depending on the nature of research, it can be adopted to yield better outcomes (Brierley, 2017; Daher *et al.*, 2017; Pansiri, 2005).

Cser and Ohuchi's (2008) study successfully compared different hotel classifications, by analysing their general characteristics and structures, in the process, generating qualitative data. At the same time, Cser and Ohuchi (2008) employed a Hotel Classification Criteria Comparison Methodology to generate four pairwise comparisons aimed at testing the proposed methodology and illustrating to what extent different

countries do or do not correspond to each other in terms of the rating systems. Quantitative data was generated and used to establish similarities and differences in the rating systems. Although, Su and Sun, (2007) largely employed a content analysis approach to evaluate the hotel service quality criteria of the Taiwanese hotel rating system, their data analysis and arrangement reveal that the coded data were extracted, verified, analysed and compared statistically.

It was more appropriate and of importance, therefore, this study utilised a pragmatist approach. Pragmatism is useful because it considers the research question to be more important than either the method used or the paradigm that underlies each method (Tashakkori & Teddlie, 2003). It is therefore important to get adequate evidence from several methods for validity's sake. Hence, mixed methods are appropriate to attaining this through a triangulation of several methods by combining methodological approaches in the study of the same phenomenon (Brierley, 2017; Pansiri, 2005). In other words, this paradigm lends itself to the mixed methods approach (Brierley, 2017; Saunders *et al*., 2016) because both methods can be utilised based on the questions to be answered in a study (Kwok, 2012).

3.3 Research Design

Using both explanatory and descriptive research designs this study used selected star-rated hotels in Lilongwe and Blantyre cities in Malawi to investigate the links among hotel rating system dimensions, service expectations and customer satisfaction. The explanatory research design was appropriate for this study because of its ability to reduce bias through probability sampling and maximise the reliability of data to be collected (Korir, 2012). On the other hand, the descriptive research design provides an opportunity to gain insights into the study population and the variables under study.

The respondents for this research were drawn from the star-rated hotels and included top managers of the hotels, hotel guests of the star-rated hotels; and officials from the Department of Tourism responsible for the hotel rating system and standards. This research used a mixed method approach where both quantitative and qualitative data collection techniques and analysis procedures were employed using a concurrent triangulation design in which both quantitative and qualitative data were collected concurrently in a single phase (Creswell, 2014; Saunders *et al.*, 2016). Generally, explanatory design usually starts with a quantitative data collection and followed by a qualitative study to help researchers explain or build on the initial quantitative results (Kwok, 2012). This study avoided combining the two techniques, rather, attempted to run them parallel, ensuring that quantitative data was analysed quantitatively and qualitative data analysed qualitatively (Kwok, 2012; Saunders, *et al.*, 2016). Furthermore, Kwok (2012) observes that the strengths of a single method may be able to compensate the weaknesses or overlap the strengths of another method and bring greater scope, depth and power of a research study

A survey was employed as a research strategy allowing collection of a reasonably large amount of data using questionnaires (Saunders *et al.*, 2016) from hotel guests. Adding their weight, Yuksel and Yuskel (2001b) argue that the popularity of surveys derives from their directness, ease of administration and interpretation and standardisation and statistical generality. The research also employed semi-structured interviews with hotel managers of various establishments and hotel grading assessment team from the Department of Tourism. Inferential statistics were worked out in order to establish the significant relationships between the independent and the dependent variables and be able to estimate the parameters for the entire population (Hair, Hult, Ringle, & Sarstedt, 2014).

3.4 Target Population

Kothari and Gaurav (2014) explain that all the items under consideration in any field of inquiry constitute a 'universe' or 'population'. Polit and Beck (2017) define target population as "the entire aggregation of cases that meet a designated set of criteria and for which the researcher would like to generalize". At the time of this study, there were a total of 29 hospitality establishments in Malawi which had successfully been graded and awarded stars countrywide and their star rating status was valid up to June 2018 (DoT, 2016). However, the study targeted 17 star rated hotels found in the two major cities in Malawi (Lilongwe in the Centre and Blantyre in the South of Malawi). These hotels provide a total room capacity of 1215 and information was cross-referenced with the hotels' official websites, hotel managers' interviews and third-party online booking websites such as Booking.com to ensure accuracy. The study specifically targeted 573 hotel guests, based on the average occupancy rate of 47.17% registered between January and June 2015 (GoM, 2015). Specifically, hotel guests staying in these star-rated hotels for at least two or more nights, at the time of the study were targeted. The study also targeted 17 top hotel managers and 8 hotel grading assessors from the Department of Tourism.

3.5 Sampling

A sample is a subset of a population (Saunders *et al.*, 2016). Saunders *et al.* explain that sampling is used in research because not always can a census be practical, although it is ideally considered to help curb bias. Moreover, Saunders *et al.* (2016), Serem *et al.*, (2013), Kothari and Gaurav (2014) and Mugenda and Mugenda (2013) agree that for all research questions where it would be impossible to collect data from the entire population, then sampling is appropriate. Consequently, sampling helps in reducing study costs and time (Kothari & Gaurav, 2014), enables the researcher to estimate some

unknown characteristics of the population and make appropriate generalisations (Zikmund, Babin, Carr, & Griffin, 2010) and helps attain a higher overall accuracy because smaller number of cases means that more time is dedicated to designing and piloting the means of collecting data which is more detailed (Saunders *et al.*, 2016). In this study, sampling involved determination of the sample size and sampling techniques that enabled the researcher to reduce the amount of data needed by collecting data from a sub-group rather than all possible cases or elements in the population (Saunders *et al.*, 2016).

3.5.1 Sample Size

Sample size refers to the specific number of elements of the required group from which data is collected (Serem *et al.*, 2013). The sample size is normally based on the statistical requirements of the researcher. For example, Hair, Black and Babin (2009) recommend a sample size of at least five times larger than the number of variables suitable for factor analysis or test of unidimensionality. The choice of the sample size is usually governed by four factors as recommended by Saunders *et al.* (2016). These include the level of confidence in the data collected; the margin of error that can be tolerated; the type of statistical analyses to be undertaken, and to a lesser extent; the size of the population. However, given these competing factors, Saunders *et al.* (2016) argue that the final sample size is nearly a matter of both judgement and calculation. Furthermore, Kothari and Gaurav note that the sample size should neither be excessively large, nor too small, but rather, optimum to fulfill the requirements of efficiency, representativeness, reliability and flexibility.

Recent years have witnessed the increase in popularity of structural equation modelling (SEM) in the behavioral science literature, marketing and business research (McQuitty

& Wolf, 2013; Testa, 2000; Wolf, Harrington, Clark & Miller, 2013). Consideration of sample size requirements for applied SEMs often rely on rule-of-thumb (Muthén & Muthén, 2002; Myers, Ahn & Jin, 2011; Stevens, 2009; Wolf *et al.*, 2013). Hair *et al.* (2014) suggest that a sample size between 200 and 400 is normally recommended as a critical sample size for models with 10 to 15 indicators. According to the rule, there ought to be at least 15 cases/observations per indicator variable or predictor in an ordinary least squares multiple regression analysis (Stevens, 2009; Wang & Wang, 2012). Since SEM somewhat bears semblance to multiple regression in some respects, 15 cases per measured variable, thus, seem quite reasonable (Korir, 2012). Using the rule of thumb for determining adequate sample size for an application of confirmatory factor analysis as suggested by Myers *et al*. (2011), the initial sample size determined for this study was 225 hotel guests. This figure was derived from a total of 15 indicator variables drawn from the hypothesized model, each with 15 measurement cases as shown in Table 3.1.

It is important to note that although determination of appropriate sample size is a critical issue in SEM, it appears there is no agreement regarding what would be deemed as the appropriate sample size for SEM (Wang & Wang, 2012). There is evidence which suggests that simple SEM models could be tested where a sample size is relatively small. For example, Iacobucci (2010) established that some SEM models can perform well, even with small samples between 50 and 100, claiming that the rule of thumb is rather conservative and simplistic. Recently, Wolf's *et al*. (2013) study using Monte Carlo data simulation techniques to assess sample size requirements for commonly applied SEMs, revealed that sample sizes ranging from 30 to 460 cases, could yield meaningful association patterns between parameters and sample size, contradicting the commonly cited rule-of-thumb. Sideridis, Simos, Papanicolaou and Fletcher (2014)

found that a sample size of 50 - 70 would even be adequate for a model involving four latent variables. However, caution is offered by Bentler and Chou (1987) that a researcher should go beyond these small sample size recommendations particularly when data are non-normal (skewed or kurtotic) or incomplete (missing values). To take care of the compromises that may have arisen due to sample size concerns, a sample size larger than 200 for the hotel guests was used in order to provide a methodological safety net. This is further supported by the findings of Schumacker and Lomax (2004) who evaluated literature and established that several studies previously used sample sizes between 200 and 500, and a sample size with fewer than 150 cases was considered unacceptable. Table 3.1 below demonstrates the calculations of the sample size for the hotel guests based on Stevens (2009) and Korir (2012).

Table 3.1: Sample Size Determination for Hotel Guests

Type of Variable	Number of Variables (a)	Indicators per Variable (b)	Total Number of Indicators (c) = a*b	Measurement Cases (d)	Sample Size (e) = c*d
Exogenous	2	5	10	15	150
Endogenous	1	3	3	15	45
	1	2	2	15	30
TOTAL	**-**	**-**	**15**	**15**	**225**

Source: Korir (2012); Stevens (2009)

3.5.2 Sampling Design and Technique

The study employed multiple sampling techniques at various stages of the sample selection from the targeted population. Generally, a combination of both probability and non-probability sampling techniques were used. Specifically, purposive, census, convenience, simple random sampling techniques were used.

Firstly, purposive sampling was utilised in the selection of the study sites: Lilongwe and Blantyre cities because the two cities are the biggest governmental and commercial hubs of the country, respectively. Proportionally, they had the largest numbers of hotels (17 out of 29 hotels) that were graded and awarded stars in almost all the five categories based on the list of hotels graded (GoM, 2018). This list was used as the sampling frame. The two cities had a total of 17 star graded hotels (11 in Lilongwe and 6 in Blantyre) at the time of data collection. In this study, all the 17 hotels were selected using a census sampling technique owing to the small number of hotels in the two cities.

A census was used to choose all the 17 hotels in all hotel star categories (5 hotels each, from 2-star and 4-star categories – a total of 10 hotels; and 6 hotels in the 3-star category; and 1 hotel from the 5-star category) from the sampling frame of the list of hotels under each stratum. There was no single hotel from the two cities under the 1-star category according to the sampling frame used at the time of data collection (January to May 2018). The sampling frame was updated based on the list of hotels that were assessed and graded between the years 2016 and 2017 and their star grading statuses expired in June 2018 (DoT, 2017).

Drawing from Kothari and Gaurav's (2014) equal sample selection procedure, a total of 225 hotel guests were selected from the 17 hotels selected placed in four strata (2-star, 3-star, 4-star, and 5-star categories) using a simple random sampling technique. Where there are differences among the strata (in this study, the hotel star rating categories), due to hotel differences in terms of levels of service and product offers, target markets or even hotel sizes (number of rooms, vis a vis bed capacity), then equal sample selection from each stratum was considered to be more efficient regardless of the differences (Kothari, 2007; Kothari & Gaurav, 2014). Based on Kothari's equal

sample selection procedure, each of the four strata contributed an equal number of hotels guests (approximately 56 guests per stratum) irrespective of the number of rooms each hotel had within each stratum, selected over the period of data collection.

17 hotel top managers were recruited from the hotels through census; and 3 hotel grading assessors were conveniently selected from a target population of 8 assessors with the same training in hotel grading assessment. The Director of Tourism recommended three names of the most actively involved officers in the hotel grading process in the Department of Tourism to provide insights and rich information for the study. Normally, three assessors are used to assess a hotel which has applied for grading. Table 3.2 summarises the sample size and sampling procedures and Table 3.3 summarises the sampling frame details and the allocation/calculation of sample size in each stratum.

Table 3.2: Sample Size and Sampling Procedures

Target Group	Target Population	Sample Size	Sampling Techniques
Hotels	17	17	Census
Hotel guests	573	225	Simple random
Hotel managers	17	17	Census
Hotel grading assessors	8	3	Convenience

Source*: Researcher (2018)*

Table 3.3: Summary of Sample Frame Details and Sample Allocation to Strata and Hotels

Star Category/ Strata (a) = 4 categories	No. of star rated hotels (Lilongwe) (b)	No. of star rated hotels (Blantyre) (c)	Total no. of star rated hotels (b) + (c) = (d)	No. of guests from each hotel in the stratum (e) = (f/d)	No. of survey questionnaires distributed (in each stratum) i.e., (d)*(e) plus additional questionnaire	Equal sample size (each stratum) (f) = 225/(a)
2	4	1	5	11	55 +1	56
3	3	3	6	9	54 + 3	57
4	3	2	5	11	55 + 1	56
5	1	-	1	56	56	56
Total	**11**	**6**	**17**	**-**	**-**	**225**

Source: Researcher (2018)

It should be noted that based on Stevens' (2009) rule of thumb, the calculation yielded 225 as the sample size for the hotel guests.

3.6 Data Collection

This section discusses the data sources for this study and the data collection instruments to be used, their relevance and appropriateness to the study.

3.6.1 Data Sources

The study used both primary and secondary data. Secondary data is data that has already been collected for some other purposes while primary data refers to new data, carefully and purposefully collected for the study in question (Saunders *et al.*, 2016; Serem *et al.*, 2013). Primary data was collected through survey questionnaires and interviews. On the other hand, secondary data was obtained from both published and unpublished sources. Specifically, secondary data was obtained through the review of publications

such as journal articles, unpublished theses, documents in the library, Internet, books, and published and unpublished tourism reports sourced from the Department of Tourism and Malawi Government websites to generate the targeted variables on hotel rating system dimensions, service expectations and customer satisfaction.

Secondary data provided a solid basis for generating the theoretical framework, leading to the formation of the hypothesised conceptual framework. This type of data allowed validation and comparison of analysed results in relation to the documented information in discussing research findings (Saunders *et al*. 2016).

3.6.2 Data Collection Instruments

Questionnaires and interview schedules were employed in the collection of data for this study. Specifically, questionnaires were distributed to the hotel guests staying at the star graded hotels while the interviews were conducted face-to-face with the hotel managers and hotel grading assessors right in the comfort of their offices.

3.6.2.1 Questionnaires

In the social science and business and management research, the usage of questionnaires is employed within the survey strategy (Saunders *et al*., 2016). A questionnaire is a data collection instrument in which each person responds to the same set of questions in a predetermined order and mostly used for descriptive or explanatory research to examine and explain relationships between variables, particularly cause-and-effect relationships (Mugenda & Mugenda, 2013; Saunders *et al*., 2016). Thus, a questionnaire survey provides an opportunity to carry out an inquiry on specific issues on a large sample, thereby, making the study findings more reliable and dependable (Kothari & Gaurav, 2014).

The questionnaire used for this study was divided into five sections comprising indicators related firstly, to the guest profile including basic demographics, such as gender, level of education; and other variables related to the frequency of visiting at the hotel, purpose and status of staying at the hotel (See Appendix II, Section A). This section was followed by the sections consisting of indicators on Basic Registration Standard (Appendix II, Section B), Grading Standard (Appendix II, Section C), Service Expectations (Appendix II, Section D) and Customer Satisfaction (Appendix II, Section E).

The questionnaire contained both structured and semi-structured questions. The structured sections consisted of five-point Likert scale type items measuring basic registration standard; grading standard as dimensions of a hotel rating system; service expectations and customer satisfaction. The five-point scale was considered appropriate in this study because it is believed to improve response rate and quality (Yilmaz, 2010). The structured question items on the questionnaire, were followed immediately by semi-structured questions, allowing new ideas to be brought up by the respondents (hotel guests). In this case, the questionnaire enabled respondents to provide as much information as possible on their perceptions of the hotel rating system dimensions as shown in Appendix II. Consequently, data was triangulated to seek convergence (Creswell, 2014) across the survey and the semi-structured interviews for the hotel guests, hotel managers and hotel grading assessors as participants, respectively. During the analysis stage, the exploration of the study variables who data was collected through hotel guest questionnaires was compared to the transcribed data from the interviews to determine areas of agreement as well as areas of disagreement or divergence.

As noted by Serem *et al*. (2013), there are however several weaknesses associated with the use of self-administered questionnaires. Notable weaknesses include the insufficient flexibility to record issues that respondents think are of paramount importance. Secondly, there is no way of verifying if the respondents have understood and answered the questions appropriately. Finally, there is no real feedback on the social context in which the questionnaire was answered. Hair *et al*. (2009) argue that these challenges can be mitigated by using scales that have been tested before as reliable indicators.

Before collecting the questionnaires from the guests, the front office managers went through them to ensure that all questions had been answered. On completion of the exercise, all returned questionnaires were checked for completeness before the commencement of the data entry and analysis.

3.6.2.2 The Nature of Data and Levels of Measurement

It is imperative for the researcher to understand the different levels of measurement, as these levels of measurement, together with how the research question is phrased, determine the type of statistical analysis to be employed. Generally, measurement is a process through which observations are translated into numbers. The nature of measurement process produces the numbers (Saunders *et al*., 2016). A variable is usually categorised into any of the four levels of measurement, namely: nominal, ordinal, interval, or ratio; arranged in an ascending order of precision. This study utilised two levels of measurement: nominal and ordinal, to classify the targeted variables in the hypothesised model.

The first level of measurement used in the study was nominal level. In this level of measurement, the numerical labels (1, 2, 3, or 4) were arbitrarily assigned to variables in the demographic profile section of the questionnaire to merely classify the

categorical data on the respondents' demographic aspects so as to place them into mutually exclusive groups without representing absolute or relative amount of the trait being measured (Saunders *et al*., 2016). At this level of measurement, the empirical operation simply involves classifying the respondents (hotel guests), for instance, as either male (1) or female (2); business guests (1) or leisure guests (2); their hotel stay status being full board (1), half board (2) or bed and breakfast only (3) at the star rated hotels.

The other level of measurement used in this study was the ordinal level. This level of measurement portrays some ordered relationship among the variable's observations indicating the relative position of the respondents (hotel guests) with respect to some operationally defined attributes measuring a variable. In this level of measurement, the empirical operation involves direct comparison of the respondents in terms of the extent to which they perceived a particular attribute.

The ordinal level of measurement is prominently popular in statistical analysis in behavioural and social science research because it provides some form of continuous data appropriate for parametric tests (Awang, Afthanorhan & Mamat, 2016; Saunders *et al.*, 2016). For instances, researchers suggest this level of measurement which uses Likert scale is employed in parametric tests such as, t-test, regression analysis or structural equation modelling (Awang *et al.*, 2016).

Consistent with previous studies on hotel attributes and customer satisfaction measurement (Ali *et al*., 2016; Callan, 2000; Chen *et al*., 2013; Kuo *et al*. 2010; Yilmaz, 2010; Zemke *et al*., 2017), the present study applied similar levels of measurement. For example, in this study the perceptions of hotels guests on hotel rating system dimensions and service expectations as well as levels of their satisfaction were

measured using a questionnaire on a five-point Likert scale ranging from "Very low" (1); "Low" (2), "Neutral" (3), "High" (4), to "Very high" (5) (See Appendix II, Section B, C and D), and from "Very dissatisfied" (1); "Dissatisfied" (2), "Neutral" (3), "Satisfied" (4), to "Very satisfied" (5), respectively (See Appendix II, Section E).

3.6.2.3 Interviews

An interview is regarded as a purposeful discourse between two or more people to help gather valid and reliable data that are relevant to research questions and objectives (Saunders *et al*., 2016). This method allows the researcher to note facial expressions, gestures, hesitation, and other forms of expressions when engaging a respondent (Kothari, 2007; Serem *et al*., 2013). Serem *et al*. further argue that during interviews the researcher has an opportunity to authenticate the responses and explore issues raised and discuss attitudes, feelings and beliefs more easily with respondents.

It is important to decide exactly the type of interview appropriate in exploring issues with respondents, and then design a suitable interview guide schedule. Semi-structured interviews offer researchers flexibility to add or remove questions from the schedule based on the results of each interview (Jwan & Ong'ondo, 2011). In this study, semi-structured interviews were employed to enhance flexibility in the flow of the interview questions without deviating from the focus of the study.

10 hotel managers and 3 hotel grading assessors accepted to participate and were interviewed using the interview guides shown in Appendices 3 and 4. Respondents were asked to explain how factors or attributes of the basic registration standard and grading standard as dimensions of hotel rating system, and service expectations affect customer satisfaction in star rated hotels in Malawi. Respondents were presented with a range of attributes adapted from the literature. Based on their professional experience,

interviewees could provide and explain any other hotel attributes not included in the hotel rating criteria and which they thought affect customer satisfaction but have not been included in the study.

All interviews were conducted by the researcher, who guided the flow of the interviews and ensured that they remain well within the context of the research objectives. The interview guides had at least 8 to 10 questions, lasting roughly between 15 and 35 minutes as suggested by Serem *et al*. (2013). Furthermore, all interviews were conducted on a face to face basis. The researcher sought permission from the respondents to use a voice digital recorder to free the researcher from frantically writing down everything being said or elaborated (Serem *et al*., 2013), while at the same time providing an opportunity for the natural flow of the "conversation" to take place.

3.7 Piloting Study

The research instruments were designed to meet all the intended objectives of the research. The data collection tools were piloted at one of the 2-star rated hotels in Mzuzu City, in the Northern Region of Malawi, using 30 hotel guests and 1 hotel manager as recommended by Saunders *et al.* (2016). The findings of the pilot survey informed amendments, such as wording, clarity and flow of the final survey instrument (Wilkins, 2010). Additionally, the research instruments were reviewed by the research supervisors. Based on the supervisors' inputs, comments and outcomes of the pilot test, the research instruments were accordingly revised to reflect the adjustments and face validity.

3.8 Data Collection Procedures

The research instruments were distributed based on simple random sampling to the hotel guests staying in the star-rated hotels for at least two or more nights, identified at the time of the study with the help of the hotel management. The assistance of hotel front office managers was solicited; they acted as liaison persons who coordinated the data collection especially from the guests. These were particularly suitable owing to their ability to clarify issues and had an advantage of contacting the guests directly, requesting them to participate freely in responding to the questionnaires. Before the commencement of the data collection process, the hotel front office managers were formally briefed on the administration of the questionnaire, research ethics and their roles in this process among others. The hotel front office managers from the hotels where data was collected, were all University graduates, hence, were able to clarify any unclear issues related to the questionnaires.

The survey questionnaires were either given to guests, at the front desk during check-in or sent to their guestrooms. In both cases, the guests completed the questionnaires at their own time (self-administered), which were then returned to the front office managers, until the required number of guests was surveyed in each hotel (Tefera & Govender, 2016; Wilkins, 2010). 225 questionnaires were distributed to the targeted hotels and self-administered by the hotel guests, but only 203 were completed and returned. The research utilised a self-administered questionnaire (see Appendix II), specifically completed by the hotel guests themselves without the intervention of the researcher collecting the data (Saunders *et al.*, 2016). This approach of questionnaire administration allowed the hotel guests to complete the questionnaire at their convenient pace.

Data collection took approximately five (5) months (January to May 2018) and progress on data collection in the hotels was regularly reviewed through the hotel front office managers or their proxies.

3.9 Measurement of Variables

The measurement variables in SEM represent the scale for each construct to be measured. Each construct in the proposed model was designated as either an exogenous or an endogenous variable. An endogenous variable (also called dependent variable) receives a directional influence from some other variables described as an exogenous or independent variables in the model (McQuitty & Wolf, 2013). Again, an endogenous construct may further produce directional influence on some other construct in the model, but not necessarily (Testa, 2000).

For SEMs, data are typically obtained through questionnaires, and each of the constructs in the model requires the development of a reliable and valid multi-item scale (McQuitty & Wolf, 2013). The hypothesized model for this study is represented by two exogenous constructs (basic registration standard and grading standard dimensions of hotel grading system) and two endogenous constructs (service expectations and customer satisfaction). Scales or manifest/measurement indicators that have previously been used in hotel attributes or hotel rating system studies (Callan, 2000; Pizam *et al.*, 2016; Zemke *et al.*, 2017) to assess similar constructs were adopted to measure the constructs proposed in this study.

3.9.1 Exogenous (Latent) Variables

Two exogenous variables were defined as hotel rating system dimensions. These were basic registration standard and grading standard.

Basic Registration Standard

Basic registration standard (BRS) is the physical standard requirement that a hotel property must meet at all costs before the hotel applies for the actual grading. There were a total of 31 items for the BRS construct largely adapted from Callan (2000), Countryman & Jang (2006), Kuo *et al.* (2010), Chen *et al*. (2013), Ali *et al.* (2016), Bodet *et al.* (2017), and Zemke *et al*. (2017). Some of these items were adapted from the Malawi Tourism and Hotels [Grading] Regulations (GoM, 2005). The 31 items were categorised into four sub-dimensions, namely: bedroom structure, public areas, services types, safety and security, and staff skills, as shown in Table 3.4. The items were measured with a 5-point Likert scale ranging from "Very low" (1) to "Very high" (5) (See also Appendix II, Section B).

Table 3.4: Measures of Basic Registration Standard

Items for "Bedroom Structure"
The bedroom furniture is modern looking
The electrical requirements in the bedroom are adequate
The bedroom lighting is suitable
The bedroom linen is comfortable
The bedroom information and communication system is available
The sanitary installations are in perfect condition with adequate toiletries
Items for "Public areas"
The reception area is visually appealing
The artifacts and paintings add to the good image of the hotel
Banquet/conference rooms are well equipped with appropriate facilities
The public restrooms are clean and neat
The thermal condition provided in the public areas is appropriate
The corridors are well illuminated throughout
The hotel has appropriate common outdoor areas for hotel guests
Items for "Service types"
The services of the hotel have convenient operating business hours
The room service provided is worth value for money
The hotel provides excellent meal services
The overall selection of beverages is impressive
Service orders are taken with prompt response
There are regular shuttle buses and taxis to the airport from the hotel
The valet and laundry service is readily available
Items for "Safety & Security"
Refuse and garbage from guest areas are regularly disposed off
There is adequate hotel security for guests and their belongings
The hotel layout/landscape provides safe access
Emergency evacuation information and procedures are displayed
Electrical appliances for your use as a guest are installed properly and safely
Items for "Staff skills"
The staff in the hotel have the knowledge to answer your questions
The staff appear neat and well-groomed in their uniforms
The staff are well trained
The staff have good command of the languages
The staff are consistently courteous with you
The staff capacity in the service areas is well balanced

Source*: Modified from Ali et al. (2016); Bodet et al. (2017); Callan (2000); Chen et al. (2013); Countryman & Jang (2006); GoM (2005); Kuo et al. (2010); Zemke et al. (2017)*

Grading Standard

Grading Standard (GS) was measured using 42 items divided into the following sub-dimensions: structural features; furnishings, fittings and décor; food and beverage; staff rapport and other features/hotel added extras as indicated in Table 3.5. The items were measured with a 5-point Likert scale ranging from "Very low" (1) to "Very high" (5). (See also Appendix II, Section C).

Table 3.5: Measures of Grading Standard

Items for "Structural features"
The hotel building has no signs of weathering
The paintwork is well-maintained on the hotel building
There are no signs of staining on the hotel building
The building has an overall clean look of the hotel
There is very good external lighting around the hotel
The hotel signage is clear and visible
Right balance of public and private space
The grounds and gardens are well-tended
The parking space/bay is clearly marked and adequate
The driveway and entrance are well-maintained
Guest facilities (restaurant, bar, toilets lounge, reception, etc.) are adequate
All guest facilities are in a good state of repair
Items for "Furnishings, fittings & décor"
Proper coordination of patterns, colours and textures in bedrooms
Proper coordination of pictures, paintings and other artistic objects
The wall covering provides pleasant décor
Furniture and furnishings offer high degree of comfort
Bedroom soft furnishings and linen are of good quality
Bedroom lighting/lights/lamps are effective for all purposes
Bedrooms are spacious enough, with good layout
No intrusive noise from public areas or other rooms
There is a wide range of bedroom accessories (TV, telephone, etc.)
Range of toiletries available in the bathroom is adequate
The bathroom linen is full range with thick, heavy and fluffy towels
Ceiling is of high quality, no sagging or visible seeping/ watermarks
Items for "Food & beverage"
The restaurant has well-spaced chairs of appropriate height for the tables
The dining area has no intrusive noise/smells from other areas
The hotel provides a variety of food items on all menus
Menu presentation is clear with informative layout and well explained
Wines and other drinks are set in clear sections with options
Table appointments are appropriate with high quality utensils
The meals are presented on appropriate plates with attractive visual appeal
Items for "Staff rapport"
The staff are warm, respectful, cheerful, friendly and helpful
The staff give you individual attention
The behavior of the hotel staff instills confidence in you
The staff provide information about the establishment to guests
The staff always attempt to establish good rapport with you
The staff always try to meet your demands as much as possible
The staff are always willing to help you and are efficient
Items for "Other features/hotel added extras"
The business centre is adequately equipped and convenient for you
The background music in the lounges is appropriate
The saloons and mini shops are available for your convenience
Provision of entertainment and other recreational facilities is adequate

Source*: Modified from Ali et al. (2016); Callan (2000), Chen et al. (2013); GoM (2005); Kuo et al. (2016); Mohsin & Lockyer (2010)*

3.9.2 Endogenous (Latent) Variables

The study used two predicted latent variables, namely: service expectations and customer satisfaction which are unobserved. However, manifest or measurement variables are often used to measure these latent variables.

Service Expectations

The two most frequently used measurement indicators of service expectations are desired service and adequate service. The desired service represents the highest level of service the customer hopes or wishes to receive from a service offering. The latter service expectation represents the least and threshold level of acceptable service – the minimum level a customer would consider acceptable (Grönroos, 2016; Zeithaml *et al.*, 2013).

Using Yilmaz's (2010) service expectation measurement technique, 19 items as shown in Table 3.6, measured the desired service by asking the hotel customers to indicate the level of service performance they hoped to receive, while the adequate service expectations were measured using the same 19 items by asking hotel customers to indicate minimum level of service performance, they considered adequate. The two variables appeared in two columns, with a 5-point Likert scale ranging from "Very low" (1) to "Very high" (5). (See also Appendix II, Section D).

Table 3.6: Measures of Service Expectations

ITEM
This hotel has comfortable bedrooms and accessories
The hotel's physical facilities are visually appealing
This hotel has clean and comfortable bathrooms
This hotel provides you with all the services with ease
Your safety and security is guaranteed at this hotel
The hotel has operating hours convenient to all its customers
Staff of this hotel are never too busy to respond to your requests
Staff of this hotel are always willing to help you
The behavior of staff instills confidence in you
Staff are well informed about the hotel and the local area
The hotel furnishings and fittings are excellent
Internal hotel decor, ambience aesthetics are appropriate
Food and beverage service is efficient
Quality of the food is excellent
Entertainment and recreational facilities are for your convenience
The background/soft music in the lounge is appropriate
Standard of housekeeping/ cleanliness in the hotel is high
Standard of maintenance of the facilities and buildings is high
Comfort and relaxed feeling in this hotel, (warmth, atmosphere) are provided

Source: Modified from Callan (2000); GoM (2005); Mohsin & Lockyer (2010); Yilmaz (2010)

Customer Satisfaction

According to Pizam *et al.* (2016) most customer satisfaction measurements use ordinal and discrete rating scales such as Likert-type scales, which typically contain an odd number of options, usually 5 to 7. However, Pizam *et al.* (2016) warn that Likert-type scales might introduce an acquiescence bias, where respondents prefer to give a positive response always. Attempts were made to reduce this challenge by reversing items;

although there was a perceived challenge that other errors might have been introduced, as people may respond differently to the worded items. In this study, 26 items were used to measure overall satisfaction using a 5-point Likert scale ranging from "Very dissatisfied" (1) to "Very satisfied" (5). (See also Appendix II, Section F). All the items were modified from the components of Pizam *et al*. (2016) measuring the three sub-dimensions of material products, environment and staff behaviour and attitude as show in Table 3.7 below.

Table 3.7: Measures of Customer Satisfaction

ITEM
Items for "Material product"
Quality of food and beverage
Variety of menu choices
Comfort of the bedroom and accessories
State of the bathroom condition and accessories
Adequacy of reception area, lounges/lobby
Availability of conference facilities
Adequacy of dining facilities
The food and beverage service efficiency
Entertainment and recreational facilities
Items of "Environment"
Room temperature control and ventilation
The appearance of the building exterior, grounds/gardens, and parking
Ambience of public areas
Size and layout of rooms
Cleanliness and neatness of hotel facilities
Acoustics (noise level)
Combination of lighting and colour schemes/patterns
Spaciousness of facilities (bedrooms, dining rooms, meeting facilities)
Hours of operation
Furniture and fittings
Items of "Staff Behaviour and Attitudes"
Friendliness, courtesy and charm of staff
Service provided with a smile and good sense of humour
Staff appearance
Competence
Efficiency and speed
Responsiveness to special requests
Responsiveness to complaints

Source: *Adapted from Pizam et al. (2016)*

3.10 Validity and Reliability of Research Instruments

To address issues of a sound measurement, any research must meet the tests of validity and reliability. Precision and accuracy are important issues in research and therefore, reliability and validity are two essential concepts that a researcher uses to assess the accuracy and rigour of research.

3.10.1 Validity Tests

Validity aims at ascertaining the extent to which the research instruments collect the necessary information or rather the extent to which a test measures what is actually supposed to be measured Serem *et al*., 2013). In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested (Kothari, 2007). Specifically, this study tested the validity of the measuring instruments such as the questionnaire, by checking both convergent and discriminant (or divergent) validity. These are commonly regarded as subsets of construct validity. While, convergent validity tests scales that are expected to be related or correlated and measure the same construct, discriminant validity tests the degree to which two measurements are able to distinguish two constructs that are conceptually different, but related though (Ab-Hamid, Sami, & Sidek, 2017; Shuttleworth, 2009). It is suggested that to demonstrate convergent validity, the magnitude of the relationship between the items and the latent variable should statistically be different from zero and there is a factor loading of ≥ 0.50 (Byrne, 2001; Hair *et al.*, 2014; Henseler, Ringle & Sarstedt 2015).

There are, however, several approaches to assess discriminant validity. One of the traditional approaches that has been widely used in research is the Fornell and Larcker's (1981) approach. Drawing from this approach, Henseler *et al*. (2015) explain that

discriminant validity is established if a latent variable accounts for more variance in its associated indicator variables than it shares with other constructs in the same model. Additionally, discriminant validity is shown when each measurement item does not correlates strongly with the other constructs except the one it is theoretically related to. Henseler *et al*. (2015) further argue that to satisfy this requirement, each construct's average variance extracted (AVE) must be compared with its squared correlations with other constructs in the model. If the AVE is greater than the squared correlation, then discriminant validity is said to have been satisfied. This study, therefore, applied the Fornell and Larcker (1981) criterion to assess discriminant validity because of its perceived supremacy over other methods (Hair *et al.*, 2014).

Face validity of the research instruments was also assessed. In order to address face validity, there is need for careful personal judgment, such as asking participants whether they thought that a test was well constructed and useful (Shuttleworth, 2009). For this study, the instruments (both questionnaires and interview guides) were initially reviewed by the research supervisors to check for vocabulary, language level and how well the questions would be understood. The instruments were later reviewed by hospitality industry professionals who provided their feedback on the readability of the questions and estimated time to complete the survey questionnaire. Based on their comments, the research instruments were revised accordingly to reflect the level of clarity that allowed the correct measurement of the phenomenon under study. The supervisors gave their opinion about whether the measurement variables were essential, useful or relevant to measuring the construct under study. The pilot test results further strengthened the instruments.

3.10.2 Reliability Tests

Reliability aims at ascertaining the extent to which data collection techniques, such as questionnaire surveys, or analysis procedures yield consistent findings (Saunders *et al*., 2016). This study applied the Cronbach's Alpha, the most widely used objective measure to test reliability. It provides a measure of the internal consistency of a test or scale and is expressed as a number between 0 and 1 (Tavakol & Dennick, 2011). Internal consistency deals with the extent to which the items in a questionnaire measure the same concept or construct, hence, supporting the inter-relatedness of the items within the test. Furthermore, an understanding of the associated concepts of internal consistency, homogeneity or unidimensionality can help to improve the use of alpha. A measure is said to be unidimensional if its items measure a single latent trait or construct (Ziegler & Hagemann, 2015).

There are different reported arguments about the acceptable values of Cronbach Alpha, ranging from 0.70 to 0.95. A low value of alpha could be due to inadequate number of questions, poor or weak interrelatedness between items or heterogeneous constructs. For example, if a low alpha is due to poor correlation between items, then some should be reviewed to refine them or eliminated completely (Tavakol & Dennick, 2011). Similarly, if alpha is too high it may suggest that some items are redundant as they are testing the same question but in a different guise. Tavakol and Dennick (2011), thus recommend a maximum alpha value of 0.90. Therefore, in this study, care was taken to run a reliability test of the measurement scales in the Statistical Package for Social Sciences (SPSS) version 20.0 in order to ascertain whether or not they meet the acceptable threshold alpha coefficient values. All the four constructs tested attained Cronbach alpha >.90, the lowest being .923 while the highest recorded .955.

Tavakol and Dennick (2011) argue that whilst internal consistency in reliability tests is necessary, it is however, not a sufficient condition for measuring homogeneity or unidimensionality in a sample of test items. As the result, Confirmatory Factor Analysis (CFA), as an extension of the reliability test, may be introduced alongside Cronbach Alpha in order to address the shortfalls associated with the use of this coefficient alone in assessing the unidimensionality of a construct (Plucker, 2003). Generally, CFA is most often used to provide evidence of construct validity for an instrument or assessment. But in this case, CFA specifically tests the stability of a specific model of factor structure and also provides researchers with the ability to correlate errors and test whether a specific model is equivalent across data from distinct groups (Byrne, 2001; Plucker, 2003). This study therefore employed CFA, in addition to Cronbach Alpha coefficient, to address the reliability issues. To assess reliability using CFA, this research used construct reliability and average variance extracted with a reliability threshold of 0.70 (Butler, 2014). Composite reliability (CR) was calculated using the composite reliability calculator of Colwell and Carter (2013) accessed on The Statistical Mind website (www.thestatisticalmind.com).

3.11 Data Analysis and Presentation

Once data was collected, it was prepared for analysis through editing for completeness, coding, cleaning, accommodating missing data and identifying outliers. In this case, both descriptive statistics, such as measures of central tendencies i.e., means, and measures of dispersion i.e., standard deviation were used in the analysis to describe the subjects' characteristics. Beyond this, inferential statistics from SEM were generated from the relationships and differences among variables established from the data; drawing conclusions and generalisations about the population from which the sample

was drawn (Serem *et al*., 2013). The analysed data was presents in tables, charts, frequencies and percentages.

Data was analysed with using the Statistical Package for Social Sciences (SPSS 20.0) software alongside Analysis of Moment Structures (AMOS 22.0) software. CFA was conducted to test the unidimensionality of the measurements scales while SEM was used to test the research hypotheses.

The study adopted different data collection methods (i.e., survey and semi- structured interviews) using a concurrent triangulation design in which both quantitative and qualitative data were collected concurrently in a single phase (Creswell, 2014). The data was analysed separately and later compared or combined data from the semi-structured interviews was thematically analysed using inductive approaches to generate themes. Thematic analysis was appropriate because of its flexibility, which enables researchers to familiarise themselves with the data, identify codes from the interview transcripts, generate and revise themes from the coded data (Braun & Clarke, 2006). The mixed methods strategy was suitable because it was believed that biases inherent in a single method could neutralize or cancel the biases of the other method (Creswell, 2014). The procedure of Jwan and Ong'ondo (2011) was used in analysing data generated from the interviews by transcribing, collating, editing, coding, and reporting the data in a manner that makes it sensible and accessible to the reader and researcher for purposes of interpretation and discussion. Data was triangulated simultaneously as a means for seeking convergence by confirming, cross-validating or corroborating findings (Creswell, 2014) across the survey and the interviews since the study involved hotel guests, hotel managers and hotel grading assessors as participants.

Missing Data

Extant literature indicates that missing values are a common phenomenon in social science research and could lead to a loss of statistical power required for accurate inferences (Masconi, Matsha, Erasmus & Kengne, 2015). According to Baraldi and Enders (2010), missing values may be a result of fatigue or respondents' refusal to answer questions touching on sensitive areas and questions on social phenomena. As with the rest of statistical methods, missing data often create major problems for the estimation of structural equation models (SEMs) (Allison, 2003; Polit & Beck, 2017). Therefore, structural equation modelling uses maximum likelihood (ML) estimation methods. This is based on the assumptions of normality for handling missing data in an optimal fashion to cope with large amounts of missing data without compromising the statistical power or introducing bias (Schminkey, Oertzen & von Bullock, 2016). This study also evaluated the data for missing values with respect to both cases and variables using the Missing Completely At Random (MCAR) technique. The assumption herein was that events leading to missing data were independent of observable and unobservable parameters and occurred entirely at random (Polit & Beck, 2017).

Outliers

Both univariate and multivariate outliers used for testing normality, were determined. The presence of outliers, which are data points that deviate markedly from others, is one of the most enduring and pervasive methodological challenges in research (Aguinis, Gottfredson & Joo, 2013). Thus, before subjecting variables to SEM, they should be examined for outliers and normality (Tabachnick & Fidell, 2013) because outliers, by virtue of being different from other cases, largely distort conclusions drawn for relationships among variables (Aguinis *et al.*, 2013). Hodge (2014) contends that

outliers may occur as a result of a host of reasons that may include human error in data entry, instrument errors, deceptive behaviour or natural deviations in the population.

A univariate outlier, which is a data point that displays an extreme value on one variable, were examined for each set of the latent variables using box plots. Box plots (also called box and whisker plots) are usually deemed useful for indicating whether a distribution is skewed and whether there are potential unusual observations (outliers) in the data set (Dawson, 2011). Box and whisker plots are very useful when large numbers of observations are involved (Dawson, 2011) such as was the case in the present study. Univariate outliers were examined for each set of the latent variables using box plots. The SPSS descriptive statistics-explore command was used to generate box plots from which existence of outliers was assessed. In each case, outliers were shown as numbered cases beyond the whiskers.

Multivariate outliers, on the other hand, are cases with combination of unusual scores on at least two variables suggesting that an individual case is responding differently from the other participants across multiple dimensions (Tabachnick & Fidell, 2013). One of the commonly used identification techniques for multivariate outliers is the calculation of Mahalanobis distance values. Mahalanobis distance statistic refers to the degree (squared distance) to which a case differs from the centroid created as a function of means for the combination of variables across a multidimensional space (Aguinis *et al.*, 2013; Garson, 2012). Cases with the highest Mahalanobis D-square values and probabilities of less than 0.001 were considered to be outliers. Therefore, a large Mahalanobis distance meant that the corresponding observation was an outlier. For this study, Multivariate outliers were tested using AMOS's Mahalanobis distance statistic.

Test of Normality Assumption

SEM programmes such as AMOS operate on the assumptions that variables be continuously distributed, with normally distributed residuals (University of Texas, 2012). Test of Normality Assumption for each variable was assessed in this study. Many statistical procedures assume a normal distribution (Garson, 2012). Several techniques are used to examine normality of data distributions. However, Wickham, Cook and Hofmann (2015) posit that although formal goodness of fit tests such as the Kolmogorov–Smirnov and the Shapiro–Wilk may be powerful in testing normality, their inability to point out the non-normal features of distributions makes graphical approaches such as the quantile–quantile (Q-Q) plots more ideal and appropriate. Consequently, the Q-Q plots were used to examine normality of data distributions in each of the four latent variables. Rank ordered values of each construct were plotted against expected normal distribution values of the construct (Wickham *et al*., 2015). The plotted data were expected to follow a diagonal line produced by a normal distribution. Data at the extreme ends were associated with slight curved patterns. Normality requirements for all constructs were met.

3.11.1 Testing Unidimensionality

It is argued that measuring constructs with multiple indicator variables requires a demonstration that the items are indeed measuring the same thing using a test of unidimensionality (Garson, 2012). In fact, a measure is said to be unidimensional if its items measure a single latent trait or construct (Tavakol & Dennick, 2011). As a result, items placed together in a scale account for all the differences within the same underlying construct (Ziegler & Hagemann, 2015). Moreover, a test of unidimensionality provides construct validity evidence of self-reporting scales (Hair *et al.*, 2014; Plucker, 2003; Tabachnick & Fidell, 2013).

In this study, principal components factor analysis (PCA) was performed on all the indicators of the four latent variables under study to confirm whether items within the indicators were unidimensional (Hagell, 2014). This is slightly different from exploratory factor analysis (EFA) which often is performed in research in order to reduce the number of factors. However, Plucker (2003) cautions that determining how many factors should be selected, is a subjective and often an arbitrary process. One set of factors may be interpreted very differently by different researchers. In this case, Tabachnick and Fidell (2013) note that decisions about number of factors and rotational scheme in EFA are bordered purely on pragmatic rather than theoretical basis.

Over and above reducing large number of variables, PCA has the ability to identify strong patterns in a given data set (Hair *et al.*, 2014). The Kaiser–Meyer–Olkin (KMO) that requires factors with Eigen values greater than one and Bartlett's Test of Sphericity (completeness) were used to test sampling adequacy and completeness, respectively. KMO was expected to have a minimum of 0.6, while Bartlett's measure was required to be significant at 5% level (Costello & Osborne, 2005; Tabachnick & Fidell, 2013), with factor loadings expected to be above the 0.5 cut-off for acceptable loadings (Truong & McColl, 2011).

There are generally disparities among scholars over the suitable sample sizes for factor analysis or test of unidimensionality. For instance, Tabachnick and Fidell's (2013) rule-of-thumb suggests that at least 300 cases are needed for factor analysis, while Hair *et al.* (2014) simply say sample sizes should be 100 or greater. Comery and Lee (1992) consider sample sizes as low as 100 poor; 200 as fair, 300 as good, 500 as very good, and 1000 or more as excellent. Plucker (2003) and Henson and Roberts (2006) illustrate that when communalities are high (greater than .60) and each factor is defined by

several items, sample sizes can actually be relatively small. Other scholars (Byrne, 2001) state that solutions with correlation coefficients >0.80 require smaller sample sizes while Burton and Mazerolle (2011) argue that even 50 cases may be adequate for factor analysis. This study obeyed the advice of Hair *et al.* (2014) whereby 203 cases were used.

3.11.2 Structural Equation Modelling (SEM)

This study employed SEM, a multivariate statistical technique appropriate to analyse hypothesised relationships among any number of observed (measured) and unobserved (latent) variables (Leguina, 2015; Ringle, Sarstedt, Mitchell & Gudergan, 2018; Sarstedt, Ringle, Cheah, Ting, Moisescu & Radomir, 2019; Testa, 2000), in the theoretical model generated to understand the implications of hotel rating system dimensions on service expectations and customer satisfaction in star rated hotels.

SEM was chosen for this study owing to its versatility in combining factor analysis, regression and path analysis; estimating relationships between latent variables; allowing for explicit testing of competing models; exploring direct, indirect and total effects in an integrated fashion (Ringle *et al*. 2018; Sarstedt *et al*., 2019; Testa, 2000). SEM is viewed as an attractive statistical tool because it offers a more direct method of dealing with multiple relationships simultaneously while guaranteeing statistical efficiency, providing a smooth transition from exploratory to confirmatory analysis (Hair *et al.*, 2014; Kline, 2011). In simple terms, SEM estimates a series of separate, but interdependent, set of regression equations concurrently by defining the structural model used by the statistical programme (Leguina, 2015; Ringle *et al*., 2018).

Although a number of multivariate statistical analysis methods provide researchers with powerful tools for addressing a wide range of theoretical and managerial questions, they have one common limitation of examining a single relationship at a time (Hair *et al.*, 2014). Since SEM allows latent variables to be tested using multiple indicators, rather than using the mean score of the multiple indicators, the shared variance of these indicators is used to test the relationship(s) under investigation. Additionally, SEM has the ability to allow reciprocal causation of its variables and this causation can easily be modelled and tested by specifying the direction of each arrow in the path model (Testa, 2000). According to McQuitty and Wolf (2013) SEMs are most appropriately used in a confirmatory fashion to test a theory that explains the relationships among a group of variables. These relationships are specified prior to theory testing and inform data collection. In this study, a questionnaire was developed based on literature to provide a theoretical base of the observed variables in order to measure the latent variables for the model under investigation.

3.11.3 Steps in the Structural Equation Modelling Process

According to Testa (2000), SEM involves a five-step process for developing and testing structural models. The steps include variable identification and model specification; model identification; estimation; testing model fit and interpretation; and model re-specification. All these steps were employed in the development and testing of the structural model hypothesised in this study (Figure 2.5).

Step I: - Variable Identification and Model Specification

In SEM, there are two main types of variables, namely: latent (unobserved) also known as constructs and observed (manifest or measurement) also referred to as factors or indicators. The unobserved variables are not measured directly or perfectly in the study and are assumed to bring about the observed responses. In this study, latent variables were identified as basic registration standard, grading standard, service expectations and customer satisfaction.

The latent variables are measured using the observed (manifest or measurement) variables or indicators of that construct. Often multiple indicators (typically three or more) are used to represent the latent variable. This study considered a total of fifteen indicators representing the four constructs. Two of the latent variables (basic registration standard and grading standard) are called exogenous variables because they show arrows in the path model from them to other variables. The other two latent variables (service expectations and customer satisfaction) are called endogenous variables because they have a directed arrow entering into them from the exogenous variables and a residual or disturbance term that represents the variance not explained by the endogenous variables owing to unmeasured causes. All these relationships were presented in a conventional path analysis diagram generated by AMOS software.

One of the benefits of using a path model is its graphic nature because the researcher can visually define and understand the hypothesised relationships. In the path model generated by AMOS, manifest or measurement variables are illustrated as squares or rectangles and latent variables are illustrated as oval shapes or ellipses; residual or error terms as circles; direct relationship as single-headed arrows; and covariance or correlation as double-headed arrows.

Step II: - Model Identification

Once the theoretical model was specified, the next step was to collect data from the sample using a questionnaire. During the data collection process, reliability, internal and external validity tests of the questionnaire were employed. These included acceptable sampling procedures specified, reliable measures and careful control of extraneous variables (Testa, 2000). Once the data was collected, a traditional covariance or correlation matrix was calculated using the measurement variables in the study. In the present study, four measurement models were identified. A confirmatory factor analysis (CFA) using AMOS 22.0 was conducted to test each measurement model.

The process of model identification in the current study sought to determine if a unique set of values could be found for the parameters through an iterative process. Both in theory and practice, a model can be easily estimated with observed data. However, it is important to note that as the models become more complex, and the number of equations to be calculated increases, under-identification may occur (Hair *et al.*, 2014). Usually under-identification occurs when a greater number of unknown parameters are being estimated than known values entered (Testa, 2000). In short, an under-identified model may have one or more parameters not being distinctively determined from observed data, hence, failing to estimate all the model's parameters.

Secondly, McQuitty and Wolf (2013) suggest that a problem may originate from having too few items in a construct, thereby, creating under-identification at the construct level (because it is assumed there is too little information). McQuitty and Wolf (2013) argue that with three items, a construct is just identified (has zero degrees of freedom); with fewer items, the construct is under-identified (has negative degrees of freedom); and

with four or more items, the construct is over-identified (has positive degrees of freedom), which is a desirable property for estimation because more than one solution can be estimated and the best solution can be selected from among these. A practical recommendation, which this study followed, was to use four (or more) scale items for each construct to minimise problems arising due to under-identification based on the advice of McQuitty and Wolf (2013).

There are several important sets of estimation figures which were examined in this study adopted from McQuitty and Wolf (2013). These figures included: (1) the estimated parameters between observed items and constructs (item or factor loadings/coefficients); (2) the estimated parameters between constructs (path/structural coefficients or, less frequently, correlations); (3) the goodness-of-fit statistics (fit indices), which provided an evaluation of the fit between the model and the data; and (4) the modification indices, which provided evidence of significant covariance not explained by the model.

Step III: - Model Estimation

AMOS 22.0 software was used to automatically estimate the free parameters in the model. The most common estimation technique is the Maximum Likelihood (ML) based on the assumptions of normality (Maydeu-Olivares, 2017). The ML method of estimation used several matrices and it was possible for them to be non-positive definite during the iterative estimation procedure. However, McQuitty and Wolf (2013) explain that once a model is estimated, the next phase would be reviewing and understanding the program's output and then reporting the results. Therefore, the first step in this process was to examine the output to ensure that the model estimation routine converged and was proper. Eventually, convergence suggested that the estimation

routine obtained a solution and there were no warnings of a problem such as a non-positive definite matrix generated.

Step IV: - Test Model Fit and Interpretation

The model fit testing was the next stage that allowed determining whether or not the theoretical model fitted the collected data and to examine the strengths of the relationships in the model. Quite controversially but not surprising, Testa (2000) acknowledges that researchers in SEM debate have differing opinions on which fit indices are best for identifying models because new fit indices are being introduced, making the process of determining model fit almost unattainable.

There are three suggested categories of fit statistics to choose from: those based on model residuals; those based on the chi-square statistic, χ^2; and those comparing the hypothesised model called incremental fit indices (Testa, 2000). The fit indices or (indexes) used in this study measured the model's goodness-of-fit to data and this demonstrated the extent to which the data and the theoretical models met the assumptions of SEM (McQuitty & Wolf, 2013). Programmes such as AMOS, provide a series of fit indices that are derived from the χ^2 value obtained by comparing: (a) the covariance or correlation matrix used as input for the SEM with (b) the matrix suggested by the estimated model. If these two matrices are very similar, then the model fits the data well and the χ^2 value associated with the test of SEM is not significant. In fact, a zero chi-square indicates a perfect fit, while a small chi-square indicates a good fit between the observed and the predicted matrices. The p-value for the chi-square indicates whether or not the model can be rejected. A good fit should yield a non-significant p-value (p>.05) for the chi-square rather than a significant p-value as traditionally expected (Iacobucci, 2010; Testa, 2000).

Another important factor for the magnitude and significance of χ^2 values is the sample size because χ^2 varies directly with $N - 1$. Consequently, a variety of alternative fit indices have been developed that attempt to compensate for the χ^2 value's tendency to be significant with SEMs (which implies that the model does not fit the data well) (McQuitty & Wolf, 2013). There are three families of SEM fit statistics including absolute, incremental and parsimony fit measures (Hair *et al*., 2014) that were considered for this study.

Absolute Fit Indices

Absolute fit indices are direct measures of goodness-of-fit. Popular absolute fit indices include the χ^2 value, the χ^2/degrees of freedom ratio (χ^2/df), the goodness-of-fit index (GFI), adjusted-goodness-of-fit index (AGFI), the standardised root mean residual (SRMR), and the root mean square error of approximation (RMSEA). The recommendations for what fit indices to report (and the associated target figures) include the χ^2 because it is the most basic fit measure and all other measures of fit are based on the χ^2 value, (reported alongside the degrees of freedom and probability associated with the χ^2 test). The χ^2 test is generally sensitive to sample sizes. For SEMs comprising between 75 and 200 cases, the χ^2 is usually reasonable (Kenny, 2015). The χ^2 test will nearly always be statistically significant with 400 or more cases (implying a poor fit of the model to the data), but still provides a basis for comparison (Iacobucci, 2010). Consequently, the following recommendations have reported as good indications of reasonable fit: χ^2 /df ratio <2.0 and the RMSEA <0.08 (Kline, 2011; McQuitty & Wolf, 2013; Tabachnick & Fidell, 2013). Testa (2000) has also reported that a GFI >0.85 and AGFI >0.80 indicate good fit, although 0.90 for both is more readily accepted.

Incremental Fit Indices

Incremental fit indices compare the model's χ^2 with an alternative model's χ^2 figure, where the alternative model's coefficients typically are set equal to zero. The incremental fit indices assess the improvement in fit offered by the model with freely estimated coefficients (McQuitty & Wolf, 2013). Popular types of this form of fit indices include the Comparative Fit Index (CFI), the Bentler-Bonnet's Normed Fit Index (NFI) and the Non-Normed Fit Index (NNFI, also known as the Tucker-Lewis index, or TLI) (Iacobucci, 2010). Cheung and Rensvold (2002) and Emir (2016) suggest that CFI and NNFI >0.95 and NFI >0.90 as a generally acceptable measures of model fit.

Parsimony Fit Indices

The parsimony fit indices assume that fit improves as more coefficients are estimated and therefore reward models that use few coefficients (i.e. the fit index imposes a penalty for estimating too many coefficients). The most popular fit index of this nature is the parsimony goodness of fit index (PGFI) (Iacobucci, 2010; McQuitty & Wolf, 2013). Tanaka's (1993) suggestion that model fit needs to be evaluated independent of parsimony considerations to avoid penalising models for having more parameters was taken into consideration. Hence, the study did not utilise parsimonious fit indices on this basis.

According to McQuitty and Wolf (2013) all fit statistics give the same approximate interpretation of fit, and since the interpretation is an overall impression, it should not be based on a single fit index. Interpreting fit on the basis of two or more fit indices reduces the Type I and II errors associated with over-rejecting or over-accepting models on the basis of fit. This study, therefore used several fit indices to determine the

goodness of fit of the model. McDonald and Ho (2002) suggest use of CFI, GFI, NFI and NNFI, while Iacobucci (2010) and Kline (2011) recommend the use of chi-square statistic adjusted by its degrees of freedom, RMSEA, CFI and SRMR which are generally considered as being insensitive to sample size, model misspecification and parameter estimates. Table 3.8 summarises the fit indices thresholds used in the study based on Cheung and Rensvold's (2002), Emir's (2016) and Tabachnick and Fidell's (2013) recommendations.

Table 3.8: A Summary of Fit Indices

Criteria	Good Fit	Acceptable
Absolute Fit Indices:		
χ^2/df (chi-square)		< 3
GFI (Goodness-of-fit Index)	$0.95 \leq GFI \leq 1$	$0.90 \leq GFI \leq 0.95$
RMSEA (Root Mean Square Error of Approximation)	$0 < RMSEA < 0.05$	$0.05 \leq RMSEA \leq 0.10$
AGFI (Adjusted Goodness-of-fit Index)	$0.90 \leq AGFI \leq 1$	$0.85 \leq AGFI \leq 0.90$
Incremental Fit Measures:		
NFI (Normed Fit Index)	$0.95 \leq NFI \leq 1$	$0.90 \leq NFI \leq 0.95$
NNFI (Non-normed Fit Index)	$0.97 \leq NNFI \leq 1$	$0.95 \leq NNFI \leq 0.97$
CFI (Comparative Fit Index)	$0.97 \leq CFI \leq 1$	$0.95 \leq CFI \leq 0.97$

Source: Cheung and Rensvold (2002); Emir (2016); Tabachnick and Fidell (2013)

Step V: - Model Re-specification

If the hypothesised model does not fit the data well, the relationships in the model can be re-specified or modified and then re-test. The AMOS programme usually provides modification indices, which guided the researcher in adjusting the original model (Testa, 2000). There are three categories of modification indices according to McQuitty and Wolf (2013): the first category identifies significant covariation between observed

items not explained by a construct (called error covariance); the second category identifies significant paths between constructs that were not specified by the original model; and the third category identifies significant paths between observed items and constructs other than the construct to which the item belongs (cross loadings) that were not specified by the original model. The modification indices are estimates of how much the model's chi-square figure would decrease if an error covariance or a path were added to the model's specification and the model re-estimated.

If all possible paths are estimated, then the model chi-square should be zero with zero degrees of freedom, that is, a saturated model fits the data perfectly because all sources of covariance are estimated. However, McQuitty and Wolf (2013) caution that such a model becomes less informative; it is better and useful to achieve good fit with relatively few parameters (estimated coefficients). Like other model forms, a structural equation model strives to explain the relationships among data and the ability to do so in a simplistic way with fewer parameters, is a desirable characteristic of modeling (McQuitty & Wolf, 2013).

Care was taken to ensure that changes to the hypothesised model were made based on a sound and substantive theoretical or empirical basis associated with how constructs relate to one another (structural paths), rather than arbitrarily establishing a good fitting model (McQuitty & Wolf, 2013; Testa, 2000). In this study, only significant covariation between observed items not explained by a construct (called error covariance) was examined. Again, when the new model was created, the same analysis of the individual relationships was conducted.

3.11.4 Hypothesis Testing

SEM was used to establish the effects of hotel rating system dimensions (basic registration standard and grading standard) on service expectations and customer satisfaction. SEMs involve series of multiple regression equations, all fitted simultaneously using AMOS software. In this case, more like a typical multiple linear regression analysis, AMOS produced a number of statistics for multiple equations rather than for a single equation. Such statistics included an overall test of model fit and tests of individual parameter estimates (University of Texas, 2012). Furthermore, the AMOS analysis output displayed unstandardised regression coefficients, standard errors for those coefficients, and a standardised version of the regression coefficients, and tests of statistical significance of the null hypothesis that each unstandardised regression coefficient equals zero. Squared multiple correlations or R^2 for the regression equations indicated the proportion of variance in service expectations and customer satisfaction (dependent variables) accounted for by basic registration and grading standard (independent variables) attributable to a single standard deviation unit's worth of change in the predictor variable.

Standardised regression coefficients linked the predictors (basic registration standard and grading standard) to the dependent variables (service expectations and customer satisfaction), and the R^2 value for the dependent variables was shown above their ellipses (see Figures 4.17 and 4.18 in Results section). SEM was used to test the five hypotheses related to Objectives 1 to 5.

Paired samples *t*-test (2-tailed) was used to compare mean scores for desired services across pairs of services with mean scores for service adequacy under service expectations. This statistical technique helped to answer the question if the Zone of

Tolerance (ZoT) scores or paired differences, calculated as the gap between the desired and adequate services (Yilmaz, 2010), were positive and significantly different in all the pairs of services at $p < 0.05$. The hypothesis related Objective 6 was therefore tested using this statistical procedure.

3.12 Limitations of the Study

Due to the scant availability of secondary data or lack of updated information from obvious sources regarding the state of the tourism and hospitality in Malawi including the internet, it seemed unlikely that the true picture of the industry was well represented. However, there was great solace that such missing information on Malawi, was sought from websites of government agencies, hotels and supranational organisations, such as World Bank. Several reports and documents were analysed to obtain more relevant details related to the study providing baseline information. Several pieces of secondary data were also loosely available from various sources and were consulted to retrieve such information for use into the study. The primary data collection exercise was appropriate to uncover more up-to-date information to seal the gaps pervasive in the study.

Related to paucity of information, was lack of pertinent academic research on Malawi tourism and hospitality industry. As the result, this study relied on studies done elsewhere to establish applicable theories and frameworks to inform the current status of the industry in Malawi, specifically addressing the phenomenon under investigation. A thorough literature review had provided the right context in which the current study was located. Furthermore, the study focused on two hotel rating system dimensions only (basic registration standard and grading standard). Perhaps, future studies should focus on the relationships of other emerging dimensions of hotel rating systems, such

as the environmental sustainability issues with customer satisfaction and establish any significant effects between them.

This study only focused on one category of the serviced accommodation (hotels) in Malawi in the cities raising generalisability issues. Additionally, not all the targeted hotels granted access to data collection from their hotel guests. Nonetheless, sample size of respondents from the star rated hotels that provided access, were adjusted accordingly in order to obtain the total number of respondents required for the study. The study further recommends that future research should investigate the other categories of the serviced accommodation establishments which were awarded hotel star ratings, such as all hotels, lodges, holiday resorts and guesthouses, located in various parts of the country in order to minimise generalisability concerns related to the findings.

3.13 Ethical Considerations

Ethics being a branch of philosophy, deals with one's conduct and serves as a guide to one's behaviour (Saunders *et al*., 2016). It underscores measures taken to maintain human dignity while gaining knowledge from research. Hence, researchers must be people of integrity who will not undertake research for personal gains or research that will have a negative effect on others otherwise researchers could be faced with extremely humiliating situations if ethical issues are ignored. The major ethical issues that were addressed in conducting this research were: informed consent; beneficence - do not harm; respect for anonymity and confidentiality; and respect for privacy (Fouka & Mantzorou, 2011).

Firstly, as part of the ethical practices, at the onset of the research, the researcher got clearance from the School of Tourism, Hospitality and Events Management, Moi University. When the approval was granted by the School (Appendix VI), the researcher sought further permission and ethical clearance (Appendix V) from the National Commission for Science and Technology (NCST) in Malawi to carry out this research in the country. The researcher further informed the Director of Tourism at the Department of Tourism about the researchers' intention to conduct the study in some selected star rated hotels in Lilongwe and Blantyre. Permission and access to collect data was also sought from the management of the targeted hotels by formally writing the hotels describing the nature and importance of the study. Permission was sought to access some of the hotels' operational documents, or even take photographs and where necessary, make observations on how front-line staff are interacting with guests in all staff-customer interfacing areas of the hotels.

Fouka and Mantzorou (2011) aptly put it, "informed consent seeks to incorporate the rights of autonomous individuals through self- determination. It also seeks to prevent assaults on the integrity … and protect personal liberty and veracity [of the information]" (p.4). Informed consent to free participation was established by explaining the nature and purpose of the study to the respondents; procedures to be followed in order to garner their willingness to participate freely in the research; and the benefits of the study to them and the hospitality industry as a whole. The respondents were also informed about the methods which were used to protect their anonymity and confidentiality. A "Noncoercive Disclaimer" which stated that participation was voluntary, and no penalties were involved in refusal to participate (Fouka & Mantzorou, 2011), was provided. This was on the basis upon which the

selected respondents made an informed decision whether or not to participate in the study.

The issue of confidentiality and anonymity is closely related to the rights of beneficence (do not harm), respect for the dignity and fidelity (Fouka & Mantzorou, 2011). Respect for confidentiality and privacy of respondents was guaranteed by keeping the information given strictly confidential, assuring them that the information obtained from the survey questionnaires or interviews was to be strictly used for academic purposes and that access to such information was protected by a password in the computer where this information was properly stored. The privacy of information relating to each respondent was also respected and maintained. Fouka and Mantzorou (2011) caution that privacy can be breached when private information such as respondents' beliefs, attitudes, opinions and records, is shared with others without the respondents' knowledge or consent. Anonymity was sustained by keeping the identity of individuals well protected either by using codes or numbers or pseudo names. Therefore, no details of respondents were disclosed to third parties. There was no physical or psychological harm (beneficence) that occurred to the respondents in this study by ensuring that none of the information solicited embarrassed or harmed them in any way.

CHAPTER FOUR

RESULTS

4.0 Overview

This chapter presents preliminary results in terms of response rate, missing data, outliers, tests of normality and unidimensionality. The chapter also reports results of the demographic profile of the study sample, descriptive analysis of exogenous and endogenous variables, construct validation, validation of the measurement model, validation of the structural model and hypothesis tests.

4.1 Preliminary Results

The general objective of the study was to investigate the effect of hotel star rating system dimensions on service expectations and customer satisfaction in star-rated hotels in the cities of Lilongwe and Blantyre in Malawi. Five objectives were investigated, and five hypotheses were tested in order to achieve the general objective. This was based on the premises that hotel rating system dimensions provide an array of features or attributes that the hotels may rely upon in order to enhance customer satisfaction. The two dimensions of hotel star rating system that emerged from literature for this study were basic registration standard and grading standard.

4.1.1 Response Rate

The need to examine response rate was based on the urge to ascertain whether the proportion of response was representative of the targeted population and could inform decisions on hotel rating system dimensions and customer satisfaction in the hotel context. Out of a sample of 225 hotel guests, 203 participated in the study, thus giving an overall response rate of 90.2% as shown in Table 4.2. Based on recommendations by Draugalis, Coons and Plaza (2008) the goal of researchers should be to achieve

response rates of approximately 60%, hence, this study's response rate (90.2%) was found to be suitable.

Table 4.1: Response Rate

Hotel Star Ratings (Strata)	Number of Hotels selected from each Stratum	Expected Sample Size	Number of Respondents	Response Rate (%)
2	3	56	51	91.1
3	3	57	49	86.0
4	4	56	53	94.6
5	1	56	50	89.3
Total	**11**	**225**	**203**	**90.2**

Source: Survey Data (2018)

4.1.2 Missing Data

The extent of missing data in the study was examined using the Missing Completely At Random (MCAR) technique. The assumption herein was that events leading to missing data were independent of observable and unobservable parameters and occurred entirely at random (Polit & Beck, 2017). The results indicated lack of missing values from the 203 respondents on the measurement of both exogenous and endogenous variables, guaranteeing SEM's statistical power on the collected data, thereby, allowing estimation of model parameters and testing the hypotheses.

4.1.3 Outliers

Outliers are identified as extreme values that may occur on one variable (univariate) or on a combination of variables (multivariate), and which may result in biased estimates that could have an undesired influence on population parameters (Aguinis *et al.*, 2013). Outliers may occur as a result of a host of reasons that may include human error,

instrument errors, deceptive behaviour or natural deviations in the population (Hodge, 2014).

Univariate outliers were examined for each set of the latent variables using box plots. The SPSS descriptive statistics-explore command was used to generate box plots from which existence of outliers was assessed. In each case, outliers were shown as numbered cases beyond the whiskers.

Basic Registration Standard

Basic registration standard was the first exogenous latent variable and was measured using five indicators namely: bedroom structure, public areas, service types, safety & security, and staff skills. Examination of the box plot for basic registration standard revealed that case 47 was an outlier (Figure 4.1) and therefore it was deleted from further analysis.
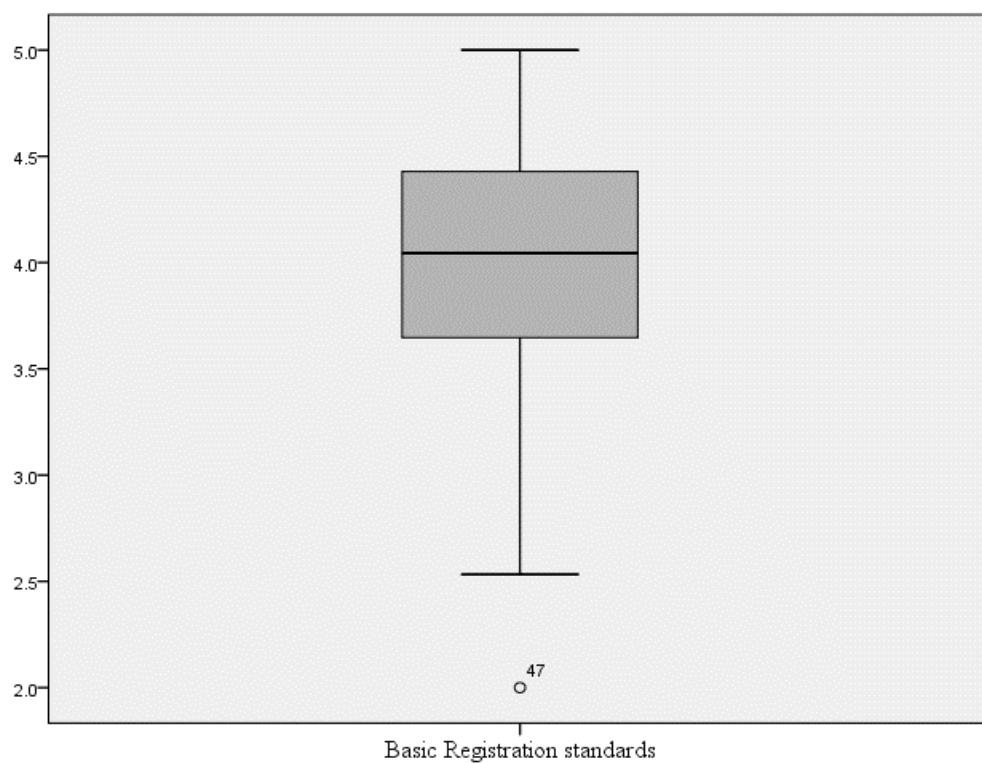
Figure 4.1: A Box Plot for Basic Registration Standard showing Outliers

Source: Survey Data (2018)

Grading Standard

The latent variable, grading standard, was the second exogenous variable and was measured using five observable indicators namely: structural features, furniture/fittings/décor, food & beverage, service types, and other features/hotel added extras. As evident in Figure 4.2, the variable had three outliers (cases 11, 35 and 47). The three cases were therefore deleted from further analysis.
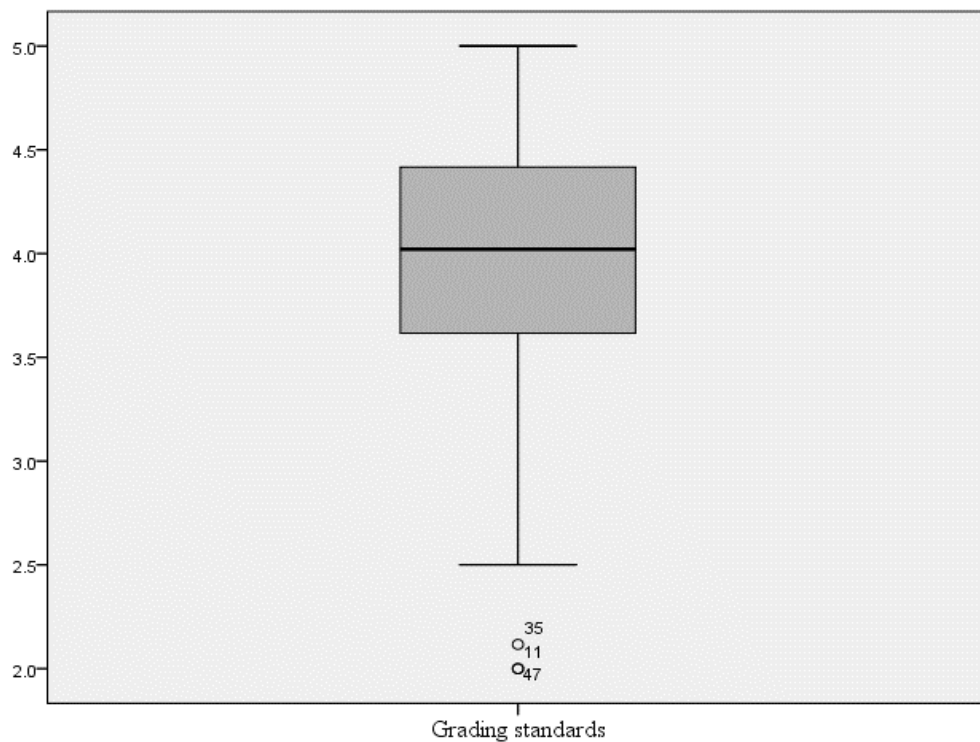
Figure 4.2: A Box Plot for Grading Standard showing Outliers
Source: Survey Data (2018)

Service Expectations

Service expectations was conceptualised as the first endogenous latent variable and was measured using two indicators; adequate service and desired service. Service expectations was found to have two outliers, that is, cases 35 and 47 (Figure 4.3). The two cases were eliminated from further analysis.
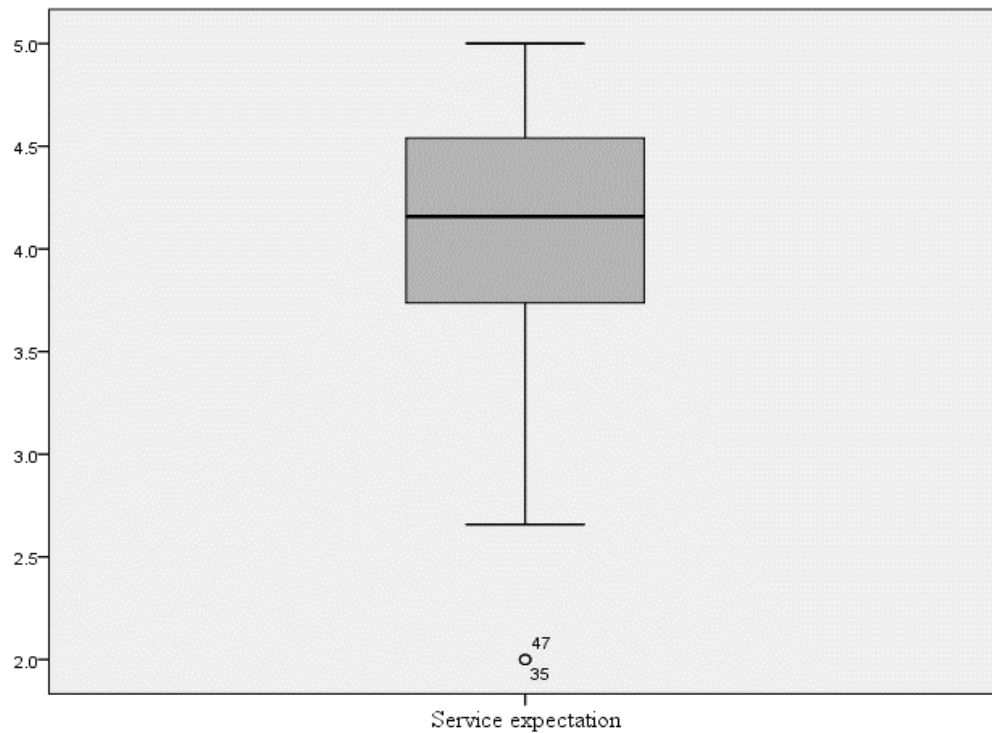
Figure 4.3: A Box Plot for Service Expectations showing Outliers

Source: Survey Data (2018)

Customer Satisfaction

Customer satisfaction conceptualised as the second endogenous latent variable, was measured using three indicators, i.e., material products, hotel environment and staff behaviour and attitude. Examination of outliers in customer satisfaction isolated cases 47 and 138 as outliers (Figure 4.4), consequently, the two outliers were deleted.
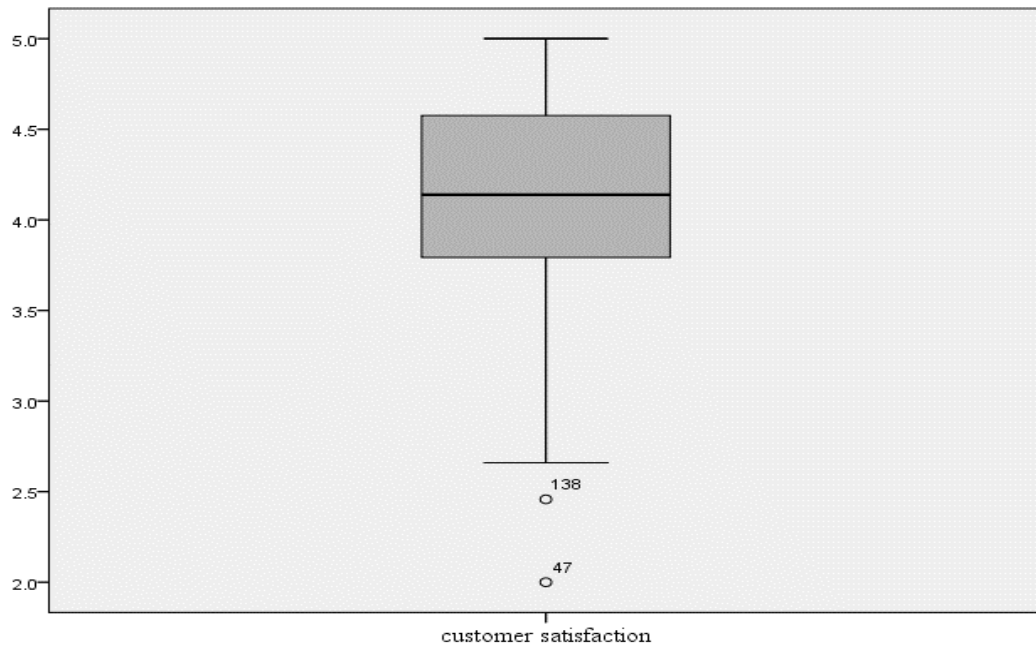
Figure 4.4: A Box Plot for Customer Satisfaction showing Outliers

Source: Survey Data (2018)

A total of four distinct univariate outliers (cases 11, 35, 47 and 138) were identified in the four constructs and consequently deleted thereby leaving 199 cases for further analysis.

Multivariate outliers were tested using AMOS's Mahalanobis distance statistic. Cases with the highest Mahalanobis D-square values and probabilities of less than 0.001 were considered outliers. The 'normality check' command in AMOS produced a listing of the top one hundred observations (see Table 4.2) arranged according to their Mahalanobis distances and probabilities associated with those distances. Cases 3, 55, 147, 59, 66, 70, 102 and 135 had Mahalanobis distances whose probabilities were less than 0.001. These eight cases were adjudged to be multivariate outliers and were deleted. As a result, a total of 191 cases were retained for further analyses. Although a sample of 191 is smaller than 200 as suggested by rule of thumb, Wolf *et al.* (2013) assert that a sample size in the range of 30 to 460 cases can still bring out meaningful patterns of population parameters using SEM.

Table 4.2: Mahalanobis Distance Results

Observations farthest from the centroid (Mahalanobis distance)								
Obs. number	Mah d-squared	p1	Obs. number	Mah d-squared	p1	Obs. number	Mah d-squared	p1
3	63.18476	.00000	5	19.6607	.14121	85	13.63620	.47715
147	50.17796	.00001	45	19.5137	.14623	139	13.61969	.47841
55	48.68060	.00001	140	19.2689	.15492	24	13.49132	.48825
59	45.21313	.00004	154	18.8957	.16897	194	13.49132	.48825
66	41.11692	.00017	8	18.8783	.16965	69	13.37800	.49700
102	39.00672	.00036	6	18.5631	.18232	80	13.35131	.49907
70	38.88487	.00038	152	18.5263	.18385	115	13.34931	.49922
135	37.62081	.00059	189	18.5263	.18385	83	13.31734	.50170
186	36.61927	.00102	87	18.3435	.19158	57	13.30388	.50275
95	36.04071	.00103	73	17.9471	.20920	13	13.21265	.50985
122	34.30660	.00186	127	17.8612	.21317	25	13.12303	.51686
19	31.48939	.00473	1	17.6915	.22119	195	13.12303	.51686
149	29.22785	.00973	77	17.6547	.22296	165	13.10801	.51804
129	28.78259	.01118	137	17.5003	.23049	14	12.93599	.53157
11	28.28816	.01303	89	17.4210	.23443	128	12.69933	.55032
2	28.07607	.01390	151	17.3293	.23905	144	12.69244	.55087
67	28.03978	.01406	188	17.3293	.23905	88	12.58965	.55906
78	27.84902	.01490	23	17.0991	.25094	142	12.54329	.56276
46	27.84193	.01493	183	17.0759	.25215	181	12.51365	.56512
98	27.59709	.01608	9	16.8978	.26166	27	12.41628	.57291
182	26.94371	.01958	118	16.8689	.26323	197	12.41628	.57291
161	26.12531	.02495	29	16.3322	.29351	141	12.13744	.59527
145	24.24174	.04283	199	16.3322	.29351			
41	23.85852	.04766	184	16.0701	.30911			
91	23.51885	.05233	155	16.0439	.31070			
74	23.25219	.05629	148	15.9359	.31730			
64	22.13252	.07593	58	15.6837	.33306			
179	22.13252	.07593	136	15.4210	.34999			
33	21.82978	.08218	90	14.9243	.38335			
47	21.79112	.08301	138	14.8101	.39126			
164	21.66319	.08580	109	14.7262	.39712			
71	20.92682	.10352	44	14.6399	.40320			
150	20.92113	.10367	49	14.4595	.41607			
187	20.92113	.10367	106	14.3658	.42282			
68	20.89326	.10440	32	14.1951	.43527			
133	20.38064	.11859	131	14.0652	.44486			
94	19.84366	.13515	163	13.6734	.47431			

Source: Survey Data (2018)

4.1.4 Test of Normality Assumption

The study used Q-Q plots to examine normality of data distributions in each of the four

latent variables.

Normality of the Basic Registration Standard Construct

Rank ordered values of basic registration standard were plotted against expected normal

distribution values of the construct (Wickham *et al.*, 2015). As displayed in Figure 4.5,

the plotted data largely followed a diagonal line produced by a normal distribution.

Data at the extreme ends were associated with slight curved patterns. Nonetheless, the

normality requirement for basic registration standard was met.
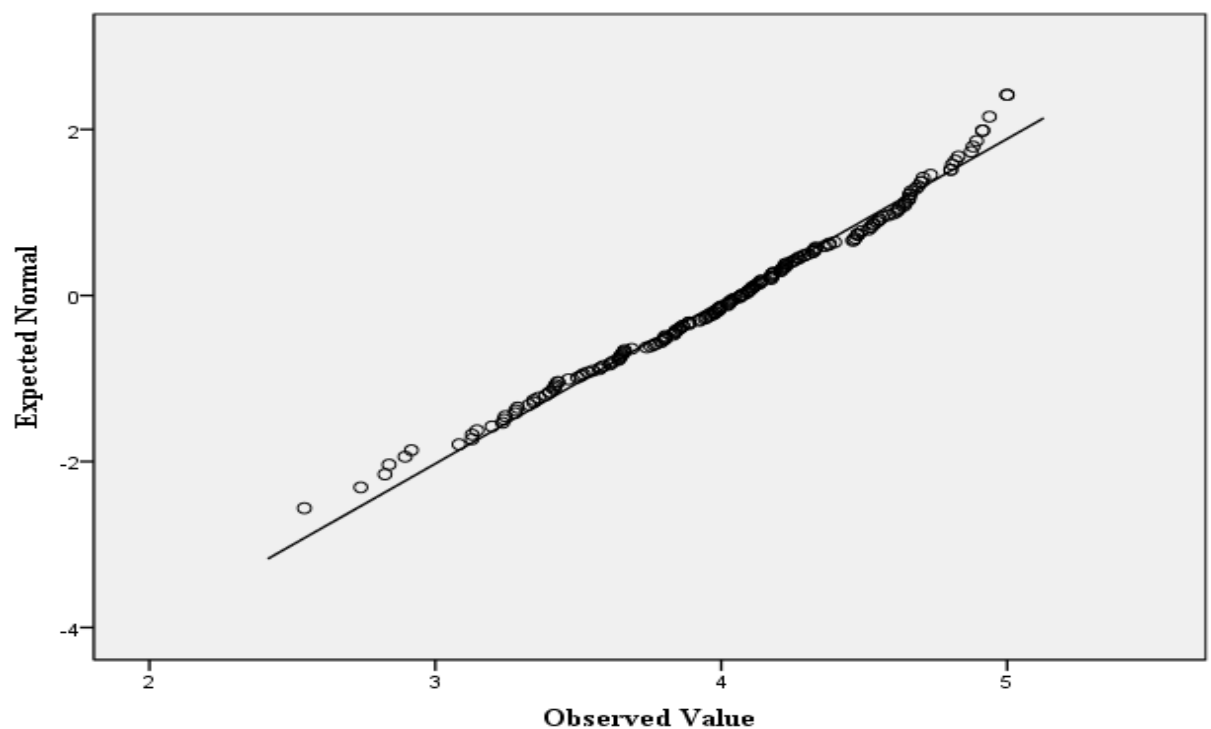
Figure 4.5: Q-Q Plot of Basic Registration Standard

Source: Survey Data (2018)

Normality of the Grading Standard Construct

The plot of the rank ordered values of the grading standard construct against the expected normal distribution values revealed that the rank ordered values largely followed the diagonal line bar, except for a few points at the extremes (Figure 4.6), hence the normality assumption of grading standards was met.
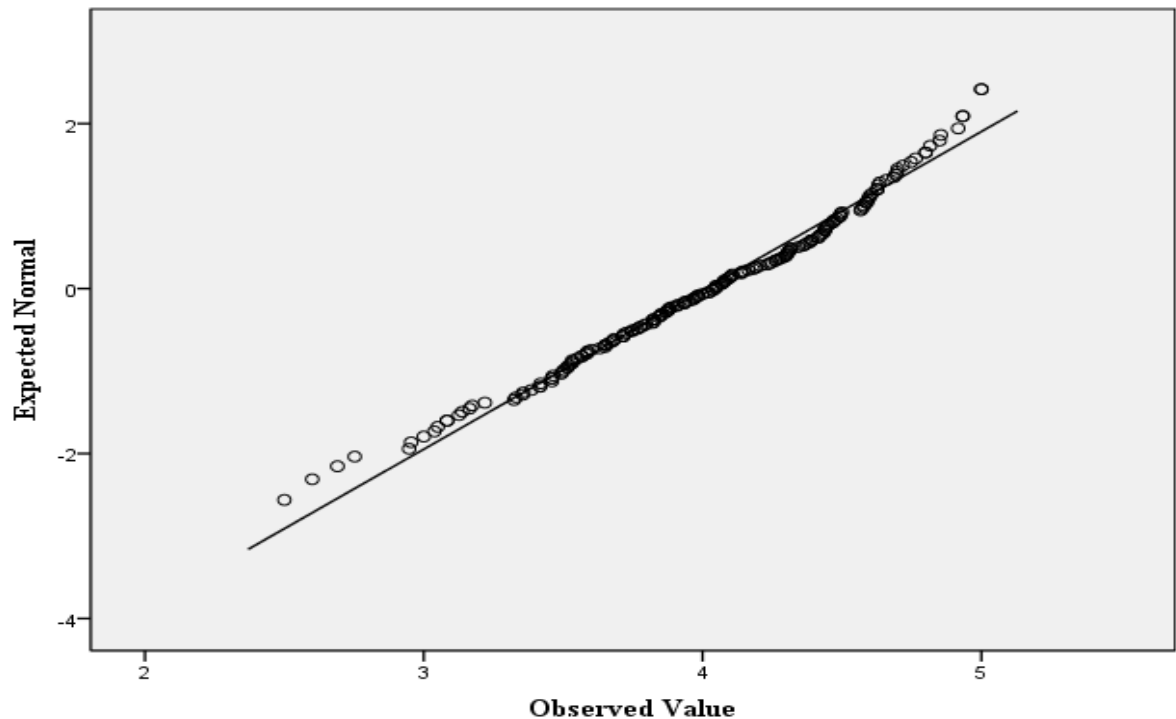
Figure 4.6: Q-Q Plot of Grading Standard
Source: Survey Data (2018)

Normality of the Service Expectation Construct

Rank ordered values of the service expectation variable were plotted against the expected normal distribution values. Results revealed that dots stayed close to the diagonal line especially in the central area (Figure 4.7). The lower extreme however revealed values that appeared larger than expected leading to some slight negative skew that was nonetheless not serious. Normality assumption was therefore met for service expectation distribution.
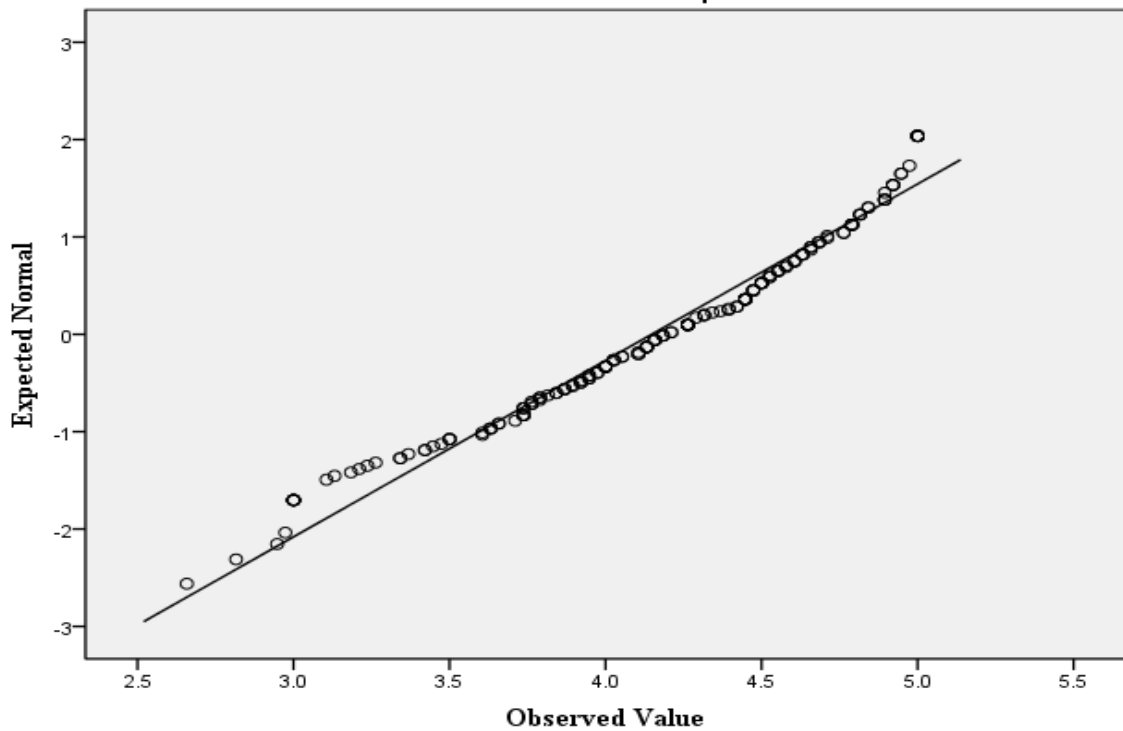
Figure 4.7: Q-Q Plot of Service Expectation

Source: Survey Data (2018)

Normality of Customer Satisfaction Construct

The plot of the rank ordered values of the customer satisfaction construct against the expected normal distribution revealed that data points closely followed the diagonal line except for a few points at the upper extreme (Figure 4.8) thus indicating that normality assumption was met.
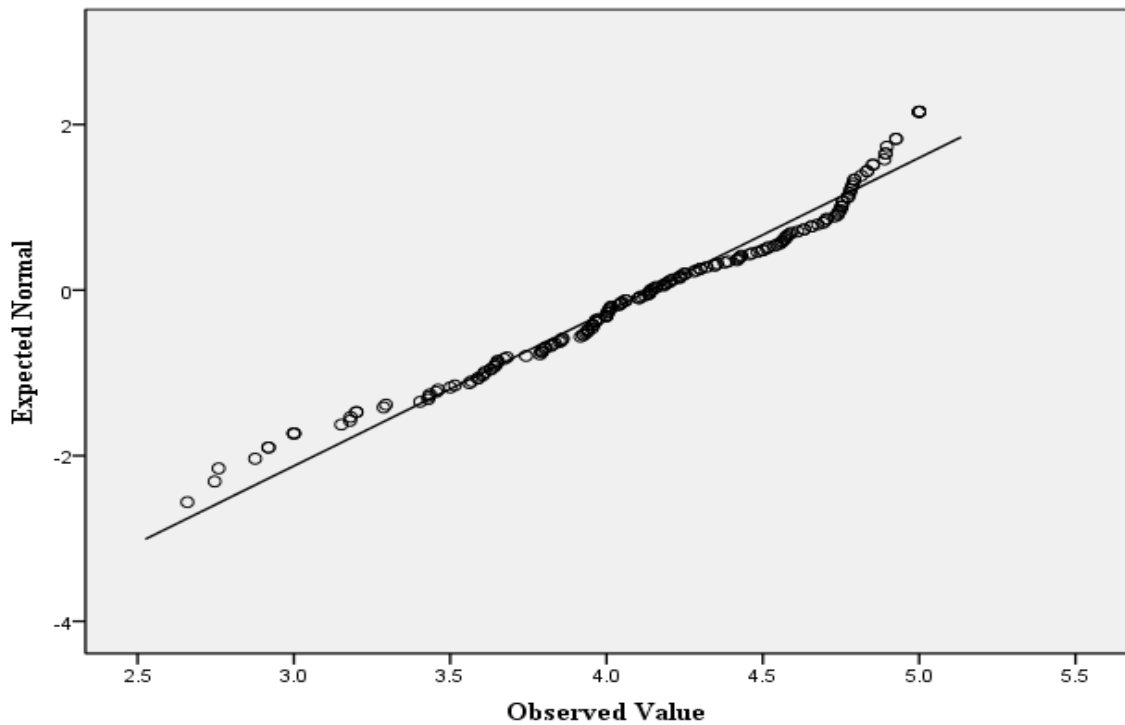
Figure 4.8: Q-Q Plot of Customer Satisfaction

Source: Survey Data (2018)

4.1.5 Testing Unidimensionality

Principal components factor analysis (PCA) was performed on all the indicators of the four latent variables under study to confirm whether the items within the indicators were unidimensional. The Kaiser–Meyer–Olkin (KMO) that requires factors with Eigen values greater than 1, as well as Bartlett's Test of Sphericity (completeness), were used to test sampling adequacy and completeness, respectively. KMO was expected to have a minimum of 0.6, while Bartlett's measure was required to be significant at 5% level (Costello & Osborne, 2005; Tabachnick & Fidell, 2013), with factor loadings expected to be above the 0.5 cut-off for acceptable loadings (Truong & McColl, 2011).

4.1.5.1 Unidimensionality of Basic Registration Standard Indicators

Each of the five indicators of basic registration standard was assessed for unidimensionality.

Bedroom Structure

Six items were initially identified to measure bedroom structure in star rated hotels. PCA was conducted to verify item loadings through which unidimensionality could be ascertained and redundant items omitted from further analysis. The KMO value of 0.854 indicated that sampling was adequate (Table 4.3). Besides, the significant Bartlett's test of sphericity ($\chi^2 = 378.345$, p<0.05) signified that sampling provided for completeness in data collected under bedroom structure. All the six items loaded highly on one factor and explained up to 54.938% of the variance in bedroom structure. High loadings signified unidimensionality among bedroom structure items.

Table 4.3: Factor Structure for Bedroom Structure

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Basic Registration Standard			
Bedroom Structure		**3.296**	**54.938**
Bedroom lighting is suitable	.787		
Bedroom linen is comfortable	.766		
Bedroom furniture is modern looking	.759		
Electrical requirements are adequate	.744		
Sanitary installations are in perfect condition	.700		
Info and communication system available	.686		
Kaiser-Meyer-Olkin Measure	*.854*		
Bartlett's Test of Sphericity ($\chi^2 = 378.345$, p<0.05)			

Source: Survey Data (2018)

Public Areas

Suitability of designated public areas in the star rated hotels was measured using seven items. Results of PCA (Table 4.4) revealed that sampling was adequate (KMO = 0.806) and that sampling provided for completeness (χ^2 = 452.182, p<0.05). All the seven items loaded on one factor and explained 50.181% of the variance in the public areas indicator. Unidimensionality with respect to items used in the public area indicator was therefore met.

Table 4.4: Factor Structure for Public Areas

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Basic Registration Standard			
Public Areas		**3.513**	**50.181**
Corridors are well illuminated	.760		
Reception area is visually appealing	.739		
Temperature in the public areas is appropriate	.726		
Appropriate common outdoor areas for guests	.694		
Banquet/conference rooms are well equipped	.685		
Public restrooms are always neat	.677		
Artifacts & paintings add good image	.673		
Kaiser-Meyer-Olkin Measure	*.806*		
Bartlett's Test of sphericity (χ^2 = 452.182, p<0.05)			

Source: Survey Data (2018)

Service Types Offered

Seven items were initially proposed to measure types of services offered by star rated hotels in Malawi. PCA extracted two categories of services which the researcher named "meal services" and "ancillary services" (Table 4.5). Sampling was found to be

adequate and provided for completeness (KMO = 0.745; χ^2 = 310.927, p<0.05). The seven items loaded highly on the two factors (categories of services) and explained cumulatively, 58.059% of the variance in services offered. Absence of item cross-loading confirmed unidimensionality among items used to measure the services indicator.

Table 4.5: Factor Structure for Types of Services Offered

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Basic Registration Standard			
Meal Services		**2.391**	**34.151**
Meals services are excellent	.787		
Room service is worth value for money	.776		
Beverage selection is impressive	.698		
Convenient operating hours	.560		
Service orders are taken with prompt response	.555		
Ancillary Services		**1.674**	**58.059**
Regular shuttle buses and taxis to the airport	.887		
Valet and laundry service is available	.825		
Kaiser-Meyer-Olkin Measure	.745		
Bartlett's Test of sphericity (χ^2 = 310.927, p<0.05)			

Source: Survey Data (2018)

Safety and Security

Provision of safety and security among the hotels was initially measured using five items. PCA revealed that sampling was adequate and complete (KMO = 0.771; χ^2 = 208.493, p<0.05). All the five items loaded on one factor and accounted for 50.252%

of the variance in safety and security (Table 4.6). Unidimensionality with respect to safety and security was confirmed.

Table 4.6: Factor Structure for Safety and Security

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Basic Registration Standard			
Safety & Security		**2.513**	**50.252**
Layout/landscape provides safe access	.767		
Adequate security for guests and belongings	.750		
Electrical appliances are installed properly	.738		
Refuse and garbage regularly disposed off	.711		
Emergency evacuation procedures displayed	.557		
Kaiser-Meyer-Olkin Measure	*.771*		
Bartlett's Test of sphericity ($\chi^2 = 208.493$, p<0.05)			

Source: Survey Data (2018)

Staff Skills

Six items were initially proposed to measure hotel staff skills. PCA extracted only one factor (Table 4.7). Sampling was found to be adequate and complete (KMO = 0.886; χ^2 = 552.959, p<0.05). All the items loaded highly on the one factor extracted and explained 63.369% of the variance in staff skills.

Table 4.7: Factor Structure for Staff Skills

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Basic Registration Standard			
Staff Skills		**3.802**	**63.369**
Staff appear well-trained	.861		
Staff have a good command of language	.816		
Staff appear well-groomed and neat	.793		
Staff are consistently courteous	.781		
Staff have knowledge to answer questions	.780		
Staff capacity is well-balanced in all service areas	.739		
Kaiser-Meyer-Olkin Measure *Bartlett's Test of sphericity ($\chi^2 =$* *552.959, p<0.05)*	.886		

Source: Survey Data (2018)

4.1.5.2 Unidimensionality of Grading Standard Indicators

Grading standard was measured using five indicators, each of which was tested for unidimensionality. The recommended factor loading cut off was set at 0.5 for acceptable loadings (Truong & McColl, 2011).

Structural Features

Twelve items were proposed to measure structural features available in the star rated hotels under study. Although sampling was adequate and complete (KMO = 0.921; χ^2 = 1278.994, p<0.05), only nine of the twelve items loaded highly on one factor, and accounted for 53.952% of the variance in structural features (Table 4.8). The nine items were retained for further analyses involving structural features indicator.

Table 4.8: Factor Structure for Structural Features

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Grading standard			
Structural features		**6.474**	**53.952**
Building has clean overall look of the hotel	.690		
Driveway and entrance are well-maintained	.615		
Good external lighting around the hotel	.612		
Grounds and gardens are well-tended	.588		
Parking space/bay is marked and adequate	.578		
Guest facilities are in good state of repair	.567		
Paintwork is well-maintained on the hotel building	.535		
Hotel signage is very clear	.516		
Guest facilities are adequate	.507		
Kaiser-Meyer-Olkin Measure *Bartlett's Test of Sphericity ($\chi^2 =$* *1278.994, p<0.05)*	*.921*		

Source: Survey Data (2018)

Furniture/fittings/décor

Suitability of furniture/fittings/décor was measured using twelve items. All the twelve items loaded highly on two factors and were named "décor and ambience", and "guestroom essentials". These factors explained a cumulative total of 62.061% of the variance in furniture/fittings/décor (Table 4.9). None of the items cross loaded on the two factors thereby confirming unidimensionality among them. Moreover, sampling was adequate and complete (KMO = 0.914; χ^2 = 1247.970, p<0.05).

Table 4.9: Factor Structure for Furniture/fittings/décor

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Grading Standard **Furniture/Fittings/Décor**			
Décor and Ambience		3.963	33.026
Proper coordination of pictures, paintings & other objects	.841		
Proper coordination of patterns, colours & textures	.809		
Wall cover provides pleasant decor	.799		
Furniture & furnishings offer high degree of comfort	.754		
Bedroom soft furnishings & linen are of good quality	.612		
Bedroom lighting is effective for all purposes	.606		
Bedrooms are spacious with good layout	.547		
Guestroom Essentials		3.484	62.061
A range of toiletries in the bathroom is adequate	.769		
Bathroom linen is full range with clean towels	.765		
A wide range of bedroom accessories	.765		
Ceiling is of high quality with no watermarks	.626		
No intrusive noise from public areas	.626		
Kaiser-Meyer-Olkin Measure Bartlett's Test of Sphericity ($\chi^2 = 1247.970, p<0.05$)	*.914*		

Source: Survey Data (2018)

Food and Beverage

Responsiveness to food and beverage among the star rated hotels was measured using

seven items. However, only six items were extracted and loaded highly on one factor,

explaining 60.109% of the variance in responsiveness to food and beverage (Table

4.10). Sampling was adequate and complete (KMO = 0.885; χ^2 667.683, p<0.05) and the unidimensionality requirement with respect to food and beverage was met.

Table 4.10: Factor Structure for Food and Beverage

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Grading standard			
Food & Beverage		**4.208**	**60.109**
Table appointments are appropriate with quality utensils	.708		
Meals are presented on plates with attractive visual appeal	.690		
Menu presentation is clear with informative layout	.678		
Hotel provides a variety of food on all menus	.574		
Dining area has no intrusive noise and smells	.532		
Beverages are set in clear sections with options	.527		
Kaiser-Meyer-Olkin Measure *Bartlett's Test of Sphericity (χ^2 = 667.683, p<0.05)*	.885		

Source: Survey Data (2018)

Staff Rapport

Seven items were used to measure staff rapport in star rated hotels under study. The KMO value of 0.925 indicated adequacy in sampling. Similarly, the Bartlett's measure of sphericity ($\chi^2 = 339.560$, p<0.05) indicated that sampling was complete. All the seven items were extracted and loaded highly on one factor. The seven items explained cumulatively 71.825% of the variance in staff rapport and were unidimensional (Table 4.11).

Table 4.11: Factor Structure for Staff Rapport

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Grading Standard			
Staff Rapport		**5.028**	**71.825**
Staff always attempt to establish good rapport with you	.771		
Staff always meet your demands	.741		
Staff provide individual attention to you	.722		
Staff behaviour instills confidence in you	.721		
Staff are always willing to help you and are efficient	.705		
Staff are warm, respectful, cheerful and friendly	.694		
Staff provide information about the hotel to guests	.674		
Kaiser-Meyer-Olkin Measure Bartlett's Test of Sphericity ($\chi^2 = 992.622, p<0.05$)	*.925*		

Source: Survey Data (2018)

Hotel Added Extras

Provision of other features or hotel added extras within the star rated hotels was examined using four items. The indicator met the required adequacy and completeness in sampling (KMO = 0.731; $\chi^2 = 339.560$, p< 0.05). All the four items were extracted and loaded highly on one factor that accounted for 67.780% of the variance in hotel added extras and were unidimensional (Table 4.12).

Table 4.12: Factor Structure for Hotel Added Extras

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Grading Standard			
Hotel Added Extras		**2.711**	**67.780**
Business centre is adequately equipped	.745		
Entertainment & other recreational facilities are adequate	.719		
Background music in the lounges is appropriate	.641		
Saloons/mini shops are available for your convenience	.606		
Kaiser-Meyer-Olkin Measure	*.731*		
Bartlett's Test of Sphericity (χ^2 = 339.560, p<0.05)			

Source: Survey Data (2018)

4.1.5.3 Unidimensionality of Service Expectation

Service expectation was measured using two indicators, adequate service and desired service. Both indicators had similar items since the items were answered prior and after service. Nineteen items were initially proposed to measure service expectations. Sampling was found adequate and complete (KMO = 0.942, χ^2 = 2848.058, p<0.05). Out of the nineteen items, only fourteen were extracted and loaded highly on two factors named "hotel amenities" and "hotel aesthetics". The two factors explained a cumulative 64.068% of the variance in service expectations (Table 4.13). Elimination of cross loaded items ensured that the remaining items were unidimensional.

Table 4.13: Factor Structure for Service Expectations

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Service Expectation			
Hotel Amenities		**6.453**	**33.964**
Hotel has comfortable beds	.783		
Staff are well informed about the hotel and local area	.778		
Hotel's physical facilities are visually appealing	.763		
Hotel has clean and comfortable bathrooms	.748		
Hotel provides you with all the services with ease	.739		
Your safety/security is guaranteed	.692		
Hotel operating hours are convenient to you	.673		
Staff behaviour instills confidence in you	.655		
Hotel Aesthetics		**5.720**	**64.068**
Entertainment/recreational facilities are for your convenience	.772		
Background/soft music is appropriate	.760		
Standard of housekeeping/cleanliness is high	.734		
Food & beverage service is efficient	.729		
Hotel decor, ambience & aesthetics are appropriate	.676		
Staff are never too busy to respond to your requests	.592		
Kaiser-Meyer-Olkin Measure *Bartlett's Test of Sphericity ($\chi^2 =$ 2848.058, p<0.05)*	.942		

Source: Survey Data (2018)

4.1.5.4 Unidimensionality of Customer Satisfaction

Each of the three indicators of customer satisfaction was assessed for unidimensionality. Factor loadings were expected to surpass the cut-off value of 0.5.

Material Products

A total of nine items were proposed to measure the material products indicator of customer satisfaction. PCA results presented in Table 4.14 revealed that sampling adequacy and completeness was met (KMO = 0.839; χ^2 = 602.346, p<0.05). Only six out of the nine items were extracted and loaded highly on two factors, named "foodservice and bedroom quality", and "conference facilities". The two factors cumulatively explained 57.854% of the variance in material products. The six items were unidimensional and were therefore used for further analyses involving material products.

Table 4.14: Factor Structure for Material Products

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Customer Satisfaction			
Material Products			
Foodservice and Bedroom Quality		**2.741**	**30.453**
Quality of food and beverage	.856		
Food and beverage service efficiency	.770		
Variety and menu choices	.644		
Comfort of the bedroom and accessories	.558		
Conference Facilities		**2.466**	**57.854**
Adequacy of the reception area, lounges/lobby	.861		
Conference facilities	.853		
Kaiser-Meyer-Olkin Measure	*.839*		
Bartlett's Test of Sphericity (χ^2 = 602.346, p<0.05)	*.000*		

Source: Survey Data (2018)

Hotel Environment

Suitability of the environment for star rated hotels under study was initially examined using ten items. Results of the PCA (Table 4.15) confirmed the adequacy and completeness of sampling with regards to this indicator (KMO=0.899; $\chi^2 = 865.364$, p<0.05). Seven of the ten items were extracted and loaded highly on one factor, which confirms unidimensionality. The seven extracted items explained cumulatively 51.863% of the variance in hotel environment.

Table 4.15: Factor Structure for Hotel Environment

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Customer satisfaction			
Hotel Environment		**5.186**	**51.863**
Spaciousness of facilities	.608		
Cleanliness and neatness of the hotel facilities	.602		
Furniture, furnishings and fittings	.591		
Ambience of public areas	.586		
Hours of operations	.555		
Size and layout of rooms	.548		
Combination of lighting and colour schemes/patterns	.508		
Kaiser-Meyer-Olkin Measure	*.899*		
Bartlett's Test of Sphericity ($\chi^2 = 865.364$, p<0.05)	*.000*		

Source: Survey Data (2018)

Behaviour and Attitude of Staff

Hotel staff behaviour and attitude was measured using four items. PCA confirmed that sampling was adequate and complete (KMO = 0.838; $\chi^2 = 474.798$, p<0.05). All the four items were extracted and loaded highly on one factor that explained up to 77.068%

of the variance in staff behaviour and attitude (Table 4.16). Unidimensionality requirement with regards to behaviour and attitude was therefore met.

Table 4.16: Factor Structure for Staff Behaviour and Attitude

Variables and Scales	Loading	Eigen values	Cumulative % Variance explained
Customer Satisfaction			
Staff Behaviour & Attitude		**3.083**	**77.068**
Friendliness, courtesy and charm of staff	.822		
Service is provided with smile and good sense of humour	.816		
Staff appearance/grooming	.730		
Staff competence	.714		
Kaiser-Meyer-Olkin measure	*.838*		
Bartlett's Test of sphericity ($\chi^2 = 474.798$)	*.000*		

Source: Survey Data (2018)

4.2 Demographic Profile of Respondents

Hotel guests' demographic profile was examined in terms of gender, level of education, frequency of hotel visits, purpose of hotel visit, and status of hotel stay. Of the 203 respondents, 191 had no missing data on the demographic aspects. The demographics in this study were used mainly to explore and describe more the population's characteristics rather than for the subsequent inferential statistical analyses undertaken. Graham (2009) advises that if the number of the cases with missing values is less than 6% (12 cases) of the sample size, then they can be ignored. On this basis, the missing values on demographics did not affect the power of the statistical procedures undertaken in SEM using AMOS 20.0. Hence, the missing data did not lead to any perceived biases in the estimation of the model parameters.

The results revealed that 65.4% of the respondents were male and that most of the guests (56.5%) were often booked on full board status. Guests on business missions constituted 84.3% of respondents, with 51.3% of guests having visited their favourite hotels for more than three times. Further, although a sizeable proportion (36.6%) were first degree holders, most of the respondents (41.4%) were postgraduates (Table 4.17).

Table 4.17: Respondents' Demographic Profile

Demographic Item	Category	Frequency (N*)	Percent
Gender	Male	125	65.4%
	Female	66	34.6%
Highest level of education	Secondary/high school	2	1.0%
	College/vocational school	40	20.9%
	Graduate degree	70	36.6%
	Postgraduate	79	41.4%
Frequency of hotel visit	Once	40	20.9%
	Twice	36	18.8%
	Thrice	17	8.9%
	More than three times	98	51.3%
Purpose of hotel stay	Business	161	84.3%
	Leisure	22	11.5%
	Other	8	4.2%
Status of hotel stay	Full board	108	56.5%
	Half-board	55	28.8%
	Bed & Breakfast	28	14.7%

***N** = 191

Source: Survey Data (2018)

4.3 Descriptive Exploration of Study Variables

Descriptive statistics were used to explore the study variables with a view to understanding their prevailing status in star rated hotels in Malawi. Response scores to

the questionnaire items for exogenous variables were elicited on a 5-point Likert type scale having the following options, 1 - Very low; 2 - Low; 3 - Neutral; 4 - High; and 5 - Very high. While the options for measuring service expectations (one of the endogenous variables), ranged from 1 - Very low; 2 - Low; 3 - Neutral; 4 - High; to 5 - Very high, those of customer satisfaction ranged from 1 – Very dissatisfied; 2 – Dissatisfied; 3 – Neutral; 4 – Satisfied, to 5 –Very satisfied.

4.3.1 Basic Registration Standard

The first objective of the study sought to establish the effect of basic registration standard on customer satisfaction in star rated hotels in Malawi. Basic registration standard was measured using five indicators and was conceptualised to have direct effects on both service expectations and customer satisfaction. Consequently, the five indicators were first explored to establish how they are currently perceived among guests in the sampled star rated hotels.

Bedroom Structure

Respondents were asked about their perceptions on various aspects of bedroom structure as presented in the various star rated hotels visited. The overall mean response score (*M=4.04*) with associated standard deviation (*SD = 0.710*) indicates that respondents perceived the structure of bedrooms in the star rated hotels highly. Besides, the small magnitude of the standard deviation confirms that respondents were consistent in their perceptions. On the overall, 81.1% of the respondents had generally high perceptions of the bedroom structure, with 56% of these respondents rating their perceptions of the bedroom structure highly, while 25.1% rated their perceptions very highly (Table 4.18).

Bedroom linen (*M=4.19, SD=0.767*); sanitary installations (*M=4.10, SD=0.852*); bedroom lighting (*M=4.08, SD=0.900*); and information and communication system (*M=4.06, SD=0.868*) were some of the bedroom structure aspects that received high perceptions from the hotel guests. Notably, of all the items, electrical requirements received the lowest perceptions (*M=3.91, SD=0.950*) (Table 4.18).

One of the interview participants at the Department of Tourism underscored the importance of hotels having appropriate bedroom structure even before the hotel embarks on the drive to be assessed for star grading:

> *We're looking/let's say, a hotel provides a bed, provides clean beddings, provides a toilet, very basic facilities ... it's like food, clean sanitary condition, bathrooms, toilets, cleaned ... and so forth ... and that's the first prerequisite for a hotel to actually go through the grading process ... if a hotel does not meet the minimum standards, you cannot go to the next level [to be graded] ...*
>
> [DOT03]

Table 4.18: Descriptive Statistics for Bedroom Structure

	Very low		Low		Neutral		High		Very high		*M*	*SD*
	n	%	n	%	n	%	n	%	n	%		
Bedroom furniture is modern looking	4	2.1%	10	5.2%	23	12.0%	93	48.7%	61	31.9%	4.03	.917
Electrical requirements are adequate	3	1.6%	15	7.9%	32	16.8%	87	45.5%	54	28.3%	3.91	.950
Bedroom lighting is suitable	1	0.5%	11	5.8%	31	16.2%	77	40.3%	71	37.2%	4.08	.900
Bedroom linen is comfortable	1	0.5%	3	1.6%	26	13.6%	89	46.6%	72	37.7%	4.19	.767
Info and communication system available	0	0.0%	10	5.2%	36	18.8%	77	40.3%	68	35.6%	4.06	.868
Sanitary installations are in perfect condition	1	0.5%	6	3.1%	36	18.8%	77	40.3%	71	37.2%	4.10	.852
Overall	**0**	**0.0%**	**4**	**2.1%**	**32**	**16.8%**	**107**	**56.0%**	**48**	**25.1%**	**4.04**	**.710**

Source: Survey Data (2018)

Public Areas

The second basic registration standard explored was suitability of designated public areas in star rated hotels in Malawi. Overall results (Table 4.19) suggest that respondents consistently perceived the areas designated for the public in the star rated hotels highly (*M=3.97, SD= 0.692*). Most respondents (57.1%) checked high on suitability of public areas, while 20.9% checked very high. In terms of mean response scores, illumination of corridors (*M=4.06, SD=0.844*); presence of artifacts and paintings (*M=4.05, SD=0.854*); and appropriateness of common outdoor areas (*M=4.04, SD=0.964*) were elements of public areas that were quite appealing to the respondents. However, banquet/conference rooms (*M=3.85, SD=0.884*) and ambient conditions such temperature (*M=3.85, SD=0.842*) received lower perceptions than the rest of the aspects of public areas.

Table 4.19: Descriptive Statistics for Public Areas

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Reception area is visually appealing	1	0.5%	11	5.8%	40	20.9%	88	46.1%	51	26.7%	3.93	.867
Artifacts & paintings add good image	1	0.5%	8	4.2%	35	18.3%	84	44.0%	63	33.0%	4.05	.854
Banquet/conference rooms are well equipped	1	0.5%	9	4.7%	58	30.4%	73	38.2%	50	26.2%	3.85	.884
Public restrooms are always neat	0	0.0%	5	2.6%	54	28.3%	87	45.5%	45	23.6%	3.90	.785
Temperature in the public areas is appropriate	0	0.0%	12	6.3%	48	25.1%	88	46.1%	43	22.5%	3.85	.842
Corridors are well illuminated	1	0.5%	5	2.6%	41	21.5%	78	40.8%	66	34.6%	4.06	.844
Appropriate common outdoor areas for guests	1	0.5%	15	7.9%	34	17.8%	67	35.1%	74	38.7%	4.04	.964
Overall	**0**	**0.0%**	**3**	**1.6%**	**39**	**20.4%**	**109**	**57.1%**	**40**	**20.9%**	**3.97**	**.692**

Source: Survey Data (2018)

Service Types

Respondents were asked their perceptions on types of services offered at star rated hotels that they have visited. The overall mean response score and associated standard deviation (*M=3.96, SD=0.668*) indicated a consistent perception of service being high in star rated hotels in Malawi (Table 4.20). Convenience in operating hours (*M=4.17, SD=0.856*); excellent meal service (*M=4.00, SD=0.858*), and room service being worthy (*M=3.98, SD=0.788*) were particularly perceived as elements of service that were more attractive to guests. Nonetheless, regular shuttle buses and taxis to the airport (*M=3.68, SD=1.066*) had the lowest perception score among guests compared to the other service types. The proportion of respondents that were neutral on perception towards service types (24.1%) was rather large and of concern.

In addressing the importance of the aspect of hotel services and how customer expectations vary among hotel star categories, one of the hotel managers said:

> *the expectation to the client is like mostly [the] kind of services they are going to expect/to have here … a service that a one-star hotel can offer, in two star is different even in three star is different … so mostly it's about services and also the kind of furniture they'll have … like almost everything the way the hotel look* (sic)*, people, reception, everything … so if it's a low star they expect low, if it's the higher the star, the higher the expectations and the lower the star, the lower the expectation about the services …*

> [HMR02]

Table 4.20: Descriptive Statistics for Service Types

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Convenient operating hours	0	0.0%	6	3.1%	38	19.9%	64	33.5%	83	43.5%	4.17	.856
Room service is worth value for money	0	0.0%	3	1.6%	52	27.2%	82	42.9%	54	28.3%	3.98	.788
Meals services are excellent	0	0.0%	8	4.2%	46	24.1%	75	39.3%	62	32.5%	4.00	.858
Beverage selection is impressive	3	1.6%	16	8.4%	47	24.6%	76	39.8%	49	25.7%	3.80	.971
Service orders are taken with prompt response	1	0.5%	15	7.9%	50	26.2%	74	38.7%	51	26.7%	3.83	.931
Regular shuttle buses and taxis to the airport	8	4.2%	16	8.4%	53	27.7%	67	35.1%	47	24.6%	3.68	1.066
Valet and laundry service is available	0	0.0%	9	4.7%	50	26.2%	71	37.2%	61	31.9%	3.96	.879
Overall	**0**	**0.0%**	**0**	**0.0%**	**46**	**24.1%**	**106**	**55.5%**	**39**	**20.4%**	**3.96**	**.668**

Source: Survey Data (2018)

Safety and Security

Safety and security as an indicator of hotels' basic registration standard was measured using five items. The overall mean response score and associated standard deviation (*M=4.13, SD=0.661*) indicated that respondents' tended to rate hotels safety and security highly and in a consistent manner (Table 4.21).

Respondents clearly appeared particularly satisfied with among other safety initiatives, such as, safe access provided by the landscape (*M=4.31, SD=0.693*), the adequacy of security for guests and their belongings (*M=4.17, SD=0.772*), the regular disposal of refuse and garbage (*M=4.13, SD=0.826*) and the proper installation of electrical appliances (*M=4.07, SD=0.895*). However, the display of emergency evacuation

procedures (*M=3.81, SD=0.984*) registered the lowest mean score of perception among the hotel guests.

Table 4.21: Descriptive Statistics for Safety and Security

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Refuse and garbage regularly disposed off	0	0.0%	6	3.1%	36	18.8%	76	39.8%	73	38.2%	4.13	.826
Adequate security for guests and belongings	0	0.0%	3	1.6%	34	17.8%	81	42.4%	73	38.2%	4.17	.772
Layout/landscape provides safe access	0	0.0%	3	1.6%	16	8.4%	90	47.1%	82	42.9%	4.31	.693
Emergency evacuation procedures displayed	6	3.1%	9	4.7%	51	26.7%	75	39.3%	50	26.2%	3.81	.984
Electrical appliances are installed properly	1	0.5%	10	5.2%	34	17.8%	76	39.8%	70	36.6%	4.07	.895
Overall	**0**	**0.0%**	**1**	**0.5%**	**28**	**14.7%**	**108**	**56.5%**	**54**	**28.3%**	**4.13**	**.661**

Source: Survey Data (2018)

One of the hotel managers asserted that security and safety play a major role in the customer decision making process when selecting a hotel to stay in, particularly the location:

> *So, of course when people are booking, and there's/someone is looking for four star, people automatically associate four star with certain international requirements: security, safety, food and beverage, already ... so, if you have that, you know, from a guest perspective, and from us as a hotel, it definitely helps because it does assist people in [choosing a hotel], you know, we need X, Y, Z ... and there's a four star, okay ... let's focus on that one ...*

[HMR04]

Another hotel manager stated that besides safety and security, standards of hygiene of the hotel play a significant role to the guests' perceptions.

> *... minimum requirements they form a basis for a standard like what the guests should expect at minimum ... so usually, and most of the standards, especially the minimum requirements they ensure that there's safety for the guest, hygiene as well, and also value for money for the guest ... so that's how important they become in the aspect of the guest.*

[HMR01]

Staff Skills

Respondents were asked to indicate how they perceive staff skills in star rated hotels. The overall response among the respondents (Table 4.22) indicated that there were consistent and high perceptions of staff skills ($M=4.22, SD=0.689$). Among the staff skills attributes highly recognized include: staff courtesy ($M=4.28, SD=0.763$); staff grooming and neatness ($M=4.19, SD=0.856$); and staff capacity in all service areas ($M=4.13, SD=0.805$), although staff knowledge to respond to questions ($M=4.09, SD=0.780$); staff appearing well-trained ($M=4.09, SD=0.796$); and staff command of languages ($M=4.09, SD=0.802$) were perceived slightly lower than the rest of the aspects of staff skills.

Table 4.22: Descriptive Statistics for Staff Skills

	Very low		Low		Neutral		High		Very high		M	SD
	F	%	F	%	F	%	F	%	F	%		
Staff have knowledge to answer questions	0	0.0%	2	1.0%	44	23.0%	80	41.9%	65	34.0%	4.09	.780
Staff appear well-groomed and neat	1	0.5%	7	3.7%	28	14.7%	74	38.7%	81	42.4%	4.19	.856
Staff appear well-trained	0	0.0%	3	1.6%	43	22.5%	78	40.8%	67	35.1%	4.09	.796
Staff have a good command of language	0	0.0%	5	2.6%	38	19.9%	82	42.9%	66	34.6%	4.09	.802
Staff are consistently courteous	0	0.0%	4	2.1%	24	12.6%	77	40.3%	86	45.0%	4.28	.763
Staff capacity is well-balanced in all service areas	1	0.5%	3	1.6%	36	18.8%	82	42.9%	69	36.1%	4.13	.805
Overall	**0**	**0.0%**	**0**	**0.0%**	**29**	**15.2%**	**91**	**47.6%**	**71**	**37.1%**	**4.22**	**.689**

Source: Survey Data (2018)

Another finding suggests that some star rated hotels in Malawi have put in place mechanisms that equip staff to perform better. For example, the use of standard operating procedures could be one way of ensuring that staff consistently deliver the services to the satisfaction of the customers. When asked on staff skills, one hotel manager stated that:

> *You've to have set standards of operation … once those set standards of operation are in place, you have to train them [the staff] and ensure that they're consistent and ensure that service delivery is consistent … so that's key …*
>
> [HMR02]

The issue of meeting minimum requirements before registration is also well collaborated by one interview participant from the Department of Tourism who indicated that:

... before we give a license to any operator, in this case, in the accommodation sector, we inspect them for minimum requirements first ... So first of all, they have to meet minimum requirements. Minimum requirements mainly are to do with the basics that a hospitality unit can provide ... for you to be assessed for star grading, first of all you have to meet the minimum standards, and then you must meet the minimum criteria for star grading. So, you find that there are lots of units in Malawi or maybe they are over ... a thousand accommodation units. But those that are gradable, perhaps are in the region of fifty or sixty only.

[DOT01]

Although basic registration standard represents minimum standards and influence both service expectations and customer satisfaction, one of the participants noted that:

When you go/look at minimum standards, they don't go an extra mile in adding luxury and comfort to a guest ... at minimum, the expectations as a guest, are not that high ... you know that you're dealing with a very basic service delivery property ... a graded unit say one star, yes, you've got expectations, they're low, but becomes gradual, if it goes to two you've got higher expectations ... three and so on ... yes, there's a big difference in terms of expectations or even in terms of experience ...

[DOT03]

4.3.2 Grading Standard

The second objective of the present study examined the effect of grading standard on customer satisfaction on star rated hotels in Malawi. Hence, the prevailing status of each of the five indicators of grading standards was examined.

Structural Features

Respondents were asked how they perceived structural features available in star rated hotels in Malawi. The overall mean response score together with the associated standard deviation (*M=4.08, SD=0.706*) indicates a consistent and high perception among hotel guests with regards to structural features available in star rated hotels in Malawi. On

the overall, 51.8% of the respondents rated their perceptions of structural features highly while 26.7% rated them very highly (Table 4.23).

Among the features that were very impressive to the respondents based on their perceptions includes: well-tended grounds and gardens (*M=4.20, SD=0.782*); well-maintained drive ways and entrances (*M=4.16, SD=0.825*); overall clean look of the hotels (*M=4.12, SD=0.745*); adequate and well-marked parking spaces (*M=4.10, SD=0.876*); and good state of guest facilities (*M=4.09, SD=0.796*). Nevertheless, maintenance of paintwork on the hotel buildings (*M=3.89, SD=0.937*) was perceived the lowest by the hotel guests. This was also corroborated by one of the interview participants who aptly explained that:

> *Star grading [in Malawi] mainly use/looks at the quality of the physical structure, how it was constructed, how spacious it is, the quality of the fittings and furnishings, ... the size of the rooms, etcetera, etcetera. That's number one. Number two [aspect] would be the surrounding areas, how do they look, ... that's part of [the] physical surrounding, the environment, how does it look like*
>
> [DOT01]

Table 4.23: Descriptive Statistics for Structural Features

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Paintwork is well-maintained on the hotel building	2	1.0%	13	6.8%	44	23.0%	77	40.3%	55	28.8%	3.89	.937
Building has clean overall look of the hotel	1	0.5%	1	0.5%	34	17.8%	94	49.2%	61	31.9%	4.12	.745
Good external lighting around the hotel	1	0.5%	7	3.7%	33	17.3%	87	45.5%	63	33.0%	4.07	.834
Hotel signage is very clear	0	0.0%	13	6.8%	38	19.9%	70	36.6%	70	36.6%	4.03	.917
Grounds and gardens are well-tended	0	0.0%	4	2.1%	31	16.2%	79	41.4%	77	40.3%	4.20	.783
Parking space/bay is marked and adequate	1	0.5%	10	5.2%	28	14.7%	81	42.4%	71	37.2%	4.10	.876
Driveway and entrance are well-maintained	1	0.5%	2	1.0%	40	20.9%	71	37.2%	77	40.3%	4.16	.825
Guest facilities are adequate	0	0.0%	17	8.9%	32	16.8%	77	40.3%	65	34.0%	3.99	.932
Guest facilities are in good state of repair	0	0.0%	6	3.1%	34	17.8%	87	45.5%	64	33.5%	4.09	.796
Overall	**0**	**0.0%**	**1**	**0.5%**	**40**	**20.9%**	**99**	**51.8%**	**51**	**26.7%**	**4.08**	**.706**

Source: Survey Data (2018)

Furniture /Fittings/Décor

Examination of respondents' perceptions on furniture/fittings/décor presented in star rated hotels under study revealed that perceptions were high among hotel guests (*M=4.19, SD=0.715*). Specifically, high quality of ceilings (*M=4.30, SD=0.705*); bathroom linen (*M=4.18, SD=0.854*); spacious bedrooms (*M=4.18, SD=0.829*); good quality of bedroom furnishing and linen (*M=4.13, SD=0.818*); and effectiveness of bedroom lighting (*M=4.11, SD=0.861*), were among elements of furniture/fittings/décor perceived to be more appealing than wall cover décor (*M=3.99,*

SD=0.805); coordination of patterns, colours and textures (*M=3.98, SD=0.954*); and noise intrusion from other areas (*M=3.97, SD=0.873*) (Table 4.24).

One hotel manager passionately stated that before a hotel is assessed and graded, there is need to ensure that all aspects of furnishings, for instance in the guestrooms, are well appointed:

> *... we had to make sure that the minimum standards like what quality of linen to have in rooms ... then have what kind of guest amenities to have in rooms, as a minimum ... we've to continuously keeping on maintaining it and like in the rooms now we need to replace the linen ... so the issue is you're given a star rating, there're certain minimums we now strive to maintain them ... actually our aim is to go beyond ... beyond that ... so, there're some issues even when the service delivery, because we change staff, you have to keep on maintaining the minimum ... so we're working on continuous service delivery and also the quality of the physical property to continuously keeping on maintaining them ... and surpass the minimum of two star ...*

[HMR03]

Table 4.24: Descriptive Statistics for Furniture /Fittings/Décor

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	N	%	n	%		
Proper coordination of patterns, colours & textures	3	1.6%	12	6.3%	34	17.8%	78	40.8%	64	33.5%	3.98	.954
Proper coordination of pictures, paintings & other objects	1	0.5%	8	4.2%	35	18.3%	88	46.1%	59	30.9%	4.03	.843
Wall cover provides pleasant décor	0	0.0%	7	3.7%	41	21.5%	89	46.6%	54	28.3%	3.99	.805
Furniture & furnishings offer high degree of comfort	0	0.0%	9	4.7%	37	19.4%	83	43.5%	62	32.5%	4.04	.842
Bedroom soft furnishings & linen are of good quality	0	0.0%	7	3.7%	32	16.8%	82	42.9%	70	36.6%	4.13	.818
Bedroom lighting is effective for all purposes	2	1.0%	7	3.7%	28	14.7%	85	44.5%	69	36.1%	4.11	.861
Bedrooms are spacious with good layout	0	0.0%	8	4.2%	27	14.1%	78	40.8%	78	40.8%	4.18	.829
No intrusive noise from public areas	2	1.0%	9	4.7%	36	18.8%	89	46.6%	55	28.8%	3.97	.873
A wide range of bedroom accessories	0	0.0%	11	5.8%	38	19.9%	70	36.6%	72	37.7%	4.06	.898
A range of toiletries in the bathroom is adequate	1	0.5%	8	4.2%	27	14.1%	90	47.1%	65	34.0%	4.10	.831
Bathroom linen is full range with clean towels	1	0.5%	9	4.7%	22	11.5%	81	42.4%	78	40.8%	4.18	.854
Ceiling is of high quality with no watermarks	0	0.0%	1	0.5%	24	12.6%	82	42.9%	84	44.0%	4.30	.705
Overall	**0**	**0.0%**	**2**	**1.0%**	**28**	**14.7%**	**93**	**48.7%**	**68**	**35.6%**	**4.19**	**.715**

Source: Survey Data (2018)

Food and Beverage

Examination of respondents' perceptions on the state of food and beverage in star rated hotels in Malawi revealed that hotel guests had high perceptions ($M=4.04, SD=0.724$) about this aspect. Most of the guests (50.8%) held high perceptions about food and beverage while 27.2% of the hotel guests had very high perceptions (Table 4.25). Notable elements of food and beverages that appealed more to the guests were: the dining areas without intrusive noise and smells ($M=4.08, SD=0.829$); appropriate table appointments with quality utensils ($M=4.02, SD=0.794$); and meals' presentations with attractive visual appeal on plates ($M=4.02, SD= 0.849$). But elements of food and beverage which received low guest perceptions included: hotel's provision of variety of food on menus ($M=3.94, SD=0.850$); clear menu presentation with informative layout ($M=3.94, SD=0.816$); and beverages set in clear sections with options ($M=3.87, SD=0.960$).

The importance of food and beverage to customer expectations, cannot be overemphasized. As alluded to by one of the hotel managers:

> *in the last eight months also, we are beginning to get good feedback on our food ... previously we used to/when I just came in we used a small percentage of people eating in our meals, in our/from our rooms occupants, but for now we get fifty to sixty percent is guaranteed ... sometimes we get even more of our customers staying here, eating here ... that's just to compliment that the food is improving ... we want to keep on improving in that area as a way of feedback ...*

[HMR03]

Table 4.25: Descriptive Statistics for Food and Beverage

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Dining area has no intrusive noise and smells	1	0.5%	6	3.1%	34	17.8%	85	44.5%	65	34.0%	4.08	.829
Hotel provides a variety of food on all menus	0	0.0%	8	4.2%	51	26.7%	77	40.3%	55	28.8%	3.94	.850
Menu presentation is clear with informative layout	0	0.0%	5	2.6%	54	28.3%	79	41.4%	53	27.7%	3.94	.816
Beverages are set in clear sections with options	4	2.1%	9	4.7%	50	26.2%	72	37.7%	56	29.3%	3.87	.960
Table appointments are appropriate with quality utensils	1	0.5%	6	3.1%	34	17.8%	97	50.8%	53	27.7%	4.02	.794
Meals are presented on plates with attractive visual appeal	1	0.5%	10	5.2%	31	16.2%	92	48.2%	57	29.8%	4.02	.849
Overall	**0**	**0.0%**	**2**	**1.0%**	**40**	**20.9%**	**97**	**50.8%**	**52**	**27.2%**	**4.04**	**.724**

Source: Survey Data (2018)

Staff Rapport

Staff rapport was perceived highly among respondents. The overall mean response and associated standard deviation (*M=4.30, SD=0.712*) indicated that guests visiting star rated hotels in Malawi were happy with the services received (Table 4.26). Respondents were particularly impressed with among other service attributes; warm, respectful, cheerful and friendly staff (*M=4.38, SD=0.778*); staff's ability to meet demands (*M=4.36, SD=0.747*); staff who are efficient and willing to help guests (*M=4.28, SD=0.822*); staff who provide individual attention (*M=4.26, SD=0.769*); and staff who instill confidence (*M=4.24, SD=0.750*).

However, while agreeing that staff rapport is critical to service delivery in star rated hotels, one manager expressed mixed reactions about how some hotel staff from different sections establish rapport with customers.

> *According to feedback, most they [customers] are happy with our staff ... our staff they [customers] say that they are friendly ... and also when there is any problem, it's been solved easily and fast ... the problem now most of the times, it comes from the restaurant ... Restaurant is where there is a problem ... [customers are] not happy with the menu ... ordering something, getting something else ...*
>
> [HMR02]

Table 4.26: Descriptive Statistics for Staff Rapport

	Very low		Low		Neutral		High		Very high		M	SD
	n	%	n	%	n	%	n	%	n	%		
Staff are warm, respectful, cheerful and friendly	1	0.5%	2	1.0%	23	12.0%	63	33.0%	102	53.4%	4.38	.778
Staff provide individual attention to you	0	0.0%	4	2.1%	26	13.6%	78	40.8%	83	43.5%	4.26	.769
Staff behaviour instills confidence in you	0	0.0%	2	1.0%	30	15.7%	79	41.4%	80	41.9%	4.24	.750
Staff provide information about the hotel to guests	1	0.5%	5	2.6%	38	19.9%	71	37.2%	76	39.8%	4.13	.858
Staff always attempt to establish good rapport with you	0	0.0%	4	2.1%	35	18.3%	72	37.7%	80	41.9%	4.19	.807
Staff always meet your demands	0	0.0%	3	1.6%	22	11.5%	69	36.1%	97	50.8%	4.36	.747
Staff are always willing to help you and are efficient	1	0.5%	3	1.6%	30	15.7%	65	34.0%	92	48.2%	4.28	.822
Overall	**0**	**0.0%**	**1**	**0.5%**	**25**	**13.1%**	**80**	**41.9%**	**85**	**44.5%**	**4.30**	**.712**

Source: Survey Data (2018)

Hotel Added Extras

Perceptions among hotel guests with respect to availability of extra features availed in star rated hotels in Malawi were examined using four items. The overall mean score of 3.78 and standard deviation of 0.885 showed that respondents were mainly neutral with regards to availability of added extras in star rated hotels (Table 4.27).

Table 4.27: Descriptive Statistics for Hotel Added Extras

	Very low		Low		Neutral		High		Very high			
	n	%	n	%	n	%	n	%	n	%	M	SD
Business centre is adequately equipped	3	1.6%	15	7.9%	66	34.6%	64	33.5%	43	22.5%	3.68	.962
Background music in the lounges is appropriate	3	1.6%	10	5.2%	60	31.4%	63	33.0%	55	28.8%	3.82	.962
Saloons/mini-shops are available for your convenience	15	7.9%	6	3.1%	63	33.0%	62	32.5%	45	23.6%	3.61	1.118
Entertainment & other recreational facilities are adequate	8	4.2%	12	6.3%	66	34.6%	56	29.3%	49	25.7%	3.66	1.058
Overall	**1**	**0.5%**	**10**	**5.2%**	**64**	**33.5%**	**71**	**37.2%**	**42**	**23.6%**	**3.78**	**.885**

Source: Survey Data (2018)

4.3.3 Service Expectations

Service expectation was conceptualised as the first endogenous variable and was measured by comparing adequacy in service *vis a vis* desired service. Respondents were asked to rate the extent of their perceptions about the 'desired service expectations' of the fourteen service items. They repeated this step by providing the scores of their perceptions about the 'adequate service expectations' of the same fourteen service items. The hotel guests surveyed had relatively higher desired service expectations on all the fourteen service items than adequate service expectations. In other words, all the

adequate service expectation mean scores for all the fourteen service items were lower than the desired service expectation mean scores.

Paired samples *t*-test was used to compare mean scores for desired services across fourteen pairs of services with mean scores for service adequacy. Results presented in Table 4.28 indicate that the Zone of Tolerance (ZoT) scores or paired differences, computed as the gap between the desired and adequate services (Yilmaz, 2010), were positive and significantly different in all the fourteen pairs. The major differences were reported in provision of services with ease ($\Delta M = 0.450$, $SD=0.892$; $p<0.05$); efficiency in food and beverage service ($\Delta M=0.414$, $SD=1.037$; $p<0.05$); staff's information about respective hotels and local areas ($\Delta M=0.387$, $SD=0.927$; $p<0.05$); and appropriateness of background/soft music ($\Delta M=0.377$, $SD=0.897$; $p<0.05$). However, the smallest differences were noted with service elements associated with staff behaviour or attitude, i.e. staff are never too busy to respond to your requests ($\Delta M=0.199$, $SD=1.106$; $p<0.05$); and staff behaviour instills confidence in you ($\Delta M=0.194$, $SD=0.906$; $p<0.05$)

Table 4.28: Paired Samples *t*-test for Service Expectations

		Paired Differences			
		M	SD	t	Sig. (2-tailed)*
Pair 1	Hotel has comfortable beds - Hotel has comfortable beds	.251	.740	4.696	.000
Pair 2	Hotel's physical facilities are visually appealing - Hotel's physical facilities are visually appealing	.351	.780	6.218	.000
Pair 3	Hotel has clean and comfortable bathrooms - Hotel has clean and comfortable bathrooms	.325	.781	5.745	.000
Pair 4	Hotel provides you with all the services with ease - Hotel provides you with all the services with ease	.450	.892	6.974	.000
Pair 5	Your safety/security is guaranteed - Your safety/security is guaranteed	.272	.839	4.483	.000
Pair 6	Hotel operating hours are convenient to you - Hotel operating hours are convenient to you	.335	.829	5.587	.000
Pair 7	Staff are never too busy to respond to your requests - Staff are never too busy to respond to your requests	.199	1.106	2.486	.014
Pair 8	Staff behaviour instills confidence in you - Staff behaviour instills confidence in you	.194	.906	2.956	.004
Pair 9	Staff are well informed about the hotel and local area - Staff are well informed about the hotel and local area	.387	.927	5.775	.000
Pair 10	Hotel decor, ambience & aesthetics are appropriate - Hotel decor, ambience & aesthetics are appropriate	.277	.865	4.431	.000
Pair 11	Food & beverage service is efficient - Food & beverage service is efficient	.414	1.037	5.512	.000
Pair 12	Entertainment/recreational facilities are for your convenience - Entertainment/recreational facilities are for your convenience	.351	1.009	4.804	.000
Pair 13	Background/soft music is appropriate - Background/soft music is appropriate	.377	.897	5.808	.000
Pair 14	Standard of housekeeping/cleanliness is high - Standard of housekeeping/cleanliness is high	.340	.817	5.755	.000

Note: *Paired samples *t*-test (2-tailed), $p < 0.05$

Source: Survey Data (2018)

One hotel manager addressed the issue of service expectations in relation to what star ratings may mean to different customers by stating that:

> *In terms of customer service expectations, basically it's the whole rating now ... once you have a rating it communicates a message to the level of service that is expected ... because for a two star, it has a message on what to expect ... for a four star, it means the service should be quick ... guests should not stay a long time without being acknowledged or without being serviced ... and even in terms of the menu, a four star they expect that a menu will be sizeable and it'll also be of top quality ...*

[HMR01]

4.3.4 Customer Satisfaction

Customer satisfaction was conceptualised as the second endogenous variable. Customer satisfaction in star rated hotels in Malawi was measured using three indicators namely; material products; hotels environment, and behaviour and attitude of staff.

Material Products

Respondents were asked to indicate their level of satisfaction with selected material products. The overall mean response (Table 4.29) indicated that most respondents (60.2%) were satisfied with the material products availed (*M=4.00, SD=0.564*). Respondents were particularly satisfied with; comfort of bedrooms and accessories (*M=4.18, SD=0.756*); food and beverage service efficiency (*M=4.08, SD=0.756*); and adequacy of the reception area and lounges/lobby (*M=4.05, SD=0.756*).

Table 4.29: Descriptive Statistics for Material Products

	Very dissatisfied		Dissatisfied		Neutral		Satisfied		Very satisfied		M	SD
	n	%	n	%	n	%	n	%	n	%		
Quality of food and beverage	5	2.6%	10	5.2%	24	12.6%	97	50.8%	55	28.8%	3.98	.929
Variety and menu choices	1	0.5%	8	4.2%	52	27.2%	85	44.5%	45	23.6%	3.86	.841
Comfort of the bedroom and accessories	0	0.0%	4	2.1%	28	14.7%	88	46.1%	71	37.2%	4.18	.756
Adequacy of the reception area, lounges/ lobby	1	0.5%	10	5.2%	32	16.8%	84	44.0%	64	33.5%	4.05	.872
Conference facilities	0	0.0%	9	4.7%	51	26.7%	76	39.8%	55	28.8%	3.93	.861
Food and beverage service efficiency	0	0.0%	6	3.1%	29	15.2%	99	51.8%	57	29.8%	4.08	.756
Overall	**0**	**0.0%**	**1**	**0.5%**	**34**	**17.8%**	**115**	**60.2%**	**41**	**21.5%**	**4.00**	**.564**

Source: Survey Data (2018)

Hotel Environment

Respondents were required to indicate their satisfaction with various aspects of hotel environment. The overall mean response score, together with the associated standard deviation (*M=4.14, SD=0.580*) indicated a consistent satisfaction among the sampled guests with the hotels environment (Table 4.30). Hotel guests expressed high levels of satisfaction with most aspects such as; hours of operation (*M=4.35, SD=0.758*); cleanliness and neatness of hotel facilities (*M=4.17, SD=0.784*); spacious facilities (*M=4.16, SD=0.844*); ambience of public areas (*M=4.10, SD=0.818*) and the mixing of lighting and colour schemes (*M=4.10, SD=0.778*).

Table 4.30: Descriptive Statistics for Hotel Environment

	Very Dissatisfied		Dissatisfied		Neutral		Satisfied		Very satisfied		M	SD
	n	%	n	%	n	%	n	%	n	%		
Ambience of public areas	0	0.0%	6	3.1%	37	19.4%	80	41.9%	68	35.6%	4.10	.818
Size and layout of rooms	0	0.0%	6	3.1%	36	18.8%	83	43.5%	66	34.6%	4.09	.809
Cleanliness and neatness of the hotel facilities	0	0.0%	4	2.1%	33	17.3%	81	42.4%	73	38.2%	4.17	.784
Combination of lighting and colour schemes/patterns	0	0.0%	5	2.6%	34	17.8%	89	46.6%	63	33.0%	4.10	.778
Spaciousness of facilities	0	0.0%	7	3.7%	34	17.8%	72	37.7%	78	40.8%	4.16	.844
Hours of operations	0	0.0%	3	1.6%	24	12.6%	68	35.6%	96	50.3%	4.35	.758
Furniture, furnishings and fittings	0	0.0%	7	3.7%	35	18.3%	82	42.9%	67	35.1%	4.09	.822
Overall	**0**	**0.0%**	**0**	**0.0%**	**22**	**11.5%**	**101**	**52.9%**	**68**	**35.6%**	**4.14**	**.580**

Source: Survey Data (2018)

Staff Behaviour and Attitude

A total of four items on the guests' questionnaire were used to examine behaviour and attitude among staff of star rated hotels in Malawi. Overall, 50.8% of the respondents stated that they were very satisfied with staff behaviour and attitude; 36.6% indicated satisfaction with the same (Table 4.31). All in all, respondents were particularly satisfied with staff friendliness, courtesy and charm (*M=4.30, SD=0.795*); service delivery that was laced with a sense of humour (*M=4.30, SD=0.828*); staff appearance and grooming (*M=4.29, SD=0.793*); and staff competence (*M=4.23, SD=0.788*).

Table 4.31: Descriptive Statistics for Behaviour and Attitude

	Very Dissatisfied		Dissatisfied		Neutral		Satisfied		Very satisfied		M	SD
	n	%	n	%	n	%	n	%	n	%		
Friendliness, courtesy and charm of staff	0	0.0%	6	3.1%	19	9.9%	77	40.3%	89	46.6%	4.30	.795
Service is provided with smile and good sense of humour	0	0.0%	6	3.1%	27	14.1%	61	31.9%	97	50.8%	4.30	.828
Staff appearance/grooming	0	0.0%	5	2.6%	25	13.1%	70	36.6%	91	47.6%	4.29	.793
Staff competence	0	0.0%	6	3.1%	24	12.6%	81	42.4%	80	41.9%	4.23	.788
Overall	**0**	**0.0%**	**2**	**1.0%**	**22**	**11.5%**	**70**	**36.6%**	**97**	**50.8%**	**4.28**	**.703**

Source: Survey Data (2018)

4.4 Construct and Model Validation

Results of the Cronbach's alpha reliability test presented in Table 4.32 indicate that all the items developed to measure the four constructs in question had reliability coefficients above 0.9. This was way above the recommended minimum of 0.7 (Butler, 2014; Tavakol & Dennick, 2011) and confirmed that the items were consistent enough in measuring the constructs.

Table 4.32: Construct Reliability

Constructs	Items	Cronbach's Alpha
1. Basic Registration Standard	31	.939
2. Grading Standard	38	.955
3. Service Expectation	14	.941
4. Customer Satisfaction	17	.923

Source: Survey Data (2018)

4.4.1 Validation of the Measurement Models

Four measurement models consistent with the four latent variables namely: basic registration standard, grading standard, service expectation, and customer satisfaction were validated for confirmatory unidimensionality, construct validity, convergent validity, and discriminant validity. For each of the measurement models, unidimensionality was confirmed by factor loadings being positive and above 0.6 (Awang, 2012).

Convergent validity was evaluated by examining the factor loadings and average variance extracted (AVE). Standard factor loadings above 0.6 and AVE beyond the recommended level of 0.50 would then suggest good convergent validity for the construct (Henseler *et al.*, 2015).

To assess discriminant validity, the four measurement models were combined into one model. A Fornell and Larcker's (1981) criterion requiring that the square root of AVE for each construct be greater than the correlation between constructs was then used (Henseler *et al.*, 2015). Fit indices were then calculated to examine whether they indicated a good fit between the measurement model and data. The overall fit was achieved by comparing the default indices with the following indices recommended by Cheung and Rensvold (2002) and Emir (2016).

χ^2 d/f	GFI	AGFI	NFI	RFI	IFI	TLI	CFI	RMSEA
<5.0	>0.90	>0.90	>0.90	>0.90	>0.90	>0.90	>0.90	<0.05

 Source: Cheung and Rensvold (2002); Emir (2016)

Basic Registration Standard

Basic registration standard was measured using the following five indicators: bedroom structure (BED); Public areas (PUB); Service types (SER); Safety and security (SSC); and Staff skills (SFF). An examination of the unidimensionality requirements for confirmatory factor analysis (CFA) revealed that all factor loadings were positive and exceeded the recommended value of 0.6. The indicators were therefore deemed to be unidimensional and were retained (Figure 4.9).
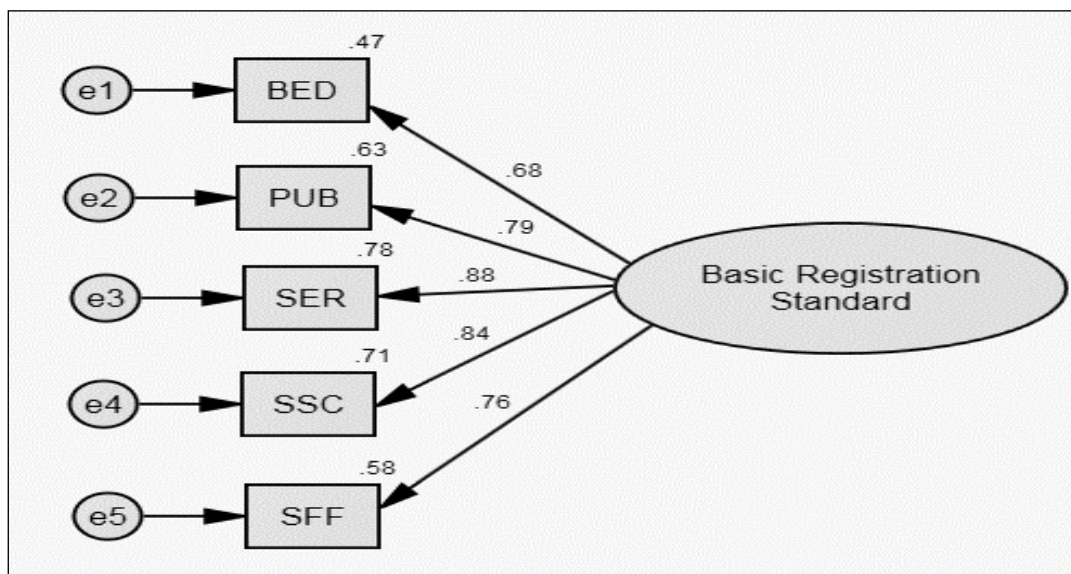
Figure 4.9: Basic Registration Standard Measurement Model
Source: Survey Data (2018)

Composite reliability (CR) was calculated using the composite reliability calculator of Colwell and Carter (2013) accessed on The Statistical Mind website (www.thestatisticalmind.com). Next, Average Variance Extracted (AVE) was calculated using the following formula: AVE = (sum of squared factor loadings) / (sum of squared factor loadings + sum of error variance). Results presented in Table 4.33 suggest good convergent validity for the basic registration standard. All standard factor

loadings were higher than 0.6 and the AVE exceeded the recommended level of 0.5 (Henseler *et al.*, 2015).

Table 4.33: Composite Reliability and AVE for Basic Registration Standard

Construct	Items	Factor loadings	AVE	CR
Basic Registration Standard	Bedroom structure (BED)	0.684	0.634	0.896
	Public areas (PUB)	0.794		
	Service types (SER)	0.882		
	Safety and security (SSC)	0.844		
	Staff skills (SFF)	0.763		

Source: Survey Data (2018)

Grading Standard

Grading standard was also measured using five indicators: Structural features (STF); Furniture/fittings/décor (FFD); Food & beverage (FBV); Staff rapport (SERC); and Other features/Hotel added extras (EXT). Figure 4.10 shows that the hotel added extras indicator had a factor loading of 0.38 which was way below the minimum value of 0.6 (Awang, 2012). The indicator failed the confirmatory unidimensionality and was therefore omitted from the overall measurement model.
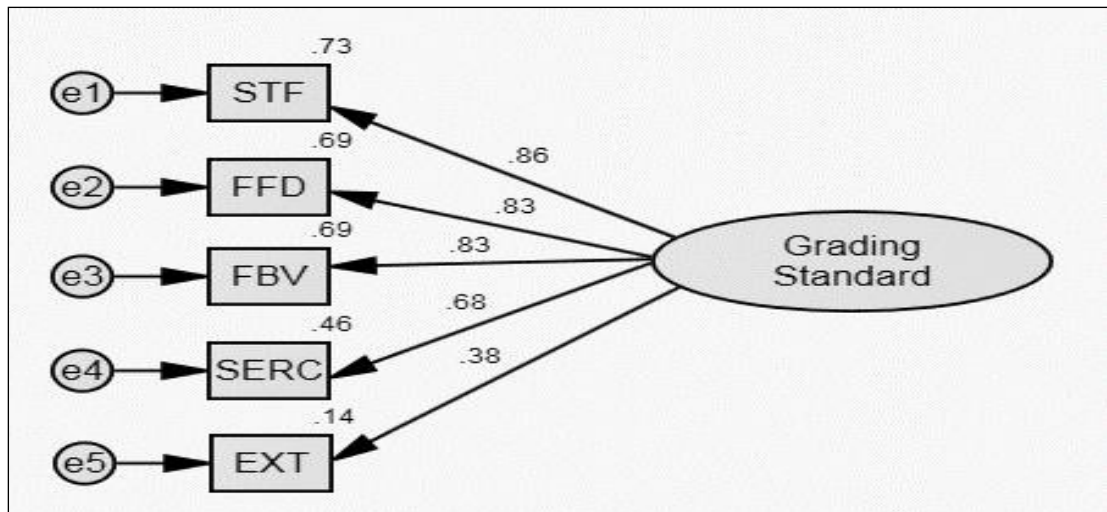
Figure 4.10 Grading Standard Measurement Model:

Source: Survey Data (2018)

The AVE value (0.644) for the remaining four indicators revealed good convergent validity for the grading standard when the hotel added extras indicator was omitted (Table 4.34). The composite reliability of 0.878 was way above 0.7, confirming that the grading standard construct was reliable.

Table 4.34: Composite Reliability and AVE for Grading Standard

Construct	Items	Factor loadings	AVE	CR
Grading standard	Structural features (STF)	0.855	0.644	0.878
	Furniture/fittings/décor (FFD)	0.829		
	Food & beverage (FBV)	0.832		
	Staff rapport (SERC)	0.681		

Source: Survey Data (2018)

Service Expectation

Service expectation was measured using Desired services (DES) and Adequate services (ADQ). Unidimensionality test indicated that all the two indicators can be retained (factor loadings were all above the 0.6 level as shown in Figure 4.11)
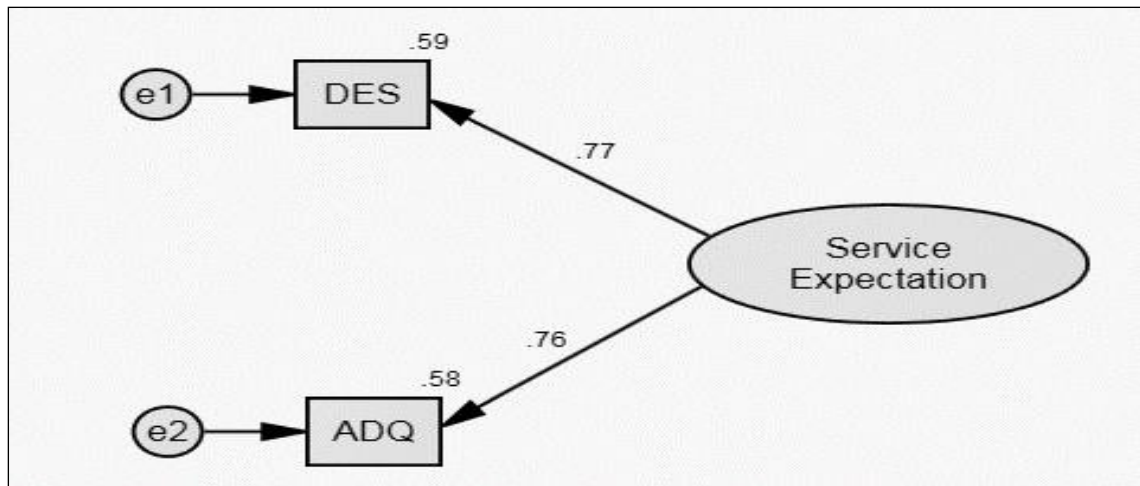
Figure 4.11: Service Expectation Measurement Model

Source: Survey Data (2018)

Composite reliability value of 0.736 confirmed that the construct was reliable while the AVE value of 0.582 exceeded the recommended values of 0.5 and indicated that convergent validity was good (Table 4.35). The two indicators were therefore used for the overall measurement model.

Table 4.35: Composite Reliability and AVE for Service Expectation

Construct	Items	Factor loadings	AVE	CR
Service Expectation	Desired service (DES)	0.767	0.582	0.736
	Adequate service (ADQ)	0.759		

Source: Survey Data (2018)

Customer Satisfaction

Customer satisfaction was measured using three indicators namely: Material products (MPT); Hotel environment (ENV); and Behaviour and attitude of staff (BEH). As shown in Figure 4.12 all the indicators had standard factor loadings exceeding 0.6 and were therefore unidimensional.
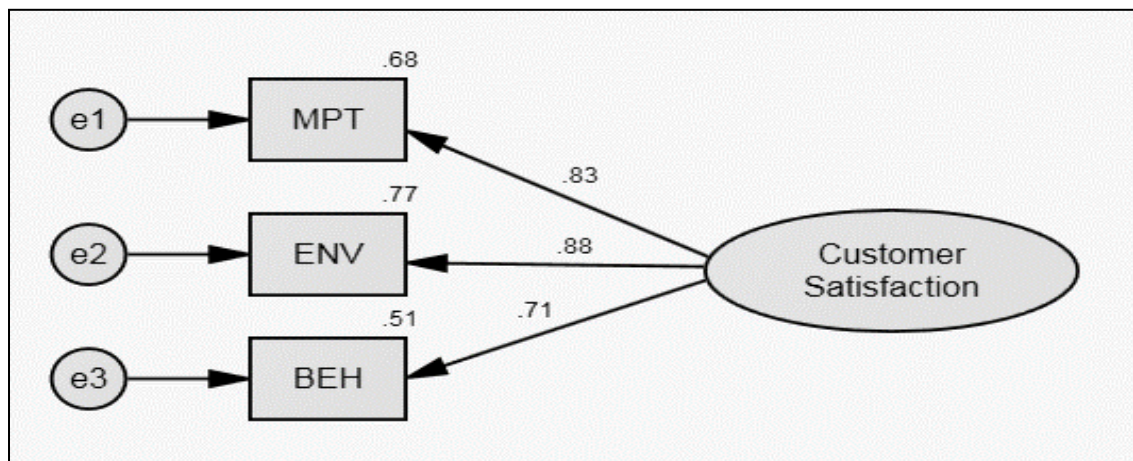
Figure 4.12: Customer Satisfaction Measurement Model
Source: Survey Data (2018)

The composite reliability value was 0.849, indicating that the measurement of customer satisfaction was reliable (Table 4.36). In addition, the AVE value of 0.653 exceeded the recommended value of 0.5 and indicated a good convergent validity.

Table 4.36: Composite Reliability and AVE for Customer Satisfaction

Construct	Items	Factor loadings	AVE	CR
Customer Satisfaction	Material products (MPT)	0.828	0.653	0.849
	Hotel environment (ENV)	0.712		
	Behaviour and attitude of staff (BEH)	0.876		

Source: Survey Data (2018)

4.4.2 Proposed Overall Measurement Model

The proposed overall measurement model was a correlated four–factor model with five indicators loading on the basic registration standard factor; four indicators loading on the grading standard factor; two indicators loading on the service expectation factor; and three indicators loading on the customer satisfaction factor (see Figure 4.13).
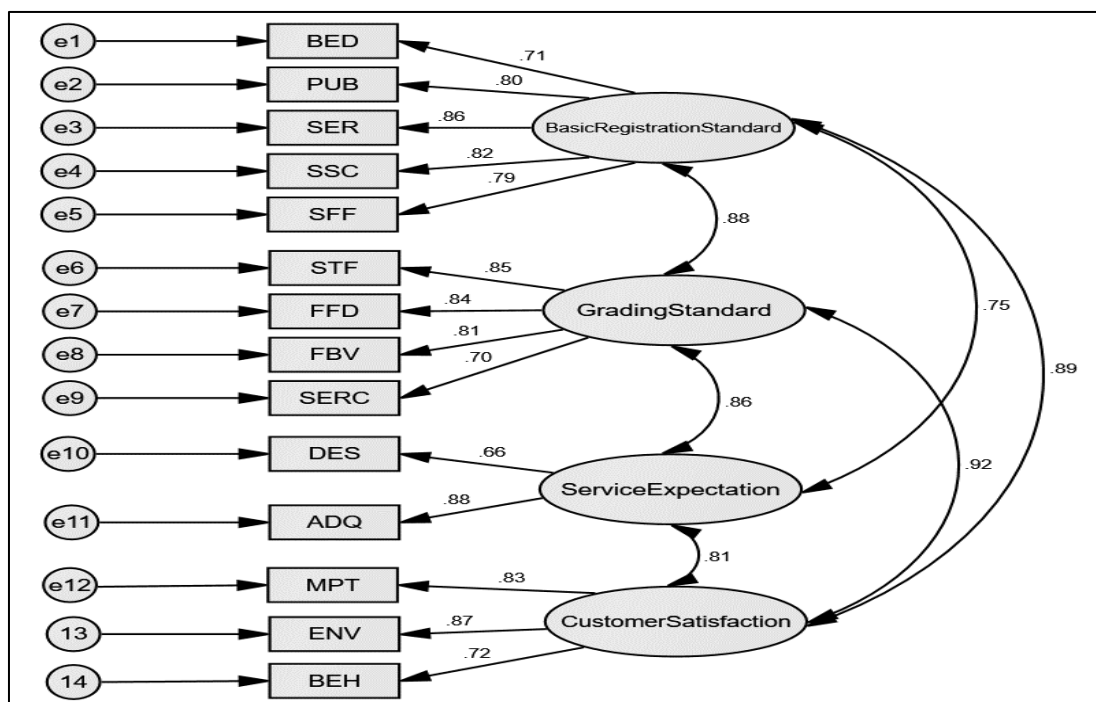
Figure 4.13: The Proposed Measurement Model

Source: Survey Data (2018)

Table 4.37 confirms that discriminant validity was achieved. The square root of the AVE for each construct (shown along the diagonal) was greater than the correlation between constructs.

Table 4.37: Correlations and Square root of AVE

Variable	Basic registration standard	Grading standard	Service expectations	Customer satisfaction
Basic registration standard	**0.796**			
Grading standard	0.771	**0.802**		
Service expectations	0.612	0.693	**0.763**	
Customer satisfaction	0.793	0.781	0.627	**0.808**

Source: Survey Data (2018)

Fit indices for the proposed overall measurement model indicated a poor fit between the model and data. Most of the test indices of the measurement model as shown in Table 4.38 violated the recommended model fit indices (Cheung & Rensvold, 2002).

Table 4.38: Proposed Measurement Model Fit

Fit indices	Recommended value	Test value
χ^2/df	<5.0	5.08
GFI	>0.90	0.774
AGFI	>0.90	0.670
NFI	>0.90	0.833
RFI	>0.90	0.789
IFI	>0.90	0.861
CFI	>0.90	0.860
TLI	>0.90	0.823
RMSEA	<0.05	0.147

Source: Cheung and Rensvold (2002); Survey Data (2018)

The proposed measurement model was modified by correlating error terms as suggested by modification indices (see Figure 4.14). The following error terms were therefore

correlated e9↔e14; e5↔e9; e5↔e14; e1↔e7; e2↔e12; e5↔e2; e3↔e13; e10↔e14; and e1↔e5. Although the resulting first modified measurement model had a better fit (χ^2/df = 1.553; GFI = 0.932; AGFI = 0.886; NFI = 0.955; RFI = 0.935; IFI = 0.984; TLI = 0.976; CFI = 0.983; RMSEA = 0.0540), the AGFI and RMSEA indices violated the recommended model fit indices. A second modification was therefore made.
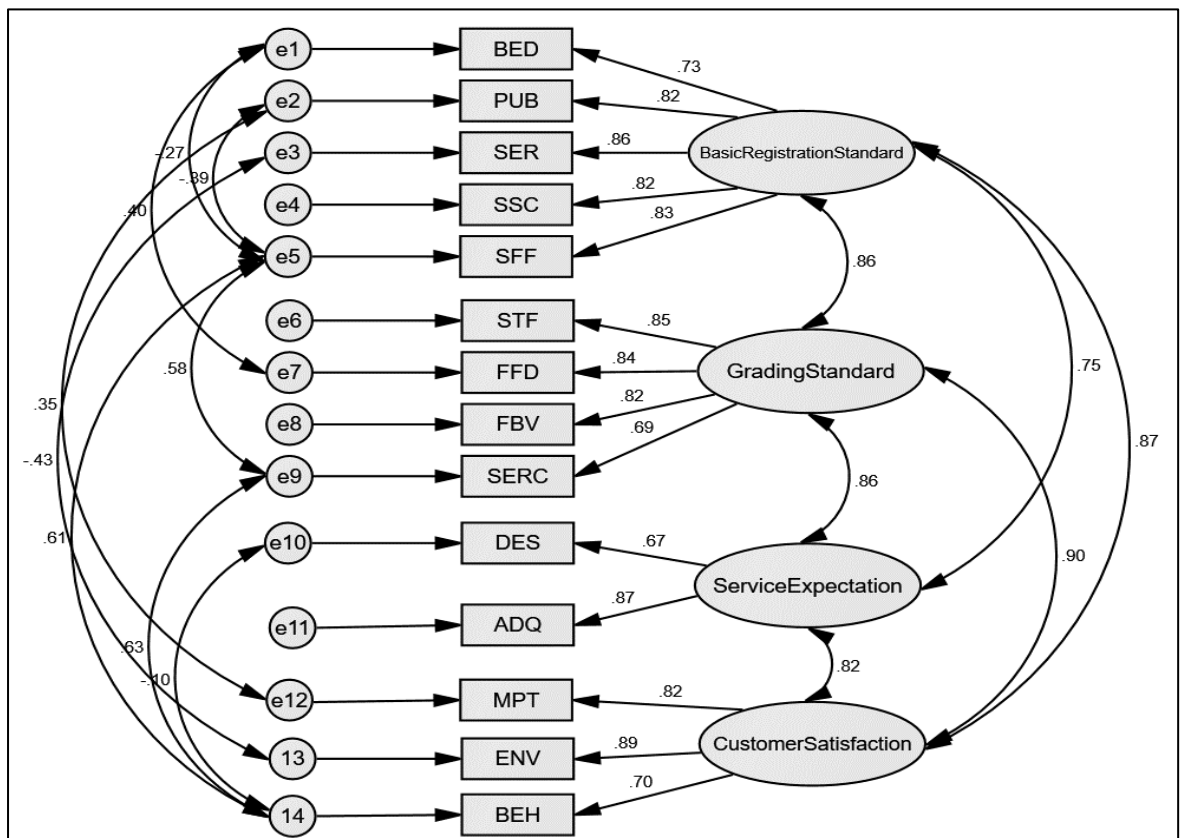
Figure 4.14: First Modified Measurement Model

Source: Survey Data (2018)

The first modified measurement model was modified again by correlating the following error terms: e9↔e8; e8↔e14; e2↔e9; and e3↔e8 (Figure 4.15). The resulting fit indices indicated a perfect fit between the second modified measurement model and the data (χ^2/df = 1.253; GFI = 0.948; AGFI = 0.907; NFI = 0.966; RFI = 0.948; IFI = 0.993; TLI = 0.989; CFI = 0.993; RMSEA = 0.0365).
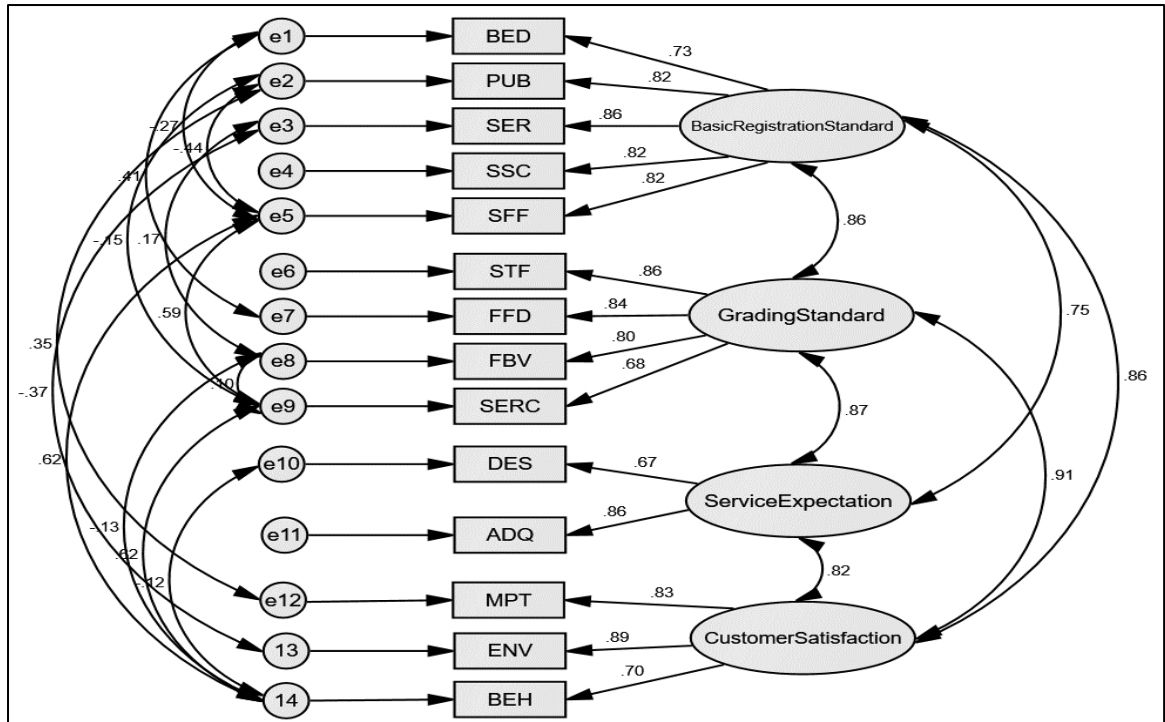
Figure 4.15: Second Modified Measurement Model

Source: Survey Data (2018)

4.4.3 Validation of the Structural Model

The structural model involved two exogenous and two endogenous latent variables. The hypothesised structural model conceptualized that the exogenous variables; basic registration standard and grading standard had direct effects on both service expectation and customer satisfaction. In addition, the model posited that service expectation had a direct effect on customer satisfaction (Figure 4.16).
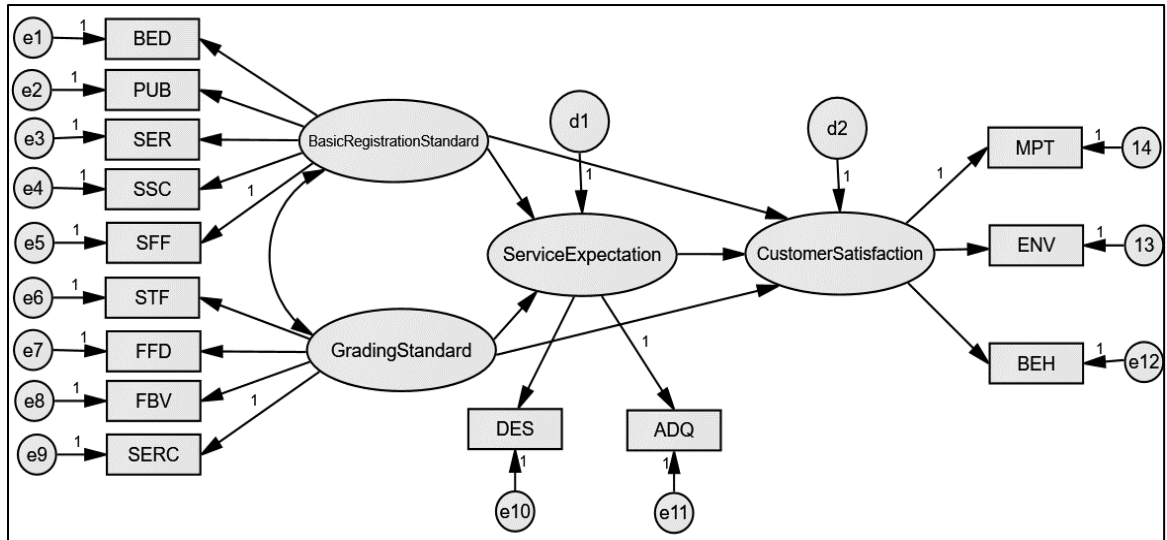
Figure 4.16: The Hypothesised Structural Model

Source: Researcher (2018)

Results of the analysis of moment structures of the initial structural model indicated that the model was a poor fit to the data ($\chi 2/df$ =5.153; GFI = 0.779; NFI = 0.828; IFI = 0.857; TLI = 0.814; CFI = 0.855; RMSEA = 0.145).

In order to achieve a better structural model fit, post-hoc modification indices (MI) suggested that the model fit could be improved. The initial model was therefore modified by correlating error terms as suggested by modification indices. However, the first modified structural model presented in Figure 4.17 still contravened some of the fit indices (χ^2/df = 3.351; GFI = 0. 873; NFI = 0. 902; IFI = 0.968; TLI = 0. 898; CFI = 0. 928; RMSEA = 0. 111).
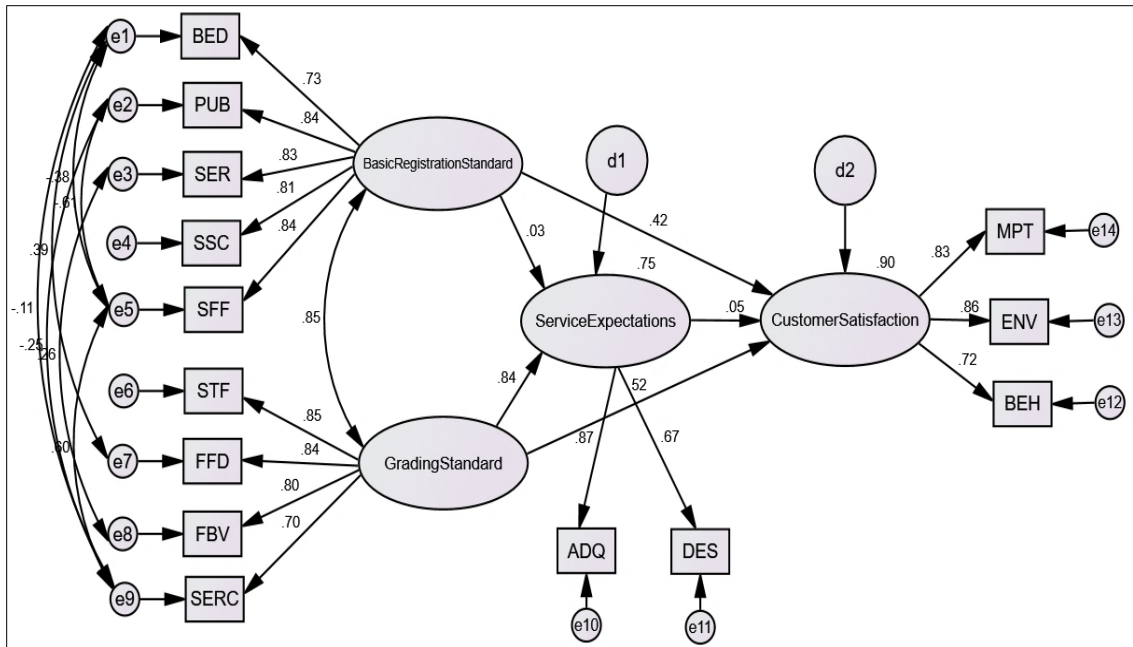
Fit indices: χ^2/df = 3.351; GFI = 0. 873; NFI = 0. 902; IFI = 0.968; TLI = 0. 898; CFI = 0. 928; RMSEA = 0. 111

Figure 4.17: First Modified Structural Model

Source: Data Analysis (2018)

Modification indices once again suggested that the fit of the first modified structural model could be improved further. Error terms were therefore correlated as suggested by modification indices. The fit indices for the second modified structural model (Figure 4.18) indicated a perfect fit between the second modified model and the data (χ^2/df = 1.524; GFI = 0. 958; NFI = 0. 960; IFI = 0. 986; TLI = 0. 977; CFI = 0. 986; RMSEA = 0. 043). The results indicated that the chi square value was not statistically significant, $p>0.05$, and likewise, other fit statistics were within the acceptable limits. The second modified structural model explained 76% (R^2 = .76) of the proportion of variance in service expectations, and 86% (R^2 = .86) of the proportion of variance in customer satisfaction, accounted for by both basic registration standard and grading standard. This model was the final model, since the MI did not suggest further paths.
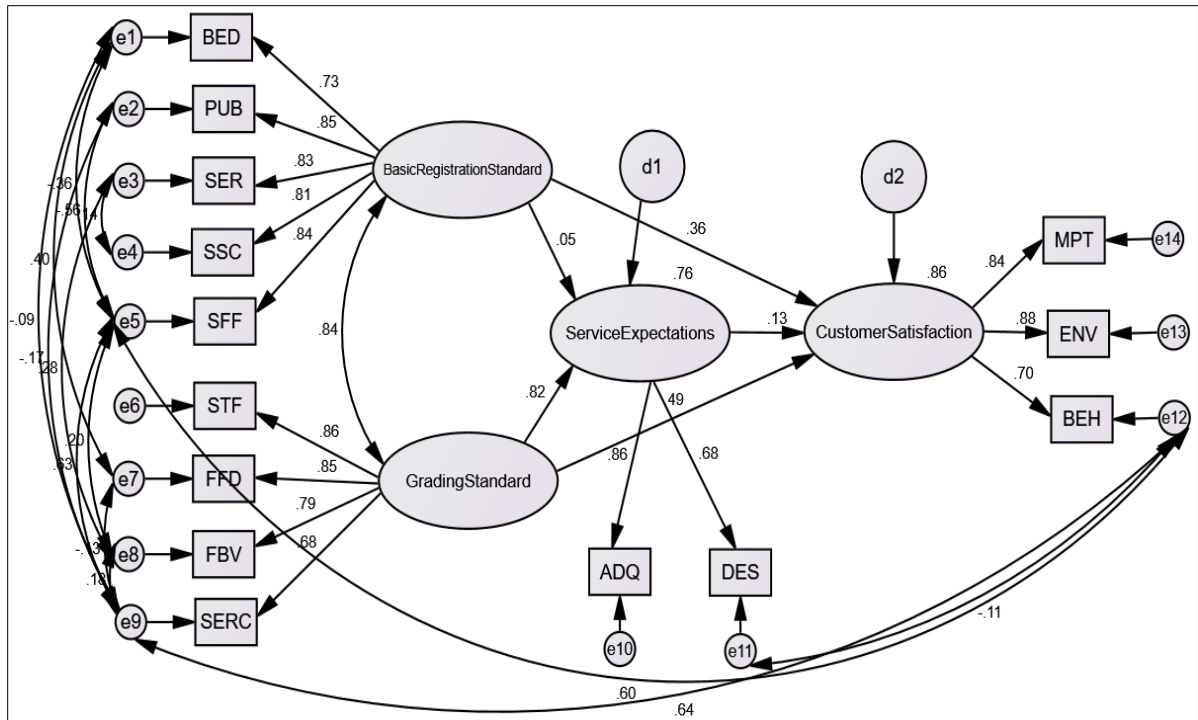
Fit indices: $\chi^2/df = 1.524$; GFI = 0. 958; NFI = 0. 960; IFI = 0. 986; TLI = 0. 977; CFI = 0. 986; RMSEA = 0. 043

Figure 4.18: Second and Final Modified Structural Model

Source: Data Analysis (2018)

4.4.4 Direct, Indirect and Total Effects

The results of the final modified model (Figure 4.18) show several types of effects that could be of interest to the study. Particularly, three effects namely: direct, indirect and total effects were generated by SEM. A direct effect was shown as singled headed arrow pointing from variable to another. These effects appeared as unstandardised (or standardised) partial regression coefficients, along with their significance tests. Figure 4.18 shows that customer satisfaction received direct effects from both basic registration standard (0.357) and grading standard (0.494). Additionally, grading standard exerted a direct effect on service expectations. An indirect effect reflects a proposed mediation within the model meaning that the effect of one variable on another is transmitted in part through a third or intervening variable. For instance, customer

satisfaction received indirect effects from both basic registration standard (0.007) and grading standard (0.106) through service expectations. Finally, the total effect of one variable on another is simply the sum of all direct and indirect effects between the variables. Customer satisfaction received total effects from basic registration standard (0.364) and grading standard (0.601). as shown in Table 4.39.

Table 4.39: Standardised Direct, Indirect and Total Effects among Latent Variables

	Basic Registration Standard			Grading Standard			Service Expectations		
	TE	**DE**	**IE**	**TE**	**DE**	**IE**	**TE**	**DE**	**IE**
SEs	0.054	0.054	-	0.824	0.824	-	-	-	-
CS	**0.364**	0.**357**	**0.007**	**0.601**	0.**495**	**0.106**	0.129	0.129	-

Source: Data Analysis (2018)

4.4.5 Results of Hypothesis Testing

After the second modified model indicated perfect fit with the data (Figure 4.18), the final step in the data analysis was to test all the null hypotheses based on the final modified model. The hypotheses were tested by assigning the statistical significance of the path coefficients. These paths were from basic registration standard – customer satisfaction (H_{01}); grading standard – customer satisfaction (H_{02}); basic registration standard – service expectation (H_{03}); grading standard – service expectation (H_{04}); and service expectation – customer satisfaction (H_{05}). Hence, five hypotheses were formulated to test the conceptualised relationships in the present study. The results revealed that three of the five hypotheses were statistically significant (see table 4.40).

Hypothesis H_{01} postulated lack of significant effect of basic registration standard on customer satisfaction. Regression weights shown in Table 4.39 indicate that basic registration standard had a positive and significant effect on customer satisfaction ($\beta =$

0.356; t=4.000; p<0.05). The hypothesis that basic registration standard has no effect on customer satisfaction was therefore not supported by the data. The standardised regression weight suggests that an increase of 1 standard deviation in basic registration standard was likely to result in an increase of 0.356 standard deviations in customer satisfaction. The empirical results accruing from the individual indicators of basic registration standard confirm that star rated hotels in the study, comply with minimum requirements. The results resonate well with similar findings reported in extant literature (Bodet *et al*., 2017; Li *et al*., 2013; Zemke *et al*., 2017) about the ultimate effect of similar hotel attributes and on customer satisfaction.

Table 4.40: Regression Weights (Final Modified Model)

	Estimate	S.E.	C.R.	P	Result
Basic registration standard – Customer satisfaction	.356	.089	4.000	.000	**Not supported**
Grading standard – Customer satisfaction	.434	.132	3.280	.000	**Not supported**
Basic registration standard – Service expectations	.061	.129	.471	.637	Supported
Grading standard – Service expectations	.817	.123	6.633	.000	**Not supported**
Service expectations – Customer satisfaction	.114	.115	.996	.319	Supported

Source: Data Analysis (2018)

Hypothesis H$_{02}$ presupposed that grading standard had no significant effect on customer satisfaction in star rated hotels in Malawi. The regression weights (Table 4.39) revealed that grading standard was a positive and significant determinant of customer satisfaction ($\beta = 0.434$; t=3.280; p<0.05). Consequently, the hypothesis that grading standard has no effect on customer satisfaction was not supported by the data. An increase of 1 standard deviation in grading standard is likely to lead to a corresponding increase of 0.434 standard deviations in customer satisfaction. The empirical results support the findings of Ali *et al*. (2016), Amin *et al*. (2013), Chand (2010), Jin (2015) and Wilkin (2010) that attributes such as structural features; furniture/fittings/décor; food & beverage; and service rapport as indicators for grading standard greatly contribute to customer satisfaction in star rated hotels.

Hypothesis H$_{03}$ posited that basic registration standard had no significant effect on service expectations in star rated hotels in Malawi. The regression weight (Table 4.39) affirmed that basic registration standard had no significant effect on service expectation (β = 0.061; t=0.471; p>0.05). The hypothesis was therefore supported. This empirical result is particularly unsurprising considering that the basic registration standard presents bare minimum requirements that must, at all costs, be met even before hotels apply for the actual grading supporting Yilmaz (2010) findings. Nonetheless, service expectations are believed to be naturally dynamic and, that they can vary based on customers' experiences and some contextual circumstances (Yilmaz, 2010). The basic registration standard remains a critical antecedent to further hotel rating exercise as part of indicating quality to customers in support of Adongo's (2011), Callan's (2008) and Narangajana and Hu's (2008) study findings.

Hypothesis H$_{04}$ advanced that grading standard has no significant effect on service expectation in star rated hotels in Malawi. Regression weight presented in Table 4.39 indicated that grading standard positively and significantly affects service expectation (β = 0.817; t = 6.633; p<0.05). The hypothesis that grading standard has no effect on service expectation was not supported. The regression weight adduces that an increase of 1 standard deviation in grading standard potentially increases service expectation by 0.817 standard deviations. Grading standard deals with qualitative, intangible service-related aspects which are considered more important, in addition to the physical quality requirements that hotels must meet. The empirical results showed that grading standard plays a much greater role in that process because it offers a much high order set of service attributes expected at a rated hotel facility. This finding supports the assertions of Adongo (2011), Guillet and Law (2010) and DoT (2016) in hailing grading standard

as a reflection of quality and helps cut down on speculation regarding quality especially amongst customers.

Hypothesis H$_{05}$ postulated that service expectation had no significant effect on customer satisfaction in star rated hotels in Malawi. The associated regression weight (Table 4.39) indicated that the hypothesis was supported ($\beta = 0.114$; t=0.996; p>0.05). The results of the study clearly suggest that service expectations do not significantly determine customer satisfaction. The findings of the current study do not support the previous research (Gwynne *et al*., 2000; Zainol *et al.*, 2010; Zeithaml *et al*., 2013). Evidence from the study suggest that hotel guests visiting star rated hotels in Malawi are generally less satisfied with positive encounters which fall well within the acceptable zone of tolerance.

Hypothesis H$_{06}$ posited that there was no significant difference between desired service expectations and adequate service expectations of hotels guests in star-rated hotels. Results of the paired samples *t*-test (2-tailed) which was used to compare mean scores for desired services across fourteen pairs of services with mean scores for service adequacy indicated that the Zone of Tolerance (ZoT) scores or paired differences, computed as the gap between the desired and adequate services (Yilmaz, 2010), were positive and significantly different at $p < 0.05$ in all the fourteen pairs. The results revealed that hotel guests are able to distinguish between desired and adequate service expectations as a comparison standard in evaluating hotel services. The results of this study are consistent with the previous findings of Nadiri *et al*. (2009) and Yilmaz (2010)

CHAPTER FIVE

DISCUSSION OF FINDINGS

5.0 Overview

This chapter presents summary of research findings presented in the preceding chapter, discusses the key findings of the study by elucidating how they are related to the previous studies. Importantly, the chapter provides the summary of findings and discussion of findings between basic registration standard and customer satisfaction; grading standard and customer satisfaction; basic registration standard, grading standard and service expectations; and the Zone of Tolerance (ZoT) and service expectations.

5.1 Summary of Findings

The general objective of the study was to investigate the effect of hotel star rating system dimensions on service expectations and customer satisfaction in star-rated hotels in the cities of Lilongwe and Blantyre in Malawi. More specifically, the first objective was to establish the effect of basic registration standard as a dimension of hotel rating system on customer satisfaction. The second objective was to determine the effect of grading standard as a dimension of hotel rating system on customer satisfaction. The third objective was to assess the effect of basic registration standard on service expectations. The fourth objective was to assess the effect of grading standard on service expectations. The fifth objective was to establish the effect of service expectations on customer satisfaction. The sixth objective was to establish the zone of tolerance (ZoT) derived from service expectations of hotel guests. The last objective was to examine perceptions of hotel managers and hotel rating assessors about the contribution of a hotel rating system to customer satisfaction.

Based on the specific objectives and on the application of SEM, five testable hypotheses were developed for this study. The first hypothesis postulated a lack of significant effect of basic registration standard on customer satisfaction, but the hypothesis was not supported by the data ($\beta = 0.356$; t=4.000; p<0.05). The second hypothesis presupposed that grading standard had no significant effect on customer satisfaction, however, the results revealed that the hypothesis was also not supported by the data ($\beta = 0.434$; t=3.280; p<0.05). These findings suggest that indeed both basic registration standard and grading standard dimensions of a hotel rating system are determinants of customer satisfaction, thus supporting conventional or traditional customer satisfaction models which suggest that higher satisfaction occurs irrespective of the inherent nature of the hotel attributes that characterise the hotel rating system.

It is intriguing to note that the third hypothesis posited that basic registration standard had no significant effect on service expectations and the hypothesis was supported by the data ($\beta = 0.061$; t=0.471; p>0.05). This finding reinforces the belief that since basic registration standard represents a cluster of minimum requirements, they are, of course, expected by hotel guests in any star rated hotels. The fourth hypothesis advanced that grading standard has no significant effect on service expectations and was consequently not supported by the data ($\beta = 0.569$; t = 4.334; p<0.05), meaning that grading standard predicts service expectations. The last hypothesis postulated that service expectations had no significant effect on customer satisfaction in star rated hotels in Malawi and was supported by the data ($\beta = 0.114$; t=0.996; p>0.05). These findings are consistent with previous research on Kano model of customer satisfaction which confirms that not all hotel service attributes embedded in the hotel rating system dimensions, have the same influence on the customer's satisfaction levels. Therefore, these attributes may have different degrees of importance among hotel guests.

Both basic registration standard and grading standard were found to significantly affect customer satisfaction and explained 86% proportion of the variance in customer satisfaction. This implies that the state of hotel service and physical attributes that characterise the hotel rating system dimensions, may have either positive or negative impact on customer satisfaction depending on how customers perceive them to be. However, basic registration standard did not significantly affect service expectations, in the same way, service expectations did not significantly affect customer satisfaction.

Another objective of the study examined the effect of service expectations on customer satisfaction in star rated hotels in Malawi. Service expectations were measured by comparing adequacy in service, *vis a vis,* desired service. Related to this, was the objective aimed at establishing the zone of tolerance (ZoT) derived from service expectations of hotel guests. Hence, a paired samples *t*-test as an initial step, was employed to compare mean scores for desired service across the fourteen pairs of services with mean scores for adequate service. The hypothesis was that there was no significant difference between desired service and adequate service across the pairs of services under investigation. Results of the paired *t*-test were positive and significantly different in all the fourteen pairs. The major differences, described as the Zone of Tolerance (ZoT) in this study, were reported in the provision of services with ease; efficiency in food and beverage service; staff's ability to provide information about respective hotels and local areas; and appropriateness of background/soft music.

An analysis of the demographic profile, particularly of hotel guests, revealed that the majority (65.4%) of the respondents were male. As suggested by Wilkin (2010), the importance of gender, in this case, may provide a critical pursuit of an agenda by star rated hotels seeking to ensure a well-balanced approach to provision of services that

satisfy both male and female guests in equal measure regardless of the fact that the majority were male respondents in this study. Most of the respondents (41.6%) were postgraduates, with a sizeable proportion (36.8%) being first degree holders. Hotel guests on business undertakings constituted the largest proportion of respondents (84.3%) with more than half of guests having repeated a visit to the hotels of their choice for more than three times. Additionally, most of the hotel guests (56.8%) were often booked on full board status. The finding perhaps points to the fact that most of these hotel guests, are usually on paid up accommodation by their organisations which includes a full board status for most of them while attending to various business activities within and outside the hotels in the two major cities in Malawi.

Furthermore, the frequent visits to the star rated hotels, coupled with the high education levels, may suggest that the hotel guests are more knowledgeable about, and somewhat acquainted and contented with the current service provisions offered in the star rated hotels. Thus, the highly educated guests offered a basis to assume that they were an appropriate calibre of respondents to provide more reliable and genuine information on the research area under investigation. Drawing from the descriptive exploration of the variables, this could be one reason why hotel guests' perceptions on dimensions of hotel star rating systems and service expectations were generally and consistently high, ultimately leading to high customer satisfaction levels.

5.2 Discussion of Findings

5.2.1 Basic Registration Standard and Customer Satisfaction

Basic registration standard represents the minimum hotel physical attributes or standard requirements that a hotel property must meet at all costs before even embarking on the actual grading which looks at the quality aspects. To understand the effect of basic

registration standard on customer satisfaction, the following indicators: bedroom structure; public areas; service types; safety & security; and staff skills, were explored. The findings revealed that the hotels guests have high perceptions about the structure of bedrooms in the star rated hotels. The implication of these results is that star-rated hotels in Malawi are keen on providing comfort to their guests by addressing several aspects of bedroom structure. This has gone down well with most of the guests who rate these initiatives highly. High perceptions with regards to bedroom structure auger well for star rated hotels in Malawi and this, consequently, may lead to high customer satisfaction. The findings of the current study are consistent with those of Countryman and Jang (2006) and Bodet *et al.* (2017) whose studies provided evidence that indeed hotel rooms (or bedrooms as in the present study) and their accessories are among key hotel attributes that appeal to hotels guests. The findings on hotel bedrooms, however, slightly contradict what Li *et al*. (2013) previously found in star-rated hotels in Beijing, China. Li's *et al*. study established that although customers paid more attention to aspects such as bed comfort, room size, reception services and overall bedroom decoration, they were less satisfied with these aspects. The results of the current study are somewhat contradictory to Li *et al.* findings because the current study focused on aspects of the bedroom structure (furniture, furnishings, linen, lighting, sanitary installations) that were apparently different from those examined by Li *et al*. (2013). Such disparities underscore observations corroborated by Bodet *et al.* (2017) that several studies have certainly investigated the factors that influence customer satisfaction, albeit, from different perspectives within the hotel trade, yielding different results.

The second basic registration standard attribute explored was the suitability of designated public areas in star rated hotels in Malawi. Overall results suggest that hotel guests consistently perceived the areas designated for the public in the star rated hotels highly. These results show that star rated hotels in Malawi try to charm guests by providing public areas that are well illuminated and are attractive in terms of captivating artifacts and paintings. Well illuminated corridors were highly perceived owing to the fact guests want to feel safe and secure in an environment they are alien to. Artifacts and paintings were perceived highly by the guests perhaps because they add a good image to the hotels. Good artifacts and paintings in the public areas provide a theme and glamour that star rated hotels uniquely stand for. Additionally, common outdoor areas as part of the public areas provide a relaxing and comfortable atmosphere for the hotel guests, if appropriately designed. These findings agree with and expand on Ali's *et al*. (2016) findings which highlighted the importance of hotel's physical environment as one of the critical components of customers' assessment in the process of developing appropriate levels of satisfaction with the hotels services. Additionally, the findings on guests' perceptions of the public areas, resonate well with Katie (2015) who established that there is need to provide a choice of environments in public areas that can accord a generous personal space for guests, which, star rated hotels ought to, as the case is in the current study.

Hotel guests were asked to state their perceptions on the types of services offered at star rated hotels that they visited. The findings indicated perceptions of service types being consistently high in star rated hotels in Malawi. The significance of these findings is that star rated hotels recognise the need to provide quality service, to which end, most of them provide even auxiliary services that are appreciated by most guests. For example, most of the hotels provide meal services that are perceived to be of excellent

quality. The findings of the current study are consistent with those of Jin (2015) who identified food or beverage service quality to be one of the most important elements when making hotel restaurant choices by customers. Similarly, these results match those observed in earlier studies of Poon and Low (2005) who found that food and beverage service was one of the most influential factors affecting both Western and Asian traveller's satisfaction. Furthermore, guest's perceptions regarding hours of operation were high in the current study suggesting that such hours were convenient enough to guests owing to the 24-hour nature operations of many star rated hotels. This finding mirrors those of previous studies of Nadiri and Hussain (2005) and Nadiri *et al.* (2009) who established that operating hours convenient to all customers, can exert a significant positive effect on customer satisfaction. Furthermore, the consistency in satisfaction levels as revealed by the results suggests that the hotel guests were generally happy with the hotel services. In fact, all functional areas such as the sleeping rooms, outlets/ancillary venues, dining or room services, should always be available for guests in star rated hotels, thereby necessitating the continual staffing in these areas in order to effectively operate and maintain those services (Ismail, 2002). Star rated hotels that truly observe flexible operating hours, providing a latitude for hotel guests to access various services even though some of the available services may be scaled down or limited to certain times of the day for several reasons including security.

Contrary to expectations, this study found that the lowest guest perceptions were noted on the availability of shuttle or taxi services at the star rated hotels among all the service types investigated. A possible explanation for this result could be that most of the guests patronising these hotels come by their own cars, either self or chauffeur driven, hired or personal. This therefore makes the use of shuttle or taxis irrelevant or redundant, except in very few circumstances where some guests would really wish to use such

services. Concurring with the findings of Bodet *et al.* (2017), the present study suggests that the use of taxis, shuttles or even public transport will depend on the proximity of the hotel itself to various auxiliary services outside the hotel and that most customers may opt to use their own vehicles for convenience to move from place to place. This is perhaps why the finding revealed a relatively lower perception score than other service types.

It is also important to note that the proportion of respondents who expressed neutral perceptions towards types of services offered by star rated hotel was rather of concern. This finding was unexpected and indicates notable diversity among guests, which could lead to differences in the way they may perceive certain services. Sometimes a neutral category, which almost claimed quarter of the respondents, in the current study, conveniently provides an avenue for some respondents to avoid expressing their extreme opinions about how they perceive certain service types. This finding is best corroborated by TalentMap (2018) and argues that if respondents lack strong preference for something, they may opt to provide a response that does not represent their true feelings, consequently leading to what Kano *et al.* (1984) and Gregory and Parsa (2013) term as a point or zone of indifference. This is the point where there is no considerable impact to customers' satisfaction or dissatisfaction based on the existence or absence of different types of service offered (Gregory & Parsa, 2013). The finding on the guests' neutrality is somewhat consistent with what Lin *et al.* (2011) established when they applied the Kano model of satisfaction in the leisure industry to classify some service quality items, with the largest proportion of these falling into the indifference zone.

According to Lin *et al.* (2011), the classification of the service quality items under the indifference zone may suggest that not all service quality elements are always

symmetric and linear with customers' perceptions. The idea of non-linearity or asymmetry in the current findings is further supported by Bodet *et al*. (2017) who found the existence of both invariant and variant (i.e. non-linear) hotel service attributes whose contributions to satisfaction are arguably different from one attribute to another. Perhaps the point of minor difference between the findings of the present study on the neutral perceptions towards the types of services offered by the star rated hotels and those of Lin *et al*. (2011), could best be explained contextually. The current study targeted star rated hotels within the cities which attract a diverse group of both business and leisure guests, whereas Lin *et al*. focused on the leisure segment only visiting a special attraction and appears to be a rather homogenous group of customers. The other reason for possible differences in the findings of the present study and Lin's *et al*., is best explained by the perceived weakness of Kano model owing to its largely qualitative nature rendering it less effective in the quantitative evaluation of customer satisfaction (Mkpojiogu & Hashim, 2016) which was used in the current study.

Notwithstanding, provision of services that appeals to guests, is certainly a move towards remaining competitive. Some of the issues emerging from the findings on service types (valet and laundry services; beverage service; or prompt service orders) relate specifically to service quality which has previously shown to have direct and positive impacts on competitiveness in the hospitality sector (Campos-Soria, Garcia & Garcia, 2005). The results of the current study on these service types, undoubtedly, demonstrate that star rated hotels yearn to remain competitive by ensuring that guests are provided with services that are commensurate with their expectations. The findings generally support Rao and Sahu (2013) who argue that hotels can only remain competitive if they analyse customers' expectations and provide quality services.

Another important finding concerns safety and security under basic registration standard. Safety and security have been documented as important factors in guests' selection of hotels (Chan & Lam, 2013). Consequently, findings for safety and security as an indicator of hotels' basic registration standard revealed that guests tend to rate hotels' safety and security highly and in a consistent manner. Such findings elaborate the significance guests attach when choosing hotels with an understanding that their safety and security are guaranteed (Chauhan, Shukla & Negi, 2018). The results of the current study clearly point to the fact that star rated hotels in Malawi have taken cognisance of the impact that the safety and security of guests has on hotel's performance and have consequently ensured that there is safe access, adequate security, and that the environment remains immaculate.

The provision of safety and security among star rated hotels in Malawi portends well for the hotel industry in the country. For instance, one incident recorded in history underscores the importance of safety and security to hotel guests. It is reported that guests' privacy and safety were proven paramount by a jury's decision to award $55 million to a customer in the United States of America as a result of an up-market hotel's failure to reasonably safeguard the customer's privacy, safety and security (Migdal & Palmer, 2016). The manifestation here is that safety and security, not only assure customer satisfaction, but can also be very expensive to hotels. Moreover, such provision of security and safety in Malawi's star rated hotels is consistent with the previous study findings of Feickert, Verma, Plaschka and Dev (2006) who established that hotel guests have relatively high approval of some security measures that hotels put in place, along with willingness to pay extra for some of them, provided the measures are perceived to be favourable and less intrusive to the guests. Again, these results extend further support to Poon and Low's (2005) and Chauhan's *et al*. (2018)

findings that safety and security are indeed one of the most influential factors affecting travellers' satisfaction levels.

In the study, hotel guests were asked to indicate how they perceive staff skills in star rated hotels. The results of this study showed that there were consistent and high perceptions of staff skills. The findings indicate that staff in star rated hotels in Malawi appreciates their important role in maintaining customer satisfaction. They exhibit courtesy and proper grooming when handling guests they interface with. The findings of the current study are consistent with those of Amin *et al*. (2013) who encourage hotel managers to monitor and enhance both staff presentation and courtesy because they are the basis for customer's expectations and anticipation in any successful hotel business. Besides, results indicated that staff can display balance and understanding in diverse service areas. This is perhaps a very strong element of star rated hotels in Malawi. The findings are similar in manner to those of Nguyen, Nguyen, Phan & Yoshiki (2015) who suggested that quality of service, particularly, directly attributable to staff responsiveness, reliability, empathy and assurance is a key facet in customer satisfaction. Maintaining a responsive and well-groomed staff is therefore a sure way through which star rated hotels in Malawi may maximise customer satisfaction. The findings of the study also emphasise that a good command of languages can be one of the most critical elements in customer satisfaction. In line with Kuo *et al*. (2010), the results of the present study clearly demonstrate staff's ability to use languages for ease of communication and negotiations with customers in the star rated hotels in Malawi.

The aggregated results accruing from the individual indicators of basic registration standard confirm that star rated hotels in the study, comply with minimum attributes expected before formal registration. The results show that most of the star rated hotels

are designed in a way that guarantees ease of access, safety & security, provision of adequate public spaces, provision of rooms that assure guest comfort and use of staff that provide quality service using appropriate skills. These attributes resonate with similar attributes reported in extant literature (Bodet *et al.*, 2017; Li *et al.*, 2013; Zemke *et al.*, 2017) and their ultimate effect on customer satisfaction. Furthermore, the hotel managers should focus on these factors and continue to make immediate improvements whenever these hotel aspects fall short of their glamour to attract and satisfy customers. The findings of the study thus reveal one significant theoretical contribution to the existing body of knowledge that basic registration standard as a dimension of hotel rating system can potentially affect customer satisfaction.

5.2.2 Grading Standard and Customer Satisfaction

Grading standard as a dimension of hotel rating system refers to the qualitative, intangible service-related aspects in addition to the physical quality requirements (specified in the basic registration standard) that hotels must meet (Guillet & Law, 2010). The second objective of the study examined the effect of grading standard on customer satisfaction in star rated hotels in Malawi. Specifically, structural features; furniture/fittings/décor; food & beverage; service rapport; and other features/hotel added extras as indicators for grading standard, were explored. The prevailing status of each of the five indicators of the grading standard was therefore examined. The study presupposed that grading standard had no significant effect on customer satisfaction in star rated hotels in Malawi. However, results revealed that grading standard was a positive and significant determinant of customer satisfaction. Consequently, the hypothesis that grading standard has no effect on customer satisfaction was not supported by the data.

The findings indicated consistent and high perceptions among hotel guests with regards to structural features available in star rated hotels in Malawi. The results on guest perceptions show that most star rated hotels in Malawi have the required structural features that adequately describe the latent grading standard construct as suggested by TGCSA (2013). Aspects of structural features such as building appearances, adequacy of space and facilities, and state of guest facilities, which Walter *et al*. (2010) refer to as service infrastructure, are crucial in providing hotel's external physical environment and important to customer satisfaction levels. The findings are also consistent with the assertions of Hoffman and Turley (2002) who argue that the hotel servicescape consists of components such as facility exterior design, signage, parking, landscaping, and the surrounding, all of which affect customer satisfaction in one way or another. Similarly, Li *et al*. (2013) identified parking space as another element highly perceived by customers, important, and has a significant influence on customer satisfaction. The findings also point to the fact that the structural features provide the right balance of both hedonic and utilitarian satisfaction (Zemke *et al*., 2017) which is even more important, owing to the length of time that the customer spends within the hotel service environment - lasting between a few hours and many days or even weeks. The results showing presence of these features in star rated hotels, is therefore a crucial element of hotel grading.

Findings from the examination of respondents' perceptions on furniture/fittings/décor presented in star rated hotels under study, revealed that perceptions were high among hotel guests. The results point to the fact that most star rated hotels in Malawi possess the required furniture/fittings/décor elements that sufficiently describe the latent grading standard construct as suggested by TGCSA (2013) and GoM (2005). High quality ceilings, full range bathroom linen, good quality bathroom linen and furnishing

and effective bedroom lighting have previously been acknowledged as some of the key elements that exert a significant effect on the importance of hotel service quality dimensions among customers (Ali *et al*., 2016; Wilkin, 2010). Furniture/fittings/décor, as part of the hotel physical environment, serve as an aide-mémoire or a recognisable characteristic in helping customers differentiate among hotel properties (Countryman & Jang, 2006). According to Country and Jang, these hotel physical characteristics are very influential in driving the hotel purchase decision among customers and create value for the guests during their stay. Therefore, it is important that hotels pay a great deal of attention to the furniture/fittings/décor in order to drive customer satisfaction. The results depicting presence of these attributes in star rated hotels in Malawi, therefore, provide a vital element of hotel grading.

Results from examination of respondents' perceptions on the state of food and beverage in star rated hotels in Malawi revealed that hotel guests had high perceptions about this aspect. The results clearly demonstrate that the star rated hotels in Malawi are striving to provide food and beverage in dining settings that do not allow intrusion of noise or smells from other areas. The table appointments are very appropriate with provision of quality utensils and the presentation of the food is very attractive. The findings substantiate arguments of both Wilkins (2010) and Jin (2015) who pronounced that food and beverage service quality, good range of beverages, exquisite meal preparation and provision of fine dining experience are critical factors for customers when choosing hotel restaurants and they will most likely evaluate their dining experiences on that basis to inform their future intentions to return, guaranteeing their loyalty to the hotel. Associated with excellent food and beverage service provision, is the environment in which such a service is executed (the servicescape). Therefore, the findings of this study somewhat confirm what Lin and Mattila (2010) established about the impact of

restaurant servicescape on customers' emotions and satisfaction. As advocated by Lin and Mattila (2010), the perceived congruency achieved by matching food served with the restaurant theme and the exterior look with the interior décor of the dining areas, have a positive impact on customers' pleasure level and satisfaction. The study has provided findings which extend this discourse on food and beverage as a function of satisfaction based on the perceptions of the hotel guests. Similarly, the findings of this study are consistent with Walter *et al*. (2010) who established that food and beverage are also one of the frequent drivers for customer service experiences. Walter *et al*. (2010) argue that food and beverages play an important role in customer experiences and that customers have clear ideas about food quality, both on simple dishes and complex meals, an aspect that augurs well with the anticipations that star rated hotels in Malawi need to provide a variety of food on all menus.

Although certain aspects of food and beverage, such as menu variety and quality of food and beverage earned slightly lower guest perception scores in this study, the overall perception for food and beverage was generally high. It is not surprising therefore, that customers also eventually registered slightly low satisfaction with the same aspects. If little attention is paid to these aspects, they have a potential to damage the reputation of the hotels. Indeed, Walter *et al*. (2010) argue that food and beverage provision as a core service in many hotels, ought to delight customers when something unexpected or extraordinary happens, for example, when a little extra dish is made available or even in the absence of a written menu in the hotel restaurant. Customers notice when the quality of food is not consistent with the expected service level of the hotel restaurant; they are concerned about how much time it takes for them to be served. It is important that the menu is adequate to customers' expectations and situation. Furthermore, if hygiene standards are also compromised, customers react most often

by leaving the dining area almost spontaneously (Walter *et al*., 2010). Star rated hotels in Malawi need to be cautious to ensure that their dining areas do not have any intrusive noise and smells. It is crucial that star rated hotels in Malawi ought to remain competitive on the account of appropriate food and beverage provision in order to turn customers into their walking advertisement (Zaibaf *et al.*, 2013). In agreement with Mohsin and Lockyer (2010), the current results, thus, suggest that proper food and beverage quality management system in hotels may lead to a positive effect on customer satisfaction, which in turn will have a favourable effect on hotel's profitability.

Another element of grading standard which was under investigation was staff rapport. The results of this study showed that this component yielded high perceptions among respondents and the results clearly suggest that staff in star rated hotels are consistently establishing a close and harmonious relationship with the customers and strive to understand their feelings and communicate well. The fact that staff are warm, cheerful and friendly; are always able to meet customers' demand; and are willing to help customers by providing efficient services, offer enough evidence that these are the most critical elements in customer satisfaction, consistent with the findings of Kuo *et al.* (2010), Amin *et al*. (2013) and Al-Ababneh (2016). Quality staff who are unobtrusive, respectful and polite are important in guaranteeing customer satisfaction (Wilkin, 2010). In addition, Kuo *et al*. opine that professional knowledge of staff is often perceived as imperative by the hotel customers and may have a direct and positive effect on their satisfaction as was notably the case in the present study.

It is evident from this study that staff rapport is crucial to the success of star rated hotels. Drawing from the findings star rated hotels pay a great deal of attention to their employees by empowering them to handle customers in a very professional manner in

order to meet their expectations and ultimately, their satisfaction. Echoing similar sentiments as in the present study, Kattara *et al*. (2008) stated that both positive and negative staff behaviours can significantlly affect perception of service quality as well as overall customer satisfaction in star rated hotels. Consistent with Kattara's *et al*. recommendations, the study findings on staff rapport highlight the need for hotel practitioners to be strategic and implement effective tools that would motivate employees towards behaving positively with customers, a cautious advice that can be emulated by Malawian star rated hotels. For this to be actualised, probably there is need for inclusion in the hotel rating criteria of guidelines like those proposed by Cairncross, Wilde and Hutchinson (2008) and Chand (2010) on specific human resource management (HRM) practices such as recruitment, level of training and development and job design or specifications. These HRM practices are believed to have a significant effect on service quality and customer satisfaction because customers judge the quality of the service they receive largely on their assessment of the people who provide the service (Cairncross *et al.*, 2008). Additionally, implementing employee training that emphasises adherence to service quality as part of each employee's job, would have a significant impact on guest satisfaction. This is in line with the intentions of any hotel rating system that incorporates in the grading criteria important hotel attributes, as previously established by Qu *et al*. (2000), in order to address any customer satisfaction concerns.

The findings suggest that it is essential to put in place deliberate efforts that address issues of any service delivery inconsistencies by staff observed from different sections of the hotels in order to build proper customer confidence in any star rated hotel in Malawi. Similarly, conclusions drawn from interviews with hotel managers in this study, revealed that staff are crucial to the customer satisfaction which guarantees

business success. The finding corroborates the study of Qu *et al.* (2000) on hotel attributes that contribute to customer satisfaction, who found that quality of staff performance is the most influential factor. By establishing quality of staff performance as the most crucial hotel dimension in influencing customer satisfaction levels, managers in star rated hotels will be at an advantage in formulating strategies aligned with changing customer needs and expectations. The goal of managing customer satisfaction is to attain a higher customer retention rate and boost the hotel's profits and market share (Amin *et al.*, 2013).

Aspects of staff behaviour, attitude and customer satisfaction have been directly linked to inadequate international hotel investment opportunities in Malawi. The results showing satisfaction with staff behaviour and attitude among star rated hotel's staff are significant in the sense that they provide impetus to potential and top-flight investors to open business in the hospitality industry in the Malawi context. Previously, evidence points to the inability of the Malawi tourism and hospitality sector to attract large multi-national hotel groups compared to neighbouring countries (IDC, 2012) due to inadequate or lack of "professionalisation" of the industry, as the result, the industry witnessed the influx of many small operators with limited industry experience employing unqualified personnel without the right acumen for the job (World Bank, 2010). One way to professionalise the hotels' operations, is for the appropriate government agencies in the Ministry responsible for tourism to monitor and support training institutions mandated to supply well-trained staff who will ultimately make significant contribution towards customer satisfaction in the sector.

One unanticipated finding was on 'hotel added extras' whose guest perceptions were generally low, and guests remained mainly neutral in all the items that measured this

component. The results clearly attest to the views that elements of 'hotel added extras' such as business centre, background music, saloons or min-shops, and entertainment and recreational facilities, did not feature highly as important aspects that may drive customer satisfaction. The current study findings seem to match those by Wilkins (2010) who established that some components of 'hotel added extras' were found to be low priority areas for hotel management owing to their low importance and performance as evaluated by hotel guests in relation to their satisfaction. Wilkins' (2010) study was conducted in first class (four star) and luxury hotels (five star) hotels targeting both business and leisure guests, a context similar to the present study. Furthermore, 'hotel added extras' in the current study, may be considered as mere attractive quality attributes which, of course, result in increased customer satisfaction when provided or present in star rated hotels, and their absence does not cause dissatisfaction either, in line with the Kano model of satisfaction (Kano *et al*., 1984; Gregory & Parsa, 2013). These hotel attributes may not necessarily be expected as was the case in the present study but are well received and appreciated when offered to the customer (Gregory & Parsa, 2013).

5.2.3 Basic Registration Standard Grading Standard and Service Expectations

The study postulated lack of significant effect of basic registration standard on service expectations and lack of significant effect of grading standard on service expectations. Interestingly, in the case of the former, the hypothesis was supported by the data, thereby indicating that basic registration standard did not have significant effect on service expectation. On the contrary, the latter hypothesis was not supported by the data, hence, grading standard had significant effect on service expectations. In other words, the results of the study clearly suggest that it is only the grading standard dimension of the hotel rating system that significantly determines service expectations.

This is particularly and unsurprisingly true considering that the basic registration standard presents bare minimum requirements that must, at all costs, be met even before hotels apply for the actual grading. Nonetheless, since service expectations are said to be dynamic in nature and, that they can change according to customers' experiences and some situational circumstances (Yilmaz, 2010), there is a possibility that basic registration standard may affect expectations perhaps with changing customer needs and tastes. However, the basic registration standard still stands out as an important precursor and prerequisite to further hotel grading. In other words, the two dimensions of hotel rating system support each other strongly during the hotel grading process as evidenced from the positive strong correlation between them.

The fact that basic registration standard did not significantly affect customers' service expectations, can perhaps be linked to present study's demographic aspects of the hotel guests. Guests on business missions constituted the greatest proportion of the respondents, with more than half of these having visited their favourite hotels for more than three times. The primary motives of these business guests could be multi-fold: they are either attending a meeting or engaging in some other activities, therefore, the amount of time they spend in the star rated hotel environment may be limited and influenced by their business schedules. Hence, these guests may not pay a great deal of attention to some of the hotel attributes in alignment with their prior expectations and even possibly caring less about these attributes, whether the hotel provides them with appropriate basic amenities or not.

This finding could further suggest that with the frequent visits to the same hotel, the guests may have increasingly become habituated with the hotel services and hotel physical environment. Consequently, the guests are no longer anxious about any

surprising offers in the hotels, although a hotel experience is influenced by several factors such as hotel product, received information through marketing activities, and personal preferences (Baruca & Čivre, 2012). The finding is therefore consistent with Jin (2015) who established that it is usually easier to meet or exceed customer expectations when the first impressions have been positive. After that, customers are accustomed to the environment unless perhaps something drastic or dramatic changes in the hotel set up or service delivery, that is when customer service expectations would probably change or be affected.

Grading standard as a dimension of hotel rating system specifically deals with qualitative, intangible service-related aspects which are considered more important, in addition to the physical quality requirements (outlined in the basic registration standard) that hotels must meet (Guillet & Law, 2010). According to Callan (1994) grading standard dimension implies "quality grading". Conclusions drawn from the interviews with the hotel grading assessors also confirm that both basic registration standard and grading standard play a crucial role in the formation of guest expectations. However, the grading standard seems to play a much greater role in that process because grading standard present a much high order set of service attributes expected at a rated hotel facility. This finding is consistent with the assertions of DoT (2016) which touts grading standard as a reflection of the quality and range of facilities and services that a country/hotel property offers. Additionally, grading standard helps cut down on speculation regarding quality especially amongst customers. Hence, the findings of the current study support the standpoint of the Adongo (2011) and Department of Tourism in Malawi.

Since Grönroos (2016 concedes that it only the customer who best defines what service quality is, it is not surprising that the present study confirms that perspective through the grading standard. Customers or in this case, hotel guests possess certain prior purchase service expectations about the service quality offered in star rated hotels (Grönroos, 2016; Yuksel & Yuksel, 2001a, 200b; Zainol *et al*. 2010; Zeithaml *et al.*, 2013). Previously, critics raised an issue whether a hotel grading has been accepted as an indicator of quality or it makes contribution to improvements in quality of facilities and service (Adongo, 2011; Callan, 2000). But Guizzardi *et al.* (2016) responded to these critics arguing that conventional hotel ratings are indeed often used as indicators of service quality expected. Therefore, the findings of this study in which grading standard as a dimension of hotel rating system affects service expectations, are consistent with Guizzardi's *et al.* (2016) persuasions.

Although, basic registration standard did not significantly determine service expectations, perhaps owing to its perceived status as representing a set of minimum or basic requirements of service delivery within the hotel grading process, its importance to hotel guests can not be completely overlooked. Incidentally, the study has, however, found that the basic registration standard components have significant effect on customer satisfaction. Therefore, Yuksel and Yuskel (2001a) cautiously advise that although measuring service expectations and customer satisfaction ought not to be an end, deliberate efforts should be put in place to incorporate both service expectations and satisfaction data generated from studies such as this into the development of hotel service attributes improvement strategies aimed at sustaining the reputation and image of hotels. It is only through the actual implementation of appropriate improvement strategies (Yuksel & Yuskel, 2001a) in the star rated hotels in Malawi, that will guarantee customer satisfaction and eventually, increase repeat patronage among

current customers and perhaps aid customer recruitment leading to the profitability of the hotels.

5.2.4 Service Expectations and Customer Satisfaction

The study postulated a lack of significant effect of service expectations on customer satisfaction. Interestingly, the hypothesis was supported by the data indicating that service expectations did not have significant effect on customer satisfaction. In other words, the results of the study clearly suggest that service expectations do not significantly determine customer satisfaction. The findings of the current study do not support the previous research. Evidence from the study suggest that hotel guests visiting star rated hotels in Malawi are generally less satisfied with positive encounters which fall well within the acceptable zone of tolerance. But several scholars (Gwynne *et al*., 2000; Zainol *et al.*, 2010; Zeithaml *et al*., 2013) argue that customers who enter the service process with prearranged anticipations in their minds, can exit with an "acceptable outcome". This means that, although a service may not meet expectations in all respects, customers are, however, willing to accept variations within a specified range of performance while still being satisfied with the outcome as the case in the present study.

One possible explanation of this apparent contradiction between the results and literature, could be linked to the demographic profile of the respondents. It is safe to speculate that since most of the hotel guests are on business mission, they are usually placed on paid up full board accommodation status by their organisations. There is a possibility that such organisations in which most of the hotel business guests work, may have a special agreement of some sort with the hotels on such aspects as group bookings and discounts. Hotel guests affected by such arrangements, may not have much liberty

to look for alternative choices of accommodation as they attend to various business activities within and outside the designated hotels. As the result, their expectations of the hotel services remain static based on their prior experiences. Furthermore, there is supporting evidence from the demographic profile of respondents of their frequent visits to the star rated hotels suggesting that the hotel guests are more loyal and have become increasingly familiar with the service provisions offered in the star rated hotels. Such assertions do not resonate well with views that guests will often compare actual services and products with their prior expectations and be willing to accept variations within a certain range of performance (ZoT) while still being satisfied with the outcome (Yuksel & Yuksel, 2001a; Zainol *et al.*, 2010).

The findings of this study may again further suggest something contrary to Oliver's (2010) standpoint that the information a customer receives during service encounters, is likely to influence the formation and level of expectations. Regular guests (i.e. the business guests as in the present study) may not have a lot of spectacular expectations beyond what they already know about those hotels to the extent of significantly affecting their satisfaction, unless the hotels have made dramatic and noticeable service improvements within a certain period. Such service improvements may eventually play a significant role on individual-specific information sources of service expectations which vary among individuals, thus, leading to different individuals expecting different levels of service in similar consumption set-ups (i.e. star rated hotels). Instances of individual-specific sources include an individual's personal service philosophy, personal needs, and perceived service alternatives (Zeithaml *et al.*, 2013). Due to these varied individual specific information sources of expectations, there is more likelihood that levels of customer satisfaction will consequently vary, resulting in a net effect of no-satisfaction at all as was the case in the present study.

Furthermore, the result somewhat contradicts earlier pronouncements by scholars such as Yuksel and Yuksel (2001a) who believe that customers must always possess some pre-purchase expectations in order to be able to experience either positive or negative disconfirmation of those expectations for customer satisfaction to be determined. Yuksel and Yuksel (2001a) further assert that this may, however, not work in situations where customers do not possess well-formed expectations. Worse still, lack of experience with a service or lack of familiarity with a hotel service may cause expectations to be transient and uncertain. But the quandary is that the present study confirmed that most of the hotel guests were frequent visitors, therefore the question about lack of experience or familiarity with the hotel services, was very remote in this case.

Further possible explanation to failure of service expectations to significantly determine customer satisfaction, could be linked to the sources of expectations that customers harbour. For instance, there are biased pre-encounter sources of information made available to potential guests via hotel marketing efforts like sales calls carried out by the hotels' marketing teams, distribution of hotel brochures and use of billboards in strategic spots (Yuksel & Yuksel, 2001a). Typical information that hotels deliberately disseminate in order to secure business, will certainly include hotel facilities and amenities available, services and products provided, commitment to service quality. These biased sources of information become particularly important to the formation of service expectations when customers lack alternative sources of information. But the present study has showed that the type of hotel guests in star rated hotels are repeat guests who are well-informed about the kind and nature of services or facilities they will likely be subjected to in these hotels. However, it is difficult at this stage to ascertain whether such sources played a role in the formation of the expectations.

Possibly, further investigations need to be carried out in order to understand the role of these biased sources of information on the formation of service expectations on customer satisfaction.

Another possible explanation of the results is aptly offered by Grönroos (2016). He argues that while customers interact with the hotel staff, for instance at the reception or the waiting staff in the restaurant, the physical environment of the service encounter, and other customers present, their service expectations are more likely to be swayed one way or the other during a service encounter., It appears, however, hotel guests in the present study, were indifferent to or seemed unperturbed by such elements owing to their famliarity with the hotels, as the result, such elements had no effect on guest satisfaction. Many hospitality services, especially in star-rated hotels, are based squarely on experience and credence elements, which may only be available or more easily judged only after, rather than before or during the consumption experience (Reid & Bojanic, 2010). However, it is pleasing to note that conclusions drawn from the interviews with the hotel managers generally suggest that different star hotel ratings convey a message to the level of service that is expected in each star category.

In order to address this lack of service expectation's determination of customer satisfaction, perhaps, testing the relationship between service expectations and customer satisfaction at 10% margin of error could have resulted in service expectations claiming a significant effect on customer satisfaction. Therefore, further research needs to be conducted to establish such an effect or relationship at a less conservative margin of error than 5% as was the case in the present study.

5.2.5 The Zone of Tolerance (ZoT) and Service Expectations

Customers' service expectations exist at two levels, the desired level and the adequate level. The desired service level, representing the highest level of expectations, describes the service that the customer hopes to receive. This is derived from a combination of what the customer believes 'can be' and 'should be'. The adequate level, representing the minimum level of expectations, describes what the customer finds acceptable, reflecting the customer evaluation of what the service 'will be' (Nadiri *et al*., 2009). The difference between desired service and adequate service indicates the Zone of Tolerance (ZoT), which is a range of service performance that the customers finds satisfactory (Nadiri *et al*., 2009; Parasuraman *et al*., 1994). The results of this study have revealed that hotel guests are able to distinguish between desired and adequate service expectations as a comparison standard in evaluating hotel services. The results of this study are consistent with the findings of Yilmaz (2010) who determined that hotel guests can identify two different types of service expectations as a comparison standard in assessing customer satisfaction. If the actual service experiences of the customer fall midway these two borders, as the case in the present study, such experiences will be tolerated leading to favourable perceived quality hotel service provision (Grönroos, 2016). The services provided in star rated hotels in Malawi, thus generally fall well within an area that represents a range of expectations and acceptable outcomes in service interactions. The findings of the present study build on the study of Nadiri *et al.* (2009) which described the ZoT for customers' service expectations in a similar manner and determined the customer satisfaction levels.

A special interest to note is that customers tend to have a larger ZoT when facing negative encounters and a narrower ZoT when dealing with positive encounters (Zainol *et al*., 2010). The results of this study indicate that star rated hotels in Malawi have gone

slightly out of their way to match guest's expectations by delivering adequate service that exceeds their expectations in many service areas. Although, major differences were reported in food and beverage service efficiency; staff's information about respective hotels and local areas; and appropriateness of background/soft music, the ZoT registered in these service aspects was relatively narrow between the desired service (the highest level of expectations) and the adequate service (the minimum level of expectations) in all the fourteen pairs. This result, in concurring with Yilmaz (2010), suggests that hotel guests are less likely to tolerate heterogeneity in service delivery in the service aspects in question.

Since hotel services have an aspect of heterogeneity in their nature, variation in the ZoT is nevertheless expected among hotel guests, across hotels, even across employees of the same hotel, and perhaps with the same employee at different times (Grönroos, 2016; Zainol et al. 2010; Zeithaml et al., 2013). This is probably one reason why some of the hotel service aspects investigated in this study, such as "staff being too busy to respond to customers' requests"; or "staff behaviour instills customer confidence", had much smaller ZoT almost suggesting more likely insignificant differences between desired and adequate expectations. Generally, the narrow ZoTs noted from the small differences are related to staff. This is not very surprising, and the findings agree with the assertions of Zainol et al. (2010) thus suggesting that usually these staff aspects may be regarded as positive encounters owing to the visibly deep and constant interactions between hotel guests and staff during service delivery. Consequently, the possibilities of variation in service delivery, in this case, become far-fetched as observed by Yilmaz (2010). Consistent with Zainol et al. (2010), the results of the present study demonstrate

that it is possible for hotel guests to have different perceptions on different hotel service attributes, thereby generating variability in their ZoT. Finally, the results demonstrate that evaluation of services can be scaled according to different types of expectations – 'desired' and 'adequate' – and that hotel guests use these two types of expectations as a comparison standard in evaluating various services in star rated hotels.

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CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

6.0 Overview

This chapter presents conclusions, recommendations, limitations of the study and finally suggestions for future research. The general objective of the study was to investigate the effect of hotel rating system dimensions on service expectations and customer satisfaction in star-rated hotels in selected cities in Malawi. Accordingly, five specific objectives were investigated, and five hypotheses were tested in order to achieve the main objective.

6.1 Conclusions

The findings from this study indicate that hotels' compliance with both minimum standards and grading requirements can enhance customer satisfaction. Therefore, a hotel star rating system that embraces both basic registration standard and grading standard dimensions in its criteria, can be considered as being predictive means or tools in augmenting customer satisfaction in star rated hotels in Malawi. Again, one of the significant findings that emerged from this study is that while grading standard was found to be a determinant of service expectations based on the findings of this study, basic registration standard did not have significant effect on service expectations.

Several conclusions can be drawn from the present study. Firstly, the results of this study have indicated that both basic registration standard and grading standard as dimensions of a hotel star grading system have significant effects on customer satisfaction. However, the study concludes that grading standard dimension was found to be a more powerful determinant of both service expectations and customer satisfaction in star rated hotels in Malawi than the basic registration standard. This can

be attributed to the fact that grading standard dimension is concerned with more subjective, intangible service quality related aspects of the hotel grading criteria which previous studies have found them to be of paramount importance to the customers. Provision of excellent structural features, furniture/fittings/décor, food & beverage, and service as indicators for grading standard is revered to significantly excite most hotel guests, thereby, leaving them even more satisfied as they continue to interact with these service elements in the "hotel service factory". Therefore, star rated hotels in Malawi should embrace grading standard as a true reflection of quality, thus, a means by which customers can distinguish between competing hospitality establishments in relation to a range of facilities and services. The present study has demonstrated that perceptions of hotel guests on hotel star rating system dimensions, can equally provide useful indication to hotel management on important attributes that affect service expectations and customer satisfaction levels. Management of star rated hotels in Malawi, therefore, ought to embark on careful resource mobilisation and identification of the aspects of the service performance that need further improvement or development to appropriately meet both segments' needs because they are important to the star rated hotels.

The grading standard also provides an avenue for a hotel to be compared with similar properties in the same hotel star rating category, thereby, assisting in minimising any speculations regarding quality especially amongst both current and potential hotel customers. In other words, the grading standard appears to drive a more customer centric agenda of hotels by providing a much more positive customer experience through satisfied customers in order to boost profits and gain competitive advantage. In fact, a customer centric oriented hotel business ensures that the customer/hotel guest is at the centre of the hotel's philosophy, operations and ideas (Palacios-Marques, Guijarro, & Carrilero, 2016). Consequently, customer centricity demonstrated by the

grading standard through the involvement of hotel guests in this study, helps star rated hotels to build both customer trust and loyalty, as well as a solid reputation for the hotels themselves. The grading standard dimension in this study has demonstrated that it can raise high the service expectations of some of the hotel service elements. The implication of this is that if service expectations are met or exceeded, a customer will be satisfied, but on the contrary, dissatisfaction will also occur if the perceived hotel service or product performance falls short of such expectations.

In contrast, basic registration standard's failed attempt to significantly affect service expections, may suggest two possibilities. Firstly, the extent to which hotel experiences and outcomes under this dimension should have achieved the desired effect, was not perhaps at the level adequate to meet customer's expectations. Secondly, customers were perhaps being simply indifferent to the dimension's elements because such aspects are always expected anyway as a threshold set of requirements in the hotel industry with no major customer surprises owing to the ambiguous nature of customer expectations. Furthermore, it can also be concluded that the aggregated results ensuing from the basic registration standard dimension confirm that star rated hotels in the study, comply with the minimum attributes expected before formal registration and subsequent grading for a star rating award. The results show that most of these hotels are designed in a way that guarantees ease of access, provision of adequate public spaces, provision of rooms that assure guest comfort, and use of staff that provide quality service which significantly satisfy hotels guests to some extent. The basic registration standard forms part of the backbone of the regulatory framework in which all relevant statutory requirements (such as liquour licensing), minimum standard requirements and minimum hotel grading requirements are stipulated.

Notwithstanding its perceived status as a hotel rating system dimension representing a set of basic and minimum requirements, basic registration standard is inevitably a crucial precursor that lubricates the grading process into action for hotels in Malawi. Hotel guests perceive such standards as equally important as the grading standard. In other words, both dimensions must be attained or included in any hotel rating system in order to determine the satisfaction of hotel guests. From the interviews with both the assessors and hotel managers, it was apparent that they overwhelmingly agree on the importance of ensuring hotels comply with aspects of both basic registration standard and grading standard to provide assurance to customers and encourage higher standards of the hotel product/service. Compliance with these two dimensions as stipulated in the hotel rating criteria also provides a basis that can lead to an overall improvement in service levels and physical facilities. This, in the turn, indicates to customers the hotel properties' commitment towards quality service which will ultimately affect their satisfaction levels with the hotel experience.

All in all, satisfaction being a customer's post consumption evaluative judgement of a product or service in terms of whether the product or the service has met customer's needs and expectations was achieved from the hotel rating system dimensions. This is an overall satisfaction based on a customer's universal or holistic assessment of the star rated hotels which occurs as an outcome after a purchase occasion based on all service experiences during the hotel stay.

6.2 Implications of the Study

The study developed a structural model linking hotel rating system dimensions, service expectations and customer satisfaction. The evidence from this study suggests that the model provides important implications for numerous stakeholders. Accordingly, the

implications to theory, managerial practice, policy and recommendations for further study are provided below.

6.2.1 Theoretical Implications

This study was based on the environmental psychology's stimuli-organism-response (S-O-R) and servicescape theories. Hence, this study established determinants of customer satisfaction in star rated hotels where the hotel property forms the environment in which service takes place. Such an environment is obviously capable of influencing varied behavioural actions from both the customer perspective, as well as providing a context in which these actions occur. The hotel rating system dimensions consist of hotel attributes well laid out in the hotel rating criteria document and regulations. These hotel attributes referred to as cues, provide the basis for setting up the environment in which services are executed and delivered. Some of the key hotel attributes were the bedroom structure; public areas; service types; safety and security; staff skills and rapport; hotel structural features; furniture, fittings and décor; and food and beverage which provided the set of stimuli. The organism component in this study, were the hotel guests described as the recipients of the set of stimuli. The responses (perceptions) of hotel guests to the set of stimuli were influenced by the behavioural outcomes of feeling satisfied with the hotel service experience.

This study makes contribution to the theoretical progression in the field of hospitality management by ratifying the usefulness of the S-O-R and servicescape theories in determining customer satisfaction (an approach behaviour) through hotel star rating system dimensions. The S-O-R and servicescape frameworks largely explain the service environment (the star rated hotels) and the atmospheric effects of elements such as ambient conditions (temperature, air quality, noise, odour, etc); space/function

(layout, equipment, furnishings); signs, symbols and artefacts (directional signage, personal artefacts, style of décor and colour patterns, etc); the hotel exterior, interior design, lighting, employee appearance, uniforms, and other features which are generally physical and tangible in nature on customer satisfaction; equivalent of hotel attributes specified in the hotel rating system dimensions. The present study moved a step further by examining effects of more qualitative, intangible, service-related attributes such as staff skills, rapport, behaviour and attitude, food and beverage service quality, different service types. Hotels that devote much of their resources and effort to improving both their services and physical facilities, are on the right course of guaranteeing their customers' levels of confidence with the hotel experience within the hotel environment of several players.

More importantly, the findings of the study demonstrated that there are determinants of customer satisfaction existing as several sub-dimensions provided in a nexus with the two hotel rating system dimensions. The study demonstrated how both basic registration standard and grading standard affect positively the satisfaction; and specifically, that the grading standard affects overall customer satisfaction positively through its interaction with service expectations. The scrutiny of the nexus of several sub-dimensions within each construct in the structural model, provides more subtle information about which hotel rating system dimensions significantly affect the levels of customer satisfaction. The determination of the direct effects of the two hotel rating system dimensions on customer satisfaction in star rated hotels, thus, provides a new array of information concerning the extent to which each hotel rating system dimension can affect customer satisfaction. This is undoubtedly one of the theoretical contributions that this study has made demystifying the proposition that hotel rating

systems can predict customer satisfaction in hotels which have been successfully rated and awarded stars depicting the level of quality at which they operate.

Using the conventional hotel rating system discourse, this study appears to thinly reiterate that hotel service quality positively affects customer satisfaction. This demonstrates the new thinking regarding the ability of a hotel rating system in determining customer satisfaction, an academic terrain, which has been overlooked or neglected in customer satisfaction measurement research. The study has established the two major hotel rating system dimensions as determinants of overall customer satisfaction. Consequently, the structural model developed and tested for this study, provides a theoretical basis for the support of hotel rating system as a means for measuring customer satisfaction in several classes of graded hotels or similar service accommodation establishments. The model can be utilised to evaluate serviced accommodation properties within different classifications. In fact, the structural model for this study allows new sub-dimensions to be added or the current ones modified depending on the context of the property's classification, which may further explain customer satisfaction in those properties. Related to this, the model may be helpful in forging a future research agenda by assessing the dynamic dimensions which can be modified, considering country-specific contexts; and the influence and role of each structure in the model based on contemporary and emerging trends at that time.

The findings of the study reinforce the framework that deconstructs service quality and customer satisfaction. This study suggests the need to include additional key players to the hotel rating system dialogue besides the government and the hotel management (expert driven quality and internally driven quality, respectively). The other additional key players suggested for inclusion are the hotel guests who have proven in this study

to be a vital group in the hotel rating system's determination of satisfaction (consumer driven quality). Again, this comes hot on the heels of the observation that hotel guests' voice has been previously given less attention or even ignored in the dialogue on conventional (official) hotel rating systems in similar studies.

This study has laid down a foundation to further understand customers' perceptions of the conventional hotel rating system dimensions and how they relate to customers' own satisfaction. The results of the study imply that customers' views should always be given priority status in hotel rating system research. The study therefore lends more credence to the deconstructed model of service quality and customer satisfaction favouring a more comprehensive view on service quality that considers three important sources: consumer-driven (hotel guests), internally driven (hotels themselves), and intrinsic or expert-driven sources (government or hotel rating assessors). The model takes cognisance of the view of quality from various perspectives in order to be more helpful to practitioners seeking to implement quality improvement programs in the hotel industry. The importance of obtaining information from both consumers and non-consumers/experts is overwhelmingly stressed and relevant to further research. Information from consumers may help establish areas of opportunities, whereas information from experts will aid in designing programs to enhance service quality, for instance, via a robust hotel rating system as was the case in the current study.

6.2.2 Managerial Implications

The findings of this study suggest several courses of action for managerial practice. Specifically, the results indicate that both basic registration standard and grading standard significantly affect customer satisfaction in star rated hotels in Malawi. It is therefore crucial for hotels in Malawi to pay a great deal of attention and devout time

and resources to ensuring that physical facilities and standards such as bedroom structure, public areas, structural features, furniture/fittings/décor, and service elements such as safety & security, service types, food & beverage and staff skills/rapport, are highly maintained in order to give the customers a sustained level of confidence in the hotels' service experience and ultimately make them more satisfied.

The growing competition in the hospitality industry has increased the attention paid to customer satisfaction in recent years. Furthermore, awareness of the hotel rating system and its attendant benefits to the hotels can, thus, greatly boost the image or reputation of the hotels. The results of this study support the idea that understanding and embracing determinants of customer satisfaction may help boost hotels' market share.

Several hotels in Malawi would ordinarily put in place various mechanisms to gauge customer satisfaction and gather appropriate feedback that provides an assessment of the establishment's performance. Although hotels have adopted modern technological means such as online surveys or guest comment cards, little was known if the conventional hotel rating criteria plays a role in determining customer satisfaction. Moreover, most often when hotels attempt to obtain feedback from guests regarding hotel service quality, their questions based on the tools used, are usually limited to the services or facilities already available. Therefore, hotels generally fail to seize an opportunity to explore other important aspects contributing to guest satisfaction which are carefully covered in the hotel rating system dimensions. hence, the dimensions investigated in this study provide hotels with an opportunity to enhance the components that drive customer perceptions of quality of hotel services or may influence perceptions of the value of the components contributing to the guests' perceptions of expected service quality offered by the hotels.

The results of the much commonly used hotel guest surveys or comment cards may offer hoteliers little implications to improve their service owing to concerns over low response rates and more importantly, the information derived from these methods is often inadequate to provide actionable and accurate feedback to managers. Additionally, it has been noted that from the methodological point of view, comment cards are usually administered with little focus on who the respondents will be or the motivation for participating, consequently generating an instance of a classic statistical error; that is non-response bias. Any decisions based on such surveys will yield only partial information and may therefore be precariously misleading. Instead, this study fully conveys customers' true perceptions using a wide range of components laid out in the hotel star rating criteria, thereby, making up for some missing information that is not captured by guest surveys or comment cards. Crucially, the hotel star rating system dimensions seem to express customer satisfaction more clearly and precisely, including comparative information on service performance of the star rated hotels.

The study also offers an enhanced understanding of the relationship between hotel rating system dimensions and customer satisfaction in the sense that hotel star rating will no longer be looked at or frowned upon by the hotels as a way of punishing properties that do not comply with meeting acceptable standards, but rather as way of enforcing them in order to meet or surpass customer satisfaction. This may guide both hotel managers and owners in pinpointing specific hotel attributes that are critical in eliciting favourable and positive emotional responses, which may positively influence customer satisfaction.

Several previous studies on hotel rating systems focused more on relationships with such hotel aspects as room pricing, affiliations, profitability, financial turnover, hotel

performance, service quality improvements, local culture, user generated content/online reviews/third party websites/social media and integration of environmental management practices, which are all important to the hotels. Although customer satisfaction has been neglected in the hotel rating system discourse, implications of the findings of this study suggest that customer satisfaction is also an equally important aspect that hotel practitioners need to place on high priority status in relation to hotel rating system. With evident growing investment in upscale hotel properties in recent years in Malawi, it is imperative for both hotel owners and managers to take into consideration the needs of the ever-increasingly demanding and sophisticated customers.

The findings further our knowledge which is key to the development of an array of potential hotel attributes required in the hotel rating criteria with the ultimate purpose of measuring customer satisfaction successfully. Such an understanding suggests that although 'hotel added extras' may not have been retained in the final structural model of this study, the elements therein, should not be completely ignored. They can potentially boost star rated hotel's image if they are properly managed in a manner that does not infringe on the overall guest's satisfaction with the entire hotel service provision. The low perceptions of 'hotel added extras' may also be linked to the fact that most of the guests to the hotels in the two cities are business customers who have less time to interact with these elements owing to their busy schedules. Star rated hotels should carefully ensure that elements of 'hotel added extras' yield customer's confidence, although they are peripheral to customer's enjoyment with the hotel experience. In future, 'hotel added extras', may perhaps become critical to hotel rating. The findings of this study expand our knowledge on the hotel attributes that

significantly matter to hotel guests in determining their satisfaction in star rated hotels in the Malawian context.

6.2.3 Implications for Policy

Although the Government of Malawi (through the Department of Tourism and the Hotels & Tourism Board) has made the hotel star rating system process mandatory, there remains a huge task to be undertaken of sensitising the entire hospitality industry, potential investors in the hospitality business and other related players about the perceived and potential benefits associated with the exercise. A key policy priority should be to plan and design for the long-term awareness and campaign programmes which can be made available through various media outlets, both print and electronic, internet and strategic positioning of billboards that can carry appropriate messages related to hotel star rating in order to garner support from the industry and relevant stakeholders from the public. Unless the government adopts this approach, the future of the hotel star rating system as an instrument for building customer satisfaction, will be heavily blurred. Hotel rating system is a good opportunity to progressively elevate hotel standards. However, if a hotel star rating system is employed too "aggressively" with the existing hotel operators, then it risks creating a gap in service provision by forcing smaller and less professional operators out of the hospitality business with no immediate alternative provider to step in. Therefore, government should create a delicate balance by treading carefully in garnering for a buy-in from the industry players at all levels.

The emergence of user-generated content (UGC) reviews has completely transformed the travel decision-making process as increasingly potential travellers rely on online guest reviews to make their purchase decisions. This impact has been especially evident

for serviced accommodation providers. Both guest reviews and hotel star rating systems appear to serve important and complementary purposes; whereas hotel star rating systems concentrate on objective and amenity-based elements, guest review systems on the other hand, lend more focus to the perception of service-related elements. Both are necessary; and both the consumers and the industry are interested in seeing a closer fit between the two, as well as a common framework for guest reviews. With the growing online activity, heightened by the growth in travel-specific websites, social media, and the widening appeal and availability of mobile or smartphone technologies, it is imperative that hotel offerings are presented in a way that is consistent with consumer needs.

The consumer mindset is shifting towards encompassing the quality of both service and facilities; and the hospitality industry should prepare itself to meet consumer requirements and enhance their satisfaction. Hotel star rating systems and guest reviews need to be closely integrated in a manner which encompasses subjective elements and objective requirements; and benefits both consumers and hotels in order to minimise the gap between guests' expectations and experiences.

6.3 Study's Contribution to Knowledge

The findings from this study make several contributions to the current literature. Firstly, the key contribution of this study is that it provides a more comprehensive foundation of the hotel rating system antecedents of customer satisfaction with hotel service attributes using a structural equation modelling technique. Prior studies found aspects such as physical facilities, staff attitude and behaviour, quality service, general cleanliness, sound insulation, location and accessibility, value for money, internet access services, food service quality, parking and room service as important factors for

customers in selecting hotels and similar service accommodation properties. This study, however, has established that bedroom structure, public areas, structural features, safety & security, and staff skills were paid more attention by hotel guests. This range of attributes has given an illumination on a relatively full view of additional factors influencing customer satisfaction.

The present study provides additional evidence with respect to customer satisfaction measurement. This study empirically tested the credibility of various concepts including hotel star rating system dimensions, service expectations and customer satisfaction in star rated hotels. The relationships identified make contribution to literature given the paucity of similar studies that link such concepts. The data collection instruments, especially the questionnaire developed for this study was tested for unidimensionality, validity and reliability whose results demonstrated that the instrument scale items were both unidimensional and reliable. Although the questionnaire adopted some scales from the hotel grading criteria and other studies, some scales items were modified to suit the study. Consequently, the development and use of the current customer satisfaction measurement instrument makes contribution to knowledge allowing other future hotel rating system researchers to adopt and apply the instrument in other similar studies. However, the design and framework of this study includes constructs and relationships specific to star rated hotels. This study did not reproduce a framework previously used in any other study as it departed away in terms of the study design.

Despite its explanatory nature, this study offers some insights into the hotel star rating system by providing a new way to study customer satisfaction. Relatively little attention has been given to the development of informative and straightforward models that aid

hotel managers understand what customers regard as the determinants of a satisfactory service experience, and how these elements can better be managed to improve satisfaction and repeat business. Any efforts to do so, have not used any hotel rating system approaches or frameworks. An important practical contribution from this study is entrenched in the use of the hotel star rating system approach or dialogue to determine customer satisfaction, which may yield a more comparable, reliable alternative instrument for use by hotels in the context of Malawi. This is a major highlight to both hospitality practitioners and hospitality management scholars whose interest is squarely vested in the area of service quality and customer satisfaction management. The development of the customer satisfaction measurement tool based on a hotel star rating system, demystifies ongoing assertions that online hotel reviews are probably much better in influencing customer's purchasing decisions and determining customer satisfaction than the conventional hotel star rating systems. Scholars may modify the instrument to suit country specific hotel star grading systems based on the grading criteria stipulated in those systems.

Finally, a framework illustrating the integration of theories applied in the study has been developed. The integrated model developed by the researcher involves the S-O-R and servicescape theories in Figure 6.1. The Stimulus includes the hotel rating system dimensions' cues; the Organism' internal states include affective responses such as adequate and desired expectations; and cognition such as perceptions; and finally, Response involves an approach behaviour such as customer satisfaction or avoidance behaviour such as dissatisfaction. All this is taking place in star rated hotel service environment representing the Servicescape. Based on the findings of the present study the framework has incorporated more qualitative, intangible and service-related attributes such as staff skills, rapport, behaviour and attitude, food and beverage service

quality, and different service types beyond the three traditional physical environment dimensions of S-O-R and servicescape frameworks (ambient conditions; space/function; and signs, symbols and artefacts). Hotels that mobilise their resources and effort to improving both their services and physical facilities, are on the right course of guaranteeing customer confidence with the appropriate hotel experience within the hotel environment.
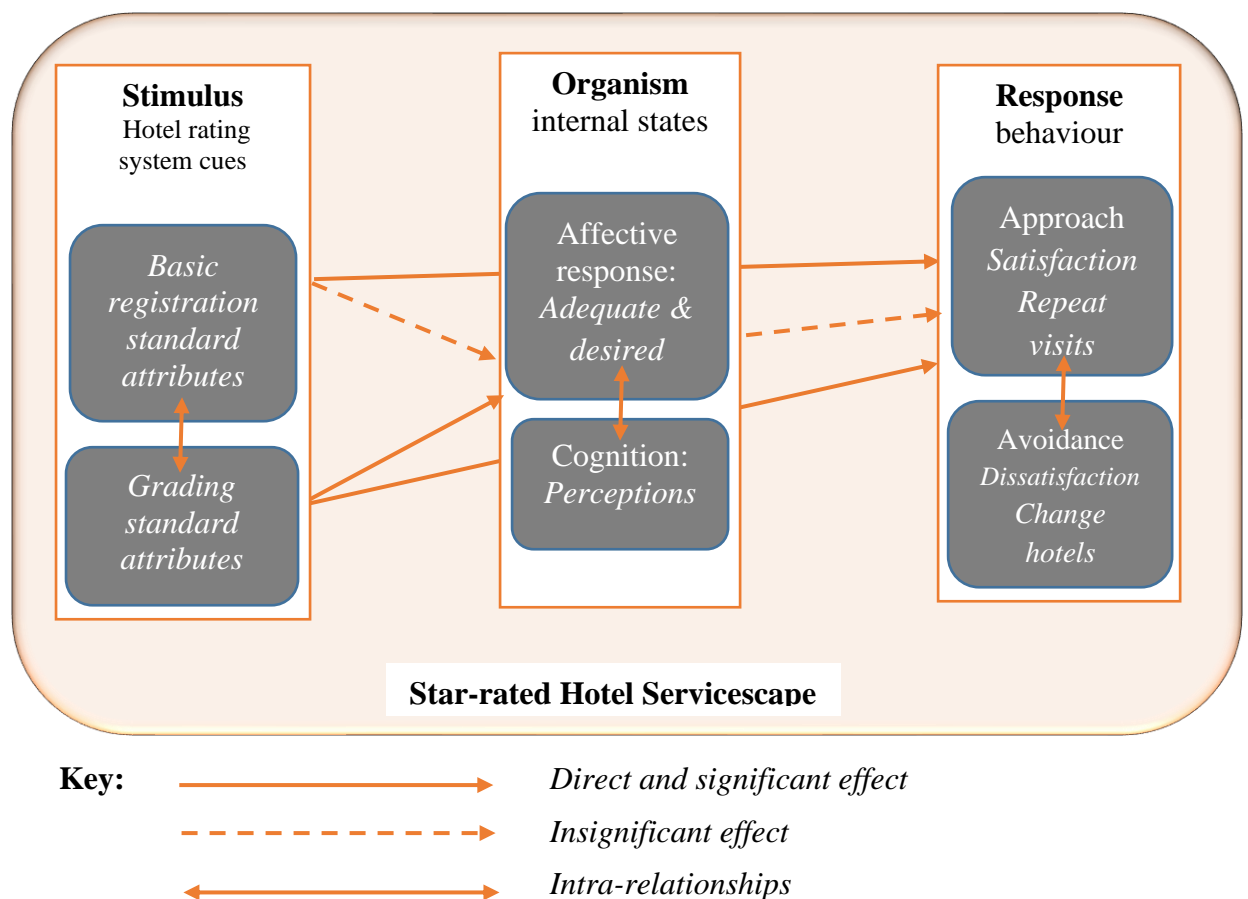
Figure 6.1: An integrated framework of S-O-R and servicescape in the context of hotel rating system

Source: Researcher (2019)

6.4 Recommendations

6.4.1   For Practice

Hotel practitioners need to relentlessly seek ways of making their products/services unique from the competition by establishing means of understanding their customer needs, and then lay out mechanisms to exceed them. In the current growing competitive environment, improving quality of both hotel products and services, is becoming imperative for the hotel industry based on customer expectations, and if these expectations are met, customers will be satisfied in the process influencing positively their future buying behaviours.

Generally, hotels need to institute a number of improvement programmes for both basic registration standard and grading standard elements. Such improvement progammes ought to follow a regular schedule without necessarily being agitated by the mere motivation when a hotel seeks to apply for a new or higher star grading status or a hotel's current star rating is nearing expiry. Regular and routine improvements of the services and facilities within the hotel environment should become well institutionalised in the minds of the hotel management and the employees. This way, it will be easier for the hotels management to advance the agenda for hotel grading as and when the need arises without hotels being concerned of the state of their services and facilities.

A reasonable approach to tackle the hotel rating issue could be providing a platform over which all hotel staff members are informed of the benefits of the hotel rating system including providing the standards for hotel premises, amenities and surroundings; helping to improve standards of service; increasing employee commitment to service quality; increasing management commitment to service quality

and providing the hotel with the expectation of customers' needs. Another important practical implication is that the hotel's Standard Operating Procedures (SOPs) should be reviewed consistent with the provisions in the hotel grading criteria and constantly communicated to staff to keep them in the loop.

The present study findings are also of practical importance to hotel managers in resource allocation and assisting them in identifying top priority aspects of hotel rating system dimensions that require further fine-tuning or improvement. Hotel managers must constantly enhance hotel's intangible and service-related aspects in order to captivate the clientele for future repeated business. The findings of this study suggest that it is critical to identify shortfalls of both hotel's intangible features and service attributes in the grading standard and concentrate corrective efforts on those attributes that are essential to customers' quality perceptions.

Staff training is inevitable in order to improve service quality and staff efficiency. Additionally, effective supervision is a panacea to ensuring that every staff is performing to the expected level. This would in turn lead to the maintenance of the quality of service that the hotel guests expect. Any nonconformity from the established operational standards or norms must be corrected promptly. Through these efforts, customer satisfaction will eventually be guaranteed, in the process increasing repeat business and opening possibilities for new customer recruitment.

For future hotel managers in the new investments, the study findings suggest that meeting the hotel rating system dimensions is critical to future guest satisfaction. To this end, these study findings appeal to hotel managers to monitor and enhance all attributes because they form the basis for customer's expectations and anticipation in any profitable hotel business. Findings of this study, therefore, offer convincing reasons

for hotels to seriously embark on the star rating exercise in order to gain more competitive advantage based on the customer satisfaction levels derived from the ratings.

There should be deliberate provisions in the current hotel star rating system for regular revision of the hotel rating criteria to reflect and update the ever-changing needs and tastes of the present knowledgeable and sophisticated customer in order to suit those needs. For example, the environmental sustainability issue is one such growing area of importance to the contemporary hospitality management and the present-day customer, therefore its inclusion in the revised hotel rating criteria will not be misplaced to reflect the growing attention it is receiving in the contemporary hospitality management practice.

This study, therefore, recommends possibilities of ensuring that both hotel guest reviews on UGC for all hotels in Malawi and the hotel star rating system, be combined by adopting a well-established integration model to suit the Malawi context. The two integration model options available in the European context are: full integration and comparative performance. Full integration means that the hotel can move up or down a star level depending on its perceived quality, measured by guest reviews, compared to that of its industry peers. In a comparative performance model, the aggregated guest review rating is displayed separately to the hotel star rating, without integration. Careful consideration, however, must be given to the pros and cons of each model, with a possibility of a hybrid version, if need be, in order to fit the Malawian context. This will help to curb potential threats of resistance from the hotels in adopting the model. Further studies can be conducted to carefully gauge the feasibility of implementing such integration models.

6.4.2 For Future Research

This research has thrown up many questions in need of further investigation. Several caveats need to be noted regarding the present study. Consequently, it is recommended that further research be undertaken in several areas. Firstly, this study only focused on one category of the serviced accommodation (hotels) in Malawi in the cities raising generalizability issues. Future research should investigate the other categories of the serviced accommodation establishments which were awarded hotel star ratings, such as all hotels, lodges, holiday resorts and guesthouses, located in various parts of the country in order to minimise generalisability concerns related to the findings.

The study focused on two hotel rating system dimensions only. Perhaps, future research should also focus on the relationships of other emerging dimensions of hotel rating systems, such as the environmental sustainability issues with customer satisfaction and establish any significant effects between them. A quest for comparison analysis of the reliability of the hotel rating system framework as a powerful determinant of both service expectations and customer satisfaction against the other alternative frameworks, such as, IPA, or performance only, previously established in literature, needs to be pursued in future studies.

There is need to carry out a comparison analysis of guest perceptions about the conventional hotel rating system with online reviews and star ratings done on third-party distribution websites such as TripAdvisor. This is to establish the exact nature of determinants of customer satisfaction in hospitality industry and explain better the thought processes involved in customer satisfaction judgements. Related to this, while quantitative techniques are generally considered rigorous and statistically credible as was the case in the present study, given the complications, some researchers argue that

the qualitative methods fit better in examining customer satisfaction. A strictly quantitative method may not adequately address those emotional reactions and decisions and holistic factors which contribute to the overall quality of customer's service experience within different hospitality and tourism settings. Future studies need to focus on exploring the same concepts using qualitative research approaches such as observations or in-depth interviews with the guests in order to uncover the underlying meanings favouring their decision-making processes in satisfaction evaluation. For instance, while some studies were more qualitative in nature investigating determinants of customer satisfaction in the hospitality industry using content analysis on online hotel reviews, the present study took the quantitative trajectory by employing a survey strategy which obviously yielded different results. Further investigations need to be conducted in order to understand these underlying differences in perceptions by the guests from both the quantitative and qualitative perspectives.

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APPENDICES

APPENDIX I: LETTER OF INTRODUCTION

MOI UNIVERSITY
SCHOOL OF TOURISM, HOSPITALITY AND EVENTS MANAGEMENT
DEPARTMENT OF HOTEL & HOSPITALITY MANAGEMENT
_____

Dear Sir/Madam,

I am a student, currently pursuing a **Doctorate degree in Hospitality Management** at the School of Tourism, Hospitality and Events Management of Moi University, Kenya under the supervision of Professor Damiannah Kieti, Dr. Jacqueline Korir and Dr. Isabella Cheloti-Mapelu. I am undertaking a research study entitled: *"Hotel Grading System Dimensions as Determinants of Customer Satisfaction in Selected Star-rated Hotels in Malawi"* in partial fulfilment of the study programme. This study is expected to investigate the hotel grading system dimensions currently employed in assessing different hotels in Malawi for the award of stars as a mark of quality and their ultimate impact or effect on service expectations and customer satisfaction. The study will also establish attributes of services in hotels that are particularly important to the customer today. This will assist hotel management to pay a great deal of attention to and improve these service attributes in the quest to drive satisfaction and ultimately grow the business.

You have therefore been identified as of the valued respondents to provide information for the study. Please be so kind and help in completing the questionnaire attached by answering the questions below. It will take you approximately 10 minutes to complete. The information you provide will solely be used for academic purposes of this study and treated in the strictest confidence. You will notice that you are not asked to include your name or address anywhere on the questionnaire.

Thank you for your co-operation.

Yours sincerely

MICHAEL BENNETT SEPULA

APPENDIX II: QUESTIONNAIRE FOR HOTEL GUESTS

Please tick or circle the appropriate choice applicable to you

Ques #	Demographic/General Item	Code	Responses	Tick/Shade
A1.	**Gender**	[01]	Male	
		[02]	Female	
A2.	**Highest Level of Education**	[01]	Primary	
		[02]	Secondary/High School	
		[03]	College/Vocational School	
		[04]	Graduate degree	
		[05]	Postgraduate	
A3.	**How frequently have you stayed at this hotel?**	[01]	Once	
		[02]	Twice	
		[03]	Thrice	
		[04]	More than three times	
A4.	**Your purpose for staying at this Hotel.**	[01]	Business	
		[02]	Leisure	
		[03]	Other *(please specify)* …………..	
A6.	**Status of your stay at this Hotel.**	[01]	Full board	
		[02]	Half-board	
		[03]	Bed & Breakfast only	

SECTION B: - BASIC REGISTRATION STANDARD

10. What is your perception of the following aspects of this hotel? (Please **tick** √ or

Circle ○).

Key: 1 – Very low (VL); 2 – Low (L); 3 – Neutral (N); 4 – High (H); 5 – Very high (VH)

Code	ITEM	VL	L	N	H	VH
B1	The bedroom furniture is modern looking	1	2	3	4	5
B2	The electrical requirements in the bedroom are adequate	1	2	3	4	5
B3	The bedroom lighting is suitable	1	2	3	4	5
B4	The bedroom linen is comfortable	1	2	3	4	5
B5	The bedroom information and communication system is available	1	2	3	4	5
B6	The sanitary installations are in perfect condition with adequate toiletries	1	2	3	4	5
B7	The reception area is visually appealing	1	2	3	4	5
B8	The artefacts and paintings add to the good image of the hotel	1	2	3	4	5
B9	Banquet/conference rooms are well equipped with appropriate facilities	1	2	3	4	5
B10	The public restrooms are always neat	1	2	3	4	5
B11	The thermal condition provided in the public areas is appropriate	1	2	3	4	5
B12	The corridors are well illuminated throughout	1	2	3	4	5
B13	The hotel has appropriate common outdoor areas for hotel guests	1	2	3	4	5
B14	The services of the hotel have convenient operating business hours	1	2	3	4	5
B15	The room service provided is worth value for money	1	2	3	4	5
B16	The hotel provides excellent meal services all the time	1	2	3	4	5
B17	The overall selection of beverages is impressive	1	2	3	4	5
B18	Service orders are taken with prompt response	1	2	3	4	5
B19	There are regular shuttle buses and taxis to the airport from the hotel	1	2	3	4	5
B20	The valet and laundry service is readily available	1	2	3	4	5
B21	Refuse and garbage from guest areas are regularly disposed off	1	2	3	4	5
B22	There is adequate hotel security for guests and their belongings	1	2	3	4	5

B23	The hotel layout/landscape provides safe access	1	2	3	4	5
B24	Emergency evacuation information and procedures are displayed	1	2	3	4	5
B25	Electrical appliances for your use as a guest are installed properly and safely	1	2	3	4	5
B26	The staff in the hotel have the knowledge to answer your questions	1	2	3	4	5
B27	The staff appear neat and well-groomed in their uniforms	1	2	3	4	5
B28	The staff appear well trained	1	2	3	4	5
B29	The staff have good command of the languages	1	2	3	4	5
B30	The staff are consistently courteous with you	1	2	3	4	5
B31	The staff capacity in the service areas is well balanced	1	2	3	4	5

(B32) 11. Please suggest any other areas or physical aspects you would like the hotel

to pay more attention to

……………………………………………………………………………..............

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SECTION C: - GRADING STANDARD

12. What is your perception of the following aspects of this hotel? (Please **tick** √ or

Circle ○).

*Key: 1 – Very low (**VL**); 2 – Low (**L**); 3 – Neutral (**N**); 4 – High (**H**); 5 – Very high (**VH**)*

Code	ITEM	VL	L	N	H	VH
C1	The hotel building has no signs of weathering	1	2	3	4	5
C2	The paintwork is well-maintained on the hotel building	1	2	3	4	5
C3	There are no signs of staining on the hotel building	1	2	3	4	5
C4	The building has an overall clean look of the hotel	1	2	3	4	5
C5	There is very good external lighting around the hotel	1	2	3	4	5
C6	The hotel signage is clear and visible	1	2	3	4	5
C7	Right balance of public and private space	1	2	3	4	5
C8	The grounds and gardens are well-tended	1	2	3	4	5
C9	The parking space/bay is clearly marked and adequate	1	2	3	4	5
C10	The driveway and entrance are well-maintained	1	2	3	4	5
C11	Guest facilities (restaurant, bar, toilets lounge, reception, etc.) are adequate	1	2	3	4	5
C12	All guest facilities are in a good state of repair	1	2	3	4	5
C13	Proper coordination of patterns, colours and textures in bedrooms	1	2	3	4	5
C14	Proper coordination of pictures, paintings and other artistic objects	1	2	3	4	5
C15	The wall covering provides pleasant décor	1	2	3	4	5
C16	Furniture and furnishings offer high degree of comfort	1	2	3	4	5
C17	Bedroom soft furnishings and linen are of good quality	1	2	3	4	5
C18	Bedroom lighting/lights/lamps are effective for all purposes	1	2	3	4	5
C19	Bedrooms are spacious enough, with good layout	1	2	3	4	5
C20	No intrusive noise from public areas or other rooms	1	2	3	4	5
C21	There is a wide range of bedroom accessories (TV, telephone, etc.)	1	2	3	4	5
C22	Range of toiletries available in the bathroom is adequate	1	2	3	4	5
C23	The bathroom linen is full range with clean towels	1	2	3	4	5
C24	Ceiling is of high quality, no sagging or visible seeping/ watermarks	1	2	3	4	5

C25	The restaurant has well-spaced chairs of appropriate height for the tables	1	2	3	4	5
C26	The dining area has no intrusive noise/smells from other areas	1	2	3	4	5
C27	The hotel provides a variety of food items on all menus	1	2	3	4	5
C28	Menu presentation is clear with informative layout and well explained	1	2	3	4	5
C29	Wines and other drinks are set in clear sections with options	1	2	3	4	5
C30	Table appointments are appropriate with high quality utensils	1	2	3	4	5
C31	The meals are presented on appropriate plates with attractive visual appeal	1	2	3	4	5
C32	The staff are warm, respectful, cheerful, and friendly	1	2	3	4	5
C33	The staff give you individual attention	1	2	3	4	5
C34	The behaviour of the hotel staff instills confidence in me	1	2	3	4	5
C35	The staff provide information about the hotel to guests	1	2	3	4	5
C36	The staff always attempt to establish good rapport with me	1	2	3	4	5
C37	The staff always try to meet your demands as much as possible	1	2	3	4	5
C38	The staff are always willing to help you and are efficient	1	2	3	4	5
C39	The business centre is adequately equipped for me	1	2	3	4	5
C40	The background music in the lounges is appropriate	1	2	3	4	5
C41	The saloons and mini shops are available for my convenience	1	2	3	4	5
C42	Provision of entertainment and other recreational facilities is adequate	1	2	3	4	5

(C43) 13. Please suggest any other areas or service aspects you would like the hotel to pay more attention to

…………………………………………………………………………………............

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…………………………………………………………………………………………

SECTION D: - SERVICE EXPECTATIONS

14. What is your perception of the following aspects of this hotel? (Please **tick** √ or

Circle ○) the service performance you **hoped for** in Column A, and the level of service performance you consider **adequate** in Column B:

Key: 1 – Very low (VL); 2 – Low (L); 3 – Neutral (N); 4 – High (H); 5 – Very high (VH)

Code	ITEM	Column A					Column B				
		Desired Service					*Adequate Service*				
		Performance you Hoped for					*Performance was considered Adequate*				
		VL	L	N	H	VH	VL	L	N	H	VH
D1	This hotel has comfortable bedrooms and accessories	1	2	3	4	5	1	2	3	4	5
D2	The hotel's physical facilities are visually appealing	1	2	3	4	5	1	2	3	4	5
D3	This hotel has clean and comfortable bathrooms	1	2	3	4	5	1	2	3	4	5
D4	This hotel provides you with all the services with ease	1	2	3	4	5	1	2	3	4	5
D5	My safety and security is guaranteed at this hotel	1	2	3	4	5	1	2	3	4	5
D6	The hotel has operating hours convenient to me	1	2	3	4	5	1	2	3	4	5
D7	Staff of this hotel are never too busy to respond to my requests	1	2	3	4	5	1	2	3	4	5
D8	Staff of this hotel are always willing to help me	1	2	3	4	5	1	2	3	4	5
D9	The behavior of staff instills confidence in me	1	2	3	4	5	1	2	3	4	5
D10	Staff are well informed about the hotel and the local area	1	2	3	4	5	1	2	3	4	5
D11	The hotel furniture, furnishings and fittings are excellent	1	2	3	4	5	1	2	3	4	5
D12	Internal hotel decor, ambience and aesthetics are appropriate	1	2	3	4	5	1	2	3	4	5
D13	Food and beverage service is efficient	1	2	3	4	5	1	2	3	4	5
D14	Quality of the food is excellent	1	2	3	4	5	1	2	3	4	5

D15	Entertainment and recreational facilities are for your convenience	1	2	3	4	5	1	2	3	4	5
D16	The background/soft music in the lounge is appropriate	1	2	3	4	5	1	2	3	4	5
D17	Standard of housekeeping/ cleanliness in the hotel is high	1	2	3	4	5	1	2	3	4	5
D18	Standard of maintenance of the facilities and buildings is high	1	2	3	4	5	1	2	3	4	5
D19	Relaxed feeling in this hotel (warm atmosphere) is provided	1	2	3	4	5	1	2	3	4	5

SECTION E: - CUSTOMER SATISFACTION LEVELS

15. Indicate by <u>circling</u> or <u>ticking</u> the extent to which you are satisfied with the following aspects of the hotel:

*Key: 1 – Very dissatisfied (**VD**); 2 – Dissatisfied (**D**); 3 – Neutral (**N**); 4 – Satisfied (**S**);*
*5 – Very satisfied (**VS**)*

Srl#	ITEM	VD	D	N	S	VS
E1	Quality of food and beverage	1	2	3	4	5
E2	Variety of menu choices	1	2	3	4	5
E3	Comfort of the bedroom and accessories	1	2	3	4	5
E4	State of the bathroom condition and accessories	1	2	3	4	5
E5	Adequacy of reception area, lounges/lobby	1	2	3	4	5
E6	Availability of conference facilities	1	2	3	4	5
E7	Adequacy of dining facilities	1	2	3	4	5
E8	The food and beverage service efficiency	1	2	3	4	5
E9	Entertainment and recreational facilities	1	2	3	4	5
E10	Room temperature control and ventilation	1	2	3	4	5
E11	The appearance of the building exterior, grounds/gardens, and parking	1	2	3	4	5
E12	Ambience of public areas	1	2	3	4	5
E13	Size and layout of rooms	1	2	3	4	5
E14	Cleanliness and neatness of hotel facilities	1	2	3	4	5
E15	Acoustics (noise level)	1	2	3	4	5
E16	Combination of lighting and colour schemes/patterns	1	2	3	4	5
E17	Spaciousness of facilities (bedrooms, dining rooms, meeting facilities)	1	2	3	4	5
E18	Hours of operation	1	2	3	4	5
E19	Furniture, furnishings and fittings	1	2	3	4	5
E20	Friendliness, courtesy and charm of staff	1	2	3	4	5
E21	Service provided with a smile and good sense of humour	1	2	3	4	5
E22	Staff appearance	1	2	3	4	5
E23	Competence	1	2	3	4	5
E24	Efficiency and speed	1	2	3	4	5
E25	Responsiveness to special requests	1	2	3	4	5
E26	Responsiveness to complaints	1	2	3	4	5

_____**END OF QUESTIONNAIRE**_____

Thank you for taking your time to fill in the Questionnaire and participating in this Study

APPENDIX III: INTERVIEW GUIDE FOR HOTEL MANAGERS

INTRODUCTION

My name is Michael Sepula, a student pursuing a Doctorate degree in Hospitality Management at Moi University, Kenya. Currently, I am undertaking a research study entitled: ***"Hotel Rating System Dimensions as Determinants of Customer Satisfaction in Selected Star-rated Hotels in Malawi"*** in partial fulfilment of the study programme. This study is expected to yield information that will be useful for the improvement of several attributes of services in hotels in Malawi in order to meet or exceed customer satisfaction. The study is being conducted for academic purposes. Therefore, the information you provide will solely be used for academic purposes of this study and treated in the strictest confidence**.** You have been identified as a key informant and are kindly asked to participate freely.

SECTION A: - RESPONDENT PARTICULARS AND HOTEL RATING SYSTEM
                    KNOWLEDGE

1. Gender of the respondent

   Male ☐

   Female ☐

2. Could please state your position in this hotel

3. Could please state your responsibilities?

4. For how long have you worked in the current position?

5. What is your Highest Level of Education?

6. What is the Star Rating of this Hotel?

7. What is your general knowledge of Hotel Rating System?

8. Do you think that Hotel Rating System is important to your Hotel? Explain your answer.

SECTION B: - BASIC REGISTRATION STANDARD

9. (a) Please explain any minimum (physical) quality requirements you are aware of that this hotel is supposed to meet before it is assessed for Hotel Grading.

   (b) What is your opinion on the contribution of the following attributes on service expectations of your hotel guests?

   i) *Bedroom structure* (furniture, electrical requirements, lighting, linen, sanitary installations, bedroom information and communication system)

   ii) *Public areas* (reception, conference rooms, restrooms, artefacts & paintings, temperature, illumination, outdoor areas)

   iii) *Services* (operating hours, room service, meal services, beverage selection, service order taking, airport shuttle/taxi services, laundry/valet service)

   iv) *Safety and security* (refuse/garbage disposal, security of guest and their belongings, hotel layout/landscape access)

   v) *Staff requirements* (knowledge in handling guest questions, staff appearance and grooming, staff training, language command, staff capacity)

   (c) What is your opinion on the contribution of the following attributes on customer satisfaction of your hotel guests?

   (Attributes as above)

SECTION C: - GRADING STANDARD

9. (a) Please describe any intangible service-related requirements that this hotel is supposed to meet before it is assessed for Hotel Grading.

   (b) What is your opinion on the contribution of the following attributes on service expectations of your hotel guests?

   i) *Structural features* (no signs of building weathering, state of repair and maintenance, external lighting, signage, public vs private space, grounds/gardens, parking space, guest facilities)

   ii) *Furnishings, fittings & décor* (bedroom colours/patterns/textures coordination, artistic objects, wall covering, quality of bedroom linen,

no intrusive noises, bedroom accessories, ceiling quality, range of toiletries)

iii) *Food & beverage* (appropriate restaurant furniture, menu variety, meal presentation, table appointments, beverage selection, no intrusive smells/noise)

iv) *Service* (staff cheerfulness/friendliness, etc., individualised attention, staff behaviour, rapport building, efficiency)

v) *Other features* (business centre, background music, saloons/mini-shops, entertainment and other recreational facilities.)

(c) What is your opinion on the contributions of the following attributes on customer satisfaction of your hotel guests?

(Attributes as above)

SECTION D: CUSTOMER SATISFACTION LEVELS

10. What are the perceptions of your guests about following hotel attributes in terms of meeting or exceeding their overall satisfaction?

(a) *Material products* (quality of food and beverage, variety of menu items, comfort of bedrooms, bathroom conditions, reception area, dining facilities, conference facilities, recreational facilities)

(b) *Hotel environment* (temperature control and ventilation, appearance of the building exteriors, gardens/grounds, parking, acoustics, ambience of public areas, spaciousness of facilities, cleanliness of facilities, lighting and colour schemes/patterns, furniture and fittings, hours of operation)

(c) *Behaviour and attitude of your staff* (friendliness, courtesy, charm, smile, sense of humour, appearance, competence, efficiency and speed, responsiveness to complains and special requests

GENERAL QUESTION

11. Please suggest ways/areas the current Hotel Grading System can be enhanced to improve/boost:

(a) Service expectations and

(b) Customer Satisfaction.

_____ **End of Interview** _____

Thank the Interviewee for his/her Participation

APPENDIX IV: INTERVIEW GUIDE FOR HOTEL GRADING ASSESSORS

INTRODUCTION

My name is Michael Sepula, a student pursuing a Doctorate degree in Hospitality Management at Moi University, Kenya. Currently, I am undertaking a research study entitled: ***"Hotel Rating System Dimensions as Determinants of Customer Satisfaction in Selected Star-rated Hotels in Malawi"*** in partial fulfilment of the study programme. This study is expected to yield information that will be useful for the improvement of several attributes of services in hotels in Malawi in order to meet or exceed customer satisfaction. The study is being conducted for academic purposes. Therefore, the information you provide will solely be used for academic purposes of this study and treated in the strictest confidence. You have been identified as a key informant and are kindly asked to participate freely.

SECTION A: - RESPONDENT PARTICULARS AND HOTEL RATING SYSTEM
                      KNOWLEDGE

10. Gender of the respondent

    Male   ☐

    Female   ☐

11. What is your Highest Level of Education?

12. Could please state your current position

13. Could you please state your responsibilities as a Hotel Grading Assessor?

14. For how long have you been a Hotel Grading Assessor?

15. Where did you get your training as Hotel Grading Assessor?

16. Why has the training been useful to you?

17. Why do you think is Hotel Rating System important to the Hotels in Malawi?

SECTION B: - BASIC REGISTRATION STANDARD

18. (a) Please explain any minimum (physical) quality requirements you are aware of that hotels are supposed to meet before you assess them for Hotel Grading.

   (b) What is your opinion on the contribution of the following attributes on service expectations of the hotel guests?

   i)   *Bedroom structure* (furniture, electrical requirements, lighting, linen, sanitary installations, bedroom information and communication system)

   ii) *Public areas* (reception, conference rooms, restrooms, artefacts & paintings, temperature, illumination, outdoor areas)

   iii) *Services* (operating hours, room service, meal services, beverage selection, service order taking, airport shuttle/taxi services, laundry/valet service)

   iv) *Safety and security* (refuse/garbage disposal, security of guest and their belongings, hotel layout/landscape access)

   v)   *Staff requirements* (knowledge in handling guest questions, staff appearance and grooming, staff training, language command, staff capacity)

   (c) What is your opinion on the contribution of the following attributes on customer satisfaction of the hotel guests?

   (Attributes as above)

SECTION C: - GRADING STANDARD

10. (a) Please describe any intangible service-related requirements that hotels are supposed to meet before it is assessed for Hotel Grading.

   (b) What is your opinion on the contribution of the following attributes on service expectations of the hotel guests?

   i)   *Structural features* (no signs of building weathering, state of repair and maintenance, external lighting, signage, public vs private space, grounds/gardens, parking space, guest facilities)

   ii) *Furnishings, fittings & décor* (bedroom colours/patterns/textures coordination, artistic objects, wall covering, quality of bedroom linen, no intrusive noises, bedroom accessories, ceiling quality, range of toiletries)

      iii) *Food & beverage* (appropriate restaurant furniture, menu variety, meal presentation, table appointments, beverage selection, no intrusive smells/noise)

      iv) *Service* (staff cheerfulness/friendliness, etc., individualised attention, staff behaviour, rapport building, efficiency)

      v) *Other features* (business centre, background music, saloons/mini-shops, entertainment and other recreational facilities.)

(c) What is your opinion on the contributions of the following attributes on customer satisfaction of the hotel guests?
(Attributes as above)

SECTION D: CUSTOMER SATISFACTION LEVELS

11. What is the perceptions of the guests about following hotel attributes in terms of meeting or exceeding their overall satisfaction?

(a) *Material products* (quality of food and beverage, variety of menu items, comfort of bedrooms, bathroom conditions, reception area, dining facilities, conference facilities, recreational facilities)

(b) *Hotel environment* (temperature control and ventilation, appearance of the building exteriors, gardens/grounds, parking, acoustics, ambience of public areas, spaciousness of facilities, cleanliness of facilities, lighting and colour schemes/patterns, furniture and fittings, hours of operation)

(c) *Behaviour and attitude of your staff* (friendliness, courtesy, charm, smile, sense of humour, appearance, competence, efficiency and speed, responsiveness to complains and special requests

GENERAL QUESTION

12. Please suggest ways/areas the current Hotel Grading System can be enhanced to improve/boost:
(a) Service expectations
(b) Customer Satisfaction.

_____ **End of Interview** _____

Thank the Interviewee for his/her Participation

APPENDIX V: ETHICS AND REGULATORY PROTOCOL FROM NCST

NATIONAL COMMISSION FOR SCIENCE & TECHNOLOGY

Lingadzi House
Robert Mugabe Crescent
P/Bag B303
City Centre
Lilongwe

Tel: +265 1 771 550
+265 1 774 189
+265 1 774 869
Fax: +265 1772 431
Email:directorgeneral@ncst.mw
Website:http://www.ncst.mw

Ref No: NCST/RTT/2/6   **10 January, 2018**

Mr. Michael B sepula

Mzuzu University

P/Bag 201

Luwinga.

Dear Michael,

**ETHICS AND REGULATORY APPROVAL AND PERMIT OF PROTOCOL NO.
P.12/17/239:HOTEL GRADING SYSTEM DIMENSIONS AS DETERMINANTS OF CUSTOMER
SATISFACTION IN SELECTED STAR-RATED HOTELS IN MALAWI**

I am pleased to inform you that the above referred research study has officially been approved. You may now proceed with its implementation. Should there be any amendments to the approved protocol in the course of implementing it, you shall be required to seek approval of such amendments before implementation of the same.

This approval is valid for one year from the date of issuance of this letter. If the study goes beyond one year, an annual approval for continuation shall be required to be sought from the National Committee on Research Ethics in the Social Sciences and Humanities (NCRSH) in a format that is available at the Secretariat. Once the study is finished, you are required to furnish the Committee and the Commission with a final report of the study. The committee reserves the right to carry out compliance inspection of this approved protocol at any time as may be deemed by it. As such, you are expected to properly maintain all study documents including consent forms.

Wishing you a successful implementation of your study.

Yours Sincerely,

Mike Kachedwa
HEAD OF NCRSH SECRETARIAT
For: CHAIRMAN OF NCRSH

APPENDIX VI: LETTER OF RECOMMENDATION FROM MOI UNIVERSITY

MOI UNIVERSITY
ISO 9001:2008 Certified Institution
SCHOOL OF TOURISM, HOSPITALITY & EVENTS MANAGEMENT

Telephone: 0771-296270/020-8001263
Fax: (053)   43047
E-mail: deansthe@mu.ac.ke

Box 3900
ELDORET
Kenya

Ref: MU/STHE/SGS/23   29th November, 2017

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: RECOMMENDATION FOR SEPULA MICHAEL BENNET-STHE/DPHIL./H/002/17

The above named is a bonafide student of Moi University, School of Tourism, Hospitality and Events Management. He is pursuing a Doctor of Philosophy degree in Hospitality Management in the Department of Hotel & Hospitality Management.

He has successfully completed his course work and has defended his proposal titled "*Hotel Grading System Dimensions as Determinants of Customer Satisfaction in Selected Star - Rated Hotels in Malawi*". Mr. Sepula has been allowed to proceed to the field for data collection. Any assistance accorded to him will be highly appreciated.

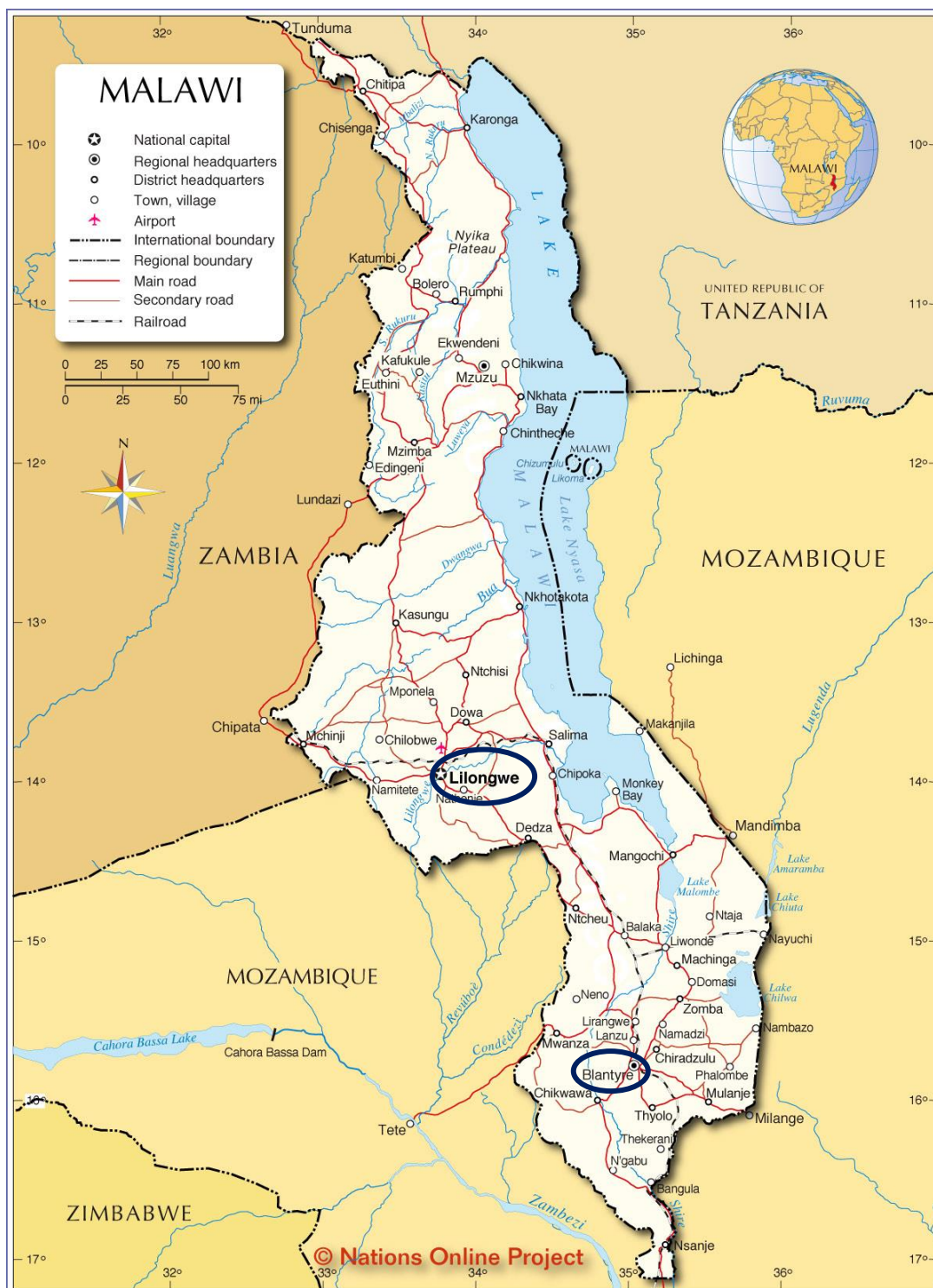Any assistance accorded to him will be highly appreciated.

Yours faithfully,
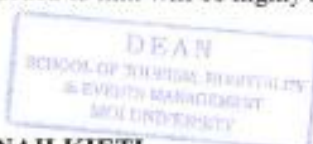
PROF. DAMIANNAH KIETI
DEAN, SCHOOL OF TOURISM, HOSPITALITY & EVENTS MANAGEMENT.

APPENDIX VII: MAP OF AFRICA SHOWING LOCATION OF MALAWI

Source: Mseu, Nyasulu and Muheriwa (2014)

APPENDIX VIII: MAP OF MALAWI SHOWING LOCATION OFLILONGWE CITY AND BLANTYRE CITY

Source: Nations Online (2017)