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**RELATIONSHIP BETWEEN CUSTOMER SATISFACTION AND
CUSTOMER LOYALTY**

Case Study: Hilton Hotel Yaoundé, Cameroon

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ABSTRACT

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<p>With the growth and emerging of new hotel businesses in Cameroon, competition has intensified thereby making hotel owners to look for ways to provide quality services. Quality services means customers will be satisfied thereby leading to them being loyal to the company. Traditionally, it is understood that an increase in customer satisfaction will directly lead to an increase in customer loyalty. The target for this research was to analyze the link we have between customer satisfaction and customer loyalty, the notion of customer satisfaction and customer loyalty with elements influencing them. Also, to find out what the company can to improve both customer satisfaction and customer loyalty.</p> <p>Qualitative and quantitative methods were used in this research to collect data. In a bit to make the research more perceivable and conceivable, data was retrieve from both primary and secondary sources. Primary sources were collected from both an interview with the manager and a questionnaire that were handed to the customers of the case company to respond. Secondary sources were taken from past literature on the concepts of customer satisfaction and loyalty. To be able to analyze the strength and weaknesses to be able to give relevant recommendations to the case company, a SWOT analysis was used.</p> <p>The results of the research are planned to help the case company improve on their customer retention rate. The outcome of the research showed that the case company should concentrate on customer satisfaction by improving on their customer relationship management and improving on the quality of their services. Making their employees satisfied is also a vital factor in building good customer relationship. High level of customer satisfaction can lead to customer loyalty.</p>		

<p>Key words Customer satisfaction, customer loyalty, factors, relationship, services</p>
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1 INTRODUCTION

Establishing the link that exist between customer satisfaction and customer loyalty, and the factors influencing these concepts is the primary motive for this research work. It will be of less importance if this work only concentrates on the concepts of customer satisfaction and customer loyalty because that does not have any influence on the profitability of a business. Therefore, the research will be exploring to what degree customer satisfaction can influence customer loyalty which will have a positive influence on the market share and profit margin of the company. To understand the difference between customers attitude and behaviors and how the relationship between them works is crucial for managers involved in any aspect of customer management, since attitudes show the customers' satisfaction and behavior shows customers' loyalty (Hill et al. 2007, 4).

Customers are the kings and queens of every business. Every company is looking for ways to keep their customers satisfied all the time. Therefore, they constantly must carry out surveys on their customers to know their satisfaction level. Customers' satisfaction is ever changing making it difficult for companies to maintain a stable satisfaction level with their customers. As every customer, it will be nice to be where there is better reward for his money in terms of better services and good and reliable customer services. When a company starts measuring customer satisfaction because they want to make decisions on how to improve it (Hill et al. 2007, 7). In this research, some recommendations will be proposed to the case company on how to improve on customer satisfaction and customer loyalty.

Wang (2002) stipulated that fighting to be the best service provider is the real competition in today's market, which is based on the competition for customer satisfaction. The goal of any company is to better satisfy her customers more than other companies in the same industry. Customer satisfaction has been the most important aspect of every business. Being able to do that well puts the company in a leader spot (Hansemark & Albinsson 2004, 40-57). Having the possibility to satisfy customers while still making profit is the most challenging thing many hotels businesses are facing (Mathews 2008, 31). The one thing that never remains constant are the expectations of consumers. Customers keep on expecting more and more which makes companies to be constantly

on a lockout on how to better satisfy or meet up with those expectations from their customers. To be the best or stand out from the rest, hotels must try to come up with their own unique ways of meeting the needs of their customers while making sufficient amount of profit at the same time.

1.1 Background of the study

Customer satisfaction and customer loyalty has become the key area in every business for the past years. The hotel business is experiencing an up rise with the coming up of new hotels in the industry. This brings in so many competitions thereby making each business trying to stand out from the rest. Hotel business is a service provider which makes it more important for all of them to look or search those elements that will make them better satisfy their customers. Customer satisfaction is the key for every business success. Being able to satisfy your customers may make them to be loyal to your company or brand. Customer loyalty has a positive influence on the profitability of a company. The more a company has loyal customers, it may possibly lead to an increase in a company's profit. For a company to be able to withhold just 5% more of her customers, profit increase by 25% to 125% (Reichheld & Sasser 1990, 105-111).

In the hotel business, there is always a direct contact with customers. When a customer is getting services, it means the person (employee) with the customer must be doing a good job. Employees are vital in making sure that customers get what they expect or need (Peters & Pikkemaat 2005, 31-57). The management of the hotel must employ mechanisms or project to evaluate employee's competency. Managers must try to get feedbacks from customers to be able to know the level of their employees. Merrin Hoffmann & Penning (2013, 13-27) indicated that customer satisfaction is the most important aspect for any firm's growth. Not every satisfied customer will come back to repurchase or make use of the services of a company. Customer satisfaction cannot really guarantee the coming back of the customer but can be an important push factor in achieving customer loyalty (Khan 2012, 106-110). It is costlier for a company to serve new customers than serving old customers (Gallo 2014). In the hotel industry, everyone tries to keep their customers thereby having a large market share. To keep these customers, means a company has to make them satisfied but satisfaction alone can't keep the customers since satisfaction is seen to be a passive customer

condition; whereas loyalty is a proactive relationship with a customer (Ganiyu, Uche & Elizabeth 2012, 14-28).

1.2 Research objectives and research questions

This thesis centers on the concepts of customer satisfaction and customer loyalty. The link between these concepts will be established here and how they both contribute to the profit margin of the company. Theories will be brought in to explain the various concepts and the factors affecting them. To be able to understand these concepts and able to establish a link between them will help to find out what the company can do to improve customer satisfaction and customer loyalty. In this thesis, I will give a definition of the concepts of customer satisfaction and customer loyalty, what these concepts mean in detail and find out what factors command them. Being able to bring out the true understanding of these concepts gives a clear possibility of establishing the link that exist between them.

After understanding what customer satisfaction and customer loyalty mean, together with their importance to the growth of the company, the research will find out or establish what can be done by the case company to increase them. From these findings, a set of proposals will be given to the case company to help improve on customer satisfaction which may lead to customer loyalty and thereby increase the company's profit margin.

For the fulfilment of the research objective, a set of research question will have to be constructed and answered.

1. What's the understanding of the concept of customer satisfaction and customer loyalty and the elements influencing them?

Understanding the concepts of customer satisfaction and customer loyalty is the focal point of this research. Finding out the elements favorable to these concepts will be discussed here. To

be able to get answers to these questions, theories and questionnaires conducted on customers of the case company will be analyze.

2. What connection exist between customer satisfaction and customer loyalty?

Theoretical knowledge and interview conducted with an employee of the case company will help answer these questions. Finding out if there is a direct or indirect connection between the concept of customer satisfaction and customer loyalty. Establishing this connection gives a clear understanding of which of the concepts has a direct link with the profit margin of the company. It is generally understood that increasing customer satisfaction can lead to customer loyalty.

3. What measures can be taken to increase customer satisfaction and customer loyalty?

After analyzing the elements that commands customer satisfaction and customer loyalty, and the data collected from the interview and questionnaires, it will be possible to draw out effectively the areas where the case company needs to act upon to increase customer satisfaction and customer loyalty level. As we know, making customers satisfied may lightly make them to be loyal thereby increasing the company's market share which directly plays a huge positive effect on the company's profit margin.

1.3 Case company

Hilton hotel Yaoundé, Cameroon is associated with the Hilton brand of hotels and resort opened by Conrad N. Hilton. Hilton Yaoundé (PICTURE 1) was built in 1989 with 11 floors and it was renovated in 2000 (Travel weekly 2018). Hilton Yaoundé is the only international hotel in Cameroon located at the heart of the capital city's central business area (TripAdvisor 2018).



PICTURE 1. Image of Hilton Yaoundé (Hilton Hotel 2018)

Hilton Yaoundé is a five-star hotel with 248 rooms and suites, 16 flexible meeting and banqueting room, a well-equipped business Centre, 5 restaurants and bars, a fitness club with an outdoor pool, and an indoor mall with 14 shops (TripAdvisor 2018). 30 minutes from Nsimalen international airport by hotel complementary shuttle services. The location of the hotel is ideal for exploration of local activities and tourist attractions including the National craft market and National museum (Hilton Yaoundé 2018). Its rooms (PICTURE 2) are spacious, comfortable and available in all categories and the customers can enjoy excellent views over the city. Watching nightfall on Yaoundé from your balcony at that time of the day, the clamor diminishes, and another city appears (TripAdvisor 2018).



PICTURE 2. Image of room at Hilton Yaoundé (Hilton Hotel 2018)

Hilton Yaoundé has services like shuttle bus services for picking up and dropping off, swimming pool, tennis court, casino and gambling, banquet rooms, dry cleaning, concierge, fitness center with gym, free parking and conference facilities, restaurant, bar (TripAdvisor 2018). Hilton Yaoundé hotel offers a range of catering services (PICTURE 3 & 4) where guests can enjoy some French cosines, cocktails and special grill specialties (Hilton Yaoundé 2018).



PICTURE 3. Image of Restaurant Le Pachy (Hilton Hotel 2018)



PICTURE 4. Image of Restaurant Le Panoramique (Hilton Hotel 2018)

Hilton Yaoundé has many catering services which are described below.

- La Cascade: It is in the Hilton Yaoundé hotel's lobby and a 24-hour bar where exciting cocktails or snacks such as the Hilton classic sandwich, fresh pizza, light breakfast or afternoon tea can be enjoyed (Hilton Yaoundé 2008)
- Le Panoramique: Take in the Panoramic city view from this comfortable Yaoundé bar on the 11th floor of Hilton Yaoundé hotel. It is the most beautiful part of the hotel. (Hilton Yaoundé 2018)
- Le Safoutier: Has a view over the Hilton Yaoundé garden. Savor international buffets for breakfast, lunch and dinner (Hilton Yaoundé, 2018).
- Restaurant Le Pachy: Situation near the lobby in Hilton Yaoundé hotel, the restaurant services French brasserie inspired dishes, such as bouillabaisse and beef bourguignon (Hilton Yaoundé, 2018).
- O Vive: Situated beside the swimming pool to offer guest with lunch or late afternoon meal. (Hilton Yaoundé, 2018).

2 CUSTOMER SATISFACTION AND CUSTOMER LOYALTY

This chapter focuses on the key concepts of the research. The concepts of customer satisfaction and customer loyalty are closely related. This part of the work will also try to look at some factors influencing the concepts of customer satisfaction and customer loyalty and the link that exist between them.

2.1 Customer satisfaction

Customer satisfaction can be understood to be the difference between customers' expectation before consumption and realization after consumption of product or service. Customer satisfaction is complicated to define because normally it is extenuated by expectation. Customers will be satisfied if the product or service is above their demand or expectation (Goodman 2009, 22). Customer is one of the driving force behind every company or business. Being able to make your customers satisfied is an essential tool for the success of your business. It is for this reason that, managements of organizations are so focused on how to keep their customers satisfied (Oliver 1999, 33-44). Goodman (2009, 22) stipulated that, the term customer satisfaction is complicated to define. Customers' expectations are ever increasing making it difficult for companies to give a clear defined path to satisfy these customers. Companies that can get this right path, are most likely to be successful. Customer satisfaction is complicated because certain products or services can leave one customer satisfied while another customer is left unsatisfied. To better maximize the satisfaction level of customers, it is important to pay more attention on the factors that influence customer satisfaction.

Comprehensive understanding of customer satisfaction is a vital step towards maintaining customer satisfaction to services of the company. This will mean that, those services offered by the company which are not up to standard should be improved to leave customers with a lasting impression (Anderson & Srinivasan 2003, 122-138). Kotler and Keller (2006, 144) gave the most comprehensive definition of satisfaction as person's feeling of pleasure or disappointment which

resulted from comparing a product's perceived performance or outcome against his or her expectations. This comes to show that customer satisfaction in the hotel and hospitality industry is directly linked to service quality. Rai (2008, 104), gave us an understanding of what customer satisfaction is all about through his basic formula of customer satisfaction as;

$$\text{Customer Satisfaction} = \text{Customer Perception of Service Received} - \text{Customer Expectation of Customer Service}$$

This formula of Rai clearly points to the hotel industry since they offer services to their customers. Zeithaml and Bitner (2008, 87-89) indicated that satisfaction is influenced by customer's emotional responses, their attribution and their perception of equity. Satisfied customers turn to repurchase or recommend the products or services of the company to other potential customers. Customers are the center of every business, so for any business to be successful then they must be ready to make their customers satisfied. Companies fighting to increase their customers' satisfaction level can be rewarded with an increase in customer's word of mouth to others, customer loyalty and the profit margin. Customer coming to a business organization or seeking a service from a company has own expectations. The customer cannot be satisfied if his expectations are not met. Companies must be focused on service quality, product quality and value for money because they are the elements that have an impact on customer satisfaction. It is also known that, the people offering services of a company have an important role to play in making sure the customers are satisfied. Companies must also be concerned with the satisfaction level of their employees. Management of corporations must know that employees play a very important part in increasing the customer satisfaction level (Stranden 2014).

2.2 Customer loyalty

The concept of loyalty is a complex to explain. Many authors have given definition of loyalty but still there is no unified definition to the concept. Loyalty can be understood by the act of continuously buying or consuming goods or services from a supplier despite other favorable offers from competition. Walsh et al. (2008, 977-1004) indicated that loyalty has three popular conceptualizations as an attitude that leads to a relationship with the brand; as expressed in terms of revealed

behavior; and as buying moderated by individual characteristics, circumstances or the purchase situation. Robinson et al. (2006, 5) defines loyalty as an emotional and attitude-based preference resulting in the behavior of spontaneous personal recommendation and purchase. Loyalty is a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, which cause repetitive behavior (Robinson et al. 2006, 6).

The business world is becoming more competitive making it costlier for a company to attract new customers. It is for this reason; many companies are doing their best in providing good services to their customers to make them loyal. Kotler et al. (2003, 23) indicated that, customers retention can be achieved by delivering high customer satisfaction and values that result in strong customer loyalty and well- developed business relationships. The ability for any business to win customers and to keep them coming back are some key attributes in the success of the business. Businesses that have been able to better satisfy their customers, making them to keep coming back are the leaders in the industry in terms of market share and profit margins. Achieving affective customer satisfaction can lead to customer retention that can be rewarded by better customer loyalty and develop business relationships (Kotler et al. 2003, 2).

Loyalty has a positive effect on profit margin of every business. According to Yoo and Bai (2013,166-177), loyal customers are less likely to switch to a competitor's brand just because of price and other special promotions, bring in new customers through word of mouth and they are less expensive to maintain. Loyal customers are created in one day but through design decisions that are centered towards an approach that recognizes the wants and needs of customers. Not every customer that buys and comes back is a loyal customer. Customer loyalty that shows a customer's positive attitude for the repeating buying behavior on certain product or service (Gremler & Brown 1999, 34)

Gremler and Brown (1999, 271-291) categorized customer loyalty into emotional loyalty, behavior loyalty and intentional loyalty. Emotional loyalty is the point of view of the customer of an organization and its products or services. Behavior loyalty is the repeating purchasing behavior and intentional loyalty is the possible buying intention. Loyalty is not the purchasing behavior itself.

Just because customer repurchases regularly from a supplier does not necessarily mean the customer is loyal. The customer may purchase repeatedly from a supplier for a variety of other reasons (Derek 2004, 97-100).

2.3 Factors influencing customer satisfaction and customer loyalty

Customer satisfaction has become an important element in service providing organizations because for a business to gain more market shares and profitability, the business must understand the needs and wants of customers and be able to satisfy them well. Factors influencing customer satisfaction are different from that influencing customer loyalty because customer satisfaction is an attitude while customer loyalty is a behavior (Srivastava 2015, 57). The factor influencing both customer satisfaction and customer loyalty will be discussed separately in this part of the thesis.

2.3.1 Determinant of customer satisfaction

A company wishing to make their customers satisfied with their services must know what makes their customers satisfied. Some of the most important elements influencing customer satisfaction will be discussed below. It is worth noting that one thing that makes one customer satisfied may leave the other unsatisfied.

- Value of service quality or product quality

Every customer wants the best reward for money. Before purchasing a goods or service, the customer's expectation is generally high. It is for the good of every service providing company to always leave their customer wanting for more. When the quality of service or product is far above the expectation of the customer, then the customer is left satisfied but if the quality of service or product is below expectation, customer is left unsatisfied. It is for this reason; the value of service or product quality is an important attribute to customer satisfaction.

- Customer's emotion

Sometimes, it is very difficult for angry person to appreciate something no matter how good service is provided. When an angry customer comes into an organization for their services or product, it is very easy for that customer to leave unsatisfied because the person is not in good state of mind. It is generally very difficult to please angry customers.

- Perception of equality and fair treatment

Anybody will be left unsatisfied if that person is paying same price for service or product but still being treated differently by company staffs from other customers. For example, standing on a line in a bank to be served and suddenly the customer care officer calls someone from behind and serve that person before the persons in front. This act will leave the other customers unsatisfied. It is very important that each customer is treated fairly and equally (Coutts 2011)

2.3.2 Determinants of customer loyalty

Customer loyalty is an important attribute to a company success. Several studies shown that satisfaction have a direct influence on loyalty. Heskett et al. (2011, 72) indicated that, a satisfied customer is loyal while a dissatisfied customer is a vendor.

- Corporate brand awareness

A brand consists of words, mark, symbol, picture and color which are used to identify a certain product or service. It is very easy for customers to recognize brands when they are seeking services or products. Well-known brands always come to the mind of a customer because of the high standard the brand has set.

- Service quality

Service quality refers to the results of comparison that customer makes their expectation about the service and their perception of the way the service has been performed (Grönroos, 2007, 93). Service quality has a lasting impression on the customers which will make them want to come back thereby making them loyal.

- Customer satisfaction

Chen and Wang (2009) suggested an understanding of customer satisfaction as a kind of consistency evaluation between prior expectations and perceived service performance. When the service or product of a company are far above the expectations of the customers' expectation, the customer is satisfied thereby making them loyal. Satisfied customers are always likely to come back (Chen & Wang 2009, 1105-1123).

2.4 Relationship between customer satisfaction and customer loyalty

It is very important to understand the relationship that exist between the concepts of customer satisfaction and customer loyalty. These two concepts that have an important part to play in the success of any business. The concept of customer satisfaction is a vital aspect that must be taken into consideration when a company is trying to increase customer loyalty and better performance of the business. According to Dick and Basu (1994), the role of customer satisfaction in loyalty largely indicates that satisfaction is a key determinant of loyalty. Therefore, there is a link between customer satisfaction and customer loyalty. Both concepts must be incorporated together to achieve the desired goals of the company which are market share and profitability.

Satisfaction is a good indicator of commitment and repeated buying behavior (Woodcock et al. 2003, 11-20).

Customer satisfaction represents the feelings of a customer when a product or service meets the customer's expectation. When the attributes of product or service out plays the expectations of a

customer, the customer is left really satisfied but if not, then the customer is left dissatisfied. Dissatisfied customers may discourage others from trying the products or services of that company. Negative word-of-mouth by a dissatisfied customer of a products or services of a company has the most damaging effect to the image of that company. Chen and Wang (2009) indicated that, satisfied customers are more likely to repurchase, lower their price sensitivity, engage in positive word-of-mouth, recommendation and become loyal customers (FIGURE 1). Customer satisfaction gives an understanding on how much the product or service meets the expectations of the customer while loyalty is influenced by product or service quality and other factors.

A Satisfied Customer Is Loyal

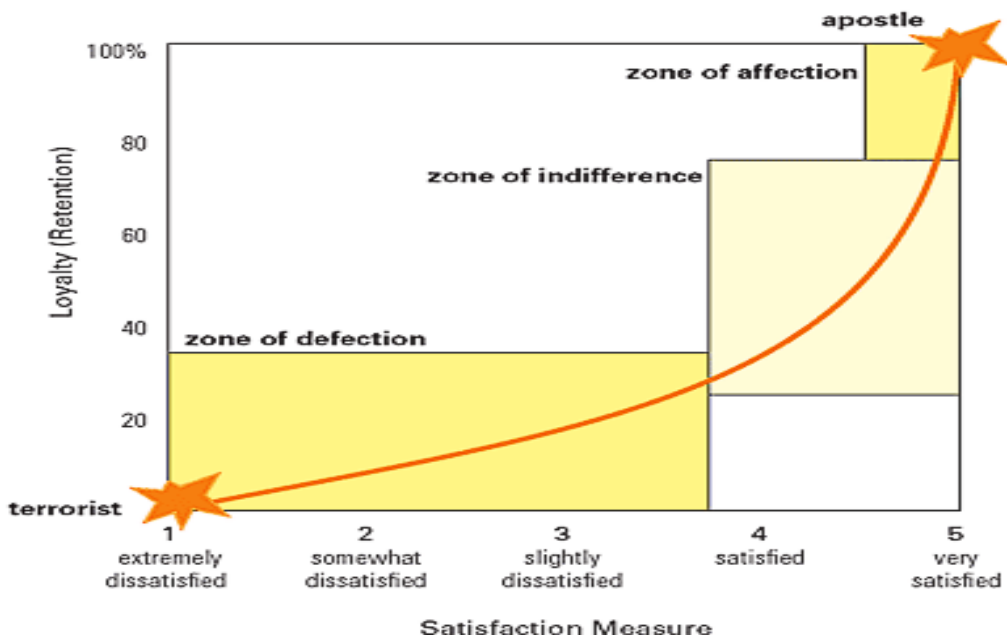


FIGURE 1: Relationship between customer satisfaction and customer loyalty (Heskett et al., 2011, 71)

FIGURE 1 is a representation of the relationship that exist between customer satisfaction and loyalty. Heskett et al., (2011,71) puts customers into three zones; zone of defection, zone of indifference and zone of affection. This figure shows the level of customer loyalty based on their satisfaction from a product or service. Heskett et al. (2011) term the extremely dissatisfied customers as

“terrorist”. It is without doubt that a dissatisfied customer will never say anything positive about the product or service of that company. It is more likely that these customers can discourage others from trying the products or services of the said company. The very satisfied customers are termed “apostle”. They are the ones that were or are impress with the service quality of the company and will be more willing to come back thereby making them loyal. These are the kind of customers that will put in a good word for the company to others in their community thereby encouraging many to try out the services or products of the company. Loyal customers are more satisfaction driven, thus companies must make sure their customers are highly satisfied (Heskett et al. 2011,75)

3 RESEARCH METHODOLOGY

This chapter gives a clear illustration of the research process with the methods used. All these methods used in collecting the data from the field is explained with analyzing the validity and reliability of the research. Some limitation will also be discussed here.

3.1 Research process

This research started when I got an approval from Hilton Yaoundé hotel, the case company granting me the permission to carry out the research on the satisfaction level of their customers. To be able to do the research and properly analyze the results, a set of questionnaires were prepared and send to frequent guests at the hotel and guests who were about checking out. These people who have tested the services of the hotel and their responses will be based on their experience. The questions were very clear and direct, making it easy for the guest to respond. From their answers, it will be possible to find out what makes them satisfied and what they think can be done to improve upon the services of the hotel. It was relevant to study some past literatures to be able to understand the concepts of customer satisfaction and customer loyalty. All data gathered from the questionnaires and personal experience during my time there were analyzed to draw up conclusions and give some recommendations to the case company.

3.2 Research method and data collection

The research started by designing how to collect data from primary and secondary sources to analyze all the data and come up with reasonable answers and conclusions. White (2009, 90) in his writing stipulated that once a favorable research has been designed, the researcher can then choose appropriate methods of data collection and analysis. As mentioned in the previous chapter, qualitative and quantitative methods will be used in this research.

Some questions were structured with respect to the objectives of the research. The purpose of the research was explained to customers and those that were comfortable with the idea were helped in answering the questionnaires. Blaikie (2010, 199) indicated that self-administered questionnaires are used as one of the most common quantitative methods of collecting data. To be able to know someone's opinion about something, it requires that the person should be asked some questions. The most qualified respondents to these questionnaires will be those that stayed at the case hotel even just for one night. Their opinion will give a true reflection of what they felt or their experiences at the hotel.

Primary sources are first hand data that has not been collected for other use. Primary data can be collected from observation. I had the opportunity to do my internship at Hilton hotel Yaoundé some few years back. I got some data from my observation during my time at the hotel. Articles, database, newspapers are some sources of secondary data. These are data that have been used by other researchers and the data cannot be reliable (Vikka 2007, 33-34).

3.3 Reliability and validity of the research

For a research to be reliable, same results must be obtained if the research is carried out the second time. It also must be the case of the research is carried out by another person. Two people must have same results from same research (Vikka 2007, 149). A total of 90 questionnaires were send out but only 65 customers responded. This amount should be almost same if it was send by another person thereby making the research reliable. Validity of the research means, it is credible and believable. The questionnaires were well structured and tested before sending them to customers for their response, this increase the validity of the research.

3.4 Limitation of the research

Research is based on a very sensitive topic which is very unstable and not same with every customer. The research cannot be fully carried out without holding some assumptions. It is understood

that a satisfied customer may become a loyal customer which generally is not the case. Some customers can be satisfied with the services of the hotel but end up not returning. In this research, I will try to keep the assumption that customer satisfaction drives customer loyalty.

Another limitation in this research will be the location of the case company. Hilton Yaoundé is in Cameroon which is a bilingual country on papers but is more of a French speaking country. The language of communication is a very big issue. During the time I was carrying out my internship there, I faced a big problem with communication. Being able to understand or speak French will make working at Hilton Yaoundé hotel relatively easy. Some customers at the hotel speak only English or French and few understood both languages. 72.2% respond rate may be because the questionnaires were in English. Some didn't understand the questions that why they didn't respond.

4 DATA ANALYSIS AND RESULTS

The data collected from feedbacks will be described and analyzed in this section of the research. The results from the survey will give a clear understanding of what drives customer satisfaction and customer loyalty. The strength, weakness, opportunity and threat of the case company will be discussed in this section.

4.1 Analysis of questionnaires

To understand the level of satisfaction and loyalty from the customer's perspective, a questionnaire was sent out with 20 questions to guests of the case company. The questions sent to guests are listed in appendix 1. From the feedbacks, it will be possible to know what can be done by the case company to improve on their customer satisfaction and customer loyalty levels. A total of 90 questionnaires were sent out but only 65 feedbacks were received making a success rate of 72.2 %. Questionnaires were handed to guests who have tested the services of the case company.

Out of the 65 feedbacks that were received from the questionnaire survey, 41 were males and 24 were females (FIGURE 2).

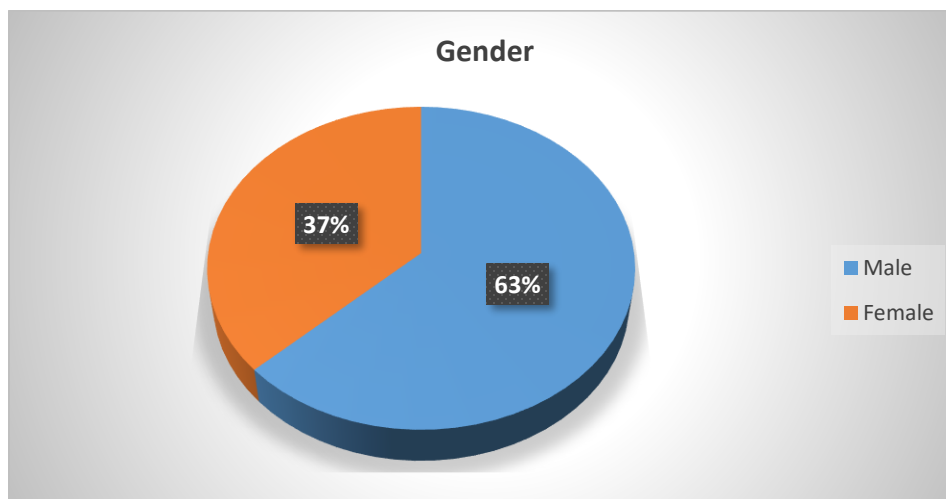


FIGURE 2. Gender

As shown in figure above, the percentage of male respondent 63% was higher than that of female 37%. Hilton hotel Yaoundé is the only international hotel in Cameroon with most of its guests coming from outside the country. It is without doubt, the gender with much courage to visit the African Continent from developed countries are mostly males. Most of these guests come for business and diplomatic mission since Yaoundé is the political capital of Cameroon. The guests of the case company from within Africa are mostly government officials. Most of governmental position in Africa are occupied by males. It is for this reason most of the guests at the case company are males.

The figure below (FIGURE 3) represents the age group distribution among the respondents. The age group were divided into five groups, 25 and below, 26 – 35, 36 – 45, 46 – 55, and 56 and above.

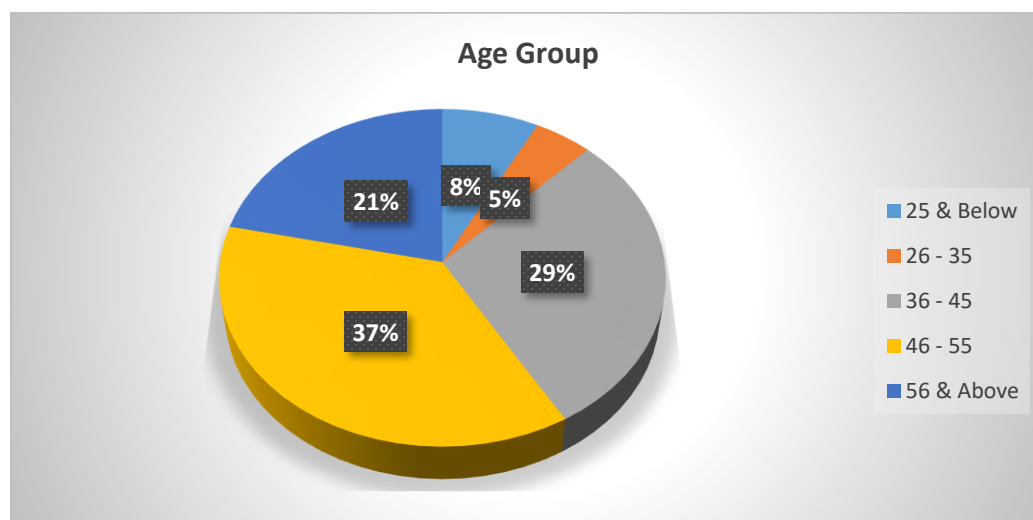


FIGURE 3. Age

The age group with highest percentage is 46 – 55 (37%), followed by the age group 36 – 46 (29%). Hilton hotel Yaoundé is the only international hotel in the country making it very famous with very high prices that can be afforded mostly by business men and top government officials. The government of African countries are most constituted with people above of the ages of 40 years

old. As shown in FIGURE 3, the age group 26 – 35 (5%) constitute the least amount guests at the case company. This maybe because, the case company is a five-star hotel with very high prices. These age group may use other cheaper hotels around the city. The age group 25 and below (8%) who maybe traveling with their parents for a vacation in Cameroon or Cameroonians based in Europe and America coming to visit home.

The figure below (FIGURE 4) shows the distribution of guests at the case company with regards to their nationality. Most of the guest at the case company were from Europe (27) with America (23) being the second highest. The least number of guests came from Australia (3). The Hilton brand name is very popular in America and Europe, it is why most of the guests are from these two continents. The brand has kept a very high standard of service quality that makes any customer think of them when sorting for hotels to stay. The reason why this nationality question was included in the questionnaire was to know if the case company is being used more by nationals or foreigners.

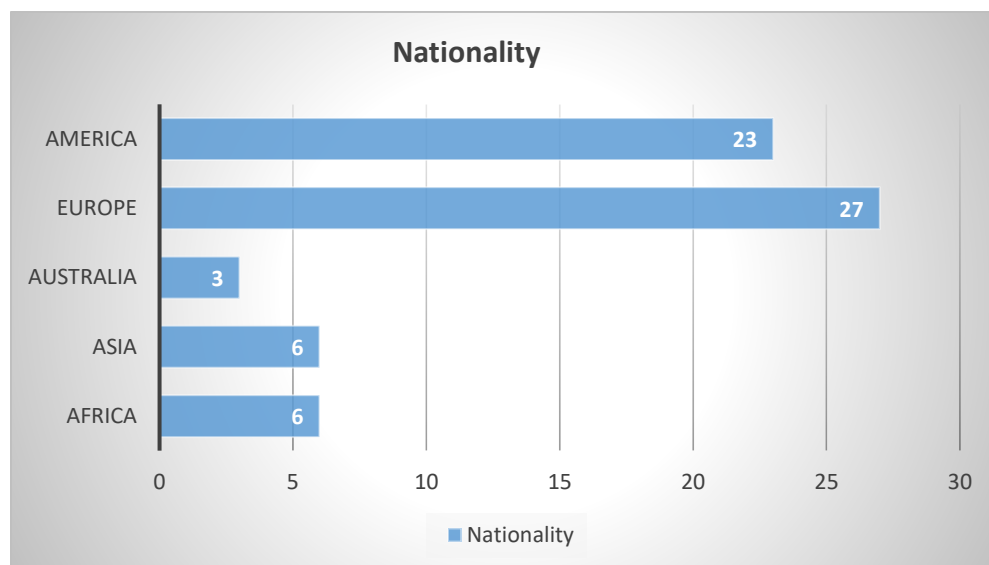


FIGURE 4. Guests by nationality

The figure below (FIGURE 5) presents the satisfaction level of the guests of the case company with regards with the service quality offered by the case company.

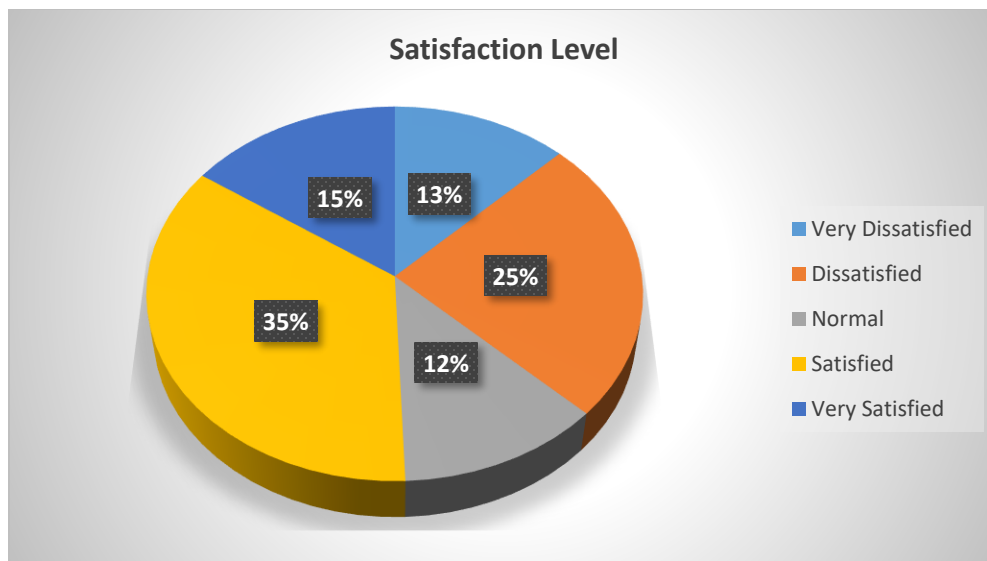


FIGURE 5. Satisfaction Rate for Hotel Services

The figure above shows that many of the respondents were satisfied (35%) with service quality of the case company. Many of the guests at the case company appreciated the professionalism of the hotel staffs. Reviews from the case company web site by guests indicated that the staffs were exceptionally friendly and helpful. It was surprising to see that second highest number of respondents were dissatisfied (25%) with the service quality of the hotel. These dissatisfied guests maybe those that have tested the services of Hilton in other countries and the Hilton Yaoundé was not up to the normal Hilton standard. It could also be because the services do not reflect the exceptionally high prices of the rooms. 15 % of the guests were very satisfied with the service quality offered at the case company. These could be guests that have never tried a five-star before.

From the 65 feedbacks received, 31 of the guest felt satisfied with the facilities of the case company as shown in the figure below (FIGURE 6). The satisfied customers with the facilities of the case may have been because of the recent renovations that took place in 2000. 5 guests where very dissatisfaction with the facilities of the case company maybe because they are comparing these facilities with that of other Hilton hotels in other countries. The policy of Hilton and Resort is to represent the culture of the country were their hotels are located. From some reviews on trip advisor by guests complaining that Hilton Yaoundé does not really represent the bilingual culture of Cameroon.

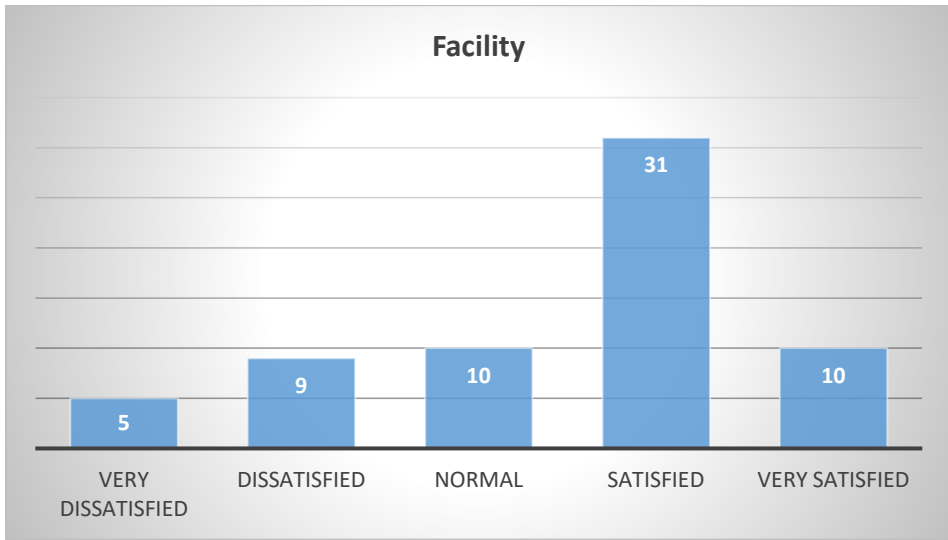


FIGURE 6. Perception of respondent about facilities of the case company

Every satisfied customer is more likely to come back to enjoy the services of case company. The figure below (FIGURE 7) gives a clear view or stand point of the guests on whether they will love to come back for the services of the case company.

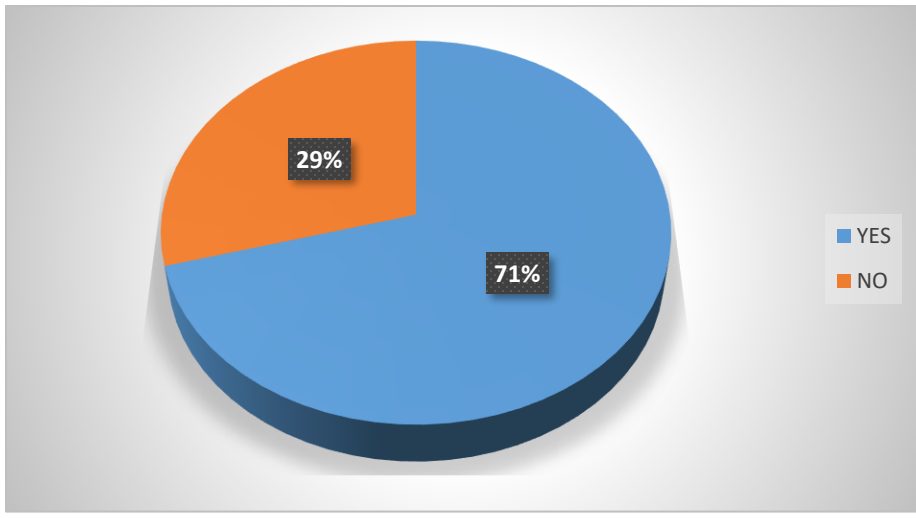


FIGURE 7. Perception of respondents who will come back

The figure above (FIGURE 7) shows that 71 % of the respondents will love to come back to the case company. Many respondents still believe in the brand image of the case company and they will always choose the case company. Some of the guests may be coming back because they don't think they are any better options in the city, so they are not coming back they really love to but because they don't have a change since it is the only international hotel in the city. The minority of the respondents 29 % who indicated they won't like to come back to the hotel because the price doesn't reflect the standard or services at the case company. These feedbacks clearly indicate that the case company has a lot of work to do to improve on the standard of the hotel, so their guests will be satisfied.

Word-of-mouth is the greatest tool any company or business can use to promote their success. For someone to give a positive word-of-mouth in the community means the customer is very satisfied with the services of the company. The figure below (FIGURE 8), represents the number of guests that will recommend the case company to others.

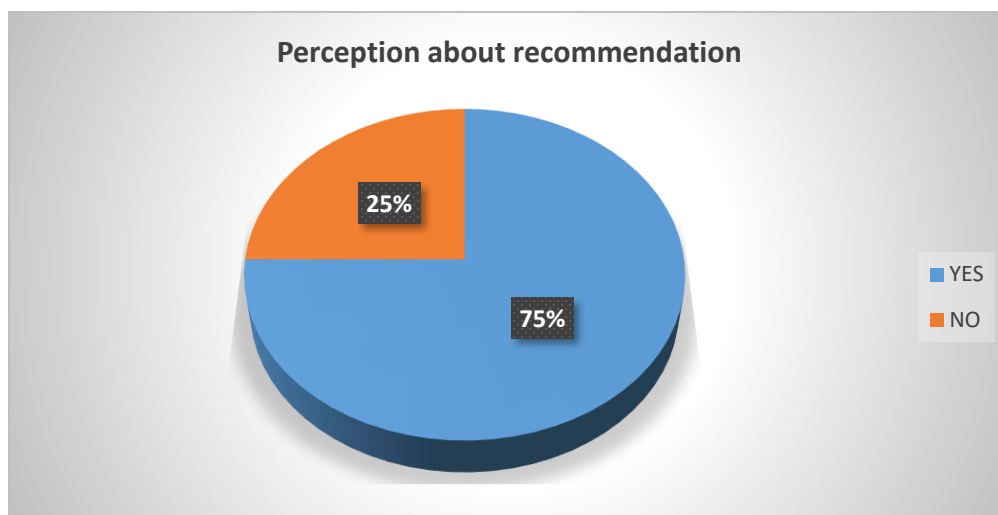


FIGURE 8. Perception about recommendation

The figure above (FIGURE 8) shows that 75 % of the respondents agreed to recommend the case company to others and their community because of the excellent services they received at the case company during their stay. 25 % respondents that refused to recommend the case company to others maybe because their expectations were not met during their stay at the case company.

4.2 SWOT analysis

SWOT stands for Strength, Weakness, Opportunity and Threat. Analyzing a company using the SWOT tool gives a clear stand point of a company regarding the advantages and disadvantages in an industry. Company's weakness is a possibility for improvement, opportunity will be what the company can take advantage of to increase market shares and threat will be the problems that may hinder the progress of the company. Before making any strategic decision, it is important to understand the positive and negative factors, which is the goal for a SWOT analysis (Barker et al. 2008). SWOT analysis is based on the writer's experience during internship and reviews of Hilton Yaoundé guests on tripadvisor.com.

TABLE 1. SWOT analysis of Hilton Yaoundé

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ➤ Excellence services quality ➤ good location ➤ good security ➤ friendly and helpful staffs ➤ good cooperate image 	<ul style="list-style-type: none"> ➤ Aging facilities ➤ poor cleaning ➤ high prices ➤ low salaries for workers
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ➤ Strategic location 	<ul style="list-style-type: none"> ➤ Increasing competition ➤ struggling economy

4.2.1 Strengths

Reviews on travel sites and feedbacks from questionnaires indicates that most of the guests were impressed and happy with the excellent service quality at the case company. The hotel employees are very friendly and putting on a smiling face making every guest that comes through their doors to feel as a king and at home. The case company is located at the center of the city where everything is easily accessible. It is easy to get to the hotel at any time of the day. The case company has a very excellent security system that helps protect their guests and their belongings.

Hilton hotel and Resorts is one of the top brands in the hotel industry all over the world. This brand name represents excellent service quality and five-star treatment for their guests in all their hotels. It is for this reason, any guests going into a new country will first search “the nearest Hilton hotel”. The brand name Hilton Yaoundé carries, gives little or no need for any special advert about the hotel because the brand name speaks for itself.

4.2.2 Opportunities

Hilton Yaoundé is located at the center of the city where all the administrative offices are located. For any guests coming to Cameroon for business or governmental visit will find it easy to get to any office from the hotel. There is the national museum located just very close to the hotel that is an attractive site for tourists. Hilton Yaoundé has an extra advantage because of its location. Guests are always looking for hotels that have easy access to their area of interest. Hilton Yaoundé will stand out from other hotels when it comes to location. With the advantage that Hilton has with its location, it is an opportunity for them to attract more customers to their hotel.

4.2.3 Weaknesses

Hilton Yaoundé was built in 1989 and only renovated in 2000 which is 18 years since it was renovated. Most of its structures are old and do not reflect a five-star hotel standard. Most guests complain about hotel structure and bathroom utilities. This disadvantage will make guests choose

other hotels. The hotel administration will have to decide for renovations on the entire hotel structure.

4.2.4 Threats

The threats facing Hilton Yaoundé will be the arrival of competition. The hotel industry has experience so much growth with the emergence of new hotels with modern structures and facilities that beat that of the case company. These competitions come with modern structures but with prices far below that of Hilton Yaoundé making them a preferred choice for that who can't afford the high prices of Hilton Yaoundé. Although, Hilton Yaoundé is still the only international hotel in Cameroon, but their aging structure and facilities is pushing them of their leader position.

5 Strategies to increase customer satisfaction and customer loyalty

The ability to be a leader in an industry means you have a unique strategy of increasing customer satisfaction and customer loyalty. The concepts of customer satisfaction and customer loyalty are distinct among them. Recommended strategies to be used by the case company to increase customer satisfaction and customer loyalty will be based on aspects of the two concepts respectively. Every company wants to have customers who will still consume their products and services no matter the situation. Raman (1999, 2-11), indicated that existing customers serve as a “fantastic marketing force” by sharing their experiences, positive word-of-mouth and acting as an advisory. The relationship that exist between the concept of customer satisfaction and customer loyalty can be shown in; the core of loyalty is satisfaction, loyalty as a major component of satisfaction, satisfaction is the initial phase of loyalty (Munari & al. 2013, 139-160). Strategies to increase customer satisfaction and customer loyalty for the case company will be discussed below.

5.1 Strategies to increase customer satisfaction

The strategies that will be discussed here are based on the survey and reviews by customers of the case company. These are suggestions to the case company if they want their customer satisfaction level to increase.

1) Improving service quality

To be able to better serve someone, you know what that person wants or what their needs are. Different guests come into the hotel with different status and needs, being able to serve them with respect to their needs and status will increase their satisfaction. An acceptable outcome is an absolute necessity for good perceived quality, but an excellent service process creates a distinct and suitable competitive edge (Grönroos 2007, 127). Service quality can be judge in terms of after sales services in the hotel industry. Handling of complaints and problems of customers are part of

service quality. When a company handles the complaints and problems of their guests or customers with urgency and diligent, the customers will feel the service level of that company is high. According to the questionnaire survey, respondents indicated that some of their complaints were not handled on time. These customers will be left unsatisfied. Their expectations were not met. The case company must see to it that the complaints and problems of guests must be handled professionally and timely (Grönroos 2007, 98)

2) Innovation and maintenance of hotel facilities

Last renovation done at the hotel was in 2000 which is 18 years ago. Feedbacks from questionnaires indicating many guests complaining of old and outdated facilities at the hotel making it not to reflect the standard of a five-star hotel. The emergence of new hotels with modern facilities are providing better alternatives at cheaper rates to customers. It will be important for the case company to renovate the hotel structure and decide for constant maintenance of hotel facilities.

3) Moderating room prices

According to Hilton Yaoundé official web page, the prices of room at the case company ranges from 176.000 Central African CFA Franc BEAC (268 €) to 892,780 Central African CFA Franc BEAC (1,361 €) making them the most expensive hotel in the city. Regarding the economy situation of Cameroon, it will be impossible for an average citizen to afford the prices of the hotel thereby making them to go for other cheaper options which are less expensive. Higher prices mean higher service quality. When a customer pays a high price a room, he expects the best in terms of service quality as a reward for his money without which he will be left dissatisfied. It will be important for the case company to range their price with respect to the economy situation of the country and the actual standard of the hotel now.

4) Increasing employee satisfaction

We have two important persons in the success of a business; the customers and the employees rendering the services to the customers. In the case of the hotel where the research was carried out, the employees are in the better position to make the stay of customers exciting and satisfying. Employees must be motivated to do their work with diligence. A happy employee will create an ever-lasting impression on customers thereby making them satisfied. Hilton Yaoundé administration must introduce projects like; best employee of the month, incentive and guests feedback on employees that will encourage employees to work hard. Making employees feel as part of the business is another means of making them work hard. From the survey carried on the customers of the case company, they gave positive feedbacks about the employees of the case company. This was most satisfying thing most customers indicated.

5) Customer feedback

This must be incorporated in the business program of the case company. Customers can not be better served with finding out from them what they like and dislike about the services of the case company. Customers' feedback gives a good representation of the satisfaction level of the customers. The case company must provide feedback cards and suggestions boxes in the hotels to gather feedbacks and opinions from customers. The feedbacks from customers will be the basis for strategic decision making.

5.2 Strategies to increasing customer loyalty

Loyal customers are the ones that will always come back to consume the products or services of a company despite better prices offered by competitors. Businesses with large number of loyal customers are lightly to be successful with positive profit margins. Hilton brand is well established all around the world and represents the commitment of the organization. Many hotel guests around

the world are loyal to the Hilton brand because the brand fulfils their psychological and social demand thereby influencing their choices and preference. The case company must improve their facilities and services to reflect the standard of the brand name. Providing best services to guests will make them satisfied and may make the loyal.

It will be important for the case company to introduce loyalty programs to encourage customers to come back. Providing guests with incentives to come back is big step in making them loyal. Hilton Yaoundé can encourage guests to collect points from the loyalty program that can be transformed to free stay, free airport pick-up or drop off, or free breakfast. Employees play a vital part in making customers to become loyal. The service quality offered by employees either leave the guests satisfied or dissatisfied which is a major factor in becoming loyal. The case company must make sure their employees are well motivated to carry out their duties diligently to make their customers well satisfied.

6 Conclusion

Customers are the most important part of every business. To be success in the business world, customers satisfaction must be top priority. Satisfaction is the aim of every business because when customers are satisfied, they may become loyal customers which will have a positive effect on the profit margin of the business. It is more expensive for a business to acquire new customers than maintaining existing customers. It is for this reason, that many businesses invest much to satisfy their customers. Customer satisfaction drives customer loyalty which are the fundamentals for the success of any business. Customer satisfaction is the foundation for building customer loyalty. The importance of customer satisfaction cannot be over emphasized because satisfied customers will create the possibility for new customers through their positive word-of-mouth about the products and services of the company.

The study of this thesis was Hilton hotel Yaoundé in Cameroon the only international hotel in the city and where the author had the opportunity to carry out his internship some years ago. Three research questions mentioned in chapter one was answered in this thesis. The author understood that being able to answer these questions will give a concrete base on which strategic decision can be made by the case company. The answering of these questions gave a good understanding of the concepts of customer satisfaction and customer loyalty, factors influencing them with strategies to increase the amount of satisfied and loyal customers with regards to the case company.

From the research, customer satisfaction is understood to be the difference between customers' expectation before consumption and realization after consumption of product or service. Customer loyalty on the other hand, is the act of continuously buying or consuming goods or services from a supplier despite other favorable offers from competition. Factors influencing customer satisfaction and customer loyalty are analyzed in a bit to establish or discover the link or relationship that exist between the concepts of customer satisfaction and customer loyalty. From the questionnaires survey, respondents indicated their dissatisfaction with the standards of the facilities of the case company which did not reflect the standards of a five-star hotel. It was from this that the writer

was able to come the conclusion that if the case company can renovate or regular maintenance on their facilities will go a long way to increase customer satisfaction level. Trying to work on the complaints from their customers will push the satisfaction level of the customers high and may lead them to loyalty. The Hilton brand has kept a very high service level around the world, so the case company must work on their weaknesses to meet the service standard by other Hilton hotels that customers perceive.

Employees should be treated as an asset because once employees feel as part of the business gives them more motivation to work hard to meet the demand of the customers. To make the lives of customers less difficult and less demanding gives a superior shot of having such customers for life. Satisfied employees will make customers have a remarkable customer experience.

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APPENDIX

Appendix 1/3

I am NJEI ZEPHAN, a Business management student at Centria University of Applied Science Kokkola, Finland writing my final thesis on the Relationship Between Customer Satisfaction and Customer Loyalty. I will be using Hilton hotel Yaoundé as my case study. To understand the customer satisfaction and loyalty level at Hilton hotel Yaoundé, a questionnaire survey will be carried out.

Your participation in this questionnaire survey will be highly appreciated but till voluntary. Every information will be treated confidential and anonymous. Provide answers to the following questions from your own point of view.

1) What is your gender

- A) Male B) Female C) Other

2) What is your age group?

- B) 25 & Below B) 26 – 35 C) 36 – 45 D) 46 – 55 E) 56 – Above

3) What continent are you from?

- A) Africa B) Asia C) Australia D) Europe E) America

4) Reason for your visit to the Cameroon?

- A) Holidays B) Business C) Diplomatic D) Others

13) What is your reason for choosing Hilton Yaounde?

14) Any suggestion on what can be improve at the hotel to make your enjoyable?

Thanks for your time