Assessing the factors influencing the patronage of hotels in Wa Municipality: Implications for hotel management in Ghana

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A R T I C L E   I N F O

A B S T R A C T

Hotels have become an important source of accommodation in recent times. However, studies on the elements that affect locals' use of hotels are scarce overall in the Wa Municipality. To understand how locals in Wa Municipality use hotels, this study collects empirical data from guests and hotel workers. Questionnaires and interviews were used in collecting data from 55 hotel quest and managers. The findings demonstrate that customer satisfaction has increased because of residents' growing preference for holding ceremonial events, such as wedding receptions, at hotels. Locals frequently rely on recommendations from friends and family as reliable sources of information, and the cost of services has a significant impact on the hotel that they choose. The findings also suggest that offering better services at reasonable costs may increase local citizens' spending within the city. The results indicate that hotel management could enhance customer service and the surrounding area to draw in more local clients.

1.   Introduction

Hotels are now the most important and popular type of lodging for travellers and some locals all over the world (Zervas, Proserpio, & Byers, 2017; Mubiri, 2016). As is common knowledge, one of the tourism sector's most important divisions is the hotel sector. There has been an increase in demand for high-quality hotel services all around the world. According to Adjoe (2014), the hotel industry has grown significantly because of its adaptability to meet the needs of travellers of all income levels.

In terms of its contribution to economic development in nations around the world, the hotel business has evolved into one of the sectors that compete with other industries (Mubiri, 2016; Zervas, Proserpio, & Byers, 2017). Salavati and Hashim (2015) claimed in a study that the hotel sector had long been acknowledged as the backbone of the global hospitality sector. The United States, China, and the United Arab Emirates were among the most well-known nations on

the globe and made substantial contributions (Statista, 2014). Over the next five years, the hotel industry in Africa has a lot of opportunities to expand (Price House Water Cooper, 2018).

Several studies on the hospitality sector, particularly the hotel sector, have been published, but few of these studies have focused on the expansion strategy of hotels (Chow, 2017; Song-Ee et al., 2017; Salem, 2014). Additionally, Adjoe (2014) investigated what factors influence visitors' satisfaction with the services of 3-star hotels in Ghana. The results revealed a significant correlation between visitor characteristics and several service delivery metrics, including security and safety, physical facilities, and staff courtesy.

Ghana is one of the African nations with significant potential for tourism that is now being considered (Ministry of Tourism and Creative Art, 2019). There are few studies on local inhabitants' use of hotels, particularly in northern cities, even though there are many studies on the Ghanaian tourism

business. Given that these cities have tourism potential, this is a significant disparity. This study's objective is to assess the factors influencing the patronage of hotels by residents in small town and cities by utilizing the case of Wa Municipal as an example. The Wa municipality can be proud of having roughly 24 hotels and guesthouses that are registered (GTDP 2019).

2. Overview of the hotel industry in Ghana

A hotel is not specifically defined. A hotel is an establishment that charges visitors for lodging and may also offer a variety of other services or amenities, such as a restaurant, a spa, and a swimming pool, according to Diffen (2015). A place must have at least six letting bedrooms, and at least three must have associated private bathrooms to be referred to as a hotel. Ivona and Ivana (2004) investigated how many hotels have recently positioned themselves as venues for conferences and meetings by making their spaces useful for such events.

The tourism and hospitality industries, which make up about 3.5% of Ghana's GDP (GTDP, 2010), have a big impact on the country's social and economic growth. International hotel firms wanting to enhance their market share on the African continent have recently turned their attention to Ghana's hospitality sector as their primary focus (Ministry of Tourism, Culture, and Creative Arts, 2015). According to the World Travel and Tour Council (2015), international travel is currently contributing more and more to the socioeconomic advancement of numerous African nations, including Ghana, Ethiopia, and Rwanda. Similarly, to this, Deichmann and Frempong (2015) noted that the tourist sector has enormous potential to improve Ghana's balance of payments.

The Ghanaian government has made daring moves to promote the hospitality and tourism sectors to diversify the country's economy. The National Tourism Development Plan for 2013–2027, according to Deichmann and Frempong (2015), is evidence of the government's commitment to the growth of the tourism industry and, by extension, the hotel business. Citing Ghana's hotel industry's advantages, PwC (2017) claimed that, despite recent global issues, the country's

hospitality industry remained resilient. Many visitors who wind up spending a lot of money on the hotel industry are drawn to historical sites like the Kwame Nkrumah Mausoleum, Cape Coast Castle, Elmina Castle, Aburi Gardens, and Kakum and Mole National Parks.

The Ghana Tourism Board is tasked with classifying various lodging options in accordance with the hotel classification scheme. Hotels in Ghana are ranked according to a star rating system that ranges from 1 to 5. There are only five 5-star hotels in Ghana: the My World Hotel is in Aflao, while the others are the Kaminski Hotel, Accra Marriott Hotel, Movenpick Ambassador Hotel, and Labadi Beach Hotel, all of which are in Accra. The 5-Star category of hotels has the highest rating, while the 1-Star category has the lowest. The southern and central regions of the country are home to 21 hotels with four-star ratings. Over 1,000 people in 10 districts are members of the Ghana Hotels Association. The Ministry of Tourism, Art, and Culture (2017) reports that there were 2,650 lodging facilities (hotels, lodges, guest houses, etc.) throughout the nation as of 2015. In 2018, it's anticipated that this number will reach 2862. Despite this, the majority of these hotels and lodges have medium-to-low star ratings in light of their size, amenities, and overall level of service. The Ghana Tourism Authority (2017) noted that there were 2,750 hotels and other similar establishments in Ghana that were licensed. In 2014, there were 45,507 bed-places, up from 40,176 in 2013, and there were 41,331 bedrooms, up from 36,749 in 2013.

3. Methodology

3.1 Research Design

A research design, according to Creswell, J. W. (2003), includes a framework for carrying out a research project and specifies the method required for the data needed for structuring or addressing the research problems. Both descriptive statistics and qualitative data analysis methods were used in the study. It used a cross-sectional survey approach to better explore the phenomenon under research, which helped it gather pertinent information through the

review of several documents and the collection of primary data.

SEM-B Lodge, De-Lagio, Grand Hayatt, Nuoyong Empire, Upland Hotel, Jam Guest House, Royal Lodge, Queens
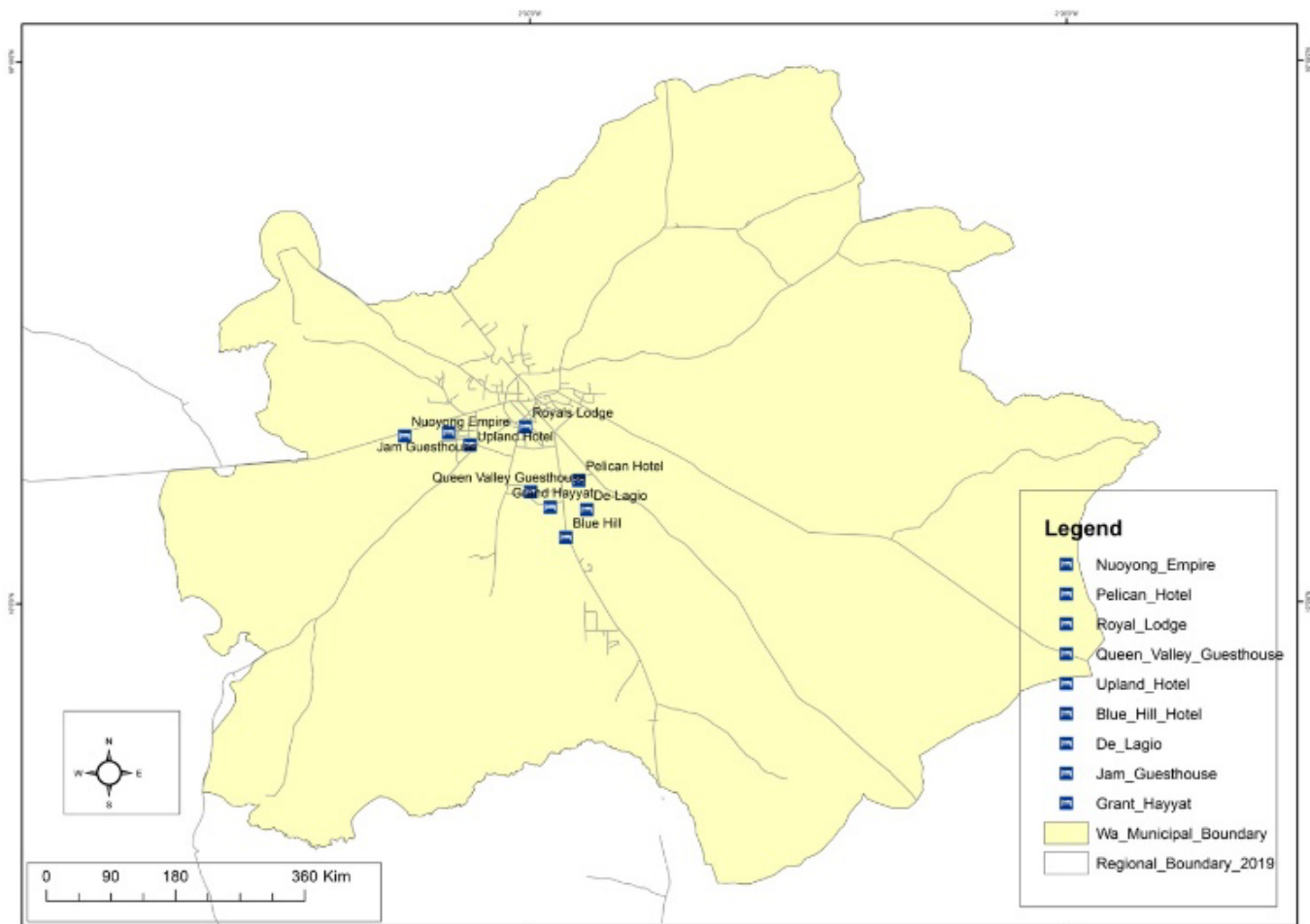

Figure 1: Location of selected hotels in Wa.

Because it enables the study of a given occurrence at a particular point in time using several units of analysis (respondents with diverse characteristics), the cross-sectional survey methodology was preferred by the study above others like the longitudinal design and case study technique. The study was made possible by the cross-sectional survey design, which allowed it to focus on a particular problem and the growth strategy of the hotel business alone. Because it enabled researchers to better understand how various hotels or guesthouses in the Wa Municipality are coping with competition, the chosen research design became important.

3.2 Data collection and analysis

The study considered ten hotels, from which a sample size of 55 respondents was drawn, 20 of whom were drawn from the staff of the selected hotels, which included Blue Hill Hotel,

Valley Hotel, and Pelican Hotel (as shown in Figure 1). Also, 35 customers were accidentally selected from whom data was gathered. These customers were contacted on the premises of the various hotels, and they came to access the services of the various hotels. For selecting these hotels, a purposive sampling technique was employed to select the top ten hotels as widely acclaimed by residents of the municipality. The study employed two main research instruments, namely questionnaires and interview guides, to collect the data. The data was collected in March 2023. In addition to the questionnaires, the study also conducted interviews. The interview was employed to collect data from managers of some of the hotels and officials from the Ghana Tourism Board. For the descriptive statistics, SPSS was used to analyse the data, and the results were presented in the form of frequency tables, charts, and graphs. For the qualitative data,

narration and quotation were used to present data that could not be analysed through descriptive statistics.

4. Results

4.1 Background of respondents

Table 1 shows that 60 percent of the 55 people who responded were men and 40 percent were women. Regarding the age range, it was discovered that the majority (51%) of hotel employees and guests fell into the 31–40-year age range, while 27% fell into the 20–30-year range. Another finding revealed that most employees in the 20–30-year age range worked for the investigated hotel. In addition, 22% of respondents were in the 41–50 age range, and the bulk of them were guests at the hotels that were the subject of the study. The respondents' marital status also showed that the majority, or 55% of them, were married, with most of them being customers. Like this, most of the 36 percent of single people were employed by the hotels that were under examination.

Table 1. Sociodemographic characteristics of respondents

Demographic Characteristic	Variables	Frequency [55]	Percentage (%)
Sex	Male	33	60%
	Female	22	40%
Age	Less than 20 years	0	0
	20-30	15	27%
	31-40	28	51%
	41-50	12	22%
	51-60	0	0
	Above 60	0	0
Marital status	Married	30	55%
	Single	20	36%
	Divorced	5	9%
Education	Formal Education	45	82%
	No formal Education	10	18%
Category of respondent	Hotel Staff	20	36%
	Customers	35	64%

Regarding educational background, most respondents (82%) had a formal education, while the remaining 18% had no formal education. Further analysis of the customers' occupations revealed that 28% of them were employed in business or as independent contractors, compared to 36% of them who were public employees. This data demonstrates how people with different educational backgrounds and economic circumstances can access the services provided by the hotel industry. It also clearly outlines the sociodemographic characteristics of hotel guests, showing how this is true.

4.2 Use of hotels by customers and staff

According to the findings (Table 2), most respondents (33 percent) believe that locals mostly use hotels for weddings and marriage-related events. Compared to prior usage of public open places in the city, respondents in Washington are increasingly using hotels for weddings and marriages. As most public open places are dusty, social status and environmental quality are factors in this patronage. Also closely related to that, many locals rent hotels for birthday celebrations. On the other hand, hotels typically receive little, if any, dietary or recreational business.

Table 2: Reasons for patronage of hotels in Wa

Patronage	Customers [35]	Staff [20]	Total [55]	Percentage (%)
Wedding/marriage reception	15	3	18	33
Birthday	10	2	12	22
Corporate workshops	5	10	15	27
Political parties events	5	3	8	14
Food	0	1	1	2
Leisure (i.e. resting)	0	1	1	2

4.3 Source of information by customers

Since most information about a hotel can be found on the internet, it is important for both management and guests that websites are used well in the hotel business. The study then examines the effectiveness of website use among consumers,

and the results are displayed in Table 3 after identifying the various service information stakeholders regarded as significant in the design of hotel websites. Locals in Washington are now relying on the hotel website for information. Instead, the vast majority (91 percent) rely on recommendations from friends and family when choosing which hotels to stay at.

Table 3: Source of hotel information to customers

Source of Information	Frequency [35]	Percentage [%]
Hotel Website	0	0%
Media (TV, Radio, social media, print)	22	62%
Family/Friends	32	91%
Hotel Reception	18	51%

Table 3 lists the media (TV, radio, social media, and print media), families and friends, and hotel receptions as sources of information on hotels. The vast majority (91%) of the 35 respondents said that families and friends are the primary source of hotel information for them and other guests. Additionally, 62 percent of the customers stated that the media (TV, radio, social media, and print) is their primary source of information, as opposed to 51 percent of the customers who cited the hotel reception. A customer is noted to have remarked that;

"A friend told me about the location and services of one of the new hotels that has just been opened in town". "I went there, and their services are really good".

4.4 Factors that influence customers choices

The survey also evaluated the numerous factors impacting visitors' decisions regarding which hotel in the municipality to stay at from their point of view. According to Figure 2, rates for the various services provided by hotels were a significant influence on the rise of hotels in the municipality. This was clear because 72% of respondents said that the cost of a hotel's services or accommodations influenced their decision. The findings also revealed that, as stated by 65% of

respondents, a major factor affecting people's decisions to stay at a certain hotel was the quality of the services provided by that hotel. As 45 percent of the respondents attested, the location and surroundings of hotels have an impact on the expansion of hotels in the Wa municipality and on the services, they choose from hotels. In support of this results, a customer stated that:

"For me, two main things influence my choice for the hotel I have been using for the past two years. That is the location of the hotel and the price of the room. The location is very cool, and price is very moderate as compared to other hotels".
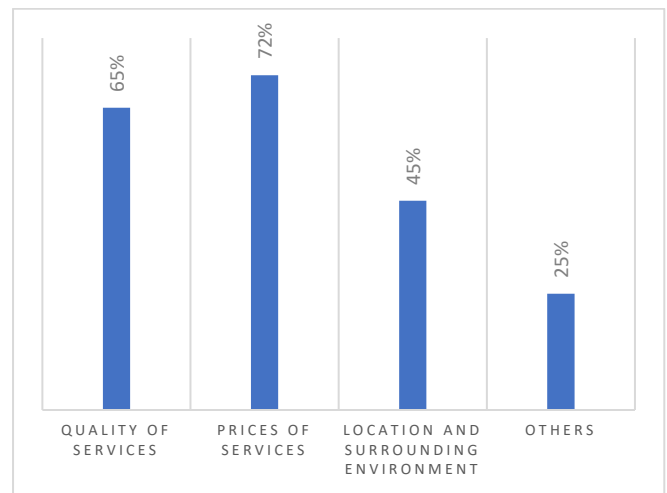

Figure 2: Factors influencing the Choice of Customers

Note: multiple options were applicable

4.5 Strategies for improvement

In this phase of the study, the growth and development plans for hotels in the Wa municipality were examined. The results are displayed in Table 4. Table 4's findings revealed that, given the municipality's top ranking, boosting hotel services is a crucial approach for enhancing the growth and development of hotels in the area. Additionally, the results showed that hotels' growth and development, which were ranked second, can be improved by lowering the costs of their goods and services. Similarly,, the third-ranked aspect that can aid hotels in improving their growth and development in the municipality is an enhancement to the hotel's surroundings or premises. The least-identified techniques that

can aid in enhancing the growth and development of the hotel business in the Wa municipality include the addition of more products and services as well as rebranding the hotel name.

Table 4: Strategies to increase patronage by local residents Factor	Frequency	Rank
Rebranding of the hotel name	42	5th
Improvement in the Hotel services	46	1st
Improvement on surroundings/Premise of hotel	44	3rd
Reduction of Prices of products and services	45	2nd
Addition of more products and services	43	4th

Further analysis revealed that the hotels brand has a significant influence on the success of the hotel's operations. Often it is agreed that before hotels strive to meet success, it must have chains and succeeded to build a good reputation with higher standing beyond Wa Municipality.

During an interview, a hotel staff remarked that:

"In this business if your location is not good you better forget it, there is no way people will come to the hotel and it will certainly lead to collapse of the business".

This is consistent with research by Johnson et al. (2002) that found that locational traits and components had the greatest impact on the hotel industry's expansion. Therefore, it is crucial to take the population and demographics of the place in which a hotel is located into account. The most important elements are the medium and smallest chains. The largest is rated as the third most significant perception and is thought to be the most crucial factor. The development of hotels is significantly influenced by the location, which is quite good in terms of transport connections. The best locations for sitting hotels are those near bus stops, stores, and restaurants where people frequently go.

The respondents also mentioned the services the hotel provided as a factor. Among the amenities offered by hotels are tennis courts, open-air movie theatres, and meeting rooms. The above-mentioned hotels' services are close by, and

guests' access to them fosters their expansion and development. The respondents listed additional staff strength. There is a widespread belief that all hotel staff members are honourable and work in respectable environments. Due to personnel receiving in-service training in the field, respondents also mentioned that employees' IQ levels are a strength. Another advantage of hotels is that most of the visitors come almost annually.

Additionally, most respondents said that hotels should have improved physical conditions. According to the report, hotels constantly undergo renovations and room repairs. Additionally, another topic that emerged from the replies was the condition of hotels because of poor repairs. Hotels should have a good maintenance culture when it comes to public areas, especially the rooms. The equipment and utensils need to be updated or modified to provide consumers with high-quality services.

The industry has identified the hotel management's patriarchal style of leadership as a disadvantage. Most workers like to be involved in decision-making and get along well with management. Additionally, a lot of people believe that most hotel supplies are outdated or worn out. Since most competitors in the hotel sector modified their products, most clients favour hotels whose products are in good standing. The number of tourist attractions in the country has increased, and as a result, tastes and preferences have changed. The needs of travellers and customers alter as tourism grows more widespread. Therefore, keeping the hotel goods for more than 20 years is not profitable.

5. Discussion

The study's findings emphasize the importance of hotels for social occasions that go beyond the norm. Historically, hotels primarily provided guests with lodging, food, and refreshment (Narteh et al., 2013). Recent activities in Wa, on the other hand, demonstrate a diverse range of hotel activities, including sociocultural and religious events such as marriages and weddings. Increasing customer base through integration of non-traditional consumers such as marriage and wedding

can strategically position hotels in earning economic gains, allowing them to have a better commercial basis. The findings indicate that hotel management in northern Ghana must be creative to attract such activities through improved décor and lower rates.

Despite the literature emphasizing the importance of hotel websites (e.g., Virginia Phelan et al., 2011), our study suggests the opposite. According to this study, the primary sources of information for customers are families/friends and hotel receptions. To book or not to book is mostly determined by word of mouth and the approach of the receptionist. As a result, this study suggests that good reception can increase hotel usage, as observed in earlier studies (e.g., Ustrov et al., 2016). Customers are referred to future customers based on how they are treated. To increase patronage, hotel management must provide client-centred front desk services.

Following recommendations from friends and family, the data found that the pricing of the services given was seen as the most influential factor affecting customer decisions. The availability of facilities and customer services was ranked second in importance. These tendencies are consistent with research that has typically indicated that price and service quality are important variables in influencing hotel choice (Kim et al., 2017; Teng et al., 2020). The data revealed that hotel patronage in the Wa municipality was thus dependent on several factors, and no single reason can be blamed or credited for the expansion of hotels in the Wa municipality.

According to the findings, boosting hotel services is an important technique that can be used to improve the growth and development of hotels in the municipality, which was ranked first. Furthermore, the results suggested that lowering the prices of hotel products and services can help increase their growth and development, which was ranked second. Similarly, improving the surroundings or premises of the hotel was identified as the third most important element that can assist hotels in boosting their growth and development in the municipality. The least-highlighted techniques that can help boost the growth and development of the hotel business in the Wa municipality were the addition of more products and services as well as the rebranding of the hotel name.

6. Conclusion

The research and debate made it clear that, despite the recent obstacles the business has faced, the hotel industry in the Wa Municipality has seen significant development. As can be seen, the municipality now has three times as many hotels, and both the old and new ones are always enhancing their services. Customers' decisions about which hotel to stay at have been influenced by the cost of the hotel's services, and this has had an impact on the expansion and development of hotels in the municipality. The study also found that most hotels lack a long-term plan for boosting local people's businesses. The aims of a market, the techniques local hotels employ to build their businesses, and the factors that determine market penetration were all found in this study. It also showed how to achieve economic performance in the hospitality sector. The findings of this study provided the hotel personnel with a wonderful opportunity to assess potential issues and identify strategies to improve. It provides a strong foundation and context for their own official analysis. In general, the findings indicate that the hotels should concentrate on enhancing existing facilities and introducing fresh, cutting-edge items to set themselves apart from their rivals. The main goal should be to both draw in new clients and keep their existing ones coming back. This can be accomplished by using innovative techniques and marketing. Most importantly, this study concluded that while hotels and guest houses' growth methods have received a lot of attention, it is crucial to give other factors, such as the quality of their services, careful consideration.

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