

*Original Research Article*

# Assessment of Sustainable Practices on Customers Satisfaction and Retention in Selected Hotels in Lagos State, Nigeria

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## Abstract

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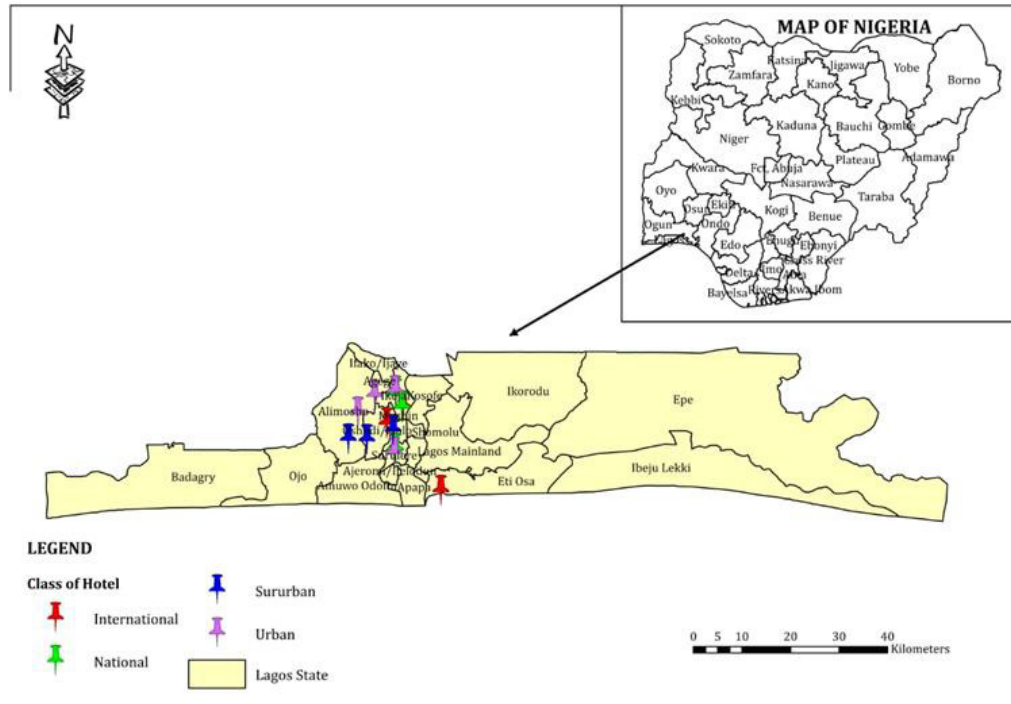
Sustainable hotel practices refer to processes designed to minimize the consumption of energy and natural resources, waste and also to promote the use of non-toxic products (Stern, 2000). This study investigates the assessment of sustainable practices on customer's satisfaction and retention in selected hotels in Lagos state, Nigeria. The objectives were to determine the perception of customer on sustainable practices, and the level of customer satisfaction and retention in the selected hotels in Lagos state, Nigeria. The research was conducted in four categories of hotels in Lagos state (International, National, Urban and Suburban) based on the location from Jan 2021- Dec 2021. Survey research design was adopted for the study. Primary and secondary source of data were collected using questionnaire to investigate the perception of customers about sustainable practices and to determine the level of customer satisfaction with sustainable practices at the hotels. The Primary data include structured questionnaires was used to elicit information from target respondents. A total of Five hundreds (500) questionnaires were purposively administered in all four categories of hotels in Lagos state, who were guests at the hotels in Lagos state while secondary data includes the use of related journals materials and periodicals. Data were analyzed using frequency, percentage, mean and standard deviation while inferential statistical tools such as Pearson correlation, and Multiple linear Regression were used to test the hypothesis. The finding shows the Pearson chi-square is 66.77 and p value 0.00. The result is significant, p-value is equal or less than designated alpha level  $p < 0.005$  we reject the hypothesis that say customer's level of satisfaction with sustainable practices do not significantly predict the overall level of satisfaction with the hotel. The study concluded that the level of sustainable practices significantly predict their overall level of satisfaction with the hotels. Hence, it is imperative for a hotelier to practice quality sustainable practices to satisfy their customer and retain them. For hotel to make it environmental friendly from pollution and biodegradation of flora and fauna diversity. The research advises that sustainable practices should be implemented in all hotels related facilities.

**Keywords:** Customer Satisfaction, Energy consumption, Natural resources, Sustainable Practices

## INTRODUCTION

Sustainable environmental practices in hotels seek to minimize the use of energy and water and reduce solid waste in the normal course of operation to avoid depletion of the earth's finite natural resource (Green

Hotels Association, 2017). The sustainable development of the hotel means that the development of the hospitality industry must be based on the tolerance of the ecological environment, in line with local economic development



**Figure 1:** Map of Combined Hotels  
**Sources:** Field Survey, 2022

and ethics, reducing the generation and emission of waste and pollutants, promoting the production process of the hotel products and the environment and reducing the damage to the environment (Han and Yoon, 2015). Hotel pays more attention to the environment, economic and social values. These value can improve the hotel attractiveness (Boley and Uysal, 2013) and can increase the quality of the consumer experience (Becker, 2009), hoteliers found that customers with positive attitudes toward green behaviour and positive image about hotel, that implement green practices are willing to stay in such hotels, recommend them and willing to pay more for their sustainable practices.

Traditionally, Customer satisfaction is considered as a determinant of customer behaviour in the long run. Satisfaction is defined as the emotional impact of customers in repurchasing a product (Yusnita et al., 2016), Dief and Font (2010), stated that green marketing must be done to target in order to be able to reach all the expected target consumers. Hotels have adopted tools to measure customer satisfaction. Such tools involve the usage of satisfaction card in the guest rooms, post-departure satisfaction questionnaires, adoption of services recovery method (Berezaina et al., 2016). The satisfaction and loyalty of guest is mostly affected by service quality and trust. The service provided when it has high quality, affected short term guest and long term guests. Building a good relationship with customers will increase the hotels sale rate and the loyalty degree of its guest. The customer with good relationship with hotels

will return there whenever he can afford and will recommend the hotel with his friend so that the hotels took double sales from loyal customer that is why people are always talking about good relationship that will lead to the reputation and the good word of mouth (Al-Rousa and Mohamed, 2010).

## MATERIALS AND METHODS

### The study Area

The study was conducted in Lagos State capital of Ikeja in SouthWestern Nigeria on the Atlantic coast in the gulf of Guinea. It covers estimated area of 3577square kilometer, 787square kilometer is made up of Lagoons and Creek. It represents 0.4% of Nigeria territorial Land mass of 923.77km<sup>2</sup>. Lagos is one of the fastest growing cities in the world and a major financial centre in Africa. Lagos State is made up of five administrative division namely IBILE (Ikeja, Badagry, Ikorodu, Lagos Island and Epe) Lagos state have 20 Local Government and 37 L.C.D A. Fishing and Farming, Trading form the major occupation of the inhabitant of the division. Figure 1

### Research Design

The scope of the study examined the assessment of sustainable practices on customer satisfaction and

retention in selected categories of hotels in Lagos State, Nigeria. It is a survey study and so this research adopted a descriptive design to elicit information on the level of customers satisfaction with sustainable practices at the selected respondents in term of energy saving bulbs, water conservation, waste management in the process of reduce, reuse and recycling, landscape design and involvement in socially responsible activities, etc.

### Source of Data

The survey methodology was chosen because it was deemed to be the most efficient way to reaching a large number of respondents. In order to get appropriate data, the study employed both primary and secondary source of data. Primary data were collected through questionnaire represented a mixed of guest who are first terms guest or revisit guests of hotels. The secondary source of data were collected from relevant books, journals publication and other online information.

The population of the study is basically the customers who patronize the hotels in Lagos State. There are 1011 registered hotel in Lagos State (Ministry of Tourism, Arts and Culture Alausa). 17 hotels are chosen randomly from the registered hotels. Five hundred (500) questionnaire were administered. Four hundred and three (403) were returned at various categories of hotels in Lagos state, International categories (IN), National Categories (N), Urban (U) and Surban (SB).

### Population of the study

The population of the study consists of the guest of the selected hotels in the state from 18years and above.

Sample procedure and Sample Size- A simple random technique was used as follows:

Stage 1: This involved the mapping or knowing the number of hotels and their categories in Lagos state.

Stage 2: Simple random sample method in form of Hat drawn method was used to selected the respondents in order to give every guest in different categories of hotel equal chance to being selected, pieces of paper were numbered and dropped in a can. Those who picked the odd number, were selected for the study. This was done until the required number were selected for the study. This process ensured adequate randomization in the selection which was necessary in the conduct of research.

Data Analysis- Data collected were analyzed using Statistical Package for Social Science (SPSS Version 23.0) for the quantitative analysis. The study used both descriptive and inferential analysis. The data obtained by the close ended questionnaires on respondent (level of customer's satisfaction with sustainable practices at the selected hotels using Likert scale) were analyzed

quantitatively by using percentage, frequency, mean, standard deviation. To do inferential statistics SPSS Version 23 program was employed to analyze the data.

The data collected was tested for reliability using Cronbach's alpha Coefficient that shows internal consistency reliability of 0.86 for the composite score of 15 items used that denote a reliable variance.

## RESULTS AND DISCUSSION

### Customer's perception of the importance of Sustainable Practices in the hotels

The result presented in Table 1 revealed the importance of sustainable practices in hotels. The mean value (4.28) for the the importance of sustainable practice with the highest mean recorded was that guests are conscious of the action taken to improve the environment, this is followed by guests being extremely worried about the state of the world's environment and what it will mean for the future (mean=4.23). Also revealed in the result obtained is that guests feel, frustrated when hotel companies carryout their business activities which pollute the environment (mean=4.18). This was followed by the service provided by the hotel industry that seriously damaged the environment, "I" will refuse to purchase them (mean=4.15) furthermore, when choosing a hotel company," I" always select the one with environmental certificate even if it more expensive (mean=4.11). This is followed by "guests purchase products that use less paper or cardboard for packaging" (mean=3.97) while guest regularly recycles at home had mean value of 3.36.

### Level of customers satisfaction with sustainable practices at the hotels

The result presented in Table 2 revealed the mean values for the level of customers satisfaction with sustainable practices at the hotel. The highest level of customer satisfaction with sustainable practices is energy saving light bulbs with mean value of 4.499. This is followed by architectural design of hotel compatible with natural environment with mean value 4.208 and used of local environmentally friendly products and using of water saving shower, facet and flush had mean value 4.199 at hotels. In general, guest satisfaction with the hotel mean value 4.176, having non-smoking room mean value 4.174, while pleasant landscape design and provision of bulk soap and shampoo dispenser by individual had mean value of 4.171 and 4.164 respectively. Using electricity system that shut down after leaving the room had mean value 3.978 while designing environmental education program and activities mean value 3.841 and supply of electricity from renewable energy resources has mean value 3.824. This is followed by towel or bed linen

**Table 1.** Customer's perception of the importance of Sustainable Practices in the hotels

Variables	SD	D	N	A	SA	Mean	St. Dev
I am usually informed about environmental issues	17 (42%)	16 (4.0%)	34 (8.4%)	189 (46.9%)	147 (36.5%)	4.07	0.992
I am extremely worried about the state of the world's environ and what it mean for the future	9 (2.2%)	8 (2.0%)	36 (8.9%)	179 (44.4%)	171 (42.4%)	4.20	0.862
I am conscious about the actions I can take to improve the environment	7 (1.7%)	12 (3.0%)	29 (7.2%)	169 (41.9%)	186 (46.2%)	4.28	0.856
I often purchase products that's use less paper or cardboard for packaging	13 (3.2%)	23 (5.7%)	70 (17.4%)	155 (38.5%)	142 (35.2%)	3.97	1.023
I feel frustrated when I think of hotel companies that carry out their business activities by polluting the environment	15 (3.7%)	15 (3.7%)	32 (7.9%)	162 (40.2%)	179 (44.4%)	4.18	0.980
When two hotel companies are similar, I tend to select the one the harm the environment less, even if it is expensive	14 (3.5%)	23 (5.7%)	35 (8.7%)	172 (42.7%)	159 (39.5%)	4.09	1.008
If the services provider by a hotel industry seriously damage the environment, I will refuse to purchase them	12 (3.0%)	15 (3.7%)	38 (9.4%)	174 (43.2%)	164 (40.7%)	4.15	0.948
When choosing a hotel company, I always select the one with environment certificate, even if it is more expensive	9 (2.2%)	26 (6.5%)	43 (10.7%)	157 (39.0%)	168 (41.7%)	4.11	0.986
I regularly recycle at home	19 (4.7%)	68 (16.9%)	74 (18.4%)	117 (29.0%)	125 (31.0%)	3.65	1.230
Mean	Variance		Std Deviation		No of items		
36.73	32.587		5.709		9		

(Keys : SD-Strongly Disagree, D- Disagree , N-Neutral , A-Agree, SA-Strongly Agree)  
Source: Field Surveys, 2022)

**Table 2.** Level of customer's satisfaction with sustainable practices at the hotel

Variables	HS	S	N	D	HD	Mean	St. Dev
Energy saving light bulbs	5 (1.2%)	5 (1.2%)	27 (6.7%)	113 (28.0%)	253 (62.8%)	4.50	0.780
Using electric system which shut down after leaving the room	7 (1.7%)	38 (9.4%)	79 (19.6%)	112 (27.6%)	167 (41.4%)	3.98	1.071
Towel or bed linen reuse	36 (8.9%)	37 (9.2%)	55 (13.6%)	136 (33.7%)	139 (34.5%)	3.76	1.264
Use of local environmentally friendly products	9 (2.2%)	12 (3.0%)	44 (10.9%)	163 (40.4%)	175 (43.4%)	4.20	0.909
Pleasant landscape design	4 (1%)	19 (4.7%)	38 (9.4%)	185 (45.9%)	157 (39.0%)	4.16	0.943
Architectural design of hotel compatible with natural environ	7 (1.7%)	13 (3.2%)	40 (9.9%)	172 (42.7)	171 (42.4%)	4.20	0.847
Provision bulk soap and shampoo dispensers and removing the Individual bottle	10 (2.5%)	20 (5.0%)	31 (7.7%)	175 (43.4%)	167 (41.4%)	4.16	0.943
Using water saving showers, facets and flush tanks	8 (2.0%)	11 (2.7%)	31 (7.7%)	196 (48.6%)	157 (39.0%)	4.20	0.847
Having non-smoking room	6 (1.5%)	27 (6.7%)	4.0 (9.9%)	14.8 (36.7%)	182 (45.2%)	4.17	0.960
Developing an environmental recycling program, using recycle resource	6 (1.5%)	23 (5.7%)	69 (17.1%)	149 (37.0%)	156 (38.7%)	4.06	0.956
Supplying electricity from renewable energy resource	8 (2.0%)	55 (13.6%)	64 (15.9%)	149 (37.0%)	127 (31.5%)	3.82	1.082

**Table 2.** Continue

Designing environmental education programs and activities	8 (2.0%)	37 (9.2%)	83 (20.6%)	158 (39.2%)	117 (29.0%)	3.84	1.009
Encouraging guests to use public transportation	42 (10.4%)	79 (19.6%)	80 (19.9%)	108 (26.8%)	94 (23.3%)	3.33	1.307
Use of solar instead of fuel	24 (6.0%)	75 (18.6%)	87 (21.6%)	111 (27.5%)	106 (26.3%)	3.49	1.229
In general, I am satisfied with this hotel	16 (4.0%)	16 (4.0%)	31 (7.7%)	158 (39.2%)	182 (45.2%)	4.17	1.008

(**Keys:** HS-Highly satisfied, S- Satisfied , N-Neutral , D-Dissatisfied, HD-Highly Dissatisfied)  
Source: Field Surveys, 2022)

**Table 3.** Test of the customer's level of satisfaction with sustainable practices does not predict their overall level of satisfaction with the hotels

Analysis	Value	df	Asympto Significance
Pearson Chi-square	66.766 <sup>a</sup>	30	0.000
Likelihood Ratio	60.174	30	0.001
Linear-by- Linear Association	16.778	1	0.000
No of Valid Cases	403		

Source : Field Survey,2022..

reuse with mean value of 3.757 while use of solar power instead of fuel mean value 3.496 and encouraging guests to use public transportation had mean value of 3.330.

### Hypothesis Testing

The result in table 3 shows there is significant relationship between customers level of satisfaction with sustainable practices predict their overall level of satisfaction with the hotels (P=0.000)

### DISCUSSION

The study provides additional finding on the body of literature on the assessment of sustainable practices on customer satisfaction and retention in selected hotels in Lagos state, Nigeria. The study revealed that customer preception before visiting the hotel were majorly to indulge in luxury and comfort rather that to enjoy the sustainable practices at the hotels. They, however, perceived that offered quality service and also practices sustainable practices, where the room uses green card, energy saving bulbs,towel or bed linen used, pleasant Land scape design, using water saving shower, non smoking room, use less paper or card board for packaging, separate their waste, used environmental friendly product make room to be calm, cool, safe and environmentally friendly to prevent (air, water and land) pollution, climate change and biodegradation of the environmentally of flora and fauna habitat (Dejo and

Arowosafe, 2022). Seemingly, this is tandem with the previous research by Kruize et al., 2019 that the higher the level of literacy the better the perception of the populace toward of green space, futhermore, Miyan and Rakibul (2003) opined that the higher the level of education, the higher the positive perception about the values of green in the environmental development. This is consistent with previous research that showed that sustainable practices can have significant impact on business competitiveness (Manaktola and Jauhur, 2007, Han et al., 2009). It has argued that customers are increasingly concerned about climate change related problem and therefore frequently participate in eco-friendly activities in their daily life, seeking green product and services to contribute toward enviromental sustainability. Guest shows that satisfaction is subjective to individual and hotels need to seek well to improve their competitiveness by treating guest at the hotel as individual entity and constantly getting feedback from individuals in order to know how to improve as supported by Q et al. (2012) Who defined customer satisfaction as the overall evaluation of his or her purchase and consumption experience of good or service. Chiapa (2013) opines that a good understanding of visitor behaviour could be a decisive factor to help hotels improve their management and marketing of attraction, thus improving customer satisfaction. Lee et al., 2011; Guo and Mattila, 2014 state that a satisfied guest can be motivated to return ( revisit) to the hotel on future to trips and disseminate positive word of mouth. The paper will serve as an insight to hotel owners and workers on various sustainable practice that the customer are

satisfied with when lodge in an hotels

## CONCLUSION

The study investigates the assessment of sustainable practices on customers satisfaction and retention in selected hotels in Lagos state, Nigeria. The study determines the preception of customers on sustainable practices, satisfaction level and retention in the study area. Hotels are attempting to satisfy their customers and retain them in the area of sustainable practices to gain their loyalty, make more profits and make the environment ecologically friendly. This study should be replicated in other states in Nigeria.

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