



**EFFECT OF WASTE MANAGEMENT PRACTICES ON CUSTOMER RETENTION IN SELECTED
HOTELS IN ILARO, OGUN STATE, NIGERIA.**

By Dada Ebinoluwa O. & Adebayo Jamiu A.

Department of Hospitality Management, the Federal Polytechnic Ilaro, Ogun State, Nigeria.

ebunoluwa.dada@federalpoly.edu.ng; +2347068546266

jamiu.adebayo@federalpolyilaro.edu.ng

Abstract

The study assessed the effects of waste management practices on customer retention in selected hotels in Ilaro, Ogun State, Nigeria. A structured questionnaire was given to eighty (80) skilled and unskilled workers of these hotels and the data gotten was analysed using both descriptive and inferential statistics. The study identified the kitchen, restaurant, bar, rooms, swimming pools, garden and housekeeping department as sections that generates majority of the waste in the hotel. It also indicated heat and smoke extractors, sound proofed doors and windows, in-house compost management system, use of solar energy to power appliances, strategic placement of bins reuse and recycling of papers and polythene materials and good drainage system as a good start to controlling waste in the hotel industry. The study showed operational cost and management policies as the major challenges often encountered when implementing these systems. Finally, recommendations were made for first contact employees, hotel industry regulating bodies and the environmental regulating organizations in the areas where the hotels are located to take environmental campaign and concerns seriously, and customer contact employees should make it a point of duty to familiarize the guests with the available waste management system in the hotel and emphasize how important compliance is.

Keyword: Customer retention, waste management, product reuse and recycling

Introduction

Waste is defined as any substance or article which constitute a scrap material or an effluent or other surplus substances arising from application of any process (Environmental Protection Authority, 1990; James 2011). All materials in the waste stream must be managed in a way that is ecologically friendly, fiscally feasible, and socially acceptable, and this is what waste management is all about (McDougal, 2011).

The sustainable management of trash is becoming increasingly important in industry as a result of environmental concerns, legislative directives, and rising landfill taxes. To minimize the amount of garbage that ends up in landfills, the hospitality industry has plenty of room to enhance its compliance with the waste management hierarchy of reduction, revision, and recycling (Kaza, 2018). Waste management practice in the hospitality industry is for the development of the country's urban and rural areas including the residential and the industrial sectors and it is the responsibility of every individual both the staff and the guest in the hospitality industry (Morrison, 2016).

One of the most significant ecological concerns facing the hotel sector is waste management. It is one of the most enduring ecological issues, and it requires the ongoing attention of hotel administrators. A survey commissioned by the World Bank predicts that by 2050, the hospitality industry will generate 3.40 billion tons of garbage yearly, significantly higher from the 1.01 billion tons generated annually in 2018 (Kaza, 2018). With landfill space at a premium and hotel garbage production at an alarming rate, waste management has become a serious issue for the hospitality industry.

Cooper (2019) defines waste management as the procedures implemented by a company to lessen, eliminate, and preferably prevent the adverse effects on the environment caused by the company's activities. Compliance with health standards and environmental regulations, as well as control of trash transport trucks and dumping facilities, are all part of waste management. Composting, waste reduction, reuse, and recycling are all examples of waste management strategies.

The production of garbage is one of the inevitable difficulties of urbanization. Managers in the hospitality business have been struggling with how to properly dispose of large amounts of trash. The ability of the hotel to acquire property for landfills and trash treatment centers has been impeded by the country's land tenure system, exacerbating the situation (Today Newspaper, 2017).

According to the definition provided by Payne (2014), the customer retention rate is the fraction of original consumers who are still patrons by a period's conclusion. Payne cautions, however, that in cases when clients frequent multiple businesses, alternative, more sophisticated criteria might be more suitable. It is reasonable to assume that a hotel consumer might frequent several different hotels. As a result, there are a few things to consider when attempting to quantify customer retention. Among these are the customer lifetime value, the customer lifetime

value broken down per service or product given, and the percentage of the client's total spend that was captured (Wearne, 2018).

When clients keep coming back for more of what you offer, you have achieved customer retention. Consumer retention is defined as "the customer continues to purchase the product or service over a specified time period" (Thomas, 2011) for products with short purchase cycles. The author defines customer retention as "the customer indicates the intention to purchase the product or service at the next purchase occasion," which is particularly relevant for products with long purchase cycles. In view of hospitality industry and a hygienic and healthy environment, and considering the ways in which it affects the sales in the industry, any effort on the effectiveness of environmental hygiene in hospitality industry is not wasted (James, 2011).

One of the unavoidable challenges associated with the hotel industry is the generation of wastes.

Unhygienic disposal of waste materials such as food waste, greasy or sticky paper packaging waste and other biological waste lead to a lot of issues and problem for the hotel. Some including but not limited to unhygienic views, breeding spots for rodents, unpleasant odour and so on. This creates a negative impression of the hotel on customers and also leads to more damages (James, 2011). This study therefore was set out to investigate how waste management practices on customer retention in selected hotels in Ilaro, Ogun State.

Materials and methods

Study area

Ilaro town is in southwestern Nigeria. Located on the former trade route from the towns of the empire of Oyo to the port of Porto-Novo (now the capital of Benin), 40 miles (64 km) at Latitude: 6°53'20. Longitude: 3°00'50" E Elevation above sea level: 73 m = 239 ft. Ilaro houses about **57,850** people as at January 2020 (<https://en.wikipedia.org/wiki/Ilaro>). It has a daily temperature ranging between an average minimum of 23 °C to a maximum of 34.2 °C. (<https://www.britannica.com/place/Ilaro>)

Map of Ilaro Town



Source:

<https://www.google.com/maps/place/Ilaro/>

Yewa Frontier Hotel, Ellysam Hotel, April Suites, IBD International Hotel were the selected hotels used for this study.

Sampling technique

Selective sampling was used and a structured questionnaire made up of close ended questions and open ended questions; which gave the respondents a chance to get a specific answer, was given to eighty (80) hotel staff (skilled and unskilled).

Method of Analysis



Due to the creative exploration nature of the study, the descriptive method of analysis serves to organize the findings to fit them with explanations. Inferential statistics was also used.

Result and Discussion

Table 1: Socio-Demographic values of respondents

VARIABLES	FREQUENCY	PERCENTAGE (%)
GENDER		
Male	48	60
Female	20	40
AGE		
20-30 years	55	68.85
31-40 years	18	22.50
41-50 years	5	6.25
51years and above	2	2.50
MARITAL STATUS		
Single	54	67.5
Married	25	31.25
Widowed/Divorced	1	1.25
LEVEL OF EDUCATION		
SSCE	10	12.5
ND/NCE	40	50
HND/BSC	26	32.5
MSC/PhD	4	5
YEARS OF EXPERIENCE		
Less than a year	25	31.25
1-5 years	43	53.75
6-10 years	8	10
More than 10 years	4	5

source: author's computation from STATA

It is revealed from the analysis in table 1 that out of the 80 respondents in this study, majority of the staff in this selected hotel are male staff (60%). This aligns with Julia (2017) findings on gender diversity in the hospitality industry. It shows that majority of the respondents in the hospitality industry are youthful and have vigor. This therefore will give the hotel competitive edge over other industries simply because the staff still have enough strong to work efficiently and effectively, also, majority of the respondents in the study are single.

Pertaining to level of education of the respondents, majority of the respondents in this study are learned and skilled. This implies that they can make quick decisions as regards to their respective routine and task. Also, this gives strong confidence to their responses in this survey questions. lastly,43 respondents with the highest percentage of 53.75 are respondents with 1-5years working experience, therefore, majority of the respondents in this research are experienced staff.

Table 2: Variables of waste management techniques in the Hospitality Industry

Variables	Obs	Mean	Std. Dev.	Min	Max
Window and door sound proofed	80	1.438	.499	1	2
Heat extractor/chimney in the kitchen	80	1.7	.461	1	2
Swimming pool /fountain facility	80	1.688	.466	1	2
Water resources in the hotel	80	1.475	.503	1	2
Solar system/ appliances	80	1.688	.466	1	2
Reusable items	80	1.925	.265	1	2
Facility for composting kitchen waste	80	1.913	.284	1	2
Composting sites	80	1.688	.466	1	2
Conducts periodic environmental	80	1.875	.369	1	3
Waste collection in the hotel	80	1.913	.284	1	2



Waste management personnel	80	1.712	.455	1	2
Standard waste management unit	80	1.85	.359	1	2
Large amount of solid waste	80	4.063	.643	2	5
Large amount of liquid waste	80	4.037	.754	2	5
Large amount of gaseous waste	80	3.112	1.158	1	5
The kitchen produce heat, smoke and other gaseous	80	3.438	1.241	1	5
Bar/noise generate noise	80	3.225	1.169	1	5
Waste storage facility	80	4.125	.718	1	5
Hotel extensively use of dustbin	80	4.313	.704	2	5
Hotel treat water waste	80	4.025	1.006	1	5
Waste reduction campaign	80	4	1.102	1	5
Collected waste by public bin	80	4.188	.813	2	5
Good drainage system	80	3.462	1.282	2	5
Waste system for the kitchen	80	4.325	.708	2	5
Good drainage system	80	4.388	.787	2	5
Kitchen waste management	80	4.475	.826	2	5
Waste through collaboration of govt.	80	4.263	.631	2	5
Hotel dispose waste by contact	80	3.55	1.368	1	5
In-house waste disposal	80	3.663	1.575	1	5

Source: Author's Computation from STATA.

Table 2 depicts the respondents opinion on the availability of waste control measures and systems available in the hotels and its effectiveness in enhancing customer retention. The mean, standard deviation, minimum and maximum estimates were presented. However, the mean values were used to discuss the level of agreement of the respondents. The results indicated that the hotels studied have sound proof doors and windows but no heat extractor in the kitchen except for Yewa Frontier hotel that has a chimney. Also, according to the result, two (2) out of four hotels have swimming pools but do not recycle/reuse the water; this means that these hotels waste a lot of water on this facility. Findings also showed that these hotels dispose their waste by contract (private waste management organization) as majority of the respondents agreed to this. Similarly, these hotels have no solar system or appliance and rely on the grid for energy. There are no provisions for reusable items such as polythene and paper materials, no facilities for composting kitchen waste such as garbage disposals etc, as none of the hotels have a composting site. Furthermore, majority of the selected the hotels do not conduct periodic environmental exercise, this conclusion is based on the fact that 73 respondents with 91.25% gave a negative response, but there is a standard procedure for waste collection in these hotels. Based on the agreement rate of the respondents, these hotels generate large amount of solid and liquid waste but not gaseous waste as it is analytically concluded that the kitchen did not produce heat, smoke and other gases a lot, but the hotel bars/clubs generate noise (sound waste) a lot. However, the waste storage facility are easily accessible to staff/guest, and the hotels extensively use dustbin within its operational areas, the hotels treats water waste before disposal. Although the hotels have poor response to waste minimization (reuse/recycling), most of these hotels have good drainage system. The hotels generate more waste from the kitchen than other section of the hotel, and they handle their waste through the collaboration of government agencies, they also carry out in-house waste disposal.

Table 3: OLS-BASED SIMPLE LINEAR REGRESSION ESTIMATION RESULTS

Source	SS	DF	MS
Model	7.1407103	1	7.1407103
Residual	26.2147903	78	.336087056
Total	33.3555006	79	.422221527

The linear regression in table 3 reveals the overall significance of the models employed in this study. The table shows the overall significance of the model with a value of 0.000 which is less than the level of significance ($p < 0.005$). Therefore, conclusion will be made that waste management practices has a statistical effect on customer retention.



Also the above table reveals the R^2 in the model summary which holds the value of 0.2141. This indicates the strength of the models employed in this study. The R^2 value indicates that 21.41% of customer retention variation is caused by waste management practice, hotel management and management policy while the remaining 78.59% is associated with other variables not included in the model. Also, the adjusted R square indicates that after adjusting the degree of freedom, the explanatory variables can still explain 24.40% variation in customer retention.

Conclusion

The findings revealed that there is a significant relationship between effective waste management and customer retention. However, organizations are faced with challenges of cost containment, management policies and operational cost. The success of any organization is dependent to a large extent on its flexibility to the ever changing internal and external environment. Adoption of best effective waste management systems reduces operational cost through waste minimization and efficient production processes.

Hence, the previous studies revealed that at the moment it is not readily practicable to access relevant waste management policies in Nigeria and if there be such policies, they are not publicized or/and enforced in the hospitality industry. This is because apart from the mere knowledge of the Food and Beverage Handler referral 'Certificate of Medical Fitness by the Federal Ministry of Health, renewable biannually, nothing is committing on the various hospitality organizations in Nigeria about how their generated wastes should be safely handled

Recommendations

In view of the major findings and conclusions derived from the study, the following measures are recommended

- Effective sensitization and campaign on waste management especially in the hospitality industry is highly recommended. This can be done by regulating bodies in the industry and other environmental organization.
- Customer contact employees should be well trained and apt to inform the guests on the available waste management system and be detailed on the importance of compliance.
- There should be a form of reward system for guests who comply and make use of the different reuse/recycling processes Waste management companies should give considerable thought to forming environmental groups in local communities and educational institutions.
- Moreover, hotels and waste management organizations should increase their efforts to spread the word about the positive effects that eco-friendly practices and collaborative value creation may have on guests' health

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