EFFECT OF STRATEGIC MANAGEMENT FACTORS ON THE PERFORMANCE OF HOTELS IN NYAMIRA COUNTY, KENYA

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Abstract

This study sought to examine the effect of Strategic Management factors on the performance of hotels in Nyamira County. The study was guided by the following objectives: to establish the effects of strategic planning, Strategic positioning, Information Communication Technology and Customer Relationship Management Strategy of the hotel industry in Nyamira County. This study sought to determine the Strategic Management Factors' effect on the performance of hotels in Nyamira County. The study adopted a mixed research design which was both qualitative and quantitative. The target population of the study was 270 respondents selected from hotels in Nyamira. The sample size of the study constituted 81 respondents selected from the 18 hotels in Nyamira County. The sampling technique used was stratified random sampling. Both primary and secondary data was collected using a self-administered questionnaire. The questionnaire was piloted in order to check for validity and reliability. The questionnaires were administered through drop and pick method. The data collected was analyzed using various statistical tools and instruments such as multiple regression analysis, Correlation and ANOVA. It can therefore be concluded that lack of effective strategic planning; lack of hotel ICT tools; and no proper Customer Relationship Management had a significantly negative influence on performance of hotels in Nyamira County; while presence of effective hotel strategic positioning had a significantly positive influence on performance of hotels in Nyamira County. The study thus recommends that: The hotels management should introduce an effective quality strategic planning strategy that will improve the services offered. This strategy should involve the aspects of reliability, empathy, assurance and responsiveness and this can be done through seminars and talks. The hotels management should invest in training programs to improve skills and customer relationship management as this will then make certain that their firm will be highly competitive. Further, the Government should ensure that competition laws are adhered to curtail any unfair competition practices to offer hotels a level playing field.
Keywords: Strategic Management, Performance, strategic planning, positioning, ICT

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I. INTRODUCTION

1.1 Background to the Study

The hotel industry is a very competitive business in which customers place great emphasis on reliability and timely service delivery to these customers. These businesses run with a vision that is set towards providing topnotch and valuable services to their customers so as to attain their goals. The management of these hotels therefore have the impetus to create a business-friendly environment that would allow for high quality and strong customer relationship (James, 2011).

Mobility of people has increased and people spend a lot of time commuting to and from work places (Chung. 2008) this has been compounded by the increased presence of female workers in the workplace which has resulted in less time available for them to prepare meals for their families. These busier consumer lifestyles and dual-working families have led to solutions being sought in using readymade meals (Sanjeev, Gupta, and Bandyopadhyay, 2012). It is impossible to nurture a business without increasing customer need and satisfaction. A satisfied customer will become a repeat customer, bring one or more customers and this could in turn grow a hospitality industry. Following this general business imperative therefore, it means that a satisfied customer will have an effect on the long-term success of a hotel business. A satisfied hotel customer will remain loyal to an outlet or rather a hotel business and continued patronage could follow inter county and global pattern. On the other words, a dissatisfied customer of a hotel will not only avoid the entire outlets but may also generate bad publicity and persuade many people to go elsewhere where they will get better services, (Sainaghi & Ruggero, 2010).

The hotel industry in any economy is the provision of employment. The industry consists of a number of diverse sectors including travel agencies, tour operators, transportation, accommodation, food and beverage, and attractions which require a variety of occupational skills and competencies. The growth of hotel business through history can be attributed to the growth of cities. These cities include the ancient Greece, ancient Rome, Sung Dynasty, Naijing and Kaifeng cities in China. The growth of cities influenced the growth of hospitality institutions since high populations in the cities needed to satisfy their gastronomic needs. Increased populations in the cities resulted to the demand for more public eateries that in turn led to the development of more hospitality institutions.

The Strategic management includes two distinct phases: the strategy formation phase and the strategy implementation phase. Evans, and Landsay (2011).Strategic formation is the process of defining the direction of the firm's futuristic course of action, which would enable the firm to allocate resources in order to achieve the set goals and objectives. An internal and external environment analysis is part of the assessment before strategy is formulated at the corporate, business, and functional levels. On the other hand, strategy implementation is the process of putting strategy into action, which includes designing the organizational structure and related systems. This process leads to effective resource allocation processes, including programs and activities such as setting budgets, developing support systems, recruiting, hiring, and training, as well as designing performance evaluation and rewards systems that lead to the attainment of

set goals and objectives. The organization must first define its mission, goals, and objectives. The mission is a brief description of the very purpose of creating the organization. The mission statement includes a clear purpose and states why the organization is in existence. For example, the following is the corporate mission statement for Hotels and Resorts, (James, 2011).

In Kenya, the hotel industry started at the coast through the Arab traders and the workers constructing the Kenya-Uganda railway line. Their presence made it necessary to build the first catering and accommodation establishment at the Kenyan coast called the Grand Hotel of Mombasa. It was built where the Manor Hotel presently stands. When the country fell under the British colonial rule, the subsequent need to join Kenya with Uganda further necessitated the establishment of more catering and accommodation facilities along the railway line. This saw the establishment of such facilities in the inland towns such as Nairobi, Nakuru and Kisumu. By early 1960s, some hotels such as the Norfolk in Nairobi had reached the international five star rating. Tavitiyaman, Pimtong, HailinQu, and Hanqin (2011) say that the hospitality industry owes its existence to the development of the transport industry, more than 2000 years ago in the Middle East.

Flanagan (2005) asserted that management performance constructs largely are characterized by positioning, pricing in terms of competitive pricing coupled with technical capacity which must always counteract competition. From the organization's goals and objectives, one would be able to note the expected results out o the combination of processes and set activities that are setup to support progress of the company. Also, these activities and processes are significantly controlled by management and thus can be well managed. Yoo, and Bai, (2011), support their views and have highlighted the discernible link between management performance factor and industry context and performance.

1.1.2 Profile of Hotels

The hotel industry in Kenya is closely connected to the tourism industry as both sectors are key stakeholders in the two industries combined, and rely on each other to sustain their operations. Accommodation in Kenya is of a high standard and unique, hence guests can absorb the real flavours of Africa. For those on safari, the lodges, tented camps, bush homes and home stays can handle a wide range of group size. In Nyamira, the hotels offer a variety of accommodation for locals and visitors who visit the county by offering good meeting facilities. There is great motivation for partnerships between businesses due to the emerging competitiveness in the market (Domke Damonte, 2000). Consequently, to match up to the global tourism growth, strategy that is cooperative has to change over time. Hotels, within the tourism spectrum, are under a strategic consortium located at the end of the channel where co-branded coupled with code-sharing are the order of the day (Buhalis, 2000). Each segment has a valid reason for a consortium, objectives being clearly etched out by the partners, benefitting customers and bringing out economic benefits to the parties. The development and management of these hotels is a critical strategic requirement in travel, tourism and hospitality. It is evident that most hotels are developing partnerships within their industries to form consortiums, in order to not only

fight competition but also to survive the turbulent times anticipated ahead.

1.1.3 NYAMIRA COUNTY

Nyamira County is one of the forty seven counties in Kenya. The County is situated between a matrix that has Homabay County, Kisii County, Bomet County and Kericho County to the North, West, South East and East respectively. The County covers an area of 899.4km². It lies between latitude 00 30'and 00 45'South and between longitude 340 45'and 350 00'East. There are potential tourist attraction sites like the hilly nature referred as "Gusii highlands" with a series of ridges. Nyamira County has unclassified hotels with a bed capacity of 575. The county has increased investments in the tourism sector so as to tap into the envisaged increased tourist arrivals in the country under Vision 2030.

1.2 Statement of the Problem

The hotel industry is operating in an environment which is constantly changing and are expected to thrive and make profits. Due to liberalization of economic and globalization the hotel industry is facing a lot competition and has to adopt a change for it to grow (Seo, 2007). There is need for hotels to remain relevant in the dynamic business environment and be able to achieve their corporate goals. The increase of hotel businesses has led to concentration of facilities in certain parts of the Central Business District. Despite the perceived competition hotel owners have been struggling in making profits worth to keep them in business. The sub-standard of resources has varied amongst in the possibility business and this has led to need of strategic management as there is no strategic place and lounge for internal and external customers and their services have limited time of operation compared to other parts due to experiencing tremendous growth which most customers don't actually prefer which has made them to seek better services at the other hotels. In addition, the hotel industry is facing several challenges which is affecting their performance. These challenges include shortage of skilled staff, poor infrastructure, insecurity, lack of strategic plans and poor organizational processes among other challenges (Onyango and Kipchumba, 2012) where the operations of these institutions in Nyamira has become a challenge due to its dynamic growth in satisfying customers. In an attempt to be more competitive, hotel owners have come up with different strategic management tools but it is not clear which one is working the best. Furthermore, different hotels in different environments are likely to emphasize different aspects of the strategic management process (Armstrong, 2010).

1.3 Objectives of the Study

The general objective of the study was to assess the effect of strategic management factors on the performance of hotel industry.

The specific objectives of the study were:-
  i.   To determine the effect of strategic planning on the performance of the hotel industry.
  ii.   To establish the effect of strategic positioning on the performance of the hotel industry

iii.   To establish the effect of Information Communication Technology on the performance of the hotel industry
iv.   To find out the effect of Customer Relationship Management Strategy on the performance of the hotel industry

1.4 Research Hypotheses
The study tested the following null hypotheses:
H_{01} There is a significant effect of customer relationship management on the performance of the hotel industry in Nyamira County
H_{02} There is a significant effect of strategic planning on the performance of the hotel industry in Nyamira County.
H_{03} There is a significant effect of strategic positioning on the performance of the hotel industry in Nyamira County.
H_{04} There is a significant effect of adoption of ICT on the performance of the hotel industry in Nyamira County.

II.   LITERATURE REVIEW

2.1 Theoretical Review
This section discussed the relevant theories that support the study. The study was based on the three main theories as explained below;

2.1.2 Resource Based View (RBV)
According to Barney, (1991) the theory postulates that financial performance is viewed as contingent on competitiveness of accounting practice skills and resources. This theory addresses the fundamental question of why organizations are different and how they achieve and sustain competitive advantage by deploying their resources. Concrete and comprehensive framework to identify the needed characteristics of organizational resources was presented to sustain competitive advantage. These characteristics include whether resources are valuable meaning they exploit opportunities and/or neutralize threats in the organizations environment. This is rare among a firm's current and potential competitors, inimitable and non-sustainable (Okumu and Altinay, 2009). The central position of the Resource Based research is that firms are heterogeneous in terms of strategic resources they own and control. It is generally suggested that this heterogeneity is an outcome of resource market imperfections, resource immobility and the firm's inability to alter their accumulated stock of resource over time. Resources which are the basic unit of analysis for RBV, can be defined as those assets that are tied semi permanently to the firm (Oliveira, Aquino Lucen, Leite and Salazar,2010).This includes, financial, physical, human, commercial, technological and organizational assets used by firms to develop, used to manufacture and develop products to customers.

If the resources possessed by hospitality institutions cannot be replicated by competitors, then the advantage will not last long. This theory relates to the study on the Strategic Planning in the hotel industry and their performance.

2.1.2 Strategic Behaviors Theory

Strategic behavior refers to actions which a firm takes to improve its competitive position relative to actual and potential rivals, in order to gain a permanent commercial advantage, thereby increasing its long-run profits. Carlton and Perloff (1994) refer to actions, to influence the market environment and so increase profits"; while Martin (1993) refers to investment of resources for the purpose of limiting rivals choices". Strategic behavior thus refers to conduct which is not economically inevitable, but which is the outcome of a conscious attempt to shape the firm's market environment to its own lasting advantage and to the competitive disadvantage of rivals.

It is primarily under oligopolistic market conditions that a firm has an incentive to alter its relative position through strategic behavior. The firm recognizes its interdependence and need to take into account other firms" reactions when making its own decisions; but it also recognizes that it is free to make decisions to alter its commercial environment. These strategies are revealed over time through investment and through tactical moves and countermoves. Strategic behavior can be manifested in (Smith and Round, 1998): entry deterrence; advertising and brand proliferation; technology choice; tying consumers in various ways where switching costs are significant; and various long- term contracting devices.

2.1.3 Goal Setting Theory

Goal Setting Theory Fred (2011) argued that Goal Setting theory highlights the positive relationship between goals and performance. It provides that performance in organizations is enhanced when goals are specific and challenging. Goals are also used in organizations to evaluate performance. Morelli and Braganza (2012) stated that managers have a general agreement that goal setting improves performance and this is why they come up with goal based programs such as Management by Objectives (MBO), high-performance work practices (HPWPs), Management Information Systems (MIS) and strategic planning. Goal setting theory is among some of the motivational theories that assert that staff should be motivated into achievement of the stated goals. 23 The setting of goals directs employee attention towards goal relevant targets (Kinicki & Kreitner, 2009). Bipp and Kleingeld 2011; Thorgren and Vincent (2013) have proven in literature that goal-setting theory improves the performance of individuals, teams and organizations. In the global dynamic business world human resource are key in driving organizations towards performance and the goal setting theory supports the motivation of staff in meeting organizational goals.

2.2 Conceptual Framework

A conceptual framework is a basic structure that consists of certain abstract blocks which

represent the observational, experiential and the analytical aspect of a process or system being conceived. The interconnection of these blocks completes the framework for certain expected outcomes. It indicates an independent variable and dependent variable.
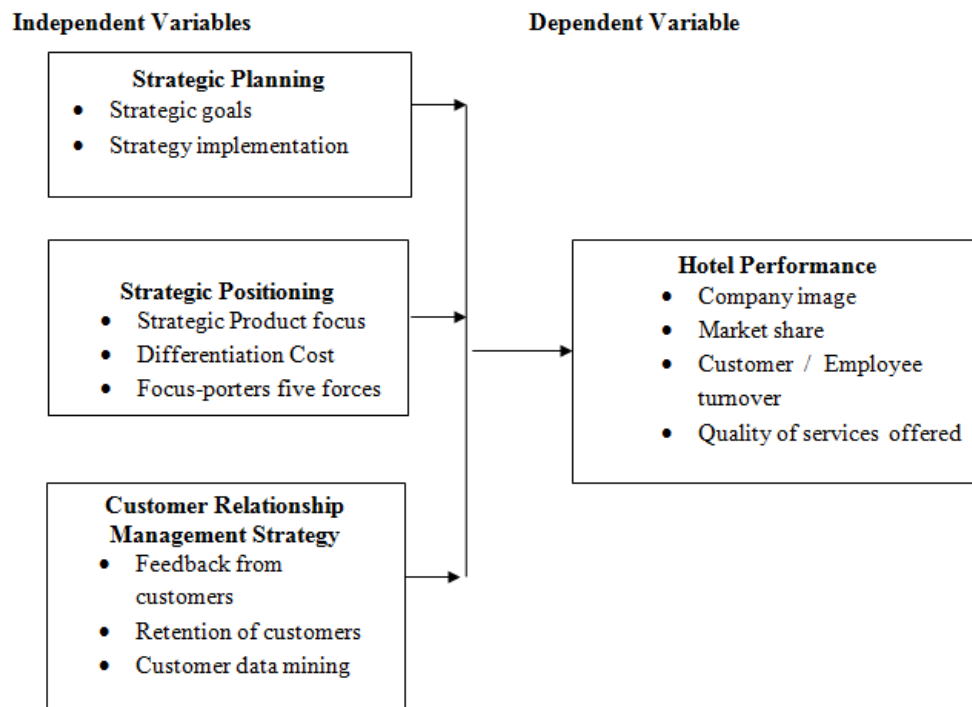

Independent Variables

Strategic Planning
- Strategic goals
- Strategy implementation

Strategic Positioning
- Strategic Product focus
- Differentiation Cost
- Focus-porters five forces

Customer Relationship Management Strategy
- Feedback from customers
- Retention of customers
- Customer data mining

Dependent Variable

Hotel Performance
- Company image
- Market share
- Customer / Employee turnover
- Quality of services offered

Figure 2.1: Conceptual Framework

2.3 Empirical Review

Strategic Planning is a core task of senior management which involves fourteen (14) processes (Armstrong, 2010). The processes are policies, procedures, designing objectives, establishing personnel and facilities, planning strategy, establishing goals, developing company philosophy, organization structures, capital, establishing standards, programs and operational plans institutionalization, control and evaluation. According to Obonyo (2013) on his study on strategies adopted by supermarkets for competitive edge argues that price management rarely attracts customers and he further argues that the image of the business is one of the main elements of customer satisfaction and high stock turn over which translates to high profits. Several planning systems are used by hotels in order to manage change and these systems have evolved in order to cope with the continuously changing environment (Jehad and Adel 2013).

Strategic plans can help hotels communicate their goals, strategies and operational tasks to internal and external stakeholders (Galbreath, 2010).

A hotel's competitive strategy can be effective in one context and ineffective in another context. This is because hotels formulating and implementing the strategy are operating in the dynamic and ever changing environment, (Abebaw, 2012). These changes include; competitors power, taste and preferences of customers, availability of resources and changes in technology. Therefore, the above factors influence the type of competitive strategy to be adopted by hospitality institutions for them to achieve a competitive edge over their competitors. Wooten, (2014), argues that, trained, skilled and competent employees with the right morale to offer prompt and reliable services with the help of digital equipment and improved information technology can be a route of competitive advantage and success to the hospitality industry.

Customer Relationship Management (CRM) is one of the strategic management concepts which has changed the way businesses are carried out. Cooperative rather than competitive approaches to businesses are now commonly embraced (Langerak and Verhoef, 2003). Christian (2007) highlights a positive relationship between customer relationship management and organizational performance. This is because CRM is a comprehensive strategy for acquiring, retaining and partnering with selected customers to improve quality for the company and the customer (Sigala, 2005). Jain et. al., (2007) assert that when CRM is implemented in organizations it develops a series of functions, skills, processes and technologies that help organizations. Hotels like other organizations need to assess customers satisfaction levels towards their service so that they can use the feedback to make positive adjustments to their services and products. Iravo et. al., (2013) state that dissatisfied customers will be disloyal to the organization and will talk about their bad experience to other customers hence tarnishing the name of the organization making the customers never to come back again hence making the organization to loss her customers drastically. For sustained success, Customer Relationship Management strategy must be aligned with the organization's mission, purpose and business strategies. CRM strategies are iterative processes; as the organization advances so too will the CRM strategy. If developing successful CRM strategies and objectives were either easy or routine, the implementation failure rate would not be deplorably high (over 50% according to research firm Gartner).

Information and Communication Technologies (ICT) have had tremendous impact virtually in all industries and sectors, as well as, specific business processes. The impact of ICT on businesses relate to the facilitation of communication with organizational stakeholders, serving as an effective sales channel, providing an effective platform for engaging in marketing and others. Parsons and Oja (2013) mention online reservations systems as one of the greatest impacts of ICT on tourism and hospitality sector. Major travel companies such as Expedia, Orbitz, and Thomas Cook, as well as, medium and even small sized tourism and hospitality firms have online reservation functionalities on official company website. Online reservation capabilities provide substantial cost saving opportunities for businesses in tourism and

hospitality sector that otherwise would have been spent on human resources making reservations in a manual manner.

III. METHODOLOGY

3.1 Research Design
The research design refers to the overall strategy that one may choose to integrate the different components of the study in a coherent and logical manner. This was done in order to ensure that one effectively addressed the research problem. The research design become the anchor from which data collection, analysis and interpretation of data was set (Kothari 2004).

3.2 Target Population
The target population were employees selected from hotels under this study. The target population was 18 hotels operating in Nyamira County which constituted Managers, Accountants, Procurement officers, Marketing officers, IT officers, Front office staff in each hotel.

3.3 Sampling technique and Sample Size
This study sample size was 81 respondents selected from the employees of the hotels. Gay, (1996) as quoted in Mugenda and Mugenda (2003) explains that atleast 30 % of the target population is enough for a sample of this study

3.4 Data Collection Instruments
The questionnaires were used to collect primary data from field and they were administered to heads of strategy in each of the hotels. A questionnaire is a research instrument of data collection in which respondents provide written answers to proposed research questions (Gall, Gall and Borg, 2007).

3.5 Data Analysis, Presentation and Interpretation
Data collected was analyzed using Statistical Package for Social Sciences (SPSS V.20) where descriptive and inferential statistical methods were employed. Data was edited, coded and categorized before analyzing and interpretation of the result was done in relation to the formulated objectives and research questions. The descriptive test statistics meant for measure of central tendency and standard deviation for the measure of dispersion. A cross tabulation of the demographic characteristics against the study variables was also carried out. The inferential test statistics was be Pearson's product moment correlation and multiple regressions. The model that was used for multiple regressions is given below.

$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$

Where:
β_0 = Constant term
$(\beta I; i=1,2,3,)$ = Regression coefficients values
$(X_1; X_2; X_3; i=1, 2, 3)$ = values of various independent variables
ε = composite error term
Y= Performance of hospitality institutions
X_1= Strategic planning
X_2= Strategic positioning
X_3= Information Communication Technology
$X_{4=}$ Customer Relationship Management Strategy

IV. RESEARCH FINDINGS AND DISCUSSIONS

4.1 Performance of Hotels
Part of the study was to get information on performance. See results in table 1

Table 1 Performance in Hotels

	SA		A		N		D		SD		Mean	StD
	C	P	C	P	C	P	C	P	C	P		
My Hotel is highly Competitive	12	15.80%	32	40.50%	6	7.00%	24	31.00%	4	5.70%	3.79	0.84
My Hotel Firm had a high return on investment last financial year	5	6.30%	33	41.10%	6	7.00%	27	34.20%	9	11.40%	3.06	0.949
My Hotel Firm has a high market share in Nyamira county and its environs	3	3.80%	19	24.10%	7	8.20%	40	50.60%	10	13.30%	3.89	0.849
Our profits was above the half a million mark in last financial year	1	1.30%	30	38.60%	9	11.40%	31	39.20%	8	9.50%	2.06	1.054
The level of Performance is high	5	6.30%	33	41.10%	6	7.00%	27	34.20%	9	11.40%	2.06	0.849

From table 1 it is evident that majority of respondents at 56.3% agreed that their hotels were highly competitive. Only 36.7% disagreed and only 7.0% were neutral. This implies that hotels were in high competition and as a result to survive in the cut-throat market, firms needed to be

highly competitive. Performance of a firm is its capacity to achieve its targets. These targets are likely to be expressed in a variety of terms depending on the context (Barney 2002). Therefore, hotel firms' performance in this regard is expected considering the need to meet targets. When the respondents were asked if their hotel firms had a high return on investment last financial year, 47.4% agreed, 45.6% disagreed and 7.0% were undecided. Although the result was significantly close, most firms had gotten a high return a factor that implies heightening performance.

However, when the respondents were asked if hotel firms had a high market share in Nyamira County and its environs, 63.9% disagreed, 27.9% and 8.2%. This was an indication that hotels' performance while getting encouraging returns were hampered because of small market share. **From an entrepreneurial perspective, a competitive firm needs to survive in the market and to achieve market share and profitability**. The success of a competitive firm can be measured by both objective and subjective criteria. Objective criteria include return on investment, market share, profit and sales revenue, while subjective criteria include enhanced reputation with customers, suppliers, and competitors, and improve quality of delivered services (McCabe, 2006). When asked if their profits were above the half a half a million mark in last financial year, 48.7% disagreed, 39.9% agreed and only 11.4% were neutral. This implied that as far as profit margins were concerned hotel firms were not making high returns further showing a slip in performance for most firms. Feurer and Chaharbaghi (1994) had argued that a measure of performance is measured quantitatively by profit, ability to raise capital and cash flow in terms of liquidity status and a firm that was not bringing in high profits compromised on its performance a factor that the result here seems to indicate.

Finally, when asked if the level of Performance was high, 47.4% agreed, 45.6% disagreed and 7.0% were undecided. Although the result was significantly close, most firms had a certain element of performance. This is agreed to by Rumelt (2007) who noted that significantly, hotels were competitive but often due to their significant numbers in a small location, their performance was not high.

4.2 Correlation Analysis

As part of the analysis, Pearson's Correlation Analysis was done on the Independent Variables and the dependent variables. The results is as seen on Table 2

Table 2 Correlations

Table 2 Correlations						
		Performance	Customer Relationship Management	Hotel ICT	Hotel Strategic positioning	Strategic planning
Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	79				
Customer Relationship Management	Pearson Correlation	.645**	1			
	Sig. (2-tailed)	0				
	N	79	79			
Hotel ICT	Pearson Correlation	.625**	473**	1		
	Sig. (2-tailed)	0	0			
	N	79	79	79		
Hotel Strategic positioning	Pearson Correlation	.568**	.410**	.137**	1	
	Sig. (2-tailed)	0	0	0.002		
	N	79	79	79	79	
Strategic planning	Pearson Correlation	.701**	.205**	0.431	.587**	1
	Sig. (2-tailed)	0.001	0.005	0	0	
	N	79	79	79	79	79
**. Correlation is significant at the 0.01 level (2-tailed).						

Pearson correlation analysis was conducted to examine the relationship between the variables. The measures were constructed using summated scales from both the independent and dependent variables. All the independent variables had a positive correlation with the dependent variable with strategic planning having the highest correlation of (r=0.701, p< 0.01) followed by Customer Relationship Management with a correlation of (r=0.645 p< 0.00) and then hotel IT with a correlation of (r=0.625 p< 0.00), hotel strategic positioning had the least correlation of(r= 0.568 p< 0.00). This indicates that all the variables are statistically significant at the 99% confidence interval level 2-tailed. This shows that all the variables under consideration have a positive relationship with the dependent variable.

4.3 Regression Analysis
As part of the analysis, Regression Analysis was done. The results is as seen in the following tables

Table 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.852[a]	0.758	0.702	0.166

a. Predictors: (Constant), Customer Relationship Management, strategic planning, Hotel IT, Hotel strategic positioning

b. Dependent Variable: Performance

From table 3 the R value at .852 shows a stronger relationship between observed and predicted values in a positive direction. The adjusted coefficient of determination R^2 value was 0.702. This shows that 70.2 per cent of the variance in dependent variable (Performance) was elucidated and forecast by independent variables (Customer Relationship Management, strategic planning, Hotel IT, Hotel strategic positioning).

Table 3 ANOVA[b]

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	212.643	4	53.096	115.301	.000[a]
	Residual	12.878	230	0.604		
	Total	225.521	234			

a. Predictors: (Constant), Customer Relationship Management, strategic planning, Hotel IT, Hotel strategic positioning

b. Dependent Variable: Performance

The F-statistics produced (F = 115.301.) was significant at 5 per cent level (Sig. F< 0.05), thus confirming the fitness of the model and therefore, there is statistically significant relationship between Customer Relationship Management, strategic planning, Hotel ICT, Hotel strategic positioning, and performance.

Table 4 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.118	0.351	0.287	7.608	0
	Hotel ICT	0.315	0.071	0.298	5.928	0.001
	Strategic planning	0.188	0.063	0.173	2.513	0.004
	Customer Relationship Management	0.294	0.065	0.224	4.343	0.001
	Hotel Strategic positioning	0.339	0.061	0.272	5.179	0

a. Dependent Variable: Performance

The t-value of constant produced (t = 7.608) was significant at .000 per cent level (Sig. F< 0.05), hence the model was fit. Therefore, there is statistically significant relationship between Customer Relationship Management, strategic planning, Hotel IT, Hotel strategic positioning and performance. All the other variables because of their p value below 0.05 were also statistically significant.

Thus, the four hypotheses:

Table 5 Hypotheses Testing

Hypothesis	Test	Results	Remarks
H_{01}: Strategic planning has no significant effect on performance by hotels in Nyamira County.	Regression .004	Significant	Rejected
H_{02}: Hotel strategic positioning have no significant effect on performance by hotels in Nyamira County.	Regression .000	Significant	Rejected
H_{03}: Information Communication Technology has no significant effect on performance by hotels in Nyamira County.	Regression .004	Significant	Rejected
H_{04}: Customer Relationship Management has no significant effect on performance by hotels in Nyamira County.	Regression .000	Significant	Rejected

And on H_1: it is true that the factors and performance of hotels are significantly related.

V.   CONCLUSIONS AND RECOMMENDATIONS

Based on the first objective on strategic planning; it can therefore be concluded that lack of effective strategic planning had a significantly negative influence on performance of hotels in Nyamira County. Based on the second objective, it can therefore be concluded that presence of effective hotel strategic positioning had a significantly positive influence on performance of hotels in Nyamira County. Based on the third objective, it can therefore be concluded that lack of hotel ICT tools had a significantly negative influence on performance of hotels in Nyamira County. Based on the fourth objective, there was no proper Customer Relationship Management training and this affected the performance of hotels. It can therefore be concluded

that lack of Customer Relationship Management had a significantly negative influence on performance of hotels in Nyamira County.

Based on the objectives and conclusions this study recommends; The hotels management should introduce an effective quality strategic planning strategy that will improve the services offered. This strategy should involve the aspects of reliability, empathy, assurance and responsiveness and this can be done through seminars and talks. The hotels management should continue using effective hotel strategic positioning to ensure that they retain their customers, get new customers and improve on their performance. The hotels management should invest in ICT platforms to help spur growth, profitability and performance in a highly cut throat market that demands rapid information technology adoption. The hotels management should invest in training programs to improve skills and customer relationship management as this will then make certain that their firm will be highly competitive. Further, the Government should ensure that competition laws are adhered to curtail any unfair competition practices to offer hotels a level playing field.

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