

**FACTORS THAT ACCOUNT FOR OCCUPANCY RATES IN HOSTELS:  
A CASE OF STUDENTS HOSTELS HOSTING MAKERERE UNIVERSITY BUSINESS  
SCHOOL STUDENTS**

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**A DISSERTATION SUBMITTED TO THE FACULTY OF BUSINESS AND  
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## **ABSTRACT**

Hostels play a significant role in the lodging industry throughout the world and even in some locations in the Uganda where there is a university. In recent years a preference of staying in hostels has increased rapidly among university students and parents in Uganda, currently according to the National Council for Higher Education the number of registered universities is 47. This study explored the factors that affect the occupancy rates in hostels in Uganda's a case of Makerere Universities Business School Nakawa.

The study objectives included examining the rates of occupancy among the hostels, identifying reason why students stay or leave a hostel and classifying the affecting factors according to their importance. The theoretical framework applied in this study was the systems theory explains that a business is affected by its environment since it is made up of different parts.

The study adopted a qualitative approach. In assessing the objectives a checklist, semi structured interview and a focus group discussion where used, the respondents were selected through purposive approach. The sample size was established through the point of data saturation principle. Data was collected from students who reside in the selected hostels and the results of the interviews were analyzed and coded to form themes. Review of documents and property observations provided supporting information that corroborated the findings of the interviews. Methodological triangulation and member checking were used to interpret and analyze the data.

According to the data collected the following theme collations were identified; dissatisfaction physical evidence, flexible alternatives, avoidance of social costs and peer pressure, changes in customer preferences and status, high prices, negative publicity as factors affecting the occupancy rates in hostels. A model inform of a conceptual framework was developed form the results which can be used for conducting a quantitative study.

Research should be conducted with a larger and more geographically diverse sample other than Makerere University Business School students in Nakawa Division.

The study therefore makes a significant scholarly contribution that provides an insight of hostel services in the Ugandan context.

### **DECLARATION**

I, **NAMUYIGA OLIVIA**, hereby declare that the contents of this dissertation are my original work submitted in partial fulfillment of the requirements for the degree of Master of Business Administration at Uganda Christian University Mukono and that it has not been submitted in any other University for an award of similar type. I have also acknowledged all the referenced work that I referred to while undertaking my study.

**Sign**.....

**Date**.....

**APPROVAL**

I, the undersigned, have been one of the supervisors of the student in this study titled,  
**FACTORS THAT ACCOUNT FOR OCCUPANCY RATES IN HOSTELS - A CASE OF  
STUDENTS HOSTELS HOSTING MUBS STUDENTS**

**Dr. Bruno L. Yawe**

**Sign.....**

**Date.....**

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## **CHAPTER ONE**

### **FACTORS THAT ACCOUNT FOR LOW OCCUPANCY RATES IN HOSTELS**

#### **1.0 Introduction**

This Chapter will place this study in the context of the current understanding, knowledge and data available about occupancy rates in hostels around Nakawa hosting MUBS students. It will achieve this will be achieved by giving the justification for conducting this study, the research problems.

The industry of accommodating students of higher institutions of learning in Uganda has become popular due to the increasing number of institutions of higher learning, hostel operators need to be vigilant and aware of customers' needs and demands. As such there is a need to acknowledge both the internal and external factors that influence occupancy rates in order to gain a sustainable competitive advantage. Hostel owners/operators and hostel organizations can use this information to better market their hostel and it will help them to determine which amenities they will need to have to meet customer demands.

#### **1.1 Background**

A hostel refers to an inexpensive lodging option for individuals and groups, with separate rooms for men and women, kitchens for guest use, a common room and private storage options (Hosteling, 2011). These are the most common accommodation options that high institutions use during their studies. To the owners, occupancy rates are considered of utmost importance for the hostel's management in general. Like in any other business, hostel owners yearn for market share, profits, sustainability and expansion among others (Kotler p. A., 2012). The existence of occupancy rates that are less than the hostel capacity means that there are lost selling opportunities leading to a reduction in the hostel revenue (Taha, 2000).

The hostels occupancy rates heavily rely on the customers' approval in respect to service offered. Customer approval for any given product is demonstrated by such characteristics as repeat purchases, spread of good word of mouth, referral to other customers and premium price for a service (Bove, 2009). It is for this reason that organisations need to be sensitive to all the

feedback that they get both in words and in actions in order to improve the product and thus customer approval.

Hostels have occupancy rates as a key indicator of performance and customer approval (Hamdan, 2012). The investors in this subsector normally set up their facility that has a number of rooms which are either shared or self-contained a common room and parking space. Interested occupants normally use the various buy-behaviour methods to select the hostel for the first time. The subsequent enrolment by the same occupants is mainly informed by their experience, while their friends and others may use referral information to decide on which hostels to expect and occupy.

The available literature in USA, hostels are commonly occupied by students owing to the distance from their homes and the school and the price alternatives for tourists who consider the hostels to be more cost effective than hotels and thus the tourists make a choice on the affordability of the prices which determines the occupancy rates (Edwards, College Students' knowledge of hostels and What Factors influence their intent to stay, 2012).

In the African Context, evidence from countries like Nigeria and Ghana indicate that hostels are widely associated with students pursuing high education levels at postsecondary level (Ayuba P., 2018). Students who are in colleges and universities have a choice to either stay in a hostel or seek alternative housing. Studies in both Nigeria and Ghana indicate that students in higher learning institutions occupancy rates are low in hostels that are associated with overcrowding, inadequate space, unavailability of recreational space and lack of internet connectivity (Ayuba et al., 2018).

In the Ugandan context, hostels are also very popular in higher institution of learning and they have recently become a popular venture for entrepreneurs owing to the increased number of higher learning institutions in Uganda. Of late, both public and private institutions of higher learning institutions are increasing and currently according to the National Council for Higher Education there are 47 registered Universities (UNCHE, 2018). This means that students from different parts of the country and some international students need places of residence during their stay at university.

Makerere University Business School (MUBS) is one of the institutions currently estimated to have 17,000 students but has only one hostel for the few girls that are government sponsored which barely accommodates 500 students (MUBS Newsletter, 2018). This means that the rest have to seek for alternative accommodations outside the university.

In assessing the success of a hostel as a business the occupancy rate is vital (Arikan, 2013). Full occupancy means that the targeted goals of customer acquisition have been reached which is an indicator of success (Ingenbleek, 2013). In Nakawa where MUBS is located, reviews of the performance of the hostels indicate that some are operating well while others are struggling. For instance in one hostel known as Akamwesi hostel is a positive deviance case, the hostel had by the opening of the semester of Academic Year 2017-2018 in what has become a common occurrence been fully booked. In an interaction with some first year students who reside there, there is a strong word of mouth that is passed to students by other students. In a narration given by two of the students who come from Mbarara indicated that by the time they were still in secondary school, they knew Akamwesi Hostel and by the time they joined MUBS they chose either because of the information that was given by their friends who were proud of the hostels and their services. The students further indicated that even when they joined the hostel they were not disappointed.

On a contrasting case however, there are many hostels around Nakawa that have to take an extra mile to at least ensure that their rooms are occupied for example hiring agents to at least convince students to join the hostels yet the services provided don't meet the students' expectations.

The contrasting account of occupancy rates with hostel services provides an opportunity to undertake an academic inquiry on the factors leading to the discrepancies in the occupancy rates. No known published work has assessed the concept of hostel occupancy rates in Ugandan context.

According to Mathew 2012, occupancy rates can be managed using the systems theory of marketing where an entrepreneur uses all the surrounding systems that can affect the business the systems theory which purports that the full understanding of the entire system's functioning is

necessary in all businesses (Paucar-Caceres, 2011). Organisations that use the systems theory are well placed to produce that which suits the customers' needs

Further the occupancy rates can be explained from the linearity of the business which is also part of the systems theory. In this respect, the expectation that value and pricing need to be factors that the hostel owners consider seriously (Wooten, 2017). Customers are said to be ready to pay an amount for what they believe is worth the value they derive in exchange.

Bunda (2014) on the other hand found the importance of customer-focused orientation where customers' inputs are sought as to tailor the services to the customers' needs. Hassan et al. (2017) found that small additions to the services offered by hostel owners may be a differentiating factor that can boost occupancy rates.

### **1.2 Statement of the Problem**

The recent statistics in some of the hostels occupied by MUBS students in Nakawa provide evidence that the investors are not achieving their targets. For instance, Sam (2018) provided five hostels including Dofra, Samuel and Josaka hostels have 20% unoccupied space.

Using room occupancy rates as a business indicator for success has long been a common practice in the hostel industry (Matthew, 2016). Full occupancy means that the targeted goals of customer acquisition have been reached which is an indicator of success (Ingenbleek, 2013). Not making a full use of the hostel's capacity results in the depletion of that hostel's income because ideal profitability is reached when the occupancy rate is equal to the hostel's full capacity. It is not clear what factors are responsible for the inconsistency in the occupancy rates in MUBS hostels leading to less than 100% occupancy rate.

### **1.3 Purpose of the study**

The purpose of this qualitative study was to identify factors affecting occupancy rates in hostels. In this study, I explored the factors affecting the occupancy rates in hostels to minimize low occupancy which leads a loss of profits.

## **General objective**

To examine the factors that explain the occupancy rate in hostels.

## **Specific objectives**

- To examine the rates of occupancy among the hostels
- To identify reasons as to why students stay or leave a hostel
- To classify the affecting factors according to their importance.

## **1.4 Research questions**

- What rate of occupancy among the hostels?
- What are the reasons as why students stay or leave a hostel?
- How the affecting factors can be classified?

## **1.5 The scope of the study**

### **Geographical scope**

This study examined the factors that determine occupancy rates of hostels hosting MUBS students in Nakawa Division, Kampala district. Five selected hostels were used to get the respondents by purposive sampling.

## **1.6 Justification of the study**

Given to the increased number of students attending the institutions of higher learning, there is scarcity of published scholarly works in Uganda that have assessed university hostels occupancy rates which justified undertaking this study.

## **1.7 Significance of the study**

The hostels contribute to the Growth Domestic Product of the country, they pay taxes and licenses thus contributing to the nation's development.

Potential investors into hostel facilities can use the work to get key factors to consider when setting up a new establishment.

Current hostel owners may find this study informative on the measures they can undertake to improve the occupancy rates and fulfil the National Development Plan II.

The findings of this study can assist hostel operators to identify the important success factor that may be overlooked and it should provide solution to superior customer service quality.

### **1.8Theoretical Framework**

This study adopted the systems theory as the lens through which the hostels occupancy rates will be assessed. Von Bertalanffy (1972) introduced the concept of systems theory which helped guide the understanding of the different factors affecting a particular business. Systems theory is an essential tool for improving residency (Seiler, 2011).

Contrary to classical philosophers, the emphasis on the isolation of individual parts of the system would not achieve successful change but the full understanding of the entire system's functioning is necessary (Paucar-Caceres, 2011).Improving the efficiency of the system occurs by understanding and using systems theory (Zenko, 2013).

The application of the system theory in hostel services suggests that the entrepreneurs need to find out the different factors affecting the hostel occupancy rate from the potential customers and to consider the following dynamics; competitive environment, constant changes, cultural environment, unpredictability and nonlinearity of institutions (Cox, 2009).The systems depend on people and social systems provide additional complexities to the systems theory. This theory was also used by Sean J. Matthew (2016) A Study of Large Hotel Occupancy Rates on the Island of St. Lucia, Walden University.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter has the definition of the key concept as advanced from the scholarly works, information about occupancy rates of hostels and an appropriate definition for this study is also developed. The chapter also have both the empirical and theoretical reviews of related studies that provide a basis for advancing the current study.

#### **2.1 Occupancy rates in hostels**

A hostel refers to an inexpensive lodging option for individuals and groups, with separate rooms for men and women, kitchens for guest use, a common room and private storage options (Hosteling, 2011). Hostels are mainly common with high learning institutions. They offer accommodation to students who mainly study either on termly or semester basis. The students will mainly occupy for a given term or a semester and their continued occupancy largely depends on their own evaluation of the hostel in question and the available alternatives. However in some countries like the United States, hostels are also used as an alternative for lodges and hotels owing to their low prices (Edwards, College Students' knowledge of hostels and What Factors influence their intent to stay, 2012) (Edwards, College Students' knowledge of hostels and What Factors influence their intent to stay, 2012).

The internal factors relating to challenges in the hostel management include quality of service, pricing and fees, accommodation, entertainment, facilities and location of the hostel. Poor performance in terms of low level of service quality contributes to problems in the internal factors (Abdullah, 2015).

Occupancy rate is the ratio of rental units rented versus the total number in the building, city, state, etc (colliers, 2017). In respect to occupancy rates, each hostel has a number of room spaces and the optimum number of students it can host for a given period of time. Full occupancy means that the targeted goals of customer acquisition have been reached which is an indicator of success (Ingenbleek, 2013). Full occupancy is the ideal situation that explains success in the business for the entrepreneurs (Attakora-Amaniampong, 2017). Such occupancy meets the

revenue targets and also in a way it reduces costs. A less than full capacity causes concern to the entrepreneurs especially when it comes in subsequent periods where students either decide to shift to other alternative residences.

Using room occupancy rates as a business indicator for success has long been a common practice in the hostel industry (Matthew, 2016). Full occupancy means that the targeted goals of customer acquisition have been reached which is an indicator of success (Ingenbleek, 2013). Not making a full use of the hostel's capacity results in the depletion of that hostel's income because ideal profitability is reached when the occupancy rate is equal to the hostel's full capacity. Some of the students look for accommodation in far places for instance Kyambogo Hostels whereby they have to incur transport costs to go to MUBS for their studies.

The point of concern for less than optimal occupancy rates is related to costs and customer approval (Matthew, 2016). Notably, there are some legal requirements including having security personnel manning a facility, security lights among others that the investors in a hostel have to meet as costs yet these costs do not vary in respect to the number of occupants in a hostel. In marketing terms a fully occupied hostel can easily balance the costs since there is profit from the investment. Less than optimal occupancy therefore leads to higher costs in ratio and raises issues related to planning and marketing strategies.

### **Room Occupancy Rate**

Hostel (hotel) occupancy rates is expressed in the form of a relationship (percentages) between the number of rooms occupied by people and the total number of hostel rooms that can actually be occupied.

It is represented by using the following mathematical equation:

Occupancy Rate = Units Rented Out / Total Units

$$Rr = Or / Tr$$

Rr = Room occupancy rate

Or = Occupied Rooms

Tr = Total rooms that can be occupied



Room occupancy rate = Number of occupied rooms + total rooms that can be occupied  
(Zakhary, 2009).

The vacancy rate is equal to 1 - Occupancy Rate

In this study an occupancy rate above 90% can be termed ideal and less than this should be considered as low occupancy.

## **2.2 Reasons why students choose to stay or leave a hostel (highlight the factors clearly)**

A number of theories and empirical studies explain the various factors that explain occupancy rates in hostels and other related services like hotels. However while most of the factors are widely shared, it is always important to examine the context-specific factors since they are important in informing the actual interventions the organisation in question needs to pursue in a bid to reverse the situation in question.

There are also a number of empirical studies that explain why some hostels have a low level of occupancy that could be similar to what explains the Ugandan status. For instance in an earlier study conducted in the US indicates that issues related Safety, Amenities and Location determined occupation rates in hostels among students (Edwards, College Students' knowledge of hostels and What Factors influence their intent to stay, 2012). The study involved an online survey and 401 representing 8% of the target sample responded. The results are persuasive since it identified some key fundamental aspects of a hostel like Safety and location. In the Ugandan context, there have been reported issues of attacks among students by both the students and outsiders near or within hostels. It would be therefore interesting to find out how such concerns are perceived in the Ugandan audience.

A more recent study in Nigeria further indicated that a number of factors including overcrowding, inadequate entertainment space, and lack of internet connection made some students leave some hostels in favour for others (Ayuba et al., 2018). This is a clearest pointer that hostel owners that are not sensitive to the changing demands of the customers risk low occupancy. From the study, it is clear that the accompanying services in a hostel ought to reflect the changing needs of the customers (Kotler P. &., 2012). While the study is persuasive of what we would expect in the Ugandan context given some shared customer tastes, it would be interesting to find out, given the possible price that would be attached to offering extras the Ugandan students would also express similar concerns.

In a related study conducted in Hong Kong a list of factors including lighting, air-conditioning, fire safety, acoustic, internet, and hygiene (Lai, 2015). The dissatisfaction with air conditioning ranked highest of the factors that explained low occupancy levels. The result of the said study, much as it can be widely shared, clearly suggests that a context specific factor was key. In this respect given the country that is susceptible to high emissions, heat and environmental concern, the students expected the hostels to have measures to enhance air conditioning. It is possible to deduce that a different set of factors and in different ranking in a country like Uganda which has almost complete different environmental features than Hong Kong.

It also appears that pricing has uniquely appeared as a key factor that explains low occupancy in hostels. This has been widely cited and a justification of the same is that majority of students rely on financial support either from the government, sponsors or their parents although a few of them work especially when undertaking an undergraduate studies. With this limited sources of finances, many tend to be price sensitive. In this respect, the highly priced hostels are likely to suffer a challenge of occupancy as was observed in a study carried in Malaysia (Abdul Aziz Abdullah and Hamdan Mohd, 2012). This appears to reflect the Ugandan situation where some students struggle in meeting their financial needs.

The customers are rational beings who compare what they pay for against what they receive in return and choose whether to take an offer or decline (Sánchez-Rebull, 2017). The same applies to their decision whether to remain in for the subsequent period upon expiry of the earlier contract which mainly runs after a semester.

It is also important that the hostel owners assess what the other hostel are offering and try to offer similar services or even better as compared to the best performing ones (Hassan et al., 2013). This means that the owners will be benchmarking and also employ the best practices so that the students would choose the hostels that have endeavoured to provide the best in comparison to others.

Another possible aspect to consider is pricing. There are indications that in the Ugandan context some students have in the past experiencing difficulties in meeting both living and studying expenses. This would mean that a hostel owner who considers some of the key challenges faced

by students and then offer reduced prices would have the occupancy rates. However such a means ought to be carefully considered as to whether the prices are adequate to earn revenue and meet other costs.

Niche targeting should be considered entailing the identification of unique characteristics of the students they would target and offer specific features of their products and service (Saeed M, 2011). The available literature indicates that students can be categorised in many ways which may include sex, religious affiliation, love for fun, economic status among others. The different categories may have different expectations and grouping members who largely share a given characteristic and then offering a tailored service would help greatly in addressing the occupancy challenge (Afifah, 2015 ). It would be interesting to assess how the students in Ugandan context may aid in informing the mechanisms that can be used to address occupancy issues in hostels.

With the literature available, there is a wide range of factors that in general terms explain low occupancy rates in hostels. It is however important to note that owing to context-specific factors some factors are more likely to be visible in one area than another. In the Ugandan context, no known comprehensive study has been done to explain the said factors thus providing an opportunity to carry out a study in order to draw a line of similarities and differences in the factors.

### **2.3 Classification of the factors that explain the occupancy rates**

The decision to join, stay or leave a hostel may be influenced by different factors. Just like any other customers students' decision can be assessed using the buyer behaviour perspective. A customer can make a decision, before, during and after consumption of a product. Information available to a student, either from the hostel owners or other students can influence their decision to join the hostel or not.

Upon a critical review of scholarly works, the service mix classifies of the factors that influence the occupancy rates of hostels just like many other service industries. In this discussion, an in-depth review of the 7 Ps marketing mix of a service is done as a guide that has been found to influence the hospitality business. The 7ps help companies to review and define key issues that affect the provision of its products and services (Rezwan Mahmood, 2014). The marketing mix is therefore a significant tool for creating the right marketing strategy and its implementation through effective tactics.

## **Product**

The product in service marketing mix is intangible in nature, cannot be measured, perishable, and heterogeneous and cannot be owned. The service product thus has to be designed with care. Services have a blue print which defines exactly how the product is going to be and how the service is will meet the customer needs and wants (Singh, 2015). In relation to a hostel, the product is the entire room that a student is accorded and the hostel in entirety. Thus while on outside, the hostel may appear attractive, the product is mainly assessed during consumption. Thus a student may for instance initially join a hostel based on what is basically visible from outside, but upon general evaluation of all small aspects like the room, the doors, the surrounding and the security offered, decide that the product is not worthy. In essence, for a hostel, the accommodation is just the core product but other features also matter to make it a complete product in the eyes of the students (Kotler P. &., 2012).

## **Place**

Place is another key category of the marketing mix and this entails the location that the seller selects to locate their products or services. This impacts on the accessibility and also defines the target customers. A customer will always seek for a product that accessible (Kotler & Keller, 2009). In relation to a hostel, the distance from the university would be a vital factor that can influence the students' decision whether to occupy a given hostel or not (Kotler p. A., 2012). Students would probably want to join a hostel that can save them time and even travelling costs and this may explain why the hostels near the university would ideally attract many clients.

## **Promotion**

Promotion, another important element in the marketing mix entails defined activities aimed at communicating the availability of a product and its associated benefits to the targeted customers (Kotler p. A., 2012). While there is a contention as to whether promotion can influence the buyer behaviour if the product has to survive within a wide market, at some point, the seller needs to inform the potential customers of the qualities that make their product outstanding. In the hostels market, the owners would probably let the students know of the selling points such as other amenities accompanying a hostel other than just accommodation. The literature has shown that students care about such items as internet services, entertainment among other additions that may give a hostel a competitive edge.

## **Pricing**

Price has been advanced as one of the most important element that act as a measure of value (Singh, 2015). A customer is expecting to obtain economic value and this is gained through comparing the price they pay for a product and what they gain out of a product or service. Thus the price attached to a service or a product must be appealing enough to attract the attention of a customer, otherwise the latter would opt for the available alternatives. In devising pricing strategies, the sellers may weigh the costs of offering the service and add a profit margin, they may employ differentiation, or they may even offer a high quality product at a premium (Kowakowski, 2017).

In hostels, the owners would mainly weigh the cost of offering the service and then decide what price to offer to the targeted students. The available literature shows that some students are price sensitive and as such a hostel owner who targets such kind of students would basically aim at offsetting the related costs and then add a considerate margin. Equally if one needs to attract the high spending class, they would probably offer high quality services at a premium price. Whatever the case, price has been found to be a key factor that determines occupancy rates in hostels (Lai, 2015).

## **People**

People are said to be the most significant element in the mix that separates a service from a tangible products. Owing to the fact that services tend to be produced and consumed at the same time, the service is normally altered to meet the individual needs of the consumer. The expertise with which people assigned to offer a service influences the customer experience and thus becomes a key determinant of the latter's decision to continue buying a service from a given provider or not.

In a hostel, the people entrusted to serve the customers who includes custodians, caretakers and security personnel's behaviour would influence the students decision to reside in a hostel or not. It has for instance been noted the service providers' characteristics such as receiving customer with smiling face, friendliness, politeness, understanding customers' problems, among others have positive effect on customer choice (Mahmood, 2014).

## **Process**

Process, as an important element in the service marketing mix, refers to the interrelated patterns involved in the production and the delivery of a service (Akroush, 2011). Notably, this is a content-specific affair since different services are provided through different processes. For instance, teaching is a process that entails determining the course content, the preparation of lecture notes, and delivery of lectures, setting of exams and marking them. This may be different from a hostel where the process begins by entering into contract, cleaning, repairs and enforcing the rules that have been set to ensure the student enjoys the service uninterrupted by things like utility outage. This means that a student would be observant of the response they receive when seeking for a change or an address to service failure at a given moment. In case their issues are handled to their satisfaction, the students would be delighted to stay in a given hostel throughout their period at school. Otherwise, a dissatisfied student would defect once a semester is concluded (Mahmood, 2014) argued that service plan and training are needed to guarantee consistency and quality of service.

## **Physical Evidence**

Physical evidence is another significant element in service marketing mix. Given the fact that service is intangible, there ought to be a physical indicator that can separate one service from another and provide a proof that the service offered is actually the service the customer needs, and this is what amounts to physical evidence (Mahmood, 2014). For instance, physical evidence of learning can be desks, classrooms, white or black board, noise-free atmosphere among other things that one can physically witness and make a decision that indeed that the service offered there is a school. One can also, through physical evidence for instance, differentiate a primary school from a university even when the two offer a related service. In a hostel though, physical evidence, could be a wall fence, sinks, parking bay, reading room among others. Physical evidence that is not appealing may inform the students' decision to stay or leave a hostel.

Conclusively, the seven P's of service marketing can provide a guide on the various categories of the factors that explain occupancy rates in hostels hosting students. These factors however can differ in the degree of their prominence. The factors that heavily impact on the students' decisions can be the guide on the intervention areas to improve occupancy rates.

## **2.4 The systems theory**

The theoretical framework helps guide the understanding of the different functions and linkages within the industry.

Systems theory helps guide the understanding of the different functions and linkages within an organization. Contrary to other theorists, the emphasis on the isolation of individual parts of the system would not achieve successful change. What is required is a full understanding of the entire systems functioning (Paucar-Caceres & Harnden 2011). The efficiency of a system occurs by understanding and using systems theory (Zenko et al., 2013). The complex system theory consists of dynamics within systems resulting from competitive environment, constant changes, cultural environment, unpredictability, and nonlinearity of institutions (Cox, Webster, & Hammond, 2009).

The non-linear manners in which different organizational departments, functions, facilities, variables, and people interact along with the external environment create intricate systems (Cox et al., 2009). The systems depend on people, and social systems provide additional complexities to the systems theory. It is important to know the environment within which a hotel operates since it might affect the ability for the hostel to provide good customer service.

Understanding the needs of clients while ensuring that it is in line with the customer service and amenities of the hostel is a key linkage. At the same time, hostel owners have to manage and marry the clients' expectations with all the aspects of the industry.

The available literature suggests that the systems theory can be employed to explain the occupancy rates. Systems theory helped guide the understanding of the different functions and linkages within an organization (von Bertalanffy, 1972). Contrary to other theorists, the emphasis on the isolation of individual parts of the system would not achieve successful change. What is required is a full understanding of the entire systems functioning (Paucar-Caceres & Harnden 2011). The efficiency of a system occurs by understanding and using systems theory (Zenko et al., 2013).

## **Conclusion**

There are scholarly works that have explained the factors that explain occupancy in hostels. However, many of the studies have been done in contexts other than Uganda. The current study aims at providing an in depth analysis of the current situation in private hostels hosting one of the Uganda's university students.



## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

In particular the section has the research design, the sampling procedure, the measurement instrument and the data collection method. Also in the section is the data processing and analysis, the validity and reliability and how the research ethics observation. A number of scholarly works that have assessed related topics including factors that explain occupancy levels in hostels and hotels have been reviewed and their ideas incorporated in developing this methodology. Such works include one by Edwards (2012) whose interest was to assess hostels occupancy rates in the US, Mathew (2016) who assessed Hotel Occupancy rates in St Lucia Island and Ayumba et al.(2018) who assessed occupancy levels in Nigerian University hostel. Equally, research methodology literature including Dawson (2002) whose book on research methodology was reviewed and Azevedo et al. (2011) on research methodology acted as a guide.

#### **3.2 Research design**

This section provides comparative information on the method chosen. The selected design of this study was a qualitative design an in-depth review of the study.

This design provided flexibility to examine the problem statement under review.

The goal was to collect authentic information from the students relating to occupancy rates.

Although the use of other research methods was possible, it was evident that a qualitative approach was viable. A qualitative approach (interviews) was conducted to determine the factors affecting the occupancy rates in hostels around MUBS. Researchers use the quantitative method to test a theory or explanation or provide information on correlations or relationships of variables (Cresswell, 2014). The quantitative method was not the appropriate method for obtaining lived experiences

A mixed method study represents an organized collation of data incorporating both quantitative and qualitative data (Dawson, 2002). As a result, the mixed-method was not suitable. A qualitative study allows researchers to explore the how and why within the context of a number of chosen cases, as opposed to obtaining numerical correlation provided through a quantitative

study. A qualitative study allows for the exploration of experiences instead of measuring statistical correlations among variables. This design gives an opportunity to the participants to narrate their story of lived experience (Cresswell, 2014) guided data collection.

The qualitative method allows the researcher to obtain in-depth data that may be otherwise difficult to collect.

For this study, I used data collection techniques, such as in-depth, face-to-face interviews, observations of the hotel industry, and a review of the documentation available.

It is essential to obtain quality qualitative research by the use of saturation techniques (Matthew, 2016).

### **3.3 Pilot study**

A pilot study was conducted in two days between 13<sup>th</sup> and 14<sup>th</sup> of May 2019. The respondents were approached individually and informed that the study was intended to assess the factors that make students to join or leave a hostel before the final Semester of their program. On 13<sup>th</sup> seven respondents, 3 Female and 4 Male students agreed to participate in an individual interview conducted throughout 14<sup>th</sup>. In the individual interviews, the respondents spent approximately 30 minutes. Four also agreed to participate in the Focus group discussion that was held on Sunday at 4 PM in the University compound.

In the results of the pilot study, a number of factors were advanced as being the reasons that explain occupancy discrepancies that are experienced by some of the hostels

### **3.4 Area of study**

This study was conducted in Nakawa assessing 4 selected hostels hosting MUBS students. MUBS at present have only one university owned hostel that only hosts a fraction of the female students. The rest of the 13,000 students from the main campus reside in alternative accommodations. There are a number of hostels around the university and also other ordinary rooms that offer accommodation to the students. It is deemed that 5 of the hostels each with a capacity of an average of 1500 students will be adequate representation for this study.

### **Unit of analysis**

The unit of analysis was the perspective and knowledge of the students residing in these hostels and the hostels' custodians or managers. The unit of inquiry for this study was the students while the unit of observation was the five selected hostels.

### **3.5 Sources of Information**

This work consists of both primary and secondary data. Primary information was collected from the respondents to this study. The secondary data entails the literature reviewed from journals, published works and other information that is written related to the topic in question.

### **3.4 Population and sampling techniques**

The study targeted MUBS students that reside in 5 selected hostels with a capacity of 100 rooms and above in Nakawa having a total of 1500 students residing there in.

When conducting a qualitative study, the aim is to obtain an in-depth insight of the phenomenon under investigation.

#### **3.4.1 Sampling**

The selection of the participants to this study was done through purposive sampling technique employing an inclusion-exclusion criterion guided by the principle of data saturation. Mathews (2016) employed this criterion in a similar study assessing hotel and hostels occupancy in St Lucia Island that ensured that it is only respondents that had the sought information that participated in the study. For one to participate, they must have stayed in the hostel under investigation for a period of not less than four months. This is believed to be adequate period to have had an experience that can enable one to provide a fair account of the services.

This sampling method was selected due to resource availability, including budget, time, and researcher availability. In addition, university students are generally between 18 and 30 years (Loker-Murphy, 1995).

The participants in this semi structured interviews were in total 17. Since all the hostels under investigation were mixed, the participants were both male and female.

### **3.4.2 Sample size**

In this respect, the principle of a point of data saturation was used to determine the number of the participants for this study. This entailed conducting as many interviews as long as a subsequent interview yields new information. At a point where a subsequent interview added no new knowledge, that is when the data collection was called off and this happened after interviewing 17 respondents. This was particularly done for the objective that aimed at assessing the factors that explained low occupancy rates in hostels.

In respect to mechanisms that enhance occupancy rates of the hostels, the students who participated in semi structured interviews were invited to participate in the focus group discussion. Seven of them confirmed their participation however during the time of the study only eight turned up as such, the focus group had nine participants in total.

### **3.5 Data collection**

In this study, a checklist, semi-structured interviews and a focus group discussions were employed to collect the data related to the factors that explain low occupancy rates. According to Dawson (2002), this is the most popular method of collecting data in a qualitative study owing to its flexibility. In this study, the interview guide contained questions assessing similar issues that every participant responded to and also allows for collection of more information besides what is contained in the interview guide. For instance, some responses to the questions may necessitate further probing or in-depth studying which a semi-structured interview accommodates yet it is also possible for respondents to volunteer information on the phenomenon under investigation that the interview guide may not have captured.

In the preparation for data collection, the potential participants were given an invitation with the expectations of the study through individual approach that was done in two days. Follow-up to the invitation was done in which students were required to state the appropriate time that they were available for proper planning of the meetings and to avoid clashing.

In conducting this study it was decided that a quiet place within a walking distance from the hostel and the university was hired for several hours in a day to conduct the interviews to avoid disruptions during this process.

The semi structured interviews took between 30 to 50 minutes with short notes taken. The interviews were largely done in English although some students would at times elaborate their points using Luganda. The students tried to keep time that was scheduled although some would be late by up to 20 minutes. The punctuality was mainly achieved through a phone call and WhatsApp reminder the previous day. The schedule was 2 hour difference between the interviews that were to follow each other. No major interruptions happened during the interviews that necessitated a repeat of an interview or dropping any interview and reschedule. As such all interviews were conducted once and all the data collected from the interviews were deemed necessary for analysis. Notably however, follow up phone calls were made to three participants to clarify on some issues that they had raised during the interview sessions to enable analysis period for confirming whether what had been written was actually the same.

For the focus group discussion, it was deemed appropriate to hold the discussion in a bigger room which was requested from one of the hostels which had a free common room in a walkable distance from the university. The study took 1 hour 23 minutes with the researcher as the moderator. The students were requested to observe some rules before the discussion commenced and they all agreed. These rules included taking a maximum of three minutes per contribution, allowing a colleague to complete their contribution before a point of support or objection would be raised and to only speak when they have been given permission by the moderator. In this presentation, the respondents would again provide their views using a mixture of English and Luganda. After the focus group was concluded, the key points were read to the participants to confirm that these were actual points that a consensus was reached.

### **3.6 Data collection instruments**

The research instruments used for this study was interview guide and a check list. The interview guide contained questions that the participants responded to however, the guide would be adjusted in the process of interviewing to accommodate the questions where clarity was needed.

### **3.7 Quality**

In general a qualitative study rigor is required to ensure that an interested person in the study can be able to decide by themselves whether the results of this work can be applicable in another setting (Bakibinga, 2012).

In conducting this study the principles of establishing rigor were adhered to throughout the study. The steps below were employed to ensure rigour was achieved.

#### **3.7.1 Researcher's Role**

In a qualitative study, a researcher is part of the instrument and also attempts to understand what the respondents mean. In the process however, there is a possibility of the researchers bringing their values and bias from their background and experiences (Kvale, 2009) which may affect the quality of study. In this study, the researcher happens to have stayed in a hostel during her undergraduate studies as such she had an idea of some of the factors raised as part of the research questions. To ensure that the objectivity is realized, the researcher desisted from influencing the responses from the respondents and allowed them to air their views as they deemed fit. This serves to enhance the quality of research.

#### **3.7.2 Trustworthiness of Results**

Trustworthiness is to a qualitative study what is termed as validity and reliability in a quantitative study (Lincoln, 1985). This is a means of establishing rigor in a qualitative research. In this respect the four key factors i.e. credibility, transferability, dependability, and conformability under trustworthiness need to be established.

##### **Credibility**

Credibility is similar to internal validity as used in a quantitative research and refers to the confidence one can have in the truth of the findings and the conclusions made (Bowen, 2005). To ensure this was achieved strategies of triangulation, member checking (Miles, 1994) and prolonged engagement (Merriam, 2009) were employed in this study. A prolonged engagement with a respondent was employed to establish a rapport and ensure that they were comfortable to give their views with assurance of interest in their contributions.

A triangulation entailed sending back a summary of each of the participants' contribution to confirm and clarify what was taken was the actual contribution of each. As agreed the summary

was sent through WhatsApp. Five participants responded indicating that what was written was actually what they meant. A summary of the results for the focus group was read immediately after the session and the respondents confirmed what was written, phone calls were made to two participants where further clarification was needed.

### **Conformability**

Conformability aims at ensuring that the finding reflects the participants' perspectives (Loh, 2013) rather than the researchers' own reflection. This helps to ensure that some degree of objectiveness is achieved in a qualitative study. To achieve this the explanations to the findings are supported by some of the direct narrations from the field. The vignettes and the general explanation used to report the finding of the study were generated out of what the participants narrated.

### **Transferability**

Transferability can be compared to external validity in quantitative studies which refers to the possibility of the results being transferred to other contexts (Bryman 2012)) or generalized. In general however, qualitative studies are mainly not generalisable, it is upon the reader of the work to decide for themselves whether these results can be duplicated in another setting.

### **Dependability**

This can be equated to reliability as used in a quantitative study. The concept attempts to examine whether the results of the study are consistent over time and across different researchers. In order to achieve this, the researcher established an audit trail (Merriam, 2009) which entailed maintaining and preserving all notes that were made during that data collection exercise.

## **3.8 Data processing and analysis**

In this study, interview summaries were made and also the focus group summaries were completed as soon as the exercise was completed with practical details about time and place, participants, duration of exercise for proper remembrance of what transpired. The collection of data was done through notes taking that was done during the interviews. This was then re-read to establish the factors or themes that were generated from the students' views and observations. Content analysis was used where by a factor that was shared by approximately 40% of the

respondents was adopted (Cresswell, 2014). The results were presented in form of a table, general explanation, vignettes and supportive extracts from the interviews.

In regard to the focus discussion, the analysis of the results was done concurrently with the session where by a point that was unanimously agreed was taken. By the end of the session, all the factors that were raised as being the means to enhance occupancy rates had been agreed upon. The incorporation of the results is presented in a model form explaining the summary of all the factors raised from the study.

### **3.9 Ethical considerations**

Ethical principles were observed when conducting this study. In undertaking this study care was taken to ensure respect, anonymity and confidentiality of the respondents.

All the respondents were recruited on voluntary basis and were informed of the purpose of the study.

Participants were also informed of their right to withdraw at any point of the study without giving a reason for the same and individual ideas and opinions will be respected accordingly.



## CHAPTER FOUR

### PRESENTATION AND INTERPRETATION OF RESEARCH FINDINGS

#### 4.0 Introduction

This chapter presents the results of the study. These results are presented depending on what was gathered from the field according to the study objectives.

The findings of the data collected were analyzed by content analysis which is defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding and they revealed themes of which were used in the data interpretation (Stemler, 2001). The themes found provided the main areas that the interviewers discussed during their interviews.

In each interview, the interviewee decided on where to conduct the interview from conduct the interview. Each interviewee responded to the questions posed by the interviewer, the respondents were confident and clear of their responses showing no discomfort in participation; all were supportive.

This summary provides a representation of the information provided by each participant under these specific headings.

#### 4.1 To examine the rates of occupancy among the hostels

In a university with a population of 17000 students, the hostels should be thriving with full capacity and maximisation of profits without struggling with occupancy rates. Occupancy rates are calculated by using the following mathematical equation

Occupancy Rate = Units Rented Out / Total Units

$$Rr = Or / Tr$$

Rr = Room occupancy rate

Or = Occupied Rooms

Tr = Total rooms that can be occupied

Room occupancy rate = Number of occupied rooms + total rooms that can be occupied (Zakhary, 2009).

**A table showing occupancy rates for the last five semesters**

Hostel	Capacity	beds occupied per semester					OCCUPANCY RATE PER SEMESTER					AVERAGE
		S1	S2	S3	S4	S5	ORS1	ORS2	ORS3	ORS4	ORS5	
A	276	256	259	240	265	269	92.8	93.8	87.0	96.0	97.5	257.8
B	280	270	272	260	275	280	96.4	97.1	92.9	98.2	100.0	271.4
C	100	75	82	85	65	54	75.0	82.0	85.0	65.0	54.0	72.2
D	230	210	215	226	215	223	91.3	93.5	98.3	93.5	97.0	217.8
E	165	163	159	160	165	149	98.8	96.4	97.0	100.0	90.3	159.2

The above table shows the occupancy rates of hostels and their averages per semester for the past five semesters. Hostel A had an average occupancy rate of 257.8 in the past five semesters, hostel B had an average of 271.4, hostel C has the lowest average of 72.2 yet it even has the lowest capacity meaning, the particular hostel was always struggling with occupancy issues. Hostel D had an average occupancy rate of 217.8 well as hostel E had an average occupancy rates of 159.2 in the past five semesters. According to the above statistics these hostels have fluctuating occupancy rates per semester which is not good for the investors especially when the occupancy rates keep on reducing. The average occupancy rate of these hostels can be got from the above table as 195.7 however, the differences in the capacities of the hostels the total average of all the five hostels invalid thus enabling us to have different averages for individual hostels.

**The table shows the occupancy rates of different hostels**

HOSTEL	A	B	C	D	E
OCCUPANCY RATE	87%	80%	82%	Converted to a bar&lodge in the beginning of 2019-20 Academic year after a below 60% occupancy the previous semester	90%

The results indicate that, although some of the occupancy rates are within average rates, there are still vacant positions. The custodians and managers of the hostels gave me the information about occupancy and the capacity of their premises. One hostel that was struggling with occupancy during the pilot study was latter converted into a bar and a lodging place by the time I was collecting data, the occupancy rates had gone below 60% meaning that there were critical factors

that explained low student occupancy rates. In the other hostels, there were some that had 20% unoccupied space which constitutes a substantial number of customers.

The two hostels A and E are performing well as the other hostels still have occupancy issues which should be considered seriously. Some of the students look for accommodation in far places for instance kyambogo hostels whereby they have to incur transport costs to go to MUBS for their studies yet the hostels close to the university are having low occupancy rates.

### **4.3 The reasons why students stay or leave hostels**

#### **4.3.1 Introduction**

The following table provides a summary of the factors each of the respondents advanced as explaining the occupancy rates. The number of students interviewed was 17 and each of these had resided in a hostel for than four months.

**Table showing a summary of the responses**

<b>INTERVIEWEE</b>	<b>Factors advanced</b>
1	Unclean hostels, security, high fees, tough rules, physical features of the hostel,
2	Fees, security, utility failures, hygiene, history of the hostel, distance
3	Fees, quality of services, amenities like common room, Dismissive rules, feeling of being associated with a given hostel
4	Fees, expectation before and after, policies of a hostel, security, visitation rules.
5	Entry rules, noise, amenities like TV, eating places, hostel is closed during holidays, Students preferences for things like balconies on the rooms
6	Hostel room appearance, negative publicity about a hostel, fees, the associated service quality, the rules and behaviour of custodians.
7	Strictness in rules, fees, the preference of freedom, jobs and internships make students to look for alternative accommodation, peer pressure avoidance, security, insufficient parking lot, not being mindful of students unique demands
8	Post consumption negative experience, decision to join rentals instead of hostel, security of both property and individual, fees, the general outlook of a hostel, privacy.
9	Fees, Convenience of the rooms and other amenities, service failures like power and water, Preference of rental rooms, sanitation of the premises, reputation of a hostel, peer pressure.
10	Inflexible visitation rules, security, fees, amenities, preference to stay in rentals, no privacy assured
11	Fees, the hostel reputation, other services offered like internet, responsiveness to service failures, restrictions over staying after or before the semester, availability of other cheap options
12	Preference to stay in rental rooms, No provision for couples, not allowing visitors to sleep over, high fees
13	Fees, strict rules, preference for other alternatives, reputation of a hostel, general service quality, little privacy
14	Need to reduce expenses that result from interaction with other students, fees, need to have more privacy as guaranteed in rentals, need to stay as couples
15	Fees, the stories about a given hostel, quality of services, availability of other amenities, security, the general outlook of the hostel
16	Fees, other services accompanying accommodation, security, tight rules, privacy
17	Fees, reputation of a hostel, the general features of the hostel, need to stay after the semester, attempt to avoid expenses related to peer influence.

#### 4.3.2 Negative publicity on a hostel

The results indicated that majority of respondents feel that the reputation of a hostel determines how many clients they would attract. Some hostels are booked earlier before the commencement of a semester due to their popularity. There are also hostels that rarely attract customers to the extent that they encourage other students to invite others to join for a commission in turn. These are some of the hostels that continuously have an excess capacity and thus explain low occupancy.

The summary of the results is explained in vignette 4.1 below.

##### **Vignette 4.1: Negative publicity on a hostel**

There are some hostels that have bad reputation and students pass this to the subsequent colleagues who shy away from choosing the hostels. Such reputation is related to such aspects as poor services, poor service recovery effort, and security among others. Students who join the hostel either do so as a measure of last resort, being unaware of the said poor reputation or having been promised a better deal. As such some of the hostels operate on low capacity due to their poor reputation.

In supportive response one of the respondents narrated,” ..... *You see some hostels like.... If you were to visit there you can find about 10 rooms that are not occupied. ... sometimes power can go off for two straight days... who is willing to stay in darkness for such a period of time... it appears they don't clear the bills in time,.... Even security of a hostel... when students hear of such stories they are not willing to join such a hostel.....*”said interviewee 15.

Interviewee 4 narrated.”. *It's quite unfortunate, some hostels just have bad reputation..... Like some appear in the local news.... I think you have heard of terms as a den of prostitution in reference to some hostels..... Others talk of drunkos (Drunkenness)... such negative reporting... while all such stories may not necessarily be true, students may not want to be associated with such hostels.... So you find they struggle to fill all the spaces they have.*

#### 4.3.3 Dismissive physical evidence

The results indicated that student use physical appearance to decide whether to occupy a hostel or not. It emerged that some of the hostels remain with empty spaces because they are not appealing. Some are dirty, they do not appear to be well maintained and yet the prices are comparatively the same like other hostels.

This is summarized by vignette 4.2 below

##### **Vignette 4.2 Dismissive Physical Evidence**

Before joining a hostel, the students carry out an assessment through physical evidence like the general appearance of the hostel especially the rooms. The hostels that suffer from a general poor evaluation struggle to fill their vacancies

In elaborating the physical evidence as one of the factors explaining why some hostels still have excess capacity one of the respondents narrated.’.... *Before one joins a hostel, they look around and see if they will be comfortable in such a hostel. The physical appearance alone... colour, cleanliness,.... all that.. So it should not surprise anyone to see a hostel like.... still has some empty spaces... What is worse, their pricing is similar to other hostels....*, said interviewee 2.

Interviewee12 indicated, ‘... *You see, some students stay in worse places than some of the hostels, ... some of rental rooms are very bad but you still find students there.. the only problem with some of the hostels is that they are located in noisy places yet they are not cheap. If they were cheap, they would be occupied... so, I think some of these hostels are not up to the standard of being a hostel...*’

#### 4.3.4 Changes in consumer preferences and status

From the various responses, the results indicate that in general the nature of hostels does not consider variations in personalities like students who like to share accommodation with their partners was advanced as a reason why students opt for other alternatives this can be classified as changes in consumer preferences that occur amongst people. The respondents indicated that as first years many of the students are enrolled as singles but in the course of their stay at university some get partners either from around and within the school whom they want to stay with as a couple either permanently or in some period. According to the institutional operations no hostel accommodates couples compelling the affected students to seek for alternative accommodations

available. Eight of the participants raised this issue as one of the reasons that explains low occupancy rates in some of the hostels. This is well elaborated is summarised in Vignette 4.3.

**Vignette 4.3: Changes in preferences**

Students have different lifestyles and preferences which leads to some abandoning hostels in favor of rental houses. Most of hostels offer either single sex accommodation or mixed which require students occupy different rooms and when shared, the roommates have to be of single gender. None of the current hostels offer accommodation for couples. The students whose lifestyle transforms to becoming couples either in formal or informal relationships will mainly opt for other accommodations especially renting from the various rental rooms around Nakawa. The hostels they vacate may not immediately get a replacement and would as such have some rooms that are not occupied

To support this view, respondent 8 pointed out that, “ .. in first year first semester, students are just new and do not know each other... .. as time goes by, female students get boyfriends and after in the next semester they decide to live together..... since hostels do not offer this, they chose to rent....In fact, not that all will even be staying together, they can rent and then it will be easy to move and maybe spend nights together in some days. It is hard to do this in hostels... So you find that hostels in 2<sup>nd</sup> semester will have rooms that are not occupied due to this....”

Interviewee 13 indicated, “.....Hahaha, university is for mature people. You see, many people start up families (live like couples), either permanently or just staying together,.... You see like ladies, there are some who have many boyfriends, or should I call them even sugar daddies... These boyfriends want to meet their ladies where they don't face disturbance, oba (like) security or custodians who demand university IDs..so they rent out and even some of those men rent for girls... this explains some of the reasons why some hostels still have space.... Even the university boys (male students) will need to have girls near them... they buy raw food and girls prepare for them. So that sharing is important..... That is why you see all the nearby rental rooms are full and majority of them are students and when you visit hostels, there are always some unoccupied rooms.....”

#### **4.3.5 Flexible alternatives make hostels unpopular to some students**

The hostels were presented as being too strict than others in that some students opt to take alternative options. Some hostels were presented as popular alternatives for students who resent others in a bid to enjoy flexibility. This explains why some hostels are operating in low capacity as summarised in Vignette 4.3 below

##### **Vignette 4.4 : Flexible alternatives make hostels unpopular to some students**

The availability of alternative accommodation with flexible rules and requirements leads to some students opting out of hostels. Hostels by nature accommodate a large number of students and has a higher responsible duty of controlling occupants and also be more security conscious. In the process, some hostels have adopted some strict rules that some students feel uncomfortable. The rules regulate the number of visitors and the time they can spend in a hostel most limited to 11 PM. They also do not allow non-residents to sleep over night. Further, they mainly accommodate students only during the semester period and require students to leave after end of semester exams and only come back at the beginning of new semester. Such requirements restrict students who want to stay after a semester or those that want to come early before the semester begins. The students who are not satisfied with such rules opt to seek for accommodation in flexible places around the university.

In elaborating this, majority of the responds (13) indicated that alternative accommodation rather than hostels is more popular. This makes many of students opt for alternatives in their subsequent semesters and therefore leave the hostels which at times remain with unoccupied space. In this respect, the respondents noted that justifiably, the hostels mainly adopt some strict regulation. Many of the hostels for example owing to security reasons require that visitors register at the gate and leave their IDs with security personnel. These visitors are meant to leave at 11 Pm and thus cannot sleep overnight. This means the students may not be allowed to accommodate even some of their relatives who may be coming from far. Further , many hostels do not allow students to come earlier before the semester begins and stay further after the semester ends and will only accommodate the variation of within a week. This makes it difficult for the students who want to either be back early or leave late to have hostel as their accommodation. There being availability of rental houses whose main restrictions relate to



payment of rental fee per month, many students have adopted to rent instead of using hostels. As such some hostels have unoccupied rooms owing to defection of students who cannot bear with the said restrictions.

In expounding on the said reason interviewee 6 had this to say. ‘’.....*there are many students who after living in hostels and comparing the lifestyles their colleagues live in rented houses, decide to leave hostels and rent outside. That is how some hostels end up with unoccupied spaces. In fact I remember three of my friends who left this hostel last semester and their places are still unoccupied. The hostel has to wait until the next semester to get new student... One of them felt embarrassed when she got a relative from the Western part of Uganda who do not know Kampala very well,... She tried to explain to the custodian to allow her visitor stay over the weekend,... can you imagine, they refused.. Lucky enough, she got another friend who rents outside who accommodate her visitor for two days. She felt that these people are not reasonable..... She could not wait for the semester to end..... that was the last semester that she resided here..her room is still unoccupied..... . The others felt that the restrictions around here is too much than rentals... although rentals have their challenges, but some students prefer to stay there.....*’.

Interviewee 4 had this to say,..*All I can say, hostels are not for everyone.... some of us have reasons why we should either stay around after the semester or come before the semester begins, I hope you understand. Take for example those students who have outreach missions that are mainly organised after the semester ends, they have to stay around for like a week, then go for a mission let us say to Moroto and then come back.... so at least they can be around for like two or three weeks after a semester ends... there are those that come early for various reasons... you see like third years and second years,... some of them are doing internship around while others start hunting for jobs earlier.. Hostels expect that students only come during the beginning of the semester and go back home after the semester ends at most the only allowance they give are just days or at most a week..... . So many students rent. When they rent..they can decide to go home when they want and stay around for as long as they want.. so some hostels remain with empty spaces since some students feel better in rentals.....*

#### 4.3.6 Perceived high fees charged by hostels

The results, according to the majority of respondents were in agreement that the fees charged for hostels was one of the factors that explain why some of them still have excess capacity. This is elaborated in the Vignette, 4.5 below.

##### **Vignette 4.5 : The Actual cost of hostels is high than alternatives**

Various hostels charges differ in amount possibly depending on the type of clients they want to attract however, there are shared standards that hostels have to meet. This generally makes the rates charged as hostel fees in absolute terms are higher than what most of alternative rental rooms that are available. There are many students who are price sensitive who choose the low cost rentals while many others choose the cheaper hostel alternatives leading to some hostels remaining with unoccupied spaces.

In advancing this view, majority of respondents argued that in general terms, hostels charge a higher price than most of the alternative accommodations mainly the rental rooms around. While they agree that given the associated services like recreation rooms and entertainment facilities, which the alternatives do not offer, are a good justification why the hostels charge a high fee, the respondents noted that many students are price sensitive and would be comfortable to stay in an option that offers a less ideal service as long as they can save some money. Some of the hostels according to the respondents, fail to match the price with the services. This makes some potential students not consider some hostels as worth value for money. With the said factors combined some hostels end up with fewer occupants than the capacity they can accommodate.

In response to this one of the respondents narrated, “ *To be sincere, in every aspect a hostel is costly than the available rental rooms,.. the hostels charge between 1,600,000/= and 650,000/= per semester, while renting can be as low as 100,000 per month. Of course there are some rental rooms that are expensive.... Okay, the hostels are much nice, they clean well, there is a common room, entertainment and the likes.... but see, majority of students are on private sponsorship, they have to pay school fees.....so they better stay in rental rooms so that they can afford to pay fees and accommodation....yeah, there are those that come from rich families who can afford but there are very many who do not come from well off families..... even government sponsored,, their parents rarely give them extra money... so some of them find renting a good choice... at the end of it all you find some hostels are not fully occupied.....*”

Interviewee 1 indicated, ‘‘....the economics we studied is at work when it comes to students and accommodation.. Majority of students first assess value for money,... to get into a hostel, students must be convinced that the price is worth,.. You see some of the hostels charge very high but they still have full capacity. But look at the services they offer,.. They have a good rooms, security is good, I mean almost everything that one would want..so you find that rich students, I mean we have some students who come from rich families,, but they also want to spend wisely, they want a neat hostel..... Majority of student want cheap options and hostels are not that cheap so the hostels are competing with cheap rentals and that is why some hostels still have vacancies at this time.....’

#### 4.3.7 Avoidance of social costs in hostels

The results indicated that some students defect from hostels after upon analysis, they incur unnecessary cost due to peer influence. This means that when such students leave the hostels leaving for other alternatives and hence leading to unoccupied hostel rooms for some time. This is summarised in the vignette 4.5 below

##### **Vignette 4.6: Social costs associated with hostels are considered high**

There are social costs related to hostels that some students prefer to avoid by choosing to rent elsewhere. Such costs are mainly related to the possibility of knowing what colleagues in the hostel view as popular in such terms as clothes, food entertainment among others which lead to peer pressure. To be part of a group and fit into the social culture adopted by some students who reside in a given hostel, some students incur social costs related to pressuring relatives to give them money or go out with friends against their will. To avoid such costs, some students prefer to be accommodated where no much pressure is imposed from colleagues. As a result, the alternative accommodation become a popular choice for some students and as such may leave hostels with unoccupied space.

In expounding on this the respondents indicated that there are some social costs that some students attempt to avoid by choosing to join an alternative accommodation which is in rental rooms than being in hostels. With this, there is quite a sizeable number of students who prefer the alternative and which means that some hostels still have unoccupied spaces given the students choice. Majority of respondents indicated that some students are more comfortable in far residences where they have control of their rooms and can choose the life they want without

their colleagues knowing what happens behind at their residences. While this is also the reasoning behind hostels, since students have a choice to invite or not invite other students, practically it becomes impossible not to have students monitoring what others are doing in a hostel than it is in apartments. The examples used to show this costs include; some students having through peer pressure to live by a particular standard that may be costly and not an immediate plan of the students to live in such a lifestyle. This means that some students may not cope well and may have pressure to always get money. Apartments and rentals provide a means that students can avoid such costs. So a student's personal demand for independence from the university colleagues leads them to rent as far as they can be from other students. Some students may also be staying nearby without knowing that other tenants around may be students.

In providing social cost as one of the reasons why some hostels still remain unoccupied, one of the respondents had this to say''..... *You see, we can all be in the same university and in the same class but we are quite different... Imagine, here in a hostel is where one spends their evenings, Saturdays and Sunday just like a home..... there are many of interactions and people tend to know each other and influence each other... It may not even for reasons like partying over the night..it can be for like church fellowships... at least you have to belong to a group of like five to ten who always influence each other... they can like nice clothes, bags, phones or even decide to have a good meal... Since one may not want to be left out of the group, you buy even when you did not have any plans to buy.... go and eat a meal that to you may be expensive.. If you don't join them, they can eliminate you and this causes stress.... to avoid that, some students stay away from their colleagues..no one sees you,... and even if there are other students, you are not so attached and they cannot influence you... So you find some hostels still have empty spaces since some people will generally not want hostel life that can be stressful to them....*''said interviewee11.

Interviewee 5 pointed out that.. ‘’. *Yah.. many students want to hide some challenges that they may be facing and they feel comfortable staying away from hostels,.. There are people for instance who cannot afford a good meal or even eat two meals a day ..... In a hostel, if you have not eaten, people will know and this can embarrass you.... Out there, you can even go to eating joints that offer toninyira (low quality meals) but at a cheap price which makes one satisfied...One at an isolated residence can even just decide to only eat a snack and black tea.*

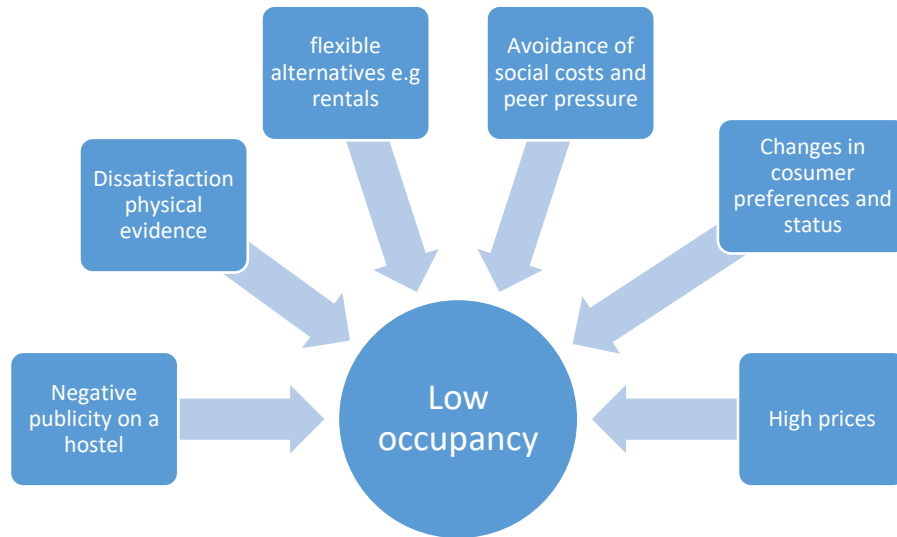
*You see, at the end of the day no much stress for someone living in a an apartment/rental than a hostel.... so that is why you find that some people prefer to stay in rental houses and not in a hostel and that answers the question why some of hostels still have unoccupied spaces..’’*

**A table showing summary of the respondents’ contributions**

<b>Factor</b>	<b>N</b>	<b>percentage</b>
Negative Publicity	8/17	47
Dissatisfied with Physical evidence.	9/17	52.9
Changes in Consumer preference & Status.	13/17	76.5
Flexible alternative	12/17	70.6
High price	17/17	100

The model below was developed from the results which is a conceptual frame work derived from the responses and this can be used to carry out a quantitative study. In qualitative studies conceptual frame works are developed at this stage to avoid biasing or sieving out the information yet it is an exploratory study.

The above findings can be summarised in the framework below



#### 4.5 Classification of the factors

In this section a review of the factors that explained the occupancy rates was done. Guided by the 7 Ps of marketing mix, the following categorisation of the said factors emerged. The analysis shows that not all the 7Ps were the key determinant of the decision to stay or not.

Upon a review of scholarly works, the marketing mix elements form the main classification of the factors that influence the occupancy rates of hostels just like many other services. The marketing mix is therefore a significant tool for creating the right marketing strategy and its implementation through effective tactics.

##### **Product**

The product in service marketing mix is intangible in nature, cannot be measured, perishable, and heterogeneous and cannot be owned. The service product thus has to be designed with care. Services have a blue print which defines exactly how the product is going to be and how the service is will meet the customer needs and wants. These included the following aspects as given by the respondents; Reputation of a hostel, accommodation types, DSTV, Entertainment.

### **Place**

This impacts on the accessibility and also defines the target customers. A customer will always seek for a product that accessible in relation to a hostel, the distance from the university would be a vital factor that can influence the students decision whether to occupy a given hostel or not. Students would probably want to join a hostel that can save them time and even travelling costs and this may explain why the hostels near the university would ideally attract many clients.

However in this case place was not an affecting factor because all hostels are located near each other and the school

### **Promotion**

Promotion is an important element in the marketing mix entails defined activities aimed at communicating the availability of a product and its associated benefits to the targeted customers. In the hostels market, the owners would probably let the students know of the selling points such as other amenities accompanying a hostel other than just accommodation. The literature has shown that students care about such items as internet services, entertainment among other additions that may give a hostel a competitive edge. However, it is not considered important because students normally got information from other students or popular media.

### **Pricing**

Price was the most important element that act as a measure of value A customer is expecting to obtain economic value and this is gained through comparing the price they pay for a product and what they gain out of a product or service. Thus the price attached to a service or a product must be appealing enough to attract the attention of a customer, otherwise the latter would opt for the available alternatives. In hostels, the owners would mainly weigh the cost of offering the service and then decide what price to offer to the targeted students. This was the most critical factors since it involves the amount Charged per semester and the availability of other affordable alternatives

### **People**

People are said to be the most significant elements in the market mix that separates a service from a tangible product. The expertise with which people assigned to offer a service influences the customer experience and thus becomes a key determinant of the latter's' decision to continue

buying a service from a given provider or not. In a hostels, the people entrusted to serve the customers who includes custodians, caretakers and security personnel's behaviour would influence the students decision to reside in a hostel or not.

### **Process**

Notably, this is a content-specific affair since different services are provided through different processes. Students would be observant of the response they receive when seeking for a change or an address to service failure at a given moment. In case their issues are handled to their satisfaction, the students would be delighted to stay in a given hostel throughout their period at school. Otherwise, a dissatisfied student would defect once a semester is concluded. Rules and regulations, customer care, security where some of the responses from the students.

### **Physical Evidence**

Given the fact that service is intangible, there ought to be a physical indicator that can separate one service from another and provide a proof that the service offered is actually the service the customer needs, and this is what amounts to physical. In a hostel although physical evidence could be a wall fence, room design, sinks, parking bay, reading room among others. Physical evidence that is not appealing may inform the students' decision to stay or leave a hostel



The table below shows a summary of the classified factors.

P's	The key indicators
Product	Reputation of a hostel, accommodation types, DSTV, Entertainment,
Physical Evidence	Room design, cleanliness, colour, Compound, parking yard and other amenities.
Promotion	<i>Not considered important/ Students normally got information from other students or popular media.</i>
Price	One of the most critical factor; Amount Charged per semester, availability of other affordable alternatives
Place	<i>Not an important factor/ All hostels are located near each other and the school</i>
Process	Rules and regulations, customer care, security.
People	The decision making process of whether to accept a student's request or not by the custodians, the behaviour of the custodians, the behaviour of other students

## Conclusion

This chapter has analyzed, presented and described the data obtained through the interviews and the focus group discussions. The results of the first research question were set out to find out the occupancy rates in the selected hostels. This was then followed by an analysis of the interviews which are set out in relation to the second objective, this revealed that there are several factors that affect occupancy rates. The classification of the factors was done to be able to help the person who is going to use this work to understand how to incorporate this in their business strategy.

## **CHAPTER FIVE**

### **DISCUSSIONS OF RESULTS**

#### **5.0 Introduction**

This chapter provides a discussion of the finding comparing it with other findings in the literature. The purpose of the study was to identify factors affecting occupancy rates in hostels around MUBS Nakawa. I conducted a series of interviews with students who reside in different hostels around MUBS.

The findings from each data source provided the bases to develop the main citations and themes for the study. Consistent with the systems theory formerly described in this study, the hostel industry is a constantly changing industry that needs a system that can withstand such changes in customer needs, pricing and provision of new amenities. It is important to note the cultural, social stability, and environment within which a hostel operates may affect the ability for the hostel to provide good customer service.

The hostel sector has a number of inter-related systems with linkages with dependency on one another. Understanding the needs of the students while ensuring that it is in line with the customer service and amenities of the hostel is a key linkage.

#### **5.1 Occupancy rates**

The results indicated that, out of the hostels assessed, one had been abandoned after registering an occupancy rate below 60% while others had an occupancy rate of between 80 and 90%. This means that the occupancy can be in an acceptable range but there is room for improvement.

The explanation of why some of the hostels are highly occupied and others fail is dependent, in general terms on customer satisfaction (Kotler & Kelly, 2012). Notably, the level of satisfaction by the current type of students determines the possibility of them remaining in the hostel or defecting later. It also influences the kind of message they would give a potential hostel seeker which eventually aids the new students in making a decision whether to occupy a given hostel or not. Thus the occupancy rates among hostels occupied by MUBS student could be as a result of a decision made by the students who have in the past occupied the hostel or students' who have done a before-consumption assessment to determine the suitability of the hostel to satisfy their needs.

## **5.2 Factors that explain occupancy rates in hostels**

The results indicate that both before-consumption and after-consumption factors explain the reasons why some hostels still have free spaces. In the before consumption, it emerged that negative history of a hostel which is spread through the word of mouth discourage some students from enrolling in a given hostel. It was also advanced that the physical evidence against a given hostel in terms of appearance and surroundings explained why some students shun a given hostel. During consumption, it emerged that customers experience and change in lifestyles force some students in subsequent periods not enroll in the hostels that they previously stayed in meaning there is defection (Nwokorie, 2016).

The said action is widely expected especially in relation to both consumer behaviour and marketing principles (Kahle, 2011). For instance in marketing of services, it has been advanced that physical evidence is one of the main factors that can provide a hint to the potential consumer whether the service they are about to consume would satisfy their needs (Swati, 2010). In this respect, such evidence in a hostel may entail factors as furnishing, the room size and other facilities like parking lot. The reasons advanced by the respondents that at times students would just decide not to join a given hostel just by considering its appearance.

Further, the result indicating the student's failure to join a given hostel based on the poor reputation that is mainly advanced by other students, well fits into the buyer behaviour principles (Clemons, 2008). In this respect, customer search for information of a suitable product is a means that a rational customer is known to undertake. It is thus plausible that some students choose not to join a hostel given the word of mouth that they receive from their fellow colleagues and other sources of information.

In respect to customer defection after they have consumed the services, a number of explanations from marketing perspective can be advanced (Nwokorie, 2016). From one perspective, customers have been found to defect once as a post-consumption behaviour when they feel that the product failed to fulfill their expectations. Just as the respondents clearly narrated, that some defection decision are based on the assessment of the value they receive as against the amount of money they pay. This clearly fits into buyer behaviour concept where a consumer weighs and makes decision of whether to again by from a given seller.

Further, the possibility of a competitor offering a better deal to a customer can explain the defection which has been advanced as one of the reasons why some given hostels will have a

high occupancy rate at a given period and in subsequent periods they lose customers (Crnich, 2013). In marketing, competition is based on convincing and producing products that a customer needs and have one provider being preferred against the other. From the narrations, it was advanced that hostels are facing competition from the rental rooms available as alternatives. Thus the competitor power which is well expounded in marketing principles serves to explain the current situation.

In a related measure, the concept of the changing customer needs can serve to explain the results from this study (Smith, 2012). As it emerged, the students wishing to live as couples have not been accommodated by the available hostels. This makes them to choose the alternatives and in the process some hostels remain with some unoccupied spaces. Marketing principles have by and large clearly indicated that consumer needs keeps on changing. Failure to accommodate the changing needs of customer thus partly explains why the customers defect.

The above findings support the various previous studies that have shown clearly why customers defect or decide not to consume a given product from various providers. For instance scholars like Kehinde et al.(2016) observed that failure to clearly understand customers' needs resulted to providing products that were not popular with customers. Bunda(2014) underlined the changing needs of customers as a reason why some customers abandon some products. Edwards (2014) observed that safety amenities, and location of hostels was an important factor that explained low occupancy rates. Ayuba et al. (2018) observed that post consumption decisions were instrumental in explaining why students would defect from one hostel to another, as was the case in a study conducted by Lai (2012). The price concept appeared strongly in the study undertaken by Abdullah and Hamdan(2016). As such, the current study has revealed that the reasons found to explain low occupancy rates and defections from different contexts, appear to be shared in the Ugandan context particularly the hostels offering accommodation to MUBS students.

### **5.3 Classifying of factors that explain occupancy rates**

The classification of the factors that explain occupancy rates using the 7 Ps of marketing mix indicated that five out of the seven service mix Ps were found to be influencing factors namely; product, people, physical evidence, price and process. However, contrary to the expectations,

promotion and place were not found to influence the student's choice to stay or leave a hostel. There are possible reasons that explain the finding.

The students are concerned about the hostels being able to meet their expectations of the (product) core service and the pricing of the same. This is what may have explained the sensitivity on the service quality and pricing (Akroush, 2011). For instance (Zeithaml, 2006), indicated that the value and the quality of products offered if deemed to be high, attracts customers who may even be willing to pay for a premium.

In another perspective the physical evidence provides an assumed knowledge expected service which provides students with social value. Apart from fulfilling the need for accommodation, students have a social need of being seen to occupy a respectable hostel that has attractive features. This could have explained why physical evidence was identified as a key P that influences the students' choice (Clouse, 2017).

People and processes are central in the service mix and this explains why the students indicated that the custodians would influence their choice of the hostel. The custodians were said to be the one who enforce the rules and regulations and thus they are at times irrational resulting into the students leaving one hostel for another (Kotler & Armstrong, 2010).

The reason as to why place was not considered to be an important factor could be related to the fact that all hostels are located within a walking distance to school and are near each other. As such place was not a critical influencing factor as to whether to stay or leave a hostel.

For promotion not being an important factor is attributed to the distance between a hostels. This means that students can move up and down on their own inspecting the hostels before occupying and as such choose the most appropriate one for them. This led any initiative to promote hostels of less important to the students.

The review of the factors advanced as being critical in explaining occupancy rates in hostels can be effectively categorised under the service mix (Kotler & Keller, 2014), a tool that has been instrumental in marketing different services. This means that the Marketing Mix strategies can still be relied on to explain the foundation of marketing of hostels and it has been found useful in

other different contexts. Thus the finding supports the long standing 7Ps of service mix and the related scholarly works like ones by Lai, 2015.

The above results fit well into the systems theory which purports that the full understanding of the entire system's functioning is necessary in all systems (Paucar-Caceres, 2011). Organisations that use the systems theory are well placed to produce that which suits the customers' needs. The respondents indicated the need for hostel owners to clearly understand the needs of the customers and tailor their services to customer needs.

Further the results can be explained from the linearity of the institution. In this respect, the expectation that value and pricing need to be factors that the hostel owners consider serious (Wooten, 2017). Customers are said to be ready to pay an amount that they believe is worth the value they derive in exchange. The respondents were clear that the hostel owners charge prices which are not proportional to the service offered.

The respondents indicated that security matters, the social needs, and the services that the hostels offer need to be improved if the hostels are to attract more customers. This clearly indicates that the best practices in marketing in regard to pricing and quality were well reflected in the study.

The above results support various studies that have been advanced as the means by which service providers can attract more customers. Similarly, Sanchez-Rebull et al. (2017) observed the centrality of value to the customers demand. Bunda (2014) on the other hand found the importance of customer-focused orientation where customers' inputs are sought as to tailor the services to the customers' needs. Hassan et al. (2017) found that small additions to the services offered by hostel owners may be a differentiating factor that can boost occupancy rates.

## **Conclusion**

The above discussed results can be related to the existing literature about occupancy rates in different contexts. Different scholars reported of some of the discussed factors affecting occupancy rates in their works as cited in the literature review. This study corresponds with previous studies that also found that price, social needs physical evidence, safety and other amenities affect the occupancy rates of hostels. The findings from this study support the existing scholarly works thus facilitating an increase on the scholarly works about hostels in Uganda.

There is consistency with the systems theory formerly described in this study, the hostel industry is a constantly changing industry that needs a system that can withstand such changes in customer needs, pricing and provision of new amenities. It is important to note the cultural, social stability, and environment within which a hostel operates may affect the ability for the hostel to provide good customer service.

## **CHAPTER SIX**

### **RECOMMENDATIONS AND CONCLUSION**

#### **6.0 Introduction**

This chapter has recommendations, conclusion, study limitations, future research opportunities from the data gathered based upon the stated aims and the responses to the research questions. The limitations of the study will be identified, and therefore acknowledgment of implications for future research are highlighted. Finally, a conclusion to the study is presented.

#### **6.1 Recommendations**

These results are an outcome of a focus group discussion. The following factors were advanced as being the measures the hostel owners need to undertake in order to enhance occupancy rates.

##### **6.1.1 Understanding customer needs**

The respondents to this study felt that the hostel owners ought to understand the customers they want to serve and tailor their services accordingly if they are to attract full occupation of their hostels. In this respect, the respondents indicated that hostel owners need to differentiate their offers according to the students they aim to attract.

In elaboration the respondents indicated that, the hostels that charge high prices should have facilities that are better than their competitors. Among the proposed improvements includes the size of rooms, cleanliness, adequate common room, entertainment facilities, free internet and other amenities that are able to clearly differentiate one hostel from another. This would ensure that the price charges are a better match with the facilities. The respondents felt that some hostels' services are limited or low in standards then they should price their hostels according to their facilities and offers. With that in place, the respondents felt that the hostels will attract the students who would occupy well knowing that the hostels provide value for money.



### **6.1.2 Meeting the customers' expectations**

The study revealed that before the students join the hostel, the custodians provide information of what the students would expect. This mainly includes provision of enough room for living, electricity, flowing water, a place for entertainment, a reading room and an always clean environment. Fulfilling these expectations or even better from the day one to the end would entice the students to return to the same hostel in the subsequent periods and would also encourage other students to join. In so doing, the hostel owners would avoid customer defections and enhance their brand name.

### **6.1.3 Security**

The respondents feel that the issue of security has become central in decision regarding joining a hostel or leaving for the security of their body and property. The respondents for instance suggested stationing of CCTV Cameras near key areas in order to discourage the tendencies of attacks that harm students as they are moving to or leaving their hostels. This would also discourage people who steal or enable apprehension of thieves for the safety of the students' property and even secure the place when students are away.

### **6.1.4 Pricing**

The respondents felt that the fees charged and the time needed should factor in the services offered in return. The respondents agreed that some hostels can charge highly and still have students occupy as long as the services offered is worthy. The responses showed that majority of students were price sensitive and would opt for accommodation that offers low prices. This means that the owners of hostels should carry out a survey of what would be the best price to charge putting into consideration what other alternatives including competitors of hostels and other accommodation options.

For instance there was a relatively cheap hostel which had empty spaces with no student willing to occupy the cheap single rooms in preference to the neighboring hostel which charges a fee which is higher by 200,000/= more for the single rooms

### **6.1.5 Reviewing the rules**

The respondents felt that the rules and regulations for a hostel are important but the implementation needs to be flexible and logical on case-by-case basis. For instance, the

respondents felt that some hostels were too rigid in regard to fulfilling the rules and code of conduct of the hostel. This means that the hostel's conservativeness leads to students who may have different opinions and beliefs opt for other alternatives. They also felt that sometimes they have visitors from very far whom they would need to accommodate overnight but when the policy is followed strictly such a thing may not be allowed and some students feel embarrassed which leads to their defection in a subsequent semester. Thus, the respondents felt that adjustment of the rules depending on the circumstance at hand wins customer satisfaction and thus continued consumption of the service for as long as the student is still at the university.

#### **6.1.6 Add amenities package to the service**

The respondents felt that the hostel owners who are sensitive of changing needs should add to the package some services that they felt would attract the customers. In this respect the respondents in particular singled out the provision of wifi internet for student as one of the services the hostel owners need to consider as a package of the service. The respondents feel that internet has become a necessity and the hostel owners who would provide such a service was likely to attract full occupancy and customers who were willing to pay premium price for the hostel. The respondents thus felt that becoming creative and innovative to the services that accompany a hostel would be a means to improve on occupancy rates

### **6.2 Study limitations**

The study adopted a qualitative method. While this design is appropriate in collecting in-depth data, the weakness associated with the study include the respondent's number being low means that the results cannot be generalised to all hostels.

Further in relation to a qualitative study, a researcher is part of research instrument. This means that there were variations in conducting the different interviews related to the voice, the individual characteristic and the competence of the interviewer. This makes the study less objective which also affects generalisation of results.

The study only included students (customers) and as such the hostel owners who are the service providers did not participate. This means that the results cannot be said to be comprehensive enough since a particular stakeholder's contribution is lacking.

### **6.3 Future research opportunities**

Given the results and the limitations of the study, the following future research opportunities can be advanced:

There is an opportunity of conducting a similar study in other universities with a larger and more geographically diverse sample. This can provide an opportunity for comparison and generalisation of the results.

Finally, it is important that future research undertaken has both consumers (students) and service providers take part to provide more comprehensive results.

There is an opportunity to undertake a similar study by adopting a mixed method. This can ensure that the results are more comprehensive and generalisable.

### **Conclusion**

Based on the study's findings where seventeen students who stay in hostels and the custodians or managers of these hostels were interviewed. The interviews with the participants revealed a number of practices within hostels that could affect the occupancy rates negatively. The divergent views of students about the hostels should be put into consideration by the custodians and hostel owners.

Consequently, the results can be attributed to these participants being likely to have had personal lived experiences. Students indicated that price was a major concern. The characteristics of hostels related to physical evidence were rated higher than all other items. Flexible accommodation alternatives other than hostels was another highly rated factor. The social aspect was shown to play a significant role amongst the students.

The results of this study add support to previous studies used in the review of literature. The following aspects are followed by the studies they support.

Price, safety and security, amenities such as Internet were considered important just as it is indicated in studies conducted by the following scholars; Hecht & Martin, 2006, Loker-Murphy, 1996, Loker-Murphy & Pearce, 1995, Mohsin & Ryan, 2003, Pearce, 1990; Sohrabi, 2012 (Edwards, 2012). All data cited in the conclusions would make a considerable contribution towards a clear, in-depth understanding of the factors affecting occupancy rates and the ways in which it can be enhanced to boost the hostel business so as to contribute to the National Development Plan phase 2.

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## APPENDICES

### APPENDIX A: Interview guide

In this study I will request you to respond to questions relating to hostel occupancy rates

- 1) May you please tell me which year of your programme this is? .....
- 2) Now that you have spent ..... Semesters in your programme, are you in the same hostel that you joined in your first semester of your programme.....
- 3) How did you join your first Hostel? .....
- 4) Did the hostel satisfy your expectations? .....
- 5) If so how, If not why? .....
- 6) What else according to your colleagues and friends explain the same? .....
- 7) What are the factors according to you and other people that determine their decision to stay or leave a hostel? .....
- 8) In your opinion, what are some of the factors that explains why some hostels still have vacant rooms? .....
- 9) In general, what are the reasons you believe that makes some hostels to have unoccupied spaces? .....
- 10) What are some of the measures that the hostels need to undertake to have the vacant rooms filled? .....

**THANK YOU**

**APPENDIX B: INTERVIEW SUMMARY FORM**

Interviewee: \_\_\_\_\_ Date of Interview: \_\_\_\_\_

Place: \_\_\_\_\_ Time of Interview: \_\_\_\_\_

Duration of Interview: \_\_\_\_\_

Where did the interview take place? Was the venue suitable?

Does anything need to be changed for future interviews?

How easy was it to establish rapport? Were there any problems and how can this be improved for next time?

Did the interview schedule work well? Does it need to be altered or improved?

What were the main themes which arose in the interview?

Did any issues arise which need to be added to the interview schedule for next time?

Is the interviewee willing to be contacted again? Have I promised to send any information or supply them with the results or a copy of the transcript?

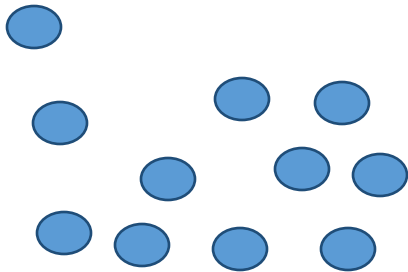
**APPENDIX C: FOCUS GROUP DISCUSSION SUMMARY FORM**

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Venue: \_\_\_\_\_ Duration: \_\_\_\_\_

Group: \_\_\_\_\_

Diagram of seating plan with participant codes:



Where did the focus group take place?

Was the venue suitable? Does anything need to be changed for future focus groups?

How many people took part and who were they?

Did they work well as a group or were there any adverse group dynamics?

What can I learn from this for the next group?

Did the interview schedule work well? Does it need to be altered or improved?

What were the main themes which arose during the focus group?

Does anything need to be added to the interview schedule for the next focus group?

Are any of the participants willing to be contacted again?

Have I promised to send any further information or the final report to anyone?

**APPENDIX D: CHECK LIST**

HOSTEL	HOSTEL CAPACITY	OCCUPIED ROOM	OCCUPANCY RATE
A			
B			
C			
D			
E			

# **APPENDIX E: SUMMARY OF THE PARTICIPANTS.**

NAME	GENDER	PROGRAMME
Interviewee 1	Female	BBA
Interviewee2	Male	BAC
Interviewee 3	Male	BBA
Interviewee 4	Female	BCOM
Interviewee 5	Male	BHRM
Interviewee 6	Female	BSLH
Interviewee 7	Female	BBA
Interviewee 8	Female	BSCS
Interviewee 9	Female	BS FINANCE
Interviewee 10	Male	BBA
Interviewee 11	Male	BCOM
Interviewee 12	Female	BSM
Interviewee 13	Female	BSPM
Interviewee 14	Female	BLG
Interviewee 15	Female	BAE
Interviewee 16	Male	BTTM
Interviewee 17	Male	BSA
Interviewee 18	Female	BLHM
Interviewee19	Female	BSF