Service Quality and Customers Retention in The Hospitality Industry of Cross River State, Nigeria

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Abstract
This study focused mainly on the effect of Service quality on customers retention in Obudu Cattle Ranch, Cross River state, Nigeria. The specific objectives of this study are to analyse the effect of tangibility on customer retention in the hospitality industry in Obudu Cattle Ranch, To analyse the effect of reliability on customer retention in the hospitality industry in Obudu Cattle Ranch. The population of the study comprises 288 customers of Obudu Cattle Ranch. The Hypotheses I and II were formulated to guide the study, the findings from the study revealed that tangibility and reliability *has significant effect on customer retention in the hospitality industry in Obudu Cattle Ranch., Cross River state, Nigeria. Based on the empirical findings, the researcher recommended the following; The management of Obudu Cattle Ranch, Cross River state should improve on their mechanism in tangibility in the organization as this will contribute better profit to a large extent to the organization. During the process of Tangibility, the management of Obudu Cattle Ranch should do everything possible within their reach to make sure that tangibility is a given a pride of place in the organization in order to retain their customers and ensure continuous patronage.*

Key Words: *Service Quality, Tangibility, Reliability and Customer Retention*

1. Introduction

1.1 Background to the Study

Hospitality industry in Nigeria today has grown significantly with so many institutions actively involved in hospitality and tourism business. Success of this industry depends on the amount of quality service rendered and positioning strategies put in place in a highly competitive environment (Chen & Popvich, 2020). Therefore, it is now increasingly necessary for service companies to understand service quality as one of the most effective means of establishing a competitive position and improving customer retention. The business must offer services that are of high quality, with the employees of the service business serving as important link to delivering such service to customers. These employees beyond being well trained and skillful must be committed to the firm if they are to really deliver on the firms promises (Cronin & Taylor, 2021). Service quality (SQ) tends to focus on meeting customers' needs and requirements and how well the service delivered meets customer expectations. A firm's ability to provide customer satisfaction depends on the firm's overall service factor for customer retention (Crosby, 2020).

Customer satisfaction is the ultimate goal of success for business in the customer service industry. The goal of every successful business is to maintain a high level of customer satisfaction by providing their client with value added transaction through positive customer interaction. In turn, the customer's expectation is to feel important and assisted during the interactions that ultimately lead to fulfilment of their desire and positive end result. The hospitality industry which employs an estimated 10% share of the global work force and capital formation is considered to be an important contributor to the growth of many economies of the world (Countryman & Jang, 2021). In Nigeria, the hospitality industry is highly competitive in recent times. However, lack of proper data base appears to make it difficult to ascertain the number of hotels and other travel organizations, but one can obviously note in big cities like Lagos, Abuja, Port Harcourt, Enugu etc. their numbers keep increasing yearly (Buttle, 2020). Therefore, in order to remain competitive and profitable, hotels and other tourist centers must have to offer services that would be perceived to be of high quality by existing and potential customers who would in turn lead to continuous patronage. opined that customers are great assets to hotel and retaining them would boost high profit in turn. As competition in hospitality industry increase the need for customer perception of service quality and customer retention cannot be ignored by companies that are involve in moving people and goods from one place to another. The high degree of this increase must have to be accompanied by the need to improve service quality. Thus, Buttle (2020) agreed that in the service industry, consistent quality improvement is the key factor that affects customer's satisfaction and increase purchase intentions among customers. Quality service can lead to increase in firms overall organizational performance and reputation which are considered as great assets that give the firm a chance to differentiate itself from its competitors by maximizing its market share, attracting new customers, retaining existing ones, neutralizing competitors action, generating high profit and above all retaining success and survival in the markets. Hospitality industry if properly managed will help curtail the adverse effect of fall in price of crude oil to Nigeria economy (Cabral, 2020)

To formulate an effective innovation strategy, a business must know all its customers' wants, which desires are unmet, and what parts of customers exist with dissimilar unmet needs. But in most establishments, executives cannot agree on what a customer necessity even is, so of progress they do not know what all those requirements are, let unaided which are unmet or what needs-based sections exist (Boon-Liat & Zabid, 2023). What Guests need the most is to see good employees. The attitude of the employees affects the satisfaction of the guests which mean that the employees need to be helpful and friendly and the staff have to be well dressed. Hospitality is

totally influenced by the labour market so if the employees are uneducated, unmotivated, untrained, unskilled and unproductive that will make the hospitality industry lose time and money because they will lose customers. For indicating and providing an excellent service, employees should have the passion for doing their work, serving guests with honesty, be trustworthy and ability to deal with emergencies. Hence, there is a training program that is done for all employee to make sure they deliver polite, friendly and respectful service for the guests. (Vijayadurai, 2020). A study was done on the interpersonal bond between the employee and the customer will eventually produce some positive word of mouth. The contact between employee and guests is so important during the service transaction in the hotel industry. There always has to be a relation between the service provider and the customer. That is why more attention and training should be given to the service providers all over the hotel; front desk, waiters, door and bell men, maids and stewards. (Kandampully, 2020). Thus, the hospitality management education is currently dominated by the autocracy of importance. Yet, the schoolwork of hospitableness fashionable wider social settings has much to offer to both pupils and their future managers. The hospitality studies as an academic field that embraces the management of commercial and non-commercial services for providing food and/or drink and/or accommodation as an economic activity. (Lashley, 2021). Thus, the hospitality management is one which generates a number of varied and interesting responses, depending upon the nature of the constituency to which it is put. However, what does appear to be clear in much of the contemporary hospitality-related research literature is the rather variable and fluid use of the term's "hospitality" and "hospitality management". On the other hand, this could indicate the presence of a lively and energetic debate over the very essence of the phenomenon researchers are attempting to study and practitioners seeking to provide. Which of these extremes constitutes a more accurate interpretation of the current state of affairs, if indeed either does, is arguable? Then, it could equally suggest a lack of clarity and the uncritical acceptance of "handed down" truths about the fundamental nature of the phenomenon. (Brotherton, 2021). Researchers are always asking for the best way to measure service quality but there still appears that there is no exact way to measure it. The hardest thing ever is trying to measure a behaviour or attitude towards a product or a service. Researchers found that the degree of customer loyalty is affected by image and overall satisfaction of the service provided. Corporate image is defined as the recognition of an organization by its customers. The most thing researchers are searching about is the role played by corporate image in determining customer behavior. Hence, they found that there is two ways to measure customer satisfaction importance performance analysis (IPA) and SERVQUAL. Those two are the best from the field of measuring satisfaction and loyalty IPA is a procedure that shows the firm's performance, the attributes of the product or service under investigation and the importance of those attributes. IPA helps to recognize the areas of improvements for the service quality. Results of the IPA are shown on a matrix or a two-dimensional grid so the R&D department could be able to identify the areas that should be improved and where they should concentrate. (Gil, Hudson & Quintana, 2022).

SERVQUAL focuses on the notion perceived quality. It is the difference between consumers' expectations and their perception of service. According to what other researchers that this model was developed by Parasuraman *et al.* (2021) and it has become one of the widest applications that serves marketing literature. But this model is too widely so it got criticized in terms of both theoretical and operational aspects. But despite being criticized, this model has been used effectively as the best model to evaluate the quality of services including the hotel industry. To manage the service quality, hotel manager must match the service performance to meet customer

expectations to attend the satisfaction of your customer. There is no loyalty if there is no satisfaction but satisfaction is not the only determinant of loyalty (Boon-Liat & Zabid, 2023).
In measuring service quality, several researchers widely use SERVQUAL and SERVPERF in different business environments. Though, the various dimensions and model of service quality and the measurement approach to service quality and its relationship with customer retention are still being debated, many researchers are in agreement with the fact that service quality impact customer satisfaction and customer retention. Despite the ongoing debates about the best services quality model, this study with little modifications relied on the conceptual models of service quality which were based on (Atogye, Agyo, Timothy & John, 2023). SERVQUAL scale for measuring service quality that identified five basic determinants or dimensions of service quality which include tangibility, reliability, responsiveness, assurance and empathy. Thus, consumers make service repurchase decisions because their point of delivery provides them with certain benefits, thereby satisfying their needs, demands and expectations. Therefore, as competition becomes high in the hospitality industry globally and in Nigeria in particular, Obudu Cattle Ranch which is also a hospitality organization is expected to provide quality service to its teaming customers to ensure customer satisfaction and retention which will in turn enhance its competitive advantage and the overall growth of the industry (Bolton, Warlop & Alba, 2020).

1.2 Statement of the problem

The effects of globalization in the local economic conditions, developments in the service, as well as increasing competitive pressure have led customers of the hospitality industry to be aware of the desired quality of service and satisfaction derivable from the hospitality industry. Failure of the management in the hospitality industry to provide this desired service quality leads to customer dissatisfaction. Thus, it is the satisfaction of the customer that calls for repeat purchase. Therefore, if a customer is not satisfied, it makes it difficult for such customer to be retained, this kind of action does not call for repeat purchase. Responsiveness is seen as the hallmark of every service firm, perhaps this is never the case in Obudu cattle ranch. In addition, tangibility in service industry would have being a trade mark in which the service rotates around for the customers, perhaps the tangibility is not adequate in the service sector and this is why it is difficult to complement the customer. The hospitality industries in Nigeria has suffered a set-back ranging from high cost of running the service, poor electricity supply, double taxation that makes the industry not been able to make a desirable profit from the industry. The hospitality industry in Nigeria relies on customers to make profit, they therefore charge the customer indiscriminately for them to have a breakeven in the industry. The reliability of this industry to make profit and satisfy customers will depend on the frequent purchases by the customers. However, it is possible to say that the reliability of service industry should not solely depend on customer for profit maximization. Thus, for hospitality industry to really assure a customer of quality service and satisfaction, the physical environment where the business is situated have to be in such a way that can attract and keep the customer for satisfaction. Customer satisfaction is seen as a measurement that determines how happy customers are with the company's product, services and capabilities. Poor salary payment can also likely to be the reason while the employees do not responses promptly to customer complaints and this is why the responsiveness, empathy, reliability, assurance may be lacking in the hospitality industries. The hospitality industry is thus posed with a number of problems. High hotel charges which do not match the services offered and this sends the customers switching from one hotel or travel organization to another in a bid to seek for satisfaction (Baker & Magnini, 2021). Other problems include; unimpressive physical facilities associated with the services, delays in attending

to customers by employees, failed promises, lack of trust in the employees, low personal attention to customers and not being consistently courteous with customers. This however, has created a problem of high customers' defection and low level of customer retention in most of the hospitality organizations in Nigeria. It's in the interest of these afore mentioned problems that this study is undertaken to evaluate the effect of service quality on customer retention in Obudu Cattle Ranch.

1.3 Objectives of the study

The main objective of this study was to investigate the effect of service quality on customer retention in the Nigerian hospitality industry. The specific objectives were to;

i. analyze the effect of tangibility on customer retention in the hospitality industry in Obudu Cattle Ranch.
ii. evaluate the effect of reliability on customer retention in the hospitality industry in Obudu Cattle Ranch.

1.4 Research questions

The following research questions were developed to enable the researcher achieve the objectives of this study.

i. What extent does service tangibility affect customers retention in Obudu Cattle Ranch?
ii. How does service reliability affect customers retention in Obudu Cattle Ranch?

1.5 Research Hypotheses

The following research hypotheses were developed in a null form to guide the study.

H_{O1}: Tangibility has no significant effect on customers retention in Obudu Cattle Ranch.
H_{O2}: Reliability has no significant effect on customers retention in Obudu Cattle Ranch.

2 Literature Review

2. 1 Conceptual Frame Work

In this section, the study will be discussed under the following headings: Conceptual framework, theoretical framework, empirical studies, gap in literature and summary of literature review. This is the blue print that guide the study. It shows the relationship between the independent and dependent variables. The independent variables include: Tangibility and Reliability. While dependent variable is Customer retention.

2.1.1 Service quality

The concept of service quality is variously defined depending on the situation (Parasuraman *et al.*, 2020). Thus, defining service quality is still a source of disagreement among experts, and practitioners, primarily due to different understanding of the nature of service quality and the dimensions of service quality in terms of a unique concept with a single dimension or adopting the multi-dimensionality of service quality (Cronin & Tailor, 2021). We shall now try to consider some of the definitions; Parasuraman *et al.* (2020) defined service quality as the consumer's overall judgment about an entity's overall excellence which is generally accepted as antecedence of overall customer satisfaction. According to the authors, service quality is a form of attitude related and results from a comparison of expectations with perceptions of performance. It is the ability of the firm to meet or exceed customer expectations. This definition supports the view of Gronroos (2021) which defined service quality as the outcome of an evaluation process, where the customers compare their expectations with the service they have received. It can be viewed as the difference

between customers' expectations of service quality and their perceived service (Zeithaml *et al.,* 2020). Therefore, service quality is a function of the relationship between customer expectations and the actual service outcomes where customers compare service received with their expectations (Parasuraman *et al.*; 2020). Abu (2004) defined service quality as the consumer's evaluative judgment about an entity's overall excellence or superiority in providing desired benefits.

This definition on the other hand presents the attitudinal perspective or paradigm which views service quality as the customer's attitudes and disposition towards the product or service ability to provide the desired benefits. Those in support of this view argue that, the disconfirmation model does not clearly distinguish between customer satisfaction and service quality. Despite disagreement among practitioners and experts concerning the definition of service quality, there is a general agreement that service quality has been found to be significantly and positively related to customer satisfaction and retention (Kang & James, 2019; Adetutu, 2020;). Service quality is judged not only on the basis of the physical appearance of the service firm but in other areas like reliability, willingness to help or solve customers' complain promptly, courtesy, pleasurable interactions etc. (Egede & Amangala, 2013). Considering the above definitions and in order to contribute to knowledge, we define service quality thus: service quality is the result of the customer's evaluation process of the firm's service offer that meets the customer's expectations. Therefore, service quality has a strong link with the concepts of perceptions and expectations (Parasuraman, *et al,* 2021), as a result of comparison of their service expectations with their perceived service experience, (Naik, Ganlasala & Probhakar, 2010). The service is viewed as excellent if perception exceeds expectations, it will be considered as good or adequate, if it is equal to expectations, and the service is regarded as bad or poor, if it does not meet expectations (Naik, Gantasala & Probhakar, 2020), resulting to customer dissatisfaction (Lewis *et al*., 2019). The definitions and explanations presented above express the disconfirmation and gap perspective to service quality (Parasuraman *et al.,* 2020). Given the above perspective, it means that defining service quality therefore starts with customers, as quality is all that implies to customers and the basis of their perceptions. This results from the fact that service quality can be achieved if customer expectations or desires are satisfied, or exceeded. Customers make service purchase decisions because their providers offer them set-vices that provide certain benefits, satisfying their needs, demands and expectations. It should therefore be known that service quality is a significant source of sustainable competitive advantage as it affects the firm's constant improvement of service performance by increasing market share and growth of profits (Munhurun, *et al.*, 2020).

Services unlike tangible products are produced and consumed simultaneously during interactions between the customer and the contact employees (Munhurun *et al.,* 2020). The presence of positive attitudes and behaviors of the contact employees can influence customer's perceptions of service quality. According to Zeithmal and Bitner (2021), since contact employees represent the firm, their interactions with customers can directly influence customer satisfaction and retention positively or negatively depending on the mood and attitudes displayed during the service encounters. This is because customers mainly interpret their impressions of the firm's level of service provided base on their experience during service encounters with front line employees. Thus, company employees involve in the delivery of its services can provide vital information for service improvement by using their knowledge about the customers' requirements through -their contact with the customers which also serve as a feedback mechanism which can be used by the firm in tackling quality decisions to design and offer quality services to customers.

2.1.2 Tangibility

This involves appearance of physical facilities, equipment and personnel, as well as the design of the office. Such physical resources are assessed by customers and are related with the quality of the service as perceived by the customers.According to Zeithaml and Bitner (2021) appearance of physical resources creates value and increases customer satisfaction and retention. Tangibility is therefore an important dimension of service quality that improves customer satisfaction, leading to customer retention. For example, the dressing of employees can contribute to customer satisfaction and retention in an organization.

2.1.3 Reliability

Reliability is the ability to perform the promised service dependably, accurately, and consistently. This dimension of service quality involves the performance of the service employees through ability to deliver services in the most efficient manner without failure. To be reliable, organizations must try to make credible promises to their customers. In defining a promise, a firm should be careful not to over promise what cannot be delivered and firms must also try to keep to their promises (Sammy & Kerongo, 2023). This is important because over promising is a negative signal that service failures may likely be expected. The presence of a credible service promise can support the perception of service reliability, which is one of the most critical determinants of customer satisfaction and customer retention (Sammy & Kerongo, 2023).

Reliability can be defined operationally as the degree of correlation between alternate forms of a test or between halves, or between two administrations of it; but a more important definition considers the objectives to be attained, i.e. the assurance that "true" results will not be obscured by "chance" factors (Barney, 2021).Reliability can be defined operationally as the degree of correlation between alternate forms of a test or between halves, or between two administrations of it; but a more important definition considers the objectives to be attained, i.e. the assurance that "true" results will not be obscured by "chance" factors. This assumes a noumenal trait which is measured. Most chance factors reside in the subject himself rather than the test, i.e. a changed response to the same stimulus. Reliability therefore depends on eliminating items susceptible to response determination by stimuli other than those studied. These are detected statistically (1) by marked temporal variation of response where this is not due to genuine changes in the ability tested; (2) by finding the degree of correlation of the item responses with the ability indirectly through intercorrelating the items. The possibility that high intercorrelation merely indicates duplication of items can be checked by seeing that the items differ *situationally* rather than merely *verbally*. (PsycINFO Database Record (c) 2016 APA, all rights reserved) (Ben, 2021).

2.1.4 Customer Retention

Jobber (2001) stresses that, for many years marketing activities in the hospitality organizations aimed at acquiring as many new customers as possible. As the hospitality industry matures and competitions intensify, hospitality organizations shift their marketing strategy away from customer acquisition towards customer retention and loyalty (Jamal & Naser, 2022). Also, Rungting (2020) stressed that, as competition intensifies in the hotel industry, hotels shift their strategy from customer acquisition to customer retention and simultaneously information technology (IT) continues to make inroads into increasing customer retention and loyalty.

Retention programs applied to the industry are important tools for hospitality firms to win and retain customers. According to Kotler and Armstrong (2020), the hospitality industry gradually recognizes that superior quality of service is one of the crucial factors within its control that can add value to

its image and amicably will lead to customer retention and loyalty. Thus, good image and quality of service has become the key to hotelier's ability to differentiate itself from its competitors and satisfy its customers and gain their retention and loyalty. Customer retention is thus, the process whereby customers keep buying the products or services of the firm within a determine period of time. Customer retention also improves profitability principally by reducing costs incurred in acquiring new customers and the main objective of retention strategic must therefore be zero defection of profitability (Roger, 2021).

2.2 Theoretical Framework

2.2.1 Goal Setting Theory by Edwin Locke, 1960

The theory of goal setting has been extensively researched in the past four decades. Mitchell & Daniels (2013) as cited in (Latham & Pinder, 2015) argue that "goal setting is quite easily the single most dominant theory in the field with over a thousand articles and reviews published on the topic in a little over 30 years". The theory began with the early work on levels of aspiration developed by Kurt Lewin and has since been primarily developed by Dr. Edwin Locke, who began goal setting research in the 1960s. The research revealed an inductive relationship between goal setting and improved production performance. The term "goal", is a common concept that encompasses other concepts like "intention, task, deadline, purpose, aim, end and objective" and is deemed as a "regulator of action" (Locke & Latham, 2019). A goal can also be viewed as the aim of an action or task that a person consciously desires to achieve or obtain (Locke & Latham, 2016). Significantly, according to Hale & Whitlam (2018), "whether they are known as goals, targets or objectives, organizations are constantly seeking ways of achieving them because "target setting is seen as a means of helping all employees to pull in the same direction with a view to gaining competitive advantage." Locke & Latham (2019) reinforced the argument that "There is strong reason to conclude that goal setting works at the group and organizational (or unit) level as well as at the individual level." Sauers & Bass (2019) define goal setting as "a formal program of setting numerical or quantitative performance goals for individuals" and that "all formal goal setting programs share the common objectives of increasing employee motivation and performance." Goal setting involves the conscious process of establishing levels of performance in order to obtain desirable outcomes. The major the source of motivation according to GST is the desire and intention to reach a goal (Martin & Pear, 2015). The importance of goal is aptly defined by Mills (2012) as representing "a way of keeping score" and that "by helping employees define their personal goals, managers are putting them on the path towards achieving the organisation goals." If individuals or teams find that their current performance is not achieving desired goals, they typically become motivated to increase effort or change their strategy (Locke & Latham, 2016). The theory proposes that human beings are more motivated to act when there is a reward at the end of the performance of a task or behaviour. The goal theory proposes that a reward at the end of a task acts as a motivation for the performance of that said task (PSU, 2014). The reward, however, should be clearly stated. The end state can be the reward itself. It is proposed that to have an efficient goal, three components must exist: proximity, difficulty, specificity and feedback (Femi, 2013). An ideal goal is a goal where the time between the reaching out and the end state is close. Further, it should be moderate in difficulty, neither too easy to present some challenge, nor too difficult, so that success can be possible. The theory also underscores the specificity of the goal. The individual must understand what is expected out of him, to start out for the goal. A specific goal gives direction of focus to that specific goal and away from distractions. Feedback is

necessary for measuring progress towards the goal and makes it possible to know whether the level of efforts is adequate and in proper direction or needs corrections.

The relevance of this theory to the research study can be attributed to the works of (Locke & Latham, 2012; Locke & Latham, 2016) that highlights four mechanisms that connect goals to performance outcomes. First, goals direct attention to priorities; that is when specific goals are set for workers, it drives their attention to priorities of achieving the goals. Second, they stimulate effort, whereby goals set are attached to specific reward system that stimulates workers to work better and effectively. Third, they challenge people to bring their knowledge and skills to bear and increase their chances of success. Fourth, the more challenging the goal, the more people will draw on their full range of skills.

3. Methodology

3.1 Population of the Study

The targeted population for this study consists of a total of 288 customers of the Obudu cattle ranch. Altogether 288 respondents form the population.

The target population of this research consists of 288 (Two Hundred and Eighty-Eight) of the customers of Obudu Cattle Ranch, Cross River State in South-South, Nigeria. This group of people were selected because they constitute the target respondents that are relevant in providing data for the study. They constitute the population as listed below;

Table 3.1: Obudu Cattle Ranch Customer Population Sample

No	Number of Customers	Category of Customers	
1	288	Loyal Customers	150
		Impulse Customers	80
		New Custmers	58
	Total		**288**

Source: Hospitality Industry Bulletin, (2025)

The target population was an infinite one as it concentrated on all customer of Obudu Cattle Ranch, Cross River State. Hence, Topman's formula was adopted to determine the sample size from the large and infinite population as the case in this study. The formula is presented thus;

$n_o = \frac{z^2pq}{e^2}$

where

n_o = Desired sample size;

z^2 = Standard derivation of desired confidence level = (score) = 1.96

p = Probability of positive response = 75%

q = Probability of negative response = 25%

e^2 = Desired level of precision ie margin of error = 5%

4.

$n = \frac{(1.96)^6 \, x \, (0.75)(0.25)}{(0.05)^2}$

$= \frac{3.842 \, x \, 0.1875}{0.0025}$

$= \frac{0.7204}{0.0025}$

= 288.16
n = 288

4. Data Presentation and Results

4.1 Test of Hypotheses

4.1.2 Test of Hypothesis 1: Ho_1: Tangibility has no significant effect on customer retention in Obudu Cattle Ranch

Table 4.1: Simple linear regression analysis result of the effect of Tangibility on customer retention in Obudu Cattle Ranch

Variables	Parameters	Coefficient	Std error	Tcal – Value
Constant	β_0	-186.167	99.223	1.876*
Tangibility (X_1)	β_1	0.716	0.021	34.615***
R-Square (R^2)		0.427		
Adjusted R – Square (R^{-2})		0.421		
F – Statistics Value		198.178		
F – Probability value		0.000		
Durbin-Watson stat.		1.927		

Decision Rule: If Fcal>Ftab accept the alternate and reject Null hypothesis. Otherwise accept the null hypothesis. (*** = 1%), (** = 5%), and (* =10%) denotes significance of coefficient at level respectively; t-tab value = 1.968, df = 353, Dependent Variable: customer retention, Predictors: (Constant), Tangibility

Source: Field Survey, 2025 (SPSS Version 22 computation)

The coefficient of Tangibility (X_1) was statistically significant and positively related to customer retention at 1 percent probability level. This implies that in unit increase in Tangibility activity leads to 0.716 unit increase in profitability in customer retention in Obudu Cattle Ranch, as reflected in the result, recruitment has a t-cal value of 34.615 which is greater than 1.968 tabulated value at 0.05 degree of freedom. In effect, since the t-calculated value is greater than the t-tabulated value in absolute terms, the researcher rejected null hypothesis in favour of alternate hypothesis stating that, tangibility has significant effect on customer retention in Obudu Cattle Ranch, Cross River state, Nigeria. The coefficient of multiple determination (R^2) was 0.427, which implies that 42.7% changes in the dependent variable was explained by changes in the independent variable, while 57.3% was unexplained by stochastic terms in the model. Thus, the independent variable Tangibility can only explain 42.7 percent of changes in customer retention in Obudu Cattle Ranch, leaving 57.3% unexplained. The R^{-2} adjusted was 42.1% indicating a goodness of fit of the regression model adopted in this study which is statistically significant at 5% probability level. The Durbin-Watson statistical value of 1.985 was observed which falls within 1.8 to 2.5, implying that there is no evidence of autocorrelation in the data analysis. More so, the f-statistical (calculated) value of 40.396 was observed in the analysis which is greater than 1.927 t-table value; and f-probability value of 0.000 was observed from the analysis which is less than 0.05 (95% of freedom), indicating that estimated regression model adopted in this study is statistically significant at 5% level. With this, the researcher rejected the null hypotheses and accept alternative hypothesis which states that tangibility has significant effect on customer retention in Obudu Cattle Ranch, Cross River state, Nigeria.

4.3.2 Test of hypothesis 2: Ho_2: Reliability has no significant effect on Customer retention in Obudu Cattle Ranch Cross River State, Nigeria.

Table 4.2: Simple linear regression analysis result of the effect of reliability on customer retention in Obodu Cattle Ranch Cross River State, Nigeria

Variables	Parameters	Coefficient	Std error	Tcal – Value
Constant	β_0	407.483	46.723	8.721^{***}
Reliability (X_1)	β_1	0.173	0.041	4.199^{***}
R-Square (R^2)		0.268		
Adjusted R – Square (R^{-2})		0.245		
F – Statistics Value		67.634		
F – Probability value		0.000		
Durbin-Watson stat.		2.025		

Decision Rule: If Fcal>Ftab accept the alternate and reject Null hypothesis. Otherwise accept the null hypothesis. (*** = 1%), (** = 5%), and (* =10%) denotes significance of coefficient at level respectively; t-tab value = 1.968, df = 353, Dependent Variable: customer retention, Predictors: (Constant), Reliability

Source: Field Survey, 2025 (SPSS Version 22 computation)

The estimated value of Reliability (X_1) was statistically significant and positively related to customer retention in Obodu Cattle Ranch at 1% level. The coefficient of Reliability is 0.173, indicating that a unit increase in Reliability will lead to 0.173 increase in customer retention in Obodu Cattle Ranch Statistically, the calculated value of Reliability is 4.199 and tabulated value of 1.968, since the calculated value is greater than the tabular value in absolute terms, the null hypothesis was rejected in favour of alternative hypothesis thus, Reliability has significant effect on customer retention in Obodu Cattle Ranch, Cross River State, Nigeria.

The result of coefficient of multiple determination (R^2) value was 0.268 which indicates that, 26.8% variation in the dependent variable was explained by changes in the independent variable, while 73.2% was unexplained by the stochastic variables in the model. Indicating that, 26.8% increase or positive changes in customer retention in Obudu Cattle Ranch can be attributed to increase in reliability of their service quality. The Durbin-Watson stat value was 2.025 which is close to 2.5, implying that there is no evidence of autocorrelation. F-stat value of 67.634 which is higher than 1.968; and F-probability value of 0.000 was observed from the analysis which is less than 0.05 (95% degree of freedom), indicating that, the estimated regression model adopted in this study was statistically significant at 5% significant level. With this, the researcher rejected the null hypothesis and accepted alternative hypothesis which states that, Reliability has significant effect on customer retention in Obodu Cattle Ranch, Cross River state, Nigeria.

5. Conclusion and Recommendation

5.1 Conclusion

Service quality has been designed to shoot-off lapses in the organizations and restore continuity, progress and development. Thus, some organizations have been bound up following continuous retention of unqualified and inexperienced individuals to carry out the day-to-day functions of their firms. It is important to note that good service quality practices affect the continuity of any organization at large, medium and small-scale firm or multinationals. Based on the research findings, the study concludes that tangibility, reliability, responsiveness and assurance play

significant roles in achieving good customer retention. In view of this it is important to state that service quality process today is becoming a top priority for any organization most especially in the hospitality industry that wants to stay in business and remain relevant in the 21st century. It is proper to state that organizations can no longer afford to downplay 'service qaulity' if they are to remain competitive into the next century. Through effective tangibility, reliability, responsiveness and assurance practices, as the active and positive support of people can be gained and dully rewarded. Finally, service quality processes significantly affect customer retention in the hospitality industry as revealed by the findings in this research on Obudu Cattle Ranch, Cross River state, Nigeria.

5.2 Recommendations

Based on the empirical findings, the researcher recommended the following;

1. The management of Obudu Cattle Ranch, Cross River state should improve on their mechanism in tangibility in the organization as this will contribute better profit to a large extent to the organization. During the process of tangibility, the management of Obudu Cattle Ranch should do everything possible within their reach to make sure that tangibility is given a pride of place in the organisation in order to retain their customers and ensure continuous patronage.
2. There is need for the management of the studied hospitality industry to continuously apply adequate reliability in their service delivery since it will enable them achieve their aim as at when due. This in the long run will endear more customer to them thus encouraging customer retention for the organization.

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