

TOURISM GRADING AS A
MARKETING INSTRUMENT IN
BED AND BREAKFAST ESTABLISHMENTS
IN THE DURBAN METROPOLITAN REGION:
AN ENTREPRENEURIAL APPROACH

CHARLES FRANK WILLIAM TANNER

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AN ENTREPRENEURIAL APPROACH

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A dissertation submitted in partial fulfilment of the requirements
for the degree of Masters of Technology in Entrepreneurship
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DECLARATION OF ORIGINALITY

I declare that this dissertation is my own work and that all sources
I have used or quoted have been indicated and acknowledged by
means of complete references.

CFW TANNER

Durban
January, 2003

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DEDICATION

To Sacha, my daughter, strong in my heart.

To Carl, my son, forever in my memory.

ABSTRACT

This dissertation documents research that has been motivated by the growth in the bed and breakfast tourist accommodation sector as a result of the increasing number of visitors to and within South Africa and, particularly in the Durban region. In addition, the political and socio-economic transformation during the past decade has opened the way for entrepreneurs to develop alternative forms of tourist accommodation so that more people can benefit from tourism-generated income and contribute to the wealth of their communities.

Urged on by large hotel companies and the government's aim to raise the quality standards of tourist facilities, the Tourism Grading Council of South Africa (TGCSA) launched a new and voluntary star grading system in November 2001. While this still competes with other grading and quality assurance schemes, bed and breakfast (B&B) establishment owner-managers are becoming more familiar with the benefits of star grading, a process that plays an important role in the marketing of their facilities.

The purpose of this study was to theoretically and empirically explore and evaluate the way that grading assists entrepreneurs to perform the marketing function of B&B establishments. It examines the opinions and perceptions of owner-managers who are members of the local KwaZulu-Natal Bed and Breakfast Associations (KWABABA) as well as a number of tourism personalities who, inter alia, are professionally involved in promoting the quality standards of accommodation establishments.

The conclusions that have been drawn from the literature review, interviews and questionnaire surveys demonstrate that the majority of B&B owner-managers are somewhat familiar with the star grading system, though only a few have been graded while some still have negative perceptions of the scheme. In order to promote a positive stance it has been recommended that KWABABA and other associations, with whom the B&B hosts network, should become more involved in sharing information, training and assisting B&B employers and employees so that these can become more professional in marketing their products and services to meet the expectations of corporate and leisure tourists.

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LIST OF ACRONYMS AND ABBREVIATIONS

AA	Automobile Association
B&B	Bed and breakfast
BABA	Bed and Breakfast Association
C&C	Caravan and campsite
CSF	Critical success factor
DEAT	Department of Environmental Affairs and Tourism
F&B	Food and beverages
FEDHASA	Federated Hospitality Association of South Africa
GNP	Gross national product
HHG	Home Hosting Guild
HITB	Hospitality Industry Training Board
KWABABA	KwaZulu-Natal Bed and Breakfast Association
KZNTA	KwaZulu-Natal Tourism Authority
NAA	National Accommodation Association
SABS	South African Bureau of Standards
SATOUR	South African Tourism Board
SETA	Sector Education and Training Authority
SMME	Small, medium and micro enterprises
TABEISA	Technical and Business Education Initiative in South Africa
TGCSA	Tourism Grading Council of South Africa
THETA	Tourism, Hospitality and Sport Education and Training Authority
VFR	Visiting friends and relatives

CHAPTER ONE

NATURE, SCOPE AND ORGANISATION OF THE STUDY

"The best way to get onto the road of success is to begin." (Anon.)

1.1 INTRODUCTION

The description of some defining features of the modern South Africa would have to include its new democracy and modern constitution, a free market economy, the deregulation of inhibiting work practices, its inclusion in the international community and an abundance of natural resources, both above and below the ground-level. Equally, aspects like the high rate of unemployment and poverty would need to be enumerated in the list of this land's characteristics.

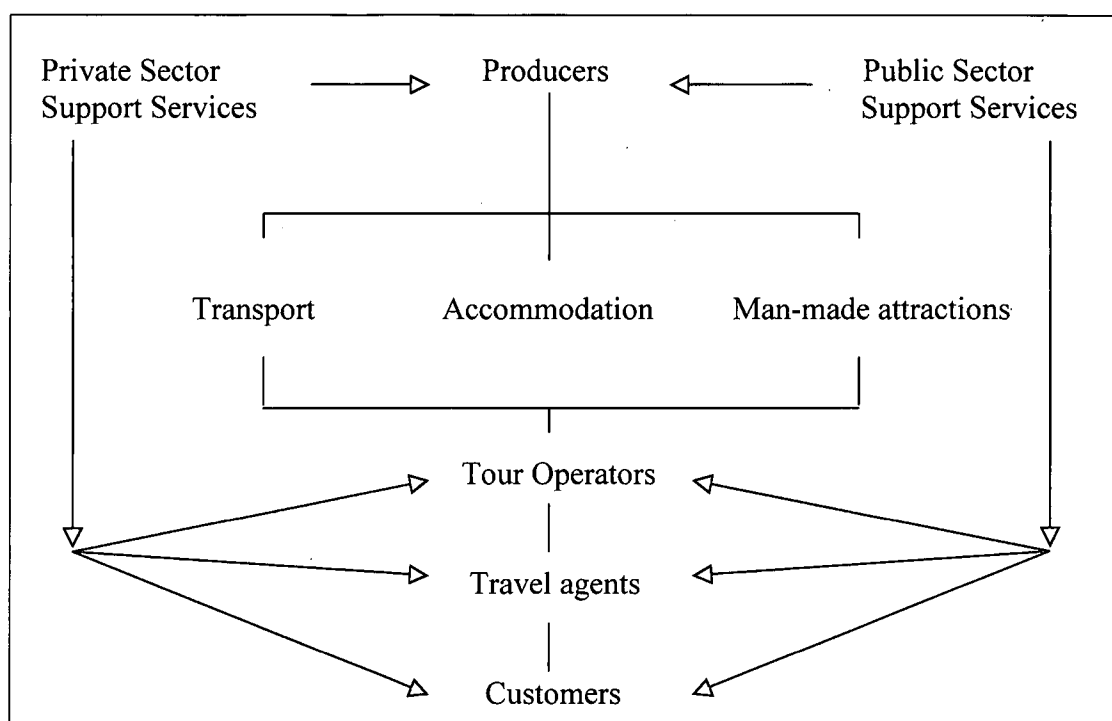
While domestic travellers sustained a tourism industry that was starved of growth prior to 1994, its new popularity has attracted millions of visitors from Africa and beyond to experience a certain magic that is intriguing. Now, the labour intensive and growing tourism industry is under pressure to drive the economy forward. Countless opportunities exist in tourism-related occupations for the development of small, micro and medium enterprises (SMMEs), because small enterprises tend to be successful in service industries. Here, the investment of capital is usually small and the expertise required is not awesome. Tourism, a phenomenon with an array of components, has the potential to empower the unemployed to become entrepreneurs in fields such as tour guiding, transport, catering, supplying accommodation, manufacturing and selling souvenirs, and much more.

1.1.1 The Tourism Industry P.Q

Although travel for leisure purposes can be traced back some 4000 years to the Babylonian and Egyptian empires, the first definition of tourism emerged only in 1937 and has continued to be refined ever since (Bennett, 2000:6). This indicates to some extent how difficult it is to precisely include the wide range of forms that make up the concept of tourism in a short descriptive sentence.

The variety of goods and services that combine to make a tourism product was described first by Medlik (1989:119) as “the amalgam or package the tourist buys”. The composite product, the interrelationships of which are shown in Figure 1.1, includes transportation, accommodation, attractions, food and beverage facilities, entertainment and other activities that are provided by support services. These are packaged by tour operators and sold to customers by travel agents.

Figure 1.1 Components of the tourism industry P.Q



Source: Adapted from Holloway (1992:5)

1.1.2 Bed and Breakfast Accommodation Establishments P.Q

Tourism is arguably one of the largest and fastest growing industries on a global scale (Mowforth & Munt, 1998:13) and currently, the tourism business is expanding rapidly in South Africa, as well (Smith, 2002:3). The arrival of increasing numbers of visitors to a destination encourages existing providers to expand and entrepreneurs, as new entrants into the market, to embellish the scope and quantity of tourist products and facilities.

Entrepreneurial initiatives, especially in tourism, are welcomed and supported by the government who recognise the importance of SMMEs to the growing South African economy (Gqubule, 2002:36).

A large number of entrepreneurs identified suitable conditions for providing different forms of tourist accommodation establishments after the relaxation and, in many cases, after the abolition of restrictive legislation during the years of a fading apartheid era (Rogerson, 2000:670). Whereas previously hotels constituted the bulk of serviced accommodation, it was only in the early 1990s that bed and breakfast establishments (B&Bs) began to develop and flourish. Today there are thousands of B&Bs in South Africa and they have made a considerable impact on the provision of tourist accommodation facilities (Hunter, 2002).

1.1.3 Grading

The tourist accommodation industry in South Africa is in a state of transformation, moving from a scenario of highly regulated hotels to one where bed and breakfast establishments (B&Bs), together with guesthouses, country houses, game lodges, and others are touting for a share of the tourist market. Previously, only hotels were graded, from 1965 until 1991 by the Hotel Board and, from 1992, by the South African Tourism Board (SATOUR). In an attempt to broaden the range of facilities to be graded, B&Bs were inspected by SATOUR for a short period in the mid 1990s. They were not awarded stars but were merely given an accreditation. As some major hotel groups disapproved of the new grading system it was discontinued in 1999 (Rothman, 2002).

Today, the quality of facilities and services varies significantly from one tourist accommodation establishment to another. This causes the sector to offer a hugely heterogeneous range of products and this, in turn, makes the choice for customers difficult. It is envisaged by the South African Tourism authorities that the grading of all forms of establishments, as introduced by the Tourism Grading Council of South Africa (TGCSA) in November 2001, will contribute to a certain amount of regulation within the accommodation industry and to numerous benefits for the providers and customers of tourist accommodation (Siddo, 2002a:13).

1.1.4 Marketing

Many people understand marketing to be different things, like selling or advertising. There are numerous definitions for it, but in the end, practically speaking, "marketing is an obsession with customer service" (Moerdyk, 2002:11).

The marketing concept, according to Kotler and Armstrong (1996:19), is a management approach that is based on the idea that the key to achieving organisational goals consists in "determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors do". In spite of the benefits that have accrued to other service companies, such as banking, marketing has not played a significant role in tourism, especially amongst its practitioners (March, 1994:413).

It is fairly well known that the tourism industry is made up of numerous small firms, yet not much is known about their marketing activities. It was thought that they copied their larger competitors but it has become increasingly clear that they operate quite differently. Factors like the goals of the business, the style of management and the availability of financial resources make marketing in small companies unique (Friel, 1999:97).

1.2 PURPOSE OF THE STUDY

The purpose of this study is to explore and describe whether entrepreneurial bed and breakfast (B&B) owner-managers are familiar with grading and to establish whether grading plays a role in the marketing of B&B establishments, in order to make some recommendations for best practices in entrepreneurial B&B marketing.



1.3 OBJECTIVES OF THE STUDY

- To provide an overview of the development of the B&B accommodation sector in Durban.
- To identify entrepreneurial practice in the B&B sector.
- To explore the extent of grading in B&B establishments.
- To establish marketing practices currently applied in B&Bs.
- To make recommendations to improve marketing practices of B&B owner-managers.

1.4 RATIONALE FOR THE STUDY

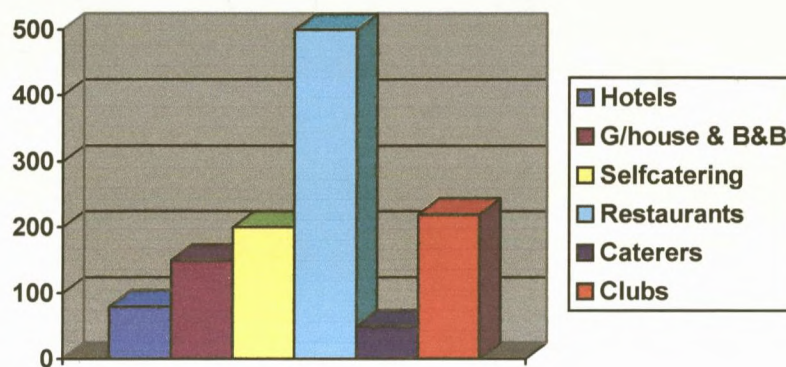
Given suitable environmental conditions, tourism can be the biggest job creator in South Africa. The number of visitors from foreign countries continues to increase rapidly. For example, the number of visitors from the United Kingdom rose by 20% and from Germany by 19% during the first five months of 2002 compared with the same period last year (Paton, 2002:1). The growth of the bed and breakfast accommodation industry in South Africa has been awesome during the past decade, and is still developing unabated. More and more people are choosing to stay in B&Bs as an alternative to the traditional hotels and lodges and collectively, they are making a significant impact on the tourist accommodation industry (Lipson, 2002:3). Modern B&B accommodation is provided mostly by serious, competitive entrepreneurs and, it seems, no longer by just elderly parents whose homes have suffered the “empty nest” syndrome, and whose spare bedrooms are offered to the occasional guests.

During 2000, the Federated Hospitality Association of South Africa (FEDHASA) created a new segment, called the Home Hosting Guild (HHG), thus eventually recognising the B&B sector as an important stakeholder in providing accommodation to tourists. All the HHG members in this region are also members of the KwaZulu-Natal Bed and Breakfast Association (KWABABA). The Chairperson of the KwaZulu-Natal Home Hosting Guild reported at the Annual General Meeting in 2001 “that many B&Bs are pulling the industry down because of poor standards”. The members are convinced that grading will

contribute significantly to improving the quality and marketing of B&B establishments, and the professionalism and credibility of its members (Home Hosting Guild, 2001).

FEDHASA has lost much of its national importance in recent years because of the transformation within the industry, and changes to restrictive laws, like the Liquor Act. Consequently, its membership, especially of hoteliers, has declined as shown in Figure 1.2. It is significant to note that the number of B&Bs and guesthouses supersedes that of hotels.

Figure 1.2 Distribution of FEDHASA membership



Source: Adapted from THETA (2000:132)

1.5 THE VALUE OF THE STUDY

Dahles & Bras (1999:2) claim that the benefits of small operators in tourism, such as B&B practitioners, compared to international tourism companies are numerous. They include the following:

- Small operators foster a more meaningful relationship between residents and tourists.
- Small operators contribute to the creation of employment opportunities, thus helping to reduce the number of unemployed, especially when larger organisations are rationalising and rightsizing.
- Small operators hardly add to wasteful economic leakage.

- There are opportunities for developing enterprises more equitably in all socio-economic strata.
- As more small operators provide more competition the market forces remain healthier. Economic power is spread more evenly.
- Small operators can take care of niche markets effectively. Being smaller, they are more flexible to the changing needs of the public.

In support of the above, it has been expressed at various FEDHASA meetings, which the researcher has attended, that generally, hotels were not able to adapt their products to the changing South African clientele towards the end of the 1980s and early 1990s. The opportunities for entrepreneurs to develop B&Bs were quite obvious, however, the hoteliers' scepticism vis-à-vis the bed and breakfast practitioners was apparent, and it continues to linger on, based on a perception that the latter sometimes provide an inferior tourist product (Siddo, 2002b:17).

In conversations with B&B owner-managers at their KWABABA meetings, it emerged that there is relatively little guidance and support for entrants into this field. In fact, there appears to be a scarcity of information even on the development and status of the B&B sector in Durban, presumably because the various B&B associations are autonomous and rarely network as a whole.

It is essential that entrepreneurs in tourism accommodation should manage and market their ventures professionally in order to be sustainable and to offer tourists a competitive alternative. It is envisaged that the knowledge gained from this study will benefit not only entrepreneurs in the tourism accommodation industry, but also the Standards Generating Body in the hospitality sector, as well as education and training providers for the tourism and hospitality industries.

1.6 ASSUMPTIONS AND LIMITATIONS

In the absence of a register it was impossible to establish the number of bed and breakfast establishments (B&Bs) in the region, so it was not possible to survey more than a random sample of them. It was necessary to make an assumption that the "best" information

would emanate from those entrepreneurs who belong to the KwaZulu-Natal Bed and Breakfast Association (KWABABA).

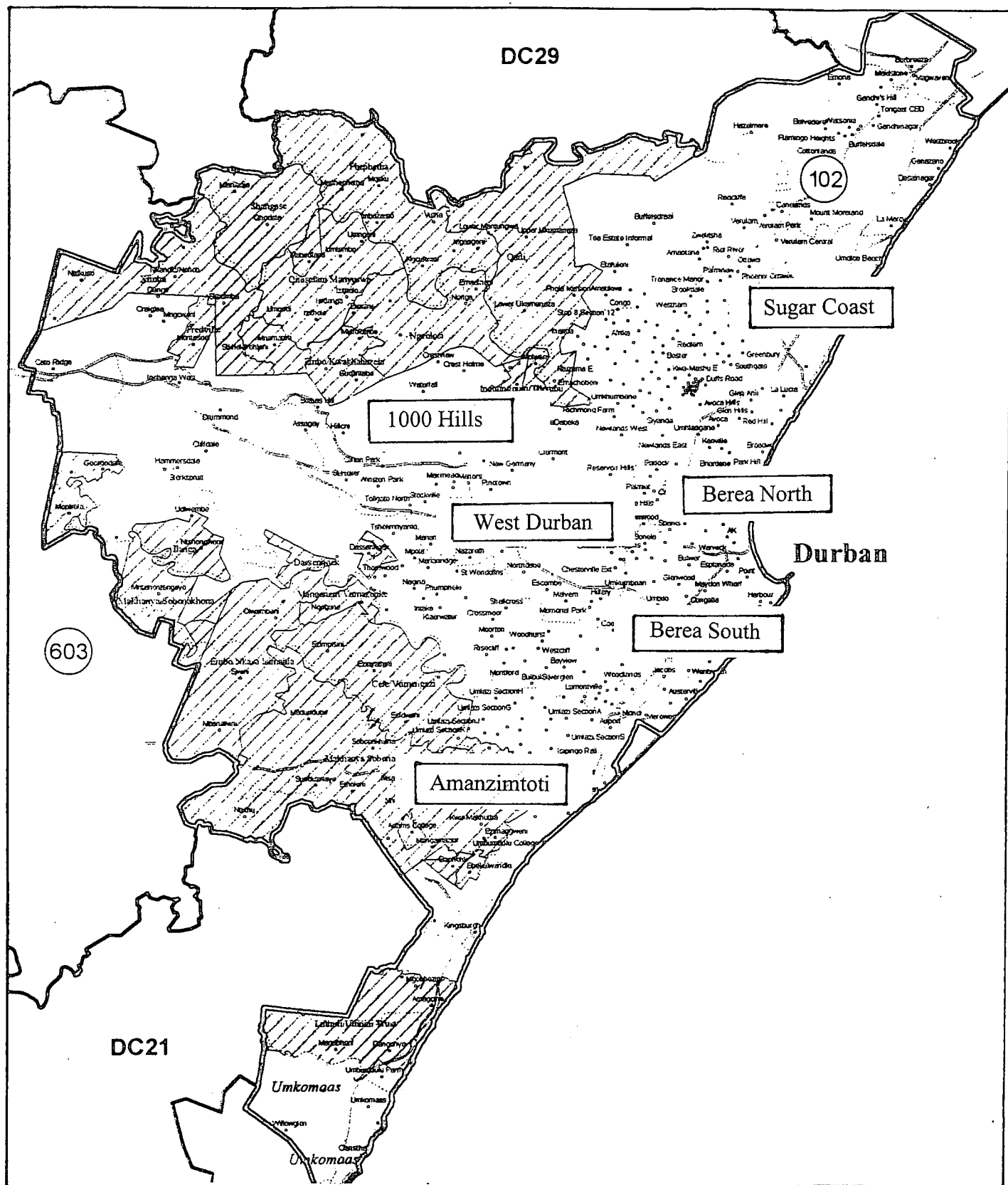
Bearing in mind that there is a perception that many B&B owner-managers are either retired employees and employers or that they have homes that have spare rooms due to grown-up children living elsewhere, it was assumed that those owner-managers who belong to an association, such as KWABABA, would be more market orientated. Their membership would expose them to more knowledge that would enhance their replies to the survey questions.

It was assumed that the meetings of the different KwaZulu-Natal Bed and Breakfast Associations would be held at the time when they were scheduled. It was also expected that all or a significant proportion of KWABABA members would attend their monthly meetings and that the questionnaires could be administered during the process of the meeting so that a large response rate could be achieved. The study focused on the members present at the meeting, which allowed the researcher easy access to them to clarify the purpose of the survey and to answer any queries.

A researcher desires to select survey participants who are honest and willing to give of their time while responding to questions. It was assumed that the selected KWABABA members would fulfil this role.

This research is a study to explore how grading can affect marketing bed and breakfast establishments that are located in the Durban Metropolitan Region, a map of which follows as Figure 1.3 on page 9. The names of the individual KwaZulu-Natal Bed and Breakfast Associations that currently operate within the Durban Metropolitan Region are superimposed on the map.

Figure 1.3 The Durban Metropolitan Region



Source: Urban Strategy Department, Durban Metro, 2002

1.7 AN OVERVIEW OF THE STUDY

Chapter Two introduces the concepts of the entrepreneur, grading and marketing and examines their roles in the context of bed and breakfast establishments (B&Bs). The development of the hospitality industry, particularly of B&Bs in South Africa, is examined in some detail. Thereafter, the features of B&Bs, entrepreneurship in the tourist accommodation sector, the current grading systems, including the Tourism Grading Council (TGCSA), and marketing in small accommodation businesses are examined and described.

Chapter Three outlines the selected research design and justifies the choice of research instruments and sampling for this study. This is followed by a description of the data collection and data analysis.

Chapter Four presents and discusses the outcomes of the empirical research. A detailed analysis of the findings is accompanied by a number of tables, figures and graphic illustrations. The results of the study are grouped into the four research constructs, that is, the entrepreneurial nature of B&B owner-managers, characteristics of bed and breakfast establishments, grading, and marketing practices.

Chapter Five provides the main conclusions of the research and, by means of a methodology, recommendations are made to improve the marketing of B&Bs, by "marketing with stars". Finally, some suggestions for further research conclude the study.

CHAPTER TWO : LITERATURE REVIEW

"Entrepreneurs rarely stumble on success." (P.A. Wickham)

2.1 INTRODUCTION

In the first chapter it was established that the main focus of this study is concerned with the marketing of bed and breakfast (B&B) establishments, with particular emphasis on grading. It was explained that marketing in small tourist enterprises does not follow the same pattern as in hotels, and because the process of star grading was launched as recently as November 2001, it is likely that many entrepreneurs in B&Bs are not yet familiar with the benefits of grading in their marketing activities.

The second chapter commences with a comprehensive overview of the development and current status of the hotel and bed and breakfast accommodation industry in South Africa. The next section describes the features of B&B establishments. Compared with hotels, B&Bs are more heterogeneous and offer different products and services. A discourse on small business management and entrepreneurship and its relevance in the tourist accommodation sector of the hospitality industry follows, whereby it will be examined whether B&B owner-managers do indeed have entrepreneurial characteristics. The fourth section of this chapter explores the accommodation grading systems that are currently operating in this country, whereby special attention is given to the star grading system that is administered by the Tourism Grading Council of South Africa (TGCSA). Finally, marketing in small accommodation businesses is described. Notwithstanding that larger organisations employ traditional marketing management systems and methods, small business managers tend to personalise and select unique methods.

In considering the aims of the literature review it should be stated that for the researcher, it is much more than a mere survey of the "status quo" of information that results in a list of items representing some literature on the area of study. It is also more than a "vehicle of learning", although the aspect of gaining knowledge is important. Here, it is understood that the literature review is more of a "research facilitator", because it influences the research at many stages of its development, from its inception to the

conclusions. It follows then, that the product of the second chapter is a literature review that aims to identify the current state of knowledge pertaining to the problem area, in providing a conceptual framework to be built in which facts, relationships and findings of this research study can be placed, and it helps to refine and introduce ideas that are relevant to the scope of the study.

2.2 DEVELOPMENT OF THE ACCOMMODATION INDUSTRY IN SOUTH AFRICA

An appreciation of the historical development of the accommodation industry, both of hotels and of other forms, such as B&Bs, in South Africa assists one to understand that the tradition of hospitality management is considerably younger here than in, for example, the developed nations of Europe. As a consequence of this later start, it appears almost folly to contrast the professionalism of people and the quality of service of South African establishments with those in developed nations. Nevertheless, factors, like globalisation, have assisted the local industry to narrow the differences and become competitive.

2.2.1 Development of the Hotel Industry in South Africa

The arrival of Dutch seafarers in 1652, of the British and other European immigrants during the 18th and 19th centuries, the Great Trek during the 19th century, as well as the discovery of diamonds in Kimberley and the discovery of gold in the Mpumalanga and Gauteng provinces in the 1870s and 1880s, shaped an industry that was based mainly on the sale of liquor until the first half of the last century (Francis, 1996:53-54). The provision of accommodation and food were almost by the way though the hospitality provided by the urban and rural inhabitants, especially farmers, proved to be an invaluable source of comfort for the travellers of those early days. Whereas these might be interpreted as the forerunners of the modern 'country houses' or 'lodges' or 'bed and breakfast establishments (B&Bs)', the first inn in South Africa can be traced back to Cape Town in 1661, and the first hotel in Durban to the "McDonald", now known as the Royal Hotel, established in 1843 (Mornet, 1981:41-54).

The misuse of alcohol by employers and employees led to great social problems, especially in the new towns around mining areas. The intervention of the government culminated in the promulgation of the Liquor Act (No 30 of 1928). It led generally, to more order in the control of labour and more especially, it regulated the distribution of liquor (Baker, 1992:149). For example, on-consumption licences were to be provided only to hotels with the intention of phasing out bar licences by 1937. The Act was also famous for its variety of draconian restrictions in the tourist accommodation industry, which were heavily policed by the Justice Department until 1978. The liquor laws have been amended several times and, more recently, their aim is to "move away from attempting to regulate economic activity" and rather to "protect the community" (Epstein, 1995:120) against the dangers associated with liquor. For this purpose, all outlets that sell liquor, including B&Bs, are still required to obtain a liquor licence.

The Hotels Act (No. 70 of 1965) had a great impact on the hotel industry. It charged the Hotel Board with the grading of all liquor-licensed and unlicensed hotels. The increased regulation of accommodation establishments gave much status to the industry, but placed extreme pressure on hotels to meet the strict requirements (Francis, 1996:14). The mid-1970s were characterised by a "highly regulated industry ... in which motels and hotels predominated" (THETA, 2000: 57). The method of 'policing' hotels changed when the South African Tourism Board was formed in October 1983 and replaced the South African Tourist Corporation, the Division of Tourism, and the Hotel Board. Apart from its marketing functions, amongst others, it continued to administer the star grading system for hotels (South Africa, 1986:859), but its role changed to one of increased co-operation and assistance with hoteliers (Heilbuth, 1985:9).

The international oil crisis and the political unrest in the country took its toll on tourism during the 1970s and 1980s. The restrictions on purchasing petrol at night restricted long-distance travel and escalating hotel room rates scared off domestic holidaymakers. As a result, local business people and holidaymakers chose to stay in self-catering and time-share establishments, and the limited-service and no-service brands of hotels flourished (Grimsell, 1995:26). This was the time for hospitable homes to adapt and compete against traditional hotels, according to the Publisher of the AA-Guide and the Senior Consultant at Qualitour who were interviewed by this researcher in Johannesburg on 17 September 2002. In addition, the significant announcement by the Tourism Board

in 1986 that “changes proposed to the Hotels Act make provision for ‘Garni Hotels’ – bed and breakfast establishments” (Moth, 1995: 173) meant that hotels did not have to provide three meals any longer.

The composition of the hotel industry changed in accordance with the declining occupancy figures in lower graded, mainly liquor-dispensing hotels from 1976 to 1993 – the last year of compulsory grading. The number of three-star hotels doubled from 63 to 135, but 307 one-star hotels with 8134 rooms closed. The empty rooms in hotels during the late 1980s and early 1990s led to increased diversification in the accommodation sector (Grimsell, 1995:26-32). The Tourism Act (No. 72 of 1993) brought with it the acclaimed voluntary National Grading and Classification Scheme, but it was linked to a disputed levy system. This resulted in the demise of the star grading system and the hotel industry, by default, regulated itself for much of the remainder of the decade (Francis, 1996:26). Nevertheless, the Tourism Board’s (SATOUR) accreditation programme for B&Bs was launched in December 1994, an indication that alternative forms of tourist accommodation were becoming increasingly acceptable (Moth, 1995:182).

The Federated Hospitality Association of South Africa (FEDHASA), originally launched in 1949, became the official body that represented licensed hotels and catering outlets during the last decades of the century. However, its significance as a public “spokesman” of the hospitality industry has diminished recently (THETA, 2000:132). It was influential in establishing the Hospitality Industry Training Council in 1986, that later became known as the Hospitality Industry Training Board (HITB), a leading organisation in the field of staff development (Ansara, 1995:42).

Emanating from the provisions of the Skills Development Act (No.97 of 1998) the Sector Education and Training Authority (SETA) for the economic sector comprising hospitality, travel and tourism services, gambling and lotteries, conservation and leisure, and sport and recreation, commenced its operations as the Tourism, Hospitality and Sport Education and Training Authority (THETA) on 1st April 2000 (THETA, 2000:5). In its Skills Plan for 2000/2001 it is stated that estimating the total number of employers and employees in the hospitality and tourism sectors is problematical “due to the lack of up-to-date statistics” (THETA, 2000:16).

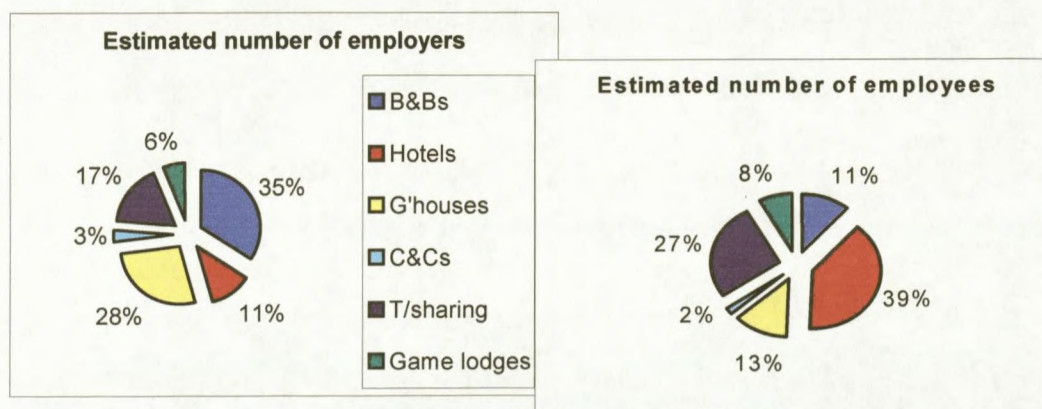
Despite this, the data in Table 2.1 were compiled for certain sectors of the hospitality industry based on a number of research methods, and the figures include those people who are both in the formal and informal sectors. The charts in Figure 2.1, based on the information in Table 2.1, emphasize the differences between hotels and B&Bs, guest houses and game lodges. The former have a relatively smaller number of employers compared to employees. These factors highlight the shift in the provision of types of tourist accommodation since the new government supported the slackening of the restrictive regulation practices of the economy, or as Sunter (1997:51) asserts, "it's all about government creating a promising environment to help people help themselves".

Table 2.1 Estimated number of employers and employees in the Accommodation Industry of South Africa

Category	Estimated Number Employers	Estimated Number Employees
Hotels, motels and inns registered with and not registered with SATOUR	1 500	73 500
Bed and breakfast	4 500	21 500
Guest houses and guest farms	3 600	24 500
Caravan parks and camping sites	450	3 300
Timesharing (including resorts and parks; self-catering apartments/cottages)	2 300	51 000
Game lodges	800	14 500
Total	13 150	188 300

Source: Adapted from THETA (2000:17)

Figure 2.1 Comparison of the number of employers and employees in various sectors of the Accommodation Industry



Source: Adapted from THETA (2000:17)

2.2.2 The Bed and Breakfast Industry

The growth of the bed and breakfast accommodation industry in South Africa continues unabated after "it took off in a big way" after 1992 (Westby-Nunn, 1995:59). The precise number of establishments is unknown, partly because the dynamics of entry and exit into the market are unstable, and partly because there are many B&Bs that are not formally registered (Caras, 1998:21). Some industry observers estimate the figure to be between 9 000 and 10 000 (Hunter, 2002). P.Q

P.Q There are several reasons for the rapid development of the B&B industry during the 1990s, as is documented in the archives of media companies. Certainly the rising cost of hotel accommodation was a significant factor (D'Angelo, 1996), as were factors such as the predicted shortfall of bed space (Brennan, 1996), the publication of accommodation guides and networking (Ord, 1994), a refuge from the 'poor' standards of service in hotels (Mathias, 1996), the voluntary grading scheme announced in 1993 (Ord, 1993), assistance with finance and advice by the Small Business Development Corporation (Ord, 1993) and step-by-step guides to run B&Bs (Scott, 1996), the homely environment (Morgan-George, 1995), and safety for female travellers (Sherriffs, 1993). It is unlikely that the growth of B&Bs will taper off, unless certain community councils begin to regulate the industry by registering them more carefully to avoid saturation. A danger of uncontrolled expansion is increased competition and certainly "quality standards will drop" (Reed, 1995:61).

There appears to be a scarcity of research that has been undertaken in the B&B industry in South Africa. Very little information can be found in publications, other than trade magazines and daily newspapers, about the development of this sector of the accommodation industry on a national scale, its share of the market, its geographic distribution in urban and rural areas, the sizes and features of properties, the rates charged, and market segments that they serve. Even locally, for example in the Durban Metropolitan Region, data is very limited.

It would be of interest, for example, to establish which criteria visitors to, and within South Africa, consider when choosing a particular type of accommodation: that is, the reasons for selecting either a hotel, or a B&B, or a guesthouse, and so on. Dickman and

Maddock (2000:33) enumerate five reasons that feature most importantly in the decision making process:

- Location.
- Uniqueness of product – established through marketing or reputation.
- Only option available in the destination area.
- Hospitality, friendliness, service or previous good experience.
- Price.

Based on conversations and observations of this researcher while conducting research into “township tourism” (Tanner, 2002: 6) it is likely that in South Africa there would be at least an additional three criteria that affect the selection of the preferred place to stay. They are safety and security, cleanliness and maintenance of the establishment, and effective communication with guests and organisations, resulting in a good understanding of each other.

As can be seen in Table 2.2 most foreign visitors prefer to stay in hotels and lodges, whilst just over one fifth of them visit friends and relatives (VFR).

Table 2.2 Use and critique of type of selected accommodation in KwaZulu-Natal

Type of Accommodation	% Foreign Visitors	Rating as good	% Domestic Visitors	Rating as good
VFR	20.8	-	55.4	-
Caravan & camping	5.5	-	20.2	-
Own home	N/A	-	8.6	-
Guest house and B&B	19.5	77	6.0	84%
Luxury hotel	34.2	77	5.4	93%
Family type hotel	12.4	68	4.6	40%
Game/country lodge	21.7	97	0.4	61%
Other (e.g. self-catering cottage)	17.2	83	1.0	-

Source: Adapted from Nielsen Report (KZNTA, 2001): Foreign Visitor Survey Tables 21a and 21b; Domestic Tourism Survey Tables 23a and 23b

(Note: The %-column adds to more than 100% because the survey figures were rounded off and some visitors selected more than one place to stay.)

An encouraging trend for small accommodation operators is the growing number of tourist nights, both of foreigners and domestic travellers, in guesthouses and B&Bs. It is of note to emphasise that more than three quarters of all foreign visitors and 84% of domestic tourists considered the rating of guesthouses and B&Bs to be "good", after being requested to rate them as "good", "fair", or "poor".

2.3 BED AND BREAKFAST ESTABLISHMENTS

As was earlier explained, corporate and leisure travellers select accommodation at bed and breakfast establishments as an alternative to traditional hotels for a variety of reasons. This section aims to describe the phenomenon of B&Bs, first by attempting to define them and then by describing their features and characteristics.

2.3.1 Definition

P.Q
Many organisations have attempted to define a B&B. In their information leaflets and guides, the KwaZulu-Natal Tourism Authority (KZNTA) stipulates a maximum number of three guest rooms for a B&B and the Automobile Association (AA) requires a B&B to have less than 10 rooms. In contrast, the definitions given by the Tourism Grading Council of South Africa (TGCSA) and the South African Bureau of Standards (SABS) do not prescribe a certain number of guest rooms. The Portfolio Collection Guide and the Infinity Lifestyle Guide, both of which classify their establishments, ignore a precise definition of B&Bs, as does the KwaZulu-Natal Bed and Breakfast Association (KWABABA) and the National Accommodation Association (NAA).

The ambivalences amongst organisations suggest that a broadly acknowledged definition cannot be formulated. In addition, the differences between B&Bs and guesthouses are not clear and making a distinction becomes cumbersome as some of their characteristics overlap. Nevertheless, for the purpose and convenience of this study the definitions given by the TGCSA (2002a:3-4) have been adopted. They are as follows:

"Bed and breakfast accommodation is usually provided in a family (private) home and the owner/manager lives in the house or on the property. Breakfast is usually served. Bathroom facilities may or may not be en-suite and/or private. In general, the guest shares the public areas with the host family."

"A guest house is either a converted house, manor, etc., adapted to accommodate overnight guests or it may be a purpose-built facility. A guest house is run as a commercial operation and is often owner-managed. A guest house has public areas which are for the exclusive use of the guest. The owner/manager either lives off-site, or in a separate area within the property."

According to the Administration Manager of the TGCSA, the Grading Council will not interfere in the name selection of an establishment. If a place theoretically is a guesthouse but wants to be called a B&B it will be graded as such (Rothman, 2002). Similarly, the Chairperson of KWABABA and the National Accommodation Association (NAA) does not restrict its membership to B&Bs only (Hunter, 2002).

The above TGCSA definition of a B&B compares favourably with that used in Australia, with a notable difference in the stipulation that "the guest has use of a bathroom which is not the host's bathroom" (Dickman & Maddock, 2000:5). This requirement would be difficult to enforce in all South African conditions because many homes, especially in previously disadvantaged areas, do not have more than one bathroom facility.

2.3.2 Features of Small Tourist Accommodation Enterprises

Many academics, including Friel (1999:97), have emphasised that small firms are not simply large ones in a miniature version. In other words, bed and breakfast establishments are not simply small hotels. Some of the special characteristics of B&Bs include the following (Beaver, 2002:5):

- Most B&Bs are owner-managed. Only one person makes most decisions.
- They are operated on an independent basis.
- They depend on a small number of customers, and B&B hosts rely on repeat business to keep the 'bottom line' in a healthy state.
- As smaller organizations can hardly influence their market sector, they have to accept the conditions in which they operate. For example, local B&B practitioners cannot charge much more or less than the acceptable rates that prevail in their areas.

- Owner-managers have to raise their own capital. This can limit their business strategy choices.
- B&B operators, like other small business practitioners, usually operate as simply as possible. This may restrict their ability to diversify if necessary.
- Most B&B owners lack the same expertise and experience of their counterparts in larger organisations.
- Small business owners have greater difficulty accessing pertinent information.
- Small firms, including B&Bs, are heterogeneous: in fact, as diverse and individual as the men and women who own and manage them.

2.3.3 Characteristics of Bed and Breakfast Establishments

Bed and breakfast establishments in South Africa are different and unique compared with those, for example, in America, England, the European Continent, and Australia. There are many varieties, ranging from the opulent and elegant to the plain and primitive. Nowhere are two B&Bs alike: in fact, "every successful B&B has a personality – targeted to appeal to its visitors" (Dickman & Maddock, 2000:23).

As any listing of B&Bs demonstrates, for example in the Portfolio's Bed and Breakfast Collection, many small establishments are purpose-built or substantially renovated, some have conference facilities, some have a resident chef to cater for the guests' needs, but others do not have private bathrooms and some "might not have the best facilities – no hot water, for instance" (Paton, 2002:1). The following notes are based on the researcher's observations.

2.3.3.1 Furnishing and Fittings

A B&B, like most other forms of tourist accommodation, is expected to have adequate furnishings and fittings, similar in range to those found at the guest's own home. However, there are B&Bs that focus on special furniture and fittings to suit a particular theme or cultural tradition. For example, a special ambience is likely where antique furniture and delicate china crockery are the order in one home, and just as likely in a Zulu home, there might just be a mat for a mattress and a candle for bedside lights.

2.3.3.2 Services and Extras

The provision of services and the supply of extras also vary considerably from one B&B to another. For example, some establishments offer their guests transport to and from the airport, the use of telephones, bicycles, disposable cameras, hand cream, postage stamps and stationery, and so on. Other guests, in less sophisticated places, are expected to find their own way to the B&B and they cannot rely on emergency kits being distributed if they have left essential items at home.

2.3.3.3 Food and Beverage Service

Food and beverage (F&B) service at breakfast time is an integral part of the B&B business, and should, by most definitions, be included in the rate. The type of breakfast, whether English, Continental or buffet style, and whether it is served in the guest room or in the dining room, varies according to the preferences of the owner-managers. Certain B&Bs offer lunch and dinner, even afternoon tea and cakes to their guests. As Dickman and Maddock (2000:80) point out, food and beverage lends itself well to “value adding”, and may include a wide range of gestures to exceed their customers’ expectations by, for example, offering a welcome cocktail on arrival, fresh fruit in the room or a glass of port after dinner.

2.3.3.4 Registration

According to both a representative at Durban Africa, that is the Durban Tourism Authority, and the Chairperson of KWABABA, there are numerous B&Bs that have not registered as small businesses with their community councils, mainly because of ignorance and the relaxation of control measures in the various metropolitan councils. Several owner-managers also have not applied for licences to trade with liquor, have not obtained licences for all the television sets in their houses and they do not know of, or ignore the need for permits to run their businesses properly (Hunter, 2002).

Obviously, unregistered businesses are not recorded “in the national accounts and are not part of the Gross National Product (GNP)” (Moolman, 1998:38). They are part of the informal sector of the economy, and as such, it is impossible to record all the B&B establishments in any one area.

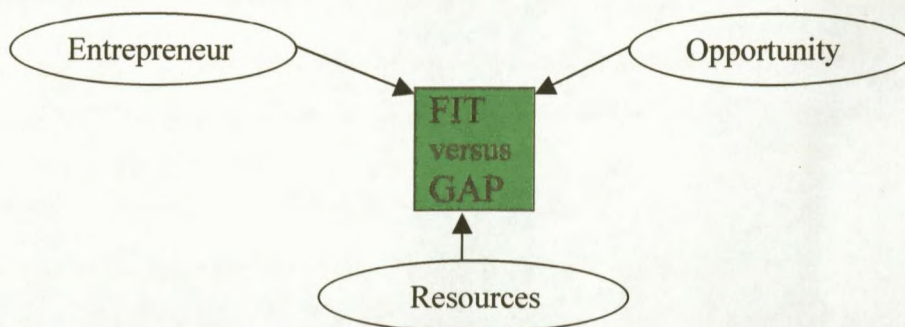
2.4 ENTREPRENEURSHIP IN TOURIST ACCOMMODATION

The importance of small businesses to the economies of both industrialised and developing nations has been studied and recognised for more than three decades (Beaver, 2002:2). It is widely acknowledged that small firms are the main providers of new jobs, creating new wealth and distributing it equitably (Wickham, 2001:2). In recognition of the contribution of small business owners to alleviating the problems of high unemployment in South Africa, the Department of Trade and Industry and the Department of Environmental Affairs and Tourism are paying increasing attention to the development of small, medium and micro enterprises (SMMEs) (Rogerson, 2000: 680).

2.4.1 Meaning of Entrepreneurship

Timmons (1999:27) describes entrepreneurship as a “way of thinking, reasoning and acting that is opportunity obsessed, holistic in approach, and leadership balanced”. He maintains that creating and recognising opportunities is at the core of entrepreneurship. Wickham (2001:7) is more cautious about formulating a universally acceptable definition, but similar to Human (1998:86), he explains that entrepreneurship is driven by three forces, as shown in Figure 2.2.

Figure 2.2 Driving forces of entrepreneurship



Source: Adapted from Human (1998:86)

The way that an opportunity, the resources, and the entrepreneur come together determines whether there is a "fit" or "gap". The gap signifies that certain factors need to be further developed.

In South Africa there is also difficulty in finding an unambiguous description. Steyn (1998:1), for example, states that

"entrepreneurship implies the creation of something with value that will satisfy a real need in the market (whereby) value is created by utilising a market opportunity creatively, regardless of the resources an individual currently possesses".

Driver et al (2001:7) take a broader view, arguing that entrepreneurship is

"about the capabilities of people to combine scarce resources in new ways to respond to opportunities or provide solutions to problems ... these four terms, entrepreneurship, small business, innovation and black economic empowerment, are often used loosely and interchangeably".

The authors' rationale for embracing a more inclusive description of entrepreneurship in South Africa is based on their observations that a large number of people engage themselves in a form of self-employment because they cannot find any better work opportunities. These people, it is claimed, are also genuine entrepreneurs.

Is it plausible to consider an entrepreneur as anyone who embarks on establishing a small business in South Africa? It could be argued that it does not really matter whether a person is an entrepreneur or a small business person. In any case "many commentators and academic writers use the terms interchangeably" (Beaver, 2002:63). Entrepreneurs can be found in all kinds and sizes of businesses, at different stages of their life cycle. It is of greater consequence to focus on the enterprise, for it must innovate to avoid the inevitable path of decline (Drucker, 1985: 135-138). To ask whether B&Bs are owner-managed by entrepreneurs is less important than establishing whether the businesses are entrepreneurially managed. In the end, entrepreneurship is about people. Some will look back and stagnate; the successful ones will embrace an entrepreneurial spirit and work better.

2.4.2 Features of Small Business Owners and Entrepreneurs

As is the case in other fields of manufacturing and commerce, in the hospitality industry small business owners and especially entrepreneurs have become role models, admired heroes who show the aptitude of innovating, risk-taking, daring actions, and having good business sense. However, trying to describe and clarify the characteristics of small business owners and entrepreneurs is tedious and problematic. The findings of numerous studies have been steadfastly criticised and are not conclusive (Beaver, 2002:36). The following Table 2.3, nevertheless, aims to summarise the features of entrepreneurs based on three principal perspectives of studies that have been undertaken.

Table 2.3 Characteristics of entrepreneurs

Psychological perspective	Economic perspective	Sociological perspective
<ul style="list-style-type: none">* Need for achievement* Locus of control* Risk-taking propensity* Need for independence* Innovative and creative behaviour	<ul style="list-style-type: none">* Innovator or agent for change* Willing to take risks* Able to make confident, judgemental decisions* Power of foresight* Firm and resolute* Able to lead and motivate others	<ul style="list-style-type: none">* Opportunistic* Adventurous* Ambitious and ideas driven* Innovative* Proactive* A high-profile image maker* Adopts a broad financial strategy

Source: Adapted from Beaver (2002:38-41)

It is unlikely that all the characteristics listed in the above table could be attributed to a single entrepreneur. The features should rather be viewed as those qualities that are likely to be inherent in an entrepreneur rather than in a person who likes the safe and secure environment accorded to that of an employee. They are likely to be found in most B&B owner-managers, as well.

Interpreted more simply, the above table helps to answer the question why some people become entrepreneurs. According to Human (1998:83-84), they are motivated because they want to earn a better income, or get more job satisfaction, or want to be

independent, to be their own boss, or to be free to exploit a new idea, or to prove themselves.

In an effort to gain a better understanding of entrepreneurs, there have been several attempts to classify them or their ventures (see Appendix C). Although it is beyond the scope of this work, it would be worthwhile to categorise the various 'types' of entrepreneurs who own and manage B&Bs. Certainly, some will be entrepreneurs who are opportunity-driven or survival-driven (Driver et al, 2001:9), while others will fit the descriptions of growth-oriented or independence-oriented entrepreneurs, classic entrepreneurs or small business owners, gamblers, consolidators, dreamers, senior citizens, workaholics, swingers, idealists or high-flyers (Wickham, 2001:22).

2.4.3 Small Enterprises

In general, the definition of a small business is complex. It can be based on a variety of criteria, for example, the number of employees in full-time service, or the turnover or income figure, or the form of management, or total assets, or the number of business units or branches (Moolman, 1998:28). However, these factors depend on the type of business. A small firm, for example in mining, might be considered to be large in the tourist accommodation sector.

The National Small Business Act (1996) classifies accommodation and catering organisations according to employee numbers (THETA, 2000:38) as follows:

- Micro 5 or less employees
- Very small 6 to 10 employees
- Small 11 to 50 employees
- Medium 50 or more employees

Apart from stating the number of employees, the Act also includes a 'survival enterprise' as an SMME in South Africa. These, it states, are run by people who struggle to survive, cannot find work anywhere else and earn less than the minimum standard of living.

2.4.4 Small Businesses versus Entrepreneurial Ventures

A number of researchers concur that there are differences between a small business and an entrepreneurial venture. As evidenced in Table 2.4, the significant difference between a small business and an entrepreneurial venture is that the latter has the capacity to innovate and manage strategically, to make the venture prosper and grow.

Table 2.4 **Difference between small businesses and entrepreneurial ventures**

	Small businesses	Entrepreneurial ventures
Motivation to start business	Pursue personal goals and objectives, whereby the business is the primary source of income	Pursue profit and growth
Behaviour	Traditional	Innovative
Strategic management	No	Yes

Source: Adapted from Beaver (2002:16, 70 & 202)

The term 'strategic management' refers to the actions, such as marketing, accounting and operating, that an entrepreneur takes so that the business goals can be achieved. However, these actions must not be considered as individual components, but rather must be planned and implemented as different facets of the business as a whole ("holistically") and they must function together as one (Beaver, 2002:20).

An important issue that remains unanswered is whether some small business owner-managers may sometimes, under certain conditions, behave as entrepreneurs. Peter Drucker (1985:27) argues that "the entrepreneur always searches for change, responds to it, and exploits it as an opportunity". If entrepreneurship is "always" about change, then surely, in the researcher's view, there would be few genuine businesses that could, in fact, be classified as entrepreneurial ventures.

As Wickham (2001:25) cautions, the distinctions made in the table above are not discernible in every case all the time. For example, it was observed in conversations with some entrepreneurs in B&Bs that they are initially motivated to start a venture for

personal reasons and, at a later stage, maybe after gaining confidence, they pursue profit and growth. Often B&B owner-managers are innovative to start with, but later in the business cycle they adopt a more traditional behavioural style.

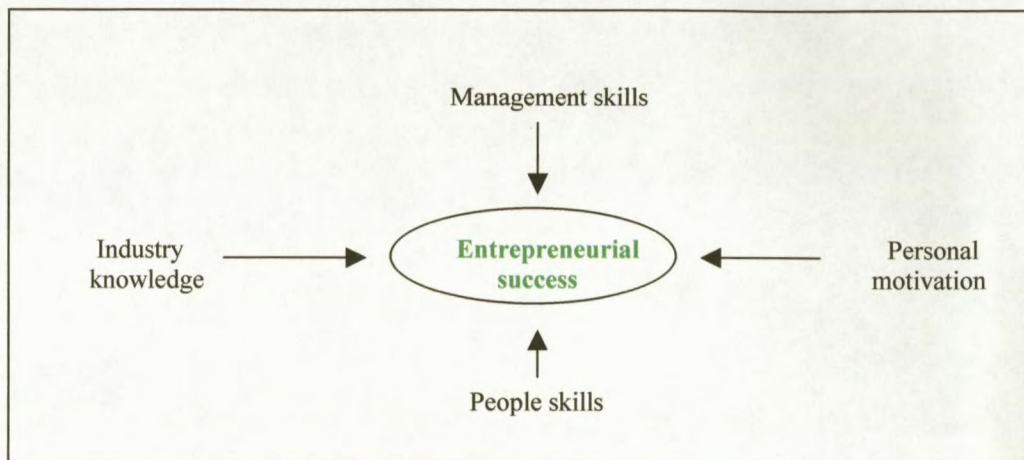
It is beyond the scope of this study to establish whether franchising is 'entrepreneurship' or merely 'employment'. Although only one example of franchising in B&Bs (called "eKhaya") has been located by the researcher, it does seem feasible that this form of business would be very appealing and beneficial for those who were previously disadvantaged in South Africa. Franchisees are not usually innovative, and some of the unsavoury risks are carried by the franchisor, for example, the actual process of creating the new business. Many people find the aspect of reduced risk attractive, but "retaining elements of entrepreneurship" is a strong motivator for choosing this form of business (Beaver, 2002:28).

2.4.5 Managing a Small Business

Managing a small organisation, like a B&B establishment, is very different compared with managing a hotel. Beaver (2002:56-58) explains that the process is characterised by adapting to changing circumstances and opportunities, during which the owner-manager concentrates less on predicting, but rather on controlling the operating environment and adjusting quickly to its changes. These activities are closely linked to the personality and experience of the entrepreneur or manager. They do what they think best. Further, in a B&B establishment, the structure of the organisation is invariably loose and informal, so entrepreneurs are in close contact with the operating personnel and they can easily influence the activities directly.

Nevertheless, to succeed in business, to grow and to gain a competitive advantage entrepreneurs need a variety of skills. They need to have an eye for a good opportunity that might fill a gap in the market. As Figure 2.3 on page 28 shows, they should be well motivated, able to manage the financial and physical resources, the people inside and outside the business, and in addition provide the goods and services competently (Wickham, 2001:55).

Figure 2.3 Factors that influence entrepreneurial success



Source: Adapted from Wickham (2001:55)

Successful entrepreneurs are able to combine the above factors effectively, either alone or with the help of other people who make up for any weaker areas. Others though, start new ventures after leaving their normal employment and are technically able to provide the products, but they fail to pay adequate attention to the managerial side of the business (Beaver, 2002:59). So, in the tourist accommodation industry, entrepreneurs in B&Bs need to be mindful that their flair for hospitality does not automatically translate into success unless they are competent in managing their establishments, as well.

The management skills include those of strategising, planning, organising and controlling projects and resources, marketing, as well as managing physical and financial resources. The people skills are interrelated, linked to the effective leadership of people both internally and outside the business. In a tourist business, adequate competency in effective communication and social skills are essential.

2.4.6 Innovation and Opportunity

Many people are creative, invent new things and have good ideas. Ideas are useless though, unless they add value to those who use them, usually customers, as an innovation, and the best innovations are “those which are inspired by a clear need in the marketplace” (Wickham, 2001:79). For example, an innovation may be in the form of a new product in the guest room, like an Espresso machine, or a new service to guide

guests to tourist attractions, or a new production technique, or a new way of informing or distributing the goods to customers or a combination of these.

To determine whether an idea is a good ‘opportunity’ for a bed and breakfast business, it needs to meet four criteria, or four “anchors”, according to Timmons (1999:114):

- It must add value to a customer or end-user.
- Someone must want to pay for it because it solves a problem or it is needed. It must have sufficient market demand.
- There is growth potential, robust margins, and money-making characteristics.
- The idea should fit with the competencies, aspirations, goals and values of the entrepreneur and the team.

Put more succinctly, Human (1998:87) states that a good opportunity is “attractive, sustainable, timely, and anchored in a product or service that adds value to the consumer”. Finding this innovative opportunity is “at the heart of the (entrepreneurial) process” (Timmons, 1999:38).

The extent to which culture influences innovation and opportunities should not be underestimated (Wickham, 2001:57). It was interesting for the researcher to observe that there are no bed and breakfast establishments in the previously Indian regions that border Durban, and just a few in the so-called African townships that are spread over vast distances close to the city. Apart from the fact that both the Indian and Zulu peoples consider their guests to be part of the family when they visit them at home, the reasons for the lack of B&Bs in Zulu areas may be more deep-seated, as was learnt by this researcher during a number of workshops during the Masters course. Entrepreneurs need to believe that the future can be moulded by themselves and that the responsibility for change and the outcomes of decisions are within each individual’s control sphere. In addition, the Zulu person’s culture tends to steer him or her away from uncertainty: that is, away from taking risks.

2.4.7 Growth

Whereas the majority of owners of small firms are content to remain small (Boer et al., 1997: 37), successful entrepreneurs distinguish themselves by being concerned with the growth potential of their businesses (Beaver, 2002:123).

Most companies do not want to stand still; they want to expand. They develop a growth strategy that spells out firstly the main long-term goals to be achieved, usually quantified in growth of sales and growth of market share, and secondly the directions and resources that should be allocated to reach them. A number of approaches have been pioneered to assist businesses to strategise effectively, including the product/market expansion matrix by Ansoff, the business portfolio matrix by the Boston Consulting Group and the “five forces” model by Porter (Stoner et al., 1995: 267-275).

Hisrich and Peters (1998:259-262) emphasise that entrepreneurs must be able to access market information and keep abreast of developments to ensure that their businesses start up, grow and remain successful. Understanding the marketing system, that is the major components that interact with each other, and the “ability to identify and exploit a particular market niche” (Beaver, 2002:133) by focusing on the needs of customers, is paramount as a function of growth.

2.5 GRADING

With confidence it can be stated that “stars” are an international icon of quality. In many countries they are used to indicate the quality of taxis, tourist coaches, safety, liqueurs and spirits like cognac, restaurants, and, of course, tourist accommodation establishments. An increasing number of nations have converted their grading systems to stars: for example, Ireland and the United Kingdom (Scottish Tourist Board, 2002:1).

In this section, grading systems in South Africa are examined, and the new star grading scheme, which was launched in November 2001, is described.

2.5.1 Regulation of Markets

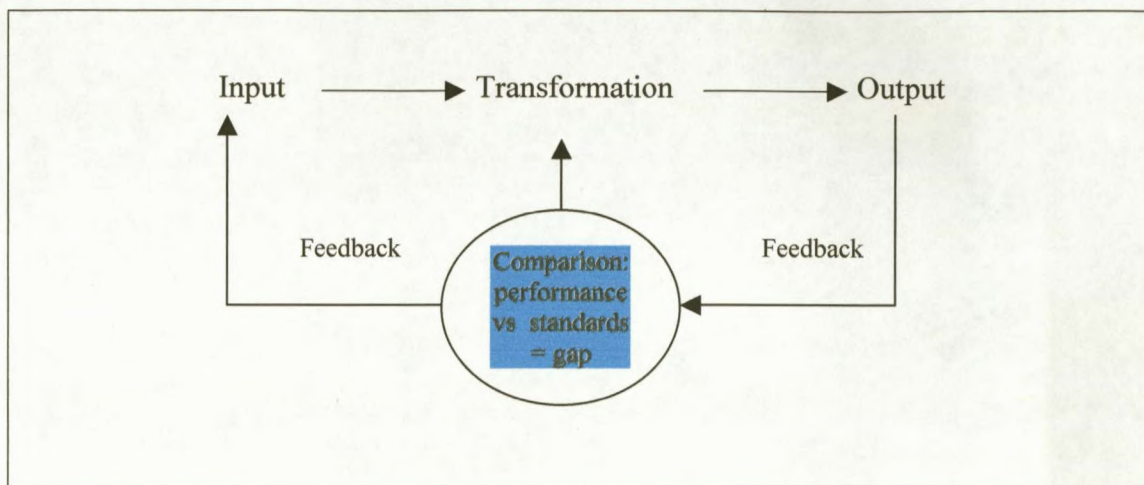
Although most governments in Europe embrace a vibrant enterprise culture, they are slow to address the principal concerns of small and medium enterprises. These are “domestic laws and taxation policies, together with regulation and bureaucracy” (Beaver, 2002:190).

The notions of a ‘free market’, ‘economic freedom’ and ‘laissez faire’ have always been desirable, but there cannot be any government today that does not get itself involved in promoting and regulating business. The motive for regulation is the protection of some business people from others and the promotion of the public interest, because, as Wolf (1988:17) asserts, there are “frequent and numerous shortcomings of market outcomes”. He quickly reminds the reader, though, that just because the market sometimes fails by being inefficient or inequitable, the government might not necessarily do better.

It is not the purpose of this dissertation to debate the positive and negative aspects of regulation theory, but rather to point out that grading accommodation establishments influences and affects the normal market process. Some regulations, such as the Liquor Act (No. 30 of 1928), have been policed to the letter of the law. Other regulations, like grading, are based on voluntary agreements that emphasise co-operation with the bodies that administer them. In the end, the applied regulations should demonstrate an intended, positive and beneficial effect (Utton, 1986:5).

The principle behind regulation, and in particular behind the grading of tourist accommodation establishments, is demonstrated in Figure 2.4 on page 32. It shows that any organisation, in this case a bed and breakfast establishment, can be illustrated as a system. It has inputs in the form of various resources that are transformed by a number of processes into products and services that will be consumed by guests. An essential component of this system is the feedback loop, which measures performance versus standards set at the planning stage. The results contribute significantly to the decision-making process of management.

Figure 2.4 Performance feed-back in a balanced system



Source: Adapted from Senge (1990:84-86)

2.5.2 Grading Systems in South Africa

After the South African Tourism Board's (SATOUR) National Grading and Classification Scheme met with disapproval and then collapsed in 1999 (THETA, 2000:58), initiatives by a number of organisations attempted to fill the gap. According to the Administration Manager of the Tourism Grading Council of South Africa, "previously graded establishments were given until 31 January 2002 to terminate their SATOUR grading and accreditation" (Rothman, 2002). However, as the examples from the advertising pages of Getaway Magazine and the Sunday Times Magazine in Appendix D show, accommodation establishments are still using the old SATOUR star grading and accreditation symbols in their advertising and brochures. There are some that are advertising using the symbols of current, valid grading and quality assurance systems, too. They are as follows:

- Tourism Grading Council of South Africa - star grading scheme
- South African Bureau of Standards - crystal collection
- Automobile Association - quality assured scheme
- Portfolio Collection - luxury/great comfort/comfortable rating
- Info Africa - super gold/gold/silver/bronze grading.

2.5.3 Tourism Grading Council of South Africa (TGCSA)

While there are still a number of grading and quality assurance schemes in operation, it is likely that the star grading system will become dominant in the future. Administered by the Tourism Grading Council of South Africa (TGCSA), it is closely linked to the South African Tourism Board and it has gained strong support from major organisations and hoteliers.

2.5.3.1 Policy Guidelines

The White Paper on the Development and Promotion of Tourism in South Africa (South Africa, 1996:27) states that the government “is committed to ensuring and maintaining high standards of services and facilities”. To achieve this goal the Department of Environmental Affairs and Tourism (DEAT) appointed and registered the Tourism Grading Council as a Section 21 Company in August 2000. Since then, the TGCSA has applied some of the policy guidelines listed in the White Paper, in particular, it has developed standards in a consultative manner, reviewed and reformed the existing systems and structures, and has made the scheme consumer and labour relevant. It officially launched the national star grading scheme on 29th November 2001 (TGCSA, 2002a).

While the TGCSA is using a measure of flexibility in its application of grading establishments, it tends to sometimes adopt a “one-size-fits-all” approach when considering the vast differences between B&Bs. For example, the same rules apply to houses in large towns and cities as they do to those in previously disadvantaged areas (Rothman, 2002). Bearing in mind that the Grading Council, according to the above-mentioned policy guidelines in the White Paper (1996:27), should be “ensuring that standards and their related costs do not act as barriers to entry” it may be argued that the costing in the B&B sector is not adequately differentiated. Both the ‘Joining Fee Structure’ and the ‘Annual Assessment Fee Structure’ (TGCSA, 2002b:7) are based on multiples of rooms in B&B establishments. For example, the initial joining fee for 1-3 rooms is R 57.00, and for 4-8 rooms it is R 114.00; the annual assessment fees are R 1254.00 and R 1710.00, respectively. It is posited that a cost structure based on a ‘per room’ system would be more favourable and more acceptable.

2.5.3.2 Grading Requirements

All bed and breakfast establishments that cater for transients: that is, guests who do not permanently reside at the B&B, are expected to comply with minimum requirements (see Appendix E) that include the following:

- General: Safety and security; cleanliness and comfort; statutory obligations; access; courtesy; marketing, reservations and pricing.
- Buildings: Exterior; maintenance.
- Bedrooms: Housekeeping; bedroom size; beds; bedding; bedside tables; windows and lighting; curtains; heating/cooling; flooring; clothes storage; dressing/writing table; seating; television and radio; telephones; miscellaneous.
- Bath/shower rooms: En suite/private/ shared bathrooms; housekeeping; bathroom size; fixtures and fittings; lighting; windows.
- Public areas and breakfast: Public areas; breakfast; food and beverage – general.
- Additional requirements for 4-and 5-star B&Bs: General; bedrooms; bathrooms; lounge.

It is interesting to note that there are no separate minimum “service” requirements in B&Bs, except that staff are expected to show an “adequate level of product knowledge and provide efficient service”. Unless the assessors stay overnight at the establishment, service is unlikely to play a significant role in the star rating.

A B&B that requests grading will be assessed and the areas listed above will be scored according to specified minimum criteria per star level. A five-star B&B would need to obtain an overall score of 91%-100%, whereas a one-star establishment would need only 51%-60%.

2.5.3.3 Description of Stars

The stars that are awarded to B&Bs indicate a certain standard of quality. The following is an abbreviated description of the different levels (TGCSA, 2002b:2):

- One star: Fair to good (acceptable/modest) quality overall.
- Two stars: Good quality overall.
- Three stars: Very good quality overall.
- Four stars: Superior (excellent) comfort and quality with a high standard of furnishings, service and guest care.
- Five stars: Exceptional quality and luxurious accommodation (matching best international standards).

These descriptions apply to all kinds of tourist accommodation, creating amongst some B&B owners a perception that they are being compared to hotels (Hunter, 2002). In fact, the requirements for the star levels at hotels are more extensive and in accordance with those expected by guests internationally. Regardless of this, the main purpose of awarding stars is to give the customers a good idea of what they can expect when they choose a particular star-graded place to stay.

2.5.3.4 Benefits of Grading

According to the Administration Manager of the TGCSA, the grading system uses the criteria that have been determined in consultation with local stakeholders and international schemes, like that of the Scottish Tourist Board, to compare and evaluate the facilities and services of tourist accommodation establishments. This leads to achieving the Department of Environment and Tourism's objective of improving the overall quality of the tourism product in South Africa.

For the owners and managers of large or small accommodation establishments to become involved in the TGCSA's voluntary grading scheme, it must be considered beneficial to them. The main benefits for B&Bs, as expressed by the Tourism Grading Council (TGCSA, 2002b:1) are listed below:

- Display the TGCSA plaque and star rating outside the premises.
- Use the TGCSA logo and star symbols in advertising and promotion material.

- Display the TGCSA certificate inside the establishment.
- Use information signs on national roads.
- Be listed on the TGCSA website.
- Be recognised for their commitment to standards and service.
- Display star rating in SA Tourism and other brochures.

In addition to the above, B&B owners are given the opportunity of comparing their establishment's facilities and services with those of their competitors, thus encouraging them to improve the quality provided to customers. Research findings by the Tourism Grading Council of South Africa indicates that for consumers the star grading of B&Bs means quality (TGCSA, 2002b:1). As an independent body evaluates it, the establishment can be assessed reliably on a 'value for money' basis, and potential guests can therefore better choose where to stay. Most consumers would agree that this is too important to leave to chance.

According to a TGCSA report ("Stars" ... Tourism Grading Council Delivers, 2002), about 700 accommodation establishments had been graded by 15 May 2002. It was not clear how many B&Bs and guesthouses were included in this national count but in the Durban Metro Region, only 13 small businesses had been listed on the website of the TGCSA when it was consulted in mid October.

2.6 MARKETING IN A SMALL ACCOMMODATION BUSINESS

Conventional marketing, as it is performed in larger hotels and organisations, cannot be done by small, medium and micro enterprises because their resources are limited and because the "owner-managers behave and think differently" (Gilmore et al., 2001:6). Apart from the entrepreneurial aspect, this section aims to explore the fact that marketing in hospitality is different from marketing in manufactured goods since services are intangible, amongst other things. This has a profound effect on marketing because the quality of service delivery cannot be measured easily (Bebko, 2000:9).

2.6.1 Marketing for Business Development

Over the years, managers have gained a more marketing-oriented approach to their businesses, realising that a marketing concept helps them to focus on developing a competitive advantage. By adequately researching, planning and implementing effective marketing techniques, a business gets to provide the appropriate products that are required by customers at a particular time so that a profit can be made (Cant, 1998:166).

Wickham (2001:143) asserts that “entrepreneurs rarely stumble on success”. Rather, they focus on a direction for their ventures while they attempt to shape the future. The first point of departure in this process is to form a vision, a mental image of a destination that should be reached, and this is articulated into a mission statement. It gives the vision meaning and it defines the scope and purpose of the business, clarifying the opportunities that it aims to exploit. Written qualitatively, the mission states the venture’s products, markets and benefits and the values that it espouses.

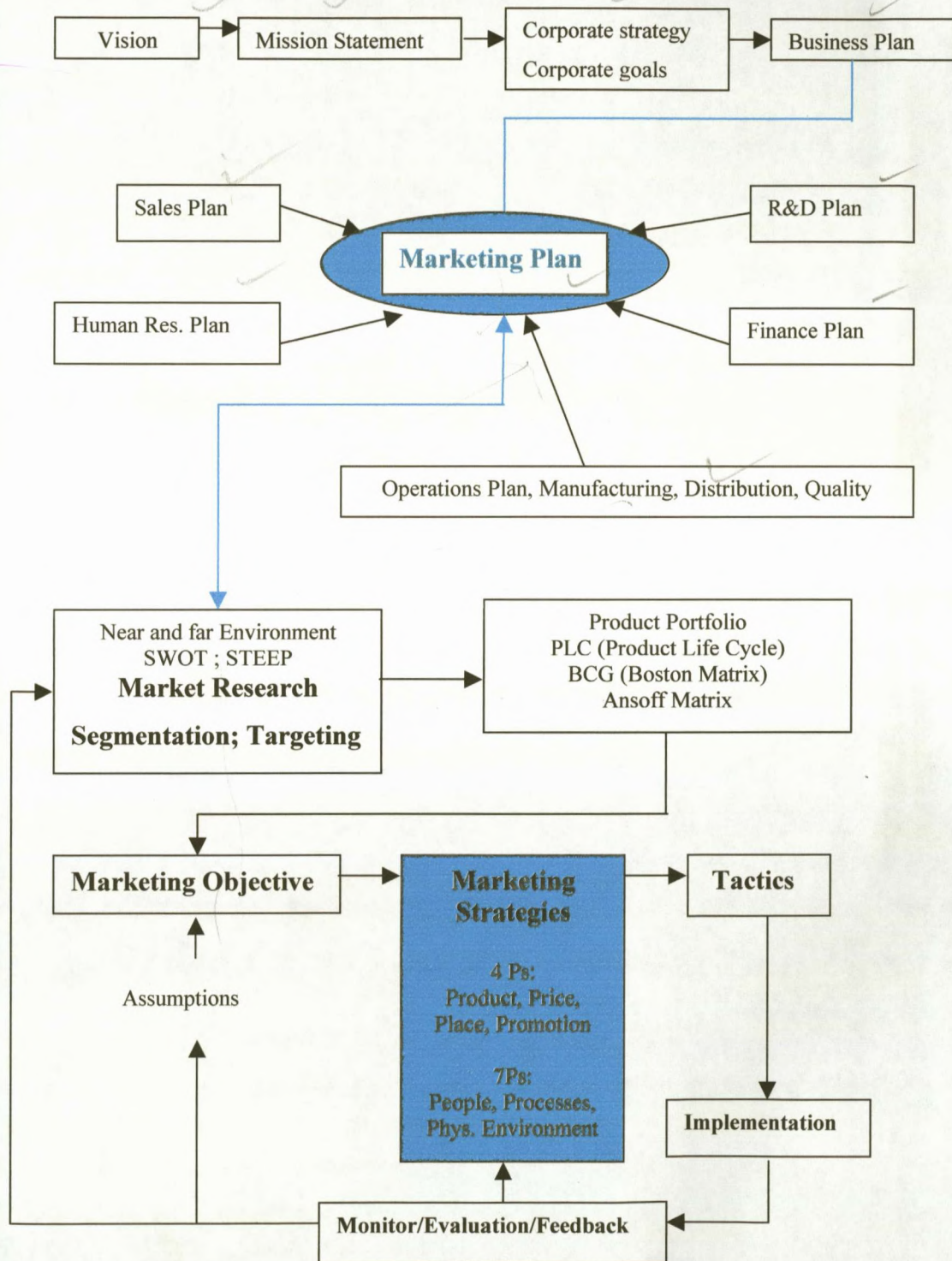
The organisation’s strategy, also referred to as its corporate goals and strategy, is at the core of all the venture’s activities. The business strategy consists of two separate parts: that is, the strategy content which is ‘what’ the business does and intends to do, and the strategy process that relates to the ‘how’ it is going to achieve its goals. The strategy content consists of the products and services to be offered, the markets that will be targeted, and the methods that will retain the competitive advantage (Beaver, 2002:71).

According to Wickham (2001:189), a business plan is an “essential tool for the entrepreneur”. It is a useful method to articulate the entrepreneur’s vision into a mission statement and strategy and then, finally, into actions. These components are all intertwined. The business plan, then, demonstrates what the opportunity is and describes how the entrepreneur intends to bring it to fruition as a successful venture (Kruger, 1998:197). The plans of marketing, finance, human resources, and others will all need to mesh together to describe one opportunity.

As Timmons (1999:381) asserts, the marketing plan is arguably the most important section of the whole business plan. Figure 2.5 comprehensively reflects the contents of a marketing plan for the development of a conventional business. It is argued, for

example, by Rajah (2002) that all businesses, including entrepreneurial ventures, should go through the rigour of such a process.

Figure 2.5 Marketing management for business development



Source: Rajah (2002)

2.6.2 Marketing in Bed and Breakfast Establishments

For a variety of reasons, larger, well-established businesses, like hotel companies, fail to see their environment and markets changing and consequently fail to identify new opportunities. Entrepreneurs seem to be more adept at converting their existing competitors' customers and new ones to their products and services. However, as this section shows, B&B hosts can only make a difference when, based on their understanding of the market, they apply the marketing principles innovatively and effectively. They don't just keep on doing what worked in the past (Bower & Christensen, 1995:47).

2.6.2.1 Understanding the Market

Before entering an existing market with an innovative product or service, the entrepreneur needs to assess the players in the market place. Meeting the competition head-on will hardly benefit entrepreneurs. They should be guided by some background information so as to reduce risk and uncertainty. In particular, they should seek the following (Wickham, 2001:240):

- General market conditions – customers' needs, size of markets, growth rate of market, trends, buying behaviour.
- Attractiveness of the innovation – customers' reactions to current and planned goods, competitor's and own expected pricing, volume of demand.
- Positioning in market – resource requirements, existing networks, communication patterns.
- Competitors – features and strategies of competitors.

What sort of people stay in B&Bs? There are older travellers who like meeting people, young people looking for a relaxing break, urban people who want a farm-style experience, rural people who want to be close to shops, domestic and international visitors who want to meet the "real" people of the area, corporate travellers who want a "home away from home" experience, and people who want to be close to a family event, exhibition or show, and so on. In fact, the people who will be attracted to the one or other B&B will depend on the location of the establishment, what facilities and services

are offered, what businesses, attractions and activities are available within the area. In addition, the purpose or reason for requiring the accommodation is important; for example, because of visiting friends and relatives, or for business reasons or health or holiday reasons, and many more (Dickman & Maddock, 2000:27).

As a B&B cannot appeal to all customers all the time, it is necessary to adapt the product to suit the target market. If market segmentation is properly determined, the B&B establishment will be able to better identify and satisfy the needs of its specific customers (Cant, 1998:172).

2.6.2.2 Positioning the Venture and Offerings

The decisions about 'positioning', or locating the business (strategic positioning) as well as the goods to be provided (market positioning) are critical during the phase of developing a competitive advantage in relation to the other suppliers. The aim, then, is to establish a 'niche' where the customers feel that a particular entrepreneur's goods cannot be matched by others. Different customers perceive and distinguish products and services by the features offered, such as, the price, quality, status, performance, branding, service and support, and attitude towards suppliers. Viewed in a different way, every product has its functional core, aesthetic attractions (design and branding) and emotional benefits (Wickham, 2001:230-235).

2.6.2.3 Strategic Planning

Entrepreneurs, according to Beaver (2002:75) are likely to plan strategically, considering the activities of the business as a whole. This does not mean that formal procedures are always necessary, but that the benefits of doing this planning are well documented. In spite of this, there are small firm owners and managers who do not plan because of reasons such as lack of time or lack of skills or lack of trust and openness with advisors, and it is these owners who most frequently find themselves in the failure statistics. According to Moolman (1998:38) most entrepreneurs, in fact, lack adequate marketing skills and seriously neglect this essential part of the business.

Referring to small tourism and hospitality firms in various parts of England, Friel (1999:100) underscores that these business people operate quite differently when compared with their larger counterparts, and he confirms that in the views of many authors, "most small firms do not undertake formal marketing planning".

2.6.2.4 The Marketing Mix

The role of marketing in the long-term success of a venture may be expressed as its ability to "sustain a competitive advantage". This means that a business can offer its customers something that is not only different from the goods of other suppliers but also something that is of value to them (Wickham, 2001:266).

As shown in Figure 2.5 on page 38, Rajah identifies a total of seven components in the marketing mix. The 4 P's, that is the product, price, place and promotion tend to be designated for the marketing of goods, and the 7 P's, that is the first four together with the people, processes and physical environment are more relevant for service marketing. Some authors and organisations merge certain components, for example, Dickman and Maddock (2000:113) enumerate six key elements by combining place with physical environment and refer to this as "location".

The "extended marketing mix" (George, 2001:27) tends to be more suitable for the hospitality industry, and especially B&Bs, because it recognises the important role played by the people and the atmosphere of the establishment in a business environment where the ratio of the services exceeds that of the goods manufactured. As the services in hospitality establishments are characterised by a set of distinct attributes, including intangibility, invisibility, heterogeneity, perishability, inseparability and complexity, the marketing of them requires a marketing mix that includes the three Ps that are not usual for the marketing of goods (Martin, 2000:185-186).

The ways in which a competitive advantage can be achieved, that is, the ways that unique differences between one B&B and others can be planned, may be explained by way of the components (or elements) of the marketing mix. Table 2.5, on page 42, gives a variety of examples, taken from the experience and observations of the researcher, to show how the elements of the marketing mix can be used to create a difference.

Table 2.5 The concept of competitive advantage in a B&B

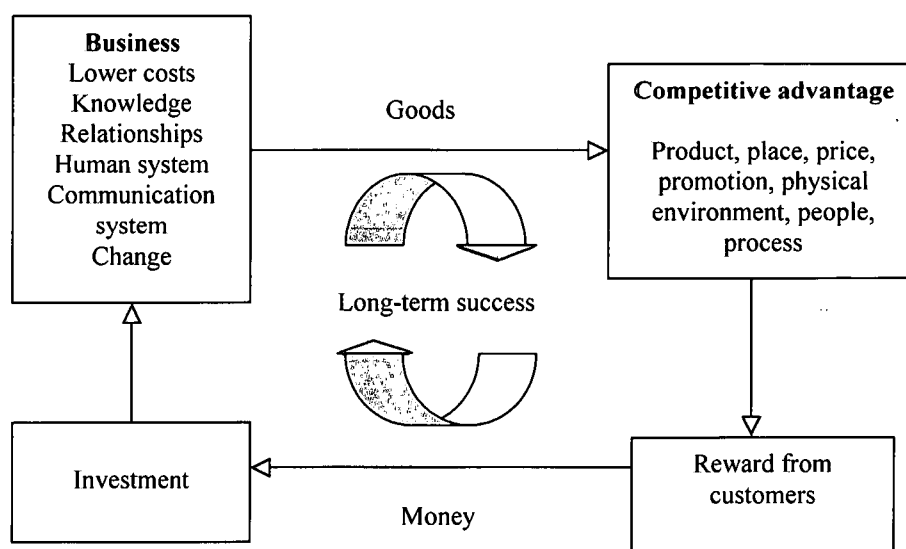
Components of the marketing mix	Examples in a B&B
Product	Better <i>facilities</i> , like a jacuzzi or a computer installation in the bedroom and better <i>fittings</i> , like a hairdryer in the bathroom; better <i>consumables</i> , like soap, breakfast and beverages; a better <i>experience</i> ; better <i>performance</i> , in the sense that, for example, more comfort is provided; a better <i>general service</i> , like a mini-bar in the room; more and effective <i>additional services</i> , such as child care or airport transport; good <i>branding</i> , for example, the name of the establishment; good <i>brand imagery</i> , that may include appropriate star grading and good signage.
Place	Good <i>location</i> , for example, with sea views or proximity to airport. Easy <i>access</i> , an example being reservation via Internet.
Price	Providing <i>value-for-money</i> , for example, by lower price, discounts, package rates, or additional services at the same rate. Various methods may be adopted, like cost-based pricing, pricing for profit, competitive pricing, flexible pricing, and even by “gut-feel”.
Promotion	<i>Communicating</i> with customers more effectively. “Paid” promotions like advertising in newspapers, magazines and travel publications; direct marketing with brochures, flyers, and the Internet; personal selling and sales gimmicks, such as a weekend package linked to sports events, an exhibition, or show. “Unpaid” promotions like publicity for an event, ‘word of mouth’ by satisfied customers, and public relations by, for example, supporting a special interest group, thus uplifting the community.
Physical environment	Ensuring that the <i>outside and inside public areas</i> are more impressive than at first expected, for example, the parking, security, gardens, lighting, and general repair of the buildings.
People	Ensuring that <i>staff</i> are well dressed, well trained, competent, building special, trustworthy <i>relationships</i> with stakeholders in the various <i>networks</i> , like with a publicity association or KWABABA. Ability to speak foreign languages.
Processes	Maintain ‘right-the-first-time’ <i>systems</i> , for example at reservations, meal orders, accounts, and laundry operations. Providing information about local attractions. Systems extended to the ‘back-of-house’ for ordering and receiving of supplies. Efficient human resources management practices, and so on.

Source: Adapted from Dickman & Maddock (2000:117-120)

In spite of the widely researched and acknowledged differences between goods and services marketing, it is posited that the seven marketing-mix elements are virtually unknown amongst most B&B owner-managers. The description of marketing related activities in the membership brochure of the B&B Association of West Durban includes only the conventional first four Ps. Of these, the promotion component, and more specifically, the role of the Internet in advertising, is considered to be immensely important, as was established in a number of conversations with B&B practitioners at their KWABABA meetings.

It is a fact that the B&B sector is not idle. Some establishments come and go because their owner-managers fail to establish any competitive advantages, or “unique points of difference”. However, many continue to be innovative, providing goods that exceed the expectations of their guests. Entrepreneurs who are involved in the B&B business for the right reasons should be wary of those competitors who aim to imitate their competitive advantages. They constantly need to find ways to make it too difficult for others to copy their formulas for success, so that they can remain ‘sustainable’ and survive (Wickham, 2001:272). Figure 2.6 demonstrates the dynamic nature of such a sustained competitive advantage.

Figure 2.6 Long term competitive advantage cycle



Source: Adapted from Wickham (2001:280)

The marketing mix and marketing budget are influenced by a variety of factors that need to be well considered. The importance of the place, or the location of a B&B cannot be overemphasised. So, depending on the target market's preferences, a B&B could be situated near tourist attractions, or near amenities like restaurants and cinemas, close to public transport, with accessible and secure parking for guests' cars, or in a remote, rural area in the vicinity of nature parks, or in a suburb of a city, or a township.

2.6.2.5 Influence of Grading on Marketing

As soon as B&B owner-managers resolve to have their establishments graded, the procedure has a considerable impact on all aspects of the marketing activities. As grading is a voluntary undertaking, consideration as to the number of stars that an owner-manager desires for the establishment begins already at the vision or mission stage of business planning and flows through the entire marketing process, as illustrated in Figure 2.5 on page 38. Each component of the marketing mix is intensely affected by the level of grading, for the number of stars influences greatly the products and services offered, especially branding, the pricing structure, or room rates, the promotion mix, in particular the advertising, the processes inside and outside the business and the physical environment.

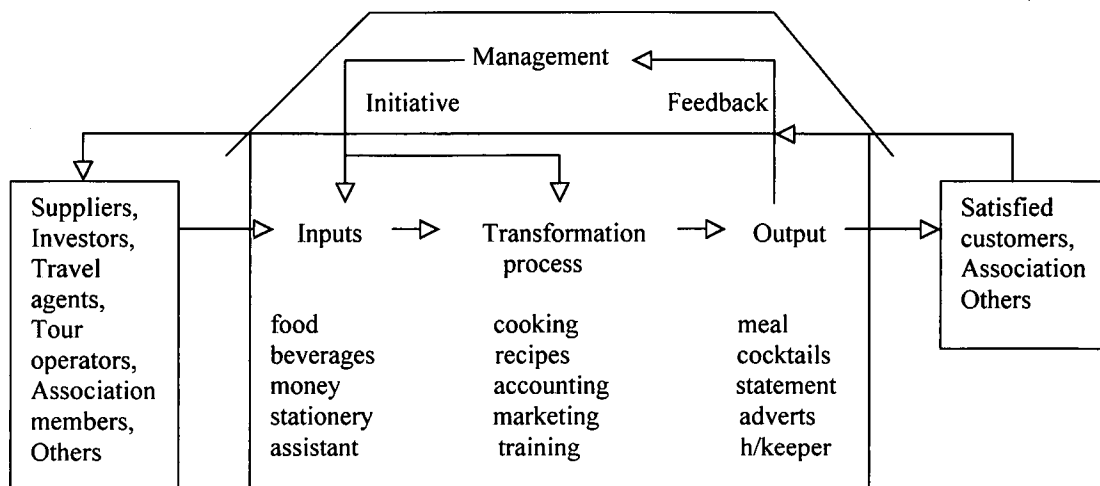
2.6.2.6 Relationships and Networking

Gilmore et al. (2001:7) point out that in small to medium-sized enterprises "networking is a naturally inherent aspect of owner-manager decision making, particularly those decisions relating to marketing". This happens while entrepreneurs, including B&B practitioners, are conducting their normal day-to-day social, business and trade activities, based on the fact that hardly any business can survive relying solely on its own devices.

A B&B needs to source inputs from organisations in its external environment in the form of materials, staffing, development, information, and investments so that the raw materials, like foods and beverages, can be transformed into products and services (outputs) that have a higher value for consumers than before. The management of "the organisation as a system" influences the dynamic process by responding to information that is received from the changing environment: that is, from feedback and control

mechanisms (Wickham, 2001:106). Figure 2.7 shows how a B&B establishment operates as an open system and interacts with other organisations within a broad network of relationships.

Figure 2.7 Relationships in a B&B system



Source: Adapted from Wickham (2001:106)

In all organisations there are numerous relationships that form into networks between the productive forces, as well as between the staff and external organisations. Whereas relationships in larger businesses tend to be more formalised, in small businesses, like B&Bs, they are mostly informal, but just as essential. Networking opportunities exist with transport companies, other accommodation providers, travel agents, tour operators, tour guides, tourism organisations and publicity associations, as well as industry associations. They all assist the B&B operator to function more effectively (Dickman & Maddock, 2000:152-160).

In addition, nurturing good relations with suppliers helps the B&B owner to obtain best quality and economical products on a reliable basis. The trust between competitor B&B operators, who may meet at various social functions or who share membership in professional associations, enables them to share information and knowledge, evaluate new ideas, opportunities and risks, support each other, and much more. The trust between a B&B and investor allows for an open and honest relationship, benefiting the

host to make useful decisions. Even the good, trusting relationships between entrepreneurs and staff members will lead to an enhanced product.

The network is an important construct for small business owners and it is essential for entrepreneurs to understand and manage their relationships during all the stages of the business life cycle. These relationships, of a personal, social and business nature, are established on trust, and are therefore valuable, both from a perspective of 'personal support' as well as financially (Wickham, 2001:278).

2.7 CONCLUDING REMARKS

The aim of this chapter has been to gain an insight into the existing knowledge of the four main aspects of this study, that is the bed and breakfast tourist accommodation industry, entrepreneurship, grading and marketing. Much of the data was found in secondary sources, including the archives of the local news media, so it was necessary to "fill many gaps" with information gained from interviews conducted by the researcher with "knowledge-rich" people (see Appendix B).

The research into the development of the accommodation industry in South Africa has indicated that the regulations imposed by the government through most of the 20th century were not only too strict, but also counterproductive to the establishment of a thriving B&B sector. Nevertheless, the laissez-faire business attitude that prevailed during the mid-1990s enabled many people to set up small accommodation businesses, though many have taken short cuts that are harmful in the long run. The recently introduced star grading scheme aims to bring back some order into the tourist accommodation industry, and "stars" should enable B&B entrepreneurs to market their establishments more effectively.

The third chapter explains and justifies the selection of the appropriate research design and sample to explore the broad issues of the study. This is followed by a description of the research process, in particular the administration of the questionnaire and the conduct of the interviews. The method of analysing the data will be outlined in the final section.

CHAPTER THREE : RESEARCH METHODOLOGY

“The problem is not how to get new, innovative thoughts into our minds,
but how to get the old ones out.” (D.Hock)

3.1 INTRODUCTION

Having perused the relevant literature as the main source of information to complete a conceptual framework for the areas of research in the second chapter, it is now fitting to focus on the thinking that guided the research methodology, research methods and research techniques that have been used in this study. The different approaches had to be critically considered before the researcher could make an informed decision about their suitability for the study, bearing in mind the purpose and objectives of the research, as well as the broad issues to be explored, as described in the first chapter.

Section 3.2 deals with the rationale for selecting a research design, specifically the research instruments to collect the data and the sampling technique. The admissibility of the data, namely the issues of reliability, validity, objectivity and ethics, are also considered briefly. The actual process of data collection and the methods of data analysis for this study are described in the following sections before a summary concludes this chapter.

3.2 RESEARCH DESIGN

The term ‘research methodology’ can be described as “the approach to the entire process of research” (Hussey & Hussey, 1997:77). Research approaches influence the way that researchers look for and find knowledge. With reference to ‘business research’, Cooper and Schindler (1998:14) define it as “a systematic inquiry that provides information to guide business decisions”. They argue that, compared with research in the natural sciences, it is still relatively new and less rigorous in its concepts and theory development.

3.2.1 Rationale for a Methodology for this Research

As the phenomena of bed and breakfast establishments (B&Bs), their management and marketing practices, and the star grading systems have developed relatively recently in South Africa, there is a dearth of literature, as was alluded to in the literature review. The purpose of this study, therefore, is to explore and gain an insight into a research area that is not well known. It may therefore be concluded that this research is *exploratory* in nature. It aims to “look for patterns, ideas or hypotheses, rather than testing or confirming a hypothesis” (Hussey & Hussey, 1997:10). In addition to being exploratory in the first instance, the study is also *descriptive*. It attempts to identify and describe certain features of problems associated with the grading and marketing of B&Bs. The many different types of research, based on different criteria, are shown in Appendix F.

In spite of the perceived extremes of the quantitative and qualitative research paradigms, it is argued, for example by Hussey and Hussey (1997: 50-51), that the differences between the two methodologies do blur and are not so great that they cannot be used in the same study. Concentrating on research for hospitality and tourism, Poynter (1993:136) recommends that in most cases a “questionnaire of some type” will be used. It is thus implied that a quantitative approach would be more suitable than a qualitative one. Meanwhile, Hussey and Hussey (1997:72-73) state that it is quite common in business research to mix the approaches, especially when collecting and analysing data. Babbie and Mouton (2001:232) concur, stating that “surveys may be used for descriptive ... and exploratory purposes. They are chiefly used in studies that have individual people as the units of analysis”. This is echoed by Remenyi et al. (1998:125) who state that the two approaches are not “mutually exclusive and research scientists will often work with both”. As it is essential that the approach to the study should be appropriate to its aims, in this study a quantitative approach is adopted using a questionnaire survey for most of the collection and analysis of the data. It is also qualitative because open-ended questions in the survey and interviews are used to obtain a better and deeper understanding of the problems.

3.2.2 The Methods of Data Collection

The range of various research methods that stretch across the quantitative-qualitative continuum provide the researcher with a choice that needs to be carefully deliberated in conjunction with a number of issues that are specific to the study concerned. After much consideration of such factors, which will be elaborated on below, the selection of a structured questionnaire instrument was deemed the most appropriate for this study. It was resolved that a standard format questionnaire would be administered to a relatively large sample of B&B owner-managers while attending their usual KWABABA meetings.

In addition, it was decided to conduct face-to-face, in-depth, unstructured interviews with six personalities from the tourism industry (see Annexure B) who were selected for their potential to give rich information and valuable insight into the bed and breakfast industry, as well as grading and marketing.

In this study, the entire B&B industry in the given geographical region was included in the research that aimed to explore whether grading affects the marketing of the establishments. Therefore, the choice of a case study approach would have been ineffective in obtaining a wide range of views. A questionnaire survey, in contrast, enabled the researcher to obtain data from a broad selection of B&B entrepreneurs, not by observing them directly, but by asking them to report on their behaviour via some questions. Although questionnaires that are self-administered enable the sample to be large, the response rate is usually low, especially if the researcher is far removed from the respondents. In this case, an alternative solution that increased the number of returns was chosen. The survey was conducted in groups at designated locations, where the researcher was present and available to answer any queries.

Compared with a questionnaire, the response rate for interviews is usually high, especially once the interviewees have committed themselves to the process at the beginning. Other advantages that influenced the researcher's decision to use the interview method included factors such as the interviewer's ability to develop a rapport with individual participants, to

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adapt and elaborate when questions needed to be clarified, to explore topics 'in depth' to gain better, more meaningful answers, and to occasionally motivate the respondent when this was deemed necessary. (Cohen et al, 2000: 269).

To overcome some of the limitations of both the questionnaire and interviewing methods, it was necessary to plan meticulously and conduct the processes with a professional attitude: for example, recording the interviews with an audio-tape recorder so that they could be transcribed accurately. This helped the researcher to avoid respondents from distorting the truth and answering the 'right way', and it also prevented or limited the interviewer from skewing the results by taking short cuts. In addition, sufficient awareness and thorough preparation of the researcher minimized the issues of subjectivity and bias.

3.2.3 Sampling P-Q

In general, the 'sampling strategy', that is the *methods of sampling*, may be either probability or non-probability samples, also known as random or purposive samples respectively. In comparing the two methods, Leedy (1989:153) asserts that "in probability sampling, the researcher can specify in advance that each segment of the population will be represented in the sample". This, he states, is not the case in non-probability sampling. However, small scale and exploratory research, such as is the case in this study, often uses non-probability samples because they are easier to set up, cheaper in financial terms, and are sufficiently adequate in their representativeness within the scope of the defined research (Cohen et al, 2000:102).

There are several types of non-probability samples (Remenyi et al, 1998:194-196). Purposive (also called purposeful or judgement) samples, selected both for the interviews and for the questionnaire technique of this research, is characterised by the researcher having to make a judgement about a feature or features of a group of people for a specific purpose. In this study, only those bed and breakfast owners-managers who are members of the KwaZulu-Natal Bed and Breakfast Association (KWABABA) in the Durban Metropolitan Region were included.

Gaining *access* to the subjects selected for a sample can play a decisive role in successfully completing the data collection. Not only must the people be willing and available to cooperate, but also the venues need to be suitable for the purpose of administering the research instrument (Cohen et al, 2000:99). As the researcher has been a hotelier, a member of the Federated Hospitality Association of South Africa (FEDHASA) and an educator in the Durban region for several years, access to the KWABABA national chairman and the regional chairmen did not present any problems.

The process of determining the sampling size in the study under review was complicated due to the fact that the number of B&Bs in the designated area is not known. There is no official, comprehensive and accurate listing of all the B&Bs in the Durban area. In fact, one representative of a Tourist Publicity Association said that, frequently, just as she enters one B&B in her list today another leaves – without telling her. Therefore, in conversations, followed up in some cases by interviews with representatives of KWABABA, FEDHASA, the KwaZulu-Natal Tourism Authority, Durban Africa and the Publisher of the Automobile Association Guide, a rough figure of 400 B&Bs in the Durban Metro Region was agreed upon in July 2002. Of these, 212 B&Bs belong to the Bed and Breakfast Association (BABA) and 180 B&Bs are members of the six regional associations of KWABABA, distributed as shown in Table 3.1. Due to the difficulty of accessing the BABA members, the B&Bs associated with KWABABA were selected as the sampling frame.

Table 3.1 Distribution of KWABABA members in regions

Region	Number of members
Amanzimtoti	8
Berea North	24
Berea South	22
Durban West	23
Sugar Coast	71
1000 Hills	32
Total	180

Source: Hunter (2002)

The researcher is fully aware that the B&B owner-managers in KWABABA do not represent the wider population. Many subjects of the target population are excluded because they simply do not have the same chance of being questioned as those who are included. The research findings, therefore, cannot be generalised beyond the groups being studied.

3.2.4 Values and Principles of the Researcher

Whatever methods are used to collect data, it is essential that the author should display a professional approach throughout the process to enhance the quality of the research. The following describes the values and principles that guided the study during its progress.

- The researcher complied with the essential tenets of ethics, and strict ethical standards were maintained at all times.
- Prior to engaging the participants in the research process, they were informed of the purpose of the study and of the use of the information they were providing.
- Respecting the right of all those who were interviewed to anonymity and confidentiality of information was given.
- There is always the danger that bias can 'creep' into interviews, particularly because interviewers are not machines. It was important that the researcher was constantly aware of the bias problem in order to avoid it wherever possible.
- There are distinct advantages of selecting a multi-method approach for qualitative research. Bias is reduced and finding similar results while using different methods enhances confidence (Cohen et al., 2000:115). Applying different methods, such as the questionnaire and interview, to obtain data assisted the researcher to conduct a more in-depth study, and information-rich sources yielded more. The collection of data using the interview method enabled the researcher to probe some of the information that was obtained in the questionnaires and also to corroborate opinions and attitudes from one interview subject to another.
- Essential ingredients of a researcher are trust, honesty, and fairness. These qualities found their expression in a variety of situations: for example, when selecting subjects, and making meeting arrangements. Representing other peoples' views required a sincere hand and honest mind.

3.3 DATA COLLECTION

The preceding section of this chapter dealt, mainly, with the rationale for selecting the appropriate methodology and methods to explore the issues on which this study is founded. Occasionally, where it was felt to be appropriate, some aspects of the actual research activities were illustrated. In this section the process of developing the questionnaire and of gathering the data are described.

3.3.1 Developing the Questionnaire

3.3.1.1 The Draft Questionnaire

In order to gain an insight and understanding of the area of research prior to submission of the research proposal, a number of preliminary, informal interviews were held with persons (see Appendix B) who were considered knowledgeable about the grading and marketing of bed and breakfast establishments (B&Bs). In addition, the researcher attended two FEDHASA meetings at which a greater knowledge of the challenges facing B&Bs was obtained. At the second meeting, the members of the Home Hosting Guild (HHG) were informed about the intended research and their commitment to participate in completing questionnaires at their local KwaZulu-Natal Bed and Breakfast Association (KWABABA) meetings, held once per month, was secured. In return, the members were assured that a summarized report of the study's findings would be made available to them so that they might benefit from 'best-practice' proposals for their own businesses.

The six local Chairmen of KWABABA meetings approved, in principle, the recommendation that the research instrument be completed during the normal meeting time. This would enable the researcher to brief the respondents prior to the distribution of the questionnaires, to answer any queries, and to collect the completed forms immediately after the meeting.

The questionnaire (see Appendix A) was organized in four main sections, each one addressing the pertinent areas of the study. Careful attention was given to the length of the instrument, as longer questionnaires easily cause respondents' fatigue and withdrawal. Nevertheless, as the researcher was to be present during the completion time, it was decided that questions should be exhaustive so as to get the richest information possible.

Bearing in mind the advantages and disadvantages of closed and open-ended questions, the researcher attempted to concentrate on a 'forced-choice response' format so that qualities such as simplicity, brevity, and pertinence could be observed. The response strategies covered a broad range, including free-response questions, dichotomous response questions, multiple-choice questions, as well as questions requiring multiple responses in a checklist, rating questions and ranking questions. The last two mentioned types of questions generate ordinal, while the other ones generate nominal data (Cooper & Schindler, 1998:338-342).

3.3.1.2 Pre-Testing the Questionnaire

In order to detect any shortcomings in its design and administration (Remenyi et al, 1998:151), the questionnaire was presented as a pilot study to the ten members who attended the monthly Berea South KWABABA meeting. The researcher was able to observe the respondents, answer queries, check the time taken to complete the instrument, and elicit feedback about the instructions and questions that needed to be refined, deleted, and added. In addition, after the meeting, a manual analysis of the information given by the participants was done to establish whether the objectives of the study could be attained.

A number of changes were made to the design of the questions, including the following:

- Two questions were open-ended and did not elicit much information, so they were rephrased into multiple-choice questions.
- All the rating questions were harmonized so that they minimized confusion in the answers. In other words, the digit "1" was allocated to "least" and "5" was associated with "most".

- The 'random' order of the checklist question was changed into one that was in alphabetical order to avoid giving the respondents a possible perception of the author's preferences.
- Two questions were rephrased to avoid ambiguity.
- Questions referring to 'other' grading systems, apart from the 'star' grading system, were included to ensure completeness.
- The '7 Ps' in the marketing section were confusing. As a result of this observation, and in order to be more concise, questions were limited to the '4 Ps'.

3.3.2 Problems Encountered in Collecting Data

While much attention was given to compiling the questionnaire, before and after the pilot study, later reflection did identify certain areas that could have been refined.

There has to be a compromise between a suitable length of the research instrument and the degree of completeness of possible questions. If the questionnaire had taken longer than 20 minutes to complete it would probably have discouraged participation during the meetings or it might have been rushed causing inaccurate data.

Although the pilot study led to a number of important changes in the design of the questionnaire, it failed to highlight some inconsistencies that were identified later. Indeed, Babbie and Mouton (2001:244) state quite categorically "no matter how carefully you design a data-collection instrument ... you are certain to make some mistakes". For example, it was realized that most of the respondents were not used to completing forms and so some inconsistent replies in the checklist, as well as in the rating and ranking questions were noted. This resulted in respondents either ticking all the options or failing to rate clearly or allocating the same rank to all options.

In retrospect, the design of contingency questions in the third part of the questionnaire could have simplified the instrument. Respondents would not have had to answer irrelevant questions. For example, when respondents answered that they were not familiar with the star grading system, it would have been easier for them to proceed to more applicable questions.

Some respondents added comments next to the questions. For example, some people apologized for their ignorance about grading systems. While perusing the completed questionnaires it became obvious that some associations had been exposed to the grading system by having guest-speakers address their meetings. Their responses tended to be more complete and positive, while others were apprehensive about another quasi-government regulation being foisted on them!

It was rather disappointing that relatively few members attended their monthly KWABABA meetings. Apart from this low turn-out, the response rate varied from one association to another, as can be seen from Table 3.2, depending mainly on whether the chairman of each meeting allowed the questionnaires to be completed during or immediately after the proceedings or whether the questionnaires were taken home and posted back to the researcher after completion. The members of the Berea North and about half of the members of 1000 Hills Associations took their forms home. The meeting of the Amanzimtoti Association was changed at short notice, and the researcher was not able to attend the gathering. This meant that the questionnaires were dropped off at the members' B&Bs and collected a few days later by the researcher.

Table 3.2 Return rate of questionnaires

Location Name of KWABABA	Number of members in individual Associations	Number of members at meeting	Members at meeting as a % of the individual Assoc. members	Number of completed questionnaires (excluding pilot study)	Response rate as a % of the entire sample n=158
Amanzimtoti	08	-	-	8	5.1
Berea North	24	12	50	8	5.1
Berea South (Pilot Study)	(22)	(11)	(50)	(10)	(6.3)
Durban West	23	10	43.5	10	6.3
Sugar Coast	71	20	35.5	20	12.7
1000 Hills	32	18	56.3	12	7.6
Total	158	60	-	58	36.8

Source: Research Data

The unstructured interview research instrument gave the author a chance to get to know the subjects (see Appendix B) quite closely so that their feelings, attitudes and opinions could be better explored. It enabled the researcher to obtain evidence from each person in the purposive sample, but the cost, of course, was measured in time.

Prior to the conduct of the personal interviews, telephone calls were made to all the selected interviewees to obtain their agreement about participating in the research. As a result of some previous experiments, the researcher decided to set up an 'interview schedule' (Welman & Kruger, 1999:165), with a list of topics to guide the interview. Concluding that a video-recorder would be too invasive, and also not necessary for the kind of data being collected, it was decided that an audio-tape recorder would be used. The interviewees' consent was obtained in each case prior to the dialogue. In addition to the recording, the researcher decided to make notes while the interviewee was speaking, not necessarily to keep a back-up (although this was useful once when the tape ended before the speaking was finished), but to allow the pace of the conversation to vary. These decisions proved to be beneficial and served the purpose well.

P-Q
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The researcher tried to maintain a conversational style during the interviews, rather than a strict 'question and answer' session. Rather than being directive and interrupting continuously, causing the respondent to become a 'subject of subject', sometimes the interviewee would steer the conversation in a different direction, maybe by describing an experience which was not entirely relevant to the question. The consequence of this pattern, in the opinion of the researcher, was a more fluid and honest encounter which helped to elicit useful and rich information for the analysis.

Once the data had been collected it was transcribed from the audio-cassettes to paper. The reliability of the transcription was then verified by proofreading while listening to the tapes. Certain important additions to the information were made, as well as pertinent information from the notes that had been made during the conversations.

3.4 ANALYSIS OF THE DATA

As data analysis, together with the conclusions, forms the real reason for the research effort, it was well planned as part of the research design. It serves to bring order, intelligible and logical patterns, and meaning to all the information that has been gathered (Murray and Lawrence, 2000:161).

The questionnaires were designed in a way that the responses could be coded, and so the first step was to capture the data into a computer. This information was then analysed using a statistics programme called Software Package for the Social Sciences (SPSS). The exploratory nature of the research required that first the frequencies be determined, and then various 'story boards' linking the variables could be identified and described.

The various steps involved in analysing the data emanating from interviews included the recording of information, then reducing it to smaller parts, examining it, categorising it, interpreting it, and finally presenting it.

The presentation of the findings in this study is mainly narrative, supported with graphs, figures and tables, so as to express complicated relationships and to impart information simply. Depicting factual data in the form of categorical tables enabled different variables to be cross-tabulated and to be viewed quickly.

3.5 CONCLUDING REMARKS

In this chapter the rationale for selecting a qualitative methodology approach and for selecting a questionnaire and interviews as the appropriate research methods have been explained. The design of the research, including the sampling strategy, how the subjects of the sample were selected in a purposive way, and the values and principles of the researcher have been portrayed as the significant factors that determined the research process. The real-world activities of gathering and analysing the data concluded the deliberations.

The following chapter presents the findings of the empirical research results.

CHAPTER FOUR

EMPIRICAL RESEARCH : EVALUATION OF RESULTS

“The greatest success stories were created by people who recognised a problem and turned it into an opportunity.” (Josef Sugarman)

4.1 INTRODUCTION

In the previous chapter the research methodology and methods that were selected to study the questions in this investigation were discussed and justified. It is now opportune to present a detailed analysis of the findings emanating from the 58 questionnaires that were administered to bed and breakfast (B&B) owner-managers who belong to the various, autonomous, regional groupings of the KwaZulu-Natal Bed and Breakfast Association (KWABABA). The findings are accompanied by numerical tabulations and graphic presentations. Where appropriate, the responses of the six anonymous interviewees and others, listed in Appendix B, have been integrated into the analysis to give a better understanding of the relevant subject matter.

In accordance with the main questions of this research, the narrative is organised in the following four broad constructs:

- The entrepreneurial nature of bed and breakfast owner-managers.
- The features of bed and breakfast establishments.
- An awareness of grading among respondents.
- Marketing practices of bed and breakfast owner-managers.

4.2 CONSTRUCT ONE: ENTREPRENEURIAL NATURE OF BED AND BREAKFAST OWNER-MANAGERS

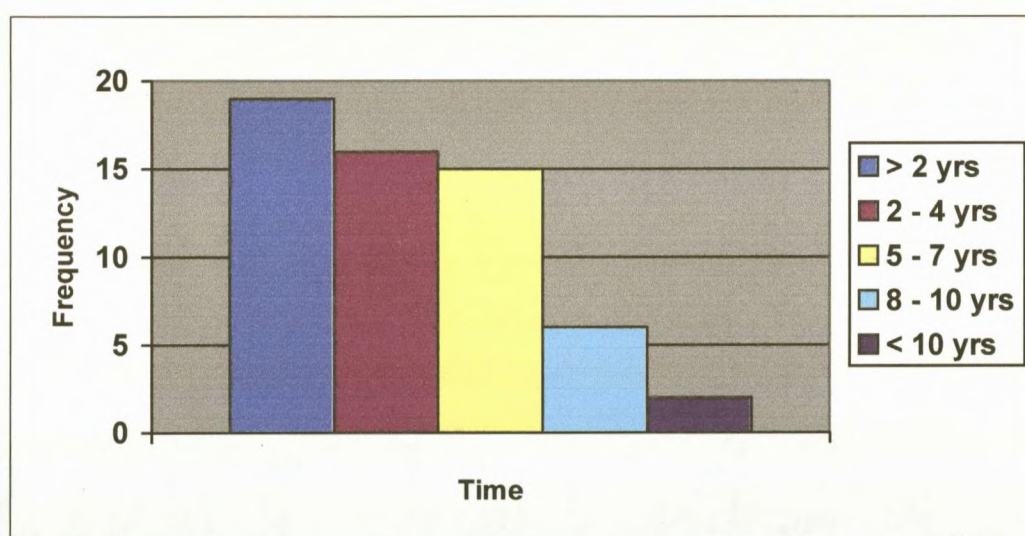
4.2.1 Development Phase of the Durban Bed and Breakfast Industry

As was mentioned in the literature review, in sections 2.2.1 and 2.2.2, the development of the B&B industry in South Africa commenced slowly in the 1980s, and in the Durban region it started only in 1991. It appears that Ruth Caldwell owned and managed the first

Durban B&B in Musgrave Road, followed soon afterwards by the Moray B&B in Glenwood, owned and managed by Pearl Murray, who was interviewed by this researcher in Durban on 16 August 2002. According to her records, a guest-registration book, she welcomed her first guest in July 1991. She was a founding member and first Chairperson of the original Bed and Breakfast network that listed about twelve B&B owners in its group. The network played an important role in promoting their businesses in those early days when there was still mistrust by the general public of this form of tourist accommodation (Ord, 1994).

Resulting from the first question, Figure 4.1 indicates the youth of this industry, which is clearly in a steep growth phase.

Figure 4.1 Duration in B&B business



Source: Research data

Nearly one third, that is 19 or 32.8% of the respondents have only recently opened their B&Bs, and 35 or 60.3% of the B&B owners received their first guests during the past four years. The remaining 23 or 39.7% of the B&Bs are 5 years and older and may be considered “mature” for this study.

Interestingly, only eight B&Bs started their businesses during or before 1994: that is, eight or more years ago. Interviewee C confirmed that there were so few B&Bs during the early 1990s by stating:

“Once Mandela was released, suddenly SA (South Africa) was open to the world, and I think people saw it as an opportunity to start a business, the entrepreneur to run a B&B. I think that’s the reason it took off.”

Of the eight older B&Bs in the sample, half of them are members of the biggest and most dynamic branch of KWABABA, which is the Sugar Coast Association. This may mean that older members tend to leave their associations when they are mature. It may also mean that older B&B owner-managers are changing their businesses, possibly developing their B&Bs into lodges or hotels or starting a different business entirely. However, many B&Bs will probably have added their names to the large and dismal record of small business failures.

4.2.2 Motivation to Manage a Bed and Breakfast Establishment

Initially, a key aspect of this study was to establish whether B&B owner-managers are indeed ‘entrepreneurs’ or, as the stereotype suggests, mainly women and retirees who need something to do in their spare time (Henning, 1999:3). The respondents’ answers would certainly have an impact on the way that marketing is performed. For this purpose, question 2 was supposed to determine why B&B hosts run their businesses.

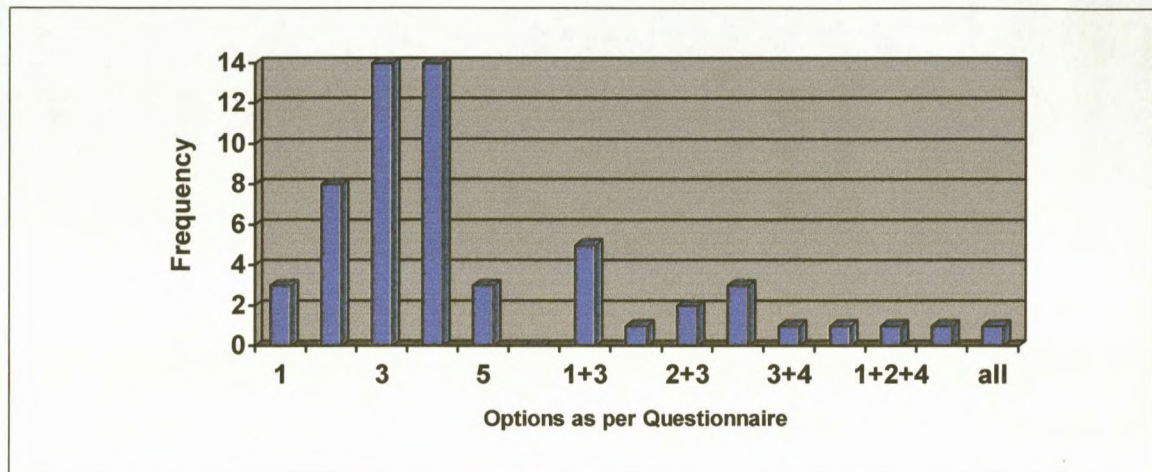
It should be re-stated here that in the course of the literature review, in sections 2.5.1 and 2.5.2, a clear, universally accepted definition of an entrepreneur could not be found. In fact, the more refined criteria that are used by authors in America and the United Kingdom, such as “growth” and “innovation”, do not necessarily apply to the South African scenario where there are also “survival”-type entrepreneurs. Although these terms were included in the first draft questionnaire, they were substituted after the pilot study revealed that they required some prior explanation.

This question allowed for a multiple response to the four options given, and if participants thought that there were other reasons for running their B&Bs they could choose to specify another, fifth option. Three people chose this latter answer, stating for example, that they run their businesses “for the love of it”.

As can be seen in Figure 4.2, on page 62, of the entire sample of 58 participants, 28 or 48.3% mentioned the third and fourth options that refer to supplementary or sole income,

respectively. Another 16 or 27.6% of the respondents included the income option in their combination answers. In total then, 44 or 75.9% of the sample is motivated to run a B&B business because of the income they derive, and this implies that these business people are motivated by profit.

Figure 4.2 Reasons for managing a B&B



Source: Research Data

Eight respondents chose only the second option, “it enables me to be in control of my business”. This answer was originally going to be interpreted as the owner-manager being a ‘non-entrepreneur’, but on reflection, as Human (1998:83) confirms, this may well be a valid motivation for a person to manage an entrepreneurial venture. However, there are two difficulties implied by the passionately guarded need for independence that small business owner-managers have. Firstly, an owner-manager might resist applying for external finance to make the business grow because of the perceived danger of having to give up some freedom to manage. Secondly, the attitude of owner-managers “towards government intervention, regulation and assistance would be hostile if they were perceived to be undesirable or unwarranted measures or intrusions” (Beaver, 2002:37).

Three of the 12 respondents who replied that they operate a B&B because “it’s fun and keeps me busy” (option 1) did not give another option as their motivation. It is clear that they are not entrepreneurs. It may be significant to note that these three owner-managers

have been in business for less than 2 years. Two of them belong to the West Durban and the other one belongs to the 1000 Hills Association.

4.2.3 Business Factors that Contribute to Growth

A main distinction between a small business and an entrepreneurial venture, as discussed in the literature review in section 2.5.4, is the ability for the latter to grow. Question 3 probed this aspect, and the number of replies is shown in Table 4.1.

Table 4.1 Contributors to growth

No.	Factor	Frequency	Percent n=58
1	The hospitality qualifications that I have gained	16	27.6
2	My marketing skills	20	34.5
3	My management skills of running a small business	29	50.0
4	The level of expected services that I offer guests	46	79.3
5	The kinds of additional services and facilities that I can offer guests	31	53.4
6	The quality of the rooms and bathrooms	43	74.1
7	The food and drinks offered	20	34.5
8	The experience of staying in my B&B	39	67.2
9	The grading of my B&B	15	25.9
10	My belonging to an (or many) association(s)	31	53.4
11	My staff	14	24.1
12	The location of my B&B	43	74.1
	Total	347	

Source: Research Data

Respondents were asked to select the six major business factors out of 12 options that helped their B&Bs to prosper and grow. This instruction was not always followed, for example, participant 13 gave eleven answers, but participants 42, 43, and 44 gave 3, 4, and 5 answers respectively. Rather than condemn the results, all the answers of the 58 participants were considered and a total of 347 of a possible 348 answers were counted.

A number of observations emanating from Table 4.1 are noteworthy. As could be expected, the highest number of responses was given to 'the quality of the rooms and bathrooms' and 'the location of my B&B'. In the accommodation industry, the location of an establishment is considered to be the "key influence on the viability of the business, so

much so that there are only three rules for success: location, location, location” (Medlik, 1989:9). As the B&B industry is supply-driven and the product cannot be moved to the customer, it is vital that the establishment is suitably located and that it offers the kind of product that is expected by the guest.

The number of respondents who did not include ‘the location of my B&B’ in their selection is 15. Seven of them, that is nearly half, reside in the 1000 Hills area and 4 in West Durban, both suburbs that are fairly distant from the centre of Durban. Two B&B hosts in Amanzimtoti and two in the Sugar Coast region also failed to select ‘location’ as one of the six most influential items for growth. It may be assumed that they are compensating for their poor situation by emphasising other factors, or maybe they do not realise how important this factor actually is for them. It is further interesting to observe that of the 15 participants who did not consider ‘location’, six have been in business for less than two years, a further six for less than four years, and only three for less than seven years.

The survey revealed that the ‘staff’ was the least important factor in contributing to growth. From one angle this result is not surprising. As B&Bs are micro enterprises, they employ less than five employees (see section 2.5.3). In fact, many employers just ask their domestic assistants to service the rooms and cook the food “as they used to do when the children were younger” (Interviewee A). Here, the B&B owner-managers tend to be in the foreground to host their guests. Seen from a different perspective, it may be argued that the result shows that B&B practitioners have still not grasped the significance of the role of their staff in marketing, as is indicated in Table 2.5 where the ‘People’-element of the marketing mix in service organisations is highlighted. This view is partially contradicted by the responses to the question that asked whether respondents have a personnel/training policy for their staff. At this point, 32 or 55.2% of the answers were positive. This confirms the view of Interviewee C that there is an increasing awareness and commitment of B&B owner-managers to upgrade their employees with qualifications that are nationally recognised.

Two other response options that are relevant for this study need further analysis and interpretation. Firstly, the second item ‘my marketing skills’ only drew 20 or 34.5% of the responses, and secondly, item 9, that is, ‘the grading of my B&B’ scored a mere 15 or

25.9% replies. An analysis of the persons who selected these options more frequently indicates that mature B&B owner-managers are more aware and recognise the importance of grading and marketing for the sustainability of their B&Bs.

When an analysis is done to compare the selections of those who have been in their businesses for less than five years and those who have five and more years experience, it is valuable to note, as shown in Table 4.2, that the more experienced B&B owner-managers, who make up 39.7% of the total number of respondents, chose their options quite differently compared with their younger counterparts.

Table 4.2 Growth factors selected by mature B&B hosts

Option No.	Factor	Frequency	Percent ¹
10	Belonging to an association	15 of 31	48.4%
9	Grading of my B&B	7 of 15	46.7%
12	Location	20 of 43	46.5%
2	Marketing skills	9 of 20	45.0%
1	Hospitality qualifications	7 of 16	43.8%
8	Experience of B&B stay	17 of 39	43.6%

(Note 1: The frequency and percent data show the number of "mature B&B" responses compared with all the responses given.)

Source: Research Data

4.2.4 Meaning of an Entrepreneur

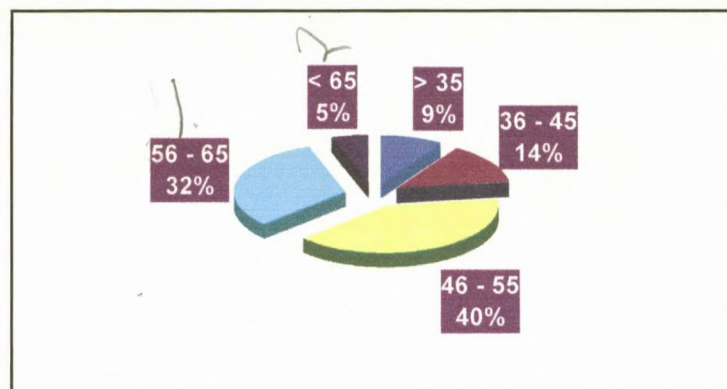
The pilot study revealed that B&B owner-managers would mostly respond that they consider themselves to be entrepreneurs rather than small business people. Question 4 attempted to establish whether they could distinguish the definition of an entrepreneur from a variety of similar descriptions. Of the 58 respondents, 14 or 24.1% correctly identified that an entrepreneur "employs strategic practices and innovative behaviour to make the business profitable and grow". In the opinion of the researcher, the low result should not be interpreted to mean that the majority of respondents are not entrepreneurs, but rather that they have a poor understanding of the definition. Options 1 and 3 were quite similar in their wording, and there cannot be much inference made from the replies. Only 4 or 6.9% of the respondents chose the distinctly wrong fourth option, that an entrepreneur is "a successful leader who can work in a team to maximise profit and control

resources”. There is no correlation of these four people with those who run their businesses because “it’s fun and keeps them busy”.

4.2.5 Age and Previous Experience of Owner-Managers

The two final questions in this section requested the participants to give their age and to indicate their experience prior to opening their B&B establishments. Figure 4.3 points to the distribution of the answers pertaining to age.

Figure 4.3 Age Distribution of B&B Practitioners



Source: Research Data

The large majority of B&B owners, 23 of the 58 in the sample, are in the 46 – 55 years age group. This group represents people who have not only seen their children leave home, but also have left their main careers earlier than the normal retirement age. This feature is common in post-1994 South Africa, as was validated by Interviewee B, who stated that “after 1994 ... a lot of people were retrenched ... (and) moved to the coast and opened a B&B”. The fact that nearly a quarter of the group surveyed is less than 45 years of age is encouraging and contradicts the common perception that B&Bs are run only by retirees.

The kinds of careers that B&B owner-managers were engaged in before they switched to their accommodation establishments are quite varied. Of the 70 responses that were analysed, 38 or 54.3% of the participants were employed in the commercial sector and many had their own businesses as well. In the initial stages of the study it was posited by Interviewee E that a large number of people had taken early retirement and severance

packages from the education and civil service sectors, and that people who had qualified in hotel management might venture into this kind of business. The results from the survey contradict this notion. Nevertheless, 13 or 18.6% of the respondents have been occupied in the hospitality and tourism industries previously.

The rationale for this question was to establish whether any patterns emerged that could be linked to the respondents' awareness of grading and their marketing practices. As was stated in the literature survey, in section 2.5.5, the acquisition of technical skills through industry experience is not sufficient to be a successful entrepreneur. Competency in the field of general management is essential to sustain and grow an entrepreneurial venture. Many B&B practitioners might think that they have the technical competence for success because of the strong link between hospitality and domestic services. For some, the flair for entertaining friends can be very misleading. As Beaver (2002:59) articulates, "successful hospitality management requires an array of competences, which extend way beyond being merely hospitable".

4.3 CONSTRUCT TWO: FEATURES OF BED AND BREAKFAST ESTABLISHMENTS

This section of the analysis aimed to identify some selected characteristics of B&Bs in the Durban Metro Region. Some responses were cross-tabulated to aspects of the third and fourth sections to highlight any noteworthy approaches to grading and marketing.

4.3.1 Description of a Bed and Breakfast Establishment

The definition of B&Bs in South Africa is not uniform amongst the organisations that deal with them, as was established in the literature review, section 2.3.1. However, the Tourism Grading Council of South Africa (TGCSA) has set its fees according to multiples of rooms, that is 1-3 rooms, 4-8 rooms, and so on. The KwaZulu-Natal Tourism Authority (KZNTA) is one of the only bodies that stipulates the number of rooms for different kinds of accommodation establishments; namely maximum three bedrooms for a B&B compared to guesthouses that have 4 to 16 bedrooms. The respondents of the study corroborated the fact that the number of rooms is incidental to the "branding" of the B&B product. More

than half of them have 4-8 rooms, one has more than 26 rooms, and the remaining 24 or 41.4% of B&Bs have 1-3 rooms.

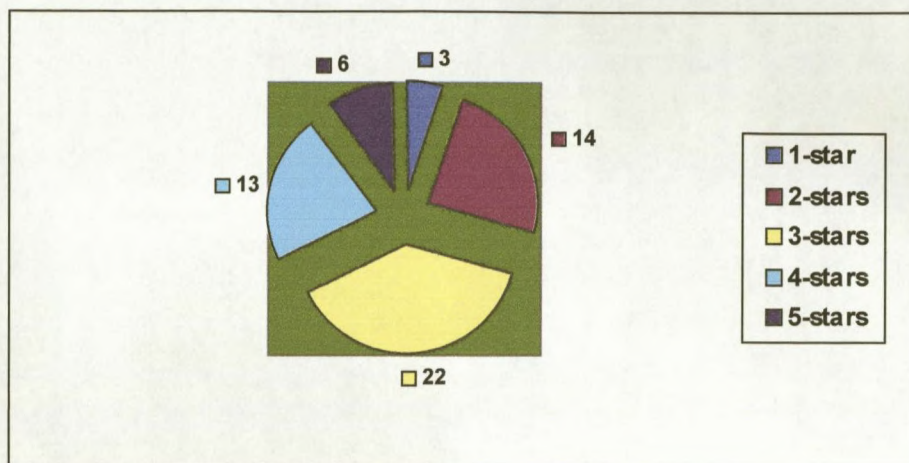
Three other defining features of B&Bs that were confirmed in the results of the survey were that the cost of breakfast is included in the room rate (yes: 54, no: 4); that the owner-manager lives in the house or on the property (yes: 55, no: 2); and that the B&B is owned by the manager (yes: 56, no: 2). In other countries, such as Australia, a B&B must provide bathroom facilities that are not shared with the establishment's host (Dickman & Maddock, 2000:5), but in South Africa this is optional. The TGCSA is flexible about the sharing of public areas, stating that "in general, the guest shares the public areas with the host family" (TGCSA, 2002a:3). In Durban, 27 or 46.6% of the respondents stated that they do share their public areas with their guests.

4.3.2 Quality of the B&B Product

As Kotler & Armstrong (1996:9) assert, the quality of a product "is closely linked to customer value and satisfaction". By implication then, guests will prefer a B&B establishment that mostly meets their expectations in terms of features like rooms, food and service. So, it follows that customers are the best persons to evaluate the features and characteristics of a product or service effectively. Do the B&B hosts know what their guests think of their products and services? To perform professionally, it seems to be a prerequisite that they be aware of whether or not their guests are satisfied with their B&B experience. If owner-managers cannot measure their guests' satisfaction by one method or another, it is impossible to gauge whether they should maintain, change or improve their offering.

In order to gain an insight into the aspect of "quality", the participants of the survey were asked to express their B&Bs in terms of the quality descriptions of the star grading system. Figure 4.4 on page 69 depicts their responses.

Figure 4.4 Self-assessed grading of B&Bs



Source: Research Data

B&B owner-managers tend to overrate themselves, according to Interviewee B, and Interviewee C said that “everybody wants to be five-star when the grading people come round”. It is possible that the self-assessment of the B&Bs is inaccurate, but as owner-managers generally do not conduct formal guest surveys or any other quality assurance tests, it would be difficult to argue a more precise opinion. Further discussion in section 4.4.2 attempts to verify the outcome of the responses that are represented in the above pie-chart.

In another, open question, the respondents were asked to state the two features of their B&Bs that are best-liked by their guests. Many people gave more than two answers and this zeal of the respondents, although statistically inaccurate, was considered positively towards establishing what the owners think that their guests appreciate. The data was content-analysed by allocating the variety of answers into seven categories, as listed in Table 4.3 on page 70, and the number of responses was then totalled.

The frequencies in items 3, 5 and 6 in the table below verify the previously found assertion that service, the location of the B&B and the quality of the rooms are the most significant factors that influence the sustainability and growth of a B&B establishment.

Table 4.3 The preferred features of B&B establishments

No.	Categories	Examples of responses (abbreviated)	Frequency
1	Cleanliness	Spotless; clean	8
2	Food	Good breakfast; extras; home-made chocolates and cakes	8
3	Friendliness and personal Attention	Hospitality; home from home; homeliness; hosts; atmosphere; personal touch; care; relaxed; warmth	33
4	General service	Friendly service; staff; personal service; services	15
5	Location	View; access to beach; space; convenience; privacy; quiet; peaceful; tranquillity; surroundings	39
6	Quality of rooms	Décor; style; comfort; spacious room; separate entrance; attention to detail; quality; standard of rooms; facilities	30
7	Other (miscellaneous)	Three dogs; garden & braai area; security; safe parking; own entertainment area	5

Source: Research Data

As will be seen in the following sections, grading is an instrument that assists not only customers to select with more certainty a suitable place to stay, but it is also an important tool that helps B&B owner-managers to rate and improve the quality of their products and services as well as the processes of offering them.

4.4 CONSTRUCT THREE: GRADING

Speaking at the congress of the Federation of Hospitality Associations of South Africa (FEDHASA) held in Durban in August 1996, the Deputy Director of Standards at the South African Tourism Board (SATOUR) expressed his dismay at the low count of membership of the National Grading and Classification Scheme (Rutherford, 1996:1). As was stated in the literature review in section 2.4.2, the voluntary nature of star grading that was linked to a levy system at that time failed and was shelved eventually in 1999.

During the latter years of the 1990s and in 2000 there was much confusion about grading though private enterprise attempted to fill the gap by introducing a “crystal” system and a “diamond” grading system. Meanwhile, the use of the “internationally recognised and understood” star system to grade accommodation establishments could not be used because it belonged to SATOUR (van Duffelen, 1999). However, the confusion led to “the big boys” in the hospitality industry approaching the Minister of Environmental Affairs and Tourism. After convincing him to “come on now, we have to re-introduce the grading system”, he appointed the Grading Council in September 2000 (Interviewee B).

There are a number of grading and quality assurance systems that are still being used in South Africa, including the stars, crystals, the AA, Portfolio, Info Africa, and others. As Interviewee E confirmed, Qualitour, the organisation that initiated the “diamond” icon for its grading scheme, has withdrawn its system from the arena as they do not wish to compete with the star grading system.

4.4.1 Familiarity with the Grading Systems

During the initial period of this research it was assumed that the majority of bed and breakfast practitioners would not be familiar with the grading systems, partly due to the confusion mentioned above and also due to other factors. These were the perceived low profile maintained by the Department of Environmental Affairs and Tourism (DEAT) in resolving the grading issue for all accommodation sectors, a low-key launch of the new star-grading system by the Tourism Grading Council in November 2001, according to Interviewee F, amongst others, and the continued efforts of private enterprise to make their grading systems work in the industry, according to Interviewee A.

The responses to question 13 are shown, in detail, in Table 4.4 on page 72. They indicate that the above assumption of confusion could be disputed. Of the 58 respondents, only 9 or 15.5% said that they were not familiar with any grading systems. However, only 14 or 24% admitted to being familiar with all three systems listed: that is, with the stars, the crystals and the Automobile Association’s (AA) system. In total, 43 or 74.1% of the respondents consider themselves to be familiar with the stars, 24 or 41.4% each with the crystals and the AA system, and 6 or 10.3% acknowledge that other grading systems, like the Portfolio quality assurance system, are well-known.

Table 4.4 Familiarity with existing grading systems

No.	Grading system	Frequency	Percent of respondents n=58
1	Stars only	17	29.3
2	Crystals only	2	3.4
3	AA only	3	5.2
4	Other, e.g. Portfolio	0	0
5	Not familiar with any systems	9	15.5
6	1 and 2	4	6.9
7	1 and 2 and 3	14	24.1
8	1 and 2 and 3 and 4	2	3.4
9	1 and 2 and 4	1	1.7
10	1 and 3	2	3.4
11	1 and 3 and 4	2	3.4
12	1 and 4	1	1.7
13	2 and 3	1	1.7
14	Total: Stars	43	74.1
15	Total: Crystals	24	41.4
16	Total: AA	24	41.4
17	Total: Others	6	10.3

Source: Research Data

A further assumption concerning the question of familiarity argued that the association members in one region would answer this question differently compared with those in another region, depending on the type of information that they had been exposed to during their meetings. This aspect proved true, for example, in West Durban where the Chairman of the local KWABABA is convinced that the “crystal” grading system is superior to the others. Accordingly, 60% of the West Durban members stated that they knew the “crystal” scheme, but in the 1000 Hills Association, only 16.7% acknowledged their acquaintance with this system.

In cross-tabulating this question with one where the respondents gave their grading levels, there was no link between the familiarity of grading systems with those respondents who are and those who are not graded. It could have been expected that those B&Bs that chose to be graded would have become familiar with all the systems before selecting their preferred scheme.

When comparing the “maturity” of B&Bs with the general awareness of grading, 27 or 58.7% of those who are familiar with the crystals and the AA systems started their businesses more than five years ago, while only 21 or 41.2% of their younger counterparts knew them well. However, 27 or 52.9% of those who are familiar with the star rating system started their B&Bs more recently compared with the 16 or 34.8% of the sample who are mature respondents.

Although the star grading system is still relatively new, these results do confirm the likelihood of the crystal scheme and other quality assurance systems being replaced by the internationally better recognised stars in the longer term. This is also the view of Interviewees A, D and F who strongly support the national scheme.

As the term “familiar” is open to interpretation, two questions were designed to probe the extent of the respondents’ familiarity with the star grading system. Question 16 asked the participants to state the reasons for wanting to be graded by a system other than the stars scheme, but unexpectedly, 28 or 47.5% of the respondents did not answer the question.

Cooper and Schindler (1998:419-421) state that “don’t know” responses are problematic when the respondents should know the answers but fail to answer them because they are possibly of little consequence to them. However, when a first question is able to elicit “the respondent’s level of awareness”, then a “don’t know” answer to a follow up question can be a legitimate indication of lack of knowledge.

A few more respondents tried to answer question 17 by stating the costs of grading. Some answers were vague, such as “expensive – quite a bit”, “fortune” and “too much”, and some answers were unacceptably wrong, for example, “± R 26 000 - R 30 000”. These replies were ignored, and a low, but valid response rate of 23 or 39.7% was obtained.

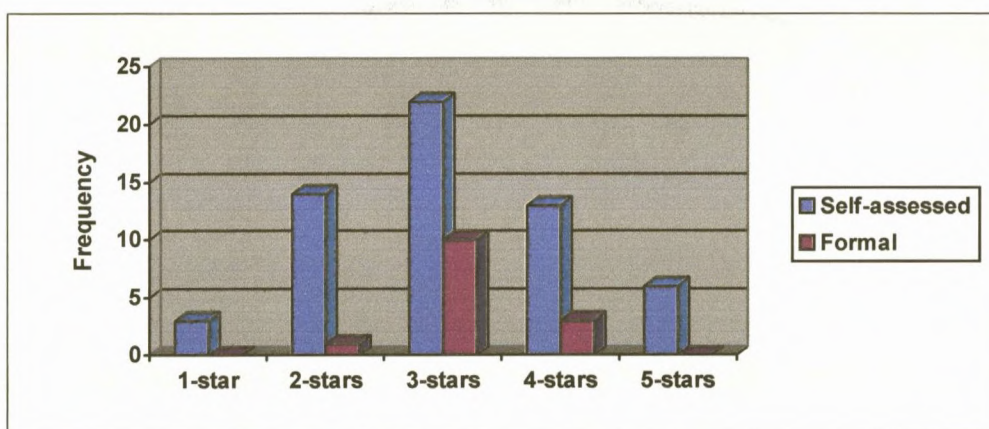
Based on the results from the follow-up questions, it can be assumed that at most, half the respondents are very familiar, in the sense of “closely acquainted” or “well known” with the star grading system. Nevertheless, for the purpose of analysing further questions in this study, the numbers as tabulated in Table 4.4 on page 72, will be considered.

4.4.2 Graded Bed and Breakfast Establishments

The responses to question 15 identified the levels of stars that have been awarded to the B&Bs who participated in the survey. As Figure 4.5 shows, only 14 or 24.1% of the KWABABA members in the Durban Metro region have had their establishments formally graded with the following stars:

- one establishment awarded 2 stars;
- ten establishments awarded 3 stars; and
- three establishments awarded 4 stars.

Figure 4.5 Comparison of self-assessed and formally graded B&Bs



Source: Research Data

Figure 4.4 in section 4.3.2 is a visual presentation of the values that B&B practitioners allocated to themselves when asked to assess the quality of their products. In order to make a meaningful comparison, the values that make up the pie chart have been converted to fit into Figure 4.5, above.

The descriptions that were used in the multiple-choice options of question 8 are the same as those used by the Tourism Grading Council of South Africa (TGCSA) to describe the levels of stars. It is therefore of interest to compare the results of the 'self-assessed' ratings with the 'formal' ratings of graded B&Bs, as shown in Figure 4.5, bearing in mind that the total amount of respondents in each case varies.

It was mentioned above, in section 4.3.2, that B&B practitioners tend to overestimate the assessment rating of their establishments. To determine whether the assumption is true, hypothesis testing could be done, but here it will suffice to merely juxtapose the values, as may be seen in Table 4.5.

Table 4.5 Distribution of quality rating values

	1-star	2-star	3-star	4-star	5-star
Self-assessed ratings (n=58)	3 5.2%	14 24.1%	22 37.9%	13 22.4%	6 10.3%
Formally graded B&Bs (n=14)	0	1 7.1%	10 71.4%	3 21.4%	0

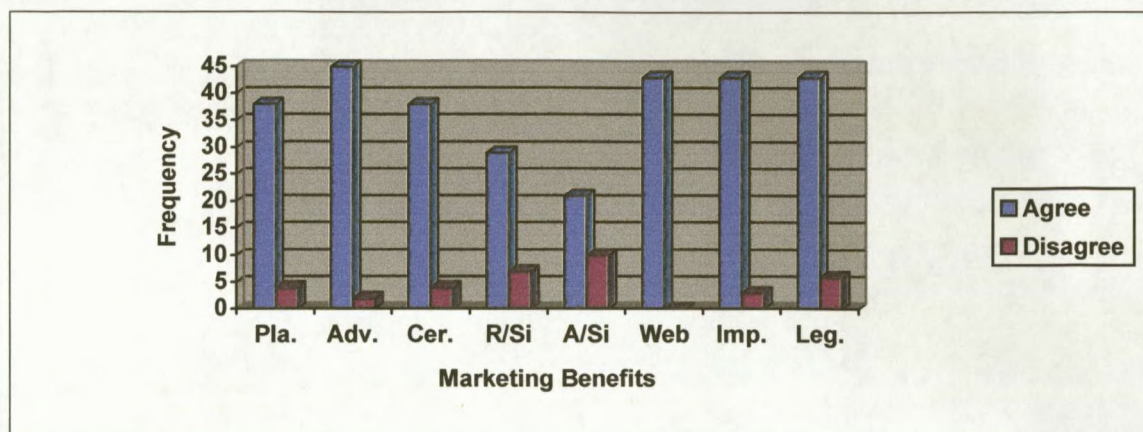
In both cases the mean, mode and median values are very close to the apex of the curves, though a slight, statistically insignificant skewness can be detected. It should be noted that the sample for the formally graded B&Bs is small in this study but the trend does show a similarity between the two scenarios and that there is hardly any difference between the levels of self-assessed grading and externally assessed grading.

4.4.3 Benefits of Star-Grading

The strength of the respondents' opinions towards the potential benefits of grading were sought in question 18, an attitudinal question using a 5-point Likert scale. A visual display of the results follows in Figure 4.6 on page 76, whereby the "agree" columns include the "strongly agree" and "agree" responses, while the "disagree" columns include the "strongly disagree" and "disagree" answers.

The first item referred to the benefit of "displaying the plaque". It was assumed that the respondents, being closely involved with the accommodation industry, would know that the grading plaque is a metal or hard-plastic tablet that shows the insignia of the grading organisation and the level of grading awarded to the establishment. It is affixed to the exterior wall of the establishment, preferably in full view of passing traffic.

Figure 4.6 Benefits of grading



Source: Research Data

Nineteen or 32.8% of all the respondents expressed strong agreement that the plaque is a benefit for B&Bs, while another 19 or 32.8% agreed. Only 1 or 1.7% of the respondents strongly disagreed and 3 or 5.2% disagreed.

There was even stronger agreement in the second item that asked whether using the logo and star symbols in advertising and promotional materials is beneficial. Nobody strongly disagreed and only 2 or 3.4% of the respondents disagreed while 45 or 77.6% of the respondents agreed and strongly agreed. Clearly, the respondents were positive about this opportunity.

Thirty-eight or 65.5% of the respondents agreed and strongly agreed that the display of the grading certificate inside the premises is beneficial, while 4 or 6.9% of the association members disagreed.

Similar to the previous items, the researcher did not give any explanations about the “brown information signs on national roads”. At the time that the survey was administered, there were very few such signs in evidence, especially in the Durban region, and so the respondents had to rely on their own understanding of this item. In a personal meeting with Interviewee B, he stressed that this signage had not yet been fully implemented on national roads. In addition, it was left to the policies of the provincial and local government departments whether signage on roads would be allowed in their jurisdictions.

The variance between agreement and disagreement amongst respondents diminished significantly. Only 29 or 50% of the participants agreed or strongly agreed that road signage would be beneficial. One person or 1.7% of the sample strongly disagreed and 6 or 10.3% disagreed.

The fifth item of this question asked for the participants' opinions of their option to purchase additional signs, plaques, and so on that could be used inside and outside the premises. Only 21 or 36.2% agreed and 10 or 17.2% disagreed. This item was considered to be the least favourable amongst the potential benefits of grading. A possible reason for this attitude is the size of B&Bs. Unlike hotels, B&Bs have relatively little space in which they can exhibit such materials effectively.

Being listed on the website of the TGCSA was considered most positively. Nobody disagreed with this benefit and 43 or 74.1% of the respondents were in agreement and strong agreement. This attitude of B&B owner-managers towards the use of the website as a benefit correlates strongly section 4.5.4 where the Internet was selected as the most-used medium of advertising.

Forty-three or 74.1% of the respondents agreed and strongly agreed to the fact that grading would help to improve standards of service and facilities. Only 1 or 1.7% disagreed, but 2 or 3.4% strongly disagreed. This aspect, although small in this sample, can be explained by the notion that B&B practitioners are averse to external authorities, like the TGCSA, interfering in the management of their establishments. The voluntary nature of the star grading system takes this negative attitude of some operators into account, according to Interviewee D.

The last item in this question, that is, "to verify the legality of the establishment", is not listed as a benefit in the literature. It was included here because most of the local Chairmen of the KWABABA and Interviewee F had expressed their concern that too many B&Bs were not registered or "legal" in their communities. They suggested that the assessment of B&B establishments by the TGCSA, perceived to be a government department, would encourage a better-regulated accommodation industry. In fact,

Interviewee C emphasised strongly that “the TGCSA assessors should always, consistently, check the business licences and insurances before assessing any star grading”.

The response to this question is more positive than initially expected. However, the 43 or 75.9% of respondents who agreed or strongly agreed, do belong to KWABABA. As the Regional Chairman stated, they would like to see the membership of their organisation become more “professional” (Hunter, 2002). The number of respondents who strongly disagreed or disagreed with the notion that this item was a benefit was only 6 or 10.3% of the total.

One Chairman, at a local KWABABA meeting, was critical about the difficulty that B&Bs experienced when trying to register at municipal offices, stating that “it is very time-consuming and tardy”. Nevertheless, town councils are slowly beginning to enforce the laws, according to Interviewee B, and it was felt that “B&Bs that are really serious about their business do get registered with their municipality or local tourism office”.

All the Interviewees commented positively about the value and benefits of grading for the marketing of B&Bs. For example, Interviewee B stated:

“I think the major benefit is to be part of ‘Team South Africa’. I think that once you’re graded you’re at an elevated status. You’ve acknowledged that you want to be part of the bigger picture and you don’t want to hide behind the bushes and not pay taxes.”

Interviewee D suggested that the TGCSA should encourage more B&Bs to become graded by offering “more tangible” benefits. Specifically, he mentioned that the Grading Council “should bring out an accommodation guide ... that would be used as the official accommodation guide by SA Tourism”.

4.4.4 Negative Perceptions of Grading

Just as important as it is to determine the opinions of the respondents to the benefits of grading, it is also significant to establish whether they are opposed to grading, and what factors contribute negatively to their perceptions. Question 19 was another attitudinal question using a 5-point Likert scale. It was directed more specifically to the star grading system compared with the more general approach in question 16. Question 20 was

designed as a follow-up question, an open-ended question that aimed to verify the answers that were given previously. The common criticisms of grading B&Bs are grouped into a number of themes, as discussed below.

While 20 respondents remained non-committal or did not answer the question, 29 or 50.0% of the respondents agreed or strongly agreed that the costs of grading are too high, whereas 9 or 15.5% disagreed. Suggestions to improve the system included the following:

“Once-off original grading and thereafter a lower cost follow-up per year, and cost to be per room.”

“Payment – we should be subsidised if it is so important.”

“It should be more affordable for the small home-from-home B&Bs.”

“Should be reasonably cheap to do.”

“Reduce the cost to ‘per room’.”

“Fee for re-grading (or maintaining grading) too high. I might elect not to be graded again next year.”

Whether the TGCSA is in fact charging too much was not supported by Interviewee D who said: “it is a lot less expensive than other systems that are out there”. Nevertheless, the method of charging fees ‘per room’ rather than ‘per multiple of rooms’, as explained in the literature review, section 2.4.3.1, and suggested by one of the respondents may be worth some consideration.

The credibility of grading is too low, according to only 9 or 15.5% of the respondents, while 16 or 27.6% disagree. The comments made by the participants included the following:

“It should be the same system of grading for all accommodation people.”

“I have heard that there are inconsistencies in grading. It should be totally objective and unbiased to be credible.”

“Must be credible and strict.”

“Keep it reliable.”

“Make sure that all B&Bs are graded the same way, strictly and regularly.”

“Give people representing it better training.”

“That the assessor actually experiences a stay at an establishment he/she is grading.”

While Interviewee C criticised the lack of training of some assessors, Interviewee D explained that an "audit process" rechecks "ten percent of all the properties that pass the test" in case there has been negligence during the assessment process. This ensured that the assessors' performance was regularly evaluated.

Only 7 or 12.1% of the respondents agreed that grading would cause problems in maintaining their facilities and service, while 20 or 34.5% disagreed.

Although only 6 or 10.3% of the respondents mentioned that the system should be better managed, there were more recommendations for improvement. They included the following:

"Only one organisation to do this."

"I would like to see legal issues, e.g. licensing, insurance, etc. addressed during grading."

"That they do regular check-ups."

"Must be simple. Complicated grading system only leads to confusion. The whole idea of a "guest house" is to be a guest in a house. It seems that the industry is moving away from the basics."

"Less bureaucracy."

"More attention to detail."

Echoing the concerns of some others, Interviewee C said:

The problem with star grading is they're making them all do it the same. Because of the ego thing, they (the B&Bs) feel they want to be better ... and so you might just as well be a Holiday Inn. And they're losing their charm".

A large number of 21 or 36.2% of the respondents are of the opinion that grading would not assist them in marketing and 19 or 32.8% think that their guests do not know or care about the star grading scheme. Some recommendations included the following:

"Advertise the system more."

"Educate the consumer."

"Consumer education on system."

In order to avoid confusing customers, Interviewee F felt strongly that it is important "to educate our tourists to ensure that they know in advance what to expect" from stars in B&Bs. Interviewee D also was of the opinion that the TGCSA should make customers aware of the star grading criteria "in different kinds of establishments".

Interviewee A mentioned that the English grading system distinguishes between stars for hotels and diamonds for B&Bs and guesthouses. This reduces "hotel-type" expectations, for example, that a 3-star B&B must have a telephone in the room, as would be expected in a hotel room. However, she hesitated to advocate the English system for the South African scene "for pragmatic reasons".

The negative perceptions to the stars system of grading, viewed holistically, are dwarfed by the benefits that B&B practitioners have identified. Yet, the awareness of the star grading system is low, probably due to the fact that the scheme was introduced less than one year ago. It is more than likely, as several interviewees, for example, Interviewee A, have expressed that the star grading scheme will become a desired option for B&B owner-managers as more of their establishments become assessed and they increasingly realise the marketing benefits associated with grading.

4.5 CONSTRUCT FOUR: MARKETING PRACTICES

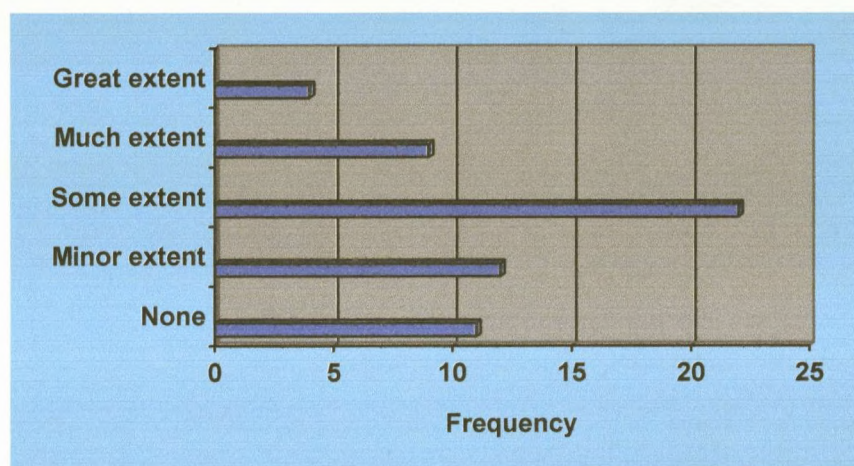
As was previously stated, B&B owner-managers require an array of competencies that go well beyond that of being hospitable. Just as there is an infinite number of types of B&Bs there are also many ways that these small businesses manage their competitive advantages and, ultimately, survival. There must be general managerial skills in evidence for a B&B to succeed, as was illustrated by Wickham in the literature review, section 2.5.5, and marketing plays a vital role in the growth and development of these businesses.

The perceptions of B&B hosts towards their marketing practices are the focus of this section. Although the understanding of marketing terms among the respondents might have varied, this was not found to be problematic during the pilot study. For this reason and to avoid influencing the responses, a detailed definition of the marketing terminology did not precede the completion of the questionnaires.

4.5.1 Strategic Marketing Planning

Bearing in mind that the literature researched for this study assumes that small firms, in general, do not undertake formal strategic marketing planning: that is, an overall “written plan that directs action” (Friel, 1999:100), the respondents were asked to attest to their activities in this regard. Figure 4.7 indicates that the number of B&B owner-managers who do, in fact, formulate marketing plans is greater than expected.

Figure 4.7 **Extent of formal, strategic marketing planning**



Source: Research Data

The above data shows that, in this case, of the 58 respondents only 11 or 19.0 % do not do any marketing planning at all, and they are all non-graded B&Bs. This implies that the other 47 or 81.0% of respondents have formulated a marketing plan for use in their B&Bs. A problem may arise, though, when trying to determine whether and to what extent the plans are strategic or formal because this may vary somewhat amongst the practitioners. Nevertheless, it is important to recognise that, by and large, B&B owner-managers do view marketing planning as a major activity in their businesses, as is indicated in Table 4.6 on page 83.

Table 4.6 **Extent of marketing planning by graded and non-graded B&Bs**

Extent of marketing planning	Graded B&Bs		Non-graded B&Bs	
	Number	Percent	Number	Percent
No extent	0	0	11	25.0
Minor extent	1	7.1	2	27.3
Some extent	6	42.9	16	36.3
Much extent	4	28.6	4	9.1
Great extent	3	21.4	1	2.3
Total	14	100.0	44	100.0

Source: Research Data

As the above table shows, graded and non-graded B&Bs plan their marketing activities very differently. Seven or 50% of the graded B&Bs plan “to much extent” or “to a great extent” compared with only 5 or 11.4% of the non-graded establishments. Only 1 graded B&B stated that it does formal strategic planning “to a minor extent”, while 23 or 52.3% of the non-graded B&Bs admitted to “no extent” or only “to a minor extent”.

4.5.2 Target Market

In response to the questions that asked what type of customers booked into their B&Bs and from where they originate, the following information, summarised in Table 4.7 on page 84, was given.

Although the instruction in the questionnaire required only one response, a number of respondents were unsure about the exact number of guests per type and origin, and some stated that there was an even split in some categories. This accounts for the high response rate for the types but the low rate for the origin. It is likely that in the latter case the respondents either did not know the answers or, as was overheard by the researcher, the information was considered to be ‘too private’.

From Table 4.7, it can be concluded that most B&Bs receive their guests from the corporate sector or as holidaymakers, mainly from the rest of South Africa. In addition, it is worthy to observe that 29.7%, or nearly one third of the customers originate from countries beyond the borders of South Africa.

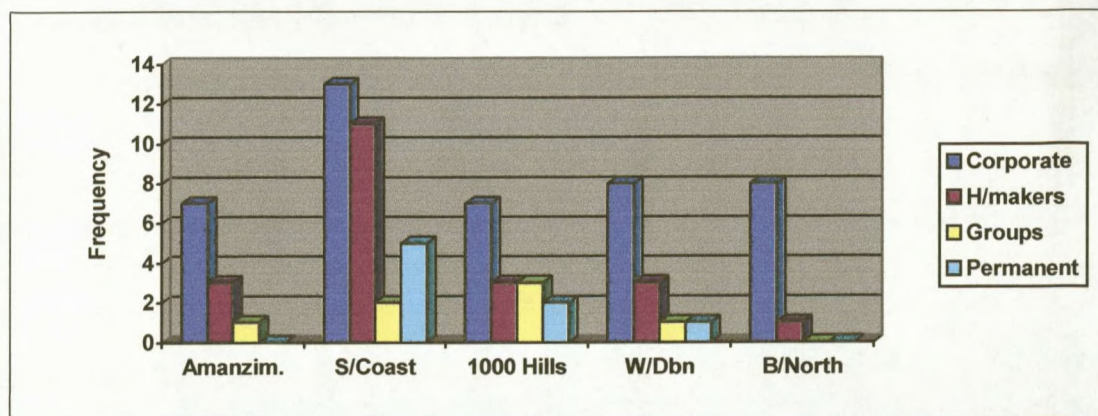
Table 4.7 Types and Origin of Customers

Category	Frequency	Percent
Types	n=79	
Corporate business	43	54.4
Holiday makers	21	26.6
Groups	7	8.9
Permanent	8	10.1
Origin	n=37	
Overseas	5	13.5
Rest of Africa	6	16.2
Rest of South Africa	22	59.5
KwaZulu-Natal	4	10.8

Source: Research Data

When the type of customer is cross-tabulated to the region where the B&Bs are situated, a more differentiated market segmentation can be recorded, as shown in Figure 4.8. For example, the Sugar Coast region welcomes mostly corporate travellers and holiday makers, while the B&Bs that are located closer to the city centre, for example Berea North, cater mainly to corporate clients.

Figure 4.8 Customer types according to KWABABA regions



Source: Research Data

4.5.3 Evaluation of the Components of the Marketing Mix

As stated above, based on a number of preliminary interviews and conversations with B&B owner-managers prior to the design of the questionnaire, it was assumed that the participants of the survey would interpret the terminology used in marketing in a variety of different ways. For this reason, question 24 lists options that relate directly, albeit liberally, to the seven components of the marketing mix, as described in the literature review in section 2.6.2.5. Table 4.8 shows how respondents ranked the importance of the 7 Ps.

Table 4.8 Ranking of the marketing mix components

As per questionnaire	Interpretation as element of the 7 Ps	Frequency of ranking as "most important"	Percent of items ranked as "most important" n=91
Cleanliness	Product	21	23.1
Location	Place	17	18.7
Price	Price	5	5.5
Personal recommendation	Promotion	18	19.8
Friendliness and personal attention	People	15	16.5
General service	Process	7	7.7
Quality of bedroom and bathroom	Physical evidence	8	8.8
Total		91	100.0

Source: Research Data

Similar to the previous ranking-type questions, the respondents did not adhere strictly to the instructions, so a larger than expected number of rankings was given; namely 91 instead of 58.

Four criteria, which have been interpreted as Ps of the marketing mix, have been selected at least twice as often as the others; they are product, place, promotion and people.

This finding is important in the context of this study that deals with bed and breakfast establishments. The fact that product, place and promotion are traditional marketing mix components and that the 'people' factor is one of the "extended marketing mix components ... (that) is more appropriate for the tourism and hospitality industry" (George, 2001:27), is evidence that the service aspect is of paramount importance in meeting customer needs in this sector of the hospitality industry.

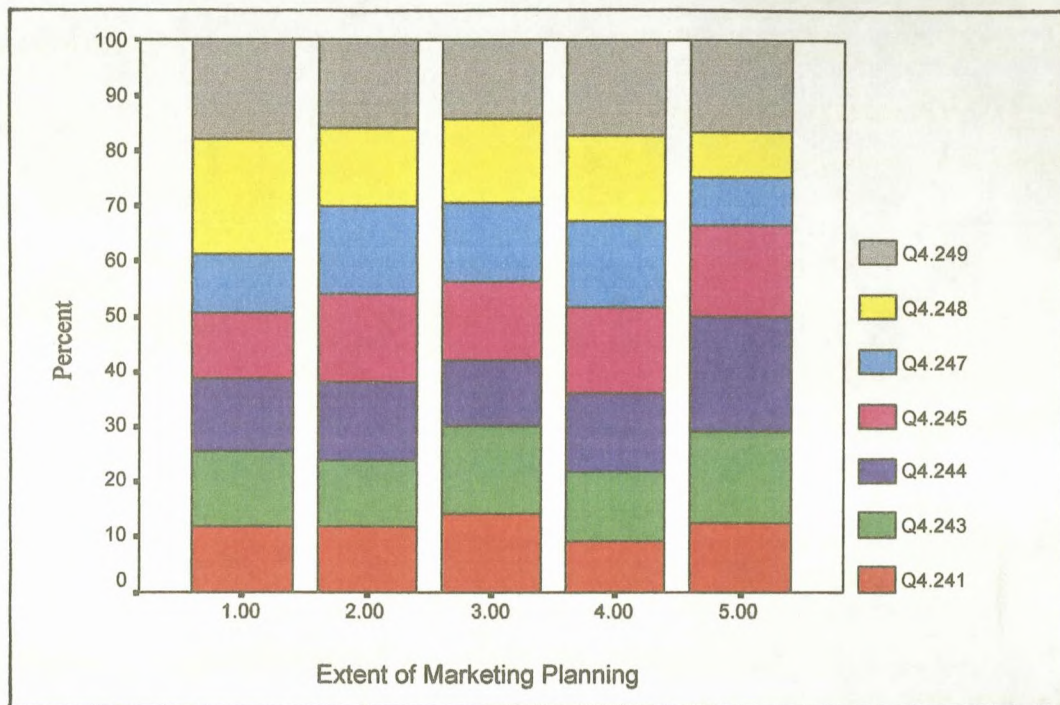
It is also necessary to note that "price" was not considered to be a significant factor for the guests' choice of B&Bs by the respondents. Whether this is factual would require further investigation, especially by asking the guests themselves. In addition, "price" was a frequently cited factor in the literature review, for example in section 2.2.2, as a reason for the growth of the B&B industry in the Durban region.

In a follow-up question, the respondents were asked to comment on the way that they determine their room rates: that is, using a cost-based approach, a competition-based approach, or a buyer or customer-based approach (Kotler & Armstrong, 1996:321). Some participants of the survey gave more than one of the four options. Only eight respondents selected the first option, which states that they do a costing and add a profit margin. The second approach to pricing elicited the largest response rate; 34 or 58.6% of all the 58 respondents. Here, the B&B practitioners adjust their B&B rates to those of comparable establishments in their areas. Whether they "price above or below the market" (Machado, 1996:97) was, however, not established. Nineteen or 32.8% of the respondents claimed that they "estimate what is reasonable and affordable for guests", while 15 or 25.9% "research the tourist accommodation market".

Despite the implications of setting prices for the profit of the business and the crucial role of pricing in the marketing mix, the responses confirm that room rates are not based on market research. Rather, most B&B practitioners follow the prices of other establishments and follow their own instincts. Deciding on "the right price" is a complex process, and it can be argued that grading will give the B&B practitioners a clearer guideline of the appropriate price ranges that they can charge for their rooms because, after all, customers expect to pay more for higher graded accommodation premises.

A further analysis, aimed at establishing whether those B&Bs that claim to plan marketing activities to a great extent use the marketing mix components in a different way to those B&Bs who do not plan. An indication of the differences is shown in Figure 4.9, a chart that shows the percentage values of the use of the marketing mix by B&Bs that plan marketing activities to a greater or lesser extent. There are certain striking differences.

Figure 4.9 Use of the marketing mix components depending on the extent of marketing planning



Source: Research Data

Whereas column 1.00 shows the percentage usage of the 7 Ps for those who claim not to plan marketing at all, column 5.00 shows the usage for those who plan to a great extent. From the top to the bottom, the 7 Ps are indicated as physical appearance, price, promotion, place, process, people and product.

Bearing in mind that only 1 or 7.1% of the graded B&Bs plan marketing activities to a 'minor' or to 'no extent' compared to 23 or 52.3% of the non-graded B&Bs, and that 50% of the graded B&Bs plan to 'much' or a 'great extent', compared to only 11.4% of the non-graded B&Bs (see Table 4.6 on page 83), it can be concluded that their use of the 7 Ps in marketing is varied.

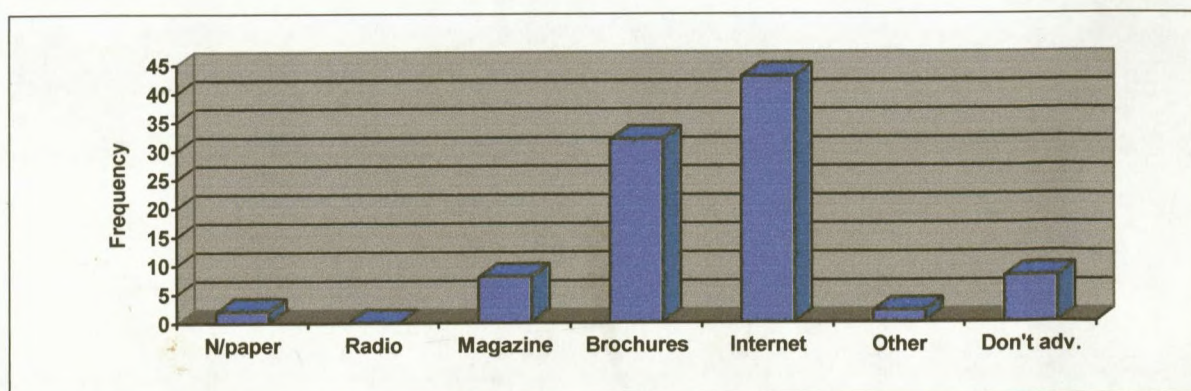
It is significant that those who plan very little consider the price (shown as the yellow band) to be very much more important in marketing than those who plan to a great extent. In contrast, those who plan to a greater extent consider “general service” or the process component (indicated by the dark blue band) and location or place (pink band) in the marketing mix to be much more important than those who hardly plan.

Respondents were asked to also rank “food “ and “marketing”. Food was ranked as the “most important criterion for a guest choosing to stay at a B&B” only 4 times, and “marketing” was chosen only 5 times. The latter is significant because “personal recommendation”, an element of marketing was given a high number of 18 votes. As a result of this finding, it would be useful, in further research, to establish the B&B owner-managers’ awareness of “marketing” as an instrument in management.

4.5.4 Promotion

Bearing in mind that the target market for most of the B&Bs in the Durban Metro region is located in the rest of South Africa, excluding the Province of KwaZulu-Natal, and is directed towards corporate business travellers and holiday makers, as was evidenced above in section 4.5.2, it is significant to note that 56 of the 58 respondents advertise in one form or another. Clearly, the preferred media for advertising are the Internet as well as leaflets and brochures, as is shown in Figure 4.10.

Figure 4.10 Preferred media in advertising



Source: Research Data

Forty-three or 74.1% of the respondents selected the Internet as the preferred medium in advertising, while 32 or 55.2% advertise with leaflets and brochures. It is of interest to note that when the respondents gave their opinion about the benefits of star-grading in section 4.4.3, there was unanimous support for the listing of the graded B&Bs on the TGCSA website. In fact, according to Interviewee B, in recognising the extensive use of the Internet, the Grading Council is planning to include all accommodation establishments onto a larger network that will eventually serve South African Tourism as a whole.

Only 2 or 3.4% of the respondents stated that they do not advertise at all. They prefer to promote their businesses by personal selling, networking, and public relations. Both B&Bs are not graded and have been operating for less than 2 years. One B&B owner-manager is over 66 years old and, in the researcher's opinion, cannot be considered as an entrepreneur, as the business is run for fun and to keep busy. The other respondent is aged between 46-55 years and runs the business to be independent.

Although this question asked the participants to choose their most frequently used medium in advertising, 28 or 48.3% of them chose more than one option. Twenty-seven or 96.4% use the Internet, and in 24 cases it is used together with leaflets and brochures. It should also be noted that only 2 or 3.4% of the respondents said that they use newspapers, and the radio is not used at all to advertise B&Bs. Obviously, the Internet has removed these media forms out of contention.

Eight or 13.8% of the respondents indicated that they use other media than those that were listed as options. The AA travel guide, the Portfolio Collection, the Yellow Pages and business cards were mentioned.

Apart from advertising, the marketing method that is most preferred for promoting the respondents' B&Bs is networking, selected by 36 or 62.1% of the respondents as a "very important" marketing instrument and by an additional 15 or 25.9% as an "important" one. This means that just 7 or 12.1% respondents did not rate networking as important in their businesses.

Personal selling is also a widely used communication instrument, considered as "very important" or "important" by 50 or 86.2% of the respondents. Other communication mix

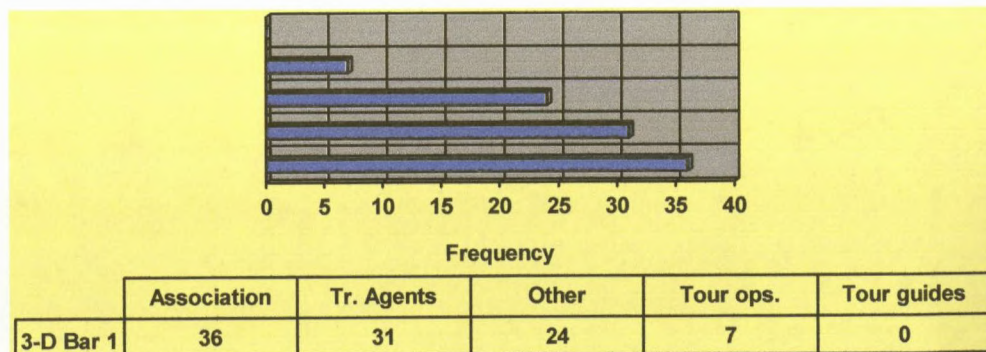
components, like public relations, publicity, sponsorships, and sales promotion were not rated as highly as the Internet and personal selling, though the graded B&Bs indicated that they consider these elements more important than their non-graded counterparts.

4.5.5 Intermediaries

Preliminary interviews had already given the impression that networking would be one of the major marketing instruments for B&B entrepreneurs, and so it was considered necessary to establish with whom the B&B hosts network. Whereas hotels and other larger accommodation establishments rely heavily on travel agents, tour operators and their own sales staff to attract guests to stay at their places, it was not known what methods are used by B&Bs.

Respondents were able to answer this question with more than one response, and so it was found that that of the 58 responses 41 or 70.7% identified more than one intermediary in their marketing efforts. Figure 4.11 depicts the responses given to this question.

Figure 4.11 Choice of intermediaries



Source: Research Data

Thirty-six or 62.1% of the respondents mentioned the “Association” as the most beneficial intermediary in their business, and 11 or 19.0% of these respondents did not combine their answers with another option. This is significant because it means that about one fifth of the KWABABA members rely on their Association for the referral of guests. This,

incidentally, was a main rationale for the networking scheme that started in Durban in the early 1990s, as was described in section 4.2.1, according to Ord.

Travel agencies play an important role in referring guests to B&Bs, according to 31 or 53.4% of the respondents. However, not one of the respondents chose the travel agency alone, but rather combined their selection with another option. Nine or 29.0% of these B&B owner-managers combined the choice of travel agency with that of the association. Another 13 or 41.9% combined the travel agency with "other".

The "other" option was selected by 24 or 41.4% of the respondents, but only 5 of them did not combine this choice with another option. An analysis of these "other" intermediaries includes "previous guests" and "word-of-mouth", mentioned 13 times, "referrals", like Portfolio, KwaZulu-Natal Tourism Authority, Durban Africa and the Tourism Board, mentioned 6 times, as well as friends, business secretaries, estate agents, and so on.

Tour operators and tour guides do not feature at all strongly as intermediaries in the sample of B&Bs that was interrogated. This does not mean that they do not play a major role in other regions of tourism, such as in the townships.

4.6 CONCLUDING REMARKS

In this chapter it was established that most B&B owner-managers have been operating their businesses for less than four years, and that the B&B industry is still in a growth phase. Most of the practitioners are motivated by a profit incentive and can be considered to be entrepreneurial in a broad sense. They have a good sense that the location and the quality of the products and services they offer contribute to the growth of their businesses. In this regard, mature B&B hosts, those who have been owner-managers for five and more years, emphasise the grading and marketing factors more strongly.

The concept of a B&B is not clearly defined. Many establishments do not conform to strict criteria, like a set number of guest rooms, but they do have characteristics in common that differentiate them from hotels and other larger accommodation properties. Their strengths can be summarised in the words of Interviewee A who stated that "B&Bs offer value for money, homely comfort, a personal and congenial place to stay where the

children are also welcome". Some B&Bs are more informal than others, and many have developed distinct niche markets.

Although there is still a proliferation of various grading and quality assurance systems in South Africa, most of the B&B owner-managers are somewhat familiar with the star grading system. In general, they cannot describe detailed criteria and requirements, but they have strong, positive views of the benefits of grading. Nevertheless, many B&B hosts offered recommendations to improve the star grading system. If there was any doubt previously that the star system would not succeed, there was sufficient evidence that many B&B practitioners, local tourism offices and organisations that operate quality assurance schemes give the national system their support.

Contrary to the reviewed literature, it does seem that B&B owner-managers do some marketing planning, particularly those entrepreneurs who have had their establishments graded. Most of their customers originate from the provinces of South Africa beyond KwaZulu-Natal. More than half of them are corporate business travellers and about one quarter are holiday makers. The product, place, promotion and people components of the marketing mix were identified as being most prevalent in marketing, while the issue of price plays a more important role for those owner-managers who are less likely to plan their marketing activities. Most B&Bs promote their businesses in more than one way, using mostly the Internet as well as brochures and leaflets. Networking, especially with association members and travel agents, constitutes the most important method to attract guests through intermediaries.

The next and final chapter includes some conclusions of the research as well as some recommendations for entrepreneurs in the B&B industry to innovate and manage their ventures more successfully by using grading in their marketing activities.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

“Entrepreneurs rarely succeed at anything unless they have fun doing it.” (Anon.)

5.1 INTRODUCTION

In the previous chapter the results of the empirical research were described on the basis of the four constructs that emanated from the main questions of this research. The study has explored some current practices and opinions, with the aim of finding ways for small, existing tourist accommodation enterprises to perform better by using their stars in marketing their businesses.

Although the study was limited in scope, mainly because it focused only on the Durban Metropolitan region and utilised a non-probability sample, it is probably the first of its kind to research the development of bed and breakfast (B&B) establishments in Durban and to explore the opinions and perceptions of its practitioners in marketing. The emerged findings illustrate that the constraints to grading are far outweighed by the benefits, that the trend is indeed towards more star-grading, and that stars will assist B&Bs in their marketing.

After elaborating on some of the findings of the previous sections, this chapter makes recommendations to assist bed and breakfast (B&B) establishments to “market with stars”, and finally, some proposals for further research are given.

5.2 CONCLUSIONS

It was stated in the first chapter that entrepreneurship in tourism, and by implication, its accommodation industry should be encouraged to help break the cycle of poverty. It is not the government’s duty to create or maintain jobs, but rather to enhance an enabling environment. In this regard, it has openly supported entrepreneurship, the news media have expressed the increase of tourism arrivals in glowing terms, and the establishment of structures, such as the Tourism Grading Council, assists the providers of accommodation, amongst others, to perform more effectively and efficiently.

5.2.1 Entrepreneurs as Bed and Breakfast Practitioners

It was established in the results of this study that most of the B&B owner-managers can be considered to be entrepreneurs. They have their origin in the field of commercial and technical skills and frequently do not have sufficient hospitality and marketing experience. Entrepreneurs tend to give their attention to activities inside their businesses, and usually they are so involved with everyday problem situations, that the marketing function is neglected at the cost of turnover.

Rather than invest much time and effort in developing their staff to contribute to the growth of a B&B in general, as was observed in section 4.2.3, and specifically so that the employees take on more of their functions, B&B owner-managers rely on making the mundane decisions themselves. In neglecting to empower back-up personnel, for example, with a qualification obtained through a learnership scheme, these enterprises could easily experience serious problems. The first problem that may occur is that service employees will be unable to interact with guests in the service encounter, the critical part of the service delivery process, as well as they expect. There are also other operational problems that owner-managers could deal with if they were able to delegate more efficiently.

The lack of hospitality and entrepreneurial skills to perform basic functions and the more advanced skills of strategic marketing planning became evident, not only in the survey, but also at different KWABABA meetings that this researcher attended. Although most members value networking with their association colleagues because their co-members refer guests to them, the monthly meetings are probably under-utilised in terms of providing members with useful business information

5.2.2 Integration of Grading and Marketing

As the study established in section 4.4.1, only 14 of the 58 B&Bs in the survey were graded, but 43 of them know about the star grading system, although most are not familiar with the requirements. Only 9 or 15.5% claimed that they were not familiar with any grading or quality assurance system. Bearing in mind that the new star grading system

was launched as recently as November 2001, it has already found favour with a relatively large segment of practitioners.

From the various quality assurance and grading bodies' perspective, as various interviewees concurred, the intention of assessing accommodation establishments is that it enables people to book with confidence. In South Africa, particularly, another reason for grading, articulated in the literature review in section 2.4.3.1, stated that the aim of the government is to encourage accommodation owner-managers to provide "high standards of services and facilities".

B&Bs tend to desire a higher grading level than they actually are qualified to be, as was established in section 4.3.2. This, it was found, leads to many B&B hosts requesting a second or third grading assessment soon after they have refurbished or upgraded parts of the premises that failed to ensure a high level of stars at the first encounter.

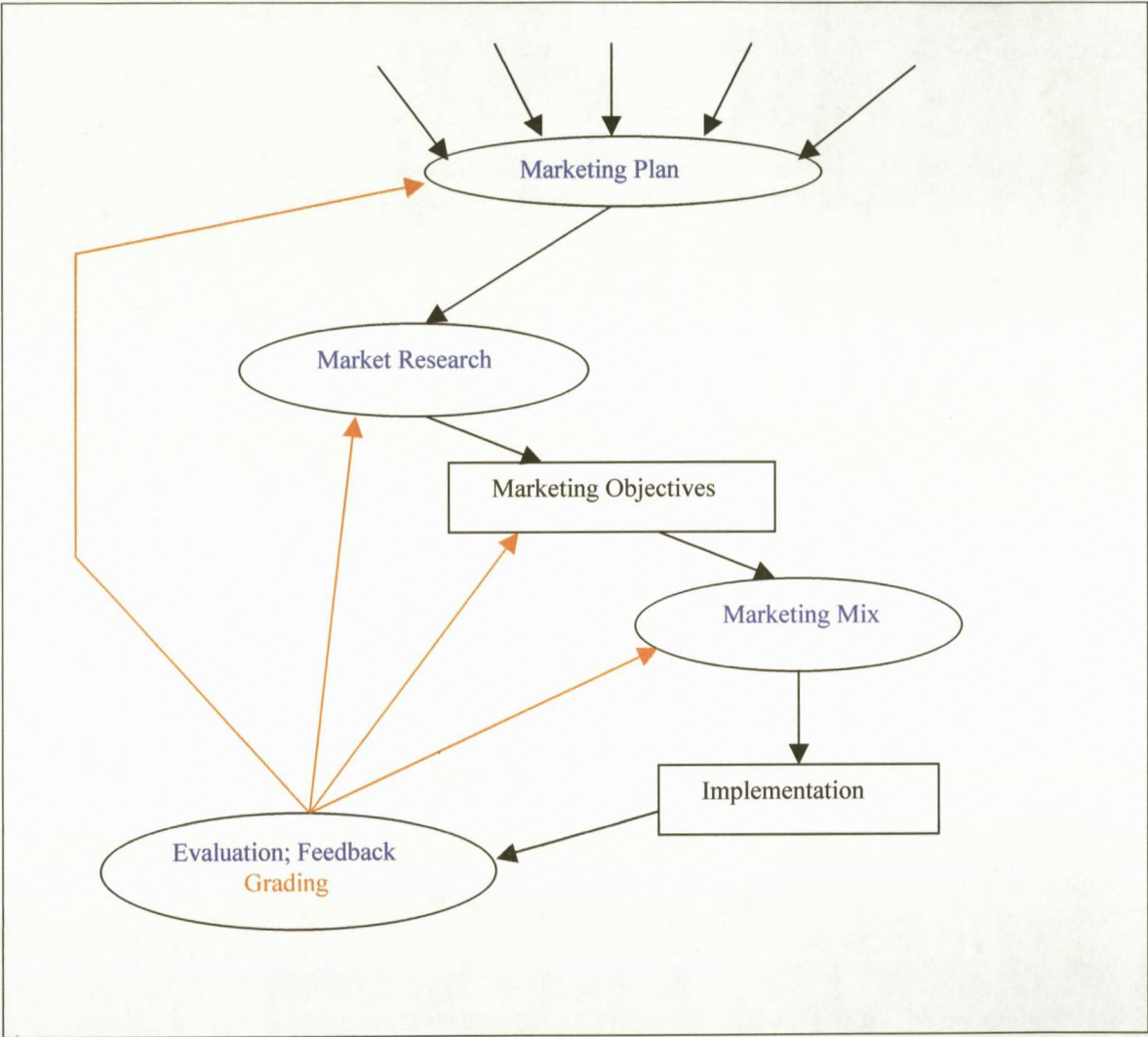
From the above, and as was found in various parts of the evaluation of the research results of the survey, grading has far-reaching consequences for those practitioners who are serious about making their businesses grow. Grading influences the marketing activities of B&B owner-managers in a number of different ways. In particular, it addresses weaknesses that generally can be found amongst entrepreneurs, such as a lack of strategic marketing planning, a misunderstood market niche, inadequate products and services, including facilities, poor pricing, a lack of skills to process guest requests and accounts, and so on. It is evident that marketing in small hospitality enterprises is not straightforward and is seriously neglected.

5.3 RECOMMENDATIONS FOR BED AND BREAKFAST PRACTITIONERS TO DO "MARKETING WITH STARS"

It is the purpose of this section to present a proposal to address various concerns and issues for effective marketing. It is based on the deliberations contained in the findings of this study and on section 2.6 of the literature review, "Marketing in a Small Accommodation Business".

The marketing model depicted in Figure 2.5, page 38, is reproduced simplistically in Figure 5.1 to highlight how grading impacts on the various stages of the marketing process. Specifically, grading should not be considered merely as a feedback mechanism.

Figure 5.1 Impact of grading on marketing



Source: Adapted from Rajah (1999)

The main thrust of this methodology is contained in the notion, supported in the literature and in the findings, that entrepreneurs in B&Bs are too busy with day-to-day operations. It is therefore recommended that KWABABA, the association with whom B&Bs have a close relationship, should play a much more decisive, helpful, and consultative role in the good practice of B&B marketing. This thought is carried through the next sections.

5.3.1 Marketing Planning

A common cause for concern, originating from the findings of the study, is the lack of formal marketing planning undertaken by B&Bs. It is not doubted that many B&B owner-managers realise the importance of planning, but they need to re-focus from their informal, short-term plans and rather draw up both business plans and marketing plans formally before they start their operational activities. It is suggested that KWABABA should help them to become familiar with the process, enhance best practice, and be available for consultation.

During the planning process, B&B practitioners should consider their vision, mission, and business objectives not only for the short term, but also for different stages of their anticipated life cycle. They need to plan for sustainability and growth, in line with 'gaps in the market', the 'market environment', and their 'strategic positioning' and 'market positioning'. Grading is also an important consideration at an early stage of planning, and B&B owner-managers may elect to be advised by grading assessors, some of whom are willing to act as consultants.

5.3.2 Market Research

KWABABA has a potentially big role to play in market research. As was found in section 4.4.1, concerning the respondents' familiarity with grading, the chairman of the West Durban KWABABA meeting influenced his members quite strongly about the crystal grading system.

Market research enables B&B owner-managers to form a clearer image of their customers, that is, their target market and their customers' needs. It helps them to understand their local competitors and the business environment, and it assists them to evaluate their marketing efforts, including the acceptance of their products and services and any innovations, as well as their pricing levels.

From a grading perspective, market research is indeed essential because the grading of the establishment has a significant impact on the types and origin of customers, and a major influence on their expectations. Judging from the number of higher graded B&Bs in

Figure 4.5, section 4.4.2, that is more four stars than two stars, the upper end of the market may well become saturated and more difficult to trade in than the two-star B&B operations. As the Managing Director of City Lodge stated: "There are only so many people who can afford luxury accommodation. I don't think there is a shortage of stock" (Joubert, 2002:24).

5.3.3 Key Factors in B&B Marketing

Although the star-grading level of a B&B has a direct and significant influence on all the marketing mix components, as was revealed in the study, here reference is made only to three aspects that are considered especially important.

5.3.3.1 Internet

The Internet was selected by 74.1% of the respondents as the preferred medium in promotion, although many also use leaflets and brochures (section 4.5.4). The popularity of the Internet as a medium is recognised by bed and breakfast associations as well as local tourist and publicity organisations and they use their websites to entice growth in membership. Similarly, the Tourism Grading Council of South Africa (TGCSA) encourages B&Bs to have their establishments graded so that they can take advantage of the "SA Tourism" website, one that will list all tourist accommodation providers in the country, according to Interviewee B.

While hotels and other larger accommodation establishments can afford sales persons to visit potential customers, like business travellers and conference organisers, the small B&B has to rely on the Internet to reach more customers with "rich" information of their places. However, how does the B&B stand out in uninspiring lists where most establishments fall far short of portraying their company's unique products in an innovative way? B&B owner-managers need to learn how to use the Web to its full potential and to their marketing advantage. KWABABA can be of major assistance in this regard.

Whether the Internet should be considered in its singular way to selling accommodation space in B&Bs needs further consideration because there are some limiting factors. The

intangibility of a B&B does not enable a customer to see and check the products before purchase. When potential customers select a place to stay, they have to trust the information that they can get from other sources to make a decision. The Internet alone may not have the credibility that compares with person-to-person exchange. Whereas word-of-mouth recommendations from a relative or friend are the most convincing, sales people also have the ability to persuade an indecisive customer. If these tools are not available, then the possibility of adding an external body's point of view, such as star grading, becomes a compelling and a viable alternative to effective advertising.

5.3.3.2 Networking

The importance of "networking" and of the association as an intermediary for referring business, was established in sections 4.5.4 and 4.5.5 of chapter 4. These results are in accordance with the findings of the literature review that consider networking as a natural part of decision-making relating to marketing.

KWABABA, itself closely linked to the National Accommodation Association (NAA), is in a commanding position to assist B&B practitioners to become more professional and better equipped to use innovative methods so as to grow into a force within the accommodation industry. By endorsing the star-grading scheme, it can not only educate and train its members, but it can also enhance the standing of the B&B sector itself, raising its image in the minds of all travellers and tourists.

Such expressions of good intentions may start off well, but they tend to fade when other pressures emerge. It would be useful for KWABABA, from its provincial base, to consider setting up a permanent organisation that could train and mentor start-up and established B&Bs so that they could benefit from the knowledge inside and outside the association.

While acknowledging that KWABABA is still young and that the NAA does not have the same amount of political influence that FEDHASA or similar organisations have, it is still necessary that the concerns of members be brought to the attention of authorities. Issues that hinder better co-operation, such as the way that the costs of grading are determined according to multiples of rooms in B&Bs, as was established in section 4.4.4, should be

raised with the TGCSA so that these practices can be reconsidered. There are many areas of business know-how that associations can contribute to the improved performance of B&Bs: for example, legal matters, labour relations, training and development of human resources, principles of business management, hospitality operation systems and marketing, of course.

5.3.3.3 Branding

The reasons for the growth of the B&B industry have been alluded to in the literature review. In the opinion of this researcher, an important aspect has been neglected in the explanations for the success of B&Bs. People choose to stay at B&Bs for other reasons than only those mentioned in the literature, including the price. They know that a B&B offers a private yet congenial, comfortable and personal experience. It is argued that the various association members should expend more energy to embellish this competitive advantage and ensure that the B&B “brand” is not diluted by other establishments who tend to “ride on the back of B&Bs”.

5.3.4 Evaluation and Feedback

At various stages of the study, for example in sections 2.4.1 and 2.6.2.6, the B&B was shown as a system, where the inputs, such as material resources, were transformed into outputs that could be used by a consumer. An important part of any system is the “feedback loop” that informs decision makers, such as B&B owner-managers, of what to do to improve the production process.

It was found in the study, that B&B practitioners do not, as a rule, do much formal evaluation of their business processes and consumer outputs. It is also stated in the literature review that many small businesses fail to adapt to changes in their business environment. A possible reason for this neglect is the owner-managers ignorance of appropriate methods and systems, so it is recommended that KWABABA should help B&Bs to introduce internal systems that check on various aspects of the business.

The annual assessment of the Tourism Grading Council, an external control system, assists organisations to take stock of themselves and measure themselves against their

competitors. Ideally, the B&B should be ready for such an inspection at any time by applying its own or the association's assessment tests.

5.4 RECOMMENDED THEMES FOR FURTHER RESEARCH

During the course of this study, many questions concerning the development and status of the bed and breakfast industry, particularly regarding its marketing, have arisen that should be further investigated. It is recommended that future research should examine the following issues in greater depth:

- The profile of B&B owner-managers as entrepreneurs, to establish whether they have similar features, motivations and problems as their counterparts in other SMMEs.
- The critical success factors (CSFs) of entrepreneurs in the B&B sector, so that future B&B owner-managers can be alerted to them and be trained to deal with matters as they arise.
- The process of marketing in small accommodation establishments in order to better determine the nature, rationale, practice and areas of convergence and divergence with larger hospitality establishments.
- The need for the awareness of customers insofar as grading is concerned to establish gaps in their knowledge. Once customers become more acquainted with the relevance of stars in accommodation establishments, they will benefit from selecting places they prefer and the B&Bs will have consumers who have realistic expectations.
- The correlation of grading stars with the actual experiences of guests. It would be valuable to determine whether the minimum and grading requirements of the TGCSA are in fact in accordance with the realities that guests experience. There is some doubt amongst B&B practitioners that the TGCSA assessors are well enough trained and qualified to assess establishments consistently.

- This study concentrated on B&Bs in previously well-developed areas of Durban, mainly because there are so few of them in townships. It is known that certain initiatives aim to broaden the scope of B&Bs to township regions, but before owner-managers are persuaded to convert their homes to become suitable B&Bs, it would be useful to establish the need for accommodation in “township tourism”.

5.5 CONCLUDING REMARKS

Overall, this study has explored the role that grading plays in marketing bed and breakfast establishments (B&Bs) that are managed by entrepreneurs. It has examined the current literature and it has empirically explored the opinions of B&B owner-managers who are members of the KwaZulu-Natal Bed and Breakfast Association (KWABABA) in the Durban Metropolitan Region. As KWABABA members, B&B owner-managers belong also to the National Accommodation Association (NAA).

While establishing the development and reasons of the growth of B&Bs, it became apparent that this sector of the tourist accommodation industry has become a significant contributor to South Africa’s tourism industry and to the wealth of Durban. However, the lack of professionalism in certain areas, including grading, hinders the realisation of the B&B sector’s full potential. It has been recommended that the already established local, provincial and national associations should engage themselves more completely to become influential, consultative bodies for their members. Expanding the role of associations will enable B&Bs to improve their image and branding and become more acceptable to greater numbers of travellers.

As is so frequently reported in the media, tourism is one of the fastest growing industries in South Africa. Providing suitable, home-away-from-home, professionally run bed and breakfast establishments for the travellers who arrive in Durban from the rest of South Africa, from Africa and other countries abroad is an opportunity that entrepreneurs are challenged to meet. Ensuring that the B&B experience more than satisfies the guests’ expectations will encourage visitors to choose this City and its environs as a first choice, only choice destination, and that means that more tourism will enable more and more people to share in the tourism gold that lies at either side of the rainbow.

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APPENDIX A

COVERING LETTER AND QUESTIONNAIRE

COVERING LETTER

15 August 2002

Dear Association Member

I am currently conducting research on tourism grading as a marketing instrument in bed and breakfast (B&B) establishments. This study forms the basis of a dissertation for my Masters degree in Entrepreneurship.

It would be much appreciated if you could answer the attached questionnaire that will take about 20 minutes to complete. If required, I will be pleased to clarify any possible problems or queries you might have in finalising your responses. If so desired, you have the option to receive a summary of the final report.

Confidentiality of all your information will be respected.

Thank you for your co-operation.

Yours sincerely,

Frank Tanner

QUESTIONNAIRE

This questionnaire consists of four parts, and you are requested to answer the questions as honestly and completely as possible. Please tick (✓) the appropriate block(s) where necessary. Thank you.

PART 1 : BACKGROUND INFORMATION

1. How long have you been operating a B&B establishment?

Less than 2 years		1
2 - 4 years		2
5 - 7 years		3
8 - 10 years		4
More than 10 years		5

2. Why do you run a B&B at present?

It is fun and keeps me busy		1
It enables me to be in sole control of a business		2
It supplements my income		3
It is my only income		4
Other (please specify)		5

3. Select only six (6) of the following items that most contribute to make your business grow?

The hospitality qualifications I have gained		1
My marketing skills		2
My management skills of running a small business		3
The level of expected services that I offer the guests		4
The kinds of additional services and facilities that I can offer guests		5
The quality of the rooms and bathrooms		6
The food and drinks offered		7
The experience of staying in my B&B		8
The grading of my B&B		9
My belonging to an (or many) association(s)		10
My staff		11
The location of my B&B		12

4. In your opinion, which **one** of the following statements **best** describes the meaning of the term “entrepreneur”?

An entrepreneur sees an opportunity to make money and takes the necessary risks to own and develop a business.		1
An entrepreneur employs strategic practices and innovative behaviour to make the business profitable and grow.		2
An entrepreneur establishes and manages a business for the main purpose of furthering personal goals.		3
An entrepreneur is a successful leader who can work in a team to maximise profit and control resources.		4

5. Indicate the kind of experience that you gained prior to starting your B&B.

Commerce		1
Hospitality, tourism		2
Education		3
Civil service		4
Own business		5
Other (please specify)		6

6. In which age group are you?

Less than 35		1
35 – 45		2
46 – 55		3
56 – 65		4
Over 65		5

PART 2 : ABOUT YOUR ESTABLISHMENT

7. How many rooms does your B&B establishment have?

1 – 3	4 - 8	9 – 15	16- 25	≥ 26
1	2	3	4	5

8. When describing your B&B to a guest, which **one** of the following phrases would best suit your answer?

It is fair to good (acceptable/modest) quality in the overall standard of furnishings, service and guest care. The accommodation is clean, comfortable and functional.		1
It is superior (excellent) comfort and quality with a high standard of furnishings, service and guest care		2
It is very good quality in the overall standard of furnishings, service and guest care.		3
It is of exceptional quality and it has luxurious accommodation, matching best international standards.		4
It is good quality in the overall standard of furnishings, service and guest care.		5

9. Please indicate:

	Yes	No	
1. Is the cost of breakfast included in the room rate?			1
2. Do you charge different rates for different rooms?			2
3. Do you live in the house or on the property?			3
4. Do you own and manage your accommodation business?			4
5. Do your guests share the public areas with the family?			5
6. Do you have a personnel/training policy for your staff?			6

10. What is the rack (or normal) rate for one person per night at your B&B?

Less than R 100.00		1
Between R 101.00 to R 200.00		2
Between R 201.00 to R 300.00		3
Between R 301.00 to R 400.00		4
More than R 401.00		5

11. What two features do guests like **most** about your B&B?

1.		1
2.		2

12. In which region is your B&B situated?

1000 Hills		1
Amanzimtoti		2
Berea North		3
Berea South		4
Sugar Coast		5
West Durban		6

PART 3 : GRADING

13. Are you familiar with the requirements of the following grading systems?

	Yes	No	
Tourism Grading Council of South Africa (stars)			1
South African Bureau of Standards (crystals)			2
Automobile Association of South Africa			3
Other (please specify)			4

14. Is your establishment graded according to the 'stars' system?

Yes		1
No		2

15. If your answer to the above question is "yes", how many stars does your B&B have?

One	Two	Three	Four	Five
1	2	3	4	5

16. Give your reason(s) why you would prefer to be graded by the SABS or the AA or another private organisation.

It is cheaper than the 'stars' system		1
It is more credible than the 'stars' system		2
It is better managed than the 'stars' system		3
It differs from the 'stars' that are normally associated with hotels		4
Other (please specify)		5

17. About how much does it cost for you (or your establishment) to become graded with the Tourism Grading Council of South Africa (TGCSA)?

.....

18. On a scale of 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree) or 5 (strongly agree) state your opinion of the following benefits of grading for your B&B.

	1	2	3	4	5	
Display the plaque						1
Use the logo and star symbols in advertising, promotional material, stationery, etc.						2
Display certificate inside premises						3
Use brown information signs on national roads						4
Purchase additional signs, plaques, etc						5
Be listed on the TGCSA website						6
Helps to improve standards of service and facilities						7
To verify the legality of the establishment						8

19. On a scale of 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree) or 5 (strongly agree) state your opinion of the following reasons for not grading your B&B at all.

	1	2	3	4	5	
Fees and costs of grading are too high						1
Credibility of grading is low						2
Problem of maintaining the facilities and service						3
Guests do not know or care about stars						4
Stars would not help me in my marketing efforts						5

20. What would you like to change with the current system of grading?

.....

.....

.....

PART 4 : MARKETING

21. What type of customers is most frequently booked in your B&B? (Please mark just one.)

Corporate business people (travellers)		1
Holiday makers (leisure)		2
Groups of people associated with religion, sports, etc. and groups for weddings and other family meetings		3
Permanent guests (more than 30 days)		4

22. Rank from 1=most to 4 = least from where your guests originate?

Overseas		1
Rest of Africa		2
South Africa (except KZN)		3
KZN		4

23. To what extent are there formal strategic marketing planning activities in use at your establishment?

To no extent		1
To a minor extent		2
To some extent		3
To much extent		4
To a great extent		5

24. Prioritise (rank in order from 1 = most important to 5 = least important) **only** five criteria for a guest choosing to stay at a B&B?

Cleanliness		1
Food		2
Friendliness and personal attention		3
General service		4
Location		5
Marketing		6
Personal recommendation		7
Price		8
Quality of bedroom and bathroom		9

25. How do you determine your room rate?

Do a costing and add a profit margin		1
Adjust the rate to comparable establishments (competition) in the area		2
Estimate what is reasonable and affordable for guests		3
Research the tourist accommodation market		4
Other (please specify)		5

26. What medium do you use most often in advertising?

Newspaper		1
Radio		2
Magazine		3
Leaflets and brochures (direct marketing)		4
Internet		5
Other (please specify)		6
I don't advertise		7

27. On a scale of 1 (least important), 2 (not very important), 3 (neutral), 4 (important) or 5 (very important) please state how significant the following marketing tools are for your business.

	1	2	3	4	5	
Personal selling						1
Public relations, publicity and sponsorship						2
Sales Promotion						3
Networking						4

28. What types of people (or organisations) are most beneficial for providing customers?

Travel agents		1
Tour operators		2
Tour guides		3
Association members		4
Other (please specify)		5

Thank you very much for your time and assistance.

APPENDIX B

SCHEDULE OF ALL INTERVIEWEES

SCHEDULE OF ALL INTERVIEWEES

During the research process a large number of persons was consulted, some quite informally, others more formally. Obviously, the many people with whom the researcher merely conversed are not listed here.

In the initial stages a number of persons were approached to establish more about the bed and breakfast industry, in general. Later, more in-depth conversations gave added insight into the topic being studied. For the interviews that were audio-taped and then transcribed, the author selected some persons who gave much valuable and useful information to enrich the study. They remain anonymous in the study.

Most of the interviewees were given an undertaking of confidentiality but they gave permission to be listed in this annexure. Only those persons who gave their approval at the time of the interview are named in the dissertation.

Name	Position	Organisation	Date of Interview	Audio-taped Yes/No
Ms J Ainsworth	Tourist Services Manager	Durban Africa	23.08.02	Yes
Mr A Buchanan	Vice-Chairman	KWABABA and Home Hosting Guild	26.06.02	No
Mr A Burger	Senior Consultant (Former Assessor at Satour)	Qualitour	17.09.02	Yes
Mr A Bruton	Assessor (Former Assessor SABS & Satour)	TGCSA	11.09.02	Yes
Mr B Carelse	Manager	Guesthouse Beethoven	30.08.02	No
Mr J Connellon	Chairman	KWABABA – Berea South	15.08.02	No
Ms B Dlamini	Personal Assistant	CODIT – eKhaya	28.03.02 20.06.02	No No
Ms L Easton	Director	AFSCOT Financial Services	16.08.02	No
Ms H Hunter	Chairman	NAA; Home Hosting Guild; KWABABA	26.03.02 05.09.02	No Yes

Ms R Judnarain	Publicity Officer	Amanzimtoti Publicity Association	30.08.02	No
Mr/s P Klaprott	Chairman	KWABABA -- 1000 Hills	16.08.02	No
Ms K Kohler	Research Assistant	KwaZulu-Natal Tourism Authority	15.03.02 24.06.02	No No
Mr C Knowles	Manager (Former Assessor at Satour)	ETQA (THETA)	06.11.02	No
Ms P Murray	Owner-Manager of the 2nd B&B in Durban	Moray B&B	16.08.02	No
Mr J Rothman	Administration Manager	TGCSA	14.05.02 30.07.02	No Yes
Ms V Sands	Publisher	AA Travel Guides	17.09.02	Yes
Mr/s V Shephard	Chairman	KWABABA -- Durban West	14.08.02	No
Mr E van Heerden	Chairman	KWABABA -- Amanzimtoti	30.08.02	No
Ms L Young	Owner-Manager	The Grange B&B	26.03.02 04.09.02	No No

APPENDIX C

CLASSIFICATION OF ENTREPRENEURS

CLASSIFICATION OF ENTREPRENEURS

Growth-oriented	Try to maximise the potential of their ventures.
Independence-oriented	Want to work for themselves, preferring stability to growth, and are willing to limit the scope of their ventures.

Based on Wickham (2001)

Classic (or Cantillon)	Identify unexploited opportunities and then innovate to pursue it.
Small business owner	Take responsibility for owning and managing their own ventures. The 'smallness' may be due to the early stage of growth or the owners may wish to remain small for personal reasons.

Based on Webster (1977)

Gambler	The venture has a low degree of innovation and a high level of risk.
Consolidator	The venture has low degrees of both innovation and risk
Dreamer	Attempts to combine a high level of innovation with a low level of risk
(True) Entrepreneurs	These combine in their ventures high levels of innovation and risk

Based on Landau (1982)

Senior Citizen	Main reason is to remain occupied during retirement, by owning/managing a small business, relying on past experiences. There is no long-term strategy for growth.
Workaholics	Although retired, these people are ambitious and have bigger businesses. They articulate strategic goals and work with employees.
Swingers	Younger people who make deals to maximise short-term profits.
Idealists	Younger people who want to be independent and enjoy a sense of achievement.
High flyers	Ventures are larger than idealists, offering a variety of products. Corporate goals and strategy is explicit.

Based on Wai-Sum Siu (1996)

APPENDIX D

SELECTED ADVERTISEMENTS WITH GRADING SYMBOLS

SUNGUBALA
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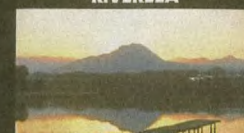
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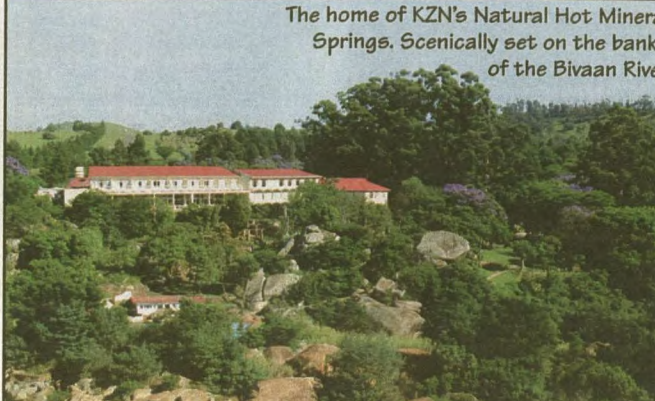
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Fax: 011 280-3232

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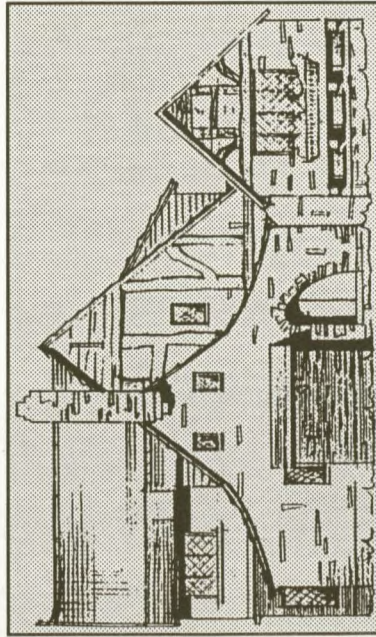
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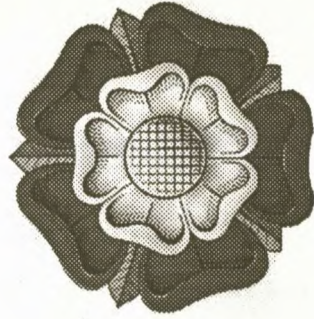
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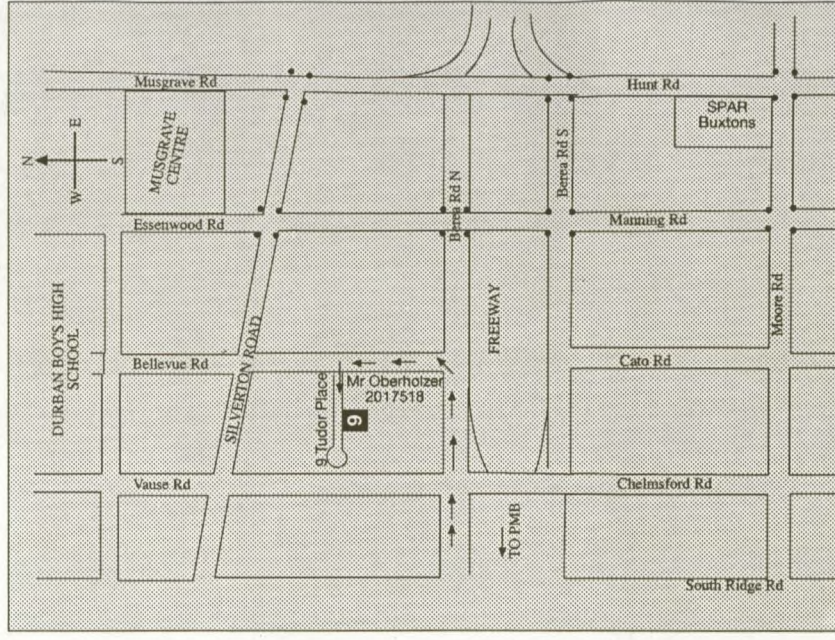
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APPENDIX E

MINIMUM STAR GRADING REQUIREMENTS

Bed and Breakfasts P-Q

Definition

Bed and Breakfast accommodation is usually provided in a family (private) home and the owner/manager lives in the house or on the property. Breakfast is usually served. Bathroom facilities may or may not be en-suite and/or private. In general, the guest shares the public areas with the host family.

Only establishments that cater for transient guests (travelling public) will qualify for grading.

Minimum Requirements for B&B Classification

1. General

1.1 Safety and Security

A high degree of general safety and security should be maintained.

All reasonable precaution must be taken to secure the personal safety of guests and prevent damage to or theft of their possessions.

Information on procedures in the event of an emergency should be clearly displayed. This information should be in English and if possible multilingual (depending on the establishment's market). Procedures for summoning assistance, in particular after hours, should also be available.

Proprietors or their representatives should be available during guests' arrival and departure periods, during meal times and all other reasonable times. There should be a responsible person on call 24-hours a day.

There should be adequate levels of lighting for guest safety and comfort in all public areas, including stairwells and car parks.

All guest room entry doors to a common area or the exterior should be equipped with a locking device that permits a guest to lock the door when leaving the room as well as a device to lock the door from the inside when the guest is occupying the room. Surface mounted slide-bolts may be considered to be appropriate locking devices in certain properties.

Doors to connecting rooms should be equipped with a deadbolt lock.

Once registered, guests should have access to the establishment at all times – unless restrictions are previously notified. It is acceptable for a key or security code to be issued.

1.2 Cleanliness and Comfort

A high standard of cleanliness should be maintained throughout the B&B.

The B&B should be comfortable and fit for the purpose intended.

1.3 Statutory Obligations

All premises are expected to comply with all relevant statutory and local government regulations. Assessors may request that relevant documentation, certificates, etc be presented at the time of the assessment. This includes, inter alia:

- ☐ Proof of provincial registration (if applicable);
- ☐ Business registration which entitles the establishment to legally operate;
- ☐ Public liability insurance;
- ☐ Compliance with local authority regulations including;
 - Fire safety certificate;
 - Compliance with building regulations – in particular with regard to accessibility.

1.4 Access

There should be no discrimination to accepting guests based on their race, ethnicity, physical or mental condition, etc.

1.5 Courtesy

The highest standard of courtesy should be shown to guests at all times.

Guest complaints should be dealt with courteously and promptly.

1.6 Marketing, Reservations and Pricing

There should be friendly and efficient service appropriate to the style of the establishment.

All enquiries, requests, reservations, correspondence and complaints should be handled promptly and courteously.

It should be made clear to all visitors what is included in the prices quoted for accommodation, meals and refreshments, including service charge, surcharges, levies, etc.

A brochure or leaflet detailing the property's pricing structure should be available on request. All prices must include VAT.

Guests must be notified if the price agreed at the time of booking has changed.

Full details of the establishment's cancellation policy should be made clear to guests at the time of booking. Details of any in-house policies e.g. no smoking should be communicated at the time of booking.

The amenities, facilities and services provided by the establishment should be described fairly to all visitors and prospective visitors, whether by advertisement, brochure, word of mouth or other means.

2. Buildings

2.1 Exterior

All grounds and gardens under the control of the operator should be neat and appropriate.

The exterior of the property must be well maintained in a sound and clean condition.

2.2 Maintenance

The interior and exterior of the building/s including all fittings, fixtures and furnishings must be maintained in a sound and clean condition and must be fit for the purpose intended.

3. Bedrooms

3.1 Housekeeping

All bedrooms should be cleaned daily and all beds made daily.

All linen, including duvet covers, should be changed for each new guest.

All bed linen, including duvet covers, should be changed at least every 5 days. This period may be extended for environmental purposes AND with the guest's consent.

Soiled linen should be changed as soon as possible.

3.2 Bedroom size

All bedrooms should have sufficient space to allow freedom of movement for guests and access to all furniture in the room.

It should be possible to open all doors and drawers fully.

The ceiling height for the major part of the room should be sufficient for a 1,8m person to move around without stooping.

3.3 Beds

All beds are to be of sound condition and should have a secure headboard or equivalent where appropriate to type of bed (a continental pillow may suffice for the headboard).

All mattresses are to be comfortable, of sprung interior, foam or similar construction and be fitted with mattress protectors or underblankets.

Single beds should comfortably accommodate an average sized adult and double beds 2 average sized adults.

3.4 Bedding

All bedding should be clean and sufficient in quantity (dependent on weather conditions experienced in the region of the establishment).

There should be at least one blanket and one pillow per sleeping space with additional blankets and pillows available on request. Duvets are also acceptable. All sleeping spaces should have an undersheet and topsheet. There should be a pillowcase on each pillow.

Beds should be covered with an appropriate bedspread or quilt, unless an appropriate duvet is provided.

The exposed part/s of each bed should be in an appropriate condition and visually attractive; alternatively they should be hidden from view by appropriate bedding ("skirt", valance or bedspread).

Non-allergic pillows and duvets are preferable and should be available on request.

3.5 Bedside Tables

All permanent sleeping spaces intended for adult occupation should have a bedside table. Twin beds may share a bedside table located between the 2 beds (these may be double beds). If rooms are largely sold for single occupancy, one bedside table and light may be appropriate. A dressing/writing table may double as a bedside table.

3.6 Windows and Lighting

There should be one window to allow natural light and adequate ventilation. If the window cannot be opened, a ventilation system must be provided.

All bedrooms should be well lit. There should be a main light in the bedroom.

There should be a bedside or bedhead light for, and controllable by, each person (the number of people typically occupying a room should be considered when determining the appropriateness of bedside lighting). Twin beds may share a bedside light. A double bed may have one shared bedhead light.

All bulbs should have a shade or cover (unless decorative).

Emergency lighting should be provided (i.e. candle, candlestick and matches).

3.7 Curtains

Curtains, blinds or shutters should be provided on all windows including glass panels and doors where required to afford both privacy and/or the exclusion of light.

If appropriate, consideration should be given to providing additional privacy e.g. net curtaining or blinds.

3.8 Heating/Cooling

Heaters and/or fans should be available on request. Typical climatic conditions experienced in the region of the establishment will be considered when determining the minimum requirements for heating and/or cooling.

3.9 Flooring

Flooring may vary considerably and any fit-for-purpose flooring may be appropriate. Ease of cleaning and hygiene should be considered when evaluating flooring.

3.10 Clothes Storage

Each room should have a wardrobe or clothes hanging space with sufficient good quality hangers per person.

In addition, there should be adequate drawer or shelf space.

3.11 Dressing/Writing Table

There should be a dressing, writing table, chest of drawers or equivalent in the room (the objective is to provide the guest with space to place items and/or a work surface). It may be appropriate for the dressing/writing table to double-up as a bedside table.

Ideally there should be a mirror adjacent to the dressing/writing table and lighting intensity in the vicinity of the mirror should be adequate.

3.12 Seating

At minimum there should be one chair in the room.

3.13 Television and Radio

If a signal is available and it is considered to be appropriate to the market, a colour television should be provided in the B&B.

If appropriate to the market a radio is to be provided in each room, unless there is a television in each room.

3.14 Telephones

Telephones in guest bedrooms is optional, however, the guest should be able to make use of the household telephone (if there is one available).

Where telephones are provided guests should be informed of charges on request.

All in-room telephones should display the B&B telephone number.

3.15 Miscellaneous

Each bedroom should have:

- ☐ Waste bin
- ☐ Ashtray (if smoking is permitted)

- ☐ A clean drinking glass per permanent sleeping position
- ☐ Sufficient conveniently located power sockets for the safe use of all electrical equipment
- ☐ A towel rail or equivalent if the room is not en-suite

4. Bath/Shower Rooms

4.1 En-suite/Private/Shared bathrooms

There should be at least one bath or shower and toilet with washbasin to every 4 resident guests. Where the maximum number of persons (including guests and the proprietor/family members) using a bath or shower room, toilet and washbasin facility is no more than 6, it is acceptable that the facility is shared between guests and proprietors/family. Where a shared facility exists, proprietors and their family should avoid prolonged use during peak guest demand periods (this may be in the early to mid-morning period). In addition, personal belongings of proprietors and family should be removed from the bathroom.

A private bathroom is one solely designated for the use of one room. The bathroom should be reasonably close to the bedroom and lockable. Access to the bathroom via public areas (lounge, etc) is not acceptable.

4.2 Housekeeping

All bathrooms should be cleaned daily.

All bathroom linen should be changed at least every 5 days. This period may be extended for environmental purposes AND with the guest's consent. Soiled linen should be changed as soon as possible.

4.3 Bathroom size

All bathrooms should have sufficient space to allow freedom of movement for guests and access to all fittings.

4.4 Fixtures and fittings

Each bathroom should have:

- ☐ A bath or shower
- ☐ Washbasin with adjacent mirror
- ☐ Toilet
- ☐ Soap dish/holder/dispenser

- ☐ Toilet roll holder and toilet paper
- ☐ Waste bin
- ☐ Adequate ventilation (e.g. an extractor fan or opening window)
- ☐ A towel rail, towel shelf or equivalent
- ☐ Running, hot water for bathing should be available at all reasonable times
- ☐ A clean hand and bath towel for each guest
- ☐ Fresh soap for each new guest

Private and shared bathrooms must be lockable from the inside.

A hook for clothes should be provided in shared and private bathrooms.

4.5 Lighting and Windows

All bathrooms should be well lit with a light switch near the entrance to the bathroom.

If deemed necessary for guest privacy purposes all windows in the bathroom (if present) should either be tinted, opaque or of other glass that ensures guest privacy or alternatively should be covered with an opaque curtain, blind or shutter.

5. Public Areas and Breakfast

5.1 Public Areas

A dining room/breakfast area should be available for the service of breakfast and other meals, unless meals are served only in guest rooms.

5.2 Breakfast

An appropriate breakfast to the nature of the accommodation should be offered. However, in general a breakfast at a B&B should consist of a fully cooked breakfast or alternatively a substantial continental breakfast. Buffet style is acceptable.

5.3 Food and Beverage – General

Staff should demonstrate adequate levels of product knowledge and provide efficient service.

All food should be hygienically stored, prepared and presented.

6. Additional Requirements for 4- and 5-Star B&Bs

6.1 General

For 4 and 5 star B&Bs a higher level of general ambience and spaciousness will be required in all areas of the B&B e.g. spacious corridors, bedrooms with no narrow areas, etc. Some account may be taken of limitations in older or historic properties.

6.2 Bedrooms

The room size should be comfortable and adequately accommodate all furniture provided.

The bedroom should have at least two seating chairs.

There should be a hairdryer in each room.

If appropriate and fit for the purpose there should be a remote controlled colour television in each room with a wide choice of channels.

Air-conditioning and/or other forms of heating or cooling are preferred in conditions where extreme day and/or night temperatures are experienced.

In areas where malaria occurs, adequate protection against mosquitoes in the form of mosquito nets, window gauze and/or insecticide should be provided in each guest room.

6.3 Bathrooms

All guest bedrooms should have en-suite or private bathroom facilities.

A range of quality guest amenities should be available.

A bath and shower should be available (5 star), the shower may be over the bath. All new, purposed built 5-star hotel bathrooms should have a separate bath and shower.

6.4 Lounge

A communal lounge area with comfortable chairs should be available for guest use.

APPENDIX F

CLASSIFICATION OF MAIN TYPES OF RESEARCH

CLASSIFICATION OF MAIN TYPES OF RESEARCH

Type of research	Criterion	Focus
Exploratory research	Purpose of the research (Why is the research being conducted?)	When there are few earlier studies this research helps to gain insights and familiarity with the subject matter.
Descriptive research		Describes phenomena as they exist. Answers 'what'-type questions.
Analytical research		Explains 'why' or 'how' the characteristics of phenomena happen.
Predictive research		Forecasts whether something may happen in a similar situation somewhere else.
Quantitative research	Process of the research (The ways that data will be collected and analysed.)	Objective in nature, it concentrates on measuring phenomena with numerical data and analyzing them statistically. It uses a style that is formal.
Qualitative research		Subjective in nature, it examines and reflects on perceptions so that a better understanding can be gained. The style of writing can be informal.
Applied research	Outcome of the research (How will the new knowledge be used?)	Findings can be applied to a particular, existing problem.
Basic research		Fundamental or 'pure' research that contributes to knowledge
Deductive research	Logic of the research (Is there a move from the general to the specific or vice-versa?)	Moves from the general to the particular, e.g. by testing existing theory on a special matter.
Inductive research		Moves from the specific to the general, e.g. theory is developed from individual observations.

Source: Adapted from Hussey and Hussey (1997: 9-15)