

Customer Relationship Management Implementation Strategies in Hotel Industry

Brijesh Kumar Yadav

Junior Research Fellow, Faculty of Management Studies,
Banaras Hindu University (BHU), Varanasi, Uttar Pradesh, India

CITATION: Yadav, Brijesh Kumar (2013), "Customer Relationship Management Implementation Strategies in Hotel Industry", *MERC Global's International Journal of Management*, Vol. 01, Issue: 02, pp. 103-119.

ARTICLE HISTORY: Submitted: July 08, 2013, Revision received: September 04, 2013, Accepted: September 19, 2013

ARTICLE TYPE: Review paper

ABSTRACT

Customers are becoming price sensitive, less loyal and more switchers in terms of preferring products and services. Customer relationship management (CRM) is an authoritative tool, which characterizes an imperious role to attract, retain, and maintain relationship with customers for life time. However, the successful implementation of CRM is a distinguished issue as only successful CRM implementation can accomplish the target of attracting, retaining, and nurturing relationship with customers. CRM is venerated as business strategy, fetched by organisations to proclaim the strategic relationship with customers, which subsequently leads to the loyalty among the customers. The evinced work concentrates on the implementation issues of CRM, which foster the organisations especially in the hotel industry to retain customers for life time. Today, customers (guests) are laudably conscious about the price, brand, and competition in the hotel industry. Therefore, patronage of guest loyalty is a very challenging endeavour in hotel industry as customers vacillate brands even they are fully satisfied. Furthermore, in this paper a manoeuvre is also elicited to recognize the divergent implementation issues which are fastidious to successful implementation of CRM. As the last endeavour, a CRM implementation model has been conceived, which will augment the value in the implementation of CRM especially in the hotel industry.

KEYWORDS: CRM, CRM Implementation, Implementation Issues, CSF, Customer, Loyalty, Hotel Industry

REFERENCES

1. Bendapudi N. and Leone R. P. (2002), "Managing Business to Business Customer Relationships following Key Contact Employee Turnover in a Vender Firm", *The Journal of Marketing*, Vol. 66, No. 2, pp. 83-101.
2. Bull, C. (2003), "Strategic Issues in Customer Relationship Management (CRM) Implementation", *Business Process Management Journal*, Vol. 9, No. 5, pp. 592-602.
3. Cao, Y. and Gruca, T. S. (2011), "Adverse Selection through Reducing Customer Relationship Management", *Journal of Marketing*, Vol. 69, No. 4, pp. 219-229.
4. Chang, H. H. (2007), "Critical Factors and Benefits in the Implementation of Customer Relationship Management", *Total Quality Management*, Vol. 18, No. 5, pp. 483-508.
5. Chen, I. J. and Popovich, K. (2003), "Understanding Customer Relationship Management (CRM) People, Process and Technology", *Business Process Management Journal*, Vol. 9, No. 5, pp. 672-688.
6. Christopher, M.; Payne, A. and Ballantyne, D. (1991), "Relationship Marketing, Bridging Quality, Customer Service and Marketing Together", *Butterworth- Heinenann*, Oxford.
7. Dyche J. (2001), *The CRM Handbook: A Business Guide to Customer Relationship Management*, Addison-Wesley Professional.
8. Emperger, W. (2004), *Customer Relationship Management in the Hospitality Industry*, MBA Dissertation, Henley Management College, London.

9. Fletcher, K. and Wright, G. (1996), "The Strategic Context for Information Systems Use: an Empirical Study of the Financial Services Industry", *International Journal of Information Management*, Vol. 16, No. 2, pp. 119-131.
10. Frow, P.; Payne, A.; Wilkinson, I. F. and Young, L. (2011), "Customer management and CRM: Addressing the dark side", *Journal of Services Marketing*, Vol. 25, No. 2, pp. 79-89.
11. Gillies, C.; Rigby, D. and Reichheld, F. (2002), "The Story Behind Successful Customer Relationship Management", *European Business Journal*, Vol. 14, No. 2, pp. 73-77.
12. Gilmore, J. H. and Pine, J. (1997), "The Four Faces of Mass Customization", *Harvard Business Review*, Vol. 75, No. 1, pp. 91-101.
13. Gustafsson, A.; Johnson, M. D. and Roos, I. (2005), "The Effect of Customer Satisfaction, Relationship Commitment Dimensions, and Triggers on Customer Retention", *The Journal of Marketing*, Vol. 69, No. 4, pp. 210-218.
14. Harrison, L. J.; Walker and Neeley, S. E. (2004), "Customer Relationship Building on Internet in B2B Marketing: A Proposed Typology", *Journal of Marketing Theory and Practice*, Vol. 12, No. 1, pp. 19-35.
15. Kim, M.; Park, J. E.; Dubinsky, A. J.; Chaiky, S. and Kim, M. (2012), "Frequency of CRM Implementation Activities : A Customer-Centric View", *Journal of Services Marketing*, Vol. 26, Issue: 2, pp. 83-93
16. King, S. F. and Burgess, T. F. (2007), "Understanding Success and Failure in Customer Relationship Management", *Industrial Marketing Management*, Vol. 37, pp. 421-431.
17. Kotorov, R. (2003), "Customer Relationship Management : Strategic Lessons and Future Directions", *Business Process Management Journal*, Vol. 9, No. 5, pp. 566-571.
18. Krasnikov, A.; Jayachandran, S. and Kumar, V. (2009), "The Impact of Customer Implementation of Cost and Profit Efficiencies: Evidence from the U. S. Commercial Banking Industry", *Journal of Marketing*, Vol. 73 (November), pp. 61-76.
19. Lo, A. S.; Stalcup, L. D. and Lee, A. (2010), "Customer Relationship Management for Hotels in Hong Kong", *International Journal of Contemporary Hospitality Management*, Vol. 22, No. 2, pp. 139-159.
20. Love, P.; Edwards, D. J.; Standing, C. and Irani, Z. (2009), "Beyond the Red Queen Syndrome: CRM Technology and Building Material Supplier", *Engineering, Construction and Architectural Management*, Vol. 16, No. 5, pp. 459-474.
21. Luck, D. and Stephenson, M. L. (2009), "An Evaluation of the Significant Elements of Customer Relationship Management within the Hotel Industry", *Tourism Today: The Journal of the College of Tourism and Hotel Management*, Vol. 9, pp. 7-26.
22. Minghetti, V. (2003), "Building Customer Value in the Hospitality Industry : Towards The Definition of a Customer-Centric Information System", *Information, Technology & Tourism*, Vol. 6, pp. 141-152.
23. Mithas, S.; Krishnan, M. S. and Fornell, C. (2005), "Why do Customer Relationship Management Applications Affect Customer Satisfaction?", *The Journal of Marketing*, Vol. 69, No. 4, pp. 201-209.
24. Morgan, R. M. and Hunt, S. D. (1994), "The Commitment – Trust Theory of Relationship Marketing", *Journal of Marketing*, Vol. 50, No. 3, pp. 20-38.
25. Ngai, E. W. T. (2005), "Customer Relationship Management Research (1992-2002): An Academic Literature Review and Classification", *Marketing Intelligence & Planning*, Vol. 23, No. 6, pp. 582-605.
26. Nguyen, T. H.; Sherif, J. S. and Newby, M. (2007), "Strategies for successful CRM Implementation", *Information Management & Computer Security*. Vol. 15, No. 2, pp. 102-115.
27. O'Connor, P. and Murphy, J. (2004), "Research on information technology in the hospitality industry", *International Journal of Hospitality Management*, Vol. 23, No. 5, pp. 473-484.
28. Osarenkhoe, A. and Bennani, A. E. (2007), "An Exploratory Study of Implementation of Customer Relationship Management Strategy", *Business Process Management Journal*, Vol. 13, No.1, pp. 139-164.
29. Osman, H. and Hemmington, N. (2009), "A Transactional Approach in Creating Customer Loyalty in The Hotel Industry", *International Journal of Contemporary Hospitality Management*, Vol. 21, No. 3, pp. 239-250.
30. Oztays, B.; Sezgin, S. and Ozok, A. F. (2011), "A Measurement Tool for Customer Relationship Management Processes", *Industrial Management & Data Systems*, Vol. 111, No. 6, pp. 943-960.
31. Parvatiyar, A. and Sheth, J. N. (2002), "Customer Relationship Management : Emerging Practice, Process, and Discipline", *Journal of Economic and Social Research*, Vol. 3, No. 2, pp. 1-34.
32. Payne, A. and Frow, P. (2005), "A Strategic Framework for Customer Relationship Management", *Journal of Marketing*, Vol. 69, No. 4, pp. 167-176.
33. Payne, A. and Frow, P. (2011), "A Strategic Framework for Customer Relationship Management", *Journal of Marketing*, Vol. 69, No. 4, pp. 167-176.
34. Piccoli, G.; O'Connor, P.; Capaccioli, C. and Alvarez, R. (2003), "Customer Relationship Management - A Driver for change in the Structure of the US lodging Industry", *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 44, No. 4, pp. 61-73.
35. Piskar, F. and Faganel, A. (2009), "A Successful CRM Implementation Project in a Service Company : Case Study", *Organisation*, Vol. 42, No. 5, pp. 199-208.
36. Reinartz, W. J. and Kumar, V. (2003), "The Impact of Customer Relationship Characteristics on Profitable Lifetime Duration", *Journal of Marketing*, Vol. 167, No. 1, pp. 77-99.

37. Ryals, L. (2005), "Making Customer Relationship Management for Work: the Measurement and Profitable Management of Customer Relationships", *Journal of Marketing*, Vol. 69, No. 4, pp. 252-261.
38. Ryals, L. and Payne, A. (2010), "Customer Relationship Management in Financial Services: Towards Information- Enabled Relationship Marketing", *Journal of Strategic Marketing*, Vol. 9, No. 1, pp. 3-27.
39. Shum, P. (2007), "Employees' affective commitment to change: The Key to Successful CRM Implementation", *European Journal of Marketing*, Vol. 42, No. 11/12, pp. 1346-1371.
40. Sigala, M. (2004), "Customer Relationship Management (CRM) Evaluation: Diffusing CRM Benefits into Business Process", *ECIS 2004 Proceedings*, paper 172.
41. Sigala, M. (2005), "Integrating Customer Relationship Management in Hotel Operations, Managerial and Operational Implications", *International Journal of Hospitality Management*, Vol. 24, pp. 391-413.
42. Sigala, M. and Christou, E. (2002), "The Transformative Power of E-commerce on Hotel Brands", *Annual European Council for Hotel, Restaurant and Institutional Education Conference Proceedings of International Conference in Barcelona, Spain, 2002*.
43. Sin, L. Y. M.; Tsc, A. C. B. and Yim, F. H. K. (2005), "CRM Conceptualization and Scale Development", *European Journal of Marketing*, Vol. 39, No. 11, pp. 1264-1290.
44. Smith, M. and Chang, C. (2010), "Improving Customer outcomes through the Implementation of Customer Relationship Management: Evidence from Taiwan", *Asian Review of Accounting*, Vol. 18, No.3, pp. 260-285.
45. Srinivasan, R. and Moorman, C. (2005), "Strategies Firm Commitments and Rewards for Customer Relationship Management in Online Retailing", *Journal of Marketing*, Vol. 69, No. 4, pp. 193-200.
46. Tanner, J. F.; Ahearne, M.; Leigh, T. W. and Mason, C. H. (2005), "CRM is Sales Intensive Organisations: A Review and Future Direction", *The Journal of Personal Selling and Sales Management*, Vol. 25, No. 2, pp. 169-180.
47. Taylor, P.; Kim, E. and Lee, B. (2009), "Strategic Use of Analytical CRM in a Market with Network Effects and Switching Costs: Terminating Unprofitable Customer Relationships", *Journal of Organisational Computing and Electronic Commerce Management*, Vol. 19, No. 3, pp. 153-172.
48. Verhoef, P. C. (2003), "Understanding the Effect of Customer Relationship Management Efforts on Customer Retention and Customer Share Development", *Journal of Marketing*, Vol. 67, No. 4, pp. 30-45.
49. Wells, J. D.; William, L. F. and Choobineh, H. (1999), "Managing Information Technology for One to One Customer Interaction", *Information and Management*, Vol. 35, No. 1, pp. 53-62.
50. Wetsch, L. R. (2006), "Trust, Satisfaction and Loyalty in Customer Relationship Management", *Journal of Relationship Marketing*, Vol. 4, No. 3-4, pp. 29-42.
51. Xu, Y.; Yen, D. C.; Lin, B.; Chou, D. C.; Xu, Y.; Yen, D. C. and Chou, D. C. (2002), "Adopting Customer Relationship Management Technology", *Industrial Management & Data Systems*, Vol. 102, No. 8, pp. 442-452.
52. Yim, F. H. K.; Anderson, R. E. and Swaminathan, S. (2004), "Customer Relationship Management: Its Dimensions and Effect on Customer Outcomes", *The Journal of Personal Selling and Sales Management*, Vol. 24, No. 4, pp. 263-278.
53. Zeblah, A. R.; Bellenger, D. N.; Johnston, W. J. And Johnston, J. (2004), "Customer Relationship Management Implementation Gaps", *Journal of Personal Selling and Sales Management*, Vol. 24, No. 4, pp. 279-295.
54. Zeblah, Alex R.; Danny, N. B. and Wesley, J. J. (2003), "Customer Relationship Management: An Explication of Domain and Avenues for Further Enquiry in Relationship Marketing", in Micheal Kleinalterkamp and Michael Ehret, Eds, *Customer Relationship Management and Marketing Management; Cooperation- Competition- Co-evolution*, pp. 115-124.
55. Zineldin, M. (2006), "The Royalty of Loyalty: CRM, Quality and Retention", *Journal of Consumer Marketing*, Vol. 23, No.7, pp. 430-437.