



# MEASURING CUSTOMER RELATIONSHIP MANAGEMENT AND SERVICE QUALITY IN THE A-CLASS HOTELS IN JAMMU

**Dr. Bindya Kohli**  
Associate Professor, SSBM

**Dr. Suvidha Khanna**  
Assistant Professor  
School of Hospitality and Tourism Management University of Jammu

## **1. Abstract**

Globalization, increasing competition and advances in information and communication technology have forced companies to increasingly focus on managing customer-relationships and service quality in order to efficiently maximize revenues. CRM is the key competitive strategy & business need to stay focused on. It refers to all business activities directed towards initiating, establishing, maintaining and developing successful long term relationship exchange. Service quality has also been viewed critical for service firms to position themselves strongly in a competitive environment and also as indicators of business performance. In an increasing competitive environment, the issue of service quality can gain great significance, particularly, in the service sector owing to special characteristics like intangibility, perishability, inseparability, etc. Tourism consumption can undergo a significant transformation and involvement of human factor in the qualitative delivery of products and services, can result in more attention towards the issue of efficiency, satisfaction and improvement in service quality. In the light of this the overall objective of the research is to study CRM in the hospitality industry. More specifically, the paper examines the impact of CRM on the service quality in the hospitality industry. The study also frames policy parameters to further enrich CRM and to improve its impact on service quality.

Key words: CRM, Service Quality, Tourism.

## **2. Introduction**

**Customer-Relationship management (CRM):** Customer Relationship Management (CRM) can be defined as the set of methodologies and tools that help an enterprise to manage customer relationship in an organized way (Lawson-Body and Limayam, 2004). It refers to all business activities directed towards initiating, establishing, maintaining and developing successful long term relationship exchange.

Globalization, increasing competition and advances in information and communication technology have forced companies to focus more on managing customer-relationships in order to efficiently maximize revenues. CRM is the key competitive strategy and business need to stay focused on. Deploying of the CRM initiatives has become very common and businesses are trying to get closer to the customer so that they can create long term relationships. There is a tremendous change in the way companies organize themselves as businesses switch from

product-based to customer-based structures. Also decreasing customer loyalty has led to the emergence of concepts that focus on the nurturing of relationships with customers.

CRM is essentially a two stage process. The task of the first stage is to master the basics of building customer focus. This means moving from product orientation to a customer orientation and defining market strategy from outside-in and not from inside-out. The focus should be on customer needs rather than product features. Businesses in the second stage move beyond the basics, they do not rest on their laurels, but push their development of customer orientation by integrating CRM across the entire customer experience chain and by leveraging technology to achieve real time customer management and value proposition to customers (Rygieiski, Wang and Yen, 2002).

CRM is an active, participatory and interactive relationship between business and customer plus the strategic application of people, processes, technology to improve and sustain profitable relationships with customers and partners. It transforms organizations into customer centric enterprises that maximize the value of every customer. It is based on the ability to facilitate communication and decision making to provide consistent, high quality, cost-effective services to all stake holders (Andrade-2003).

The objective of the CRM is to achieve a comprehensive view of customers and be able to consistently anticipate and react to their needs with targeted and effective activities at every customer touch point (Piccoli, O'Connor, Cannaccoli, and Alvarez, 2003). CRM focuses on managing the relationship between a business and its current and prospective customer base as a key to success. To be effective, a CRM strategy must encompass and integrate all customer facing activities. It should ensure that no matter where, when or how a customer interacts with the company, the contact is personalized, consistent and demonstrates that the company knows and values that customer.

The benefits of the CRM are tremendous, especially, business benefits. Some of the business benefits of the CRM are given below: (Ozgener-2001, Andrade-2003)

- 1 Gathering and integrating information on customers.
- 2 Nurturing and maintaining company's customer base.
- 3 Developing a closer relationship with customers.
- 4 Increasing customer satisfaction.
- 5 Declining customer acquisition costs.
- 6 Ensuring sustainable competitive advantage.



- 7 Maximizing profitability due to increased sales.
- 8 Increasing customer loyalty as a result of more personal and efficient service.
- 9 Enabling micro-segmentation of markets according to customer's needs and wants.
- 10 Collaborating with customers for joint value creation.
- 11 Acquiring well accepted outcomes of data mining activities.
- 12 Supporting effective sales efforts through better management of the sales process.

CRM helps businesses to enhance their customer relationships by attracting more profitable customers and establishing stronger, more durable customer relationships (Falk-2004). It gives sales force more time to sell, improves customer response time and quality of customer service plus allows marketers to better understand customer issues and trends. CRM philosophy leverages best practices that value customer information as a corporate asset. It is committed to helping businesses implement strategies and solutions improving the way, they sell, communicate service and analyze customers (Skaates and Seppanen,2002).

Besides, CRM applications are becoming more multi-functional (Karimi, Semers and Gupta-2001). Many major businesses use softwares to support CRM implementations (Sugandhi, 2003).

CRM helps in providing uniqueness to the organizations to help it build up differentiation from its competitors. This is achieved through Comprehensive approach tailored to meet customer's specific needs; to build up customer focused operating environment and culture; to prepare and implement result oriented action plan; and continuous up-gradation of competencies to provide enhanced benefits and satisfaction to customer.

**Role of Customer-Relationship Management (CRM) in Hospitality Industry:**

CRM can play a very significant role in hospitality industry. Hospitality industry can be completely revolutionized by CRM, provided the basic strategies of CRM are applied properly Hospitality industry realizes that professional treatment of guests at the hotel goes a long way to determine the future profitability and they can make bigger and bigger investments to do just that. Guests are also savvier about the service they should be getting and are voting with their wallets based on the experience they receive. Realizing the importance of CRM in hospitality industry, hotels can pour billions of dollars into CRM solutions software and services designed to help hotels more effectively manage guest relationships through any direct or indirect channel a guest opts to use ( Anand & John,2006).

Hotels can start CRM as a business strategy to select and manage the most valuable guest relationships. But CRM requires customer – centric business philosophy and culture to support effective marketing, sales and service processes in hotels. CRM applications can enable effective guest relationship management, provided that a hotel has the right

leadership, strategy and culture.

Concerned hotel managers always understand the importance of focusing on guests with the best potential for sales and profits and providing good service so that guests will come back again and again. CRM can help in enabling a systematic way of managing guest's relationships on a large scale in hotels. ( Anand & John,2006).

CRM can effectively guide the organizations to identify guests' needs and re-focus its strategy to serve them better and in turn achieving the business growth. Some of the major issues that CRM can address in organizations are: help in re-discovering the guests and understanding them; identifying fields requiring new technology and development; identifying weak and strong points; providing feed back; providing new information on competitors; bench marking to achieve global excellence; detailing on aspects on which guest is happy with the organization and on those where he/ she feels that improvement needs to be incorporated; action plan to make organization customer centric. (Sugandhi,2003).

Therefore, one can utilize CRM to achieve the above mentioned points in hospitality industry which can provide uniqueness to the hotels to help them build-up differentiation from their competitors. This can be achieved through continuous up-gradation of competencies to provide enhanced benefits and satisfaction to guests of the hotel. The principles of CRM can create miracles in the hospitality industry as they are developed out of guest focus, methodology involving the understanding of need based segments, the development of segment based proposition and the management of delivery against those propositions to maximize guest value. The hotels can develop a strategy to address guest requirements in such a way so as to enhance the value and benefits to the guest and use this to attain business growth and higher returns for it.

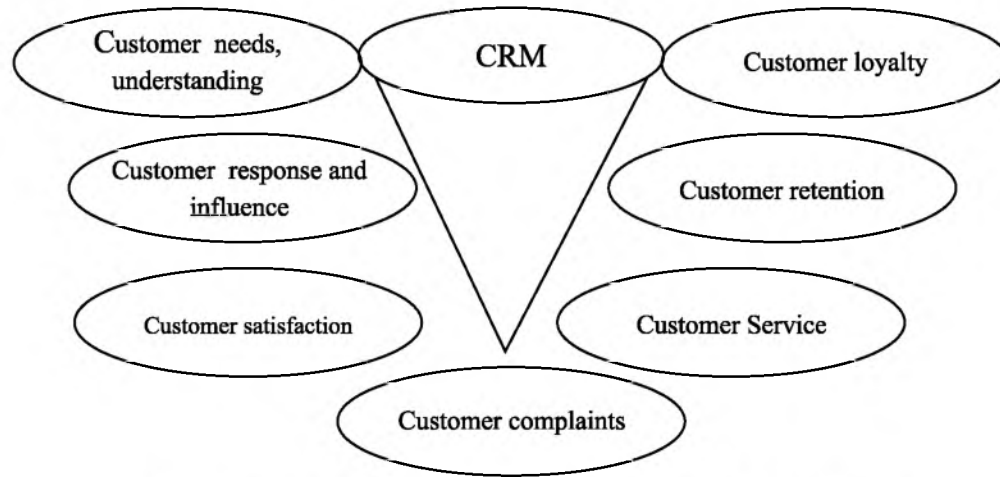
Hospitality industry can also be the primary user of the applications designated 'CRM'. 'E-CRM' applications can be introduced to allow hotels to interact directly with guests via hotel websites, e-commerce store fronts and self service applications. These applications can support the following business processes involved in the customer relationship life cycle ( Anand & John,2006).

1. Marketing: Targeting prospects and acquiring new guests through data mining, campaign management and lead distribution.
2. Sales: Closing business with effective selling processes using proposal generators, configurations, knowledge management tools, contact managers and forecasting aids.
3. E-Commerce: In the internet age, selling processes can transfer seamlessly into purchasing transactions, done quickly, conveniently and at low cost. All guests of the hotel can have one face with the hotel, no matter, which touch point they choose to use.
4. Service: Handling post sales service and supporting issues with web based guest self service options. Successful CRM initiatives can start with a business philosophy that aligns hotel's activities

around guests needs. Only then CRM can be used as a critical enabling tool of the processes required to turn strategy into business results.

CRM can help the hospitality industry to maintain competitive advantage. It can also help simplification of

internal organization of the hotels. Facets of customer-relationship management (CRM) in organizations are given below in diagrammatic form. In a nut shell, CRM can be the key to the growth and prosperity of hospitality industry.



Source : Customer-relationship management (CRM)- Sugandhi, 2003

### Service Quality :

Service quality has been viewed critical for service firms to position themselves strongly in a competitive environment (Parasuraman et al, 1985; Mehta et al, 2000) and also as indicators of business performance (Hurley & Estelami 1998).

Ghobadian et al (1994) points that most of the service quality definitions fall within the “customer led” category. Juran (1999) elaborates the definition of customer led quality as “features of product which meet customer needs and thereby provide satisfaction. Gronroos (1984) and Parasuraman et al, (1985) looks at perceived quality of service as the difference between customers' expectation and their perceptions of the actual service received. Other researchers look at perceived service quality as an attitude. Hoffman & Bateson (2001) defines service quality as an attitude

In layman language therefore, service quality can also be defined as the quality in delivering of services to the guest. It also refers to making sure guests receive services in a better manner, to their satisfaction so that they become repeat guests. Service quality can be the key to success and growth of service sector.

It is difficult to measure service quality as compared to goods' quality. The difficulty to measure is due to fewer tangible cues available when consumers purchase services (Parasuraman et al, 1985), fewer search properties, but higher in experience and credence properties (Zeithaml, 1981 in Parasuraman 1985), as compared to goods. It also requires higher consumer involvement in the consumption process (Gronroos, 1984).

Researchers operationalize the service quality construct either as a gap between expectation of service and perceived performance of service or just perceived performance alone (Hurley and Estalami, 1998). On the other hand, service quality dimensions are seen as the criteria to assess service quality (Parasuraman, Zeithaml and Berry, 1985).

The earliest research on service quality dimensions was done by Gronroos (1984). He found that the perceived quality of a service is affected by the experience that the consumer went through for a service. Therefore, he encapsulated the perceived quality of a given service as the outcome of an evaluation process; a comparison between the consumer expectations of the service with his perceptions of the service he has received. The most popular service quality model in the 1990's (Robinson, 1999) is the model by Parasuraman et al, (1985); in which they describe service quality through five dimensions – tangibles, reliability, responsiveness, assurance and empathy. The importance of service quality to firms and consumer is unequivocal (A. Parasuraman, Valerie. E. Zeithaml and Leonard. L. Berry). Research has demonstrated the strategic benefits of service quality in contributing to market share and return on investment (Anderson and Zeithaml, 1984) as well as improving the productivity (Garvin 1983). The search for service quality is arguably the most important consumer trend of today as consumers are now demanding higher quality in services than ever before.

In an increasing competitive environment, the issue of service quality can gain great significance, particularly, in the service sector owing to special characteristics like intangibility, perishability, inseparability, etc. Tourism



consumption can undergo a significant transformation and involvement of human factor in the qualitative delivery of products and services can result in more attention towards the issue of efficiency, satisfaction and improvement in service quality. Service quality has been increasingly identified as a key factor in differentiating service products and building a comprehensive advantage in tourism. Service quality in Tourism industry receives increasing attention in the literature, yet confusion still exists as to which measure offers the greatest validity. The issue of measuring service quality has received increasing attention in recent years in tourism and recreation literature (Crompton, Mackay and Fesenmaier, 1991). However, to date only a few comprehensive attempts had been made to access service quality in tourism industry specifically (Chadee and Mattsson, 1996).

### **Importance of Service Quality in Hospitality Industry :**

The importance of service quality in hospitality industry can be outlined in the form of following points:

1. Service quality can help in improving the performance of the hotel staff in the hospitality industry.
2. Service quality can help in the establishment and development of long term relations with the guests in the hospitality industry.
3. It can help to make the marketing and sales efforts of the hotel industry effective.
4. It can help the hotel industry to maintain a sustainable competitive advantage.
5. It can help in increasing the loyalty of the guests in hospitality industry.
6. Service quality can help in increasing the profit, revenue and value of the hospitality industry.
7. Service quality can help in retaining the existing guests and re-claiming the lost guests in the hospitality industry.
8. It can ensure quick 'responsive response' to the guest thereby, helping in the guest retention in the hospitality industry.
9. It can help in providing the uniqueness to the hotel industry, because of differentiation from its competitors.
10. It can help in monitoring the guest complaints with efficiency in hospitality industry.
11. Service quality can help in achieving the optimum balance between the hotel investments and returns.
12. The overall business growth of the hospitality industry can reach to high levels with the help of service quality.

(Source: Mey, Laupei, Akbar , Abdolali, Fie, David, 2006; Khalidah Abu, 2006)

Further, in the hospitality industry, the involvement of human factor in the qualitative delivery of products and services results in greater attention towards the issue of efficiency, satisfaction and improvement in the service quality.

The management of hospitality operations is as much concerned with social nature of environment as it is with

physical resources. In consequence, the quality of provision is perceived to be dependent not only on procedural aspects of service, but also with 'conviviality' of the service transaction. This attitudinal and altitudinal perspective is an essential element in assessment of performance of the hospitality provision (Coyle and Dale, 1993).

The importance of internal functions in hotel industry has also been recognized and most researchers agree that internal organizational support activities and the quality of internal service operations are key links to external guests satisfaction and on overall service quality strategy (Adamson 1988, Davis 1992, Feldman 1991).

Focusing on customer satisfaction can be a driving force for organizations, which are gearing up to survive in the competitive market. To be successful, an organization ought to place emphasis on the service quality as one of their strategies (i.e giving customers what they want, when they want it, and how they want it). In addition, they should train their frontline employees well and constantly measure customers' satisfaction (Kessler, 1996). In sum, once customers' requirements are clearly identified and understood, hotel managers are more likely to be able to anticipate and fulfill their customers' needs and wants, rather than merely reacting to their dissatisfaction (Juwaher & Ross, 2003). The more satisfied the customers are, the more likely the customers would return or prolong their hotel stay, thereby showing the importance of service quality in hospitality industry".

In short, the continuous service quality maintenance is imperative for the overall success of hospitality industry.

### **(A) Objective of the Study :**

The study's overall objective is to study the CRM in hospitality industry. More specifically, the paper examines the impact of CRM on the service quality in the hospitality industry. The study also frames policy parameters to further enrich CRM and to improve its impact on service quality.

### **Hypothesis:**

- H1: CRM index is found to be high in hospitality industry.  
H2: CRM has a positive impact on service quality in hotels under study

### **(B) Data collection method:**

Survey method has been used for collecting data from the guests at the A- category hotel as classified by Department of Tourism, Jammu and Kashmir (J&K).

### **Primary data :**

Has been collected in the form of questionnaires titled, "MEASURING CUSTOMER RELATIONSHIP MANAGEMENT AND SERVICE QUALITY IN THE A-CLASS HOTELS IN JAMMU" distributed to the guests at the A- category hotels as classified by Department of Tourism (Jammu and Kashmir) J&K. The hotels were as



given below:-

- 1) Hotel Asia (Nehru Market, Jammu).
- 2) Hotel Jammu Ashok (Opp Amar Mahal, Jammu).
- 3) Hari Niwas Hotel Resort (P) Ltd (Palace Road, Jammu).
- 4) K.C.Hotel (P) Ltd (Gandhi Nagar, Jammu).
- 5) Hotel Jhelum Resort (P) Ltd (Bye Pass Road, Channi Himmat, Jammu).
- 6) Fortune Rivera (P) Ltd (Jewel, Dogra Chowk, Jammu).

All the A-category private hotels were interested in the possible outcomes of this study and were willing to cooperate.

**Secondary Data :**

for this study has been collected from:-

- i) Various books and Research papers on customer-relationship management (CRM) and service quality listed in the Bibliography of this study.
- ii) Tourism Department of Jammu and Kashmir Government that is Jammu and Kashmir Tourism Development Corporation (JKTDC).
- iii) Various websites like, [www.frontlinehq.com](http://www.frontlinehq.com), etc have been made use of.

**(C) Research Instrument:**

Research Instrument in this study is the Questionnaires under the survey method. The questionnaire had been tested on a limited scale (Pilot Survey) and served the necessary purpose of getting the required information relevant to this study.

The survey instrument which is 4- part questionnaire, measures demographic variables like age, marital status, gender, qualification etc in first part (PART-A). In the second (PART-B) and third part (PART-C), it measures customer –relationship management (CRM) and service quality respectively. And in the final part (PART-D), suggestions and recommendations are invited from the respondents. Respondents were asked to rank each question on a scale of 1-5 to rate the existence of CRM and SQ index.

**Sampling (Sample size):**

In this study, a systematic sampling approach –a type of random sampling has been used. Every third hotel guest passing through the check-in counter of the hotel was interviewed. A screening question was asked to identify if they had stayed atleast one night in the hotel. The researcher only proceeded to administer the questionnaires to those who had.

The entire process for one questionnaire took about 15 minutes. With a predefined daily sample of 20 hotel guests, the sample size for this study was eventually 260 respondents. However, only 242 were found to be complete, these were then keyed-in and analyzed.

The samples were reached by the researcher by standing near the check-in counter of the hotels.

Sample size of 242 guests with break-up with respect to

**Table-1. Demographic profile of Respondents**

S.No.	Description	Number of Respondents	Percentage of Respondents (%)
1	Gender		
	(a) Male	162	66.95
	(b) Female	80	33.05
2	Occupation		
	(a) Student	44	18.18
	(b) Service	117	48.34
	(c) Home-maker	39	16.11
	(d) Self-Employee	42	17.35
	(e) Any other	-	-
3	Age		
	(a) Below 20	43	17.76
	(b) 20-40	150	61.98



4	(c) 40-60	42	17.35
	(d) 60 & above	7	2.89
	Qualification		
	(a) 10 <sup>th</sup>	10	4.13
	(b) 12 <sup>th</sup>	46	19.00
	(c) Graduate	140	57.85
	(d) Post –Graduate	45	18.59
	(e) Professional	1	0.41
(f) Any other (Plz. Specify )	-	-	
5	Marital Status		
	(a) Single	57	23.55
	(b) Married	185	76.44

hotels are Hotel Asia (45), Hotel Jammu Ashok (30), Hari Niwas Hotel Resort (P) Ltd (47), K.C. Hotel (P) Ltd (50), Hotel Jhelum Resort (P) Ltd (37), and Fortune Rivera(P) Ltd (33) which leads to the total of 242 useable responses.

**Analysis and interpretation:**

Table-1 shows the demographic profile of the respondents.

*Source : Self Survey*

Approx. 67% of the respondents were males and rest 33% were females. The maximum of the respondents about 48% were from service. The age of the respondents, who participated the most was 20-40 years (61.98%). Almost 58% of the total respondents were graduates, 18% were post-graduates and rest were below graduates 19.00% (12<sup>th</sup>) and 4.13% (10<sup>th</sup>). Most of the respondents i.e 76.44% were married.

**TABLE -2. Levels of CRM index in hospitality industry**

S.No.	Statements	Mean value of CRM Statements
1	Idea of gaining new customers.	4.23
2	Long term customer Relation.	4.13
3	Successful resolution of customer complaints.	4.71
4	Acquainting customers with utilizing products and services.	4.14
5	Product and service quality.	4.59
6	Idea of customer retention.	4.01
7	The request of cost reductions.	4.07
8	Effective service Management.	4.48
9	Determination of future customer expectation.	4.23



10	Idea of increasing revenue.	3.85
11	Honest and frequent communication.	4.20
12	Flexibility in payment option.	4.19
13	Intent of gaining competitive advantage.	4.10
14	Staff training and behaviour .	4.04
15	Distribution channels.	4.06
16	The cleanliness and design of the office.	4.18
17	Business image.	4.05
18	Business activity quality.	4.12
19	Database, data warehousing and data mining.	3.83
20	Sales force automation .	3.80
21	New products Development.	3.96
22	Utilizing travel agencies and Travels tour operators.	4.22
23	Designing CRM oriented web sites.	4.50
24	Globalization and recent advances in information technology.	4.18

From Table-2, it can be concluded that almost all the 24 variables of CRM are existent in the hotels under study. The highest score been 'successful resolution of customer complaints(4.71)' shows that quick response to the successful resolution of guest complaint is most in existence in the hospitality industry as it plays a major role in the overall guest satisfaction. It can also be concluded that product and service quality (4.59), Designing CRM oriented websites (4.50), Effective service management (4.48), idea of gaining new customers (4.23), Determination of future customer Expectation (4.23), utilizing travel agencies and tour operators (4.22), Honest and frequent communication (4.20), Flexibility in payment option (4.19), The cleanliness and design of the office (4.18), Globalization and recent advances in information technology(4.18), Acquainting customers with utilizing products and service (4.14), Long-term customer-relation (4.13), Business activity quality (4.12), Intent of gaining competitive advantage (4.10), The request of cost-reductions (4.07), Distribution Channels (4.06), Business image (4.05), Staff training and behaviour (4.04), Idea of customer retention (4.01), New products development (3.96), Idea of increasing revenue (3.85), Database, Data warehousing and data mining (3.83) and Sales force automation (3.80) are needed existing in the hotels under study.

From table 3, it can be concluded that almost all the 22 variables of service quality are existing in the hotels

under study as per the respondents.

The highest score been Employees of the hotels should know the need of the customer (5.02), shows that proper understanding of the needs of the guest tops the list in the hospitality industry as it plays a major role in the overall guest satisfaction. It can also be concluded that hotel have operating hours convenient to all their guests(4.94), The guests best interest is the top priority of the hotel employees (4.93), customer is able to trust employees of the hotels (4.92), Employees of the hotel give the customers personal attention (4.87), the employees are well dressed and appear neat (4.76), The physical facilities are visually appealing (4.74), The hotel have up-to-date equipment (4.73), The appearance of the physical facilities are in keeping with the type of service provider (4.69), Employees are polite to the customers (4.69), The employees of the hotel are expected to give customers individual attention (4.67), Employees get adequate support from hotel to do their jobs well (4.65), It is not okay, if the employees are too busy to respond to customer requests promptly (4.60), Guests are made to feel safe in the transaction with the hotel's employees (4.58), when the guests have problem the hotel employees are sympathetic and re-assuring (4.55), the employees always have to be willing to help customers (4.54), It provides their service at the time they promise to do (4.53), It is realistic for customer to expect prompt services from employees of the hotels (4.48), It tells the



**TABLE -3. Expectation of respondents of service quality in hotels**

S.No.	Statements	Mean value of service quality statements
1	The hotel should have up-to-date equipment.	4.73
2	The physical facilities should be visually appealing.	4.74
3	The employees should be well dressed and appear neat.	4.76
4	The appearance of the physical facilities should be in keeping with the type of service provider.	4.69
5	When the hotel promise to do something by a certain time, they should do so.	4.39
6	When customers have problem, the hotel should be sympathetic and reassuring.	4.55
7	The hotel should be dependable.	4.30
8	It should provide their service at the time they promise to do.	4.53
9	It should keep their record accurately.	4.31
10	It should be expected to tell the customer exactly when service will be performed.	4.46
11	It is realistic for customers to expect prompt service from employees of the hotel.	4.48
12	The employees always have to be willing to help customers.	4.54
13	It is not okay if the employees are too busy to respond to customer requests promptly.	4.60
14	Customer should be able to trust employees of the hotels.	4.92
15	Customer should be able to feel safe in the transaction with the hotels employees.	4.58
16	Employees should be polite to the customers.	4.69
17	Employees should get adequate support from hotel to do their jobs well.	4.65





18	The employees of the hotels should be expected to give customers individual attention.	4.67
19	Employees of the hotel should give the customers personal attention .	4.87
20	Employees of the hotels should know the need of the customer.	5.02
21	The customers best interest should be top priority of the hotel employees.	4.93
22	Hotel should have operating hours convenient to all their customers.	4.94

customer exactly , when service will be performed (4.46), When the hotel promise to do something by a certain time they do so (4.39) ,It keeps their records accurately (4.31) and the hotel is dependable (4.30).

**Obj:3 The Impact of Customer-Relationship Management (CMR) on Service Quality :**

Regression Equation is:-

$$Y = \alpha + \beta x$$

Where Y= service quality (S.Q)

X= customer-relationship management (CRM)

In this study, the regression equation was found to be as following:-

$$S.Q = 3.741 + 0.194 CRM$$

Hence, the regression equation above shows that the impact of customer-relationship management (CRM) on service quality (S.Q) is 19.4% , that is, a unit change in customer-relationship management (CRM) will lead to 0.194 unit change in service quality (S.Q) in A-category private hotels in Jammu and Kashmir (J&K).

**Conclusion And Suggestions**

The intent of this study was to extend the literature on Customer-relationship management (CRM) and the impact of CRM on service quality in the local based A-category private hotel industry in J&K and also to enrich Customer-relationship management (CRM) and improve its impact on service quality. Overall, the guests had the highest expectation on product and service quality, successful resolution of guests complaints, need based understanding of guests and top priority to preservation of interests of the guests requirement (Table-2 and Table-3 (Analysis and interpretation)). From the safety, sympathy, responsiveness , sales force automation , ideating of products and revenue increasing point of view ,these were given lower mean score (than expected by researcher) by the guests (Table-2 and Table -3 (Analysis and Interpretation)). Hence, the hotel operators should put

in more effort and attention to improve these dimensions. Besides these, the effective management of services with respect to gaining new guests properly, understanding future guest expectation, regular and honest communication with guests to address their problems, gaining trust of guests, personal attention to guests also carries weight in the eyes of the guest as it had been given reasonable mean scores in Table -2 and Table-3 (Analysis and interpretation).

Physical appearance of the hotel staff and latest equipment in hotel is also very effective in improving the business image of the hotel in terms of service quality as it had been also given reasonable mean scores by guests (Table-2 and Table-3 (Analysis and interpretation)).

Guests staying in A-category private hotels of J&K attach a lot of significance to human management skills as observed by researcher during survey in face-to-face interaction with guests in terms of long term guest relations, guest retention, keeping promises to guests , quick and instant response to guests , safety of guests, sympathetic attitude and timely completion of services to guests. Hotel operators in J&K need to do a lot to improve the above mentioned dimensions.

Finally, the impact of Customer-relationship management (CRM) on service quality depicted with the regression equation was found to be 19.4% (Analysis and Interpretation).

**Suggestions**

The importance of being able to offer hotel guests, a high quality experience was unquestionable. Since the safety, sympathy, responsiveness, sales force automation, ideating of products and revenues increasing had received lower mean scores than expected by researcher from the guests staying at A-category private hotels of J&K (Table-2 and Table-3 (Analysis and Interpretation)), more resources should be spent not just on improving them, but also to promote the quality of facilities as well as room services



to the potential customers. Among the possible steps that can be taken include enhancing security systems of the hotel, human skills management level (innovation, idea generation, sympathy) and training of sales force in term of their prospect handling plus information technology up-gradation. Hotel operators should provide and promote free internet connections through Local Area Network (LAN). In addition, hotels can also provide limited internet access services for convenience of guests. Furthermore, modern looking and more customized room features should be incorporated, for example interactive television system should be available. Aspects such as well-equipped and well-maintained health care facilities, comfortable and clean rooms and lobby should be provided. The availability of these features is important for success of Customer-relationship management (CRM) in hospitality industry (J&K) and for improvement of its impact on service quality, thereby attracting potential guests. Hotel operators in J&K should continuously try to maintain the product and service quality standards in order to meet and understand the basic needs of the guests as it had been given the highest mean score by the guests (Table-2 (Analysis and Interpretation)). Hotel managers and employees in A-category private hotels of J&K ought to always ensure that all types of interaction with guests should result in a positive experience for them.

The customer-relationship management (CRM) and customer service quality expectations should always be the main concern of the hotel operators in J&K. Due to the ever-changing social and economic environment as well as guests preference, hotel operators in J&K should be pro-active to abreast with the changes and therefore, continuously encourage guests to provide feedback, which could be through feedback forms, thereby, helping to gain the guests trust and confidence to return to hotel.

A-category private hotels of J&K should always continuously work towards implementing and enriching CRM on a large scale and try to improve its impact on service quality in their hotels. They should set an example, which other category hotels of J&K should try to implement. CRM can be further enriched by properly following the dimensions associated with it and its impact can be further improved in hospitality industry, especially in J&K by creating a mass awareness among the hotel fraternity.

Hotel staff is the key to the enrichment of CRM and for improving the impact of CRM on service quality. It is the hotel staff, who is the contact point of the guests and onus lies on them for proper execution of CRM dimensions which automatically will have the impact on service quality in hospitality industry. A well trained and competent staff in hotel can simplify the execution of CRM plus its impact on service quality. So the hotels should continuously be working on training and re-training of its staff in terms of Customer-relationship management (CRM) and service quality.

Hotel staff should have customer retention skills, show honesty, sincerity, sympathetic attitude, dedication, responsiveness and politeness. It is only then that the

Customer-relationship management (CRM) can be enriched successfully as its impact can be improved in hospitality industry. Also A-category private hotels of J&K need to adopt a massive sale force automation with respect to CRM and service quality so that their dealing with prospects and clients becomes much better. Besides this, A-category private hotels have to further strengthen its infrastructure to cater CRM / service quality demands.

#### **Implications & Directions For Future Research:**

Even though, there were some limitations in this study, it had high potential value in providing a foundation for future research. There are several opportunities to extend this study and it could be replicated in other category hotels in J&K and the results should be compared with this study to examine similarities among the results, which can be further used to enrich CRM and improve its impact on service quality.

#### **Limitations of the study:**

This study was conducted under several constraints, one major limitation was the choice of hotels. Due to time and resource constraints, the researcher had limited the hotels that were included in this study to A-category private hotels. A further constraint was that the survey was subject to approval of the management of various hotels.

There were contextual differences in several factors mainly due to the background of the respondents. The respondents had different education backgrounds, different job environments, and different travelling purposes. Some guests were in a holiday mood and reluctantly filled the questionnaires.

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