

QUALITATIVE STUDY OF CUSTOMER RELATIONS MANAGEMENT IN HOTEL INDUSTRY: IMPORTANCE & PERSPECTIVES.

Author: Sachin Chavan
Assistant Professor, MGM- IHM
MGM University, Aurangabad.

Abstract:

Today, businesses are facing aggressive competition in surrounding era. That makes efforts to survive in a competitive as well as uncertain market. Organizations have realized that managing customer relationships is a very play a vital role or key success and also survive. Customer Relationship Management (CRM) is a strategy that can help them to build long-lasting relationships with their customers and increase their profits. CRM is a combination of people, processes, and technology designed to understand and manage a company's relationship with customers. CRM focuses on relationship development and customer retention. Benefits of CRM emphasized that customer-centric business philosophy, work culture, customer centric goods and services, effective marketing and satisfaction would safeguard the interest of modern organizations including hotel industry. The hotel industry cannot survive without the customer because customers have more choices today and the targeted customers are most valuable for star hotels. Customer service and customer care must receive high priority within the hotel industry. CRM practices particularly in star hotels are very challenging. If star hotels develop and sustain a solid relationship with their customers, their competitors cannot easily replace them and therefore this relationship provides for a sustained competitive advantage.

Keyword: Customer relationship management, factor of effectiveness of customer relationship management.

Introduction:

Customer Relationship Management is widely used to create a personalized experience that will give the individual customer a sense of being cared for, thus opening up new marketing opportunities. CRM is a business strategy, which is adapted by modern organizations to select and manage the most valuable customer relationships since they require a customer-centric business philosophy and culture to support effective marketing, sales and service strategies. The practice of customer relationship management requires right leadership, strategy and culture. CRM was a strategy that can help modern organizations to build a long-lasting relationship with their customers and increase their profits through the right management system and the application of customer-focused strategies.

Objective:

1. Understand the importance of customer relations.
2. Know how to develop customer relationship.
3. To study the effectiveness between on customer relationship management on star hotels.

Research methodology

This research is undertaken using the secondary data which is collected through annual reports, prospectus and brochures of star hotels, publications of tourism, books, research papers, articles, dissertation report and PhD thesis etc.

Some of the suggested strategies of implementing CRM are discuss with hoteliers they are connected and work on CRM systems.

Scope of the Study:

The hotel fraternity could not sustain and survive with customer. Today's customers have more choice. As far consent the target customer are most valuable in star category hotels. Customer care or customer satisfaction is more valuable.

Customer Relationship Management (CRM) practices in star categories hotel are more challenges as well as opportunities. It not become like just in digital era or an installing and integrating software packages in star hotels. It needs to be coordinated with the business operations, strategy and employee and customer acceptance.

If star hotels develop and sustain a solid relationship with their customers, their competitors cannot easily replace them and therefore this relationship provides for a sustained competitive advantage.

CRM in star hotels is a key element that allows star hotels to develop their customer base and sales capacity. With the help of CRM, the star hotels can manage all aspects of customer interactions in a manner that enables star hotels to maximize profitability from every customer.

CRM or Customer Relationship Management is that the strategy or practice of creating and improving the business relationship with its customers. A CRM system collects and analyzes essential data from customer interactions and leverages it to get a better customer experience and attain a better positioning in the customer's intelligence.

In the Hospitality and hotel industry, the CRM system integrates customer information, provides important business in order, helps in running better loyalty campaigns, and finally takes the business to new heights.

Let's look at the unique ways a CRM system helps improve the hotel and hospitality industry experience for customers.

Helps You be aware of Customers Better

Customer relationship management is one of the most important parts of customer service and commitment. The CRM database provides you with all the information regarding purchase and customer activities in the form of reports, which further helps in making knowledgeable decisions.

Integrated with the POS, it can give you detailed insights about your customers' ordering history and actions that would help you gain a deep knowledge of your customers.

As per the Nation Restaurant Association of India (NRAI), 72% of customers will only connect with personalized marketing messages. Based on the CRM records you can subdivide the customer base and run personalized marketing campaigns.

Categorize Customers

Setting up a customer database is going an extended way in the hospitality and hotel industry. You could categorize the names to your CRM database as a contemporary or potential customer. Hotels can discover regular customers who haven't dined in or stay in a while, trace the frequency of visits of each customer, and categorize them as regulars, one-time site visitors, and so forth.

Restaurant entrepreneurs can also observe the cash spent by way of visitors on everyone goes to, and offer reductions based on their spending habits. All this information also comes accessible even as planning the hotel advertising method.

Seek Feedback to Improve the Quality of an organization

Feedback from included into the significant CRM suggests a mixture of questions that hotel establishments can ask their customer. These questions may be either just about the dishes served to the customer, meals quality, presentation, service, or approximately the overall environment and enjoy of customers. By having a detailed comments form and consisting of the proper set of questions, you may quickly analyze your hotel's positive and negative points and subsequently work on them.

Run Effective Marketing Campaigns

In today's era, digital communication is always evolving; hence it becomes essential for you to stay on top of your competition.

Having management software that helps you to gather a comprehensive CRM will have a great impact on making your restaurant a success. You can use the data from the CRM and create innovative hotel marketing campaigns that will ensure that you are never out of mind and sight of your customers.

Incentivizing customers with personalized discounts or gives facilitates keeping them longer. Using consumer records including their unique dates, favorite dishes, and call information can scale up your SMS/e mail advertising and marketing activity. As CRM software program also enables categorize customers primarily based on the frequency of their visit, you could create a concern list and send customized offers through emails and SMS.

Implementing a CRM solution comes with many advantages for hotel establishments. It not only offers not only valuable insights that can be accessed from anywhere but also grants full control over your business processes. Integrate a CRM system in your hotel and offer your customers an amazing experience that they are unlikely to forget.

Why is CRM needed in Hospitality Industry?

In the hotel industry, satisfaction is considered the key to success. For maintaining success in hotels; we must never compromise with the quality of the products or services. One more important factor is the reasonable price. To achieve these targets we must constantly interact with customers so that we can understand their needs and requirements. We must analyze every interaction with our customers in an organized and systematic manner to maintain a long-lasting relationship. CRM or Customer Relationship Management aims at finding new prospective customers and improving the relationship with already existing customers and regaining the confidence of the former customers. All these are the prime requirement of our industry. The CRM software helps in collecting data of every type of customer, organizing it systematically so that we can retrieve the information about customers when required. Implementing a CRM strategy is beneficial to both small-scale and large-scale organizations. The main purpose of CRM (Customer Relationship Management) is to help companies manage and improve their relationship with customers and increase business prospective. CRM software organizes necessary information to help in managing the business.

Advantages of CRM

1. Better Customer Relationship. I always have an extra edge to know, remember, the details about clients, it creates an impression that we care about our clients. CRM enables us to build forge a much stronger connection and a deeper relationship with our customers.
2. Increase steam spirit. This is where many firms who fail to require their executives to use the CRM fail to reap the profit of the CRM. The implementation of CRM software became easy and advantageous for the management team who would not learn, or use the tool themselves.
3. Improves efficiency in serving clients. Again, the more you know about clients, the better able we are to serve them. If everyone is using the CRM to record their customer interactions rather than interaction with every

client, then we can serve the client with the knowledge of what has been previously discussed with the client and the results are better.

4. Staff satisfaction. The more knowledge our employees have the more empowered and engaged they would be in having accurate information about the clients. An up-to-date CRM helps employees solve problems faced by the clients. In this way, it makes employees and clients happy and better business.

5. Improves ability to understand customers. The more you know about your clients' needs and wants the better we will be able to provide the solution to their problem and improve business.

6. Increases revenue and profitability. Once everyone learns and uses the CRM the productivity of the company increases, we can provide additional products and services to clients, and client satisfaction increases.

7. Cost savings. It is reported that at the initial stage the CRM software is expensive and time-consuming but over time the benefits far outweigh the costs. Members of the sales team can better organize meetings with prospects in the same geographic area. We have a central client and prospect database that everyone can access rather than everyone keeping a separate spreadsheet or contact database on their computers.

8. Less client attrition. When a client is engaged with only one member of a professional services provider the risk of attrition is very high. When five or more partners are involved in a client relationship, the risk of attrition falls very low. They put up collective efforts to win the satisfaction of a customer.

9. Improves customer relations: The CRM strategy improves our relations with customers by involving the factors of servicing, marketing, and selling our products to the customers. All these can be carried out in an organized and systematic way. We can also provide better services to customers through improved understanding and this, in turn, helps in increasing customer loyalty. Thus we can get continuous feedback from our customers regarding our products and services.

10. Increases Revenue: The revenue of our company can be increased tremendously by using CRM to a great extent. By using the data collected, we can popularize marketing campaigns more effectively. With the help of CRM software, we can reach a new set of customers and thus effectively increase our revenue.

11. Better internal communication: A CRM strategy helps in building up better communication outside and within the company. The sharing of customer data between different departments will enable us to work as a team, as it helps and enables better service to customers and so the profit as well.

12. Optimize marketing: CRM helps us to understand our customer needs and behavior, thereby allowing us to identify the correct time to market our product to the customers. CRM provides an idea about the most profitable customer groups, and this information helps us bring more business and we can target similar prospective

groups. In this way, we can optimize our marketing resources efficiently. It also saves us from wasting our time on less profitable customer groups and we target better.

CONCLUSION

Customer is a catalyst in the success of every restaurant. A sound relationship with the customer can be developed with the friendly and positive attitude of the staff and the quality of service delivered by them. Every customer have their own needs being the service industry, it is important that we must understand the need of every customer and always try to come up at their expectations. Genuine interest and concern of the guests will build the relationship which helps the restaurant to get its repeat business.

Explaining the needs of the guests, developing the products and service to meet their requirements; listening to their complaints and solving them immediately considering their suggestions, training the staff for customer relationship etc. will gently improve the customer relationship.

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