

ANALYSING CRM SYSTEM AND ORGANIZATIONAL PERFORMANCE: A BALANCED SCORE CARD APPROACH IN THE HOTEL INDUSTRY

Jasveen Kaur¹ and Jaspreet Kaur²

In this research paper, it has been investigated as to what extent CRM is successful in elevating the organizational performance. The broad objective of the study has been to examine the relationship between CRM dimensions and hotel performance in the presence of marketing capabilities of the organization. The primary data have been collected using a structured questionnaire from 91 respondents (hotel's managerial staff) of 32 hotels (3 to 5 star hotels). Results have shown that customer orientation has played significant role in the uplifting the performance of the hotel organization, along with technology-based CRM and CRM organization. Moreover, marketing planning capabilities and marketing implementation capabilities have played mediation role in the relationship between CRM dimensions and hotel performance. The value of this research endeavor lies in the fact that it would help the hotel managers to create such a service environment that would be more customer and market oriented as per the need of the hour. Furthermore, it would also provide the scope to the hotel for deployment of marketing capabilities with CRM implementation practices that may help the hoteliers to sustain competitive advantage. A conclusion has been drawn and managerial implications from the study have been outlined.

Key Words: CRM Dimensions, Marketing Planning Capabilities, Marketing Implementation Capabilities, Hotel Performance, Balanced Score Card, Hotel Industry.

INTRODUCTION

Customer Relationship Management (CRM) implementation in the hotel industry has a significant impact on the hotel performance in the long-term. Successful

¹ Associate Professor, University Business School (UBS), Guru Nanak Dev University, Amritsar, Punjab - 143005

² Senior Research Fellow, University Business School, Guru Nanak Dev University, Amritsar, Punjab - 143005

implementation of the CRM emphasized on the customer-oriented strategies, which enhances the customer loyalty & customer engagement that ultimately increases the profitability. The consequential impact on the financial and non-financial performance further built the hotel brand image. Customer-oriented strategies are largely a part of customer relationship management. But CRM does not work only by focusing on key customers. In fact, collaborative forces are there, which relates to the technology, customer database management and customer-oriented organization structure, which makes the customer relationship management system effective to catch the voice of the customer and make hotel organization a profitable one. Thus, CRM constructs have four dimensions, namely customer orientation (also known as key customer orientation), CRM organization, knowledge management and technology-based CRM (Mohammed & Rashid, 2012). These CRM dimensions give benefits in the form of increasing sale, higher profits, higher market share, customer satisfaction, customer loyalty, brand image, employee satisfaction, etc. (Verma & Chandhuri, 2009; Alomtairi, 2009; Gupta & Zeithaml, 2006; Kim & Kim, 2008).

The aim of CRM is to lower down the cost by keeping and maintaining customers rather than acquiring new customers (Osarenkhoe & Bennani, 2007). In order to improve the performance of the organization, efforts have been made towards increasing the customer retention rate (Bodenberg, 2001). Customer can be retained only by meeting their diverse needs and wants. Thus, effective performance can be achieved by implementing the customer relationship management. The performance can be studied from two aspects, i.e. financial performance and non-financial performance. Financial performance covers financial perspective, such as sales, profitability, repurchases, etc. and non-financial performance metrics cover customer perspective, internal process perspective and learning & growth perspective. These are the measures of the Balanced Scorecard, which were coined by Kaplan, R.S. and Norton, D.P. in 1992. These measures show that:

- Financial perspective: How do we look to shareholders?
- Customer perspective: How do customers see us?
- Internal process perspective: What must we excel at?
- Learning & growth perspective: Can we continue to improve and create value?

These performance measures basically serve as criteria of evaluating CRM. Many researchers have measured CRM in a number of ways, which can also be broadly

classified as marketing performance and financial performance, such as market effectiveness (Sin et al., 2005; Akroush et al., 2011; Kim, 2008), customer satisfaction (Abdulateef et al. 2010), market effectiveness, customer performance and customer retention & sales growth (Mohammed & Rashid, 2012), financial measures such as profit, relative profit, return on investment (McNaughton et al., 2002), market effectiveness and firm profitability (Morgan et al., 2009; Chang et al., 2010).

In the scenario of emerging economies where, organizational performance is significantly affected by the behavioral pattern of the customers, organizations must focus on the customer-oriented strategies. In this regard, cross-functional approach should be adopted to become customer-oriented (Payne & Frow, 2006). This will enable the customer to establish a link with its customers with complete focus. To gain the vision of complete focus, organizational structure also requires a high level of coordination and integration among the various centres of the organization (Akroush et al., 2011). The support system also requires knowledge management and technology advancement, which would bring effective performance.

Numerous research studies have focused on the CRM framework and its implementation in the organization. But there is lack in research work on ground of rigorous empirical work, which deals with the issue like CRM and organizational performance. Moreover, research efforts have been seen in different service industries like financial service organization covering banking, investment companies & insurance (Akroush et al., 2011; Yim et al., 2004), call centers (Abdulateef et al., 2010), small and medium scale business (Asikhia, 2010), IT firms (Coltman et al., 2011), restaurant industry (Kim, 2008). But very few studies have focused on the hotel industry, especially in the context of India hotel industry. Studies conducted recently have been taken place within U.S.A., Europe & East Asian countries like Malaysia, Taiwan, Hong Kong and South Korea (Morgan et al., 2009; Pulendran et al., 2003; Hooley et al., 1999; Mohammad et al., 2013; Sin et al., 2005; Wu & Lu, 2012; Kasim & Minai, 2009; Yim et al., 2004).

Dimensions of CRM have been proposed and developed in East Asian regions such as Hong Kong and South Korea. So, there is also need to understand the concept in emerging global markets such as India. To fill the existing gap in the literature, this study examines the applicability of the CRM in the emerging economy. Further, research studies have been found, which basically deals with individual CRM dimension and

firm performance, but few studies have found, which considered a collaborative force of CRM dimension and hotel performance as a complete research model. This study comes as a contribution in this regard.

LITERATURE REVIEW

CRM has widely recognized as an important business approach with no universally accepted definition. The concept of CRM can be defined in a number of ways. In this context, Lin & Su (2003) argued that "For high quality hotel enterprises, application of CRM is a great opportunity to increase customer value and provides a way to systematically attract, acquire and retain customers". According to Kasim & Minai (2009), CRM as a customer-centric strategy focused on retaining the customers, increasing customer loyalty and consequently improve the performance of the organization. Various studies have shown that implementation of CRM has improved the performance of the organization (Coltman, 2007; Zablah et al., 2004).

Mohammad et al. (2013) supported the argument that implementation of CRM improves the marketing performance, which further improves the customer retention and thus profitability. They further argued that CRM should not be taken as a technology solution, rather it is a strategic approach and it involves other elements as well such as knowledge management. Similarly, Yim et al. (2005) argued that CRM dimensions have a significant positive relationship with organizational performance. But, technology-based CRM does not significantly influence the performance perspective. CRM focuses on the individual customer needs and requirements through regular customer interactions. Technology also played an important role in it, but it is not a complete solution to everything related to the customers.

Kasim & Minai (2009) have pointed out the positive relationship between CRM and performance because of the benefits of customer satisfaction and customer loyalty, which results financial and competitive performance. On the same line, Coltman et al., 2010 have also revealed the positive relationship between a superior CRM capability and performance with human analytics and business architecture.

When CRM collaborated with marketing capabilities, it gives wonderful results. Moorman & Rust, 1999 have stated that the marketing function contributes to perceptions of firm financial performance, customer relationship performance, and new product performance. Hooley et al., 1999 have demonstrated the importance of

marketing capabilities in contributing to the explanation of superior competitive performance. They stated that higher order marketing capabilities are seen to be more important than operational capabilities in explaining superior competitive performance.

Morgan et al. (2009) asserted that marketing capabilities helps in generating more profits and contributing in perceived organizational performance through its assimilation with the marketing orientation. Marketing capabilities help firms in deployment of marketing orientation to gain a competitive edge in the competitive marketplace.

Research gaps identified from literature review motivates this study and acts as a clue to explore and generalize the linkage of CRM implementation-performance in the hotel industry in India.

STUDY OBJECTIVES

The broad objective of the study has been to examine the relationship between CRM dimensions and hotel performance in the presence of marketing capabilities of the organization. Based on the above discussion, this research has been conducted to achieve the following objectives:-

1. To examine the association between CRM dimensions, marketing planning capabilities, marketing implementation capabilities and hotel performance operating in the Northern Indian hotel industry.
2. To investigate the most influencing CRM dimensions on hotel performance operating in the Northern Indian hotel industry.
3. To investigate the mediating effect of marketing planning capabilities (MPC) and marketing implementation capabilities (MIC) between CRM dimensions and hotel performance.

RESEARCH METHODOLOGY

Method of Data Collection

In this research study, the queries and opinions about CRM implementation components have been asked and considered. Observations have been considered and required modifications have been made in the wordings of the statements.

The universe of the study comprised of hotel's managerial staff. The primary data have been collected from 91 respondents from 32 hotels (3-star to 5-star) from Amritsar, Jalandhar, Ludhiana, Chandigarh, Zirakpur, Panchkula and Delhi NCR. Amritsar, Jalandhar and Ludhiana have been representing the Punjab as these three cities are one of the major cities as well as a major contributor in terms of per capita income. Chandigarh being union territory and capital of the Punjab with maximum per capita income and Zirakpur & Panchkula have been selected on the basis of regions near the union territory (Chandigarh). Similarly, Delhi NCR being the capital of the India has been selected as research region as a representative universe of the Northern Region of India.

To empirically test the model shown in Figure 1, data have been collected through a structured questionnaire. The questionnaire has been administered personally to the respondents (hotel's managerial staff). The questionnaire has been divided into four parts. The first part deals with 29 statements covering CRM dimensions. The respondents have been required to select an alternative which closely reflected their choice on 7-point Likert scale regarding their degree of the agreement or disagreement with respect to all statements. The second part deals with the 9 statements related to marketing capabilities. The third part deals with the 15 statements, which evaluate the performance of the hotel over the past year on 7-point Likert scale. The second and third part of the questionnaire evaluating the marketing capabilities and hotel performance on the 7-point scale labeled as "much better than competitor" to "much worse than competitor". The fourth part deals with the profile of the hotel and the respondent, such as name and location of the hotel, star category of the hotel, profile of the guest visited, name and designation of the respondent, total experience in the hotel industry. The profile of the respondent has been asked to judge whether respondent is able to answer fully virtually all questions.

Measures of Constructs

The model has been adopted from the Mohammad & Rashid, 2012, which was earlier tested in Malaysian hotel industry. To measure the CRM dimensions, different scale has been used for each dimension. CRM has been evaluated using 4-dimension and 29 items. 14 items of customer orientation have been adopted from Narver & Slater, 1990; Denison, 1995; Yim et al., 2004. 7 items of CRM organization, 3 items of knowledge management and 5 items of technology-based CRM have been adopted from Yim et al., 2004. 4 items of marketing planning capabilities (MPC) have been adopted from

Morgan et al., 2009 and 5 items of marketing implementation capabilities (MIC) have been adopted from Morgan et al., 2003; Morgan et al., 2009. Balanced Score Card Approach has been used to measure the hotel performance. These measures have been represented by 15 items, which have been adopted from Chen et al., 2011.

Statistical Techniques

To examine the association between the independent variables, mediating variables and dependent variables, correlation analysis has been used. Regression analysis has been used to investigate the impact of the dependent variable on independent variables.

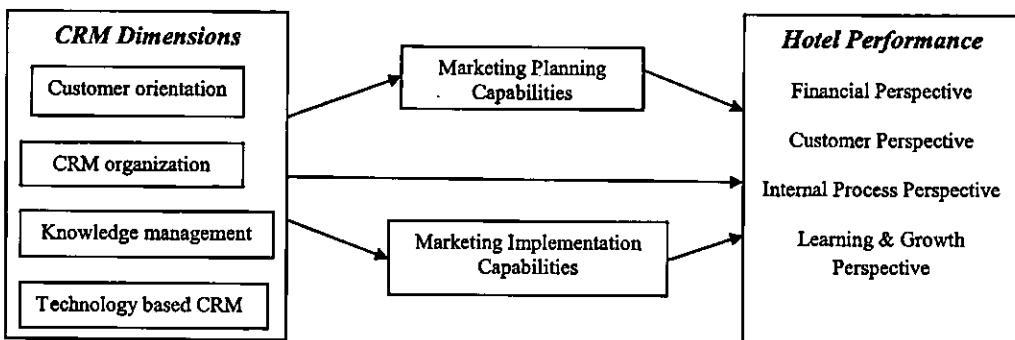
Pilot Testing & Reliability

A pilot test has been conducted with 40 hotel managers from different hotels. The results from the pilot test assured the content validity of the questionnaire. Opinion survey of experts has also been taken to improve the content validity of the research instrument.

To access the reliability of the scale, Cronbach's alpha measure has been used. The reliability coefficient for CRM dimensions was 0.840, for MPC was 0.866, for MIC was 0.916, and for performance perspectives, it was 0.951. All Cronbach's alpha coefficient values above 0.6 have considered to be acceptable (Nunnally, 1967). Here, it was above 0.6 in case of all constructs, hence satisfactory.

Research Model & Model Specification

Figure 1: Model defining linkage of CRM Dimensions with Hotel Performance



Source: Mohammed & Rashid, 2012

The functional form of the model is presented in equation 1. The independent variables

in the form of a regression equation can be expressed as follows:

$$Y_i = \beta_0 + \sum \beta_n X_i + \mu_i \quad (1)$$

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \dots + \beta_n X_n + \mu_i$$

Putting equation (1) into estimating form, we have an equation (2)

$$\text{Hotel Perf} = \beta_0 + \beta_1 \text{CO}_1 + \beta_2 \text{CRMO}_2 + \beta_3 \text{KM}_3 + \beta_4 \text{TCRM}_4 + \beta_5 \text{MPC}_5 + \beta_6 \text{MIC}_6 + \mu_i \quad (2)$$

Where,

Y_i = Dependent variable, i.e. Hotel performance

β_0 = Constant (coefficient of intercept)

X_n = Independent variables

β_n = Regression coefficient.

μ_i = Error term

CO = Customer orientation

CRMO = CRM organization

KM = Knowledge management

TCRM = Technology-based CRM

MPC = Marketing planning capabilities

MIC = Marketing implementation capabilities

Hotel organizational performance perspectives (Financial perspective/FP; Customer perspective/CP; Internal process perspective/IPP; Learning & growth perspective/LGP)

Considering CRM constructs, marketing capabilities and performance perspectives, following hypotheses have been formulated.

H0₁: There is a positive and significant relationship between CRM dimensions (CO, CRMO, KM, TCRM) and organizational performance perspectives (FP, CP, IPP, LGP).

H0₂: The MPC & MIC mediates the relationship between CRM dimensions (CO, CRMO, KM, TCRM) and organizational performance perspectives (FP, CP, IPP, LGP).

H0₃: There is a positive and significant relationship between CRM dimensions (CO, CRMO, KM, TCRM), MPC, MIC, and organizational performance perspectives (FP,

CP, IPP, LGP).

RESULTS

The results of the study have been interpreted with the help of statistical techniques like correlation analysis and multiple regression analysis.

Correlation Analysis

Table 1:- Correlation between CRM dimensions, marketing capabilities & hotel performance parameters

	CO	CRMO	KM	TCRM	MPC	MIC	FP	CP	IPP	LGP
CO	1									
CRMO	.516	1								
KM	.357	.489	1							
TCRM	.445	.533	.501	1						
MPC	.487	.510	.344	.492	1					
MIC	.495	.474	.358	.451	.793	1				
FP	.361	.233	.248	.207	.578	.615	1			
CP	.460	.380	.267	.275	.529	.596	.588	1		
IPP	.598	.502	.377	.478	.733	.736	.668	.788	1	
LGP	.480	.466	.285	.289	.695	.667	.589	.695	.799	1

Note: Method: Pearson Correlation, All correlation coefficients are significant at 0.01 to 0.05 levels (2-tailed)

Table 1 shows the correlation between the CRM dimensions, i.e. customer orientation (CO); CRM organization (CRMO); knowledge management (KM) & technology-based CRM (TCRM), marketing planning capabilities (MPC), marketing implementation capabilities (MIC), hotel performance parameters. All correlation coefficients have been significant at 0.01 level of significance and 0.05 level of significance. As noted in the Table 1, results have shown that low and moderate positive correlation is present between the variables.

Multiple Regression Analysis

Multiple regression analysis has been conducted to test the hypotheses developed in the study. The predictor variable in this study is CRM dimensions while the criterion or dependent variable is hotel performance. The mediating variables are MPC and MIC. Impact of CRM dimensions and mediating effect has been investigated on hotel performance in the form of financial perspective (FP), customer perspective (CP), internal process perspective (IPP) and learning & growth perspective (LGP). Hence,

different regression models have been run by using different dependent variables and CRM dimensions and MPC & MIC as independent variables and mediating variables.

To check for the presence of multicollinearity in the data, VIF statistics have also been computed. VIFs of all the independent variables in regression models have been found to be lesser than 10. Hence, it has been suggested no violation of the assumption of multicollinearity.

Table 2:- Regression coefficients and collinearity statistics without mediators

D.V. ↓	Significant I.V.	Ustandardised Coefficients	T value (Sig.)	VIF	F value (Sig.)	Adj. R square
Financial Perspective (FP)	CO	.875	3.647 (.000)***	1.000	13.300 (.000)	.120.
Customer Perspective (CP)	CO	.944	4.882 (.000)***	1.000	23.838 (.000)	.202
Internal Process Perspective (IPP)	CO TCRM	1.019 .332	5.267 (.000)*** 2.897 (.005)***	1.247 1.247	30.994 (.000)	.400
Learning & Growth Perspective (LGP)	CO CRMO	.816 .333	3.240 (.002)*** 2.570 (.012)**	1.362 1.362	17.502 (.000)	.268

Note: ***indicates significant at the 1% level, **indicates significant at the 5 % level of significance.

The regression result demonstrating the impact of CRM dimensions on hotel performance has been reported in Table 2. It showed the F value and significance level for the model fit for each regression model of FP, CP, IPP and LGP. F-value of four regression models, i.e. in case of FP (F= 13.300; sig.= .000), CP (F=23.838; sig.= .000), IPP (F= 30.994; sig.= .000), and LGP (F= 17.502; sig.= .000) have been found to be significant showing that all four models are best fit to use and models are significant in explaining variation in the dependent variable respectively.

In case of FP, the value of Adj. R² (adjusted for d.f.) = .120, which means existing model has explained 12 percent variance in dependent variable, which has been caused by CO. In case of CP, the value of Adj. R² = .202, which means existing model has explained 20.2 percent variance in dependent variable, which has been caused by CO. In case of IPP, the

value of Adj. $R^2 = .400$, which means existing model has explained 40 percent variance in dependent variable, which has been caused by CO and TCRM. In case of LGP, the value of Adj. $R^2 = .268$, which means existing model has explained 26.8 percent variance in dependent variable, which has been caused by CO and CRMO.

In case of FP, out of four independent variables, CO ($\beta = .875$) has been found significant at the 1 percent level of significance. Similarly, in case of CP, CO ($\beta = .944$) has been found significant at the 1 percent significance level, which showed CO has significant impact on hotel financial performance and customer-centric performance. In the case of IPP, CO ($\beta = 1.019$) and TCRM ($\beta = .332$) have been found significant at the 1 percent level of significance. Similarly, in case of LGP, CO ($\beta = .816$) has been found significant at the 1 percent significance level and CRMO ($\beta = .333$) has been found significant at the 5 percent level of significance.

However, CRMO failed to show a significant relationship with the FP, CP, and IPP of hotel performance. Similarly, KM failed to show a significant relationship with the FP, CP, IPP, and LGP of hotel performance. And TCRM failed to show a significant relationship with FP, CP, and LGP perspective of hotel performance, although all these variables have maintained a positive relationship. Thus, this evidence supported the hypothesis H0₁.

Table 3:- Regression coefficients and collinearity statistics with mediators

D.V. ↓	Significant I.V.	Unstandardised Coefficients	T value (Sig.)	VIF	F value (Sig.)	Adj. R square
Financial Perspective (FP)	MIC	.600	7.354 (.000)***	1.000	54.077 (.000)	.371
Customer Perspective (CP)	MIC CO	.403 .447	5.105 (.000)*** 2.275 .000***	1.000	28.304 (.000)	.378
Internal Process Perspective (IPP)	MIC CO MPC	.289 .567 .310	3.202 (.002)*** 3.624 (.000)*** 3.177 .002***	2.813 1.368 2.784	54.847 (.000)	.400
Learning & Growth Perspective (LGP)	MPC MIC	.469 .300	3.682 (.000)*** 2.569 (.012)**	2.696 2.696	47.397 (.000)	.508

Note: *** indicates significant at the 1% level, ** indicates significant at the 5 % level of significance.

Table 3 depicts the impact of CRM dimensions with the mediation effect of marketing planning capabilities (MPC) and marketing implementation capabilities (MIC) on hotel performance. F-value of four regression models, i.e. in case of FP ($F=54.077$; $\text{sig}=.000$), CP ($F=28.304$; $\text{sig}=.000$), IPP ($F=54.847$; $\text{sig}=.000$), and LGP ($F=47.397$; $\text{sig}=.000$) have been found to be a significant in showing model fitness and in explaining variation in the dependent variable respectively.

In case of FP, the value of $\text{Adj. } R^2$ (adjusted for d.f.) = .371, which means existing model has explained 37.1 percent variance in dependent variable, which has been caused by MIP. In case of CP, the value of $\text{Adj. } R^2 = .378$, which means existing model has explained 37.8 percent variance in dependent variable, which has been caused by MIP and CO. In case of IPP, the value of $\text{Adj. } R^2 = .642$, which means existing model has explained 64.2 percent variance in dependent variable, which has been caused by MIC, CO and MPC. In case of LGP, the value of $\text{Adj. } R^2 = .508$, which means existing model has explained 50.8 percent variance in dependent variable, which has been caused by MPC and MIC.

In case of FP, MIC ($\beta = .600$) has been found significant at the 1 percent level of significance, which showed MIC has significant impact on hotel financial performance. In the case of CP, MIC ($\beta = .403$) and CO ($\beta = .447$) have been found significant at the 1 percent significance level. Similarly, in case of IPP, MIC ($\beta = .289$), CO ($\beta = .567$) and MPC ($\beta = .310$) have been found significant at the 1 percent level of significance. In case of LGP, MPC ($\beta = .469$) has been found significant at the 1 percent level of significance and MIC ($\beta = .300$) has been found significant at the 5 percent significance level.

However, all those independent variables, which have been found insignificant in relation to respective dependent variable has maintained a positive relationship. Thus, this evidence supported the hypotheses H_0 and H_0 .

DISCUSSION

Using the valid and reliable scale, the research model (Figure 1) has been examined using regression analysis to investigate the impact of CRM dimensions on the hotel performance by considering marketing planning capabilities and market implementation capabilities as mediating variables. Results have shown that customer orientation, CRM organization, knowledge management and technology-based CRM makes the hotel performance remarkable. Both financial and non-financial performance

has been significantly affected by the CRM dimensions along with both conditioned variables. It has been found that CO is the strongest predictors of variations in the performance. Hotel's financial performance, customer-related performance measures and internal process perspective and learning & growth perspective have been highly affected by the customer orientation. For the hoteliers, customer satisfaction and customized offering are on the priority. Customer comments and recommendations often lead to changes and influence the customer related decision-making process of the hotels. Customer orientation helps in the improvement of customer metrics such as service quality, customer satisfaction, and customer loyalty, which further improves the relationship quality (Wu & Li, 2011). Customer orientation of the hotel creates the environment of learning among the employees, which increases the growth rate and ultimately profitability.

Results also showed the growing importance of CRM. Customer-centric performance standard, clear-cut business goals, expert sales & marketing term and customer-centric organization structure improve the performance of the hotels in terms of learning & growth perspective.

Regarding the influence of CRM dimensions on the internal processes perspective of hotel performance, it has been found that CRM dimensions have a positive and significant influence on internal processes. Healthy and comprehensive customer database helps in targeting the key customers and improving the performance of the hotels by providing quality service delivery, customer satisfaction and customer loyalty.

Marketing planning capabilities and marketing implementation capabilities mediate the relationship between the CRM dimensions and hotel performance. Hotels having effective marketing planning capabilities and implementation capabilities have played vital role in the improvement of performance of the organization (Kotler & Keller, 2009). Similarly, hotel with effective marketing implementation capabilities brings marketing effectiveness (White et al., 2003; Vohies & Morgan, 2005; Chang et al., 2010). Thus, simply relying on the CRM dimensions does not a better way to improve the performance of the hotel. Therefore, hotels must put together the marketing capabilities to enhance the performance.

Conclusion, Recommendations & Managerial Implications

It has been concluded that for the hotel organizations, customers are everything. So,

hoteliers' strategies are totally customer-oriented. Customer-oriented strategies give the strength to the hotel organization in the form of profitability and market effectiveness. This strength gives the hotel's competitive advantage in the cut-throat competitive era.

For the hotel to survive in the competitive environment, product differentiation is no more required. In fact, hotels have shifted their focus from product-orientation to customer-orientation. Due to this fact, hoteliers have started diving customized and personalized core offering and add-on services to their regular customers. Customer orientation helps the hoteliers to convert their walk-in customers into key customers. By focusing on the customers, hotels have started using customer relationship management to achieve its financial and non-financial goals.

Through effective adoption and implementation of CRM and technology, hoteliers can differentiate their profitable customers from unprofitable one. Comprehensive database and good integration of customer database helps in development of customer-oriented and market-oriented strategies. It helps in effective deploying the scarce resources in the market to gain competitive position. In this connection, it has been recommended that hotels should focus on increasing the level of commitment and orientation to serve the needs and wants of the customers. Hotels should pay close attention to the customer feedback and recommendation to improve customer metrics such as customer satisfaction and loyalty. It will lead to customer engagement ultimately. Customer-centric performance standards should be established and monitored at all levels of marketing planning and implementation capabilities. Hotels should maintain a comprehensive database and should focus on integration of customer database for the extension of the business.

As the service environment becomes more customer and market oriented, deployment of marketing planning capabilities and marketing planning capabilities with slight modification in the CRM implementation practices can help the hotel to build and sustain competitiveness besides delivering better value to its customers.

Limitations & Directions for Future Research

The study is not free from limitations. The results of the study are specific to the sample selected and dimensions used. Hence, they may not be generalized to the overall population. There is need to study the construct relationship by extending the study to other regions of the country. In the study, only two mediating variables have been

examined. There is need to investigate the other mediating variables also. The study is limited to business and leisure hotels, hence other types of hotels such as resorts and heritage hotels can also be of future research.

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