CHAPTER-6

CONCLUSION

6.1 Introduction

This chapter summarises the results through fulfilling the aim and objectives of the research showcased in Chapter-1. This chapter highlights the implication and contribution of the research to the star hotel industry of Odisha. Lastly, it concludes by providing suggestions for future research and also reflecting on the limitations of the study.

6.2 Summary of the Findings of the Research

This following section presents the overall summary of the findings of the research which includes results obtained from the analysis of customer's as well as hotelier's perceptions.

6.2.1 Results obtained from Analysis Based on Customer’s Perceptions

The following section summarized the perception of the visitors of star hotels in Bhubaneswar towards various aspects like service quality, marketing strategy, customer satisfaction, customer loyalty, repeat visit, +ve word of mouth and retention. The results have been obtained through the application of various statistical models over the collected data. This establishes the findings in a scientific manner with proper justifications.

At the prima facie level, the opinions of respondents towards some vital aspects for staying in a particular hotel at Bhubaneswar have also been analysed. As regards number of visits to Bhubaneswar, majority 39.7% have visited twice, followed by 21.4% once, 19.7% thrice and 19.2% more than thrice. Hence, 80.8% have maximum visit thrice to Bhubaneswar. Similarly, majority 43.0% have spent family vacation followed by 23.3% on business trip, 17.3% on official work, 14.8% on seminar and 1.6% on other works at Bhubaneswar. In the process, majority 46.3% have spent 1-3 days followed by 35.3%, 10.4% and 7.9% have stayed for 4-7, 8-15 and more than 15 days respectively. Consequently, majority 51.0% annually stay in hotels 2-4 times and 22.2% stay 5-9 times with 13.4% each in less than 2 times and more than 10 times.
Ultimately, majority 37.5% have preferred to stay in this hotel on the basis of past experience where as 23.6% have honoured the suggestions of friends with 15.6% each have relied on travel agents and internet. Further, majority 86.8% have the self decision to stay in this hotel with only 10.7% by others referral. As a result, 91.2% have expressed satisfaction to stay in this hotel leaving out a meager dissatisfaction of 8.8% only. Also 82.7% are satisfied with the type of hospitality by the hotel which meets their expectations. Interestingly, 55.9% like to see changes in the arrangements in the hotel whereas 31.2% prefer to remain silent over this issue. Lastly, majority 74.2% likes to have relationship with the hotel of their stay whereas 18.4% prefers to be neutral on it.

Further, in consideration of the collected information on service quality, the opinions have been drawn for two stages i.e. on expectations and perceptions on each of the questions put forth. In many of the aspects of service quality, there is significant difference in opinion between expectation and perception.

There was significant difference in accessibility in terms of expectation and perception. Here, the perception was more than expectation indicating better experience than expected. Further, in case of tangibility, there was no significant difference between expectation and perception. In other words, the average opinion towards overall tangibility is satisfactory as envisaged from both the average opinions. But in some aspects of tangibility there was significant difference in opinions shared by the respondents between expectation and perception. These aspects are exterior and infrastructure, parking area/ space and porter service. But in remaining aspects of service quality there was no significant difference experienced as expected. These aspects were Furnishing of room, Cleanliness of the room and accessories, Hygienic toilet with modern fixtures, Ambience of the room, Electrical and electronic gadgets inside the room, Temperature and ventilation inside room, Peaceful atmosphere and calmness, Comfort, Luxury and elegance, Varieties of food and beverages, Range of beverages inside the Pub/Bar and Appearance of the hotel staffs. It is noteworthy to mention that in all these aspects of service quality, the overall opinion has been shared as satisfactory as a result the service quality has met upto the satisfaction of the respondents.
In a similar fashion, it is observed that reliability had been better felt than expected. This is evident from the higher average opinion forwards perception than expected in overall basis. But, investigating the opinions towards its various aspects in expectation as well perception, some were significantly different and some are were not. The significantly varying perceived opinion from expected one is only in case of check-in processes. In contrast, the other aspects e.g. Overall quality of food service, quality of service inside the restaurant, quality of in-room dining service, timely promised services, accurate billing / secured transactions and quick check-out process were not significantly different from expectations. In all the cases, it is observed that the visitors have expressed their satisfaction over reliability as well as its aforesaid aspects.

Further, no significant difference between overall assurance in expectation and perception is observed. This trend is also observed in all the three aspects of assurance i.e. courteousness of front office staff, safety and security inside the hotel and providing information to guests. Hence, the expectation has been met in assurance and all its components with the satisfaction of the visitors. But, in case of responsiveness a contrasting trend is observed. The overall score towards responsiveness in expectation and perception is significantly different. But out of the two aspects depicting the responsiveness, in helping attitude and friendly behavior of staffs, significant difference in expectation and perception is noticed whereas in case of promptness of room service contrasting trend is observed. However, in all the three cases, visitors have expressed satisfaction over these perceived ones.

In consideration of the expected and perceived opinion of the respondents towards empathy, no significant difference was observed. This indicates, they were quite satisfied over this on receipt as expected. More exclusively, in both the aspects of empathy i.e. empathetic towards the guest’s problem and providing personal attention to the guests such trend was observed. This indicates that the guests had satisfactory opinion on empathy as well as its aspects for getting up to their expectations. In a similar movement, no significant difference in expectation and perception was observed in respect of valet & laundry service and baby sitting, experience at spa, gym and fitness centre and transportation facility. The average responses in these cases indicate that respondents have expressed satisfaction and they have got the treatments in these regard as expected. To sum up, the overall response towards service quality is
considered by taking account of the aforesaid aspects. There is significant difference between expected and perceived scores towards overall service quality. The higher average score of perceived than expected indicates that the respondents have expressed better satisfaction than expected.

While studying the relationship between service quality and relationship marketing strategy, it is observed that there was no linear correlation. None of the seven aspects of service quality were linearly correlated with relationship marketing strategy. The simultaneous effect of the aspects of service quality over the marketing strategy in linear form might not be acceptable. This irks the probability of non-linear relationship between relationship marketing strategy with each aspect of service quality individually. It was noticed that non-linear relationship between each aspect of service quality and marketing strategy exists. Ultimately, each non-linear form of each aspect regressed with the marketing strategy to establish a suitable mathematical model. The seven aspects of service quality were also treated as predictors and the marketing strategy was treated as dependent. On studying the results on multiple regressions as cited above, it was noticed that additional services became the most influential over marketing strategy. Empathy and accessibility also had significant impact over it. But other four aspects i.e. tangibility, reliability, assurance and responsiveness did not influence much like these three.

Further, study on aspects of relationship marketing strategy influencing the overall service quality revealed almost similar trend as cited above and thereby no linear correlation. None of the five aspects of relationship marketing strategy was linearly correlated with service quality. The simultaneous effect of the aspects of relationship marketing strategy over the service quality in linear form might not be acceptable. Hence there was the probability of non-linear relationship between each aspects of relationship marketing strategy with overall service quality individually. It was noticed that there was the existence of non-linear relationship between each aspect of relationship marketing strategy and service quality exists. Ultimately, each non-linear form of each aspect was regressed with the overall service quality to establish a suitable mathematical model. The five aspects of relationship marketing strategy had been treated as predictors and service quality as the dependent. On studying the results on multiple regression as cited above, it was noticed that trust became the most influential
over service quality. Communication had also significant impact over it. But other three aspects i.e. commitment, conflict handling and bonding did not influence much like these two.

Combined effects of five aspects of relationship marketing strategy over customer satisfaction have been studied. This reveals that commitment was the most influencing factor to regulate customer satisfaction. Trust and communication are the other two factors influencing the customer satisfaction respectively.

In a similar process, the combined effects of five aspects of relationship marketing strategy over customer loyalty have been studied. This revealed that commitment was the most influencing factor to regulate customer loyalty. Trust and conflict handling were the other two factors influencing the customer satisfaction respectively.

Further, customer loyalty had significant impact over repeat visit, +ve word of mouth and retention. Here in all cases customer loyalty although had acceptable linear relationship with the three, the best suitable models satisfying both predictor i.e. customer loyalty and the dependents (repeat visit, +ve word of mouth and retention) were non-linear.

In another move, the results obtained on the basis of perception of the guests on various aspects of customer retention strategies have been analysed. The results precisely depicted as maximum (23.3% and 29.3%) strongly admitted that star hotels provide discounts for staying more than certain period. On frequent-guest programmes, 68.2%, 30.1% and 15.1% customers were agreed to it. 78.9% were agreed on hotels’ additional promptness in services for the regular guests while only a meager portion is disagreed. Around 75% of the guests were agreed to receive greeting cards regularly from the Hoteliers. Similarly, 75.6% felt facilitated with discounts meant for regular and loyal customers. 81.6% of customers were quite satisfied on the level of solving the personal problems by the staff. 79.3% of the guests have expressed satisfaction over complimentary gifts from hotels. 79.5% were agreed to receipt of customized services with the help of existing database. 83.3% are unanimous about regular touch with the Hoteliers through SMS / e-mail. 87.6% were quite satisfied with the prompt action by the hoteliers upon lodging a complaint. Around 88% have expressed satisfaction over the measures taken by the hoteliers on their well being.
6.2.2 Results Obtained from the Analysis based on Hotelier’s Perception

From the collected data and foregoing discussion with the executives of the selected hotels, the following was concluded.

From the qualitative data analysis through personal interview, it was found that all most all the star hotels perceive customer relationship marketing as a significant tool for the growth and profit maximisation of the hotels. Through analysing the opinions of the Hoteliers on “Relationship Marketing” it was observed that all were well aware on this as well as its utilisation and effect. Around 90% of the respondents have opined that customer relationship marketing is a very important tool for the growth and profit maximization. Majority of respondents (86.67%) were well aware about the fact that customer relationship marketing is an important strategy for hotels. As a step towards implementation of customer relationship marketing, 36.67% responded towards emphasizing human touch, good food and proper service and celebration with customers in special occasions respectively. 23.33% preferred to send greeting cards and cakes to their esteemed customers in this regard. In this aspect everybody felt to maintain the relationship with customers. To get the feedback from guests, hoteliers basically depend upon feedback forms (73.33%), suggestion cards (66.67%) and personally seeking (43.33%). Further, 93.33% beg apology followed by 56.67% and 23.33% for service recovery and investigation respectively in order to resolve the problems or complaints lodged by the guests. Likewise, 93.33% usually solve the problem instantly followed by 86.67% and 26.67% giving discounts and investigation respectively as service recovery strategies arising due to the problem or complaints lodged by the guests. For retaining loyalty of customers, 93.33% serve good food followed by 96.67% and 63.33% give customized service and cumulative point system. Consequently, 73.33% provides discounts followed by 43.33% and 36.67% complimentary facilities and gift coupons respectively for overstaying a specific period by the guests. As a measure for loyalty retention, 93.33% serve good food followed by 90%, 63.33% and 33.33% for good service, complimentary facilities and offering discounts.

In a nutshell, all are aware of the term “Relationship Marketing”. Almost all the managerial staffs have perceived, customer relationship marketing as a very important tool for the growth and profit maximization of the hotels. They have acknowledged the need for the implementation of relationship marketing programmes in a strategic
manner. Majority emphasized human touch, good food and proper service and celebration with customers in special occasions. Some also prefer to send greeting cards and cakes to their esteemed customers in this regard. However, everybody maintain the relationship with customers. To its supplement, they take steps to measure the level of satisfaction of the guests. They basically depend upon feedback forms, suggestion cards and personally seeking suggestions. Almost similar response has been obtained in this case. They try to address the complaints of the customers by apologizing and service recovery. However some felt that the issues can be resolved after investigating the situation and the complaint made. In addition to this, many of the hoteliers perceived that, the customer complaint in respond to the service failures sometimes lead to customer switch over as well as degradation of brand image through spread of negative(-ve) word-of-mouth. Hence, they believe in providing immediate action to the service failure. Recovery strategy of the hotels are instant decision as per the problem, giving discounts, service recovery tools whereas some felt that after proper enquiry through their staff and system they take action. Almost all Hoteliers believe in having one to one talk with their loyal guests to know suggestion or recommendations. Some analyze the feedback and tries to improve on the next visit of the customer. To retain the loyalty of customers, hotel managers have different strategies in form of good food, customized services and cumulative point system (Patron Cards). Almost all prefer offering good food and customized services for retaining loyalty of their valued customers. Most of the hotels provide discounts for extended stay to their customers. But there are few hotels which give complimentary facilities and gift coupons to their guests. Managers perceived that their customers are loyal to them because of the good food and services, complimentary facilities and discounts. Hotels do believe that there is scope of improvement though they are providing satisfactory services. Hotels keep on checking their feedback forms for personal improvisation. Furthermore, many of the hoteliers considered feedback as one of the effective media to recognize the exact needs and wants of the guests which further leads to satisfaction and loyalty.

6.3 Contribution of the Study

The conceptual model (Figure 3.39) developed for this study can be used as a theoretical framework and practical platform for the development of customer relationship marketing in hospitality service sector. It can be helpful for the researchers
as well as practitioners who aim to implement an effective and efficient relationship marketing strategy for the hotel sector. Moreover, the model can be replicated to hotels within and outside of Odisha irrespective of star and non star rating. This research further helpful towards brand endorsement of both Star hotels in Bhubaneswar and Odisha Tourism as well.

The outcomes of the present study, contributes to the already existing body of knowledge related to relationship marketing, services marketing, and hospitality management by not only facilitating guidance for ongoing academic work in the field of customer relationship marketing, but also stimulating research to recognize new elements in the encouragement of customer relationship marketing.

6.4 Limitations of the Study

Though this study has yielded significant results and produced substantial contributions to the existing body of knowledge in hospitality research; however, there are also considerable limitations related to the scope of the research. This study investigated only the existing five number of star hotels in Bhubaneswar. Although the sample size was not so large, the data obtained from these five number of star hotels proved adequate, with substantial findings and insights being produced regarding customer relationship marketing in star hotel sector. Similarly, from privacy point of view many guests were reluctant to participate in the survey procedure. Furthermore the relationship between the organization i.e. star hotels and their employees has been ignored in the present study though this relationship has significant correlation between overall customer satisfaction and employee satisfaction. In addition, before attracting satisfied and loyal customers through customer relationship marketing approaches, the star hotels also need to ensure that their employees are satisfied and loyal through effective internal marketing strategies.

The number of star rated hotels in Bhubaneswar is very less i.e. in single digit number. Their annual profit figures for last few years are hardly available.

6.5 Recommendation for the Future Research

This study encompasses tremendous scope and directions for the future research. In the context of customer relationship marketing in hospitality, the further study can be done to improve the validity of the research model through large sample of data in form of considering all the star hotels in Odisha. A comparative analysis also can be done on customer relationship marketing strategy adapted by both star rated and non star rated
hotels in Bhubaneswar. Furthermore, researchers also can be encouraged to evaluate the customer relationship approach of star hotels in Odisha and other states.

6.6 Conclusion

This study was aimed to explore the awareness and methods of customer relationship marketing practices in the star hotel industry in Bhubaneswar. In view of that, all the four objectives were fulfilled and accordingly research questions were answered satisfactorily. The results of the research provide a valuable insight into relationship marketing strategies for the star hotels in Bhubaneswar and will enable them to develop a suitable customer relationship marketing framework to be developed for this sector. The results found that, success of star hotels can be determined through their ability to create, retain and maintain long-term customer relationships. It is clearly indicated that, service quality along with trust, commitment, communication positively correlated with customer satisfaction, loyalty and retention through positive word of mouth. Therefore, facilitating high quality of service delivery is one of the major element for customer loyalty and retention. Besides, star hotels also needs to implement advanced forms of technology to establish external as well as internal communication.

When the customer satisfaction and loyalty increases, the volume of business increases. This gives rise to profitability of an organisation obviously. Also, these two factors are mostly responsible for increase in positive word of mouth.

It is the fact that most of the personnel delivering services in the star hotels are unaware about the concept, strategies, guidelines and long-term implications of relationship marketing. However, they perform to satisfy the customers by providing them augmented hospitality experiences and post-sales services. There is a socially visible skill gap between their professional undertaking and performance with respect to relationship marketing. If these personnel/hoteliers are trained professionally, their performance deliverance would definitely enhance and enable them to provide a lifetime value to their customers in a more competitive way. As it has been rightly said by Rao (2013), ‘no hotels, no tourism’; growth of tourism in Odisha is directly proportional to the growth of star hotels in Odisha exclusively in Bhubaneswar.