CHAPTER 4

RESEARCH

 METHODOLOGY


**RESEARCH METHODOLOGY**

*Research Methodology* is the *specification of methods* and *procedures* for acquiring the information needed to structure or to solve problems.

It is the over-all *operational pattern* or *framework* of the project that stipulates what information is to be collected, from which source, and by what procedure. Selection of the research methodology depends upon the nature of the study as well as the objectives to be determined or achieved. While designing the methodology for this research, care has been taken that the information obtained is relevant to the research problem and the procedure of collection was objective and economical.

**Research Objectives**

For this research work the following objectives were set. The Methodology used for achieving these objectives has been described later.

**R.O.1.** Exploring the different *Customer Relationship Management (CRM)* practices adopted by Five Star Hotels under study.

**R.O.2.** Studying the effect of CRM practices on resulting service quality as perceived by the customers of the hotels under study.
R.O.3. Determining the word-of-mouth advertising & referrals gain by Hotels as an outcome of CRM.

R.O.4. Finding the impact of CRM practices on the retention, satisfaction, grievances, perception of brand image & loyalty of existing customers.

R.O.5. Studying the use of IT for CRM by the hotels under study.

Nature of the Research

This research work is basically descriptive in nature. The research will describe the different aspects of CRM in Five Star Hotels under study. This descriptive research design is suitable as relationship was to be established between CRM and loyalty, satisfaction, perception of brand image and service quality by customers.

Hypothesis

A Hypothesis was framed for this research which is as follows:

"The emphasis on CRM in Indian Five Star Hotels is quite high."

Testing of the above hypothesis also necessitated descriptive research design.

Sources and Methods of Data Collection

Data for the purpose of research has been collected from both Primary as well as Secondary sources.
Primary data has been collected with the help of a questionnaire *(Annex. A)*, which was sent to *Customer Relation Executives of Five Star Hotels* under study. In addition to this, primary data has also been collected from the regular customers of these hotels with the help of another questionnaire *(Annex. B)*. The addresses of these customers were obtained from the respective hotels.

The questionnaires were E-mailed and faxed to the *Customer Relation Executives* and *Regular Customers* of these hotels. For obtaining replies to these questionnaires the respondents were also requested telephonically.

**The Questionnaires**

Two different questionnaires were designed and used keeping in view the informational requirements of the research. One was used for collecting information from the *Customer Relation Executives* of the Five Star Hotels. The other questionnaire was used for collecting information from the *Regular Customers* of these hotels for the purpose of verifying the responses given by the hotels.

Closed end, rating and multiple choice types of questions have been used in the questionnaires to find, the various practices undertaken by the hotels to develop *good relations with their customers*. The questionnaires have been designed to gather information on various aspects regarding *Customer Loyalty, Customer Satisfaction, Customer Grievances, Availability of Customer Database, Availability of different facilities* and rating of hotel *services, facilities and employees.*
An Appraisal of all these aspects was essential as they bear a very close association with Customer Relationship Management. The questionnaires were *pre-tested* on a representative sample of both the categories of respondents, i.e., Hotels as well as Customers, and then administered on a full scale. The questionnaires are incorporated in the *Appendix as A & B*.

**Secondary Data Collection**

Secondary data regarding the *facilities, services, accommodation, entertainment and location* of various hotels has been collected from the respective websites of hotels. In addition to this, secondary data has also been collected from *various books, journals, magazines on marketing, services marketing, customer relationship management and hotel industry*.

**DESIGN OF SAMPLE**

**The Universe**

The universe for this research has been defined as:

- *All Five Star Hotels in India*
- *Regular Customers of Five Star Hotels*

**Sampling Unit**

The Sampling unit for this research is a *Five Star Hotel* and a *Regular Customer* of the *Five Star Hotel*. 
Sampling Procedure

In the Indian Hotel Industry, there are 4 major chains of hotels namely:

- Ashok Group
- Oberoi Group of Hotels
- Taj Group of Hotels
- Welcome Group

Indian Tourism Development Corporation
The East India Co. Ltd.
The Indian Hotel Co. Ltd.
Indian Tobacco Company

Convenience Sampling procedure was adopted for selection of the sample. Three hotel chains i.e., Ashok, Oberoi and Taj group of hotels were selected for this study as they sufficiently represent the universe i.e., the five star hotels of India.

Sampling was not done for regular customers as all the customers listed by the hotels were contacted.

Sample Size

The total number of constituent five star hotels of the three hotel chains under study is as follows:

- Oberoi Group of Hotels - 10 Hotels
- Taj Group of Hotels - 30 Hotels
- Welcome Group of Hotels - 12 Hotels
- Total - 52 Hotels
survey, Questionnaires were sent to the Client Relation Executives of all of these hotels through E-mail/Fax. Replies were received from 10 hotels of Oberoi group, 30 hotels of Taj Group and 10 hotels of Welcome group. Thus, the total sample size is 50 five star hotels. To collect the information from regular customers of these hotels, 10 regular customers from each hotel, totaling to 500 were contacted. Responses received from the regular customers of each group are different. They are as follows:

- **Oberoi Hotels** - 40 Responses
- **Taj Hotels** - 96 Responses
- **Welcome Hotels** - 60 Responses

Total 196 responses were received from the regular customers.

**Contact Method**

For contacting the respondents, both Client Relation Executives and Regular Customers of the hotels, internet, telephone and fax were used. The questionnaires were e-mailed/faxed to the respondents and in case of delay in response request was made on telephone. Firstly, the Client Relation Executives of different hotels were contacted and secondly, the regular customers of these hotels were contacted through telephone, fax and e-mail IDs provided by the hotels.

**PERIOD OF STUDY**

This study has been conducted from September, 2003 to August 2004.