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CHAPTER-VI

FINDINGS AND SUGGESTIONS

This chapter highlights the findings and suggestions of the study in a nutshell. The results from the analysis of the present study as carried out in the fourth and fifth chapter are presented in this chapter. The findings are presented under the headings – Current practices of CRM, Factors’ effectiveness on CRM practices, Barriers of CRM practices, Relationship between CRM practices and influence on the category to which they belong, and Relationship between elements of CRM and CRM practices in star hotels.

India is a developing nation, which has achieved commendable progress in the field of hotel industry in general, and adaption of healthy CRM practices in particular, although they are half way according to the findings of this study. Star hotels have understood the need and importance of CRM practices in the present age of competitiveness. The importance of CRM practices form the core of organizational management strategies, which is being increasingly recognized in Karnataka. Developments in CRM have been one of the major underlying forces that have contributed to the effective operations management in star hotels over a period of time. Several innovative CRM measures have been launched in star hotels in order to reach out to the customers who matter most from the point of view of business promotion. Research and developmental activities concerning the practices of CRM in star hotels assume great significance in the present age of economic liberalization. The cultivation of healthy CRM practices and application of Information Communication Technologies (ICTs) are inter-related activities, which have a bearing on the development of modern hotel industry as well as hoteliers. The adaption of healthy and progressive CRM practices in star hotels becomes even clearer as the world has entered the new millennium, which is dominated by competitive economic power. This chapter contains the findings of the study, verification of the hypotheses, conclusion of the study, implications on the Government of Karnataka, hotel industry and suggestions for future research.
6.1 FINDINGS OF THE STUDY

The findings of the study are presented under the following headings:

6.1.1 Current Practices of CRM

• Star hotels have a clearly defined mission and business strategy driven by customer needs and the performance of customer relationship in Karnataka (73.90 percent of the respondents irrespective of five-star (97.10 percent), four-star (94.80 percent) and three-star hotels (62.20 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.423 and ‘p’ value of 0.000.

• Star hotels’ top management team provides leadership for building and maintaining customer relationships in Karnataka (86.20 percent of the respondents regardless of five-star (94.10 percent), four-star (87.40 percent) and three-star hotels (77 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.290 and ‘p’ value of 0.000.

• Star hotels use technology to automate marketing, sales and service functions in Karnataka (93.10 percent of the respondents irrespective of five-star (94.10 percent), four-star (97.80 percent) and three-star hotels (87.40 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.182 and ‘p’ value of 0.031.

• Star hotels’ CRM oriented websites influence customers to maintain good relations in Karnataka (89.70 percent of the respondents regardless of five-star (95.50 percent), four-star (91.10 percent) and three-star hotels (82.20 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.209 and ‘p’ value of 0.018.

• Star hotels’ business objective is primarily driven by customer relationships in Karnataka (94.60 percent of the respondents irrespective of five-star (97.10 percent), four-star (98.50 percent) and three-star hotels
(88.10 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.278 and ‘p’ value of 0.000.

- Star hotels have established clear business goals related to customer acquisition, development, retention and reactivation in Karnataka (87.2 percent of the respondents regardless of five-star (93.30 percent), four-star (91.10 percent) and three-star hotels (77 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.222 and ‘p’ value of 0.002.

- Star hotels’ competitive advantage is based on building and maintaining long-term customer relationships in Karnataka (91.10 percent of the respondents irrespective of five-star (97.80 percent), four-star (94.10 percent) and three-star hotels (81.50 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.287 and ‘p’ value of 0.000.

- Star hotels regularly measure and monitor employee/customer satisfaction, loyalty and commitment in order to build sound customer relationship in Karnataka (88.90 percent of the respondents regardless of five-star (97.10 percent), four-star (97.80 percent) and three-star hotels (71.90 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.387 and ‘p’ value of 0.000.

- Star hotels’ knowledge management system provides customers by wishing them on important occasions (91.40 percent of the respondents irrespective of five-star (95.60 percent), four-star (90.30 percent) and three-star hotels (88.20 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.199 and ‘p’ value of 0.010.

- Star hotels’ databases are dynamic in nature and provide comprehensive real-time information about all the customers in Karnataka (87.20 percent of the respondents regardless of five-star (88.90 percent), four-star (86.70 percent)
and three-star hotels (85.90 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.203 and ‘p’ value of 0.008.

- Star hotels fully understand the needs of the key customers based on knowledge in Karnataka (93.40 percent of the respondents irrespective of five-star (97.10 percent), four-star (98.50 percent) and three-star hotels (84.40 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.274 and ‘p’ value of 0.000.

- Star hotels’ employees understand and share the common goal of building and managing customer relationships in Karnataka (87.20 percent of the respondents regardless of (85.10 percent), four-star (91.90 percent) and three-star hotels (84.50 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.162 and ‘p’ value of 0.089.

- Star hotels’ employees at all levels are encouraged and empowered to exceed customer expectations in Karnataka (77.10 percent of the respondents irrespective of five-star (88.20 percent), four-star (83 percent) and three-star hotels (60 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.303 and ‘p’ value of 0.000.

- Star hotels’ information systems are designed to give comprehensive data of all aspects of the customers, so that star hotels can be responsive to them (85.60 percent of the respondents regardless of five-star (95.50 percent), four-star (88.2 percent) and three-star hotels (73.30 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.282 and ‘p’ value of 0.000.

- Star hotels’ board meetings give a high priority to non-financial success factors such as customer satisfaction, employee satisfaction, etc. in Karnataka (72.30 percent of the respondents irrespective of five-star (77.70 percent), four-star (74 percent) and three-star hotels (65.20 percent)
have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.222 and ‘p’ value of 0.002.

- Team comprising representatives from various groups goes out regularly to meet customers in star hotels in Karnataka (72.60 percent of the respondents regardless of five-star (80 percent), four-star (72.60 percent) and three-star hotels (65.20 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.186 and ‘p’ value of 0.024.

- Star hotels’ customers are offered quick, tangible rewards for completing surveys or requests for information, which enable star hotels to understand the changing requirements of the customers and explore the ways and means for accomplishing them in a competitive business environment in Karnataka (59.70 percent of the respondents irrespective of five-star (80 percent), four-star (59.20 percent) and three-star hotels (40 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.323 and ‘p’ value of 0.000.

- Star hotels have the right technical personnel to provide technical support for building customer relationships in Karnataka (96.60 percent of the respondents regardless of five-star (97 percent), four-star (98.50 percent) and three-star hotels (94 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.198 and ‘p’ value of 0.011.

6.1.2 Factors’ Effectiveness on CRM Practices

- Sales Force Automation (SFA) is used in star hotels through CRM marketing and management in Karnataka (94.80 percent of the respondents irrespective of five-star (99.20 percent), four-star (96.30 percent) and three-star hotels (88.90 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.238 and ‘p’ value of 0.000.
• Star hotels use database, data warehousing and data mining for reporting and analysis in Karnataka (90.80 percent of the respondents regardless of five-star (94.80 percent), four-star (85.90 percent) and three-star hotels (91.90 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.299 and ‘p’ value of 0.000.

• There is no lack of staff training and good behaviour in star hotels (65 percent of the respondents irrespective of five-star (84.40 percent), four-star (68.20 percent) and three-star hotels (42.20 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.361 and ‘p’ value of 0.000.

• The business image of star hotels influences CRM practices in Karnataka (84.70 percent of the respondents regardless of five-star (92.60 percent), four-star (85.90 percent) and three-star hotels (75.60 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.202 and ‘p’ value of 0.009.

• Quality of business activities influences CRM practices in star hotels in Karnataka (55.10 percent of the respondents irrespective of five-star (59.30 percent), four-star (54 percent) and three-star hotels (51.90 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.265 and ‘p’ value of 0.000.

• Distribution channels effectiveness influences CRM practices in star hotels in Karnataka (79.30 percent of the respondents regardless of five-star (88.10 percent), four-star (85.10 percent) and three-star hotels (64.40 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.333 and ‘p’ value of 0.000.

• Idea of customer retention is very important for the management in star hotels in Karnataka (95.60 percent of the respondents irrespective of five-star (98.60 percent), four-star (99.20 percent) and three-star hotels
(88.90 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.338 and ‘p’ value of 0.000.

- CRM provides long-term customer relations in star hotels in Karnataka (96.80 percent of the respondents regardless of five-star (98.50 percent), four-star (97.80 percent) and three-star hotels (94 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.165 and ‘p’ value of 0.022.

- Globalization and advancement in Information Technology (IT) influences CRM practices in star hotels in Karnataka (93.30 percent of the respondents irrespective of five-star (93.30 percent), four-star (94 percent) and three-star hotels (92.60 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.111 and ‘p’ value of 0.238.

- Service quality is a significant factor influencing CRM practices in star hotels in Karnataka (98.30 percent of the respondents regardless of five-star (98.50 percent), four-star (99.30 percent) and three-star hotels (97.10 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.157 and ‘p’ value of 0.037.

- Star hotels’ employees do not provide the idea of gaining new customers through CRM practices in Karnataka (44.90 percent of the respondents irrespective of five-star (45.20 percent), four-star (48.20 percent) and three-star hotels (41.50 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.238 and ‘p’ value of 0.002.

6.1.3 Barriers of CRM Practices

- There are inadequate supporting budgets to practice CRM, which affected the level of performance in star hotels in Karnataka (38.30 percent of the respondents irrespective of five-star (31.10 percent), four-star
(38.50 percent) and three-star hotels (45.20 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.202 and ‘p’ value of 0.027.

- Senior management is serious about CRM practices, which affected the level of performance in Karnataka (45.70 percent of the respondents regardless of five-star (47.40 percent), four-star (48.90 percent) and three-star hotels (40.80 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.221 and ‘p’ value of 0.008.

- There is no absolute lack of communication in CRM practices in star hotels in Karnataka (61.50 percent of the respondents irrespective of five-star (60.70 percent), four-star (61.50 percent) and three-star hotels (62.20 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.159 and ‘p’ value of 0.234.

- The progress of CRM practices was not hindered due to the absence of customer management skills among the personnel in star hotels in Karnataka (47.90 percent of the respondents regardless of five-star (48.20 percent), four-star (52.60 percent) and three-star hotels (43 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.230 and ‘p’ value of 0.004.

- There is a lot of inefficiency in business processing in star hotels in Karnataka (42.70 percent of the respondents irrespective of five-star (32.60 percent), four-star (38.60 percent) and three-star hotels (57 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.313 and ‘p’ value of 0.000.

- The progress of CRM practices was not hindered because of lacunae in standardizing of CRM in star hotels in Karnataka (40.20 percent of the respondents regardless of five-star (39.20 percent), four-star (49.70 percent) and three-star hotels (31.90 percent) have pointed out). There was a
significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.289 and ‘p’ value of 0.000.

- Inter-departmental inconsistencies are not major barriers of CRM practices in star hotels in Karnataka (51.20 percent of the respondents irrespective of five-star (54.10 percent), four-star (50.40 percent) and three-star hotels (49.70 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.243 and ‘p’ value of 0.001.

- The progress of CRM practices was not hindered due to lack of cultural readiness among the personnel in star hotels in Karnataka (62.50 percent of the respondents regardless of five-star (62.20 percent), four-star (65.20 percent) and three-star hotels (60 percent) have pointed). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.217 and ‘p’ value of 0.011.

- The progress of CRM practices was not hindered due to lack of end-user input at the service stage in star hotels in Karnataka (61.50 percent of the respondents irrespective of five-star (63.70 percent), four-star (68.90 percent) and three-star hotels (51.90 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.291 and ‘p’ value of 0.000.

- The progress of CRM practices was not hindered due to lack of technological advancement in star hotels in Karnataka (51.60 percent of the respondents regardless of five-star (50.40 percent), four-star (53.30 percent) and three-star hotels (51.10 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.229 and ‘p’ value of 0.004.

- The progress of CRM practices was not hindered due to lack of scientific customer segmentation in star hotels in Karnataka (55 percent of the respondents irrespective of five-star (48.90 percent), four-star (57.80 percent) and three-star hotels (60 percent) have stated). There was a
significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.158 and ‘p’ value of 0.242.

- The progress of CRM practices was not hindered due to price competition and drives to lower operating cost in star hotels in Karnataka (55.50 percent of the respondents regardless of five-star (48.90 percent), four-star (57.80 percent) and three-star hotels (60 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.198 and ‘p’ value of 0.036.

- The progress of CRM practices was hindered due to commoditization of services and rising customer demands in star hotels in Karnataka (89.20 percent of the respondents irrespective of five-star (88.90 percent), four-star (94.80 percent) and three-star hotels (83.70 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.207 and ‘p’ value of 0.006.

6.1.4 Relationship between CRM Practices and Influence

- Star hotels’ CRM practices are important to execute effective customer satisfaction in Karnataka (96.10 percent of the respondents regardless of five-star (97 percent), four-star (94.80 percent) and three-star hotels (96.30 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.116 and ‘p’ value of 0.239.

- Customer satisfaction is the key objective of CRM practices in star hotels in Karnataka (88.90 percent of the respondents irrespective of five-star (97.80 percent), four-star (93.40 percent) and three-star hotels (75.60 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.314 and ‘p’ value of 0.000.

- Star hotels’ CRM practices have changed the culture of star hotels positively in Karnataka (81.50 percent of the respondents regardless of five-star (93.30 percent), four-star (83.70 percent) and three-star hotels (67.40
percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.305 and ‘p’ value of 0.000.

- Star hotels’ CRM practices provide an opportunity for the customer to access freely to services in Karnataka (96.80 percent of the respondents irrespective of five-star (100 percent), four-star (99.20 percent) and three-star hotels (91.10 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.291 and ‘p’ value of 0.000.

- Star hotels’ CRM practices improve the brand equity of the services in Karnataka (95.80 percent of the respondents regardless of five-star (100 percent), four-star (97 percent) and three-star hotels (90.40 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.205 and ‘p’ value of 0.007.

- Star hotels’ CRM practices increase the quality of services in Karnataka (95.60 percent of the respondents irrespective of five-star (99.30 percent), four-star (99.30 percent) and three-star hotels (88.10 percent) have stated). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.257 and ‘p’ value of 0.000.

- Star hotels’ CRM practices influence in maintaining the best quality of services for customer satisfaction in Karnataka (96.30 percent of the respondents regardless of five-star (100 percent), four-star (95.50 percent) and three-star hotels (93.30 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.164 and ‘p’ value of 0.024.

- Star hotels’ CRM practices assess customer value, end-customer satisfaction and qualities of overall satisfaction in Karnataka (95 percent or the respondents irrespective of five-star (97.80 percent), four-star (98.50 percent) and three-star hotels (88.90 percent) have stated). There was
a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.251 and ‘p’ value of 0.000.

- CRM have developed, or are developing a balanced scorecard or linkage model in star hotels that addresses the relationship between customer satisfaction and business results in Karnataka (96.30 percent of the respondents regardless of five-star (98.50 percent), four-star (97.80 percent) and three-star hotels (92.60 percent) have pointed out). There was a significant difference among star hotels in the pattern of responses with contingency coefficient value of 0.145 and ‘p’ value of 0.070.

6.1.5 Relationship between Elements of CRM and CRM Practices

- Correlation between ‘Current CRM Practices’ and ‘Factors’ Effectiveness on CRM Practices’ is significant and positive (r=0.332; P=0.000).
- Correlation between ‘Current CRM Practices’ and ‘Relationship Between CRM and Influence’ is significant and positive (r =0.509; P=0.000).
- Correlation between ‘Current CRM Practices’ and ‘Total CRM’ is significant and positive (r=0.608; P=0.000).
- The scores on ‘Current CRM Practices’ were found to be independent of ‘Barriers of CRM Practices’ (r =-0.079; P=0.112).
- Correlation between ‘Factors’ Effectiveness on CRM Practices’ and ‘Relationship Between CRM Practices and Influence’ is significant and positive (r =0.272; P=0.000).
- Correlation between ‘Factors’ Effectiveness on CRM Practices’ and ‘Barriers of CRM’ is significant and positive (r =0.134; P=0.007).
- Correlation between ‘Factors’ Effectiveness on CRM Practices’ and ‘Total CRM’ is significant and positive (r =0.547; P=0.000).
- There is an inverse relationship between ‘Relationship between CRM and Influence’ and ‘Barriers of CRM Practices’ (r =-0.249; P=0.000).
- Correlation between ‘Relationship between CRM and Influence’ and ‘Total CRM’ is significant and positive (r =0.318; P=0.000).
• Correlation between “Barriers of CRM Practices” and “Total CRM” is significant and positive ($r = 0.680; P = 0.000$).

6.2 IMPLICATIONS OF THE STUDY

The implications of the study are classified under three different heads, namely – implications on Government of Karnataka, implications on star hotels and implications on researchers and development organizations.

6.2.1 Implications on Government of Karnataka

Planning and decision-making of microeconomics is one of the most important tasks of the Government of any country. This planning without accurate information is not possible. Karnataka tourism and hospitality industry has emerged as one of the key industries of driving growth of the services sector in this state. Tourism industry has outperformed the global tourism industry in terms of growth in the volume of international tourists as well as in terms of revenue generation through lodging, transportation, boarding and other sources of hospitality management. There is a significant development in star hotels owing to success of the travel and tourism industry, which is a major engine of economic growth and harnesses the direct and multiplier effects of tourism for employment generation, economic development and providing impetus to rural tourism.

In this era of globalization, liberalization and privatization, the hotel industry should be strengthened on the basis of systematic customer-friendly delivery of services and effective marketing communication activities in order to facilitate the benefit of access to financial services and CRM practices to various hoteliers. Social evaluation of financial assistance programmes in general and role of CRM in the welfare and empowerment of customers in particular will also improve the state of affairs in Karnataka.

Government of Karnataka is required first to identify the status of this industry, its strengths and weakness, and then effective action is needed to eliminate the weakness and enhance the strengths in order to reach the desired goals.
This study was carried out in an empirical assessment of the factors and limitations affecting performance of star hotels in Karnataka to provide findings and helpful suggestions for policy makers and planners. Results of this study and research in particular can be used for this purpose.

### 6.2.2 Implications on Star Hotels in Karnataka

One of the most important tasks of the management is evaluation as well as planning and organizing. Evaluation is the study of the current status and comparing to optimum status in order to compare desired results to the objectives. Therefore, strengths and weaknesses are first identified, and then effective action is needed to eliminate the weaknesses and enhance the strengths.

The present investigation revealed that CRM practices were accessible to the customers of star hotels to a considerable extent. Star hotels also experienced certain advantages and limitations with respect to adaption of healthy and progressive CRM practices. It is rightly believed that the practice of CRM would boost the image, popularity, status and business prospects of star hotels. CRM is all about increasing higher customer profitability by identifying detailed customer segmentation, defining marketing communication strategies, and providing intelligent decisions to more effectively drive retention, profitability, and customer satisfaction. If the customers are satisfied, they will stay loyal for longer and talk favourably about the hotels and services.

This study empirically aims at star hotels as economic units to evaluate the performance of the managers in this industry. In other words, this study was carried out using a scientific method to study various theories of managers’ category (senior management, junior management and supervisors) in star hotels. As a result of the findings, it can be used for evaluating the performance of hotel managers and hoteliers.

### 6.2.3 Implications on Researchers and Development Organizations

The present investigation revealed that CRM practices are inevitable in star hotels in Karnataka and elsewhere. CRM practices should be designed on the basis of scientific evaluation in order to reach out to the customers who are spread across the
length and breadth of the state of Karnataka and beyond. Tested and tried CRM practices should be actively adapted in star hotels in order to enhance the organizational reputation, social utility, customer welfare and organizational progress in this age of competitiveness.

As a result, scientific revolutions are always accumulating knowledge and human experience over time. Any scientific research project as well as academic research help to share and accumulate the scientific knowledge and experience. The researchers always carry out their studies on the basis of previous research in the past but focus on the new aspects that have been lacking. This study also identified the existing limitations in addition to the area for investigation and study report. As a result, future research can help right the way in the study and also to find new results by using appropriate methods and findings.

The researcher and development organizations are required to conduct need based research on various aspects of CRM practices in order to provide meaningful suggestions and guidelines on the utilization of CRM as an effective instrument of organizational development in star hotels in Karnataka.

6.3 SUGGESTIONS

1) When compared to five-star and four-star hotels, three-star hotels’ CRM practices are less user-friendly. Therefore, three-star hotels need to improve the CRM practices to cater to the needs of customers and prosper.

2) Three-star hotels need to improve encouragement and empowerment to exceed customer expectations in comparison to five-star and four-star hotels. Star hotels provide services on the basis of customer expectations.

3) When compared to five-star and four-star hotels, three-star hotels should regularly measure and monitor customer satisfaction, loyalty and commitment in order to build sound customer relationships.

4) All the star hotels (five-star, four-star and three-star) need to engage in regular board meetings, to give high priority to non-financial factors such as customer and employee satisfaction.
5) When compared to five-star hotels, four-star and three-star hotels many a time fall behind in giving quickly offered, tangible rewards for completing surveys or requests for information. The management of four-star and three-star hotels should look into this and improve the CRM practices.

6) Three-star hotels need to improve staff training and behaviour, which definitely affects the level of performance in star hotels in Karnataka in comparison to five-star and four-star hotels.

7) All the star hotels (five-star, four-star and three-star) need to focus on the quality of business activities and provide the idea of gaining new customer influence through well-established CRM practices.

8) Senior management should be serious about CRM practices, inefficiency in business progress, standardizing of CRM practices and inter-departmental inconsistencies in all the star hotels (five-star, four-star and three-star).

9) When compared to five-star and four-star hotels, three-star hotels need to increase the supporting budget to practice CRM in order to improve the level of performance.

10) All the star hotels (five-star, four-star and three-star) were lacking customer management skills and cultural preparedness in CRM practices. The management of star hotels in Karnataka should focus on them.

11) All the star hotels (five-star, four-star and three-star) were lacking scientific customer segmentation, technological advancement and communicational aspects in CRM practices, which are needed to improve all star rating hotels.

12) The management of all the star hotels (five-star, four-star and three-star) should look into the price competition in order to increase and benefit from CRM practices.

6.4 SCOPE FOR FURTHER RESEARCH

The present study is an attempt to understand the perception of the personnel of star hotels on the need, importance, nature, scope and relevance of CRM practices in Karnataka. The current practices of CRM, the factors’ effectiveness on CRM practices, the barriers of CRM practices and relationship between CRM practices and
influence on the category to which they belong are scientifically examined in this study.

Here are suggested many areas of future research that are broadly associated with the process of organizational development including effective hotel industry management.

1) CRM and organizational development,

2) CRM and human resource development,

3) CRM and corporate communication management,

4) CRM and corporate advertising management,

5) CRM and customer satisfaction,

6) CRM and social responsibility,

7) CRM and corporate responsibility,

8) CRM and customer welfare,

9) CRM and economic development,

10) CRM and community welfare,

11) CRM and image building; and

12) CRM and cultural promotion.

CRM practices in contemporary society are very important. It is clearly emphasized that adoption of healthy CRM practices for improvement of delivery system in a developing state like Karnataka is an enduring area of research. Hence, a combination of empirical study, case study, experimental research, quantitative analysis and qualitative analysis is strongly advocated for understanding the factors’ effectiveness on CRM practices in the management of modern organizations including star hotels and elsewhere.

6.5 CONCLUSION

India has become a prominent center of tourism promotion in the world over a period of time. Karnataka has better infrastructural facilities in regard to hotels,
transportation and allied amenities. Many prestigious hotels have also grown in Karnataka in order to cater to the needs of the domestic and foreign travelling public. There are hotels ranging from luxury hotels to economy hotels across the country.

Karnataka is a developing state that has achieved commendable progress in the field of hotel industry in general and adoption of healthy CRM practices in particular, although they are half way according to the findings of the study. Star hotels have understood the need and importance of CRM practices in the present age of competitiveness. The importance of CRM forming the core of organizational management strategies is being increasingly recognized in Karnataka.

The relationship between star hotels and CRM practices is such that nowadays it is almost impossible to think of the former without the latter. Karnataka is not an exception to this universal realization of adoption of CRM practices in star hotels and other institutions. CRM practices are contributing immensely towards improving the bond between star hotels and customers who matter most in the contemporary business world in Karnataka and other developing states. The outcome of the present study would help the policy makers in Indian star hotels to formulate suitable CRM intervention strategies and use appropriate methods for the enhancement of the status of hotel industry.

In this study, tested and tried statistical analysis techniques were also used. There were also the usual limitations of the survey research method. The present study assumes great significance because it evaluated the effectiveness of CRM in the management of the hotel industry in Karnataka, which has emerged as a leading developing state in India. The findings revealed that current practices of CRM in star hotels (five-star, four-star and three-star) in Karnataka is not up to the standard and as the category of star hotels increased, current CRM practices also increased linearly and significantly. It was noted that the factors’ effectiveness on CRM practices among star hotels (five-star, four-star and three-star) in Karnataka is that only three-star hotels differed significantly from four-star and five-star hotels. The findings showed that the barriers of CRM practices among star hotels (five-star, four-star and three-star) in Karnataka respectively were statistically the same. Finally it was found that the relationship between CRM practices and respective star hotels is that only three-star hotels differed significantly from four-star and five-star hotels. The current
practices of CRM in five-star and four-star hotels in Karnataka had high level of progress than three-star hotels, which are still growing.

The findings revealed that current CRM practices in star hotels in Karnataka are that as the category of star hotels increased, current CRM practices also increased significantly. The practice of CRM is widely acknowledged as an important component of marketing management and corporate communication management processes in star hotels in Karnataka, but unfortunately they are at the half way mark.

The findings showed that the factors’ effectiveness on CRM practices among star hotels in Karnataka are that only three-star hotels differed significantly from four-star and five-star hotels. It should be noted that staff training and behaviour, business activity quality, idea of gaining new customers through CRM practices should be improved in star hotels in Karnataka.

The findings revealed that the barriers of CRM practices among star hotels in Karnataka are that only three-star hotels differed significantly from four-star and five-star hotels. It should be noted that senior managers should be serious regarding CRM practices, supporting budgets, inefficiency in business progress, standardizing of CRM practices, inter-departmental inconsistencies, customer management skills, cultural readiness, scientific customer segmentation, price competition, technological advancement and communication in CRM practices in star hotels in Karnataka.

Finally it was found that the relationship between CRM practices and influence on the category to which they belong is that only three-star hotels differed significantly from four-star and five-star hotels.

The practice of CRM is widely acknowledged as an important component of marketing management and corporate communication management processes in star hotels. The current practice of CRM in five-star and four-star hotels in Karnataka had a high level of progress rather than three-star hotels, which are still growing.

6.6 EPILOGUE

There is a shift in the economy from the manufacturing to the service sector all over the globe. The hotel industry is a highly diversified sector that is known for large
volume of transactions. Star hotels are also facing very stiff competition and the current scenario is that of the survival of the fittest. Star hotels are doing their best to increase their customer base and are developing their own strategies to be in the market. The present generation of customers is more exposed to competitive goods and services. In the age of globalization, the customers are highly aware of their rights and privileges. This has led to customer-demand-driven services that are offered by star hotels. Star hotels in Karnataka and other developing nations are required to design their products and service in such a way that customers are satisfied and that they return to the same star hotels for their services.

In simple terms, customer retention is becoming the greatest challenge for star hotels in Karnataka and elsewhere. The importance of customer relationship management is widely discussed and debated all over the globe.

The present study highlights that star hotels should improve their speed and efficiency of service delivery, quality of service delivery, credit facilities, accommodation services and allied services to the customers who are the driving force. The research concludes by stating that for star hotels to grow, a strong commitment to strategic growth options must be articulated through a well-designed approach to customer relationship management.