

# **IMPACT OF CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES ON REVISIT INTENTION OF LOCAL GUESTS IN THE SRI LANKAN HOTEL INDUSTRY**

**Jayasinghe J.A.S.C and Lakmali A.D.S**

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## **Abstract**

Despite the rapidly growing Customer Relationship Management (CRM) literature, the application of CRM practices and their effect on customer revisit hotels remain equivocal in the Sri Lankan context. Therefore, in this research, the authors first examined what CRM practices are being widely used by Sri Lankan Hotels. Then, the authors investigated the functional relationship between CRM practices and intention to revisit. This was a quantitative study based on a questionnaire survey done by selecting a convenience sample. Results indicate that the selected sample of travelers are always searching for new experiences, therefore, the identified CRM practices only have shown a moderate relationship with customer revisit. The main findings imply that domestic leisure travelers are of a variety seeking nature and they look for different experiences and entertainments. So they prefer a new place for the next visit.

Keywords- Customer Relationship Management (CRM), Domestic Leisure Travelers, Customer Revisits, Variety Seeking Guests

## **Introduction**

It is a widespread and well-known fact that loyal customers help business organizations to earn much profit. Creating and maintaining loyal customers are two important aspects of customer relationship management. According to Dowling (2002), obtaining loyal customers through establishing a suitable relationship with customers is more profitable and it is the cornerstone of which the Customer Relationship Management CRM is based.

CRM is used in business organizations to keep, acquire and retain selective customers and partnering with them. The purpose of adopting these concepts is to have a superior value for both the organization and customer (Parvatiyar & Sheth, 2001). This CRM seems to be a management approach. Its focus is to manage relationships with customers. To do this, organizations should be able to identify, attract and increase retention of profitable customers (Hobby, 1999).

What we can understand through these different viewpoints is that by applying CRM, companies are generating a flow of profit. They have given full attention to acquiring and retaining profitable customers. It is well expressed by Buttle (2001). He is emphasizing to have mutually beneficial relationships with strategically important customers and is proposing to develop and maintain long-term relationships. These activities help organizations to survive comfortably in

future. According to Parvatiyar and Sheth (2001), relationship marketing and CRM are often used interchangeably in academic community.

Ryals and Payne (2001) improves this idea and describe it as information-enabled relationship marketing. His idea is based on the fact that CRM is always based on technological solutions. The application of CRM is involved in establishing excellent information systems based on customer oriented relationship building with different processes and employees of the company. Neglecting the customer and focusing only on the information technology will pave the way to unsuccessful achievements of marketing targets. To get a consistent flow of profits from a set of customers while increasing the number of customers is dependent on maintaining a good relationship with them. As a result of satisfying customers, hotels make current customers to talk positively about them to other potential customers.

Hospitality and Hotel Sector

Sri Lanka is very much concerned about its development in the hospitality industry. The hotel sector is developing rapidly, whatever the political changes taking place. The training of human resources is done by rapidly increasing hotel schools in the country and sometimes foreign institutes. Business development is more essential in this sector to be in par with the physical and employee capacity. Therefore, CRM is playing a vital role in creating and keeping customer bases for the hotel industry.

According to the Sri Lanka Tourism Development Authority, tourism in Sri Lanka has surged to a new level of over 2 million arrivals in 2016, which is an increase of 14 per cent over the previous year. In 2016, 1,798,380 arrivals indirectly indicate that simultaneous increase in hotel capacities too. The annual statistical report (2016) of the Sri Lanka Tourism Development Authority indicates that the room capacity in tourist hotels (classified/unclassified and Boutique hotels) increased by 2960 rooms from 19,376 in 2015 to 22,336 in 2016.

### **Problem Identification**

There are a number of papers written on CRM so far, presenting many definitions, evaluations and applications. But most of them seem to be practitioner oriented. Managers select different methods of them depending on their ability and knowledge, and apply them without much concern on whether guests like them or not. Sometimes they seem to be troubling or harassing guests. Getting and asking some information may be annoying to guests. There are many CRM practices that can be used by any hotel. The present research investigates what practices are widely used and already noticed by Sri Lankan guests. In other words, from the point of view of guests, in daily transactions and relationships, what different types of CRM practices are widely observed and how they are acceptable to the guests. CRM has been realized in different mean-

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ings by different people. So its practices have different approaches in Sri Lankan hospitality sector. If you do not understand what CRM is, how can you use it? To understand this confusion we can search how this is practiced in the country. Through analysis of customers' views and their experiences in dealing with hotels' efforts, we will be able to conclude what is sought after and what is to be done.

### **The Empirical Gap**

To investigate what CRM practices are widely available in hotels in Sri Lanka and what type of issues are confronted by the management in hotels, a preliminary exploratory study was conducted. The observations and interviews were done with some of the hoteliers revealing that even though they apply many new CRM techniques, customers don't seem to be revisiting. Even though there are many CRM practices available, the hotels where the preliminary observations were carried out revealed that customization of offers, enhancing the knowledge of customers, always getting the customer feedback, keeping and managing personal databases, improving hospitality in hotels, getting customer involvements wherever possible and maintaining customer care were more important factors for Sri Lankan hotels.

The above discussion led to the question of what different types of Customer Relationship Management Practices can be utilized effectively in order to encourage guests to revisit hotels in Sri Lanka

### **Research Objectives**

The preliminary study with the hoteliers revealed some of the issues and factors important from the perspective of hotel management. However, it was decided to investigate these issues and factors from the point of view of customers. Therefore, the following objectives were focused in this study To investigate what are the CRM practices widely used by Sri Lankan Hotels based on experience of guests

To measure the functional relationship between CRM practices and intention to revisit the same hotel.

### **Customer Relationship Management**

Customer Relationship Management (CRM) is defined as a "strategic approach that enables organizations to use internal resources (technology, people, process) to manage the relationship with customers for the whole of their life cycle in order to create a competitive advantage and improve an organization performance" (Mohammed & Rashid, 2012). Many organizations

currently tend to identify CRM as a marketing application but actually CRM is not merely an application for marketing, sales and services, but rather, when fully and successfully implemented, a cross-functional, customer driven, technology-integrated business process management strategy that maximizes relationship and encompasses the entire organization (Chen & Popovich, 2003). Since CRM is a customer driven system, organizations can clearly identify different customers through this CRM system because with globalization, the role of customers has changed from that of mere customer to a multi-faceted role as customers, cooperators, co-creators of value and co-creators of knowledge and competencies (Wang & Yang, 2004). When customers play these kinds of different roles in market firms which target these customers, they also have to develop different mechanisms to satisfy them. That is why many companies create their marketing activities to build a variety of relationships with customers such as customer acquisition and customer retention (Luck & Lancaster, 2003), because ultimately these relationships provide a roadmap to expand business and get a higher market share (Kandampully & Suhartanto, 2000).

### **Customer Relationship Management in Hotel Industry**

Many marketers identified customers as the heart of their businesses. They believe that they need to satisfy customers in order to achieve all of their business objectives. With the rising need for treating customers well, CRM systems were initiated. CRM is not limited to a particular industry, it is applicable for all the industries. Among these different industries, the service sector is very important because it is not like the product sector. Satisfying service customers is somewhat difficult as there is a high possibility for service disturbances to occur. Avoiding those disturbances through service quality is really a challenge (Azmiyan, Nasrinahr & Foroughi, 2012). With reference to the above literature, it is further found that CRM will be ideally suited to the hotel industry due to growing acquisition cost, rising customer expectations, price sensitivity, uncertain market and less brand loyalty (Mohammed & Rashid, 2012). Therefore, in the process of implementing better CRM practices in hotel industry employees such as front office staff, managers play a major role. Their behavior highly affects the customer satisfaction. Therefore, they must improve personal qualities like empathy and responsiveness in order to develop better relationships with customers (Azmain et al., 2012). Hoteliers considered guest as the most important asset in the hotel industry and it was further found that customer satisfaction in hotel industry measures how products or services supplied by a hotel meet or surpass a customer's expectation (Kumarapeli, Samarasinghe & Kuruppu, 2016). As stated earlier, hoteliers want to create a repeated customer base for them. Some researches argue that performance of reception, food and beverage, the housekeeping department and price affect repeat purchases (Kandampully & Suhartanto, 2000), and further it was stated that among the above

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mentioned factors, housekeeping is the only significant factor that determine customer loyalty since the customer identifies housekeeping as a core benefit of the hotel. And another recent research found that CRM practices undertaken at the encounter stages are most effective for repeat visitation and they further found that many participants were less interested in engaging in long term relationships with same hotels. They wish to feel different experiences at another accommodation so that CRM becomes an effective word of mouth tool for particular customers (Udunuwara, Sanders & Wilkins, 2016). Some argued that even though hotels have their own aspirations and agendas, CRM decisions were concerned as influencing guest demand and revenue generation (Luck & Lancaster, 2003).

### **Web based CRM**

As mentioned above, literature on CRM confirms that the main objective of CRM is to develop better relationship with customers. In this process the role of Internet is vital. Development in Internet brought new meaning to customer relationship (Chen & Popovich, 2003). Web is on the top of Internet and web applications support companies to transcend communication barriers and establish better relationships with customer (Gilbert & Perry, 2001). Especially in the hotel industry, they need to maintain satisfied customer bases without considering numbers at the first instance (Gilbert & Perry, 2001). Further, they mentioned that in the process of developing better relationship with customers, the web offers cost effective ways. According to Luck and Lancaster (2003), hotels can get competitive advantages through their websites. As many hoteliers identify the importance of e-CRM, they create virtual tours on their websites which may support to provide a virtual experience for prospective customers.

### **CRM in Sri Lankan Hotel Industry**

After the period of war, there is a significant increase in tourism in Sri Lanka (Srilal, Chandana & Dileep, 2013). The Sri Lankan Government, along with Sri Lanka Tourism Development Authority, position Sri Lanka as Asia's most treasured and greenest island (<http://www.sltda.lk>). With reference to this positioning statement, Sri Lankan tourism has to enhance their positive practices. As explained earlier, hotels live in the top of the hospitality industry because they provide accommodation for tourists. According to Srilal et al. (2013), it was found that Sri Lankan hotels need to develop their hotel facilities, especially rooms and related infrastructure, in a very short period. And further, they have mentioned in terms of sustainability practices Sri Lankan hotel industry is on the correct path by making hotels more customer focused and environmentally friendly. Literature in previous sections suggests that CRM is very important to hotel industry. Some of the related research on CRM and hotel industry in Sri Lanka found that CRM

practices have direct positive relationships with customer brand engagement in the Sri Lankan hotel sector (Kumapelia, Samarasingha & Kuruppu, 2016). Further, they have mentioned that without considering the size of the hotels, all hotels try to focus on CRM dimension with target on brand engagement activities. Besides these researches, a few researches that were conducted for analyzing the situation of hotel industry and CRM in developing countries and Asian countries, considered Sri Lanka as their sample. A research conducted by Dev, Zhou, Brown and Agarwal, (2009) considered Sri Lanka as non-OECD (Organization for Economic Corporation and Development) and they found that when firms enter in to a developing or OECD country, they can achieve a competitive advantage through establishing competitor orientation than customer orientation because in such kinds of market they can improve their organizational performance by learning how their key competitors operate. Another research done by Sambhantha & Good (2013) found that Sri Lanka as a developing country needs to focus on assessing interacting, trust, value and information aspects when creating a new model for hotel web strategy. And further, they have discussed about the most questionable area, that is, how this CRM system affects the job of customer service staff. They found that customer service staff resists change with this automated CRM system based on fear of losing their jobs.

### **Customer Revisit**

As mentioned above, many hotels have undertaken different CRM practices in order to create a loyal customer base. Success of those different practices may depend on how customers perceive those practices, whether those make any sense on them or not. According to the Kandampully and Suhartan (2000), customer loyalty, revisit and recommendations depend on their satisfaction with food and beverage, reception, housekeeping related CRM practices. Ramanathan and Ramanathan (2011) also found that value for money as the most critical attribute since many guests expect good service for the price. Other than price, customer service and family friendliness also affect guests to determine their intention to stay in the hotel (Ramanathan & Ramanathan, 2011). Further, they found that good cleanliness will help in facilitating the return of guests. Another CRM practice is many hotels organize different surprises for their guests. It is also found that those practices become part of guests' emotional delight and motivate their revisit (Edwin & Sheryl, 2003).

The overall purpose of this study is to examine the influence of CRM practices to revisit and what the widely available CRM practices are in the Sri Lankan hotel industry. To this end, the following conceptual model has been developed.

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### **Development of Hypotheses**

In order to generate customer centric value, the entire organizational structure must be flexible. If necessary, the organization needs to reconstruct their organizational structure in order to support CRM initiatives (Yim et al., 2004). In other words, it means, CRM projects require full-time attention of a project implementation team with representatives from sales, marketing, manufacturing, customer services and informational technology (Chen & Popovich, 2003). Further, organizational culture (Mohammed & Rashid, 2012) also has to be integrated with other elements in order to practice firm-wide CRM.

As clearly mentioned by Kandampully and Suhartan (2000), customer loyalty, revisit and recommendations depend on their satisfaction with food and beverage, reception, housekeeping related CRM practices. This implies that when the hotel does the arrangements through CRM to suit the customer, it impacts on customer revisit. To examine this relationship, first some hypotheses were developed.

H1: Customization is positively related to revisit

Managing knowledge in CRM is strongly related to knowledge management systems. One of the main objectives of CRM activities is to develop a better customer information base. Successful CRM systems effectively transform customer information into customer knowledge (Yim et al., 2004). When customers are aware of all facilities and other entertainments in the hotel match with their desires they tend to revisit. So the second hypothesis developed was;

### **H2: Enhancing Knowledge is positively related to revisit**

Not only customer orientation satisfies highly specific customer requirements, but also anticipates changing requirements to adjust its approach in the future. (Dev, Zhou, Brown & Agarwal, 2009). When customer orientation is in practice, hotels tend to get feedback from customers and adjust their day today activities accordingly. So we can develop the third hypothesis as;

### **H3: Customer feedback is positively related to revisit**

Yim et al. (2004) further mentioned that gathering valuable and real time information through interactions or touch points are very important and sharing that information within the organization lead to address current and anticipated customer needs. Especially, knowledge management dimension is most critical for the hotel industry since success in CRM heavily depends on collecting, analyzing and maintaining better customer knowledge (Mohammed & Rashid, 2012). Kandampully and Suhartan (2000) further found that, as a separate and the most important fac-

tor, the price affects their revisit decisions. To fix the price to match the customer's budget, the hotel must maintain a good database management system. Accordingly, the fourth hypothesis has been developed as;

**H4: Personal database management positively related to revisit**

Ramanathan & Ramanathan, (2011) has emphasized that other than price, customer service and family friendliness also affect the stay in the hotel. This means even though the price has a major role, hospitality practices shape the customers to make positive decisions to revisit the same hotel.

Another CRM practice is that many hotels organize different surprises for their guests. It is also found that organizing different surprises for guests attached customers tightly with hotel management. Those practices become part of guests' emotional delight and motivate their revisit (Edwin & Sheryl, 2003).

As suggested by King (1995), hospitality is making the visitor "feel at home". Hanks (1989) has mentioned that hospitality is "kindness in welcoming strangers or guests"

Therefore, it was hypothesized that;

**H5: Hospitality practices of hotel positively affect customer revisit**

In addition to the above mentioned facts, customers are allowed to give suggestions, share their preferences, provide feedback and get involved in the decision-making process to co-create and deliver the service by hoteliers where they expect to satisfy customers through involvement (Sengupta & Pillai, 2017). Based on this fact, the sixth hypothesis has been developed.

**H6: Customer involvement positively related to revisit**

The Main purpose of customer orientation is to increase long lasting satisfaction and loyalty of customers (Mohammed & Rashid, 2012). They also stated that customer orientation is most important for hotel industry since it helps to better understand the customer requirements. The ultimate goal of customer orientation is to become an indispensable organization for its profitable customers (Yim et al., 2004). Hanks (1989) has defined customer care as "the work of looking after customers and ensuring their satisfaction with one's business and its goods or services"

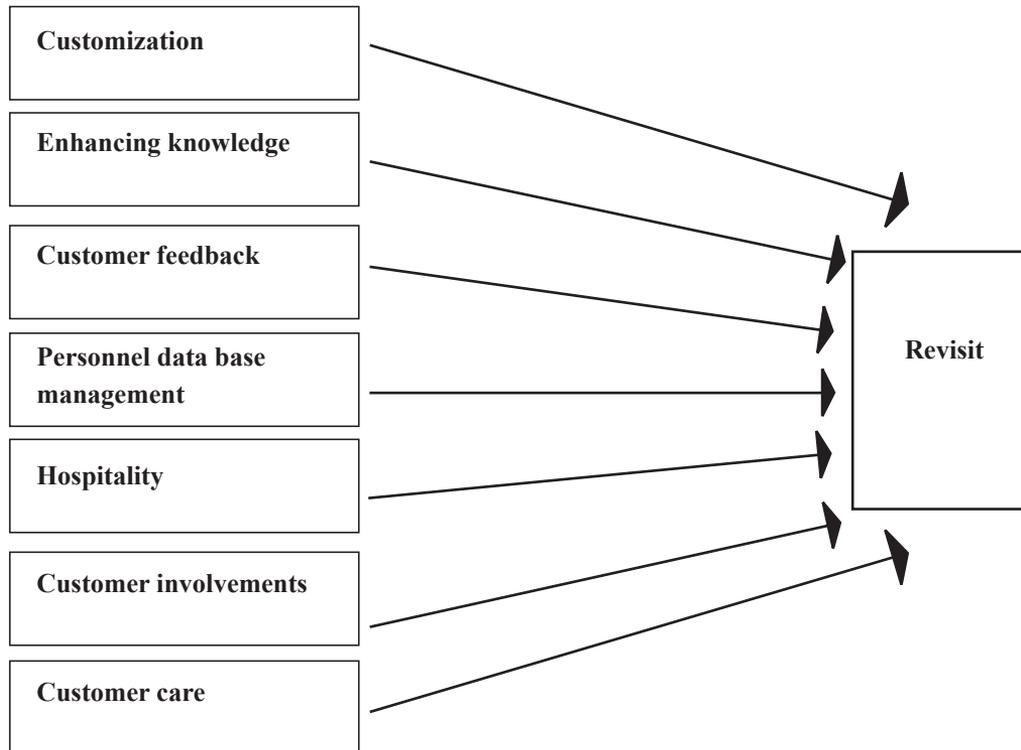
These findings imply that caring customers will lead to revisit. Thus, the following hypothesis was developed.

**H7: Customer care is positively related to revisit**

Based on the above mentioned hypotheses following conceptual model can be developed.

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**Figure 1: Conceptual Model**



Source: Developed by authors

**Research design - Sample and Method**

This is a quantitative study and data for the study was collected by a survey. The sample method was convenience sampling and the size of the sample was 50 domestic leisure travelers. Predictor variables of this study were enhancing consumer knowledge, customer feedback, customer involvement, customer care, hospitality, customization and personnel data management. The outcome variable was the customer revisit behavior. To measure the enhanced consumer knowledge, three variables were considered. It includes, “Hotels send frequent messages after you visit”; “Hotels make awareness about their new offers” and “Once visited, hotels inform new packages to you”. Customer feedback was measured by “Hotels ask your feedback about the visit”. To measure customer involvement, another two variables were considered, i.e., “Shows interest in your ideas”; and “Hotels encourage your participation to their decisions”. And to measure customer care, four variables were used; “Hotels reply quickly to any inquiry you make”, “Hotels acknowledge any communication you make”, “Hotels greet you warmly always”, and “Hotels encourage you to communicate with them”. Hospitality is measured by using three variables; “Staff of hotels tries to satisfy you”, “Staff of hotels is very much concerned about you”, and “Hotels try to be the second home to you”. And to measure customization, “Make their offer in the most suitable way you like” and “Hotels customize their offers to frequent visitors” were used. Finally, to measure the last predictor variable, personnel data management, two variables were considered; i.e., “Hotels encourage you to bring other visitors too”, and “Hotels use you to pass messages to others”.

As the measurement tool, a questionnaire was developed by the present researchers. The variables were measured on a five-point Likert scale, where “1” denoted “strongly disagree” and “5” denoted “strongly agree”.

In order to analyze the data collected, descriptive statistics, correlation analysis and multiple regression analysis were used in this study. Data were analyzed using SPSS 16.

**Source: Developed by authors**

**Results and Findings of Demographic Data Analysis****Table 01- Demographic data analysis**

<b>Statement</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Gender</b>		
Male	25	50
Female	25	50

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<b>Statement</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Nationality</b>		<b>100</b>
<b>Marital Status</b>		
Single	32	64
Married	18	36
<b>House hold</b>		
With family	42	84
With spouse only	05	10
With other members	03	06
<b>Age</b>		
20 and less than 25	09	18
25 and less than 30	22	44
30 and less than 35	11	22
35 and less than 40	05	10
45 and less than 50	02	04
50 and less than 55	01	02
<b>Employment</b>		
Employed	39	78
Self-employed	04	08
Business	02	04
Unemployed	01	02
Student	04	08
<b>Educational qualification</b>		
Primary	01	02
O/L	01	02
A/L	08	16
Professional qualification	12	24
Degree	22	44
Postgraduate level	06	12
<b>Income</b>		
less than 25000	06	12
25000 and less than 50000	21	42
50000 and less than 75000	07	14
75000 and less than 100000	09	18
100000 and less than 125000	03	06
125000 and less than 150000	02	04
150000 and less than 175000	01	02
175000 and less than 200000	01	02
<b>Expenditure</b>		
less than 25000	24	48
25000 and less than 50000	12	24
50000 and less than 75000	05	10
75000 and less than 100000	05	10
100000 and less than 125000	04	08

Source: Survey data (2017)

Demographic factors of the sample were analyzed in terms of age, gender, nationality, marital status, household, educational level, employment, income and expenses. The analysis indicates that most of the respondents belonged to the age group category of 25-30. That is 44% of the total percentage. Gender results showed that equal distribution of the questionnaire indicating 50% for each. The analysis indicated that most of the sample respondents live with their families. That is 84% in total percentage. It was also found that 39 of the sample respondents were employed, as a percentage it is 78%. The analysis indicated that most of the employees belonged to degree qualified category. As a percentage that is 44% followed by 24% belonging to professional qualification category. In terms of income, 42% of sample belonged to Rs.25000 and less than Rs. 50000 category whereas it was indicated less than Rs.25000 expenditure for 48% of total sample

### **CRM practices available in Sri Lankan Hotels**

The first objective of the research was to find out what CRM practices are widely available in Sri Lankan hotels. As found in the preliminary research, we checked the same practices with some other practices of CRM. The data of Table 2 reveals the widely available CRM practices in Sri Lankan hotels. Accordingly, descriptive statistics have been applied to analyze the findings. Results are given in Table 2.

Table 2 - Availability of CRM Practices in Sri Lankan Hotels

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviatio
Enhance knowledge	50	1.67	5.00	3.3067	89301
Customer feedback	50	3.00	55.00	4.0400	69869
Customer involvement	50	1.50	54.50	2.9700	88300
Customer care	50	2.25	54.50	3.5950	48416
Hospitality	50	1.75	54.75	3.5200	66593
Customization	50	2.00	54.50	3.3100	74840

Source: Survey data (2017)

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Table 2 summarizes the data about the availability of different CRM practices in the hotel sector in relation to local travel and leisure business. According to this table, all the considered factors seem to be available moderately in the hotel sector. Customers have experienced them and the mean value of each seems to be 3. This table also proves that some factors like enhancing knowledge and customer feedback are highly rated. But standard deviation and range shows that customers perceive differently.

**Reliability of Measurement**

The internal validity of the measurements was tested through Cronbach’s Alpha. The values obtained are given in Table 2. This table shows that all alpha values are close to or greater than the accepted minimum level of 0.7.

Table 3 - Cronbach’s Alpha

Variable	Cronbach’s Alpha
Enhance consumer knowledge	0.714
Personal data management	0.751
Hospitality	0.721
Consumer involvement	0.753
Customer care	0.703
Customization	0.697
Customer feedback	0.574
Customer revisit	0.783

Source- Survey data (2017)

According to the reliability analysis, all variables show a high internal consistency except the variable customer feedback which has a Cronbach’s Alpha of 0.574. However, as the figure is more than 0.57, it can be concluded as being reliable. Therefore, it can be reasonably established that there is internal consistency among the items used in the study.

**Validity**

To ensure the content validity and construct validity a rigorous literature review was conducted.

**Correlation between CRM Practices and Revisit**

**Table 4- Pearson correlations between each dimension and revisit**

<b>Dimension</b>	<b>Correlation Coefficient</b>
	140
Enhance Customer Knowledge	038
Customer Feedback	100
Customization	010
Personnel Data Management	441
Customer Care	221
Hospitality	080
Customer Involvement	
<b>N=50, *** ≤ 0.01 ( 2-tailed)</b>	

**Source: Survey data (2017)**

According to the correlation analysis, there is a positive relationship between five predictor variables and outcome variable and negative relationship between two predictor variables and outcome variable. Accordingly, enhance customer knowledge, customer feedback, customization, customer care and hospitality have positive associations with customer revisit while personnel data management and customer involvement have negative association with customer revisit. However, customer care and hospitality seems to be having a somewhat strong relationship. But enhancements of customer knowledge, customer feedback and customization have shown almost no correlation.

To determine the combined effect of the predictor variables on the outcome variable, a multiple regression model was used and the model summary is provided in Table 5.

**Table 5- Goodness of Fit**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	505a	255	131	57286

The multiple correlation (i.e. R) for this study is 0.505 and this result represents the joint association between individual factors and customer revisit. Coefficient of determination is 0. 255. This indicates that 25.5% of the customer revisit has been covered by the regression model.

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**Table 6 –Regression Results Coefficientsa**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	5.168	.869		5.945	.000
Enhance knowledge	-.051	.007	-.075	-.451	.654
Customer feedback	-.007	.130	-.075	-.051	.960
Customization	-.057	.133	-.075	-.430	.670
Personnel Data Management	-.236	.160	-.075	-1.479	.147
Customer care	.20	.192	.075	2.709	.010
Hospitality	.190	.192	.206	1.129	.001
Customer involvement	-.073	.130	-.106	-.564	.576

**Source: Survey data (2017)**

According to the individual coefficients table, enhance knowledge, customer feedback, customization and customer involvement are individually insignificant as the P values are .654, .960, 0.670 and .576 respectively. They do not have an individual effect but it influences jointly with the other factors. However, hospitality, customer personnel data management and customer care are minimally significant. Among them, customer involvement and Personnel Data Management (PDM) have negative relationships with customer revisit. According to the coefficient table, customer care shows substantial positive relationship with customer revisit. Further, hospitality shows some relationship with customer revisit.

## **Findings and Discussion**

This study aimed to measure the functional relationship between CRM practices and intention to revisit the same hotel. Further, this research investigated what CRM practices are widely used by Sri Lankan hotels. As the main CRM practices available in Sri Lanka, it has identified few practices such as, use of different communications to enhance consumer knowledge, sending continuous messages, getting customer feedback at the end of their visit, getting customer involvement for different decisions, customer care, hospitality, customization and personnel data management. The ultimate objective of this research is to identify the relationship between these CRM practices and customer revisits to the hotels. Administering a survey questionnaire, data were gathered from 50 respondents who are frequent leisure travelers to test the hypotheses. The results achieved from correlation analysis and multiple regression analysis showed a moderate fit. According to the statistical analysis, enhance customer knowledge, customer feedback, customization, customer care and hospitality have positive associations with customer revisits whereas personnel data management and customer involvement have negative associations with customer revisits. To determine independent variables' effect on dependent variables, a multiple regression model has been applied and that was supported with five hypotheses among the developed seven.

The results supported H1 indicating a positive relationship that exists between customization and customer revisit, suggesting that customization of offers has an effect on Sri Lankan leisure travelers revisit decision but it is not a strong effect. H2 that was developed to test whether the enhance customer knowledge has positive effects on consumers revisit behavior. Results indicated that enhance customer knowledge has positive effects on consumers' revisit behavior which confirmed that hotels can get more customers if they give better insight into them. The results were same for customer feedback, which accepted the H3 developed to investigate whether customer feedback has the positive effect on customer revisit behavior. H5 is developed to understand whether there is a positive relationship between customer care and customer revisit. Among five accepted hypotheses, this has the strong relationship with customer revisit. It means when hotels give higher priority to customer care, that affects customers to decide to revisit. The H6 developed to test the relationship between hospitality and customer revisit has been accepted by the results. That means when the hotel greets customers well and practice other relevant hospitality practices, customer intention to revisit will increase. The individual impacts of personnel data management and customer involvement on customer revisit behavior have been found to be insignificant by current research. Those results rejected the H4 and H7 which developed to check whether there is a positive effect of personal data management and Customer involvement on consumers' hotel revisit behavior. When the sample profile is exam-

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ined carefully, it is clear that it consists of leisure travelers. They need different experiences rather than enjoying the same environment. Therefore, it can be concluded that some of the factors of CRM are not effective in motivating guests to revisit. The only possible expectation would be the positive word of mouth which encourages the known persons by present visitors.

The results suggest that when respondents are variety seeking, even though the hotel keeps customers' personal information and gives value to their ideas, they are not willing to visit the same hotel again because they want a new experience. This finding is similar to the findings presented by Udunuwara, Sanders & Wilkins (2016) as they found many participants were less interested in engaging in long term relationships with the same hotels but they wish to feel different experiences at another accommodation.

The research implies that Sri Lankan domestic travellers who visit hotels have a variety of reasons to go for hotels. Mainly, they need different experiences. Other than that, going for get-togethers, going for regular immediate meetings they use same hotels nearby. So practitioners of CRM must understand these differences when they select a CRM technique. Otherwise it will be a waste of resources.

### **Managerial Implications**

There are several important implications on the results obtained from the current study. First, this research investigated the functional relationship between those CRM practices and customers' intention to revisit the hotel. Secondly, it identified the available CRM practices in Sri Lankan hotels. The findings of this study have provided valuable knowledge concerning various factors that influence customer revisit behavior for hotels. Based on the analysis, one of the most important findings is that among other practices, caring about customers motivate them to revisit. This indicates that customers feel more familiar with the hotel when the hotel care more about themselves. Therefore, hotels must try to increase customer care which in turn gives them a chance to win more customers. According to the finding, other than customer care, enhance customer knowledge, customer feedback, customization and hospitality are also having positive relationship with customer revisit behavior. This indicates that customers would like to expand their knowledge regarding new offerings of the hotels. They believe their feedback will be used by hotels to improve customize services.

Personnel data management and customer involvement were found to have a weak relationship with customer revisit. This result indicates that even though the hotel maintains a proper customer database and involve them in decisions, they would not prefer to revisit the hotel. The

overall results indicated that a selected sample who are especially leisure travelers most prefer to have different experiences. Therefore, even if hotels maintain many CRM practices, they won't have an intention to come to the same hotel as they are simply variety seekers. Hoteliers should be concerned about this customer behavior and they must plan better experiences which the customer can retain in their memory for a long time.

Hotels can change their offers from time to time in order to give customers a novel experience if they come again. Hotels can extend their services as hotel chains to keep customers in a variety of places to give them different feelings.

Based on the overall understanding, the variety seeking customers like different experiences, therefore, they do not like to visit the same hotel again and again to get the same experience. But customers who are looking for a nearby hotel as a conference venue, to have sudden parties or get-togethers, dine outs, may come again depending on CRM practices which will assure the required service level.

#### **Limitations and Direction for Future Research**

This research suffers from a few limitations, which provide a path forward for future research. First the sample of this study is people who are leisure travelers. Since the objective of this research is to identify the available CRM practices used by Sri Lankan hotels and how those practices affect customer revisit behavior, we need to get insight from all the travelers and not only leisure travelers. Therefore, future researchers have to consider about business and other travelers also. Second, the present study has been performed by taking into consideration some of the CRM applications practiced by Sri Lankan hotels but according to the findings only a few number of factors have a positive relationship with customer revisit behavior. The level of relationship between those practices and customer revisit behavior are also not that much strong. Therefore, future researches need to find out some other CRM practices which support the creation of more positive effects on customer revisit behavior.

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