

An Empirical Assessment of the Impact of Entrepreneurial Customer Relationship Management Skills on Customer Satisfaction in Hospitality Industry in Damaturu

Yakubu Salisu^{1*}, Ahmed Ibrahim Karage²

*Correspondence: Yakubu Salisu

^{1&2}Department of Business Administration, Yobe State University Damaturu, Yobe State Nigeria.

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ABSTRACT

The study evaluated the influence of customer relations on customer satisfaction in hospitality industry in Damaturu. This research used a survey method to study analyze the importance of customer relations on customer satisfaction in hospitality industry in Damaturu. The sample size for this study is 225 respondents from 5 hotels located within vicinity of the study area. Questionnaires were administered on these respondent using personal delivery and collection strategy. The findings revealed that there is a strong positive relationship between all the dimension of customer relationship management (CRM) such as service, quality, service features and access to services. The study suggested that CRM strategies (service, quality, service feature and staff attitude) practices by hotels in Damaturu should not be consider as the only key to success except other component of CRM are considered and empirically tested. Nevertheless, the study concluded that regardless of differences in customer expectation, customized customer service and products quality and feature as well as the behavior of employees are essential for successful and effective CRM that will ensure sustainable customer satisfaction and organizational growth and development. Thus, hotel firms cannot continue to overlook the raison d'être of CRM strategies which are here stay.

Keywords: Service quality, Access to service, Service Feature, Customer satisfaction.

Introduction

One the major development in the field of marketing management has been the emergence customer relationship management strategies, developed principally to create and sustain perpetual customer relationship that create values and satisfaction. In today's operating environment hotels entrepreneurs

are experiencing a radically changing complex operating landscape where the process of relationship building between the firm and its customers requires strategies that enhances customer lifetime value and increases corporate profitability. In this situation, the customer relational is not only a mechanism but a strategy for active customer relationship management for effective measurement of customer attitudes and intention for retention and profitability in this dynamic competitive market ((Dewnarain, Ramkissoon & Mavondo 2019, Orantes-Jiménez, Vázquez-Álvarez & Tejeida-Padilla, 2017, Hardjon & Pooi2017). Thus, Sharma, (2021) urged that, these increasing customer-acquisition cost, price sensitive guest, growing customer expectations, more refined clients, less brand loyalty and uncertain market are all strategic considerations, which strongly urged hotel firms to focus on customer relationship management. Hospitality industry is rapidly growing in Damaturu, the Yobe state capital. Nevertheless, it has been opined that Customer satisfaction in the hospitality industry remains unsettled, as businesses struggle with issues such as inconsistent service delivery, difficulty in accessing services, and a lack of unique service features Nwankwo, Okorie & Uche, (2023). This study aimed to examine the impacts of customer relationship management on customer satisfaction in hospitality industry in Damaturu.

Problem Statement

In this today's competitive and dynamic market, customer satisfaction is the crossing bridge for successful business operation, growth ad sustainability in industry like hospitality (Hardjon & Pooi2017, Rahimi, & Kozak, 2017). Thus, Nwankwo, Okorie & Uche, (2023) opined that, the main aims of every strategic business is to uphold extraordinary level of customer satisfaction through provision of value added transaction based on mutual respect and interactions. Customers feels valued and important when treated with respect and courtesy which lead to satisfaction and repeated business (Leon and Lestlie, 2020, Anwar & Shukur, 2015). Osman, & Sentosa, (2013), posited that customer service providers in hospitality industry are often trained to acquaint themselves with arts and sciences that help provide excellent and satisfactory customer service. Service providers are taught how to listen, be patient, tolerant and most importantly be helpful (Adedipe & Adeleke, 2016). To ensure that customers are treated well, hospitality businesses nowadays continuously monitor the conducts of their employees in relation to handling of customers (Ojo, 2024, Nwankwo, Okorie & Uche, 2023).

Nevertheless, while several studies have examined customer satisfaction in the hospitality industry (Mckonnen, Belay, 2021, Prabhu et al. 2020, Rahimi, & Kozak, 2017, Abdullateef, Mokhtar & Yusoff, 2010), few have focused on how customer relations through service quality, access to service, and service features impact customer satisfaction (Sefatsa & Madzinga, 2023, Mohammed & Rashid,

2012, Yim, Anderson & Swaminathan, 2005). However, survey of available literature revealed limited studies on the relationship of customer relation management and customer satisfaction. This gap in research creates the need for a comprehensive assessment to determine the extent at which these factors influence customer satisfaction in less developed cities like Damaturu, the Yobe State capital.

Literature Review

Businesses in hospitality industry are passing through a toughly and hard rivalry and the days ahead appears to be even more pierce (Ojo, 2024). To survive, succeed, grow and sustain operations, businesses in hospitality are required to meet up the expectation of their customers (Nwankwo, Okorie & Uche, 2023, Gardi et al. 2020, Prabhu et al. 2020, Sultan et al. 2020). Consequently, hospitality businesses are concentrating in creating and enhancing the quality of their services in order to remain competitive in operating environment (Ojo, 2024, Top & Ali, 2021). Othman et al., (2019) urged that creating tools and values that enhances service quality is critical in this competitive market environment. Managers in hospitality industry must determine and adopt right strategies for enhancing services that satisfy customer's expectations (Nwankwo, Okorie & Uche, 2023, Owusu, 2020).

Customer Relationship management (CRM) is one of the strategic choice managers makes nowadays to ensure adequate satisfaction of customers. CRM is an essential business strategy that adopt the philosophical concept of "customer is king" meaning customer is the focal point in the business dealing (Boris, 2012). The art of maintaining a lasting relationship with customers was rooted in the concept of relationship marketing, and most recently modified to CRM. This marketing strategy help business to advance its understanding of customers and their needs, retain clients through enhanced customer experience, draw more new customers, upsurge profitability and lessening cost of customer management (Angamuthu, 2015) and subsequent creation of competitive advantage and improved organizational performance (Mohammed & Rashid 2012). Thus effective implementation of CRM strategies will be of optimum benefits to organization, allowing it to achieve adequate sales volume through better market segmentation, customizing services, access to information, customer satisfaction and sustainable retention and loyalty (Verma & Chadhuri, 2009) which are essential for survival and competitive performance (Hardjono & Pooi San, 2017).

Nowadays, most hospitality firms are more concerned with varieties and qualities of services for customer to create and maintain competitive advantage (Mckonnen, Belay, 2021, Demir et al., 2020). Customer satisfaction is one of the major challenges of hospitality industry in less developed cities, as businesses struggle with issues such as inconsistent service delivery, difficulty in accessing services,

and a lack of unique service features (Mckonnen, Belay, 2021). Pitiabale customer relations repeatedly lead to negative views, loss of customers and dwindled revenue (Nwankwo, Okorie & Uche, 2023). Despite the rapid growth and intense competition within the hospitality industry, many firms continue to brawl with upholding great altitudes of customer satisfaction (Ojo, 2024, Prabhu et al. 2020). Unreliable service quality, deprived employees motivation, derisory amenities, and letdown in meeting growing customer's expectations habitually resulted in negative perception, diminished client constancy, and condensed successes and returns on investment (Mckonnen, Belay, 2021, Owusu, 2020). Similarly, with the swelling dependence on digital podiums for customer reactions and decision making, even negligible service breaks can expressively sway a hospitality firm status, productivity and profitability (Mckonnen, Belay, 2021 Angamuthu, 2015). This advances a serious need to empirically ascertain the effectiveness of strategies implemented that drive customer satisfaction and experiences in hospitality service.

Thus, this study hypothesized that:

HI: Service quality relates to customer satisfaction in hospitality industry

HI: Service access relates to customer satisfaction in hospitality industry

HI: Service features relates to customer satisfaction in hospitality industry

Methodology

The study employed survey design method to empirically examine the impacts of customer relation on customer satisfaction in hospitality industry in Damaturu Yobe State capital. The study is cross-sectional as data was collected once. A simple random sampling technique was used to draw the sample from the population under study. Consequently, 225 respondents were selected 55 from each of the 5 selected hotels in Damaturu. Questionnaires were administered on these respondents over thirty days of data collection. Items of measurement of variables under consideration were adapted from previous studies (Dewnarain, Ramkissoon & Mavondo 2019, Choi & Chu, 2001, Buhalis, 2008, Bitner, 1992)

At the end of questionnaire administration, a total number of 197 response were received. The returned questionnaires were screened and reviewed for completeness and appropriateness. From the screening exercise, a total number of 191 valid questionnaires determine and use for the analyses. A statistical package for social science (SPSS V23) was used for statistical analyses.

Results

Model Summary ^b					
Model	Change Statistics				
	R Square Change	F Change	df1	df2	Sig. F Change
1	.5690 ^a	153.146	3	244	0.002
a. Predictors: (Constant), ServiceQuality, Accesstoservice, ServiceFeatures					
b. Dependent Variable: CustomerSatisfaction					

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.807	0.142		4.648	.000		
	Service Quality	0.206	0.063	0.276	3.712	.000	0.274	4.34
	Accessto Service	0.496	0.087	0.519	7.432	.000	0.378	3.53
	Service Features	0.347	0.051	0.465	5.418	.002	0.657	3.215

Based on the statistical values in the table above, the study found a strong impacts of all dimension customer relationship management (CRM) practices (service quality, access to service and service features) and customer satisfaction in the hospitality industry in Damaturu. Professionalism and politeness of service providers, on time response to customer demands, valuing customers and attentive communication with guest are found to be significant factors in creating customer satisfaction. These results suggest that when customers perceive CRM practices to be proactive, relational, and personalized, their overall satisfaction increases. This findings supports the studies of Ibe & Ugwu, (2022) who reported that dignified CRM practices like courtesy, attentive service provider and service quality are more powerful in creating customer satisfaction than system and technology in most European hotels. Similarly, a study conducted in Pakistan by Mohsen et al. (2011) found an unswerving positive impacts of CRM practices and customer satisfaction in hospitality industries.

Accordingly, the statistical inference revealed the willingness and determination of customers for subsequent repeated patronage. Thus the enthusiasm of customers to return to for more business is clear indication that the CRM practice by hotels in Damaturu has meet up the expectation of target market. This finding corroborated the conclusion of Onu, Osoko, & Akinlabu, (2018) that customer satisfaction unswervingly create perpetual customer loyalty and retention in hospitality business. Accordingly, quality of elements in CRM such as interactive management, customize service and

conducive environment significantly influences customers' satisfaction (Kiprotich et al., 2020, Ojo & Owolabi 2019, Gbadeyan, 2010). Ibe & Ugwu, (2022) maintained further that relationship management, trust and understanding of customer needs significantly affects loyalty and retention.

This study also found that service quality positively influence customer satisfaction and retention in hospitality industry in Damaturu. This agreed with the findings of a number of studies who established that service quality are important determinant of customer satisfaction in hospitality industry. According to Gbadeyan, (2010) responsiveness, reliability, empathy, assurance and physical environment positively relate to customers satisfaction. This study agreed that the ability of hotels operators in Damaturu to create business environment that meet up the expectation and perception of customers are the major reason for customer satisfaction and flourishing hospitality business. It has been established that gaps between hotels services and customer perception and expectation lead to low satisfaction and subsequent withdrawal of patronage (Ibe & Ugwu, 2022, Mohammad & Rashid 2013, Heo, 2011). In a nutshell, these findings shows that while physical environment of hotel business matter, the human courtesy elements such as employees responsiveness and attention remain the most effective drivers of customer satisfaction in this industry.

CRM therefore nowadays is a strategic imperative empowering hotels to customize their products for each class of customers to suit individual preference and passion to create delightful satisfaction. CRM is an effective strategies that enable hotel firms to meet up the expectation of diverse customer base in today's increasing dynamic competitive market (Rahimi, & Kozak, 2017).

Conclusion

The main driver of successful creation of customer values, satisfactions, loyalty and profitability in hospitality business is strategic customer relationship management. Hotels aiming to achieve and sustain customer satisfaction must have its strategies focused on implementing customer relationship management. This entails that hotels create and sustain organizational culture that value and support effective customer relationship through continuous training of entire human capital team, adequate provision of product and services features that appeals to customer and providing quality services that create lasting value to customers. CRM is an effective management technique that can be employ to expand market, create values for customers, generate more revenue, earn higher profit and sustain customer satisfaction and loyalty.

Therefore, this study suggests that CRM strategies (service, quality, service feature and staff attitude) practices by hotels in Damaturu should not be consider as the only key to success except other component of CRM are considered and empirically tested. Nevertheless, the study concluded that

regardless of differences in customer expectation, customized customer service and products quality and feature as well as the behavior of employees are essential for successful and effective CRM that will ensure sustainable customer satisfaction and organizational growth and development. Thus, hotel firms cannot continue to overlook the raison d'être of CRM strategies which are here stay. The contribution of this study to literature is of two-fold. From theoretical point of view, it contributes to the relationship marketing theory by analyzing the impact of three of the dimension of CRM on customer satisfaction in hospitality industry. Secondly, it practically provides understanding of the importance of CRM and direction for effective implementation to the management.

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Data availability

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Ethics approval and consent to participate

The author(s) declare that it is not applicable.

Consent for publication

The author(s) declare that this is not applicable.

Competing interests

The author(s) declare that they have no competing interests.

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