IMPACT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY WITH MEDIATION OF CUSTOMER SATISFACTION PAKISTAN

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Abstract

Customers are the focal point in the development of successful marketing strategy. Marketing strategies both influence and are influenced by consumers’ affect and cognition, behavior and environment. In the hotel field a unique ‘Relationship’ exists between the customers and the hotel but because of various reasons many hotels are still following the traditional ways of marketing and only few hotels are making attempts to adapt CRM. It is with this background, the researcher has made a modest attempt towards the idea that CRM can be adapted uniformly in the hotel industry for betterment of hotel Services. The primary and secondary data were collected and analyzed using a statistical package for social science (SPSS) and presented in tabular form, chart and graph. The major results showed that there is direct positive relationship between the customer relationship management and customer satisfaction and there is direct positive relationship between CRM and customer’s loyalty. The study also showed that there is a significant improvement in hotel’s performance and it was recommended that organizations should understand that CRM is an inevitable tool of marketing that can be considered as critical responsibility of market with regard to hotels in present context.

Keywords: Customer relation management, customer satisfaction and customer loyalty

Introduction

CRM is a key to success, as a company and its existing and potential customers manage their relationship between a system. in recent days, Customer relationship management has gained quite a reputation. This theoretical approach and service quality’s features like elements of CRM make a significant contribution in business profits in turn to customer satisfaction which is seen by empirical results. Customer Relationship Management (CRM) is a unique and important business approach. CRM processes that impact service quality, customer loyalty and customer satisfaction with the help of technology to streamline communication with customers that entails all aspects. CRM's basic tools are very demanding and the tools help to cover the deep marketing by attracting customers and maintain enterprise-customer relationship with a future for the development of a customer by keep their records. Customers are the major products of every business and the way these products are managed determine the effectiveness and efficiency of the business and ultimately their performance. This is because most businesses offer to customers the same set of services and the only way to be different from others and gain competitive advantage over other businesses by treating the customers as kings. This is why this study focuses on studying the impact of customer relationship management on customer loyalty.
MOTA (2016) Customer relationship management (CRM) is one of the major sources of competitive advantage in hotels sector. Furthermore, customer relationship management (CRM) is an extensively accepted instrument that supports customer-oriented organizations decisions. More specifically, CRM is regarded to be between a numbers of improved practices as well as strategies for hotel industry in order to develop performance of firms and thus to make sure that sustaining of business for a long period. Belás (2014) Satisfaction of consumers described in number of manners as “an individual’s feeling either it is related with disappointment or pleasure as associating a perceived performance of a product concerning expectation of him or her. Yoo and Bai (2013) Loyalty of consumers described as commitment that is held to repurchase a service or product present dependably in the imminent in spite of situational inspirations and efforts of marketing having the impending to foundation of switching attitude”.

Problem Statement

In the field of business, CRM has recently develop as a very focal-point and contentious issues definitely (Becker et al., 2009; Balaram and Adhikari, 2010; Ozgener and Iraz, 2006; Dimitriadis and Steven, 2008). Over the years, the businesses are out looking enlargement of customer relationship management (CRM). CRM is a strategy that goes beyond makes increment in transaction volume. A profit is main objective of firm as to making increment in revenue and satisfaction of consumers. In this respect, the successful adoption of strategy of CRM is significant for firms and accepting it, by itself firms can gain advantages to make increment in sales by attaining improved segmentations of market, finding complex products of quality, services and product’s customization, maintaining contact with satisfaction of employees, access to information, assure long term relation with loyalty and retention of consumers. (Ozgener and Iraz, 2006; Alomtairi, 2009; Verma and Chandhuri, 2009; Stockdale, 2007).

Furthermore, latest studies recent studies on the CRM put emphasize on manufacturing and service sectors. A lot of explorations are performed on banking sector (Becker, Greve, and Albers 2009; Akroush et al., 2011; Hussain et al., 2009; Eid, 2007; Sin, Tse and Yim 2005; Krasnikov et al., 2009). A lot of explorations are performed on telecommunication sector (Beldi et al., 2010; Almotairi, 2009). A lot of explorations are performed on health care sector (Hung et al., 2010; Bunthuwun et al., 2011). A lot of explorations are performed on contact center sector (Abdullatif et al., 2010). Accordingly, there is stagnant a marked limitation of investigation on customer relation management in industry of hotel management (Wu and Lu, 2012). So it is not an astonishment to discover importance of this concept. Though there are increments occurring with usage of CRM in hotel industry. There is existence of little explorations performed its application’s variability in such noteworthy business (Vogt, 2016). Additionally, a lot of explorations refer to the prominence of making investigations on CRM in the industry of hotel management (Sin et al., 2005; Akroush et al., 2011; Sadek et al., 2011). As a consequence of that, it is sensible to reach on the assumption that a vary small attention and consideration allotted to customer relation management in the industry of hotel management as well as it can be also mentioned that there is also sufficiently of chances for making extension into literature regarding dimensions of CRM and performance of hotel both empirically as well as theoretically.

Research Question

what is impact of customer relation management on customer loyalty with mediation of customer satisfaction in Pakistan?

Hypothesis

H1a: There is relationship between Customer relationship management and customer satisfaction
H1b: There is relationship between customer satisfaction and customer loyalty
H1c: There is relationship between Customer relationship management and customer satisfaction

Literature Review

Ueno (2016) Customer relationship management has become a central component or part of firm strategy and it is not considered only as a marketing tool. Such type of strategy supports management decision making, while using the existing information in the organization and, more importantly, the use of information technology for the marketing programs of the organization. CRM is a concept was introduced in the 1990s in the United States. It has been accepted, applied and used in many successful organizations all over the world, without taking into consideration any geographical
boundaries. The negative opinions raised on the concept were in very low percentages all over the world, and if so, it was due to a mis-interpretation of the concept. The understanding of CRM was solely based on profit generation and therefore it helps organizations to retain their existing customers longer. It is recommended to incorporate such strategies in the long-term strategic plan.

Lonial and Raju (2015) Satisfaction of consumers is based on the “critical service attributes” of the organization. Especially on service organizations pre-, during and post-service delivery these attributes are encountered by customers and conclude the satisfaction levels of the service obtained. Moreover, it is important to understand and practice excellent service strategically for satisfaction of consumers, and this contributes the ‘bottom line’ of the organization. Customers expect higher service standards in the products or services that they use. Therefore it is essential to maintain the best customer service levels in establishing, developing and maintaining long-term relationships. Management of the organization also has to be focused on the satisfaction of consumers as key attributes in all organizational strategies. Loyalty of consumers is considered as a key business strategy and greatest asset of each company that guarantees company’s success and improves its level of profitability. In today’s fast paced world of constant change, creating and maintaining loyalty of consumers need more attempts. Electronic commerce is considered as a way to reduce entry barriers and provides an excellent opportunity for customers to see and select the proper supplier (seller). Most of old trade organizations did not consider to the new customer service techniques new and therefore lost their own existing customers.

Moreover, organizations should not assume that loyalty of consumer’s management is equal to customer management for profitability. Loyal customers are considered as great marketers and valuable source for selling (Maghsoudi, 2003).MOTA (2016) Customer relationship management (CRM) is one of the major sources of competitive advantage in hotels sector. Furthermore, customer relationship management (CRM) is an extensively accepted instrument that supports customer-oriented organizations decisions. More specifically, CRM is regarded to be between a numbers of improved practices as well as strategies for hotel industry in order to develop performance of firms and thus to make sure that sustaining of business for a long period (Wu & Lu, 2012). In Jordan, the hotels sector works in the environment of business which described by resilient competition as well as making susceptible competition at global level. Besides, hotel’s the possession rates in Jordan has varied between 2016 and 2010.

Lipiäinen (2015) CRM is becoming a core business strategy of organizations. Customer relationships will have to further strengthen in order to understand the customers needs as well as service them in an efficient and effective manner. Maintaining personal relationships will help the organizations to get to know more about the customers and will not override the development of new digital and social media platforms. There is a significant relationship amongst CRM and performance of firm. In 21st century, Customer Relationship Management (CRM) is the most competitive edge in this market for gaining customer’s satisfaction. Over the last 35 years, the Customer Relationship Management is an integral part of marketing scholars & marketers."Client Relationship Management (CRM) is gotten from the word "Contract Management" which rose in the 1980s about client points of interest for additionally contract with customers."Customer Relationship Management (CRM) is an authoritative procedure, which builds up the long haul association with the clients and happy with the clients. Customer Relationship Management (CRM) helps to collect the customer’s data through the effective information of & then also maintain, retain their customers. Organizations develop strategies to satisfy the customers through CRM systems.

The CRM dimensions of CRM organization are knowledge management, customer orientation, CRM based on technology; which, in turn, expects better performance of firm, measured by financial, customer, internal processes, and training and growth aspects. In this way, CRM is used to improve the strategic purpose of customer information management (Haghshenas and Ahmadi, 2015). Kaura, Prasad and Sharma (2015) Satisfaction of consumers and loyalty of consumers depends on the quality of services, service convenience dimensions and perceived price fairness. Satisfaction of consumers also act as and mediator between service quality, convenience, perceived price and loyalty. Customer fulfillment infers that customer needs, wishes and goals are met or overcome in the midst of the thing/advantage period, offering way to deal with re-getting and customer endurance. (Anton, 1996: 23) at the end of the day, consumer loyalty is the evaluation of the pre-purchasing wants from the thing, with the results came to after the exhibit of purchasing. (Lemon et al, 2002: 1). Quality of Service dimensions is measured through decision, access, transaction, benefit and post-benefit convenience. Employee behavior, tangibility and the use of information technology are key factors on service quality. Organizations should be aware about the expectations of customers to make sure their satisfaction at any purchase. Satisfaction of consumers and perceived
service quality leads to loyalty towards the service offered by the organization. Customer perception has an effect on the relationships, interaction with the service provider staff and the quality of the facilities offered. Therefore, satisfaction of consumers can be maximized by maintaining excellent relationships with the service-seeker and the staff. Satisfied customers are loyal to the service provider and that will help organizations to attract more customers without an extra effort. Organizations have to ensure that customer perceptions will be analyzed to understand the expectations (Kondasani and Panda, 2015).

Raza, Jawaid and Hassan (2015) Satisfaction of consumers has significant positive effect on dimensions of service quality namely assurance, empathy, responsiveness, tangibles, reliability of SERVQUAL model. Quality of services played an important role in enhancing customer relation management. Empathy has a positive effect but the relationship is not significant in the context of online banking services in Pakistan. User friendly web sites help the customers to use the online services as to satisfy existing customers as well as attract new customers. Safety and security of the online service is key aspect to ensure long lasting relationships with customers Customer perceived value on the service offered by the organization depends on the satisfaction of consumers, service quality and positioning of firm. Further, there is a positive correlation among satisfaction of consumers, service quality and positioning of firm. Increase in quality of service will lead to increase the satisfaction of consumers. Increase in satisfaction of consumers will elevate the positioning of firm. In relation to the banking sector it is needed to ensure high standards in service quality to enhance customer perception towards the services which make a significant contribution to retain consumer with firm for a long time as well as to make sure the positive image of firm to attract new customers (Zameer, Tara, Kausar and Mohsin, 2015).

Tarokh (2015) investigate customer relation management and findings of his research study indicated that firm enjoys and competes competitive edge as well as can be winner with the capability of generating a positive relation fir a long period with their consumers and makes a huge contribution in increasing loyalty and satisfaction of consumers. The best advertising or promoted channels of firms are the customer who are satisfied and committed for long term with firm as well as played the best part to attain competitive advantages fir firm. Consequently, so as to identifying dimensions of relationship marketing and strategic planning are an essential requirements of firm that need to pay attention by experts and advertisers.

Model of Study

Methodology

This study is based on objectivism and conduct study on the base of others opinion. This study is link to the opinion of individuals and for this philosophy of research used positivism research approach because its deals with the quantitative research approach. In this research positivism is selected as epistemological approach because in this approach previous studies are verified in which either accept or reject the hypothesis on the base of individual’s experience in real life. In this researchers are remains unbiased. Another reason for the selection of positivism (Quantitative) is that epistemology is relying on the opinion and this research is related to the customer’s satisfaction therefore perceived that their opinions are more suitable. In this study deductive research approach is used due to analysis of existing theories on customer relation management, customer satisfaction and consumer loyalty. It’s a quantitative approach and conducted through adaptive questionnaire based on 5 likeret scale. Hypothesis is used in this study. This study starts with theory then linked with the other relevant research studies and builds a gap. Then hypothesis are made and conduct the study through questionnaire and analyze the data and conclude it with the new opinions and analyze the gap.

In this study quantitative method of research in used and questionnaire survey is used to analyze the research. In this research close ended questions are used and data is collect in numeric form. In this study many author’s researches are analyzed. Three variables are taken according to the research topic and scope which are measurements of customer relation management, Customer loyalty and Customer satisfaction. 20 items are design on these variables. All the information and observes are in numeric. Many tests are applied like cronbach’s alpha, descriptive statistics, histogram, scatter plot, correlation, regression and mediation for unbiased approach to analyze the data.
In this research study those individuals are selected as a population who have used the services of hotel management and maintain relations with consumers in the geographic area of Lahore city in Pakistan. There are a number of chains of hotel who are using services of hotel sector. Sampling frame of this research is all the hotels which are currently running in the city of Lahore Pakistan. In this study probability sampling technique is used in which stratified random sampling is most appropriate (Alikhaniet al., 2013; Zafar et al., 2012; Potluri, Angati and Narayana, 2016). Questionnaires are filled by those consumers of hotels who are availing the hotel’s services like. sampling size was 500 because in that case when the population is infinite then sample size should be 385 or greater for the unbiased results (Godden, 2004). Therefore in this study sample size was 500 to avoid the non-presentable or non-testable questionnaires.

The questionnaire contains two sections. First section is related to personal demographic data of the respondents and second is related to questions related to customer relation management, customer loyalty and customer satisfaction in hotel sector. 450 questionnaires will be returned out of 500 which were measurable for analysis. It means the respondent’s response rate was 90%. This sample size is unbiased and research could be continued towards analysis because sample size is greater than 385, it means the results should be unbiased according to the national statistical service which is led by the Australian bureau statistics (Godden, 2004). In this research data was analyzed in the SPSS 20.0. All the questionnaires which were filled by the respondents entered in the SPSS.

Analysis

Table 1. Frequency distribution and bar chart of Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>female</td>
<td>151</td>
<td>41.9</td>
<td>41.9</td>
<td>41.9</td>
</tr>
<tr>
<td>male</td>
<td>209</td>
<td>58.1</td>
<td>58.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>360</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Interpretation

In the above mention table and bar chart both males and females were used as respondents. Here 209 male and 151 females respondents take part in research Total sample size was 360. In the research 58.1% were males and 41.9% were female respondents. Valid percentage is also same. Bar graph make verification of frequency distribution.
Table 2: Frequency distribution and bar chart of Age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 18</td>
<td>83</td>
<td>23.1</td>
<td>23.1</td>
<td>23.1</td>
</tr>
<tr>
<td>18-30</td>
<td>194</td>
<td>53.9</td>
<td>53.9</td>
<td>76.9</td>
</tr>
<tr>
<td>31-50</td>
<td>81</td>
<td>22.5</td>
<td>22.5</td>
<td>99.4</td>
</tr>
<tr>
<td>50 and above</td>
<td>2</td>
<td>.6</td>
<td>.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>360</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Interpretation

In the above mention table and bar chart the “Age” of participant is mention. Different age groups were used in research. Those people whose age lies below 18 years are 83 and there percentage is 23.1. Those people whose age lie between 18-30 years are 194 and there percentage is 53.9, which is higher than every age group and those people whose age lie between 31-50 years are 81 and percentage is 22.5% and 50 and above years were 2 with percentage of 6% much lower than other age groups. Valid percentage is also same. Bar graph makes verification of frequency distribution.

Table 3: Frequency distribution and bar chart of Education level

<table>
<thead>
<tr>
<th>Education</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>intermediate</td>
<td>60</td>
<td>16.7</td>
<td>16.7</td>
<td>16.7</td>
</tr>
<tr>
<td>graduation</td>
<td>103</td>
<td>28.6</td>
<td>28.6</td>
<td>45.3</td>
</tr>
<tr>
<td>Master</td>
<td>139</td>
<td>38.6</td>
<td>38.6</td>
<td>83.9</td>
</tr>
<tr>
<td>higher from Master</td>
<td>58</td>
<td>16.1</td>
<td>16.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>360</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Interpretation

The table shows that the 360 are the respondents who participated in this research in which 60 were in intermediate with the percentage of 16.7%, 103 respondent in bachelors with the percentage of 28.6, 139 respondent in Masters with the percentage of 38.6 which higher than other education level and 58 respondents in above master program with the percentage of 16.1%.

Descriptive statistics

Descriptive statistics are the measurements that are used to understand and describe the data. These research are used to answer the descriptive type of research questions. In which Summarizing the data and also Data file management.

Table 4. Descriptive Statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM</td>
<td>360</td>
<td>2.50</td>
<td>5.00</td>
<td>4.0935</td>
<td>.58999</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>360</td>
<td>2.14</td>
<td>5.00</td>
<td>4.1298</td>
<td>.56833</td>
</tr>
<tr>
<td>Customer Loyalty</td>
<td>360</td>
<td>2.44</td>
<td>5.00</td>
<td>4.2210</td>
<td>.50063</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>360</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Interpretation

The purpose of the descriptive analysis means examine the variable of CRM that effect on the customer satisfaction and loyalty and There were scales of 5 responses that lead to the options and also gave some value to responses like (1 is equal to strongly disagree, 2 is equal to disagree, 3 is equal to neutral, 4 is equal to agree and 5 is equal to strongly agree). The result in table is related with different variable of industry. Firstly independent variable is CRM effect and on this variable responded average (means) answer is 4.09 its means that responses lie between 1 to 5 which means minimum responded ticked 2 and maximum 5 and second variable is customer satisfaction and its average answer is 4.12 which means minimum ticked 2 and maximum ticked 5 and third is dependent variable, customer loyalty and the average response of the responded is 4.22, it means minimum respondent ticked 1 and maximum 5.

Histogram
Histogram of CRM

Interpretation

Histogram is a form of a bar graph used with numerical (scale) variable preferably of continuous nature. The purpose of the histogram is summarize the data examining and comparing frequency distributions and also checks normality of data. There were scales of 5 responses that lead to the options and also gave some value to responses like (1 is equal to strongly disagree, 2 is equal to disagree, 3 is equal to neutral, 4 is equal to agree and 5 is equal to strongly agree) and number of the responded 360. The graph shows the result that the frequency distribution of the CRM responses is not normal distributes and mostly answers are not under the bell shape.

Histogram of customer satisfaction

Interpretation

Histogram is a form of a bar graph used with numerical (scale) variable preferably of continuous nature. The purpose of the histogram is summarize the data examining and comparing frequency distributions and also checks normality of data. There were scales of 5 responses that lead to the options and also gave some value to responses like (1 is equal to strongly disagree, 2 is equal to disagree, 3 is equal to neutral, 4 is equal to agree and 5 is equal to strongly agree) and number of the responded 360. The graph shows the result that the frequency distribution of customer satisfaction responses is normal distributes and mostly answers are under the bell shape.
Histogram of customer Loyalty

Interpretation

Histogram is a form of a bar graph used with numerical (scale) variable preferably of continuous nature. Number of the respondent is 250. The graph shows the result that the frequency distribution of the customer loyalty responses is normal distributes and mostly answers are not under the bell shape.

Scatter Plot

The purpose of the scatter plots means gain insight into the relationship between two scale variables. And check the assumptions of linearity for correlation and regression statistics. To locate the outliers that is distant from the regression line.

CRM and Customer Satisfaction

Interpretation

Scatter plot is a plot or graph of two variables that shows how the score on one variable associates with his score on the other variable. This graph shows that the result between both independent and mediator variable CRM and customer satisfaction is positive because after subtracting linear value from quadratic value the result is 0.002, it is less than 0.05 and in this result we apply the hypothesis and hypothesis is H1 its means there is relationship between both variable. Figure shows the results of scatter plot matrix where we intend to have some idea about the relationship between CRM customer satisfaction.
Customer satisfaction and Customer Loyalty

Interpretation

Scatter plot is a plot or graph of two variables that shows how the score on one variable associates with his score on the other variable. This graph shows that the result between both independent and mediator variable Customer loyalty and customer satisfaction is positive because after subtracting linear value from quadratic value the result is 0.006, it is less than 0.05 and in this result we apply the hypothesis and hypothesis is H1 its means there is relationship between both variable. Figure shows the results of scatter plot matrix where we intend to have some idea about the relationship between Customer loyalty and customer satisfaction.

CRM and Customer Loyalty

Interpretation

Scatter plot is a plot or graph of two variables that shows how the score on one variable associates with his score on the other variable. This graph shows that the result between both independent and mediator variable CRM and Customer loyalty is positive because after subtracting linear value from quadratic value the result is 0.000, it is less than 0.05 and in this result we apply the hypothesis and hypothesis is H1 its means there is relationship between both variable. Figure shows the results of scatter plot matrix where we intend to have some idea about the relationship between Customer loyalty and customer satisfaction.

Validity and Reliability

Table 5

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>KMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Relation Management</td>
<td>0.796</td>
<td>0.821</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.752</td>
<td>0.715</td>
</tr>
</tbody>
</table>
Interpretation

Reliability and validity is applied in above table. Standard measure of reliability is 0.7 and standard measure of validity is 0.5. Customer Relation Management is an independent variable and its reliability value is above 0.7 and KMO value is above 0.5. So this variable is reliable and valid. Customer satisfaction is a mediator variable and its reliability value is above 0.7 and KMO value is above 0.5. So this variable is reliable and valid. Customer loyalty is a dependent variable and its reliability value is above 0.7 and KMO value is above 0.5. So this variable is reliable and valid.

Inferential analysis

Pearson correlation

Correlation is a statistical process that determines the mutual (reciprocal) relationship between two (or more) variables which are thought to be mutually related in a way that systematic changes in the value of one variable are accompanied by systematic changes in the other and vice versa.

<table>
<thead>
<tr>
<th></th>
<th>Customer Satisfaction</th>
<th>Customer Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRM</td>
<td>Pearson Correlation</td>
<td>.536**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>360</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>Pearson Correlation</td>
<td>.549**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>360</td>
</tr>
</tbody>
</table>

Interpretation

The table of the correlation shows that the relationship between CRM and customer satisfaction. The significant value of the CRM and customer satisfaction is .000 that is less than 0.05 that is show that there is relationship between both variable and both are interlink with each other, and the Pearson Correlation value .536 shows that there is moderate relationship because it is in under range so we apply H1 hypothesis.

Interpretation

The table of the correlation shows that the relationship between CRM and customer loyalty. The significant value of the CRM and customer loyalty is .000 that is less than 0.05 that is show that there is relationship between both variable and both are interlink with each other, and the Pearson Correlation value 0.752 shows that there is strong relationship because it is in under range so we apply H1 hypothesis.

Interpretation

The table of the correlation shows that the relationship between customer satisfaction and customer loyalty. The significant value of the CRM and customer loyalty is .000 that is less than 0.05 that is show that there is relationship between both variable and both are interlink with each other, and the Pearson Correlation value 0.549 shows that there is moderate relationship because it is in under range so we apply H1 hypothesis.

Regression
Regression is used to check the effect size of independent variable to dependent variable.

Table 6 Variables Entered/Removed

<table>
<thead>
<tr>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Customer Satisfaction, CRM</td>
<td>.</td>
<td>Enter</td>
</tr>
</tbody>
</table>

a. All requested variables entered.
b. Dependent Variable: Customer Loyalty

Table 7 Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.771*</td>
<td>.595</td>
<td>.593</td>
<td>.31948</td>
</tr>
</tbody>
</table>

Table 8 ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>53.536</td>
<td>2</td>
<td>26.768</td>
<td>262.253</td>
</tr>
<tr>
<td>Residual</td>
<td>36.439</td>
<td>357</td>
<td>.102</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>89.975</td>
<td>359</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Table 9 Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>B</td>
</tr>
<tr>
<td>CRM</td>
<td>1.246</td>
<td>.138</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>.545</td>
<td>.034</td>
</tr>
</tbody>
</table>

Regression equation

Customer loyalty = a + bx1 + cx2
Customer loyalty = 1.246 + .545 (CRM) + .491 (Customer satisfaction)

Interpretation

In the coefficients table all variable have significant value that is less than 0.05 like significant value of the CRM is 0.000 that means there is relationship between CRM and customer satisfaction and apply H1 for hypothesis and second relationship between customer satisfaction and customer loyalty and its significant value is .000 that is also less than 0.05 its means there is relationship and also H1 apply in this case. Adj. R square 59.3% affect is found among customer loyalty due to CRM and customer satisfaction.

Discussion/Conclusion

Client relationship management is one of the basic aptitudes should have been embraced by representatives of corporate world keeping in mind the end goal to hold her clients. Most reviews, for example, Nagar and Rajan, (2005); Anderson, et al, (1994) and Peppers and Rogers, (2004) demonstrated that, fulfillment of clients prompts maintenance of clients and consequently a superior suggestion of administration given to potential clients, the greater part of this administration
fulfillment touched base from the treatment of a superior consumer relation management. These reviews stressed the result that, a superior client maintenance approach could be gotten from overseeing client relationship for a fulfillment of administrations rendered to clients. In light of the discoveries and the proposed approaches to enhance how clients were dealt with in Hotels, the accompanying proposals were made. Initially, the review prescribed that administration of Hotels ought to guarantee that, there is a solid relational connection amongst staff and clients of the inn to guarantee a free stream of data and grumblings from the clients to the representatives of the inn with the goal for administration to discover proficient methods for tending to the everyday grievances held up by clients.

Next, the lodging or firms ought to utilize more staff or increment its innovative administration conveyance stages and in addition teach its clients on the most proficient method to utilize such gadgets for a compelling administration conveyance so as to guarantee productivity and powerful conveyance of administrations to its clients. Besides, there ought to be client benefit directors to take care of clients at the different branches of the inns suddenly to interface with clients and in addition considering their protests important. At long last, it is basic to reward workers who show phenomenal client benefit by publicizing the name of the individual or group in the hotel’s. This would inspire all staff to do in like manner. At the point when this was done, more clients would be enchanted and therefore benefit will be influenced emphatically.

The investigation of CRM and it impact on benefit in inns demonstrated that, there was a positive connection between consumer relation management and fulfillment and additionally dependability of customers in the lodging as shown in the examination above. Staff of the inn plainly called attention to that client maintenance was a key to the lodgings’ prosperity. Also, it was found and concurred by the staff of the lodgings that, the inns had methodology of taking care of customers” protestations. This outcome additionally demonstrated that, the activities of the administration had prompted an expansion in benefit for the lodgings. This was subsequently of the discourse of client maintenance and in addition fulfilling the requirements of clients. The review likewise uncovered that, the lodgings embraced diverse methodologies in actualizing consumer relation management. This was observed to be done through instruction and preparing for staff which is a strategy of the inns and additionally conveying consumer relation management practices and results to staff. In addition, the change is likewise to guarantee that, consumer loyalty is an arrangement of the lodgings to help meet the desire of clients. These discoveries of the review additionally demonstrated that, the inns has put down approaches to direct the execution of change activities or consumer relation management. Next, the fundamental territory of consumer relation management focus was client steadfastness and fulfillment. Reactions from clients demonstrated that, much exertion was placed in guaranteeing consumer loyalty was met which prompted client dedication.

Recommendations/future research directions

The data collected in this research is limited geographically. This data is collected only from Lahore more countries of pakistan can be added. The major limitation in this study is time management, not all consumers will be covered. In future, sample size can be increased. Some issues occur due to cost, because if researcher is willing to do expense on research, he can get more reliable data as compared to other techniques.

References


PUBLICATIONS


SIMILARITY INDEX
