

# Analysing the Impact of Hotels Customer Relationship Management Strategies on Customers Satisfaction and Loyalty with Hotels of Bhopal

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## Abstract

**Background:** Customer Relationship Management (CRM) strategies have become critical tools for establishing strong client relationships, enhancing customer experience and ensuring repeat business. These methods are vital in the hotel industry, particularly in Bhopal, where the focus is on customer satisfaction and loyalty. **Objective:** The objective of this research is to examine the impact of CRM strategies on customer satisfaction and loyalty in Bhopal's hotel sector. The study investigates how various CRM practices, including staff friendliness, personalized services and information on local attractions, influence customer behavior. **Methodology:** The present research was conducted in Bhopal City, the capital of Madhya Pradesh, focusing on star category hotels. Data was collected from travelers above 18 years of age who had visited these hotels, using a convenience sampling technique. Data was gathered through a structured questionnaire developed on Google Forms and circulated via social media and emails. The survey included questions on the impact of hotel CRM strategies on customer satisfaction and loyalty, using a five-point Likert Scale. Data analysis is done based on 140 responses. Data collection was carried out in July and August 2024 and descriptive analysis, including weighted mean and percentage methods, was used to interpret the results. **Results:** The study revealed that personalization of services, with the highest weighted mean of 3.53, is the most impactful CRM strategy on customer satisfaction, followed closely by staff friendliness and helpfulness (3.51) and responsiveness to requests (3.49). Meanwhile, strategies such as follow-up after stay (3.13) and loyalty program benefits (3.29) are less influential on customer satisfaction. **Conclusion:** In conclusion, both objectives highlight the crucial role of personalized CRM strategies in driving customer satisfaction and loyalty. Personalization of services, staff friendliness and responsive communication are key to enhancing satisfaction, while personalized communication, loyalty programs and attention to customer preferences significantly foster loyalty. While these strategies generally lead to greater customer retention, their impact varies among individuals, suggesting that hotels should continually refine their CRM practices to meet diverse customer needs.

**Keywords:** CRM strategies, hotel industry, customer satisfaction, customer loyalty, Bhopal

## Introduction

In the very competitive hotel sector, a hotel's ability to retain and satisfy its patrons is crucial. CRM methods have become essential tools for building strong client relationships, improving the customer experience overall and guaranteeing repeat business (Luck & Lancaster, 2003). Bhopal is a city renowned for its burgeoning tourism sector and rich cultural legacy. Over the past few years, Bhopal's hospitality industry

has experienced tremendous expansion, driven by a surge in both domestic and foreign travelers. But as the industry grows, so does the difficulty of satisfying a wide range of client demands. As a result, hotels must implement efficient CRM tactics (Sarmaniotis et al., 2013). For hoteliers looking to get a competitive edge, knowing how these tactics affect purchaser fulfillment and loyalty can be quite informative. In the hotel sector, the term "CRM" refers to a collection of

procedures used to handle correspondence with both present and future clients (Madhovi & Dhliwayo, 2017). Personalized marketing, loyalty programs, data collecting and analysis and technology-enhanced service delivery are some examples of these activities. CRM aims to establish enduring relationships with clients in addition to handling transactions (Mohammed & Rashid, 2022).

The use of CRM tactics varies greatly in Bhopal, where the hospitality business is made up of a combination of high-end, mid-range and low-cost hotels. The diversity in how CRM methods are applied offers a rich environment for studying how well they might increase client satisfaction and loyalty. In the hotel business, a number of variables affect the satisfaction of clients, such as the physical hotel environment, location, cost and service quality (Ali et al., 2021). Nonetheless, CRM tactics are essential in determining how the customer experience is shaped overall. By anticipating demands, providing individualized services and immediately addressing problems, hotels can improve customer satisfaction through the use of effective CRM strategies (Kumar & Kumar, 2021). The hospitality sector in Bhopal serves a extensive range of customers, from tourists to business explorers, therefore hotels' capacity to provide individualized experiences is essential to preserving high standards of client satisfaction. Conversely, customer loyalty refers to how likely a client is to stay at a hotel again and refer others to it (Khan, 2013). One of the main areas of CRM strategies is to increase customer loyalty because satisfied consumers are more likely to recommend businesses to others and recommendations are quite valuable in the hospitality sector (Sofi et al., 2020). Additionally, hotels value their loyal clients greatly because they tend to spend more and are less susceptible to pricing adjustments (Singh & Thakur, 2020).

Customer satisfaction, loyalty and CRM strategies have a complicated and multidimensional relationship (Santouridis & Veraki, 2017). Although customer relationship management (CRM) strategies aim to improve customer satisfaction, their effect on loyalty is contingent upon a number of factors, such as the customer's overall experience, the perceived worth of the services provided and the customer's emotional bond with the hotel brand (Chaudhary & Sharma, 2023). In order to improve client retention rates and enhance their CRM strategy, hotels in Bhopal must have a thorough understanding of these dynamics. The application of CRM methods in the hotel sector is greatly aided by technology (Bahri-Ammari

& Nusair, 2015). Hotels can gather and analyze enormous volumes of client data by using sophisticated CRM software, which enables them to provide individualized services and focused marketing campaigns (Goyal & Raj, 2021). Customer service delivery in Bhopal could be revolutionized by the integration of CRM systems, as hotels there are rapidly embracing technology-driven solutions. But the effectiveness of these systems hinges on how well they are put into place and how well hotel employees are able to use the insights that come from consumer data. CRM strategies have potential advantages, however there are drawbacks to their application. Budgetary, personnel-training and technology-related restrictions may affect hotels in Bhopal, especially the smaller properties. These issues can make it more difficult to implement CRM methods successfully (Patel & Sharma, 2022). In addition, Bhopal's unique cultural environment, which is a blend of modern and traditional, has its own challenges with respect to addressing client expectations and delivering quality service.

**Concept of CRM Strategies:** CRM (customer relationship management) methods are an extensive strategy meant to track and evaluate a firm's engagement with existing and prospective customers (Baran & Galka, 2016). The primary goal of CRM methods is to enhance customer satisfaction and loyalty through the use of data-driven insights to improve every touchpoint in the customer experience (Rane et al., 2023). Through the incorporation of technology to centralize customer data, handle relationships and forecast desires, companies can effectively change their marketing, sales and service operations (Buttle & Maklan, 2019). Through the application of CRM platforms to segment their base, automate messages and optimize processes, companies can improve efficiency and gain a deeper insight into consumer tastes and behaviors (Dixit, 2022). Moreover, CRM strategies help companies to establish a customer-centric culture that promotes meaningful and sustained engagement, enhances retention levels and eventually leads to long-term success (Ahmed & Omarein, 2024). Successful CRM strategies should also be constantly monitored and adjusted to accommodate shifting market realities and changing consumer behaviors to ensure that the company remains competitive and responsive within a fluctuating environment (Lozada-Contreras et al., 2022).

**Overview of CRM Strategies in Hotel Industry:** CRM strategies are critical to the hotel industry's efforts to increase guest satisfaction, loyalty and operational effectiveness

(Angamuthu, 2015). By employing CRM systems to collect and evaluate vast amounts of visitor data, including preferences, booking history and comments, hotels may create tailored experiences and targeted marketing campaigns (Piccoli, 2008). Furthermore, CRM strategies often integrate with other technological platforms, such as loyalty schemes and mobile applications, providing guests with convenient means of organizing their visit, securing bookings and completing the check-in process (Bardukova, 2023). By using data-driven insights, hotels may increase overall profitability, more effectively manage inventory and optimize their pricing strategies (Sanders, 2014). The core objective of CRM tactics in the hotel industry is to establish and maintain strong relationships with guests, as this boosts customer satisfaction and fosters long-term success.

**Concept of Customer Satisfaction in Hotel Industry:** The degree to which a product or service meets or surpasses a customer's expectations is referred to as customer satisfaction (Angelova & Zekiri, 2011). It's an important indicator of how well a company fulfils the value it promises to its clients, impacting both their present and future encounters with the brand. Customer satisfaction has several facets and is essential to the hotel industry's success (Kandampully & Suhartanto, 2000). It includes a number of factors, such as the level of service, the hotel's physical setting, the value that guests see in the brand and the emotional bond they form with it (Nobar & Rostamzadeh, 2018). As a service-oriented industry, the hotel business puts a lot of focus on providing guests with extraordinary experiences since it knows that these experiences have a direct impact on customer satisfaction levels (Hsieh & Chuang, 2020). In a business that largely depends on word-of-mouth and reputation, happier customers are more apt to write positive reviews, recommend the hotel to other people and revisit (Melián-González et al., 2013). Most aspects, such as the hospitality and efficiency of the employees, the quality of services, the warmth and cleanliness of the rooms and the overall environment of the hotel, all contribute to guest satisfaction when dealing with hotels (Ali et al., 2023). Customer satisfaction is also greatly influenced by the hotel's capacity to promptly and efficiently handle any problems or complaints (Min et al., 2015). Customer expectations have changed as a result of the growth of digital platforms and hotels now need to not only meet but also surpass these expectations by providing individualized services, cutting-edge products and seamless experiences throughout all touchpoints (Abdalla, 2024). In

order to improve service delivery, hotels must constantly work to comprehend and anticipate the changing demands of their visitors. To this end, they can leverage data analytics, CRM systems and feedback mechanisms.

**Concept of Customer Loyalty in Hotel Industry:** Customer loyalty, which is frequently shown through recurring business and positive word-of-mouth, is the term used to describe a customer's continuous preference and devotion to a specific brand, good, or service (Khan, 2013). It is the outcome of the client's contentment with the services rendered by the company, which may pave the way for a long-term partnership advantageous to both the client and the company. In the hotel business, a hotel's capacity to retain customers is a key factor in determining its long-term profitability (Cvelbar & Dwyer, 2013). Recurrence behavior indicates a visitor's propensity to select the same hotel or hotel chain for their visits, based on factors such as perceived value, overall experience and service quality (Lai & Hitchcock, 2017). In the hotel business, the reputation of the brand and the uniformity of the visitor experience across different sites are also strongly linked to customer loyalty (Lee, 2021). Because loyal guests are more likely to stay at the hotel again and refer it to others, hotels that successfully foster loyalty can save money on marketing because they will also have a competitive advantage in the market (Tideswell & Fredline, 2004). In the end, building a relationship with customers that extends beyond a single transaction and turning happy customers into devoted brand ambassadors is the key to fostering client loyalty in the hotel sector.

**Impact of Hotels CRM Strategies on Customer Satisfaction and Loyalty:** In the cutthroat hospitality sector, CRM techniques in hotels have a significant impact on patron happiness and loyalty (Ojo, 2024). With the use of CRM systems, hotels may collect and evaluate customer data to provide tailored experiences that either match or surpass visitors' expectations (Moro et al., 2017). By helping visitors feel appreciated and understood, this degree of personalization can greatly increase customer happiness. Satisfied guests are more likely to recommend a business to others. By using CRM, for example, hotels can remember a guest's preferences—like the kind of room, the facilities, or even the food they like—and bring them back when they return, creating a feeling of familiarity and consideration (Sarikkhakul, 2016). In addition to reducing possible complaints, this proactive approach to problem-solving

improves the rapport between the hotel and its visitors. CRM solutions can also automate communication, guaranteeing that visitors receive pertinent information in a timely manner—like updates to loyalty programs, special offers, or booking confirmations—thereby improving their entire experience and pleasure (Ayalew, 2020).

The significance of the study is that it provides an overall view of the effect of Customer Relationship Management (CRM) practices on customer satisfaction and loyalty in Bhopal's star category hotels. Customer relationship management is the key to long-term success in the competitive hospitality sector of today. The research helps to identify best CRM practices that enhance the guest experience, establish trust and result in repeat visits. Through an examination of the impact of these strategies on customers' attitudes and behaviors, the research offers practical implications for hotel managers and decision-makers to develop more personalized and customer-focused services. The study also contributes to the body of CRM literature within the hospitality sector, providing a framework that can be used to improve customer engagement, foster brand loyalty and sustain business growth within Bhopal's burgeoning hotel industry. The aim of this study is to identify the specific challenges facing hotels in Bhopal in implementing CRM practices and to recommend how to circumvent these issues. In summary, with the growing hospitality industry in Bhopal, studies on the impact of CRM strategies on customer satisfaction and loyalty in hotels are essential. The present study examines how different CRM strategies impact the customer experience and loyalty in the attempt to provide hotel management and other stakeholders in the industry with relevant information. The findings of this research will contribute to the body of literature already existing on CRM in the hotel sector and will present practical recommendations for enhancing the happiness and loyalty of guests in hotels.

### Objectives

- To examine the impact of hotels CRM strategies on customer satisfaction.
- To examine the impact of hotels CRM strategies on customer loyalty.

### Methodology

**Research Design:** The present study has adopted a descriptive and quantitative research methodology to investigate the impact of hotel Customer Relationship Management (CRM)

initiatives on customer loyalty and satisfaction in the star-category hotels of Bhopal.

**Locale:** The location of the current study was Bhopal City which is the capital city of Indian state of Madhya Pradesh. The study is predominantly concentrating on Bhopal City's star category hotels.

**Sampling Technique:** The research used a non-probability convenience sampling design, where customers who had visited star-category hotels in Bhopal were targeted. The respondents were chosen depending on their accessibility and willingness to respond to the survey. 200 questionnaires were sent online using Google Forms, out of which 148 returns were achieved and 140 were discovered suitable for analysis. Respondents were above 18 years of age.

**Tools and Technique:** Questionnaire was designed on the basis of prior study of articles and questions to the respondents were posed on demographic profile and major CRM strategies. Questionnaire was designed using online tool Google Form and distributed to respondents through social media platforms and e-mail ids. Impact of hotels CRM strategies on customers satisfaction was measured on Five-point Likert Scale ranging from highly dissatisfied to highly satisfied. Impact of hotels CRM strategies on customers loyalty was measured through Five-point Likert Scale ranging from strongly disagree to strongly agree. Data was collected in the month of July and August, 2024.

**Data Analysis and Statistical Analysis:** Descriptive analysis is applied for the accomplishment of the objectives where central tendency method, weighted mean and percentage method was applied.

## Results and Discussion

**Demographic Characteristics of Respondents:** Table 1 depicts the demographic profile of respondents visiting star category hotels of Bhopal city. The gender split indicated that 72.9% of the respondents were males and 25.7% of the respondents were female. 88.4% of the respondents belonged to the age group of 18-30 years, 11.4% belong to the age group. 74.3% of the population under survey were single while 24.3% of the respondents are married 37.1% respondents are intermediate followed by 31.4% graduates. 18.5% respondents were students, 35.4% respondents are having government job, 24.7% having private job, 12.5

% respondents are pursuing their own business and 8.9% respondents are having other occupation. 21.8% respondents were not working, 39.1% respondents are earning 3 lakhs of a yearly income, 24.7% respondents are earning a yearly income of 3-6 lakhs.

**Table 1: Demographic Characteristics of Respondents**

Parameter	Variable	Frequency (N=140)	Percentage
Gender	Male	102	72.90
	Female	36	25.70
	Preferred not to say	2	1.40
Age	18-30 years	123	88.40
	31-40 years	16	11.40
	41-50 years	6	4.30
	51-60 years	2	1.40
	Above 60 years	2	1.40
Marital Status	Single	104	74.30
	Married	34	24.30
	Preferred not to say	2	1.40
Educational Qualifications	Intermediate	52	37.10
	Graduate	44	31.40
	Postgraduate	24	17.10
	Doctorate	6	4.30
	Others	14	10
Occupation	Students	26	18.50
	Government Job	49	35.40
	Private Job	35	24.70
	Business	17	12.50
	Others	12	8.90
Annual Income	Not earning	30	21.80
	Up to 3 Lakhs	55	39.10
	3-6 Lakhs	35	24.70
	6-10 Lakhs	11	8
	More than 10 Lakhs	9	6.30

**Profile of the Respondents Related to their Hotel Visit in Bhopal City:** 44.3% of the participants stated that they stay at Bhopal hotels once a year, 40% 2-4 times. 38.6% respondents have said they stay in Bhopal's hotels for the leisure purpose, 14.3% of respondents come into hotels of Bhopal for the business purpose, 17.1% of the respondents visit Bhopal for both the leisure & business purpose. 44.3%

of the customers like to remain in Budget hotels, 34.3% in mid-tier hotels and 21.4% of the customers like to remain in luxury hotels. 37.1% of the customers do hotel bookings directly through hotels, 51.4% book rooms in hotels using online travel agents.

**Table 2: Profile of the Respondents Related to their Hotel Visit in Bhopal City**

Parameter	Variables	Frequency (N=140)	Percentage
Frequency of Stay	Rarely (Once a year)	62	44.30
	Occasionally (2-4 times a year)	56	40
	Frequently (5-8 times a year)	14	10
	Very Frequently (More than 8 times a year)	8	5.70
Purpose of Stay	Leisure	54	38.60
	Business	20	14.30
	Both Leisure and Business	24	17.10
	Others	42	30
Preferred Hotel Type	Budget Hotel	62	44.30
	Mid-Range Hotel	48	34.30
	Luxury	30	21.40
	Boutique Hotel	0	0
Booking Method	Directly Through Hotel	52	37.10
	Online Travel Agencies	72	51.40
	Travel Agents	6	4.30
	Corporate Bookings	0	0
	Others	10	7.10

**Impact of Hotels CRM Strategies on Customer Satisfaction:** Table 3 is indicating impact of hotels CRM strategies on customers satisfaction. The highest-ranked CRM strategy is personalization of services, which has the highest weighted mean of 3.53. This shows that personalization in service delivery plays a critical role in customer satisfaction. It is followed closely by staff friendliness and helpfulness, ranked 2nd with a weighted mean of 3.51. Responsiveness to requests ranked 3rd (weighted mean= 3.49), thereby showing the need for



timely and effective responses towards the needs of customers. Quality of communication ranked 4th (weighted mean= 3.37). This is followed by information provided on local attractions (ranked 5<sup>th</sup>; mean of 3.34), which indicates that customers appreciate relevant and accurate information about local sites. The speed of check-in and check-out strategy ranked 6th, (weighted mean of 3.33). The strategy accuracy of reservation ranked 7th (weighted mean of 3.31). The loyalty program benefits ranked 8th (mean= 3.29). Problem resolution efficiency, with a weighted mean of 3.24, stands at 9th place which shows that customers prefer fast and effective solutions to the problems but are not as decisive as some of the other tactics. Overall experience with CRM Services shares the same weighted mean and rank and puts forward the wholesome customer satisfaction in terms of CRM but lessened focus as against some of the more direct service-related strategies. Follow-up after stay ranked lowest, this indicates that although follow-up interactions after a stay are valued, they are not as important as the strategies focused on the actual customer experience during their stay, such as staff interactions, personalization and responsiveness.

The research found that out of the different CRM strategies adopted by star-category hotels in Bhopal, personalization of services had the maximum effect on customer satisfaction, followed by staff friendliness and helpfulness and responsiveness to requests. This highlights the significance of personalized and caring service in enriching customer experiences. These results support previous findings by Sigala (2005), which highlighted that customer loyalty and satisfaction were greatly increased in the hospitality sector by personalized strategies. Likewise, the important role of staff behavior in guest satisfaction was confirmed by Kandampully and Suhartanto (2000), who discovered that customer loyalty is driven by friendly and assistive staff in hotels. In addition, the significance of responsiveness reflects Nasution and Mavondo's (2008) findings, which emphasized that prompt responses to customers' needs have direct effects on levels of satisfaction. Conversely, follow-up after stay and loyalty program benefits were found to have relatively lower effects on customer satisfaction, which is in contrast to the arguments of Shoemaker and Lewis (1999), who believed that properly designed loyalty programs can have substantial effects on guest retention. This difference implies that in the context of Bhopal hotels, face-to-face service quality might be more important than post-stay communication and loyalty rewards.

**Table 3: Impact of Hotels CRM Strategies on Customer Satisfaction**

Parameter	Highly Dissatisfied (1)	Dissatisfied (2)	Neutral (3)	Satisfied (4)	Highly Satisfied (5)	Weighted Total	Weighted Mean	Rank
Ease of Booking Process	26(18)	18(13)	21(15)	50(36)	25(18)	446	3.23	10
Speed of Check-in and Check-out	18(13)	26(18)	20(14)	44(31)	32(23)	466	3.33	6
Accuracy of Reservation	22(16)	10(7)	34(24)	50(36)	24(17)	464	3.31	7
Personalization of Services	18(13)	14(10)	20(14)	52(37)	36(26)	494	3.53	1
Responsiveness to Requests	18(13)	18(13)	28(20)	30(21)	46(33)	488	3.49	3
Quality of Communication	18(13)	22(16)	28(20)	34(24)	38(27)	472	3.37	4
Loyalty Program Benefits	16(11)	28(20)	24(17)	44(31)	28(20)	460	3.29	8
Problem Resolution Efficiency	26(18)	18(13)	24(17)	40(29)	32(23)	454	3.24	9
Staff Friendliness and Helpfulness	18(13)	22(16)	10(7)	50(36)	40(29)	492	3.51	2
Information Provided on Local Attractions	22(16)	20(14)	20(14)	44(31)	34(24)	468	3.34	5
Follow-up after Stay	20(14)	26(18)	28(20)	48(34)	18(13)	438	3.13	11
Overall Experience with CRM Services	24(17)	18(13)	26(18)	44(31)	28(20)	454	3.24	9

#### Impact of Hotels CRM Strategies on Customer Loyalty:

Table 4 indicates the impact of hotels CRM strategies on customer's loyalty. The results reveal that personalized communication from hotels plays a significant role in fostering a strong connection with customers. Specifically, 27.1% strongly agree and 30% agree. This indicates that the hotels that are customer-centric in their communication with individual guests will have a higher probability of building customer loyalty, as the customers feel valued and recognized. Concerning the effect of loyalty programs on repeat business, 30% of the respondents, which agreed and 21.4% of the respondents strongly agreed that effective loyalty

programs enhance the chances of returning visits. This means that effective loyalty programs, such as rewards or special deals, are an important factor in building customer loyalty, especially for frequent travelers. 22.9% strongly agree, 28.6% agree that the impact of personalized offers and special deals enhances their overall satisfaction. Thus, these strategies, such as discounts or personalized promotions, positively affect customer satisfaction, leading to higher loyalty levels. On the other hand, in the case of CRM initiatives like follow-up emails and surveys 41.4% agree 15.7% strongly agree that such initiatives make them feel more connected to the hotel brand. These activities ensure continuous interaction with the guest even after their visit and keep them connected to the brand, which demonstrates the commitment of the brand to customer satisfaction. 27.1 percent strongly agreed and 24.3 percent, agreed with the statement, that communication that is both consistent and relevant increases one's trust with the hotel regarding customer loyalty; this is referring to how well a hotel can relate relevant information promptly in order to instill reliance and trust. Attentive response of the hotel to customers' preferences and feedback is another important issue that affects loyalty to which 30% agree and 24.3% strongly agree, customers seem to appreciate hotels that take time to understand and address their needs on an individual basis. Last, with regards to why the hotel stands out over and above other competing hotels due to CRM best practice implementation 32.9% agreed that it was strong or correct and 28.6% indicated an agreement to the statement "CRM strategies contribute to your preferential choice to this hotel compared to other competitors." Such an outstanding percentage makes the customer respect a hotel more on CRM for the purpose of brand loyalty. However, 12.9% strongly disagree and 14.3% disagree, which means that though CRM strategies are necessary for most customers, they may not be the only thing that makes a difference for all of them. Results suggest that hotels which consider customer relationship through personalized relevant strategy are likely to maintain their customers and enjoy long run loyalty.

**Table 4: Impact of Hotels CRM Strategies on Customer Loyalty**

Parameters	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
The hotel's personalized communication makes me feel valued as a customer.	21.4(30)	10.0(14)	11.4(16)	30.0(42)	27.1(38)

I am more likely to return to this hotel because of their effective loyalty programs.	10.0(14)	24.3(34)	14.3(20)	30.0(42)	21.4(30)
The hotel's CRM strategies (e.g., personalized offers, special deals) enhance my overall satisfaction.	12.9(18)	12.9(18)	22.9(32)	28.6(40)	22.9(32)
The hotel's CRM initiatives (e.g., follow-up emails, surveys) make me feel more connected to the brand.	12.9(18)	17.1(24)	12.9(18)	41.4(58)	15.7(22)
I trust this hotel more because of their consistent and relevant communication.	12.9(18)	11.4(16)	24.3(34)	24.3(34)	27.1(38)
The hotel's attention to my preferences and feedback increases my loyalty to the brand.	14.3(20)	15.7(22)	15.7(22)	30.0(42)	24.3(34)
I prefer this hotel over others because of their effective customer relationship management practices.	12.9(18)	14.3(20)	11.4(16)	28.6(40)	32.9(46)

The research reveals that CRM initiatives by hotels—offered communication, loyalty programs, care for specific tastes and regular follow-ups—are positively contributing to customer loyalty. The evidence reveals that personalized communication enhances the feelings of the consumers as being important and noticed and plays an important role in loyalty. This is supported by earlier studies, where personalization was found to increase emotional bond and satisfaction (Kumar & Reinartz, 2018). Research by Sin et al. (2005) and Verhoef (2003) has highlighted that personalized communication fosters trust and interaction, leading to customer retention. The findings that loyalty programs significantly influence repeat visits are corroborated by the literature. For example, Kandampully and Suhartanto (2000) established that loyalty programs that offer rewards and special benefits generate repeat business and customer loyalty. In the same vein, Dorotic et al. (2012) cited that successful loyalty programs encourage consumer engagement and return visits, especially for frequent consumers. To the contrary, work by Sharp and Sharp (1997) suggested that loyalty programs

could lead at best to token loyalty, repeat buying that was driven by inducement as opposed to underlying emotional commitment. This would echo the section of the study's respondents who were less affected by loyalty programs and imply that loyalty programs are not effective for all. Furthermore, the contribution of personalized promotions and one-off deals towards enhancing customer satisfaction and loyalty aligns with a study by Peppers and Rogers (2011), which pointed out that customized offerings based on individual customer choices can contribute to higher satisfaction and brand loyalty. Yet, as reflected by some participants in the present study, personal offers are not appealing to all customers, in line with findings by Nunes and Drèze (2006), who argued that not all consumers react alike to personalization, especially when they view it as intrusive or irrelevant. The research also finds that follow-up surveys and emails reinforce customers' bond with the hotel brand, corroborating the findings of Rahimi and Kozak (2017), who posited that post-stay interaction through follow-up communication strengthens a customer's relationship with a brand, increasing loyalty and advocacy. However, the finding that some of the participants did not consider follow-ups important is consistent with the findings of McColl-Kennedy et al. (2015), who posited that too frequent communications could result in customer fatigue or be seen as intrusive. Research by Palmatier et al. (2006) also indicates that appropriate and timely communication enhances relational ties. Nonetheless, certain customers in the research were reported to distrust or be indifferent towards hotel messages, a feeling reiterated by Malthouse et al. (2013), who cautioned that unwanted or too much communication has the potential to damage trust and interest. The focus on customer liking and feedback as a source of loyalty was supported by a significant percentage of respondents. This is in line with the results of Gustafsson et al. (2005), who showed that a company's listening and responding capabilities to customer feedback have a great impact on customer satisfaction and loyalty. But the minority who did not find feedback attention to be effective mirrors the contention of Payne and Frow (2005) that CRM effectiveness can be constrained if customer information is not utilized meaningfully or if customers feel the attention is superficial. Lastly, the conclusion of the study that CRM strategies distinguish a hotel from competitors is supported by research from Choi and Chu (2001), who noted that excellent service and relationship management practices result in better customer loyalty and competitive positioning. But the group of respondents who did not agree shows that

aspects other than CRM—location, price and amenities—can also be crucial in customer decision-making, as proposed by Bowen and Shoemaker (2003). Overall, the findings of this research support the existing literature that effective CRM strategies increase customer loyalty in the hotel sector. Yet they too report similar conclusions of other contradictory research that CRM is no cure-all and how its effectiveness might depend upon customers' expectations, perceptions of what is relevant to them, as well as general competitive contexts. Thus, hotels need to repeatedly adjust their CRM programs in anticipation of changing customers' requirements and tastes if long-term loyalty has to be achieved.

## Conclusion

In conclusion, the results of the first objective indicate that hotel CRM strategies are pointedly related to customer satisfaction and there is a clear preference for strategies that improve the in-stay experience. Personalization of services was found to be the most influential factor, followed closely by friendliness and responsiveness of staff, underlining the role of tailored service and human interactions in creating satisfaction. Effective communication, as well as information on attractions in the place, were given high marks. Loyalty schemes and follow-ups after stay do matter, but ranked lower on the list as it shows immediate experiences during a stay, that is, the personalization with the staff can be more influential for satisfaction. Overall, to maximize satisfaction hotels should focus more on improving experience through personalized service, responsive staff and clear communications. The findings of the second objective show that hotel CRM strategies have a noteworthy impact on customer loyalty. Personalized communication, loyalty programs and attention to customer preferences were key factors in this regard. Personalized communication was found to foster a sense of being valued among guests, encouraging repeat visits, although a minority may not find it as impactful. Customer loyalty also demonstrated significant associations with the loyalty programs offered for frequent travelers; however, such loyalty programs do not seem important for many of the guests. The offers based on personalized conditions and special offers improve overall satisfaction and induce loyalty among most but not all of the guests. The follow-up activities such as the survey and the email improved relationships with customers though the effectiveness differed from customer to customer. Trust, established through regular communication and preference sensitivity also added to loyalty. However, there are some customers who would not give up other



factors such as price or location in favor of CRM strategies. Generally, hotels that emphasize personalized and consistent CRM efforts will be more likely to retain loyal customers.

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