Customer Relationship Management (CRM) in Hotel Industry: A framework Proposal on the Relationship among CRM Dimensions, Marketing Capabilities and Hotel Performance

Abdul Alem Mohammed

School of Tourism, Hospitality and Environmental Management, COLGIS, Universiti Utara Malaysia, Sintok, Malaysia. Email: <u>abd_102006@yahoo.com</u>

Basri bin Rashid

School of Tourism, Hospitality and Environmental Management, COLGIS, Universiti Utara Malaysia, Sintok, Malaysia. Email: <u>basri@uum.edu.my</u>

ABSTRACT: Customer relationship management (CRM) has a growing popularity and is becoming one of the hottest academic and practical topics in the business field. In fact, due to the competitive environment, CRM is crucial and has become a niche for firm performance. However, there is limited research that reveals the relationship between CRM dimensions and hotel performance. Therefore this study is an attempt to provide a value conceptual model that explains the theoretical linkages existing between CRM dimensions and hotel performance. This study serves not only to clarify the relationship between CRM dimensions and hotel performance, but also to explain the mediation role of marketing capabilities in this relationship.

Keywords: CRM; Marketing capability; Hotel industry **JEL Classifications:** M31; L84; L83

1. Introduction

Undoubtedly, CRM has recently become one of the most controversial issues and a focal-point in the business field (Balaram and Adhikari, 2010; Becker et al., 2009; Dimitriadis and Steven, 2008; Ozgener and Iraz, 2006). It is worth mentioning that CRM is mainly based on the belief that establishing a sustainable relationship with customers is the cornerstone for obtaining loyal customers who are much more profitable than non -loyal ones (Dowling, 2002).

In this regard, the successful implementation of CRM strategy will be of great benefit to the organizations, adopting it, as such organizations can reap the benefit of increasing sales through better market segmentation, customizing products and services, obtaining higher quality products, gaining access to information and employee satisfaction, and above all, ensuring long-lasting customer-retention and loyalty (Alomtairi, 2009; Ozgener and Iraz, 2006; Stockdale, 2007; Verma and Chandhuri, 2009).

Moreover, we have to bear in mind that recent studies on the CRM selectively focus on some service sectors, such as banking (e.g. Akroush et al., 2011; Becker, Greve, and Albers 2009; Eid, 2007; Hussain et al., 2009; Krasnikov et al., 2009; Sin, Tse and Yim 2005), telecommunication (e.g. Almotairi, 2009; Beldi *et al.*, 2010), healthcare (e.g. Bunthuwun et al., 2011; Hung et al., 2010), and contact center (Abdullatif et al., 2010). Consequently, there is still a marked lack of research on CRM in the hospitality industry (Luck and Stephenson, 2009; Wu and Lu, 2012). So it is not a surprise to find Vogt's highlighting this concept. He says, although there is ever-increasing use of CRM in the tourism sector, there are still limited researches investigating its variety of applications in such significant industry (Vogt, 2011).

Furthermore, several researches refer to the importance of making studies on CRM dimensions in the hotel sector (Akroush et al., 2011; Sadek et al., 2011; Sin et al., 2005). As a result of that, it is reasonable to lead the conclusion that it is not only very little attention has been given to the CRM dimensions in the hotel industry, but there is also plenty of opportunity for extending the literature about CRM dimensions and hotel performance, both theoretically and empirically.

2. Customer Relationship Management (CRM)

In this connection, it is worth noting that the concept of CRM can be defined in different ways. It also means different things to different people; depending on the working environment it has been used in (Baran et al., 2008; Dimitriadis and Steven, 2008; Piskar and Faganel, 2009). Therefore, there is no single correct definition of CRM (Abdullatif et al., 2010; Hamid, 2009; Nagi, 2005). However, to enrich the literature about CRM, this study will define it as " a strategic approach that enables organizations to use internal resources (i.e. Technology, people, and process) to manage the relationship with customers for the whole of their lives cycles, in order to create a competitive advantage and improve an organization's performance".

2.1 CRM and Hotel industry

Despite the fact that CRM brings lasting benefits to organizations, as a whole, some of them gain profits from implementing it more than others; CRM brings benefits to the organizations that generate a lot of information about customers (Bose, 2000; Kotler, 2002; Mguyen et al., 2007). In addition to this, Gronroos (2004) that service organizations for their intrinsic characteristics of the production and consumption are inseparable elements necessary to build relationships with customers.

Accordingly, CRM will be ideally suited to the hotel industry, especially when implementing it successfully and effectively, taking into our account that hotels receive a lot of data about customers. Such data can be transformed into useful knowledge about them (Kotler, 2002; Lin and Su, 2003; Mguyen et al., 2007; Nasution and Mavondo, 2008; Dev and Olsen, 2000).

Suffice it to say that hotel industry, like any business sector has to be highly competitive to be able to do well in the business environment, therefore, it is of vital importance for it to encourage behavioral patterns of continuous re-purchase and to retain customers last longer. Thus, it is evident that such ambitious aims can only be achieved through implementing CRM, which will result in establishing fruitful relationship between organizations and their customers (Papastathopoulou et al., 2007; Verdugo et al., 2009).

Moreover, it goes without saying that growing customer- acquisition costs, rising customer expectations, price-sensitive travelers, more sophisticated clients, uncertain market and less brand loyalty are all key factors, which strongly urge hotels to focus on CRM as a useful strategy. Needless to say, CRM is widely considered as one of the most effective ways to facilitate developing and expanding the customers' base that , in turn , will assist in enhancing profitability and guest loyalty (Mylonakis, 2009; Sigala, 2005; Sigala and Connolly, 2004; Wu and Li, 2011).

2.2. CRM Dimensions

It is a proven fact that the multi- dimensions concept of CRM can be considered relatively new, because of the only few studies, which are made on the CRM dimensions of some service sectors such as banking (Akroush et al., 2011; Sadek et al., 2011; Sin et al., 2005; Yim, Anderson, and Swaminathan, 2005) and contact centers (Abdullateef et al., 2010), thus the range of information on this concept is quite limited. To drive the point home, it can be said that CRM consists of four broad behavioral dimensions (Sin et al., 2005; Yim et al., 2005).

These behavioral dimensions are: key customer focus, CRM organizations, Knowledge management and technology -based CRM. It is essential that all of these dimensions must work systematically in an organization to guarantee its improved performance (Fox and stead, 2001; Sin et al., 2005; Yim et al., 2005). In this regard, Abdullateef et al. (2010) investigation on the impact of CRM dimensions on call -centers in Malaysia can be taken as a typical example. He declares that customer orientation, as one of the CRM dimensions, is more comprehensive than key customer focus. His argument receives much support from several studies that consider customer - orientation as one of the most important dimensions of CRM (e.g. Wang, Huang, Chen, and Lin, 2010). Furthermore, several researches highlight the important effects of conducting studies on CRM dimensions in the hotel sector (e.g. Akroush et al., 2011; Sadek et al., 2011; Sin et al., 2005). Consequently, this study is being done with the aim of filling the gap that has been left because of the very little attention given to the above- mentioned dimensions in the hotel industry. Therefore, it is logical to go into details of about CRM dimensions as follows:

2.2.1 Customer Orientation

It is important in the first instance to confirm that the main purpose behind customer -oriented behaviors is to increase customer long-lasting satisfaction and to create customer-loyalty. Therefore, studies have demonstrated that good customer -oriented behaviors, in an organization, definitely

Customer Relationship Management (CRM) in Hotel Industry : A framework Proposal on the 222 Relationship among CRM Dimensions, Marketing Capabilities, and Hotel Performance

ensures a tremendously positive impact on its performance (Kim, 2008; Yilmaz et al., 2005). Similarly, King and Burgess (2008) reach the conclusion that customer orientation is a crucial factor in the successful implementation of CRM.

Moreover, current researches have revealed that service firms, like hotels, require a better understanding of customer orientation and its great importance to such firms and their performance (Kim et al., 2006; McNaughton et al., 2002; Sin et al., 2005).

As in the service oriented organization, the delivery of service in a hotel occurs when there is interaction between service providers and the service encounter (Ki Lee et al., 2006). Hence in order to enhance service experience, hoteliers need to focus on customer interaction. Customer oriented can be achieved through a positive relationship between customer and service provider. Research has supported that customer orientation leads to increase organizational performance (Asikhia, 2010; Liu et al., 2003; Zhou et al, 2009). Furthermore customer orientation is also one of the market beneficial sources, it helps organization to understand customer, and hence it helps in delivering an appropriate plan to satisfy customer needs (Liu et al., 2003)

Furthermore, several studies revealed that there is a relationship between customer orientation and marketing planning capabilities (Morgan, Vorhies, and Mason, 2009; Pulendran and Speed, 1996). Besides this, the beneficial influence of customer orientation strategy on marketing-planning capabilities, this strategy also influences the successful implementations of marketing actions or innovations (Slater and Narver, 1998). Hence, we note that despite the numerous positive impacts of customer - orientation on organizations performance, the fact remains that there is still a shortage of literature about customer - orientation impact on hotel performance (Sin et al., 2006; Tajeddini, 2010).

2.2.2 CRM Organization

First and foremost, to enhance service employees to conduct customer- oriented behaviors, organizations have to develop an appropriate working environment for service in work, for instance, providing staff with the modern tools, and technology, customer-satisfaction tracking and complaints management systems, inspirational leadership, and appropriate rewards systems. As a result of the previous supportive working conditions, organizations can ensure the required customer - oriented behaviors of their employees (Mechinda and Patterson, 2011)

The researchers also argue that CRM cannot be successful even if the organizations enjoy the most advanced technology and adapt a customer - oriented approach, unless the project is completely integrated by them (Sin et al., 2005; Yim et al., 2005)

Further, as a confirmation for this point Ku (2010) stress that CRM success does not only require technological quality or systems, but it also requires an effective service concept as well as suitable operation procedures. Thus, the success of CRM implementation relies on the active involvement of the employees in the organization itself (Boulding, Staelin, Ehret, and Johnston, 2005; Payne, 2006; Tamilarasan, 2011). Therefore, we can say that CRM organization has to be an essential means through which firms effect fundamental changes in the way they organize their actual business processes for employees and customers (Sin et al 2005; Yim et al., 2005).

Inevitably, all the organization resources (such as marketing capabilities, policies, culture, and organization structure) have to be integrated in order to implement CRM successfully and, in turn, to improve organizations performance. Previous studies also declare the positive impact of CRM organization on customer retention (Yim et al., 2005), financial and marketing performance (Akrouch et al., 2011; Sin et al., 2005).

Moreover, Richards and Jones (2008) argue that CRM organization may influence future marketing decisions, such as brand differentiation, price, communication, and distribution. In this regard, it has also been reported that many hotel chains cleverly and flexibly quote their room prices according to the customer data that were collected previously (Nunes and Dréze, 2006).

It goes without saying that Knowledge about customers plays a vital role in CRM, taking into our consideration the fact that the main purpose behind collecting data about customers is to get a clear image about them from different perspectives (Sin et al., 2005). Therefore, organizations can authenticate such data to be able to establish and develop beneficial relationship with their customers (Zahay and Griffin, 2004).

2.2.3 Knowledge Management

Needless to say that useful information about customers can be gathered through interactions with them or from different touch points within the organization itself (Brohman et al., 2003), and the criterion for deciding whether CRM is successful or not, is to effectively transform customer information into customer knowledge (Plessis and Boon, 2004; Stringfellow et al., 2004).

In this connection, we can say that managing knowledge effectively can greatly help an organization to have success in building better customer relationship, resulting in a positive impact on organization performance (Abdulateef et al., 2010; Akroush et al., 2011; Sin et al., 2005; Yim et al., 2005). We have to take into our account that the success of relationship management is heavily dependent on collecting and analyzing customers' information, as such information is used for developing highly personalized offerings (Sigala, 2005).

As a matter of fact, it is necessary for organizations to remain competitive, and this aim cannot be achieved unless they enjoy wide knowledge about their market, explore and make use of their existing knowledge about their customers. Hence, Lo et al., (2010) recommend investigating the impact of knowledge management dimension on hotel industry in future research. In this case, researchers state that there is limited research that explains the role of knowledge management in the hospitality context (Hallin and Marnburg, 2008; Shaw and William, 2009).

Meanwhile, hotels that enjoy a lot of customer's knowledge to be disseminated among their different departments are more likely to implement successful marketing activities for meeting their customer needs (Noble and Mokwa, 1999). Moreover, Fan and Ku (2010) indicate that customer knowledge management is firmly associated with marketing capabilities, and it greatly enables organizations to take strategic managerial decisions for improving their performance.

2.2.4 Technology Based CRM

Dutu and Halmajan (2011) are of the opinion that CRM strategy will end in failure if the information technology is not used properly, thus the suitable use of technology in marketing is one of the greatest opportunities in hotel industry, because of the fact that it is important to get the right information from the right people at the right time, so that the right decisions can be made and /or the services can be rendered (Dev and Olsen, 2000; Moriarty-Jones et al., 2008).

In support with that view, Kasim and Minai (2009) find out that CRM technology dimension is firmly related to hotel performance, because hotels need to use information technology for improving their performance. In this regard, new technologies are considered as the core drivers for change (Minghetti, 2003).

Furthermore, several studies, made about the impact of information technology on organization performance report similar findings about the positive role of information technology in CRM strategy. In other words, these studies revealed that many customer-centric strategies cannot achieve their goals, without the help of information technology (Abdullateef et al., 2010; Eid, 2007; Ozgener and Iraz, 2006; Sigala, 2005; Sin et al., 2005; Yeh et al., 2010).

Consequently, CRM based technology enables organizations to plan and implement successful marketing actions for retaining customers long-last and making them more profitable, because of the customer database and other information-storing systems (Roberts, Liu, and Hazard, 2005). Additionally, Chang, Park, and Chaiy (2010) confirm that CRM technology improves marketing capabilities by providing valuable information about customers, which, in turn, will help both managers and employees to achieve specific marketing goals much more effectively.

Moreover, they also recommend investigating separately the mediating impact of marketing planning capabilities and the implementation of marketing capabilities on the relationship between CRM and organizations performance. Therefore, this study is intended to clarify the mediating role of planning and marketing capabilities in the relationship between CRM dimensions and hotel performance.

Additionally, this study is also designed to be more comprehensive than the study of Chang et al. (2011), because it will investigate the mediating effect of marketing capability between each dimension of CRM, not only CRM technology and hotel performance.

3. Marketing -Planning Capabilities

In fact, literature about organizational capabilities has indicated a positive relationship between capabilities in general, and firm performance (Day, 1994). Therefore, it is not accidental that Slotegraaf and Dickson (2004) defines marketing planning capabilities as the firm's ability to expect and react to the changes in the market environment for the purpose of directing its resources actions to work towards the alignment of the firm with the environment and the achievement of organizational financial goals.

Hence, Slotegraaf and Dickson find out that marketing -planning capabilities have a positive influence on the firm's performance. In this regard, Krasnikov et al., (2009) say that developing marketing-capabilities will lead to better organizational performance. Similarly, Vorhis et al., (2009) conclude that both specialized and architectural marketing capabilities are influenced by organizations business strategies. Most importantly, these types of marketing capabilities and their integration are significant drivers of market effectiveness. Therefore, customer-centric strategies influence the marketing capabilities of the organizations and leads to improved organizational performance.

Moreover, Pulendran and speed (1996) assert that marketing -planning capabilities enable organizations to adopt a market orientation or customer orientation approaches and take appropriate actions accordingly. In this regard, Morgan et al. (2009) declares that market orientation is working in association with marketing capabilities to generate economic profitability, and may be considered as a source of competitive edge.

Furthermore, the collaboration between the organization's customer orientation and its marketing capabilities is positively related to its business performance, because it leads to the creation of casual ambiguity, making it difficult for competitors to determine the firm's competitive advantage (Reed and Defillipi, 1990). Furthermore, numerous studies have also found that marketing planning capabilities have a positive influence on organizational performance (Chang et al., 2010; Morgan et al., 2009; Slotegraaf and Dickson, 2004; Vohies and Morgan, 2005).

4. Marketing Implementation Capability

Marketing implementation capability is the process that transforms plans into actions; thus, marketing implementation capabilities play a vital role to improve organizational performance through transforming marketing strategy plan to actions (Kotler and Keller, 2009).

Vohies and Morgan (2005) reveal that marketing implementation capabilities positively affect organizational performance. It is believed that, marketing implementation capabilities is one of the main factors that influence marketing effectiveness in hotel organization that leads to improved hotel performance (Cizmar and Weber, 2000). Consequently, numerous studies have found a significant positive relationship between marketing implementation capabilities and organization performance (Vohies and Morgan, 2005; White et al., 2003).

In line with these results, marketing implementation capabilities are found to have a direct significant positive influence on organizational performance in manufacturing and service firms (Salter et al., 2010). Similarly, Neil (2010) contends that implementation of marketing capabilities play a mediating role on the relationship between organizational memory (e.g. customer orientation, procedures, and expertise) and marketing effectiveness in the organization.

Additionally, Lee et al., (2011) empirically find that marketing implementation capabilities play a significant mediating effect on the relationship between customer knowledge and organization performance. They contend that customer knowledge is critical to the development and implementation of marketing programs which leads to improved firm's performance. Furthermore, marketing implementation capabilities have a significant mediating effect on the relationship between marketing strategic development and organization performance (White et al., 2003).

Thus, a hotel's ample knowledge of customers will enable it to recognize one of a kind characteristic of target markets and to develop suitable strategies for it. It can be stated that the knowledge of customers' perception and utility of products, can be utilized for the development and implementation of an appropriate and effective marketing program (Conant and White, 1999).

Moreover, Lee et al. (2011) state that better execution of an organization's marketing program compared to its competitors depends on its skill to adapt to various customer preferences. Hence, those organizations that are more knowledgeable of their customers' preferences have more probability to

increase and hone their skills in recognizing opportunities and achieving optimum potential through the implementation of an effective marketing program (Noble and Mokwa, 1999).

Additionally, Krasnikov et al. (2009) refer to the point that successful implementation of CRM can play a key role in developing marketing capabilities. That's mean CRM antecedes the development of marketing capabilities in the organization. Moreover, Chang et al. (2010) found that marketing capabilities (planning and implementation) have a mediation impact on the relationship between CRM technology and organization performance. Thus, it can be said that marketing capabilities is an integrated process, designed to make use of corporate knowledge, skills and resources. It enables businesses to meet their customer's needs in a better way, through value added services to their products (Azizi et al., 2009).

5. Hotel Performance

CRM dimensions evaluation was assessed in a number of ways, including customer satisfaction (Abdulateef et al., 2010), market effectiveness and financial performance (Sin et al., 2005), customer performance and financial performance (Akroush et al., 2011), and customer retention and sales growth (Yim et al., 2005). The use of other dimensions of performance is beneficial as suggested by previous studies (Sin et al., 2005). Therefore, this study will use the Balance Scorecard (BSC) dimensions to evaluate the impact of CRM dimensions on hotel performance.

The present study uses a Balance Score Card (BSC) dimension to evaluate hotel performance because financial figures cannot provide a full understanding of CRM impact and result and therefore the total performance perspective should be employed in the evaluation of CRM results (Wu and Hung, 2007). In addition, existing literature reveals that the use of balance score card(BSC) to evaluate the impact of CRM on business performance is critical because it is a useful tool to provide an in depth understanding of enterprise's total operation performance (Wu and Lu, 2012; Wu and Hung, 2007).

6. Theoretical Background and Conceptual Model

The proposed model of this study conceptualizes the relationship among CRM dimensions, marketing planning and marketing implementation capabilities, and hotel performance. The relationship is based on the resource based view that suggests that the performance of the firm is influenced by its internal resources and capabilities; a firm obtains better performance by making more effective use of its resources than competitors.

This model involves four dimensions of CRM which include customer orientation, CRM organization, knowledge management, and technology based CRM. This model is built on previous studies (Abdullateef et al., 2010; Chang et al., 2010; Sin et al., 2005; Wu and Lu, 2012) while the relationship between variables in this model is based on RBV theory which proposes that organizations having valuable resources can successfully implement business strategy to create competitive advantage and consequently improve organization performance (Barney and Delwyn, 2007). (See figure 1).

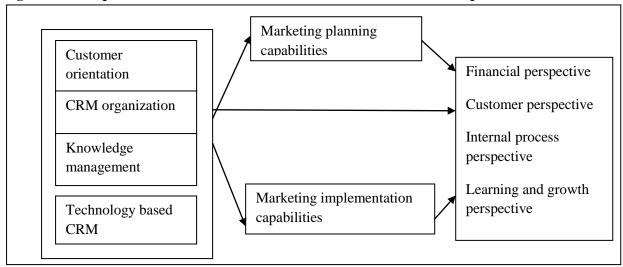


Figure 1. Conceptual Model of the influence of CRM Dimensions on Hotel performance

7. Conclusion and Recommendation

In conclusion, this study has provided a theoretical model to show the firm relationship between CRM dimensions, marketing capabilities and hotel performance. It contributes enormously to the body of knowledge, as it provides a comprehensive framework that is used for explaining the impact of the CRM four dimensions on hotel performance.

It is an accepted fact that the concept of customer relationship management neither has been fully verified, nor empirically assessed to determine the strength of the relationship between dimensions of customer-relationship management and hotel industry performance. Moreover, this study uniquely extends the body of knowledge by explaining the theoretical possibilities of the mediating role of marketing capabilities (planning and implementation) in the relationship between CRM dimensions and hotel performance.

It is worth mentioning that this paper will also raise awareness among hotel managers to pay more attention to CRM dimensions, marketing capabilities, and assist them in improving hotel performance and competitiveness. However, the fact remains that this study has its limitations. First, because it is in dire need of further verification by collecting data from the hotel industries to test the proposed model and further investigate the hypothesized relationships. Second, the model is more sfocused on the hotel industry and therefore, there is a need to test it in different sectors such as the financial sector.

References

- Abdullateef, A.O., Mokhtar, S.S., Yusoff, R.Z. (2010), The impact of CRM Dimensions on Call Center Performance. International Journal of Computer Science and Network Security, 10(12), 184-195.
- Akroush, N.M., Dahiyat, E.S., Gharaibeh, S.H., Abu-Lail, N.B. (2011), Customer relationship management implementation. An investigation of a scale's generalizability and its relationship with business performance in a developing country context. International Journal of Commerce and Management, 21(2), 158-191.
- Almotairi, M. (2009), A Framework for CRM Success. Proceedings of the European and Mediterranean Conference on Information Systems 2009. Izmir, Turkey, 13-14 July.
- Asikhia, O. (2010), Customer Orientation and Firm Performance among Nigerian Small and Medium Scale Businesses. International Journal of Marketing Studies, 2(1), 197-213.
- Azizi, S., Movahed, A.S., Khah, H.M. (2009), Medical Equipment Sector. The Effect of Marketing Strategy and Marketing Capability on Business Performance. Case Study: Iran's Medical Equipment Sector. Journal of Medical Marketing, 9(4), 309–321.
- Balaram, A., Adhikari, B. (2010), Managing Customer Relationships in Service Organizations. Administration and Management Review, 21(2), 65-78.
- Baran, R. J., Galka, R., Strunk, P. D. (2008), Principles of customer Relationship Management. U.S.A: Thomson.
- Barney, B.J., Delwyn, N. (2007), Resource-Based Theory: Creating and Sustaining Competitive Advantage. Oxford: Oxford University Press.
- Becker, U.J., Greve, G., Albers, S. (2009), The impact of technological and organizational implementation of CRM on customer acquisition, maintenance, and retention. International Journal of Research in Marketing, 26(3), 207–215.
- Beldi, A., Cheffi, W., Dey, B. (2010), Managing customer relationship management projects: The case of a large French telecommunications company. International Journal of Project Management, 28(4), 339-351.
- Bose, R. (2002), Customer Relationship Management: key components for IT success. Industrial Management and Data Systems, 102(2), 89-97.
- Boulding, W., Staelin, R., Ehret, M., Johnston, W. J. (2005), A customer relationship management roadmap: what is known, potential pitfalls, and where to go. Journal of Marketing, 69(4), 155–66.
- Brohman, M.K., Richard, T.W, Piccoli, G., Parasuraman, A. (2003), Data Completeness: A Key to Effective Net-Based Customer Service Systems. Communications of the ACM, 46(6), 47–51.

- Bunthuwun, L., Sirion, C., Howard, C. (2011), Effective Customer relationship management of health care: A study of the perceptions of service quality, cooperate image, satisfaction, and loyalty of that outpatients of private hospital in Thailand. ASBBS Annual Conference: Las Vegas, February, 17(1), 198-211.
- Chang, W., Park, E.J., Chaiy, S. (2010), How does CRM technology transform into organizational performance? A mediating role of marketing capability. Journal of Business Research, 63, 849-855.
- Cizmar, S., Weber, S. (2000), Marketing effectiveness of the hotel industry in Croatia. International Journal of Hospitality Management, 19(3), 227-240.
- Conant, J.S., White, C.J. (1999), Marketing program planning, process benefits, and store performance: an initial study among small retail firms. Journal of Retail, 75(4), 525–541.
- Day, G. S. (1994), The Capabilities of Market-Driven Organizations. Journal of Marketing, 58(4), 37-52.
- Dev, C.S., Olsen, M. (2000), Marketing challenges for the next decade. Cornell Hotel and Restaurant Administration Quarterly, 41(1), 41–47.
- Dimitriadis, S., Stevens, E. (2008), Integrated customer relationship management for service activities. An internal /external gap model. Managing Service Quality, 18(5), 496-511.
- Dowling, G. (2002), Customer Relationship Management: In B2C Markets, Often Less is More. California Management Review, 44 (3), 87–104.
- Dutu, C., Halmajan, H. (2011), The Effect of Organizational Readiness on CRM and Business Performance. International Journal of Computers, 1(2), 106-114.
- Eid, R. (2007), Towards a Successful CRM Implementation in Banks: An Integrated Model. The Service Industries Journal, 27(8), 1021–1039.
- Fan, Y., Ku, E. (2010), Customer focus, service process fit and customer relationship Management profitability: the effect of knowledge sharing. The Service Industries Journal, 30(2), 203–222.
- Fox, T. Stead, S. (2001), Customer Relationship Management: Delivering the Benefits, White Paper, CRM (UK) and SECOR Consulting, New Malden. Retrieved July 24,2011from http://www.iseing.org/emcis/EMCISWebsite/EMCIS2011%20Proceedings/SCI10.pdf.
- Gronroos, C. (2004), The relationship marketing process: communication, interaction, dialogue, value. Journal of Business and Industrial Marketing, 19(2), 99-113.
- Hallin, C.A., Marnburg, E. (2008), Knowledge management in the hospitality industry: a review of empirical research. Tourism Management, 29(2), 366-81.
- Hamid, H. (2009), Toward unfolding CRM implementation in Pakistan: A case study. 17th European Conference on Information Systems. Islamabad, Pakistan. Retrieved June 28,2011,from http://is2.lse.ac.uk/asp/aspecis/20090249.pdf
- Hung, Y.S., Hung, H.W., Tsai, A.C., Jiang, C.S. (2010), Critical factors of hospital adoption on CRM system: organizational and information system perspective. Decision support systems,48, 592-603.
- Hussain, I., Hussain, M., Hussain, S., Sajid, M. (2009), Customer Relationship Management: Strategies And Practices In Selected Banks Of Pakistan. International Review of Business Research Paper, 5(6), 117-132.
- Kasim, A., Minai, B. (2009), Linking CRM strategy, customer performance measure and performance in hotel industry. International Journal of Economics and Management, 3(2), 297 316.
- Ki Lee, Y., Heon Nam, J., and Ah Lee, K. (2006), What factors influence customer-oriented pro social behaviour of customer-contact employees? Journal of Service Marketing, 20/4, 251-264.
- Kim, W.G., Lee, Y-K., Yoo, Y-J. (2006), Predictors of relationship quality and relationship outcomes in luxury restaurants. Journal of Hospitality and Tourism Research, 3(2), 43-69.
- Kim, B.Y. (2008), Mediated Effects of Customer Orientation on Customer Relationship Management Performance. International Journal of Hospitality and Tourism Administration, 9(2), 192-218.
- King, S.F., Burgess, T.F. (2008), Understanding success and failure in customer relationship management. Industrial Marketing Management, 37(4), 421–431.
- Kotler, P. (2002). When to use CRM and When to forget it!. Paper presented at the Academy of Marketing Science, Sanibel Harbour Resort and Spa, 30 May.
- Kotler, P., Keller, K. (2009), Marketing Management (14th Ed.). New Jersey: Pearson International Edition.

Customer Relationship Management (CRM) in Hotel Industry : A framework Proposal on the 228 Relationship among CRM Dimensions, Marketing Capabilities, and Hotel Performance

- Krasnikov, A., Jayachandran, S., Kumar, V. (2009), The Impact of Customer Relationship Management Implementation on Cost and Profit Efficiencies: Evidence from the U.S. Commercial Banking Industry. Journal of Marketing, 73(6), 61-77.
- Ku, E.C.S. (2010), The Impact of Customer Relationship Management through Implementation of Information Systems. Total Quality Management and Business Excellence, 21(11), 1085-1102.
- Lee, P. R., Naylor, G., Chen, Q. (2011), Linking customer resources to firm success: The role of marketing program implementation. Journal of Business Research, 64, 394–400.
- Lin, Y., Su, H. (2003), Strategic analysis of Customer Relationship Management a field study on hotel enterprises. Total Quality Management, 14(6), 715-731.
- Liu, S.S., Luo, X., Shi, Y. (2003), Market oriented organizations in an emerging economy: A study of the missing links. Journal of Business Research, 56(6), 481-491.
- Lo, A.S., Stalcup, L.D., Lee, A. (2010), Customer relationship management for hotels in Hong Kong. International Journal of Contemporary Hospitality Management, 22(2), 139-159.
- Luck, D., Stephenson, M.L. (2009), An Evaluation of the Significant Elements of Customer Relationship Management within the Hotel Industry. Tourism Today, 9, 7-26.
- McNaughton, R.B., Osborne, P., Imrie, B.C. (2002), Market-oriented value creation in service firms. European Journal of Marketing, 36, (9/10), 990-1002.
- Mechinda, P., Patterson, P.G. (2011), The impact of service climate and service provider personality on employees' customer-oriented behavior in a high-contact setting. Journal of Services Marketing, 25(2), 101 113.
- Mguyen, T.U.H., Sherif, J. S., and Newby, M. (2007), Strategies for successful CRM implementation. Information Management and Computer Security, 15(2), 102-15.
- Minghetti, V. (2003), Building Customer Value in the Hospitality Industry: Towards the Definition of a Customer-Centric. Journal of Information Technology and Tourism, 6(2), 141-152.
- Morgan, N.A., Vorhies, D.W., Mason, C.H. (2009), Market Orientation, Marketing Capabilities and Firm Performance. Strategic Management Journal, 30(8), 909 -920.
- Moriarty, J., Jones, R., Rowley, J., Kupiec-Teahan, B. (2008), Marketing in small hotels: a qualitative study. Marketing Intelligence and Planning, 26(3), 293-315.
- Mylonakis, J. (2009), Customer relationship management functions: A survey of Greek bank customer satisfaction perceptions. The Icfai University Journal of Bank Management, VIII(2), 7-31.
- Nasution, H.N., Mavondo, F.T. (2008), Organizational capabilities: antecedents and implications for customer value. European Journal of Marketing, 42(3/4), 477-501.
- Neil, S. (2010), Decomposing the effects of organizational memory on marketing implementation. Marketing Letters, 21(2), 135-147.
- Ngai, E.W.T. (2005), Customer relationship management research (1992–2002): An academic literature review and classification. Marketing Intelligence Planning, 23, 582–605.
- Noble .C.H., Mokwa M.P. (1999), Implementing marketing strategies: developing and testing a managerial theory. Journal of Marketing, 63(4), 57–73.
- Nunes, J.C., Dréze, X. (2006), Your loyalty program is betraying you. Harvard Business Review, 84(4), 124–131.
- Ozgener, S., Iraz, R. (2006), Customer relationship management in small medium enterprises: The case of Turkish tourism industry. Tourism Management, 27(6), 1356-1363.
- Papastathopoulou, P., Avlonitis, G., Panagopoulos N.G. (2007), Intra organizational information and communication technology diffusion: implications for industrial sellers and buyers. Industrial Marketing Management, 36(3), 322-336.
- Payne, A. (2006), Handbook of CRM: Achieving Excellence in Customer Management. Burlington, MA: Butterworth-Heinemann.
- Piskar, F., Faganel, A. (2009), A Successful CRM Implementation Project in a Service Company: Case Study. Journal of Management, Informatics and Human Resources, 42(5) 199-208.
- Plessis, M.D., Boon, J. (2004), Knowledge management in e Business and customer relationship management: South African case study findings. International Journal of Knowledge Management, 24, 73-86.
- Pulendran, S., Speed, R. (1996), Planning and Doing: The Relationship Between Marketing Planning Styles and Market Orientation. Journal of Marketing Management, 12, 53-68.

- Reed, R., Defillipi, R.J. (1990), Causal ambiguity, barriers to imitation, and sustainable competitive advantage. Academy of Management Review, 15(1), 88–102.
- Reimann, M., Schilke, O., Thomas, J. (2010), Customer relationship management and firm performance: the mediating role of business strategy. Journal of the Academy Marketing Science, 38, 326–346.
- Richards, K.A., Jones, E. (2008), Customer relationship management: finding value drivers. Industrial Marketing Management, 37(2), 120–130.
- Roberts, M., Liu, R., Hazard, K. (2005), Strategy, technology and organizational alignment: key components of CRM success. Journal of Database Marketing and Customer Strategy Management, 12(4), 315-26.
- Sadek, H., Yousef, A., Ghoneim, A., Tantawi, P. (2011), Measuring the effect of customer relationship management (CRM) components on the non financial performance of commercial bank: Egypt case. European, Mediterranean and Middle Eastern Conference on Information Systems (EMCIS2011),May3031.Athens,Greece.Retrievedfrom.http://www.iseing.org/emcis/EMCISWe bsite/EMCIS2011% 20Proceedings/SCI10.pdf
- Salter, F.S., Hult, M.T.G., Olsen, M.E. (2010), Factors influencing the relative importance of marketing strategy creativity and marketing strategy implementation effectiveness. Industrial Marketing Management, 39, 551–559.
- Shaw, G., Williams, A. (2009), Knowledge transfer and management in tourism organization: An emerging research agenda. Tourism Management, 30, 325-335.
- Sigala, M. (2005), Integrating customer relationship management in hotel operations: Managerial and operational implications. International Journal of Hospitality Management, 24(3), 391-413.
- Sigala, M., Connolly, D., (2004), In search of the next big thing: IT issues and trends facing the hospitality industry a review of the Sixth Annual Pan-European Hospitality Technology Exhibition and Conference (EURHOTEC 2001), Tourism Management, 25(6),807-809.
- Sin L.Y.M., Tse A.C.B., Yim F.H.K. (2005), CRM: conceptualization and scale development. European Journal of Marketing, 39(11/12), 1264-1290.
- Sin, L.Y.M., Tse, A.C.B., Chan, H. (2006), The Effect of Relationship Marketing Orientation on Business Performance in the Hotel Industry. Journal of Hospitality and Tourism Research, 30(4), 407-426.
- Slater, S.F., Narver, J. C. (1998), Customer-led and market-oriented: let's not confuse the two. Strategic Management Journal, 19(10), 1001-1006.
- Slotegraaf, J.R., Dickson, R.P. (2004), The Paradox of a Marketing Planning Capability. Journal of the Academy of Marketing Science, 32(A), 371-385.
- Stockdale, R. (2007), Managing customer relationships in the self-service environment of e-tourism. Journal of Vacation Marketing, 13(3), 205–219.
- Stringfellow, A., Winter, N., Bowen, D. (2004), CRM: Profiting from understanding customer needs. Business Horizons, 47 (5), 45-52.
- Tajeddini, K. (2010), Effect of customer orientation and entrepreneurial orientation on innovativeness: Evidence from the hotel industry in Switzerland. Tourism Management, 31(2), 221–231.
- Tamilarasan, R. (2011), Customer Relationship Management in Banking Services. Journal of Advances in Management, 4(1), 23-34.
- Verdugo, C.M., Oviedo-Garcia, A.M., Roldan, L.J. (2009), The employee-customer relationship quality: Antecedents and consequences in the hotel industry. International Journal of Contemporary Hospitality Management, 21(3), 251-274.
- Verma, S., Chaundhuri, R. (2009), Effect of CRM on Customer Satisfaction in Service Sector in India. Journal of Marketing and Communication, 5(2), 55-69.
- Vogt, C. (2011), Customer Relationship Management in Tourism: Management Needs and Research Applications. Journal of Travel Research, 50(4), 356-364
- Vorhies, D.W., Morgan, N.A. (2005), Benchmarking Marketing Capabilities for Sustainable Competitive Advantage. Journal of Marketing, 69(1), 80-94.
- Vorhies, D. W., Morgan, R. E., Autry, C. W. (2009), Product-market strategy and the marketing capabilities of the firm: impact on market effectiveness and cash flow performance. Strategic Management Journal, 30(12), 1310-1334.

- White, C.J., Contant, S.J., Echambadi, R. (2003), Marketing Strategy Development Styles, Implementation Capability, and Firm Performance: Investigating the Curvilinear Impact of Multiple Strategy-Making Styles. Marketing Letters, 14(2), 111-124.
- Wu, S.I., Hung, J.M. (2007), The performance measurement of cause-related marketing by balance scorecard. Total Quality Management, 18(7), 771–791.
- Wu, S., Lu, C. (2012), The relationship between CRM, RM, and business performance: A study of the hotel industry in Taiwan. International Journal of Hospitality Management 31, 276–285.
- Wu, S., Li, P. (2011), The relationships between CRM, RQ and CLV based on different hotel preferences. International Journal of Hospitality Management, 30, 262-271.
- Yilmaz, C., Alpkan, L., Ergun, E. (2005), Culture determinants of customer-and learning oriented value system and their joint effects on firm performance. Journal of Business Researches,58 (10), 1340-1352.
- Yim, F.H., Anderson, R.E., Swaminathan, S. (2005), Customer Relationship Management: Its Dimensions and Effect on Customer Outcomes. Journal of Personal Selling and Sales Management, 24(4), 265–280.
- Yueh, C.L., Lee, Y., Barnes, F.B, (2010), The effects of leadership styles on knowledge-based customer relationship management implementation. International Journal of Management and Marketing Research, 3(1), 1-19.
- Wang, C., Huang, Y., Chen, C., Lin, Y. (2010), The influence of Customer Relationship Management process on management performance. The International Journal of Organizational Innovation, 2(3), 40-50.
- Zahay, D., Griffin, A. (2004), Customer learning processes, strategy selection, and performance in business-to-business service Firms. Decision Sciences, 35(2), 169-203.
- Zhou, K.Z., Brown, J.R., Dev. C.S. (2009), Market orientation, competitive advantage, and performance: A demand-based perspective. Journal of Business Research, 62, 1063-1070.