Quality analysis of implementing electronic customer relationship management in hotel industry

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Abstrak

<i>ABSTRACT

The competition in the hotel industry is very hostile. This happens because there are many players competing ¡n this industry. Hotels, with or without stars, are trying very hard to boost their market scares through attracting their customers or guests.

Meeting the continuously changing needs and expectations of the customers in the new economy places new demands Ofl the company. They demand immediate response and service with a personal touch. These challenges in the market environment make customer retention and loyalty even more critical for a company?s success.

Though hotels have applied Customer Relationship Management (CRM) strategy to cope with their problem, prompt services demanded by customers are sometimes difficult to be delivered. To overcome this difficulty, hotels need to have a CRM with Internet technology, which is known as e-CRM.

The objective of the study is to get insights on the reasons why e-CRM is important to be implemented ¡n a hotel, how e-CRM can help a hotel to achieve its mission, which involves customer acquisition, customer satisfaction and customer retention, and how a hotel can implement e-CRM.

This study is limited only to finding some nsights about e-CRM in the hotel industry. This study ¡s not intended to prove a hypothesis: ?Can e-CRM help hotel bUSjflS?? A more advanced study s required to prove this hypothesis.

When one is seeking insights into the general nature of a problem, the possible decision alternatives, and relevant variables that need to be considered, exploratory research is needed.

The research design is exploratory research, which is carried out first by collecting Secondary Data, then by doing Experience Survey through In-depth interview with experts and hotel management. All information from secondary data collection will be used as fundamental theories to approach the subject researched. Primary data from interviews will be used for understanding the real condition of the hotel Industry. Secondary data and primary data will be reviewed to find some insights and ideas for this research.

e-CRM is important in the hotel industry because of the drivers and the benefits of it. There are two drivers: internal driver and external drivers. Internal driver is the need from a hotel to understand their customers bettor. External drivers are pressures from competition, customers and suppliers.

There are six e-CRM benefits, which are Speed Up Process lnterconnectivity, Storing and Analyzing Large Scale Data, Interactivity, Global Reach and New Channel of Distribution.

There are barriers to implement e-CA M. The barriers are Financial Problem, Cultural barriers, Low Priority Low Personal Touch, Organizational barriers and Technological barriers.

There are four main steps for implementing e-CRM. They are CEO Commitment, e-CRM Grand Strategy CRM Strategy Socializing and the last Technology lmplementation.

Strategies to Overcome the financial problem are using the Application Solution Provider model or establishing a Consortium. For cultural barriers, the strategies are educating employees and practicing external marketing communication. For organizational the strategies are internal marketing communication, and improvement of low level of coordination and communication in all departments. Strategies for low personal touch are combining the e-CRM with the personalized service. Strategies for technological barrier are using the Open Architect System and Web-based model.

Hotels should implement a strategy that focuses on customers, which is known as CRM. If possible, hotels can implement e-CRM. For hotels that haven?t implemented CRM yet, they better start with the CRM implementation first. Hotels recommended to implement e-CRM are hotels, which have hundreds of customers. These kinds of hotels are usually hotels, which belong to group or chain hotels, and are usually with stars. Four-star or five-star hotels are highly recommended to implement e-CRM so that they can serve their customers better and keep up with the competition.

e-CRM is not only about implementing e-CRM software application. To succeed in the implementation and the use of e-CRM, hotels should have CRM mentality, which is to understand and to serve the customers better. This study focuses Ofl the insights of e-CRM In hotel industry. Since this Study focuses only on finding insights without any attempt to prove any hypothesis, a more advanced study should be followed in order to prove some hypothesis and to focus more on the quantitative insights of e-CRM ¡n hotel industry.</i>