
**ROLE AND IMPORTANCE OF CUSTOMER CARE FOR CUSTOMER
RETENTION/CUSTOMER LOYALTY IN HOTEL INDUSTRY**

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ABSTRACT

This research paper is about Loyalty and the objective of the thesis was to investigate the importance of customer care for customer retention/customer loyalty. The study considers the importance of customer care to achieve customer satisfaction, which would lead to customers' loyalty. The topic has more relevance in today's competitive atmosphere in the hospitality industry. Over the past years, a major shift occurred in the way service industries approached their customers and what exactly customers' expected from hotels. The loyalty role is shifting from trying to maximize the profit on each transaction to maximizing mutually beneficial relationship with customers. Similarly, customers' also expect certain things and they choose it, if they want to be in a relationship to get that desired thing. I have tried to investigate two different concepts from the view point of customers' and as well as staff, but at the end they come and meet at the same end. That end, off course is Customers' Loyalty.

Key Word – Hotels, Restaurant, customers, marketing .Quality of Services.

INTRODUCTION

Some hotel managers may be tempted to assume that improving any current management practice ultimately contributes to customer value. Such managers may go looking for signs of that customer value after having already chosen the specific areas in which they will invest money, time, and energy for improvements--and without ever having considered the guests' actual preferences. In fact, managing customer value by "creating quality and service that customers can see" now is considered a critical component of companies' strategic marketing. Customer value, the experts report, is what builds loyalty. It is therefore essential that hotel managers be able to compare specific business practices in terms of their relative contributions to creating value and, ultimately, customer loyalty. Managers also have to be able to pinpoint which of the hotel attributes are most critical in the creation of customer value. This presentation of our findings on the customers' perspectives of the lodging industry's best practices is organized around those two managerial challenges: being able to weigh the relative importance of specific business practices and identifying specific practices for improvement I analyzed that most of the repeat guests that came into my hotel did not bother about the star ratings of my hotel but they more enjoyed the hospitality that my hotel provided them or in other words, it can be said that the guests were very much satisfied with customer care of our hotel. This made me inquisitive about the topic of customer care. What exactly it is and what does it has to do with repeat guests. I did a lot of research on the guests who used to come to my hotel regularly by ways of tracking their Reservation history in my hotel records. I found out that out of every 10 people who stayed in my hotel, 3 to 4 used to come back again. I was lucky enough in having a chat with them and lot of my queries got answered. Most of the guests with whom I had a chat said that they were very happy with the type of service that was provided to them in my hotel. The staff of my hotel used to take personal care of them and was very courteous in their behaviour. They wanted to come back again and again, this is the type of feeling I got when I chatted with them or in other words, they wanted to be loyal with my hotel. This was where; one thing became very clear in my mind that customer care leads to a satisfied customer or customer satisfaction. But, then customer care is provided to everyone in my

hotel, why ain't everyone becomes loyal? This is the negative thinking I had in my mind. Well, when I was chatting with some of my customers', they told me that they had certain level of wants and they wanted those wants to be fulfilled. Sometimes, a hotel intentionally or unintentionally does not pay's attention to those wants and this is where a customer gets unsatisfied. If they get a bad experience, surely they won't like to come back and make sure that they tell other people as well that there stay in this particular hotel was not a good one. After hearing these comments, I strongly started believing that customer care is directly linked to customers' loyalty.

LITERATURE REVIEW

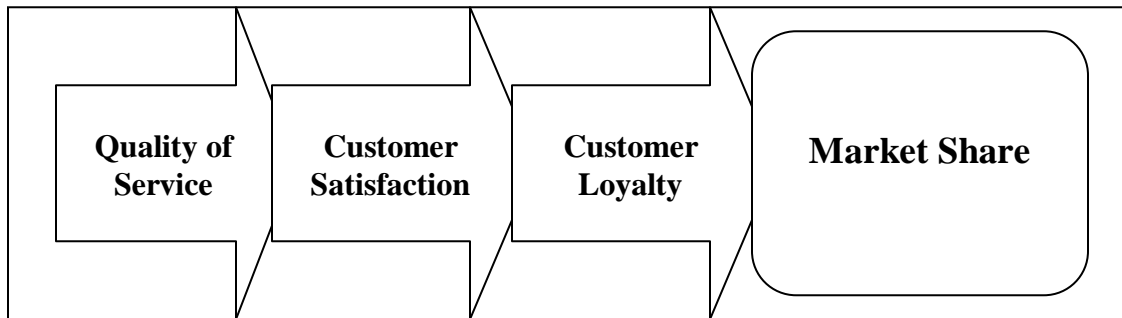
A paper of Rishipal (2012) ensuring customer satisfaction and maintaining long-term relationships with customers have become essential for survival among competitive service industries. In recent years, customer loyalty has been the favorable theme for numerous tourism studies and reports. This paper aims to investigate the changing paradigms of customer loyalty in hospitality sector especially with respect to the satisfaction catered by hotel industry. Exploratory type of study will be conducted by surveying the existing knowledge in the field.

Sehiffman and Kanuk (2016) suggests that consumer decision making varies with the type of buying decision. The decision to buy toothpaste, a tennis racket, a personal computer and a new car are all very different. Complex and expensive purchases are likely to more buyer deliberation and more participants. Assael distinguished four types of consumer buying behavior based on the degree of buyer involvement and the degree of differences among brands. Consumers engage in complex buying behavior when they are highly involved in involved in a purchase and aware of significant differences among brands. This is usually the case when the product is expensive bought infrequently, risky and highly self-expressive. Typically the consumer does not know much about the product category and has much to learn. For example person buying a personal computer may not know what attributes to look for Many of the product features carry no meaning unless the buyer has done son research: "16K memory", "disk storage" "screen resolution," and so on.

Smart companies research the buying decision process involved in their product category. They ask consumers when they first became acquainted with the product category and brands what their brand beliefs are how involved they are with the product, how they make their brand choices and how satisfied they are all purchase.

Kotler (2015) proposes that today, outstanding companies go all out to retain their customers. Many markets have settled into maturity, and there are not many new customers entering most categories. Competition is increasing and the costs of attracting new customers are rising. In these markets, its might costs five times a smuch to attract a new custoemr as to keep a current customer happy. Offensive marketing typically costs more than defensive marketing, because it takes a great deal of effort and spending to coax satisfied customers away from competitors. Some organizations Try to do anything and everything customers suggest... Yet, while customers often make many good suggestions, they also suggest many courses of action that an unactionable or unprofitbale. Randomly following these suggestions is fundamentally different from market focus – making a disciplined choice of which custoemrs to serve and which specific combination of benefits and price to deliver to them.

Customer Satisfaction as a driver of Loyalty – “Keith Page has explicitly explained the importance of the quality of service provided by the organization which satisfy the customer expectations leading towards customer loyalty and in turn market share”.



Excellent quality of service will lead to customer satisfaction, which in turn cements customer loyalty. Therefore if a satisfied customer is a loyal one, market share of a hotel is protected.

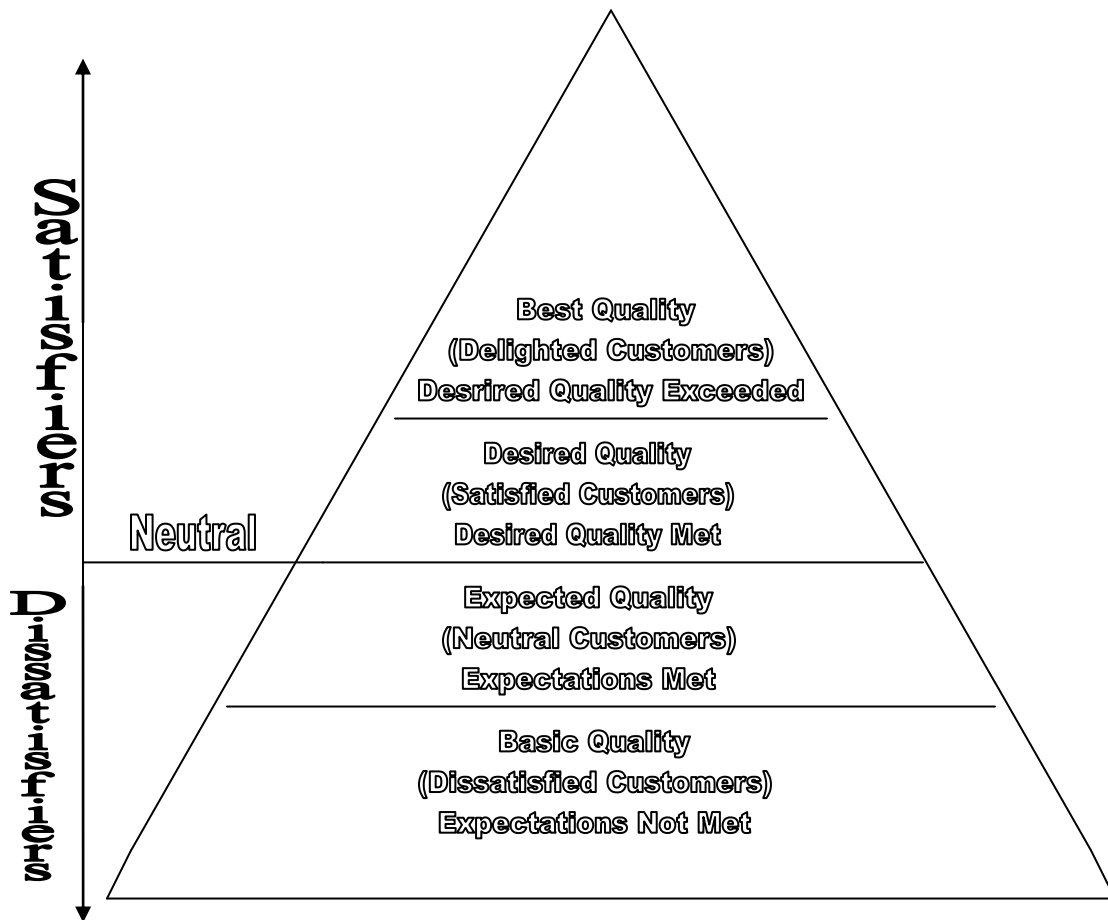
My understanding of the above diagram is that customers have a tendency to incline towards good service. If the quality of service is good, of course, it will satisfy the customer who is being served. The customer then would want to come to the hotel again and again which will lead to his/her loyalty. And finally, it can be said that the real beneficiary of this entire cycle would be the hotel, who will be able to take up a majority chunk of the market share. It has become common place to hear or read statements which maintain that reason for customer satisfaction research is that it indicates how many customers of a hotel are loyal. As customers become more sophisticated in their understanding and requirements of products and services they are less likely to remain the entrenched stalwart of their favorite supplier. Similarly greater the competition, wider the price differentials and broader the service offerings, greater the potential for a satisfied customer to prove to be a disloyal customer. However, within a mature industry, where products and services become commoditized, service and brand identity intertwine to become key drivers of customer loyalty. Purchase decisions based on the quality of device feature prominently in a number of customer satisfaction programmes run by a number of hotels. Verbatim, comments from customers who had left one hotel in the past, only to return because the alternative hotel could not demonstrate an acceptable level of service, indicate the value to customers of brand security. Therefore, it is relatively safe to believe that within a mature market, customer service drives customer satisfaction, which drives customers' loyalty.

SERVICE QUALITY AND CUSTOMER LOYALTY:

There is a very good chance that the customers would really prefer a better level of service, but can't really bring themselves to expect it. According to Mohamed & Sagadevan (2007) 'It's all about customers' has tried to explain the satisfaction and loyalty concept through a diagram. The figure below identifies a potential satisfaction gap, which, when filled, moves a customer from a position of satisfaction with the service to one of delight.

SERVICE QUALITY/LOYALTY PYRAMID:

Loyalty Plus



Loyalty Minus

Shainesh&Sheth (2016) mentions that delighted customers who are positively satisfied are no longer neutral, but very much running with the hotel. The very satisfied, or delighted, customer is well on the way to becoming an advocate of the hotel. This being the case, long-term loyalty will also follow and is confirmed every time they experience the hotels quality of service. Customers as advocates will tell friends and other business associates just how good a hotel has taken their care”. The diagram above gives you a good explanation.

DATA ANALYSIS AND DISCUSSION OF FINDINGS:

I start off with my findings of **Guests** of these three hotels that I had chosen for the survey. They are Hotel Radisson, Hotel Le Meridien and Hotel TajPalace. In all, there were 45 questionnaires that were made for the survey process but I managed to get the feedback from only 35 as there were some guests who did not wanted to fill up the questionnaires. There were in all 8 questions in the questionnaire that the guests had to answer. I managed to get quite an amount of information and here are its results.

Guest Services	Excellent	Good	Satisfactory	Unsatisfactory
Handling of Reservation	5	13	20	7
Airport Transfer Service	7	19	13	6
Doorman’s welcome	29	12	3	1
Check-In	2	5	30	8
Handling of Baggage	6	17	14	8

Message Handling Service	6	21	12	6
Check-out	29	10	4	2
Telephone Services	34	5	5	1
Concierge	9	28	3	5
Quality Of Rooms	Excellent	Good	Satisfactory	Unsatisfactory
House-Keeping	13	17	11	4
Furniture & Fittings	10	21	12	2
Bathroom	5	14	21	5
Working Area	3	17	19	6
Lighting	8	20	15	2
Privacy	7	16	20	2
Facilities	Excellent	Good	Satisfactory	Unsatisfactory
Business Centre	16	18	9	2
Health Club	8	22	11	4
Swimming Pool	24	12	7	2
Travel Desk	2	9	31	3
Hair Line/Barber Shop	18	14	10	3
Food/Beverage & Service	Excellent	Good	Satisfactory	Unsatisfactory
Coffee Shop	11	22	10	2
Bars	19	18	7	1
Restaurants	16	20	7	2
Discotheque	29	11	3	2
Room Service	4	23	12	6
Staff Attitude	Excellent	Good	Satisfactory	Unsatisfactory
Friendliness	12	18	11	4
Handling of Problems	16	17	9	3
Promptness	10	24	9	2
Value for Money	Excellent	Good	Satisfactory	Unsatisfactory
Accommodation	14	22	6	3
Food & Beverage	17	20	6	2
Overall Experience	13	21	8	3

ANALYSIS:

Above, you can see the results of the findings that I had done in three hotels of my choice. I start off with the analysis of the above data.

Starting with guest services, it seemed that a lot of guests were happy with couple of services that the hotel was providing such as Doorman's welcome, telephone services, and check-out. Well, my comments on this would be that 5 star hotels usually are very good in making the very first impression right leaving their mark on the guests. Also, services that generate extra revenue for the hotel are off-course promoted by the hotel and that is why, telecommunication is very good in 5 star hotels. One very significant thing that I noted was, a lot of guests putting thereticks in check-out box. Well, I found out that hotels usually want to resell their rooms again as normally they can't afford to keep it vacant for long time. So, I can say that this is the reason why check-outs are so fast. On the other hand one can clearly see in the cases of Check-in and baggage handling the list of people in the 'unsatisfactory' column was also high. My comments would be that usually hotels are quiet lazy in handling too many guests at one time especially when there is a mass check-in so this could be one reason of so many people unsatisfied with their check-ins. Also, baggage handling is one area which is directly

proportional to check-ins. So, if there is a lot of check-ins there will be a lot of baggage which will lead to delays and chaos. Finally, I would say that guest services could have been improved if the hotels had a check, because customers usually remember bad experience better than good experience.

Coming to Quality of Rooms, a lot of people had put their tick marks in 'good' and 'satisfactory' column. I would say that the reason for this could be that the guests wanted to be intermediate i.e. neither they like nor they hate something very much. This was rather a very bold thinking that I gave, but if one sees very closely, it seemed that a lot of guests admired the lighting and the furniture and fittings provided by the hotel. Well, I would say that 5 star hotels usually take care of their exteriors as well as interiors such as maintenance, artificial lights, wooden work etc. On the other hand, a number of guests were 'satisfied' with the type of bathrooms and their privacy. The very fact a lot of guests had put their ticks in the satisfied column proves that they wanted these two areas to be in the top priority. At the end, I would say that Quality of Rooms could have been greatly improved, by keeping in view a guests priorities like by just providing guests a little more attention and more space and room, where they can spend time on their own without being disturbed.

Coming to facilities, I would say that response was not very bad. One very important thing that I analyzed in this was a lot of people putting their ticks in 'Excellent' and 'Good' column. Well I would say that this shows the degree of happiness that people actually wanted to list down. The rate of guests satisfied and unsatisfied really went down which clearly showed that guests were quiet happy with the facilities of the all these three hotels. So, at the end I would say that even though not a lot of guests were dissatisfied, still there were areas which needed attention. Only if attention was given on the services of health club and travel desk, things would have been much better.

Coming to F & B/Service, one can see that the 'excellent' and 'good' column's results were quiet good. Guest's seemed to be very much happy with the eating and drinking places in the hotel. My comments would be that in today's competitive world, hotels usually score on each other through f & b and the type of service that they provide to their clients. The number of guests putting ticks in 'satisfactory' and 'unsatisfactory' columns greatly declined.

Coming to staff attitude, I would say that guests quiet liked the attitude of the staff towards them as one can see through the number of ticks in 'Good' column. Well, what I presume is that staff in 5 star hotels is taught to be polite with their clients and this is the main reason why so many guests were happy with the staff. Finally, I can say that even though guests quiet liked the attitude of staff towards them, their were some guests who were just 'satisfied'. The number of ticks in that column is not less and hence can't be ignored. A little more attention towards staff behaviour could have gone a long way in leaving an impression on the guests.

Last but not the least, value for money is I think the most important concept in this whole questionnaire. Well, I think that guests had a good experience as one can see through the number of people in the 'good' column. There were also quiet few guests in 'excellent' column which clearly depicts guest's choice. The number of guests putting ticks in the 'unsatisfactory' column greatly declined but one can't ignore the 'satisfactory column'. A hotel can only win its customers confidence by giving him/her a memorable experience.

CONCLUSION:

To conclude this research paper, I would say that definitely 'customer care is important in bringing back repeat businesses. To understand the genuiness of this statement, the author has presented the results of his research in the 'Analysis and Discussion of findings'. The author in his whole research ha

tried to investigate that 'how customer care can make a customer loyal'. For giving a holistic idea, the author has researched both customers and staff of a hotel, to understand that how much relevance do they give to the topic of 'customer care'.

Organisations should develop the culture of total employee involvement towards providing total satisfaction to customers. In today's con-text of ever-increasing customer's expectations, customers expect their needs to be satisfied in total and not partially. For the purpose of providing total satisfaction, active and visible involvement of every employee from top to bottom in the hierarchy is needed. The organisation should motivate each employee by impressing upon them the need for their commitment in rendering total customer satisfaction. This would obviously help maintaining customer retention.

Organisations should focus attention on former customers and lost customers. Some organisations consider former customers as lost customers but the fact is that all the former customers need not be lost customers. Effective measures are to be put forth to convert former customers and lost customers into present customers. This obviously requires a mechanism to find out the dissatisfaction scores, attrition factors and related aspects with regard to the former and lost customers. And this attempt should be on continuous basis.

Organisations should practice total quality marketing with emphasis on internal marketing. Effective internal marketing practiced would indicate the quality standard of the input process, output, and other related aspects as viewed by the organisation's internal customers. This would enable the organisation to initiate steps to improve the practice, procedure, process and performance of people associated with external customers. This attempt would obviously contribute to-wards customer retention.

Organisations should encourage regular customer contact programmes. This would enable customers to take active part in the organisation's activities and that will lead towards customer partnership. This would further lead to increase the retention.

Organisations should think in terms of customer segment specific strategies which would focus the attention of specific requirements of each segment. The customer retention would then improve.

Finally to summarize, I would like to say that definitely customer care has a strong link to customer satisfaction which ultimately is linked to customers' loyalty. A customer can only become loyal if he/she is satisfied and a customer can only become satisfied if he/she is proper looked after or taken proper care off. So, I conclude by saying that 'customer care is really important in bringing back repeat business'.

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