HOTEL MANAGERS' PERCEPTION TOWARD

RELATIONSHIP MARKETING:

A CASE STUDY OF ANTALYA

By

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CHAPTER I

INTRODUCTION

Relationship Marketing

The lodging industry in general and the resort type lodging industry in specific are under tremendous competitive pressure. In order to be effective at what they do (i.e., serve their customer), and efficient at how they do it (i.e., at the highest quality with the least amount of resources) they have to be more proactive in their operations. The traditional notion of "learn from your mistakes as you go" is replaced with "do it right the first time and be absolutely consistent in doing it throughout". The main ingredients of success in the lodging industry as is the case in other service industries have been to acquire and to retain customers. The acquisition and retention of customers require identification, understanding and utilization of their likes and dislikes, which can only be accomplished through building close, one-on-one relationships with them.

Not very long ago, just a few decades before, companies, both service as well as product driven, focused on improving their offerings goods or services with the hope that whatever improvement they came up with, in their research and development departments, it would appeal to a sufficiently large customer base to support their businesses. The important thing for them was to sell their offerings to as many people as possible by assuming and hoping that their product features, developed by their innovative research group, would be received more favorably by their existing and potential customers compared to their competitors'. Then, in the 1980's, because of the

stiff competition, the target marketing took a "behind closed doors" product or service development approach by asking the customer what they want, tailoring their offerings accordingly, and marketing their offerings to appropriate particular market segments using specific messages. This helped companies to increase their response rates. In the 1990's, another era began, the era of relationship marketing. The main purpose of relationship marketing was to develop and maintain a relationship with individual customers and have two-way dialogue between customers and companies. Finally, in recent years, Customer Relationship Management (CRM) came along. The only difference of CRM from relationship marketing is the utilization of information technology to improve and semi-automate the labor-intensive aspects of relationship marketing (Goodhue, Wixom, and Watson, 2002).

Relationship marketing has many different aspects. Cross-selling and up-selling are two of them. Cross-selling is defined as selling a product or service to a customer as a result of another purchase. Up-selling is to motivate existing customers to buy more profitable products. For example, asking a customer at a burger joint whether he (or she) wants to super-size his meal. Another aspect of relationship marketing is to understand the importance of customer retention. Because acquiring new customers is more expensive than keeping the existing ones, companies spend millions of dollars to find out not only which customers left, but also which customers are most desirable and should be kept. Using "likely to churn" technology, which is personalized, tailored marketing interaction designed to motivate the customers who are likely to leave, helps to give companies a chance to keep their customers. Behavior prediction helps companies to determine what customers are likely to do in the future. The behavior prediction analysis

includes: propensity-to-buy analysis, next sequential purchase, product affinity analysis, price elasticity modeling and dynamic pricing (Feiertag, 2004).). This analysis helps companies to understand how customers are likely to behave, thus they can make decisions for the future.

Channel optimization is another facet of relationship marketing. Understanding the channels through which specific customers prefer to interact with the company and deciding how best to communicate with the customers are core components for channel optimization (Goodhue, Wixom, and Watson, 2002). Personalization can tailor messages to individual customers, accessing personal data each time the customer visits the site and using it to create custom content. By using customer profile data, click stream data, past purchases and Web survey responses, companies are able determine what product the customer is most likely to purchase (Feiertag, 2004).

Relationship marketing focuses on getting and keeping customers. It is also concerns with customer loyalty because there are significant benefits of retaining customers, involving long-term cost effective links between an organization and its customers. Customer loyalty is the basis for relationship marketing because retaining customers over their life will contribute to enhanced profitability. Many hotels offer loyalty programs to encourage customers to enter lasting relationships with them by rewarding them for patronage. They also try to gain higher profits by retaining high value customers, as well as through product usage and cross selling. Loyalty-based marketing shouldn't be confused with short-term price promotions, because the latter one focuses on a sudden burst in sales. They may have a dramatic effect on sales, but it isn't proven that they have a positive impact on customer loyalty. To improve the relationship with guests,

a hotel must treat them fairly, enhance their core service by adding extra value and provide a highly customized service for each guest. A good management should ensure that current customers are satisfied with their products and services, and they should also try to entice new customers from their competitors. Since customer retention has a direct impact on profitability, many organizations spend time and money for developing strategies to retain their customers. Price is the one of the factors that influences customer choice. The others are recommendation from friends, past positive experiences and a close relationship with a particular hotel or restaurant.

The hotel industry is not a business of talking people into buying just one time. On the contrast, it is a business of building relationships with guests so they become loyal to a property or a brand. There are eight skill areas that are necessary to develop and implement in professional selling. Those eight skill areas are preparation, targeting, connecting, assessing, solving, committing, assuring and managing. It is important for the hotel industry to use those skills effectively in order to build log-term relationships with their customers (Feiertag, 2004).

Definition of CRM

As customers get more educated and demand more, and as competition increases everyday, firms choose to focus more on customers than on products and services. Relationship marketing and CRM are the result of such increased competition. More companies realizes that strong and personal relationships with their customers make a difference in this highly competitive marketing environment.

Until recently, most of the vendors focused on their products and their marketing campaigns. But after relationship marketing emerged in 1990, they began to focus on

developing and maintaining a relationship with individual customers. This relationship

marketing also relied on a two-way dialogue between companies and their customers.

However, one important handicap for this relationship was the high cost of labor to

provide it. CRM has different meanings for different companies. Some companies think

of CRM as creating offers to customers based on their past behaviors and demographic

characteristics, while the others think CRM means giving service representatives to

increase profitability. To optimize interactions with both prospective and current

customers, it is an important factor for companies to collect, store and manage data on

every interaction with their customers. Those data may come from a salesperson, a Web

page or a call center (Goodhue, Wixom, and Watson, 2002).

Tourism in Turkey

Turkey has become one of the most popular tourism destinations in Europe. It is a

country that, for many centuries, played the role of a bridge between Europe and Asia as

a cultural and economic engagement point. For many years, Greece and Spain have been

the premier choice for "summer and sun" tourism in the Mediterranean. In the last couple

of decades, Turkey has been the emerging popular tourist destination. Table 1 provides a

picture of the evolution of tourism in Turkey. The first column shows the time dimension,

years from 1984 to 2005, the second column shows the number of foreign visitors, the

third column shows the percent increase of the number of foreign visitors, the fourth

column shows the total tourism revenue from international visitors in U.S. dollars, and

the fifth column shows the percent increase of the total tourism revenue from foreign

visitors. The numbers presented in this table are obtained from the public records of the

Tourism Ministry of Turkey.

Table 1: Number of Tourist Arrivals and Turkey's Tourism Revenue

Year	Number of Tourist Arrivals	% Change	Total Tourism Revenue (in US$)	% Change
1984	2,117,094	-	840,000,000	-
1985	2,614,924	23.51%	1,482,000,000	76.43%
1986	2,391,085	-8.56%	1,215,000,000	-18.02%
1987	2,855,546	19.42%	1,721,100,000	41.65%
1988	4,172,727	46.13%	2,355,300,000	36.85%
1989	4,459,151	6.86%	2,556,500,000	8.54%
1990	5,389,308	20.86%	3,225,000,000	26.15%
1991	5,517,897	2.39%	2,654,000,000	-17.71%
1992	7,076,096	28.24%	3,639,000,000	37.11%
1993	6,500,638	-8.13%	3,959,000,000	8.79%
1994	6,670,618	2.61%	4,321,000,000	9.14%
1995	7,726,886	15.83%	4,957,000,000	14.72%
1996	8,614,085	11.48%	5,962,100,000	20.28%
1997	9,689,004	12.48%	8,088,500,000	35.67%
1998	9,752,697	0.66%	7,808,900,000	-3.46%
1999	7,487,285	-23.23%	5,203,000,000	-33.37%
2000	10,428,153	39.28%	7,636,000,000	46.76%
2001	11,618,969	11.42%	10,066,500,000	31.83%
2002	13,256,028	14.09%	11,900,900,000	18.22%
2003	14,029,558	5.84%	13,203,100,000	10.94%
2004	17,516,908	24.86%	15,887,700,000	20.33%
2005	21,122,798	20.59%	18,312,786,000	15.26%

1984-2005 [Source: Tourism Ministry of Turkey].

With the increasing demand, the supply also increased. The lodging industry in Turkey has become a very competitive market. Competing in this market requires a close and personal relationship with customers. The main purpose of relationship marketing and CRM driven initiatives is to establish this kind of personal relationship with customers.

Turkey has great potential in the tourism industry, but it still has problems with collecting and distributing tourism information (Egeli and Ozturan, 2001). They are good at making constant relationships with their customers, but still don't have a good data infrastructure. That is why CRM is not used by most of the hotels and resort hotels. One

of the biggest tourism companies, "Koc Tourism Group," just decided to implement

CRM after choosing Oracle as a consultant (Turk.internet.com). They are pioneers among

the Turkish tourism companies as a result of this decision to implant CRM.

The definition of "customer" in the hotel and resort industry in Turkey has

changed since the mid 1990's. In the early days (prior to mid 1990's), the major tour

operators accounted for more than half of the total number of tourists and almost half of

the total tourism revenue (Karamustafa, 2000). This trend is gradually changing.

According to the latest statistics (Ministry of Tourism in Turkey, 2005), the proportion of

major tour operators is now less than one third of the total number of tourists and total

tourism revenue.

Research Objectives

The primary purpose of this research is to analyze the current usage of relationship marketing and potential application of customer relationship management in Turkey's lodging industry. More specifically, the objectives of the study are:

1)   To asses hotel managers' perception towards RM in Turkey's lodging industry;

2)   To find out if there is a GAP between hotel managers' perception towards importance and performance of RM applications in Turkey's lodging industry;

3)   To identify the relationship between hotel managers' perception towards RM and hotel properties' characteristics and hotel managers' demographics;

4)   To identify the impact of hotel managers' perception towards RM performance on likelihood of using RM; likelihood of recommendation of RM; and, likelihood of continuing use of RM;

5)   To explore if there is an impact of likelihood of continuing use of RM and familiarity with CRM on likelihood of implementing CRM in the future;

6)   To asses the relationship between importance of RM and performance of RM and hotel properties' characteristics; and

7)   To asses the relationship between importance of RM and performance of RM and hotel managers' demographics.

CHAPTER II

LITERATURE REVIEW

Relationship Marketing

The goal of relationship marketing programs is to deliver the highest possible customer satisfaction. The important and critical thing for companies is to deliver performance which matches or exceeds customer expectations. Because competition gets more intense, hotels depend more on relationship marketing. There is little differentiation among products in the hotel industry. For example, general managers of a Sheraton in Asia were shown pictures of hotel rooms from their hotel and three competitors. They were given a list of eight brands from which to choose but most of them couldn't identify even their own hotel's rooms. The difficulty experienced by hotel brands as a result of having almost the same physical attribute is a major factor that drew the industry's attention to relationship marketing in the 1990's. The major purpose of relationship marketing is to build customer loyalty. It is interested in customer loyalty more than pure economics and product attributes (Bowen and Shoemaker, 2003).

According to Yesawich (1991), who projected the importance of database marketing and/or CRM in 1991, the lodging industry should start building true customer relationships by having the following: First, a database, which is an automated file of consumption information on guests with whom a hotel wants to build a relationship. Second, a consumption monitor, who helps hotels track the consumption patterns of the guests with whom they intend to create a relationship. Recognition of important customer

characteristics is the third one, because a relationship begins and grows with true recognition. It is an essential part of relationship building. Fourth, the effective reward system is used to build marketing relationships along with recognition. It doesn't matter what form it has, reward is essential to support purchase behavior. Last, is an ongoing communication, which is the most important element, because the others are not meaningful without maintaining communication between the two parties (Yesawich, 1991).

Trust and commitment are the heart of relationship marketing. According to relationship marketers, the future of buyer-seller relationships depends on the commitment made by the partners to the relationship. Trust is considered important to commitment and long-term relationship marketing. When a hotel holds a block of rooms at a reduced corporate rate, they make a short-term sacrifice, because those rooms might be sold at a higher rate if the block were released, but earn a long-term benefit of working with a regular customer. The network and interaction theorists explain trust as a social bond between the parties (Turnbull and Wilson, 1989). It is viewed as a valuable advantage in a relationship. Trust is perceived as reducer of uncertainties and risk. It also considered a key variable for relationship success (Morgan and Hunt, 1994; Kemp and Ghauri, 1998; Boersma et al., 2003).

Benefits help customers to make a commitment to hotels. For a customer to see a relationship with a hotel as valuable, that relationship must provide that customer some benefits. For example, Sheraton revised its housekeeping system to let its Sheraton Club International members to check out as late as 4.00 PM. A committed customer might be more likely to buy food and beverage from the hotel with which he has strong

relationship. On the contrast, the guest who doesn't have a relationship with the hotel will be more likely to eat outside rather than the restaurants of the hotel. A committed customer, or a loyal customer, is very important for hotels because they are valuable customers. A valuable customer returns to make repeat purchases, purchases more of the hotel's products and services, and participates in partnership activities. Loyal customers provide information to hotels. Some of them might serve on an advisory board. The other important factor about loyal customers is that they have less sensitivity to price changes. Benefits and trust are a major element of loyalty. They are also at the heart of relationship marketing. So by having a good relationship with guests, by providing benefits and trust, hotels may have more loyal customers who result in more revenue (Bowen and Shoemaker, 2003).

According to Venetis and Ghauri (2004) relationship commitment determines the long-term retention of customers. Although service quality are seemed to be positively related to customer retention not much known about its impact on customers' relationship commitment. Since commitment is a dynamic concept, the link between service quality and customers' commitment may not be simple. Finally they define relationship commitment as a partner's intentional continuation of a business relationship. It not only refers to future intentions, but also makes a committed relationship different from a simple transactional relationship.

The principle underlying relationship marketing is so simple: If a hotel recognizes repeat customers, rewards them for returning and engages them in two-way dialogue, they will be prompted to come back. This concept is important to the lodging industry for many reasons. First and most importantly, the purchase cycle among heavy consumers of

hotel rooms is short and has weak repetition. Second, customers provide crucial information about themselves every time they consume in the lodging industry. Third, according to existing research, 60 percent of business travelers are visiting the destinations on their journey for the first time. Those three reasons suggest that it is easy to build a relationship with guests. But the important thing is that going beyond the essential demand, that all guests be given excellent service (Yesawich, 1991).

Understanding Customer Relationship Management (CRM)

Customer Relationship Management definitions range from theoretical to practical, such as; CRM is a philosophy which anticipates customer needs in order to provide the right product, in the right place and at the right time. It is an investment in the operating core of a company's interaction with customers. It is a strategy that aligns certain aspects of the business strategy, organizational culture, structure and information technology with customer interactions to the long term satisfaction of the customers and to the benefit and profit of the organization. It is a set of leadership communication activities between the customer service representatives and the customer. It is also known as computer program that can measure simple contact management to produce a seamless flow of integrated marketing, sales, and customer service information consisted of sophisticated database applications (Defauo, 2003).

Managing customer relationships was not difficult in earlier times because merchants knew their customers' taste. But as cities grew, companies became larger and people became more mobile, the close relationship between merchants and customers eroded. Nowadays, many companies are working hard to get closer relationships with

their customers by capturing internal and external data and analyzing that data to find their customers' needs and preferences.

The goal of Customer Relationship Management is to align customer strategies and business process for long term customer loyalty which results in profitability of companies (Rigby, Reichheld, and Schefter, 2002). Customer relationship management related customer strategies are tailoring the physical product and service delivery process to the needs of customers and the preferences of individual customers. These strategies also include developing customized marketing communications at the individual customer level (Haley and Watson, 2002). Many hotel organizations implement one or all of these customer strategies. For example: Radisson International identifies three components in its customer relationship program which are recognition and personalized service, incentives and customized dialogues (Adams, 2001). Rosewood Hotels and Resorts send questionnaires to its guests before they arrive and ask their preferences such as pillow type or beverage type in the mini bar (Marsan, 2000).

Since CRM covers the entire organization, lack of buy-in, planning, training and overall leadership may result in failure. To help CRM to succeed in any organization they should remember four basic tips: First, sharing vision and training the employees are important factors for the success of CRM. Key leaders should discuss the corporate vision of how they want CRM to achieve goals. They should also train their employees and give them more decision-making power. Second, planning on all levels to support and get perspective is another way to have successful CRM. Organizations should get feedback from the staff about their current interaction with customers and their future plans about delivering better service. Third, using data to enhance ROI, which is the other

tip for successful CRM, happens by enhancing the guest experience with CRM

technology and leveraging marketing strategies. Fourth and finally, measuring constantly

and fine-tune strategies helps facilitate better business decisions with regards to CRM. By

keeping thorough contact history for each customer and tracking when, how and what

their response was for each communication they can take advantage of CRM (Holm,

2003).

An effective CRM effort needs to address three CRM components: First,

applications; second, infrastructure; and third, transformation. Some companies may have

an urgent need for specific CRM application and a quick benefit may help them. The

most popular applications are database marketing, telephone call centers, Web marketing,

direct mail campaigns, field sales, Web self-service, Web portal and e-mail marketing.

Underlying technical infrastructures of CRM applications provide computing power,

telecommunications links to connect applications to each other, and logical data

consistency to help the applications share information. Storing a large amount of data is

not enough, so CRM applications need to be able to tap into that data. This requires a

data infrastructure which incorporates common data models. CRM requires a change in

organizational culture and business practices. However, it is very difficult to change

organizational culture. The changes includes more than information systems to business

processes, incentive structures, organizational structures and employee roles (Goodhue,

Wixom, and Watson, 2002).

CRM became the next big thing when companies realized that the labor intensive

process of relationship marketing was becoming too costly, and can be improved by

utilizing information technology. CRM is an important topic in the fields of marketing

management, information strategy and business strategy. It reflects a number of different perspectives, and sometimes it is described as marketing forms such as; quality management, database marketing, customer partnering, service marketing, customer retention, customer loyalty and customer share (Rich, 2000). According to the recent literature, the lodging industry in the U.S.A. uses CRM for the following benefits: to gain new customers for the organization; to make the best from the existing customers; and to retain the customers for a longer life cycle (Piccoli, O'Connor, Capaccioli and Alvarez, 2003). CRM differs from traditional marketing because traditional marketing has a short-term transaction approach while CRM has a long-term relationship with the customers. Despite its limitations, CRM is still a new and a very hot topic in today's competitive business world and the indication is that it will become a much necessary course of action for the future of the lodging industry in U.S.A. (Adams, 2001).

The important objective for CRM is to increase the lifetime value of customers. RFM (recency, frequency, and monetary value), a model used to measure the lifetime value of a customer is based on three empirically based principles; customers who purchased *recently* and *frequently* and who spend the most *money* in total are more likely to buy again. By having an RFM score, companies can determine the lifetime value of a customer because customers with a high RFM score usually have the highest lifetime value (Ivey, 2001).

There is a four-step process which is the core of CRM. In the first step, companies should *identify* their customers; second, they should *differentiate* their customers in terms of both their needs and their value to them; third, they should *interact* with their customers to improve cost efficiency and the effectiveness of their interaction; in the

fourth and final step, they must *customize* products and services for their customers
(Harvard Management update, 2000).

Even though, CRM has many potential benefits for the lodging industry in Turkey
(as well as everywhere else), it still has some limitations for adoption. First, it is
expensive for hotels to develop and maintain a customer database. Second, it is difficult
to change an organization's culture, philosophy and existing methods. CRM is not just
software, it is also thought of as a cultural change. It might take time for employees to
adjust to CRM, but building a case for change, holding regular meetings across all
departments, keeping staff in the loop, encouraging them to speak up, supporting the
managers leading the CRM, and informing clients about customers as the middle
approach may help organizations to smooth the transition (Stimpson, 2003). Finally, it
generates a problem called "data-ownership dilemma" (Tourniaire, 2003). The latest
occurs among the brand, the management company and the owner. CRM helps the brand
to make an important competitive move in the lodging industry market. But the brand
may have a problem by data sharing with management companies and owners. Because
the brand may risk the loosing their high value customers to some of its partner
management companies operating individual properties. Management companies usually
have little incentive to support brand-level CRM initiatives by contributing data about
customers and therefore they don't cooperate with brand-level CRM initiatives.
Management companies and owners face the same dilemma about whether to participate
in brand-level CRM initiatives or not. Owners also may want to use the data for their
operational purposes (Tourniaire, 2003).

One of the CRM service providers in the lodging industry is Hospitality

Marketing Concepts, which is the leading solution provider of loyalty membership

programs called Club Central CRM. This Web-based Customer Relationship

Management application, specifically designed for the hospitality industry, gives

hoteliers the marketing opportunity to help them get ahead of their competition. By using

Club Central CRM, hotels can collect and manage client information, identify key clients

and communicate with target segments (HMC, 2005). When Radisson Hotels and Resorts

discovered that they were loosing their market share, they decided to take a different

marketing approach. They pursued data driven infrastructure changes initiated and

developed by the corporate information technology division. First, they moved all

Radisson franchisees to a common suite of applications for reservations, operations and

guest tracking. Second, they developed an enterprise data model and a common data

dictionary. By the end of 1999, Radisson Hotels and Resorts had a substantially

integrated data infrastructure in place. This initial infrastructure helped the new Director

of CRM in Radisson's marketing department to launch a data-intensive customer loyalty

program, which had became a tremendously successful incentive system in the travel

market (Goodhue, Wixom, and Watson, 2002).

Research Findings of CRM

The Data Warehousing Institute (TDWI) had a survey of more than 15,000

companies in 2000 and found that 91 percent of those companies either have CRM or

plan to deploy a CRM solution for the future (Goodhue, Wixom, and Watson, 2002).

According to Goodhue, Wixom, and Watson (2002), there are three important CRM

targets: first, applications- which are an individual CRM application helping to deliver

business value, second, infrastructure-data, hardware and software which supports CRM applications, third, transformation that are made possible through comprehensive CRM efforts. They also believe that companies should have a clear vision about CRM targets and they should understand and address the issues associated with them. This is really a critical issue for the companies because the TDWI survey also found that 41 percent of these companies with CRM projects are having problems and some of them are even getting closer to failure.

Dull (2001) surveyed 500 executive managers from over 250 companies in six industries and identified three important CRM capabilities which result in the highest return on sales. Those are: first, giving customer service; second, converting information into insight; and third, motivating and rewarding people.

Research indicates that one reason CRM fails is that most executives simply don't understand what they are implementing, how much it costs or how long it will take. There are four important factors which companies should be aware of when they implement a CRM. First, they should create a customer strategy before they implement CRM; second, they should create a customer-focused organization before they install CRM; third, they can manage customer relationships in many ways and the objectives of CRM can be fulfilled without huge investments in technology; last, companies should not stalk their customers and they should avoid wooing their customers. There is a hope for unsuccessful CRM implementations, because companies can usually recover from their failures with their second or third attempts at implementing CRM. A successful CRM depends more on strategy than on the amount companies spend on technology. A good strategy results in a competitive advantage and superior performance. The only way

companies can make CRM work is by helping employees to understand their customer strategy before they implement the technology. They also should effectively lead and manage change by showing CRM support teams how to accomplish their goals through new processes (Rigby, Reichheld, and Schefter, 2002).

Lin and Su (2003) had a research which performed a field study to explore how high quality hotel enterprises in Taiwan can improve the relationship between themselves and their customers. There were 19 responses from the 19 highest quality hotel enterprises. The findings from this study were interesting. First, only 68% of the respondents had done well collecting customer knowledge. Second, most of the respondents had a large proportion for customer-connective technologies. Third, the respondents demonstrated that they understood the distribution of the customer relationship value. The strategic opportunities for high quality hotel enterprises hotels in Taiwan to leverage customer knowledge and to create value for customers may be used for further quality improvement and enhancement of customer satisfaction (Lin and Su, 2003).

According the survey conducted by CRMGURU.com and Florida State University in 2001, 29% of 805 respondents are using CRM solutions. The rest of the sample is implementing, developing, selecting or researching progress. Respondents' companies in the initial stages of CRM implementation state that their systems are more customer driven than those who have a current CRM solution.

Satisfaction and Attitude

Consumer decision about marketing organizations is to be guided by customer satisfaction, perceived service quality, perceived value, trust and commitment. These

evaluations are believed to summarize consumers' knowledge and experiences with a particular firm. Overall satisfaction is an overall evaluation of a customer based on total purchase and consumption experience with service or a good over time. Trust is generally viewed as a subject for a successful relationship. It is confidence in the exchange partner's reliability and integrity. Research indicates that the psychological benefit of trust and confidence are more important than social benefits or special treatment in relationship management. Commitment is believed to be an important ingredient for a successful relationship. According to Garbarino and Johnson (1999) commitment has three components: First; an instrumental component that is a form of investment, second; an attitudinal component described as effective or psychological commitment and last; a temporal dimension which indicates that the relationship exists over time. They also argue that there is a strong statistical relationship among overall satisfaction, perceived service quality and perceived value.

According to business marketing literatures satisfaction is an important but not a necessary condition for a party to be committed to the relationship. In some cases, a customer continues the relationship not because he/she satisfied but the quality of the available alternatives so bad. Ganesan (1994) argues that satisfaction directly relates to a party's relationship commitment. Halinen (1996) and LaBahn and Kohli (1997) examined the impact of satisfaction on commitment and they found that satisfaction related to customers' relationship commitment. On the other hand, Morgan and Hunt (1994) argue that satisfaction doesn't contribute significantly to a party's commitment in relationship with structural ties, trust and shared values.

According to Romano (2000), companies should explore and refine CRM knowledge management to have value-added knowledge for themselves and their customers, and understand attitudes and preferences along with customer purchasing patterns and trends. Level of customer service, customer-related knowledge and customer satisfaction are especially regarded as significant in retaining the competitive advantage of a firm (Stefanou and Sarmaniotis, 2003).

Customer Service Quality and Customer Retention

Service quality is considered to be a critical success factor for the service industry, just like hotels, because; first, it has service differentiation and competitive advantage to attract new customers as well as contribute to market share and second, it is viewed as a factor for customer retention. Service quality has an effect on the potential start of a relationship. Since it has a positive effect on customers' repurchase intentions, it leads to more interactions. Service excellence enhances customers' preference to buy more, to buy again, become less price sensitive and to look for other services (Venetis and Ghauri, 2004).

Different kinds of relationships was identified by Jackson (1985) ranging from transactional relationships to relational exchange relationship. For transactional relationship, a customer's first priority is price. He/she also uses multiple sources of supply and switches suppliers frequently over time. Exchange relationship occurs when a buyer and a supplier develop a long-term relationship. Even though the relationships are more than a plain sequence of transactions over time can be illustrated relationships in service markets they don't mean that a "real" relationship is created (Dywer, Schurr and Oh, 1987). According to Sharma (1994) and Yorke (1990) relationships go through

several stages before they can be called a long-term relationship. They emphasizes that each stage of relationship are different processes and the degree of relationship commitment between partners characterizes the last stage.

Hotels which offer good service quality improve their market share and profitability. Because the hotel industry is highly competitive, hoteliers should find ways to make their products and services stand out among the other hotels. To accomplish this goal they must understand their customers' needs and then make sure that their service is directed toward meeting these needs (Nadiri and Hussain, 2005).

Because of increased importance in the service sector, quality is defined from a customer's perspective. The widely used definition of service quality is to meet customers' expectation which is identified by Parasuraman et al. (1985). In their review of service quality, they developed an instrument called SERVQUAL to measure service quality. That instrument is based on a gap model which suggests that the gap between customers' expectations and their perception of performance make the perception of service quality (Juwaheer, 2004). According to Cronin and Taylor (1994) performance-only (SERVPERF) explains more of the variance in overall service quality than SERVQUAL instrument. In Nadiri and Hussain's research, they wanted to find the perceived service quality of European customer to determine the customer satisfaction level in North Cyprus hotels For their research, they had SERVOUAL as a measurement of service quality which based on the difference between the customer's expectations of the service quality and his or her perception of service quality and they had SERVPERF as a performance-only measurement of service quality (Zhou, 2004). Their research explored that the SERVPERF scale successfully maintains its reliability.

Long-term customer retention and long-term relationships with customers bring so many benefits. The most important one is the increased effectiveness between parties. Therefore better quality can be delivered at lower transaction cost. Service quality not only affects subsequent service transactions, but also enhances the building and maintenance of long-term customer relationships (Rust and Zahoric, 1993).

What is Importance and Performance (I-P) Analysis

Importance and performance analysis was introduced by Martilla and James in the 1970s. This analysis helps firms to decide which aspects of the marketing mix they should pay more attention to or which marketing mix for which they shouldn't consume too many resources. For the analysis, the I-P matrix is divided into four quadrants to distinguish between high and low performance and between high and low importance. If a firm's performance is high for the important variables, they "keep up the good work" according to I-P analysis. If that firm has high performance for no important variables it indicates "possible overkill" for those areas (Weber, 2000). The most critical quadrant for firms are "concentrate here" which means importance is higher than performance for some variables. Marketers shouldn't worry about "low priority" because both performance and importance are low for this quadrant (Martilla and John, 1977).

To examine meeting planners' perception of the performance of three hotel chains Weber (2000) used I-P analysis. This study explored that meeting planners rated certain hotel practices more important than the hotels' physical attributes. Her findings about the strength and the weaknesses of Hyatt, Marriott and Hilton can help those hotels to have marketing strategies with regard to their strengths and their weaknesses.

Another study has been done to find how a car dealer can increase their loyal service customers by 50%. Service and sales department personnel and factory representatives identified 14 attributes which are important for service departments. Respondents were asked two questions about those 14 variables. First, they were asked to rate how important that variable is; second, they were asked to rate how well the dealer performed about that variable. By doing I-P analysis they found the strengths and the weaknesses of the dealership performance (Martilla and John, 1977).

Conceptual Framework

A graphical representation of the conceptual research framework is shown in Figure 1.
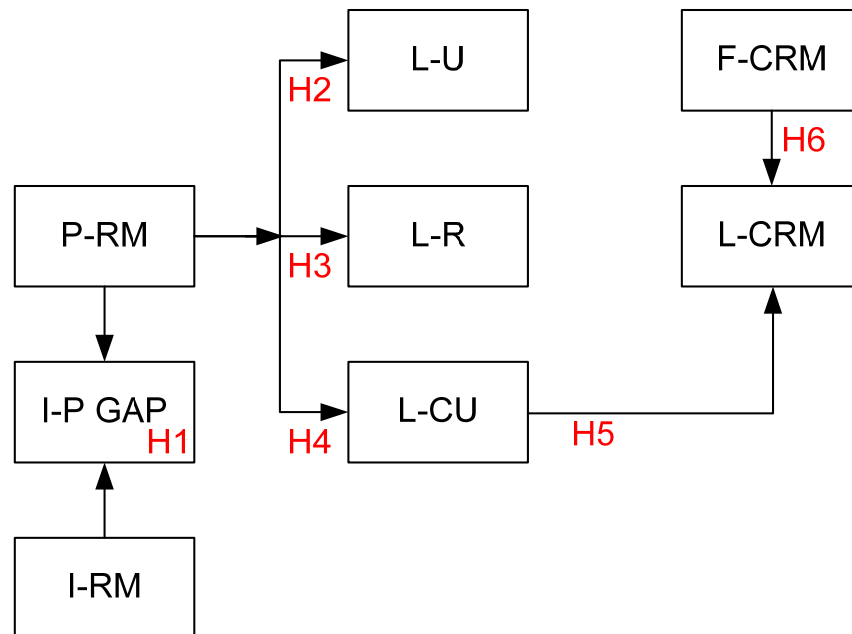
LEGEND:
P-RM: Performance of RM   L-R: Likelihood of recommending RM
I-P GAP: Importance/performance gap analysis L-CU: Likelihood of continuing to use RM
I-RM: Importance of RM   F-CRM: Familiarity with CRM
L-U: Likelihood of using RM   L-CRM: Likelihood of implementing CRM

Figure 1: Conceptual research framework

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Null Hypotheses

The null hypothesizes of the research are as follows:

Ho1: There is no significant GAP between hotel managers' perception towards

performance of RM attributes and the importance of RM attributes;

Ho2: There is no significant impact of hotel managers' perception towards performance

of RM on likelihood of using RM;

Ho3: There is no significant impact of hotel managers' perception towards performance

of RM on likelihood of recommendation RM;

Ho4: There is no significant impact of hotel managers' perception towards performance

of RM on likelihood of continuing use RM;

Ho5: There is no significant relationship between hotel managers' likelihood of

continuing use of RM and likelihood of implementing CRM in the future;

Ho6: There is no significant relationship between hotel managers' familiarity with

CRM and likelihood of implementing CRM in the future;

Ho7: There is no significant relationship between hotel managers' perception towards

RM and hotel properties' characteristics;

Ho8: There is no significant relationship between hotel managers' perception towards

RM and their demographics (e.g., age, education level, gender);

Ho9: There is no significant relationship between importance of RM and hotel

properties' characteristics;

H010: There is no significant relationship between importance of RM and hotel

managers' demographics;

Ho11: There is no significant relationship between performance of RM and hotel

      properties' characteristics; and

Ho12: There is no significant relationship between performance of RM and hotel

      managers' demographics.

CHAPTER III

METHODOLOGY

Research Design

The purpose of this study was to uncover relationship marketing and the future of customer relationship management in Turkey's lodging industry by using the research framework presented in Figure 2. A descriptive cross-sectional research design was used for this study and a questionnaire was used to collect data. 12 hypotheses were tested in this study (H1 to H12).

Research Instruments

The data was collected through a structured-undisguised questionnaire survey and RM and CRM attributes were derived from literatures published. An inviting online letter allowed the target population to access the online survey by using a webpage linkage.

The survey questionnaire (Appendix B) was accompanied with a cover letter explaining the purpose of the research. The questionnaire consisted of six sections. The first section included organization related questions such as: what is their position in the hotel and for how long they held that position; and property information questions such as: number of rooms in the property and affiliation of the property.

The second section asked about hotel and resort hotel managers' perception towards relationship marketing. A 5 point Likert-type scale was used ranging from (1) strongly disagree to (5) strongly agree to measure their perception toward RM..

In the third section, it assessed hotel and resort hotel managers' perception toward importance of RM and their perception toward performance of RM. Two sets 5 point Likert-type scales were used ranging from (1) not important at all to (5) extremely important and (1) not high at all to (5) extremely high to measure importance and performance of RM.

The fourth section was to find out hotel and resort hotel managers' overall satisfaction level towards RM and their likelihood of using RM, recommending RM and continuing use of RM. Two sets 5 point Likert-type scales were used ranging from (1) very dissatisfied to (5) very satisfied to measure hotel and resort hotel managers' overall satisfaction level towards RM, and ranging from (1) very unlikely to (5) very likely to measure their likelihood of using RM, likelihood of recommending RM and likelihood of continuing use of RM.

The fifth section was to identify hotel and resort hotel managers' familiarity with customer relationship management and their likelihood of implementing CRM in the future. Two sets 5 point Likert-type scales were used ranging from (1) not familiar to (5) very familiar to measure hotel managers' familiarity with CRM and (1) very unlikely to (5) very likely to measure hotel managers' likelihood of implementing CRM..

The last section was to asses the hotel and the resort hotel managers' demographic profile such as age, gender and education level.

Sampling Plan

The main focus of this study was to understand relationship marketing for the lodging industry in Turkey. More specifically it aims to find the hotel managers' perception towards RM. The target population of this study was 4-5 star hotels and resort

hotels managers in Antalya and its surrounding regions in Turkey. Antalya is known for its premier world-class holiday resorts and hotels. It is located in the southern region of Turkey that meets with the Mediterranean Sea. It is called the pearl of the Mediteranean. It has been home to several ancient civilizations, and is known for sun and sea. Both historical and natural attractions give the city highly esteemed status among the popular tourist locations. It has unique coasts and costal towns.

A covience sampling was used. The 4-5 star hotels and resort hotels were drawn from Antalya and its surrounding regions that are located in the south part of Turkey. Antalya and its near regions have the most hotels and resort hotels in Turkey. The survey was conducted from Jun 1, 2006 to July 15, 2006. The survey was made available on a website. An e-mail invitation was sent to 4-5 star hotels and resort hotels managers from Antalya and surrounding regions to invite them to take the survey on-line. A reminder e-mail was sent to hotel and resort hotel managers two weeks later the end of the survey. In order to increase the response rate, the results of the study were offered to be shared with the participant once the study is completed.

Analysis of Data

The Statistical Package for Social Sciences (SPSS) software was used to analyze the data collected. Data analysis in this study included the following techniques: Descriptive statistics, Importance-Performance Analysis (IPA), Analysis of Variance (ANOVA), and Multiple Regression Analysis.

Descriptive Statistics: Descriptive statistics such as mean, standard deviation and mode were used in this study except for the multiple regression analysis. The hotel managers' characteristics (position in hotel and working years for present hotel) and the hotels'

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characteristics (hotels' management pattern and hotels' room numbers) were organized into categories. This information was tabulated by using frequency and percentage. The hotel managers' demographic profile (gender, age and education level) was also organized into categories and tabulated by using frequency and percentage.

To describe satisfaction with relationship marketing, likelihood of using, recommending, continuing use relationship marketing, familiarity with customer relationship management and likelihood of implementing customer relationship management; means and standard deviation were calculated for each variable. Means and standard deviation were also calculated to describe managers' perception towards RM.

Importance-performance Analysis (IPA): Descriptive statistics such as; mean and standard deviation, mode and a paired mean t-test were used to measure if there is a GAP between the hotel and the resort hotel managers' perception toward performance and the importance of relationship marketing (H1). For the measurement of 4 -5 star hotel managers and resort hotel managers' perception toward importance and performance of RM, an I-P analysis which was first introduced by Martilla and James in the 1970s, has been performed. I-P analysis provided insights about the strength and the weakness of the hotels and the resort hotels that are using RM in Turkey's lodging industry. This analysis was also expected to help see if there is a gap between the hotel and resort hotel managers' perception towards importance of RM and their perception towards performance of RM.

A two-dimensional grid was used to display the importance of RM attributes on the vertical axis and the performance of RM attributes on horizontal axis. By using the overall mean values of the importance of RM and performance of RM, vertical and

horizontal lines were used to separate the derived factors into four quadrants. Those were: 1: Possible overkill; 2: Keep up the good work; 3: Low priority and 4: Concentrate here.

Analysis of variance (ANOVA): Analysis of variance (ANOVA) was used to find if there was a significant relationship between hotel managers' perception towards RM with hotel properties' characteristics (H7) and their demographics (H8). In ANOVA model, each group has its own mean and values which deviate from that mean; total deviation is the sum of the squad differences between each data point and the overall grand mean. The between-groups variance and within-groups variance explains the deviations of the data points within each group from the sample mean. The purpose of using ANOVA was to measure difference within, among and between sets of data as recommended by Lewis (1984).

Post Hoc Tukey test was performed to identify first, if the managers from different ages have statistically significant difference in their perception towards RM; second, if the managers from different education levels have statistically significant difference in their perception towards RM; third, if the managers from different management affiliations have statistically significant difference in their perception towards RM and last, if the managers from different size of hotels have statistically significant difference in their perception towards RM.

ANOVA was used to explore if there was a significant relationship between importance of RM with hotel properties' characteristics (H9) and hotel managers' demographics (H10). Post Hoc Tukey test was performed to identify first, if the managers from different ages have statistically significant difference in their feelings about importance of RM; second, if the managers from different education levels have

statistically significant difference in their feelings about importance of RM; third, if the managers from different management affiliations have statistically significant difference in their feelings about importance of RM and last, if the managers from different size of hotels have statistically significant difference in their feelings about importance of RM.

ANOVA was also used if there was a significant relationship between performance of RM with hotel properties' characteristics (H11) and hotel managers' demographics (H12). Post Hoc Tukey test was also performed to identify first, if the managers from different ages have statistically significant difference in their feelings about performance of RM; second, if the managers from different education levels have statistically significant difference in their feelings about performance of RM; third, if the managers from different management affiliations have statistically significant difference in their feelings about performance of RM and last, if the managers from different size of hotels have statistically significant difference in their feelings about performance of RM.

Multiple Regression Analysis: In this study, the regression model was estimated for meeting the assumptions of regression analysis then the observations were examined to determine whether any observation should be deemed influential.

R Square (R^2): It is the correlation coefficient squared, referred to as the coefficient of determination. This value indicates the percentage of total variation of the dependent variable (Y) explained by independent variables (X_1, X_2, X_n).

Standard Error of Estimate: It represents an estimate of the standard deviation of the actual dependent values around the regression line. A smaller standard error implies more reliable prediction.

Regression Coefficient: It is the value calculated from standardized data. The β value allows comparing the effect on Y of each independent variable to the overall regression model.

Standard Error of Coefficient: It is an estimate of how much regression coefficient varies between samples of the same size taken from the same population.

Partial t-value of Variables in the Equation: It measures the significance of the partial correlation of the variable reflected in the regression coefficient.

Partial Correlation: It is a measure of variation in Y accounted for by the variables in the equation that can be accounted by each of additional variables.

Multiple regressions were used to identify the impact of performance of customer relationship in satisfaction with RM. It was also used to identify the impact of hotel and resort hotel managers' perception towards performance of RM on likelihood of using RM (H2), likelihood of recommending RM (H3) and likelihood of continuing use of RM (H4).

Multiple regressions were also used to identify hotel and resort hotel managers' likelihood of continuing use of RM and their likelihood of implementing CRM in the future (H5); hotel and resort hotel managers' familiarity with CRM and their likelihood of implementing CRM in the future (H6).

The regression equations for this study were expressed as:

$$Y_1 = \beta_0 + B_1 X_1 + B_2 X_2 + ... + B_n X_n + \varepsilon$$

$$Y_2 = \beta_0 + B_1 X_1 + B_2 X_2 + ... + B_n X_n + \varepsilon$$

$$Y_3 = \beta_0 + B_1 X_1 + B_2 X_2 + ... + B_n X_n + \varepsilon$$

$$Y_4 = \beta_0 + B_1 X_1 + B_2 X_2 + ... + B_n X_n + \varepsilon$$

$$Y_5 = \beta_0 + B_1 X_1 + B_2 X_2 + ... + B_n X_n + \varepsilon$$

Where as,

Y_1: Dependent variable "satisfaction with relationship marketing"

Y_2: Dependent variable "likelihood of using relationship marketing"

Y_3: Dependent variable "likelihood of recommending relationship marketing"

Y_4: Dependent variable "likelihood of continuing use relationship marketing"

Y_5: Dependent variable "likelihood of implementing CRM"

β_0: Constant

$X_1, X_2, ..., X_n$: Latent RM and CRM dimensions

$B_1, B_2, ..., B_n$: Regression coefficient of latent independent variables

ε: Random error
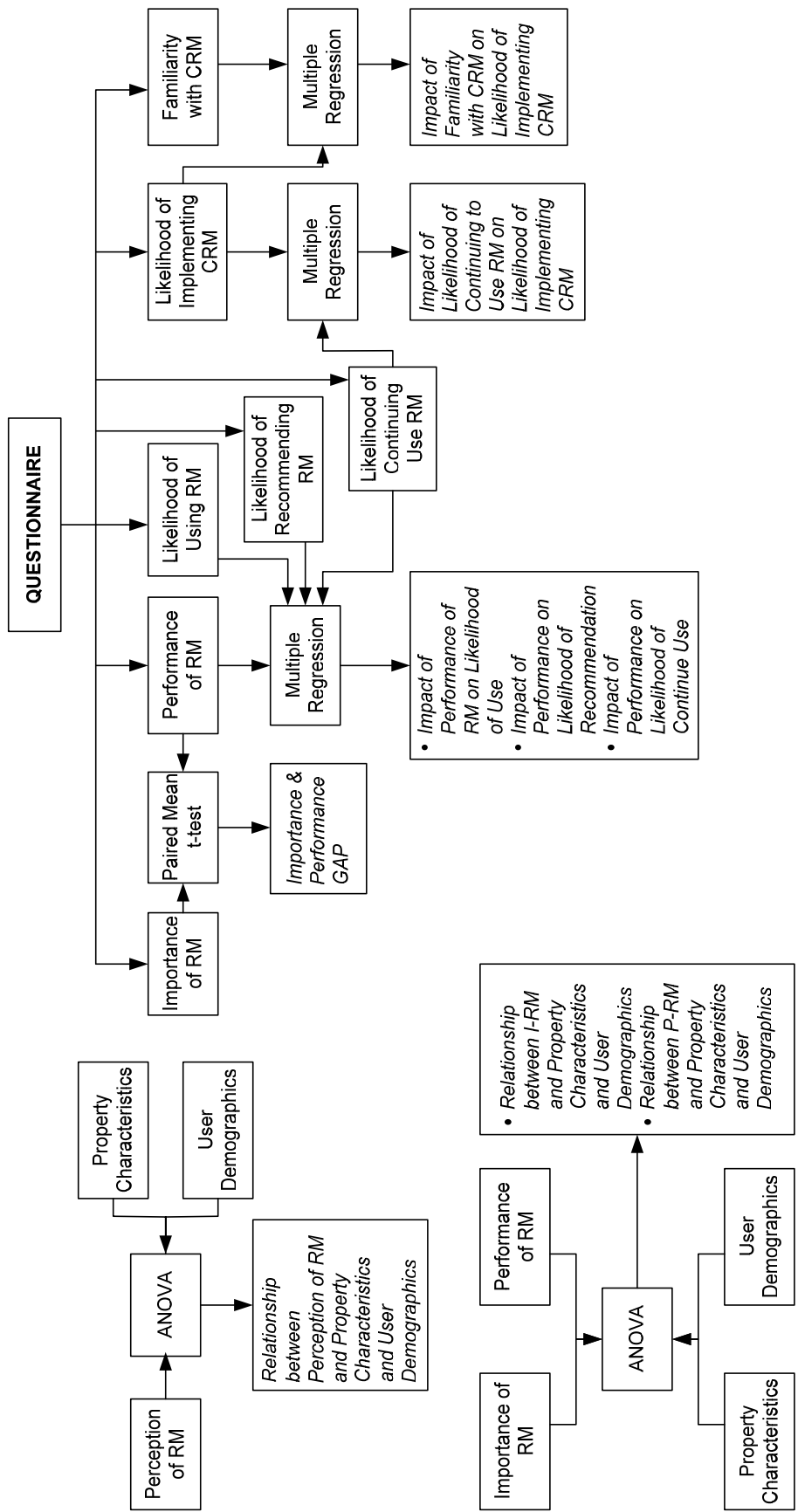
Figure 2: Research Model

CHAPTER IV

FINDINGS AND DISCUSSION

The goal of this study was to analyze the relationship marketing for Turkey's lodging industry. 294 managers were reached and 95 surveys were returned. 82 out of 95 surveys were usable. The response rate for the research was 28%.

The Hotel Managers' and the Hotels' Characteristics

The hotel managers' and hotels' characteristics are presented in table 2.In terms of position held in the hotel, 31.7% of managers were sales managers while 36.6% of managers were marketing managers. General managers were almost 30% and the other managers who completed the survey were 2.3%.

Only 4.9% of managers were working for the present hotel between 3 months-1 year while 19.5% of managers were working for the present hotel 1-2 years. Most of the managers (75.6%) were working for the present hotel above 2 years.

According to the hotels' management pattern 35.4% of hotels were managed as chain-franchises and 22% of hotels were managed as chain-management contract. 42.7% of hotels were independently managed hotels.

In terms of hotels' room numbers, 9.8% of hotels had 25-99 rooms. 63.4% of hotels were middle size hotels with 100-499 rooms. 24.4% of hotels had 500-749 rooms. Only 2.4% hotels had above 750 rooms.

Table 2: Sample distribution of the hotel managers' and hotels' characteristics

The hotel managers' position in the hotel	Frequency	Percentage
Sales manager	26	31.7
Marketing manager	30	36.6
General manager	24	29.3
Other	2	2.4
Total	**82**	**100.0**
The hotel managers' working years for the present hotel	**Frequency**	**Percentage**
Under 3 months	0	0
3 months-1 year	4	4.9
1-2 years	16	19.5
2 years and above	62	75.6
Total	**82**	**100.0**
The hotel's management pattern	**Frequency**	**Percentage**
Chain-Franchise	29	35.4
Chain-Management contract	18	22.0
Independent	35	42.7
Total	**82**	**100.0**
The hotel's room numbers	**Frequency**	**Percentage**
Less than 25	0	0
25-99 rooms	8	9.8
100-199 rooms	26	31.7
200-499 rooms	26	31.7
500-749 rooms	20	24.4
More than 750 rooms	2	2.4
Total	**82**	**100.0**

The demographic profiles of the hotel managers

The demographic profile of the hotel managers is shown in table 3. There were 81.7% male managers and 18.3% female managers. In terms of age, 56.0% of managers were 45 and younger. 13.4% of managers were in the 46-55 age group and 25.6% of managers were in the 56-65 age group. Only 4.9% of managers were above 66 years of age.

According to managers' educational background, 6.1% of managers graduated from high school while 14.6% of managers graduated from some college. The majority of managers held bachelor and post graduate degrees (79.3%).

Table 3: Sample distribution according to the hotel managers' demographic profiles

Gender	Frequency	Percentage
Male	67	81.7
Female	15	18.3
Total	**82**	**100.0**
Age	**Frequency**	**Percentage**
25 or less	2	2.4
26 - 35	22	26.8
36 - 45	22	26.8
46 - 55	11	13.4
56 - 65	21	25.6
66 and above	4	4.9
Total	**82**	**100.0**
Education Level	**Frequency**	**Percentage**
High School	5	6.1
Some College	12	14.6
Bachelor	40	48.8
Post Graduate	25	30.5
Total	**82**	**100.0**

Satisfaction with relationship marketing and likelihood of using, recommending and continuing use relationship marketing

Table 4 has the means of "satisfaction level with relationship marketing" and "likelihood of using, recommending and continuing use of relationship marketing". A 5 point Likert-type scale was used ranging from (1) very dissatisfied to (5) very satisfied to measure hotel and resort hotel managers' overall "satisfaction level towards RM". The mean of the managers' satisfaction level with RM was 3.85. That score showed that they are satisfied with RM.

Another 5 point Likert-type scale was used ranging from (1) very unlikely to (5) very likely to measure the managers' likelihood of using RM, likelihood of recommending RM and likelihood of continuing use of RM. Table 4 gives the mean of the managers' likelihood of using RM, likelihood of recommending RM and likelihood of continuing use of RM. According to the findings "likelihood of using RM" had the mean score of 4.35, meaning that the managers were almost very likely to use RM. "Likelihood of recommending RM" had the mean score of 3.89 which shows the managers were likely to recommend RM to others. "Likelihood of continuing use of RM" had the mean score of 4.30. In other words, they were almost very likely to continue to use RM.

Table 4: Satisfaction with relationship marketing and likelihood of using, recommending and continuing use relationship marketing

Statements	Mean
Satisfaction level toward Relationship Marketing	3.85
Likelihood of using Relationship marketing	4.35
Likelihood of recommending Relationship marketing	3.89
Likelihood of continuing use Relationship marketing	4.30

The familiarity with customer relationship management and likelihood of implementing customer relationship management

The mean scores of the "familiarity with customer relationship management" and "likelihood of implementing customer relationship management" are listed in table 5.

A 5 point Likert-type scale was used ranging from (1) not familiar to (5) very familiar to measure the hotel managers' "familiarity with customer relationship

management". According to the findings the hotel managers were between somewhat familiar and familiar with CRM (3.22).

A 5 point Likert-type scale was used ranging from (1) very unlikely to (5) very likely to measure the hotel managers' "likelihood of implementing customer relationship management". Findings showed that, they were likely to implement CRM for the future (4.15).

Table 5: The familiarity with customer relationship management and likelihood of implementing customer relationship management

Statements	Mean
Familiarity with Customer Relationship Management	3.22
Likelihood of implementing Customer Relationship Management	4.15

The managers' perception towards RM

The mean score of the hotel managers' perceptions toward relationship marketing are listed in the table 6. A 5 point Likert-type scale was used ranging from (1) strongly disagree to (5) strongly agree to measure their perception toward RM.

According to findings, the mean scores for the seven statements were over 4.00. In other words, the hotel managers were agree that; "customer trust and commitment enhances business relationships" (4.20), "it is important to form close relationships with customers" (4.14), "close relationships with customers bring about improved competitive advantage" (4.32), "forming long-term relationships with customers is highly valued" (4.30), "relationship marketing can improve the efficiency of the marketing processes in the hotel" (4.22) and "relationship marketing has potential to provide significant benefits for the hotel" (4.34). The overall mean with the level of agreement of the hotel managers'

perceptions toward RM was 4.24. In the other words, they had positive perception

towards relationship marketing.

Table 6: Distribution according to the level of agreement of the managers' perception towards RM

Statements	Mean
Customer trust and commitment enhances business relationships.	4.20
It is important to form close relationships with customers.	4.14
Close relationships with customers bring about improved competitive advantage.	4.32
Forming long-term relationships with customers is highly valued.	4.30
Forming partner-style relationships is too much work with little return.	4.22
Relationship marketing can improve the efficiency of the marketing processes in the hotel.	4.22
Relationship marketing has potential to provide significant benefits for the hotel.	4.34
Overall Mean	**4.24**

The relationship between the managers' perception towards RM and the hotels' management pattern

Analysis of variance (ANOVA) was used to assess whether the managers differed

significantly in terms of their perception towards relationship marketing and their hotel

management pattern. There was a statistically significant relationship at 0.05 significance

level between the managers from different management affiliations and their perception

toward RM (sig < 0.00 for all). The relationship between managers' perception towards

RM and the hotels' management pattern are listed in table 7.

Post Hoc Tukey test was performed to identify whether the managers from hotels

with different management affiliations had statistically significant differences in their

perception towards relationship marketing. According to the findings the managers who

work for chain-franchise hotels (Group 1) and the managers who work for chain-

management contract hotels (Group 2) had a higher level of agreement with their perception toward the statement "customer trust and commitment enhances business relationships" than the managers who work for independent hotels (Group 3) (MD: 0.52, sig < 0.02; MD: 0.70, sig < 0.00).

It was found that the hotel managers who work for chain-management contract hotels had a higher level of agreement in their perception toward the statement "it is important to form close relationships with customers" than the managers who work for independent hotels (MD: 0.76, sig < 0.01).

The managers who work for chain-franchise hotels and the managers who work for chain-management contract hotels had a higher level of agreement in the statement "close relationships with customers bring about improved competitive advantage" compared to the managers who work for independent hotels (MD: 0.63, sig < 0.00; MD: 0.72, sig < 0.00). They also had a higher level of agreement in the statement "forming long-term relationships with customers is highly valued" compared to independent hotels' managers (MD: 0.74, sig < 0.00; MD: 0.67, sig < 0.01).

The chain-management contract hotel managers had a higher level of agreement in their perception toward the statement "forming partner-style relationships is not too much work with little return" than the hotel managers who work for independent hotels (MD: 0.92, sig < 0.00).

According to findings the managers who work for chain-franchise hotels and the managers who work for chain-management contract hotels had a higher level of agreement in the statement "relationship marketing can improve the efficiency of the marketing processes in the hotel" compared to hotel managers who work for independent

hotels (MD: 0.65, sig < 0.00; MD: 0.87, sig < 0.00). They also had higher level of

agreement in the statement "relationship marketing has potential to provide significant

benefits for the hotel" than the hotel managers who work for independent hotels (MD:

0.58, sig < 0.01; MD: 0.61, sig < 0.02).

Table 7: The relationship between the managers' perception towards RM and the hotels' management pattern

Statements	Post Hoc Tukey Test for Hotels' Management Pattern
Customer trust and commitment enhances business relationships (F: 6.08, Sig < 0.00)	Group 1>Group 3; MD: 0.52; Sig < 0.02 Group 2>Group 3; MD: 0.70; Sig < 0.00
It is important to form close relationships with customers (F: 4.86, Sig < 0.01)	Group 2>Group 3; MD: 0.76; Sig < 0.01
Close relationships with customers bring about improved competitive advantage (F: 7.77, Sig < 0.00)	Group 1>Group 3; MD: 0.63; Sig < 0.00 Group 2>Group 3; MD: 0.72; Sig < 0.00
Forming long-term relationships with customers is highly valued (F: 7.45, Sig < 0.00)	Group 1>Group 3; MD: 0.74; Sig < 0.00 Group 2>Group 3; MD: 0.67; Sig < 0.01
Forming partner-style relationships is not too much work with little return (F: 5.31, Sig < 0.00)	Group 2>Group 3; MD: 0.92; Sig < 0.00
Relationship marketing can improve the efficiency of the marketing processes in the hotel (F: 9.948, Sig < 0.00)	Group 1>Group 3; MD: 0.65; Sig < 0.00 Group 2>Group 3; MD: 0.87; Sig < 0.00
Relationship marketing has potential to provide significant benefits for the hotel. (F: 5.486, Sig < 0.00)	Group 1>Group 3; MD: 0.58; Sig < 0.01 Group 2>Group 3; MD: 0.61; Sig < 0.02

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= Chain-Franchise
*   Group 2= Chain-Management contract*
*   Group 3= Independent*

The relationship between the managers' perception towards RM and the hotels' room numbers

ANOVA was used to assess whether the managers differed statistically significantly in terms of their perception towards relationship marketing and their hotel's room numbers. The relationship between managers' perception towards RM and the hotels' room numbers are listed in table 8. The table shows that, there was a statistically significant relationship between the managers from different size hotels and their perception toward RM (sig < 0.00 for all).

Post Hoc Tukey test shows that, the managers who work for hotels with 200-499 rooms (Group 4) had a higher level of agreement than the hotel managers who work for the hotels which have 25-99 rooms (Group 2) in their perception toward the statement "customer trust and commitment enhances business relationships" (MD: 0.85, sig < 0.04). The hotel managers who work for 500-749 room hotels (Group 5) had a more positive perception toward the same statement than the hotel managers who work for 25-99 room hotels (MD: 1.15, sig < 0.00) and the hotel managers who work for 100-199 room hotels (Group 3) (MD: 0.80, sig < 0.00).

It was found in the study that the managers who work for 200-499 room hotels had a higher level of agreement compared to the hotel managers who work for 25-99 room hotels and the managers who work for 100-199 room hotels in their perception toward the statement "it is important to form close relationships with customers" (MD: 1.25, sig < 0.00; MD: 0.86, sig < 0.00). The managers who work for 500-749 room hotels had a higher level of agreement in the same statement compared to the managers who work for 25-99 room hotels and the managers who work for 100-199 room hotels (MD:

1.35, sig < 0.00; MD: 0.96, sig < 0.00).

The managers who work for 200-499 room hotels had a more positive perception toward the statement "close relationships with customers bring about improved competitive advantage" compared to managers who work for 25-99 room hotels (MD: 1.06, sig < 0.00). It was also found that the managers who work for 500-749 room hotels had a higher level of agreement in the same statement than the managers who work for 25-99 room hotels (MD: 1.20, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.70, sig < 0.01).

According to the findings, the managers who work for 200-499 room hotels had a higher level of agreement in their perception toward the statement "forming long-term relationships with customers is highly valued" compared to the managers who work for 25-99 room hotels (MD: 0.98, sig < 0.03) and the managers who work for 100-199 room hotels (MD: 0.96, sig < 0.00). It was also found that the managers who work for 200-499 room hotels had a higher level of agreement in the same statement than the managers who work for 25-99 room hotels (MD: 0.98, sig < 0.03) and the managers who work for 100-199 room hotels (MD: 0.97, sig < 0.00).

In term of the statement "forming partner-style relationships is not too much work with little return", the managers who work for 100-199 room hotels and the managers who work 200-499 room hotels had a higher level of agreement than the managers who work for 25-99 room hotels (MD: 1.41, sig < 0.00; MD: 1.37, sig < 0.00).

It was found that the hotel managers who work for 200-499 room hotels had a higher level of agreement in the statement "relationship marketing can improve the efficiency of the marketing processes in the hotel" compared to the hotel managers who

work for 25-99 room hotels (MD: 1.12, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.77, sig < 0.00). The hotel managers who work for 500-749 room hotels had a higher level of agreement for the same statement than the hotel managers who work for 25-99 room hotels (MD: 1.37, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 1.02, sig < 0.00) while the hotel managers who work for more than 750 room hotels (Group 6) had a higher level of agreement than the managers who work for 25-99 room hotels for the same statement (MD: 1.62, sig < 0.02).

The managers who work for 200-499 room hotels had a higher level of agreement for the statement "relationship marketing has potential to provide significant benefits for the hotel" compared to the managers who work for 25-99 room hotels (MD: 0.98, sig < 0.01)and 100-199 room hotels (MD: 0.92, sig < 0.00). The managers who work for 500-749 room hotels had a higher level of agreement for their perception toward the same statement than the managers who work for 25-99 room hotels (MD: 1.05, sig < 0.00) and 100-199 room hotels (MD: 0.99, sig < 0.00).

Table 8: The relationship between the managers' perception towards RM and the hotels' room numbers

Statements	Post Hoc Tukey Test for Hotels' Room Numbers
Customer trust and commitment enhances business relationships (F: 6.01, Sig < 0.00)	Group 4 > Group 2; MD: 0.85; Sig < 0.04 Group 5 > Group 2; MD: 1.15; Sig < 0.00 Group 5 > Group 3; MD: 0.80; Sig < 0.00
It is important to form close relationships with customers (F: 7.92, Sig < 0.00)	Group 4 > Group 2; Md; 1.25; Sig < 0.00 Group 4 > Group3; MD: 0.86; Sig < 0.00 Group 5 > Group 2; MD: 1.35; Sig < 0.00 Group 5 > Group 3; MD: 0.96; Sig < 0.00
Close relationships with customers bring about improved competitive advantage (F: 6.26, Sig < 0.00)	Group 4 > Group 2; MD: 1.06; Sig < 0.00 Group 5 > Group 2; MD: 1.20; Sig < 0.00 Group 5 > Group 3; MD: 0.70; Sig < 0.01
Forming long-term relationships with customers is highly valued (F: 7.68, Sig < 0.00)	Group 4 > Group 2; MD: 0.98; Sig < 0.03 Group 4 > Group 3; MD: 0.96; Sig < 0.00 Group 5 > Group 2; MD: 0.98; Sig < 0.03 Group 5 > Group 3; MD: 0.97; Sig < 0.00
Forming partner-style relationships is not too much work with little return (F: 4.52, Sig < 0.00)	Group 4 > Group 2; MD: 1.41; Sig < 0.00 Group 5 > Group 2; MD: 1.37; Sig < 0.00
Relationship marketing can improve the efficiency of the marketing processes in the hotel (F: 11.37, Sig < 0.00)	Group 4 > Group 2; MD: 1.12; Sig < 0.00 Group 4 > Group 3; MD: 0.77; Sig < 0.00 Group 5 > Group 2; MD: 1.37; Sig < 0.00 Group 5 > Group 3; MD: 1.02; Sig < 0.00 Group 6 > Group 2; MD: 1.62; Sig < 0.02
Relationship marketing has potential to provide significant benefits for the hotel. (F: 8.98, Sig < 0.00)	Group 4 > Group 2; MD: 0.98; Sig < 0.01 Group 4 > Group 3; MD: 0.92; Sig < 0.00 Group 5 > Group 2; MD: 1.05; Sig < 0.00 Group 5 > Group 3; MD: 0.99; Sig < 0.00

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= Less than 25
Group 2= 25-99
Group 3= 100-199
Group 4= 200-499
Group 5= 500-749
Group 6= More than 750

Null Hypothesis 7

Ho7: There is no significant relationship between hotel managers' perception

towards RM and hotel properties' characteristics.

Analysis of variance (ANOVA) was used to assess whether the managers differed

significantly in terms of their perception towards relationship marketing and their hotels'

management pattern and their hotels' room numbers. There was a statistically significant

relationship between the managers from different management affiliations and their

perception towards RM. There was also a statistically significant relationship between the

managers from different size of hotels and their perception towards RM.

Null Hypothesis 7 was rejected.

The relationship between the managers' perception towards RM and their gender

ANOVA was used to investigate whether the managers differed significantly in

terms of their perception towards relationship marketing and their gender. Table 9 shows

that, there was no statistically significant relationship between the hotel managers' gender

and their perception towards RM. Therefore, the male hotel managers and the female

hotel managers didn't have relationship their perception towards RM.

Table 9: Distribution of perception of RM by the managers' gender

Statements	Male	Female	MD	Sig.
Customer trust and commitment enhances business relationships	4.25	3.93	0.32	0.17
It is important to form close relationships with customers	4.18	3.93	0.25	0.35
Close relationships with customers bring about improved competitive advantage	4.38	4.07	0.31	0.18
Forming long-term relationships with customers is highly valued	4.36	4.00	0.36	0.15
Forming partner-style relationships is not too much work with little return	4.25	4.07	0.18	0.53
Relationship marketing can improve the efficiency of the marketing processes in the hotel.	4.27	4.00	0.27	0.26
Relationship marketing has potential to provide significant benefits for the hotel.	4.40	4.07	0.33	0.17

The relationship between the managers' perception towards RM and their age

ANOVA was used to explore whether the managers differed significantly in terms of their perception towards relationship marketing and their age. The relationship between managers' perception towards RM and their age are listed in the table 10. According to the finding only the statement "forming partner-style relationships is not too much work with little return" and the managers' age was not statistically significantly related (sig < 0.09).

According to Post Hoc Tukey test it was found that, the managers between ages 26 and 35 Group 2) had a higher level of agreement in their perception towards RM (as per the mean difference) than the managers between ages 56 and 65 (Group 5)(MD: 0.74, sig < 0.03). In other words, the managers between ages 26 and 35 had a higher level of

agreement in their perception toward the statement "customer trust and commitment enhances business relationships" than the managers between ages 56 and 65.

The managers between ages 26 and 35 had a higher level of agreement than the managers between ages 46 and 55 ages (Group 4) (MD: 0.86, sig < 0.02), and ages 56 and 65 (MD: 0.97, sig < 0.01) for their perception toward the statement "close relationships with customers bring about improved competitive advantage". The managers between ages 36 and 45 (Group 3) had a higher level of agreement than the managers between ages 56 and 65 (MD: 0.70, sig < 0.03) for their perception toward the same statement too.

According to findings, the managers between ages 26 and 35 had a higher level of agreement than the managers between ages 56 and 65 (MD: 0.87, sig < 0.01) for their perception toward the statement "forming long-term relationship with customers is highly valued". Hence, the younger managers had more favor in that statement than the older managers.

It was found in table 10 that the managers between ages 26 and 35 had a higher level of agreement than the managers between ages 56 and 65 (MD: 0.96, sig < 0.00) for their perception toward the statement "relationship marketing can improve the efficiency of the marketing processes in the hotel". The same age groups also differed in their perception toward the statement "relationship marketing has potential to provide significant benefits for the hotel" since the younger age group had a higher level of agreement than the older age group (MD: 0.82, sig < 0.01) in their perception.

Table 10: The relationship between the managers' perception towards RM and their age

Statements	Post Hoc Tukey Test for Managers' Age
Customer trust and commitment enhances business relationships. (F: 2.63, Sig < 0.03)	Group 2 > Group 5; MD: 0.74, Sig < 0.03
It is important to form close relationships with customers. (F: 2.86, Sig < 0.02)	
Close relationships with customers bring about improved competitive advantage. (F: 5.01, Sig < 0.00)	Group 2 > Group 4; MD: 0.86; Sig < 0.02 Group 2 > Group 5; MD: 0.97; Sig < 0.00 Group 3 > Group 5; MD: 0.70; Sig < 0.03
Forming long-term relationships with customers is highly valued. (F: 2.99, Sig < 0.01)	Group 2 > Group 5; MD: 0.87; Sig < 0.01
Forming partner-style relationships is not too much work with little return. (F: 1.985, Sig < 0.09)	
Relationship marketing can improve the efficiency of the marketing processes in the hotel. (F: 4.07, Sig < 0.00)	Group 2 > Group 5; MD: 0.96; Sig < 0.00
Relationship marketing has potential to provide significant benefits for the hotel. (F: 2.61, Sig < 0.03)	Group 2 > Group 5; MD: 0.82; Sig < 0.01

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= 25 or less
*   Group 2= 26 to 35*
*   Group 3= 36 to 45*
*   Group 4= 46 to 55*
*   Group 5= 56 to 65*
*   Group 6= 66 and above*

The relationship between the managers' perception towards RM and their education level

ANOVA was used to assess whether the managers differed significantly in terms of their perception towards relationship marketing and their education level. The relationship between managers' perception towards RM and their education level are listed in table 11. The table shows that, there was a statistically significant relationship between the hotel managers' education level and their perception towards RM (sig < 0.00 for all).

Post Hoc Tukey was performed to find the relationship between the hotel managers' education level and their perception toward RM. In terms of findings, the managers who held a bachelor degree (Group 3) had a higher level of agreement in the statement "customer trust and commitment enhances business relationships" than the managers who held only a high school degree (Group 1) (MD: 0.92, sig < 0.04) and the managers who held some college degree (Group 2) (MD: 0.91, sig < 0.00). The managers who held post graduate degrees like master and doctorate (Group 4) had a higher level of agreement in the same statement than the managers who held only a high school degree (MD: 1.12, sig < 0.01) and the managers who held some college degree (MD: 1.10, sig < 0.00).

According to the findings, the statement "it is important to form close relationships with customers" was perceived more positively by the managers who held post graduate than the managers who held high school degrees (MD: 1.12, sig < 0.05) and the managers who held some college degree (MD: 1.06, sig < 0.00).

It was found that, the managers who held bachelor degrees had a higher level of

agreement in their perception toward the statement **"close relationships with customers bring about improved competitive advantage"** than the managers who held some college degree (MD: 0.97, sig < 0.00). It was also found that, the managers who held master or doctorate degrees had a higher level of agreement for the same statement than the managers who graduated from high school (MD: 0.96, sig < 0.03) and the managers who graduated from some college (MD: 1.34, sig < 0.00).

In their perception toward "forming long-term relationship with customers is highly valued" the managers who held bachelor degrees had a higher level of agreement than the managers who held some college degree (MD: 0.74, sig < 0.04) while the managers who held post graduate degrees had a higher level of agreement than the managers who held some college degree (MD: 1.09, sig < 0.00).

According to the findings, the managers who held bachelor degrees had a higher level of agreement in the statement "forming partner-style relationships is not too much work with little return" than the managers who graduated from high school (MD: 1.27, sig < 0.03). The hotel managers who held master or doctorate degrees had a higher level of agreement for the same statement then the managers who graduated from high school (MD: 1.68, sig < 0.00) and the managers who graduated from some college (MD: 1.09, sig < 0.00).

It was found that the hotel managers who held bachelor degrees and post graduate degrees had a higher level of agreement in their perception toward the statement "relationship marketing can improve the efficiency of the marketing processes in the hotel" than the mangers who graduated from some college (MD: 0.81, sig < 0.00; MD: 1.26, sig < 0.00).

In their perception toward the statement "relationship marketing has potential to provide significant benefits for the hotel" the managers who held bachelor degrees had a higher level of agreement than the managers who held some college degree (MD: 0.77, sig < 0.01). The managers who held post graduate degrees also had a higher level of agreement than the mangers who graduated from high school (MD: 1.00, sig < 0.04) and the managers who graduated from some college (MD: 1.21, sig < 0.00).

Table 11: The relationship between the managers' perception towards RM and their education level

Statements	Post Hoc Tukey test for managers' education level
Customer trust and commitment enhances business relationships. (F: 8.69, Sig < 0.00)	Group 3 > Group 1; MD: 0.92; Sig < 0.04 Group 3 > Group 2; MD: 0.91; Sig < 0.00 Group 4 > Group 1; MD: 1.12; Sig < 0.01 Group 4 > Group 2; MD: 1.10; Sig <0.00
It is important to form close relationships with customers. (F: 5.12, Sig < 0.00)	Group 4 > Group 1; MD: 1.12; Sig < 0.05 Group 4 > Group 2; MD: 1.06; Sig < 0.00
Close relationships with customers bring about improved competitive advantage. (F: 11.05, Sig < 0.00)	Group 3 > Group 2; MD: 0.97; Sig < 0.00 Group 4 > Group 1; MD: 0.96; Sig < 0.03 Group 4 > Group 2; MD: 1.34; Sig <0.00
Forming long-term relationships with customers is highly valued. (F: 4.08, Sig < 0.00)	Group 3 > Group 2; MD: 0.74; Sig < 0.04 Group 4 > Group 2; MD: 1.09; Sig < 0.00
Forming partner-style relationships is not too much work with little return. (F: 5.01, Sig < 0.00)	Group 3 > Group 1; MD: 1.27; Sig < 0.03 Group 4 > Group 1; MD: 1.68; Sig < 0.00 Group 4 > Group 2; MD: 1.09; Sig < 0.00
Relationship marketing can improve the efficiency of the marketing processes. (F: 6.42, Sig < 0.00)	Group 3 > Group 2; MD: 0.81; Sig < 0.00 Group 4 > Group 2; MD: 1.26; Sig < 0.00
Relationship marketing has potential to provide significant benefits for the hotel. (F: 7.90, Sig < 0.00)	Group 3 > Group 2; MD: 0.77; Sig < 0.01 Group 4 > Group 1; MD: 1.00, Sig < 0.04 Group 4 > Group 2; MD: 1.21; Sig < 0.00

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= High School
*   Group 2= Some College*
*   Group 3= Bachelor*
*   Group 4= Post Graduate*

Null Hypothesis 8

Ho8: There is no statistically significant relationship between hotel managers'

perception towards RM and their demographics (e.g., age, education level,

gender).

ANOVA was used to explore whether the managers had statistically significantly

relationship in terms of their perception towards relationship marketing and their gender,

age and education level. According to the findings, there was no statistically significant

relationship between the hotel managers' gender and their perception toward RM.

Therefore, the male and the female hotel managers didn't have relationship in their

perception towards RM.

In terms of the relationship between the hotel managers' age and their perception

towards RM, only the statement "forming partner-style relationships is not too much

work with little return" (sig. < 0.09) and the managers' age were not statistically

significantly related. Hence, the managers from different ages had similar perception

towards RM except for one statement which they had different feelings about.

There was a statistically significant relationship between the hotel managers'

education level and their perception towards RM. Managers from different level of

education had similar perception towards RM.

Null Hypothesis 8 was partially rejected.

Importance and Performance Analysis

The hotel managers' perception toward importance of RM and their perception

toward performance of RM are presented in the table 12.

Importance:

For the importance measurement, 5 point Likert-type scale (1 = Not important at all, 2 = Somewhat important, 3 = Important, 4 = Very important, 5 = Extremely important) was used. The overall mean of importance was 4.06.

The statements; "analyzing competitors' relationships with their customers", "securing and spending the resources required in building close relationships with key customers", "managing conflicts and resolving service conflicts with customers", and "maintaining good relationships with customers to improve customer loyalty" had 4.06 ratings.

The statement; "enhancing and building trust and commitment with customers" was rated as 4.21, while the statement "inquiring about customers' willingness to form personal and close relationships" was rated as 4.20. They were the highest ratings of all attributes. In other words, managers perceived that these two attributes had a high level of importance.

The statement; "initiating and implementing long-term relationships with customers for improved competitive advantage" was rated as 4.16, which is the same rating as the statement "working on customer retention".

The five statements rated lower than 4.06 on their importance level. Those were; "rewarding loyal customers to encourage expanded purchase behavior" (4.04), "customizing service to suit the customers' needs" (4.01), "identifying key customers for building better business relationships" (4.00), "identifying customer satisfaction as the first priority" (3.95) and "discerning important customers from not so important ones" (3.90).

Performance:

For the performance measurement, 5 point Likert-type scale (1= Not high at all, 2= Somewhat high, 3= High, 4= Very high, 5= Extremely high) was used. The overall mean of performance was 3.2.

Most of the statements' scores were around 3.00. Surprisingly no statement had above 3.32. The statements; "identifying key customers for building better business relationships", "analyzing competitors' relationships with their customers", "customizing service to suit the customers' needs" and "maintaining good relationships with customers to improve customer loyalty" had 3.21 ratings.

The statement; "rewarding loyal customers to encourage expanded purchase behavior (3.32) had the highest rating among the other 13 statements. According to the finding data, the managers think that they perform best in this statement.

The statements; "discerning important customers from not so important ones" had a score of 3.26, "enhancing and building trust and commitment with customers" had a score of 3.24, "securing and spending the resources required in building close relationships with key customers" had a score of 3.23 and "working on customer retention" had a score of 3.20.

The statements; "managing conflicts and resolving service conflicts with customers (3.16), initiating and implementing long-term relationships with customers for improved competitive advantage (3.15), identifying customer satisfaction as the first priority (3.13) had low scores.

The lowest score was 3.07, which belongs to "inquiring about customers' willingness to form personal and close relationships" statement. That means that the hotel managers perceived that their performance for this statement s the lowest one.

Importance and Performance Gap

The importance means, the performance means, their standard deviation, their gap and t-values regarding the perception toward RM by the hotel managers are shown in the table 12.

Null Hypothesis 1

Ho1: There is no significant GAP between hotel managers' perception towards performance of RM attributes and the importance of RM attributes.

According to the paired-mean sample t-tests between the importance means and the performance means, 13 attributes about perceptions toward RM showed that there were statistically significant difference at 0.00 level.

The three statements for the largest gap scores were; "initiating and implementing long-term relationships with customers for improved competitive advantage" (MD: 1.00, $p < 0.00$), "inquiring about customers' willingness to form personal and close relationships" (MD: 1.12, $p < 0.00$), "working on customer retention" and "enhancing and building trust and commitment with customers (MD: 0.96, $p < 0.00$).

Null Hypothesis 1 was rejected.

Table 12: The Gap between importance and performance of perceptions toward RM.

Statement	Mean IM	Mean PE	St.D. of IM	St.D. of PE	Mean Difference MD	*t-*Value*
Identifying key customers for building better business relationships.	4.00	3.21	0.94	0.83	0.79	10.55
Discerning important customers from not so important ones.	3.90	3.26	1.00	0.83	0.64	9.20
Enhancing and building trust and commitment with customers.	4.21	3.24	0.85	0.96	0.96	13.70
Initiating and implementing long-term relationships with customers for improved competitive advantage.	4.16	3.15	0.95	0.82	1.00	13.41
Analyzing competitors' relationships with their customers.	4.06	3.21	0.97	0.84	0.85	11.55
Securing and spending the resources required in building close relationships with key customers.	4.06	3.23	0.83	0.86	0.83	11.66
Inquiring about customers' willingness to form personal and close relationships.	4.20	3.07	0.98	0.94	1.12	16.48
Customizing service to suite the customers' needs.	4.01	3.21	0.96	0.95	0.80	10.52
Managing conflicts and resolving service conflicts with customers.	4.06	3.16	0.90	0.95	0.90	12.39
Working on customer retention.	4.16	3.20	0.89	0.88	0.96	12.92
Identifying customer satisfaction as the first priority.	3.95	3.13	0.91	0.90	0.82	11.05
Maintaining good relationships with customers to improve customer loyalty.	4.06	3.21	0.81	0.92	0.85	11.72
Rewarding loyal customers to encourage expanded purchase behavior.	4.04	3.32	0.86	0.84	0.72	8.59
Overall Mean	4.06	3.2				

* Sig ≤0.00 for all 13 t-Values

Importance and Performance Analysis (IPA)

In this study, the mean scores of each of the 13 perceptions toward RM attributes and their importance and performance are presented in table 12. By using the overall mean values of the importance (4.06) and performance (3.2), vertical and horizontal lines were used to separate the derived factors into four quadrants. The graphical representation of the perceived importance and perceived performance ratings for the perceptions toward RM are shown in Figure 3.

The four quadrants derived in the IPA grid are known as: "possible overkill" which the hotel managers consider these attributes to be performed well, but they are not important; "keep up the good work" which the hotel managers consider these attributes to be performed well and they are important; "low priority" which the hotel managers consider these attributes are not important and they are not performed well; and the most critical, "concentrate here" which the hotel managers consider these attributes are important but they are not performed well.

Quadrant 1: Possible Overkill

As shown in Figure 2 (B) "discerning important customers from not so important ones" was an attribute collected in quadrant one. The hotel managers considered this as an unimportant attribute, but they perform well for this.

(A) Identifying key customers for building better business relationships was the other attribute captured in quadrant 1 as well as quadrant 2. In terms of these findings, the hotel managers consider "identifying key customers for building better business relationships" was an unimportant and well performed attribute.

Quadrant 2: Keep Up the Good Work

Eight attributes were collected in this quadrant. These attributes are (C) enhancing and building trust and commitment with customers, (A) identifying key customers for building better business relationships, (E) analyzing competitors' relationships with their customers, (F) securing and spending the resources required in building close relationships with key customers, (H) customizing service to suit suite the customers' needs, (J) working on customer retention, (L) maintaining good relationships with customers to improve customer loyalty and (M) rewarding loyal customers to encourage expanded purchase behavior.

This quadrant gives a clear idea about the managers' hotels' strength since the findings collected in this quadrant suggested that the hotel managers considered these eight attribute as important ones, and they thought they perform well for these attributes.

Quadrant 3: Low Priority

(K) Identifying customer satisfaction as the first priority was the only one perception toward RM attribute captured in quadrant three. According to this finding, identifying customer satisfaction as the first priority was not an important attribute for the hotel managers and not well performed by them. Since customer satisfaction is a very important feature for the service industry like hotels, this is a critical attribute that should be carefully reviewed.

Quadrant 4: Concentrate Here

The three perception toward RM attributes that fell into quadrant four are; (D)Initiating and implementing long-term relationships with customers for improved competitive advantage, (G) inquiring about customers' willingness to form personal and

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close relationships, (I) managing conflicts and resolving service conflicts with customers and (J) working on customer retention. This quadrant is the most critical one and shows the managers' hotels' weaknesses since managers considered these attributes to be important but they didn't perform well.
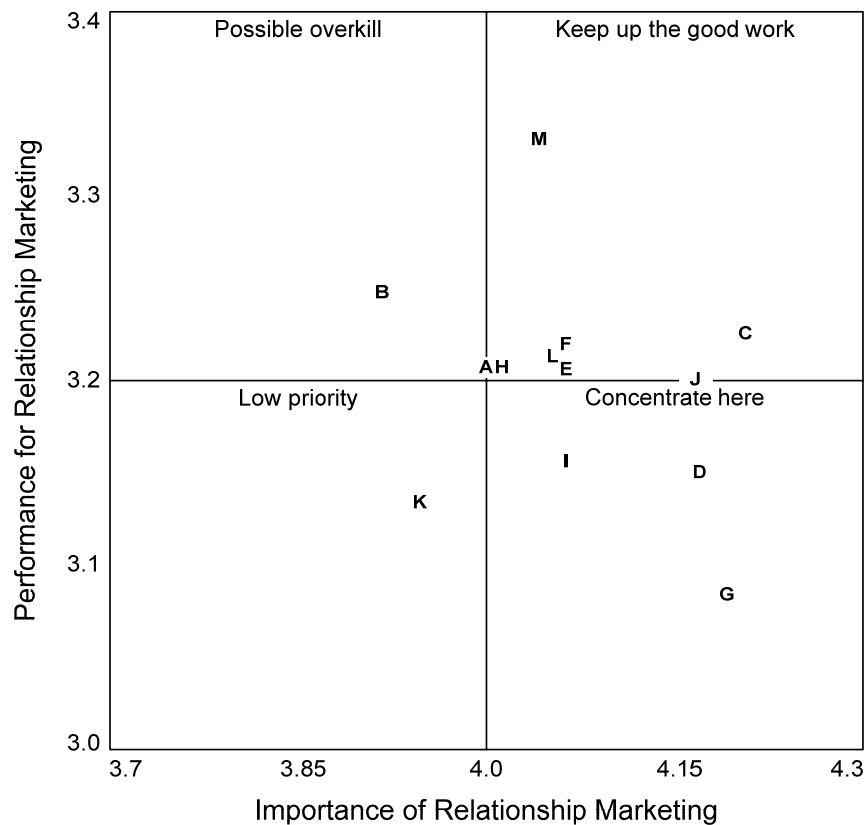
A: Identifying key customers for building better business relationships.
B: Discerning important customers from not so important ones.
C: Enhancing and building trust and commitment with customers.
D: Initiating and implementing long-term relationships with customers for improved competitive advantage.
E: Analyzing competitors' relationships with their customers.
F: Securing and spending the resources required in building close relationships with key customers.
G: Inquiring about customers' willingness to form personal and close relationships.
H: Customizing service to suite the customers' needs.
I: Managing conflicts and resolving service conflicts with customers.
J: Working on customer retention.
K: Identifying customer satisfaction as the first priority.
L: Maintaining good relationships with customers to improve customer loyalty.
M: Rewarding loyal customers to encourage expanded purchase behavior.

Figure 3: The quad chart of I-P analysis

Variables of customer relationship, customer service quality and customer retention

In the questionnaire section three, Relationship Marketing was divided in three groups: first, customer relationship, consisting of 7 variables; second, customer service quality, consisting of 3 variables and last, customer retention, consisting of 3 variables. The overall means of customer relationship, customer service quality and customer retention were computed and used for importance and performance of RM. Those are listed in table 13.

Table 13: The mean of importance of customer relationship, customer service quality and customer retention

Customer Relationship	IP Mean
1. Identifying key customers for building better business relationships.	4.00
2. Discerning important customers from not so important ones.	3.90
3. Enhancing and building trust and commitment with customers.	4.21
4. Initiating and implementing long-term relationships with customers for improved competitive advantage.	4.16
5. Analyzing competitors' relationships with their customers.	4.06
6. Securing and spending the resources required in building close relationships with key customers.	4.06
7. Inquiring about customers' willingness to form personal and close relationships.	4.20
Overall Mean	**4.08**
Customer Service Quality	
1. Identifying customer satisfaction as the first priority.	3.95
2. Customizing service to suite the customers' needs.	4.01
3. Managing conflicts and resolving service conflicts with customers.	4.06
Overall Mean	**4.00**
Customer Retention	
1. Working on customer retention.	4.16
2. Maintaining good relationships with customers to improve customer loyalty.	4.06
3. Rewarding loyal customers to encourage expanded purchase behavior.	4.04
Overall Mean	**4.08**

The relationship between importance of RM and the managers' gender

The relationship between importance of RM and the managers' gender is listed in table 14. Analysis of variance (ANOVA) was used to assess whether the managers showed statistically significant relationship in terms of their opinion about the importance RM and their gender.

Table 14 shows that, there was a statistically significant relationship between the hotel managers' gender and their opinions about the importance of customer relationship, the importance of customer service quality, and the importance of customer retention (sig < 0.00 for all).Hence, the male hotel managers and the female hotel managers had similar opinions toward the importance of customer relationship, service quality and retention.

Table 14: The relationship between importance of RM and the managers' gender

Statements	Male	Female	MD	Sig.
Importance of customer relationship	4.14	3.81	0.33	0.00
Importance of customer service quality	4.06	3.73	0.33	0.00
Importance of customer retention	4.17	3.73	0.44	0.00

The relationship between importance of RM and the managers' age

The relationship between importance of RM and the hotel managers' age are listed in table 15. The table shows that, there was a statistically significant relationship at 0.05 level between the hotel managers' age and their opinions about the importance of customer relationship, the importance of customer service quality, and the importance of

customer retention (sig < 0.00 for all)

Post Hoc Tukey test was performed and the findings showed that the managers

between ages 26 and 35 (Group 2) and the managers between ages 36 and 45 (Group 3)

had higher level of perception toward customer relationship (MD: 0.96, sig < 0.00; MD:

0.85, sig < 0.00), customer service quality (MD: 1.01, sig < 0.00; MD: 0.80, sig < 0.00),

and customer retention (MD: 1.07, sig < 0.00; MD: 0.70, sig < 0.01) compared to the

managers between ages 56 and 65 (Group 5).

Table 15: The relationship between importance of RM and the managers' age

Statements	Post Hoc Tukey test for managers' age
Importance of customer relationship (F: 5 04, Sig < 0.00)	Group 2 > Group 5; MD: 0.96; Sig < 0.00 Group 3 > Group 5; MD: 0.85; Sig < 0.00
Importance of customer service quality (F: 5.09, Sig < 0.00)	Group 2 > Group 5; MD: 1.01; Sig < 0.00 Group 3 > Group 5; MD: 0.80; Sig < 0.00
Importance of customer retention (F: 5.80, Sig < 0.00)	Group 2 > Group 5; MD: 1.07; Sig < 0.00 Group 3 > Group 5; MD: 0.70; Sig < 0.01

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= 25 or less
Group 2= 26 to 35
Group 3= 36 to 45
Group 4= 46 to 55
Group 5= 56 to 65
Group 6= 66 and above

The relationship between importance of RM and the managers' education level:

The relationship between importance of RM and the managers' education level is

listed in table 16. Table 16 shows that there was a statistically significant relationship

between the hotel managers' education level and their opinions about the importance of

customer relationship, the importance of customer service quality, and the importance of

customer retention (sig < 0.00 for all).

According to Post Hoc Tukey test it was found that the hotel managers who held

bachelor degrees (Group 3) felt customer relationship more important than the hotel managers who graduated from some college (Group 2) (MD: 1.15, sig < 0.00). It was also found that the managers who held master and doctorate degrees (Group 4) were more positive about the importance of customer relationship compared to the managers who graduated from high school (Group 1) (MD: 1.09. sig < 0.00) and the managers who graduated from some college (MD: 1.51, sig < 0.00).

The hotel managers who held bachelor degrees and the hotel managers who held post graduate degrees had a more positive opinion about the importance of customer service quality than the managers who held some college degree (MD: 1.28, sig < 0.00; MD: 1.48, sig < 0.00).

It was found that the managers who held bachelor degrees had a more positive opinion about the importance of customer retention than the managers who graduated from some college degree (MD: 1.14, sig < 0.00). It was also found that the managers who held post graduate degrees had a more positive opinion about the importance of customer retention compared to the managers who graduated from high school (MD: 0.88, sig < 0.03).

Table 16: The relationship between importance of RM and the managers' education level

Statements	Post Hoc Tukey test for managers' education level
Importance of customer relationship (F: 17.60, Sig < 0.00)	Group 3 > Group 2; MD: 1.15; Sig < 0.00 Group 4 > Group 1; MD: 1.09; Sig < 0.04 Group 4 > Group 2; MD: 1.51; Sig < 0.00
Importance of customer service quality (F: 15.14, Sig < 0.00)	Group 3 > Group 2; MD: 1.28; Sig < 0.00 Group 4 > Group 2; MD: 1.48; Sig < 0.00
Importance of customer retention (F: 13.75, Sig < 0.00)	Group 3 > Group 2; MD: 1.14; Sig < 0.00 Group 4 > Group 1; MD: 0.88; Sig < 0.03

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= High School
Group 2= Some College
Group 3= Bachelor
Group 4= Post Graduate

Null Hypothesis 10

Ho10: There is no statistically significant relationship between importance of RM

and hotel managers' demographics.

According to ANOVA there was a statistically significant relationship between

the hotel managers' gender and their opinions about the importance of customer

relationship, the importance of customer service quality, and the importance of customer

retention. Hence, the male hotel managers and the female hotel managers had similar

perception towards the importance of RM.

There was a statistically significant relationship between the hotel managers' age

and their opinions about the importance of customer relationship, the importance of

customer service quality, and the importance of customer retention too. Therefore, the

managers from different ages had similar opinions about the importance of RM.

There was also a statistically significant relationship between the hotel managers'

education level and their opinions about the importance of customer relationship, the

importance of customer service quality, and the importance of customer retention. The managers from different education levels had similar feelings about the importance of RM.

Null Hypothesis 10 was rejected.

The relationship between importance of RM and the hotels' management pattern

The relationship between importance of RM and hotels' management pattern are listed in table 17.

The table shows that, there was a statistically significant relationship between the hotel managers who were from different management affiliations and their opinions about the importance of customer relationship, the importance of customer service quality, and the importance of customer retention (sig < 0.00 for all).

According to Post Hoc Tukey test, the managers who work for chain-franchise hotels (Group 1) and the managers who work for chain-management contract hotels (Group 2) had more positive opinions about the importance of customer relationship compared to independent hotel managers (MD: 0.75, sig < 0.00; MD: 1.03, sig < 0.00). They also had more positive opinions about the importance of service quality and customer retention compared to independent hotel managers (Group 3) (MD: 0.70, sig < 0.01; MD: 0.90, sig < 0.00) and (MD: 0.61, sig < 0.02; MD: 0.80, sig < 0.00).

Table 17: The relationship between importance of RM and the hotels' management pattern

Statements	Post Hoc Tukey Test for Hotels' Management Pattern
Importance of customer relationship (F: 17.09, Sig < 0.00)	Group 1 > Group 3; MD: 0.75; Sig < 0.00 Group 2 > Group 3; MD: 1.03; Sig < 0.00
Importance of customer service quality (F: 11.46, Sig < 0.00)	Group 1 > Group 3; MD: 0.70; Sig < 0.01 Group 2 > Group 3; MD: 0.90; Sig < 0.00
Importance of customer retention (F: 10.18, Sig < 0.00)	Group 1 > Group 3; MD: 0.61; Sig < 0.02 Group 2 > Group 3; MD: 0.80; Sig < 0.00

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= Chain-Franchise
*   Group 2= Chain-Management contract*
*   Group 3= Independent*

The relationship between importance of RM and the hotels' room numbers

The relationship between importance of RM and the hotels' room numbers are listed in table 18. Table 18 shows that there was a statistically significant relationship between the hotel managers who work for different sizes of hotels and their opinions about the importance of customer relationship, the importance of customer service quality, and the importance of customer retention (sig < 0.00 for all).

Post Hoc Tukey test shows that, the managers who work for 200-499 room hotels (Group 4) were more positive about the importance of customer relationship than the managers who work for 25-99 room hotels (Group 2) (MD: 1.36, sig < 0.00) and the managers who work for 100-199 room hotels (Group 3) (MD: 0.77, sig < 0.00). The managers who work for 500-749 room hotels (Group 5) were positive about the importance of customer relationship more than the managers who work for 25-99 room hotels (MD: 1.58, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.98, sig < 0.00). It was also found that the managers who work for more than 750 room

hotels (Group 6) had a more positive opinion about the importance of customer relationship than the managers who work for 25-99 room hotels (MD: 1.68, sig < 0.00).

The managers who work for 200-499 room hotels were more positive toward the importance of customer service quality than the managers who work for 25-99 room hotels (MD: 1.15, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.86, sig < 0.00). The managers who work for 500-749 room hotels perceived customer service quality to be more important compared to the managers who work for 25-99 room hotels (MD: 1.26, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.96, sig < 0.00).

The managers who work for 200-499 room hotels and the managers who work for 500-749 room hotels were more positive about the importance of customer retention than the managers who work for 25-99 room hotels (MD: 1.17, sig < 0.00; MD: 1.34, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.71, sig < 0.00; MD: 0.88, sig < 0.00)). The managers who work for hotels with more than 750 rooms perceived customer retention to be more important than the managers who work for 25-99 room hotels (MD: 1.46, sig < 0.03).

Table 18: The relationship between importance of RM and the hotels' room numbers

Statements	Post Hoc Tukey Test for Hotels' Room Numbers
Importance of customer relationship (F: 15.48, Sig < 0.00)	Group 4 > Group 2; MD: 1.36; Sig < 0.00 Group 4 > Group 3; MD: 0.77; Sig < 0.00 Group 5 > Group 2; MD: 1.58; Sig < 0.00 Group 5 > Group 3; MD: 0.98; Sig < 0.00 Group 6 > Group 2; MD: 1.68; Sig < 0.00
Importance of customer service quality (F: 10.782, Sig < 0.00)	Group 4 > Group 2; MD: 1.15; Sig < 0.01 Group 4 > Group 3; MD: 0.86; Sig < 0.00 Group 5 > Group 2; MD: 1.26; Sig < 0.00 Group 5 > Group 3; MD: 0.96; Sig < 0.00
Importance of customer retention (F: 11.49, Sig < 0.00)	Group 4 > Group 2; MD: 1.17; sig < 0.00 Group 4 > Group 3; MD: 0.71; Sig < 0.00 Group 5 > Group 2; MD: 1.34; Sig < 0.00 Group 5 > Group 3; MD: 0.88; Sig < 0.00 Group 6 > Group 2; MD: 1.46; Sig < 0.03

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= Less than 25
Group 2= 25-99
Group 3= 100-199
Group 4= 200-499
Group 5= 500-749
Group 6= More than 750

Null Hypothesis 9

Ho9: There is no statistically significant relationship between the importance of

RM and hotel properties' characteristics

According to ANOVA, there was a statistically significant relationship between

the hotel managers who were from different patterned hotels and their opinions about the

importance of customer relationship, the importance of customer service quality, and the

importance of customer retention. Therefore, the managers from different management

affiliations had similar opinions about the importance of RM.

There was also a statistically significant relationship between the hotel managers who work for different sizes of hotels and their opinions about the importance of customer relationship, the importance of customer service quality, and the importance of customer retention. The managers from different sizes of hotels had positive perceptions towards the performance of RM.

Null Hypothesis 9 was rejected.

Variables of customer relationship, customer service quality and customer retention

The variables of customer relationship, the variables of customer service quality and the variables of customer retention with their means of performance are listed in table 19.

Table 19: The mean of performance of customer relationship, customer service quality and customer retention

Customer Relationship	PE Mean
1. Identifying key customers for building better business relationships.	3.21
2. Discerning important customers from not so important ones.	3.26
3. Enhancing and building trust and commitment with customers.	3.24
4. Initiating and implementing long-term relationships with customers for improved competitive advantage.	3.15
5. Analyzing competitors' relationships with their customers.	3.21
6. Securing and spending the resources required in building close relationships with key customers.	3.23
7. Inquiring about customers' willingness to form personal and close relationships.	3.07
Overall Mean	**3.19**
Customer Service Quality	
1. Identifying customer satisfaction as the first priority.	3.13
2. Customizing service to suite the customers' needs.	3.21
3. Managing conflicts and resolving service conflicts with customers.	3.20
Overall Mean	**3.18**
Customer Retention	
1. Working on customer retention.	3.20
2. Maintaining good relationships with customers to improve customer loyalty.	3.21
3. Rewarding loyal customers to encourage expanded purchase behavior.	3.32
Overall Mean	**3.24**

The relationship between performance of RM and the managers' gender

ANOVA was used to assess whether the managers differed significantly in terms of their opinion about the performance of customer relationship, the performance of customer service quality, the performance of customer retention and their gender. The relationship between performance of RM and managers' gender are listed in table 20.

According to the findings there was not a statistically significant relationship at α = 0.05 level between the managers' gender and; their opinions about performance of customer relationship (sig < 0.38), performance of customer service quality (sig < 0.29), and customer retention (sig < 0.32). Therefore the male hotel managers and the female hotel managers were different in their opinion about performance of RM.

Table 20: The relationship between performance of RM and the managers' gender

	Male	**Female**	**MD**	**Sig.**
Performance of customer relationship	3.22	3.04	0.18	0.38
Performance of customer service quality	3.21	2.95	0.26	0.29
Performance of customer retention	3.28	3.06	0.22	0.32

The relationship between performance of RM and the managers' age

The relationship between performance of RM and managers' age are listed in table 22. The table shows that there was a statistically significant relationship between the hotel managers' age and their opinions about the performance of customer relationship, the performance of customer service quality, and the performance of customer retention (sig < 0.00 for all).

Post Hoc Tukey test was done, and according to the findings, the managers between ages 26 and 35 (Group 2) and the managers between ages 36 and 45 (Group 3) considered customer service quality (MD: 1.09, sig < 0.00; MD: 0.85, sig < 0.00), and customer retention (MD: 0.93, sig < 0.00; MD: 0.63, sig < 0.04) more important compared to the managers between ages 56 and 65 (Group 5). The managers between

ages 26 and 35 had a more positive opinion toward performance of customer relationship

than the managers between ages 56 and 65 (MD: 0.85, sig < 0.00). Those young

managers also had a more positive opinion toward performance of customer service

quality compared to the managers between ages 46-55 (Group 4) (MD: 0.82, sig < 0.04).

Table 21: The relationship between performance of RM and the managers' age

Statement	Post Hoc Tukey Test for Managers' Age
Performance of customer relationship (F: 3.96, Sig < 0.00)	Group 2 > Group 5; MD: 0.85; Sig < 0.00
Performance of customer service quality (F: 6.43, Sig < 0.00)	Group 2 > Group 4; MD: 0.82; Sig < 0.04 Group 2 > Group 5; MD: 1.09; Sig < 0.00 Group 3 > Group 5; MD: 0.85; Sig < 0.00
Performance of customer retention (F: 4.46, Sig < 0.00)	Group 2 > Group 5; MD: 0.93; Sig < 0.00 Group 3 > Group 5; MD: 0.63; Sig < 0.04

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= 25 or less
Group 2= 26 to 35
Group 3= 36 to 45
Group 4= 46 to 55
Group 5= 56 to 65
Group 6= 66 and above

The relationship between performance of RM and the managers' education level

The relationship between performance of customer RM and the managers'

education level are listed in table 23. According to the findings, there was a statistically

significant relationship between the hotel managers' education level and their opinions

about the performance of customer relationship, the performance of customer service

quality, and the importance of customer retention (sig < 0.00 for all).

Post Hoc Tukey test was performed and it was found that the hotel managers who

held bachelor degrees (Group 3) had a more positive opinion about performance of customer relationship than the hotel managers who graduated from some college (Group 2) (MD: 0.99, sig < 0.00). It was also found that the managers who held master and doctorate degrees (Group 4) were more positive about performance of customer relationship compared to the managers who graduated from high school (Group 1) (MD: 0.84, sig < 0.02) and the managers who graduated from some college (MD: 1.20. sig < 0.00).

The hotel managers who held bachelor degrees had a more positive opinion about performance of customer service quality than the managers who held some college degree (MD: 1.37, sig < 0.00) and the managers who held high school degrees (MD: 1.02, sig < 0.01). The hotel managers who held post graduate degrees showed a more positive attitude toward the performance of customer service quality compared to the managers who graduated from high school (MD: 1.04, sig < 0.01) and the managers who graduated from some college (MD: 1.38, sig < 0.00).

It was found that the managers who held bachelor degrees and the managers who held master or doctoral degrees had a more positive opinion about the performance of customer retention than the managers who graduated from some college (MD: 1.07, sig < 0.00; MD: 1.02, sig < 0.00).

Table 22: The relationship between performance of RM and the managers' education level

Statement	Post Hoc Tukey Test for Managers' Education Level
Performance of customer relationship (F: 12.48, Sig < 0.00)	Group 3 > Group 2; MD: 0.99, Sig < 0.00 Group 4 > Group 1; MD: 0.84; Sig < 0.02 Group 4 > Group 2; MD: 1.20; Sig < 0.00
Performance of customer service quality (F: 16.00, Sig < 0.00)	Group 3 > Group 1; MD: 1.02; Sig < 0.01 Group 3 > Group 2; MD: 1.37; Sig < 0.00 Group 4 > Group 1; MD: 1.04; Sig < 0.01 Group 4 > Group 2; MD: 1.38; Sig < 0.00
Performance of customer retention (F: 9.08, Sig < 0.00)	Group 3 > Group 2; MD: 1.07; Sig < 0.00 Group 4 > Group 2; MD: 1.02; Sig < 0.00

F:F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= High School
Group 2= Some College
Group 3= Bachelor
Group 4= Post Graduate

Null Hypothesis 12

Ho12: There is no statistically significant relationship between performance of

RM and hotel managers' demographic.

According to findings of ANOVA there was not a statistically significant

relationship at 0.05 level between the managers' gender and; their opinions about

performance of customer relationship, performance of customer service quality, and

performance of customer retention. Therefore the male hotel managers and female hotel

managers didn't have relationship in their perception towards performance of RM.

There was a statistically significant relationship between the hotel managers' age

and their opinions about the performance of customer relationship, the performance of

customer service quality, and the performance of customer retention. Managers with

different ages were not unlike in their opinions about performance of RM.

The hotel managers' education level and their opinions about the performance of customer relationship, the performance of customer service quality, and the performance of customer retention was also statistically significantly related. The managers from different ages had similar opinions toward performance of RM.

Null Hypothesis 12 was partially rejected.

The relationship between performance of RM and the hotels' management pattern

The relationship between performance of RM and the hotels' management pattern are listed in table 24. The table shows that there was a statistically significant relationship between the hotel managers who were from different management affiliations and their opinions about the performance of customer relationship, the performance of customer service quality, and the performance of customer retention (sig < 0.00 for all).

Post Hoc Tukey test was performed and according to the findings the managers who work for chain-franchise hotels (Group 1) and the managers who work for chain-management contract hotels (Group 2) had more positive opinions about performance of customer relationship (MD: 0.56, sig < 0.00; MD: 0.88, sig < 0.00), customer service quality (MD: 0.57, sig < 0.01; MD: 0.83, sig < 0.00),and customer retention compared to independent hotel managers (Group 3) (MD: 0.47, sig < 0.03; MD: 0.68, sig < 0.00).

Table 23: The relationship between performance of RM and the hotels' management pattern

Statement	Post Hoc Tukey Test for Hotels' Management Pattern
Performance of customer relationship (F: 12.90, Sig < 0.00)	Group 1 > Group 3; MD: 0.56; Sig < 0.00 Group 2 > Group 3; MD: 0.88; Sig < 0.00
Performance of customer service quality (F: 7.95, Sig < 0.00)	Group 1 > Group 3; MD: 0.57; Sig < 0.01 Group 2 > Group 3; MD: 0.83; Sig < 0.00
Performance of customer retention (F: 6.17, Sig < 0.00)	Group 1 > Group 3; MD: 0.47; Sig < 0.03 Group 2 > Group 3; MD: 0.68; Sig < 0.00

F: F-value; MD: Mean difference; Sig: Significance level
Note: Group 1= Chain-Franchise
Group 2= Chain-Management contract
Group 3= Independent

The relationship between performance of RM and the hotels' room numbers

The relationship between performance of RM and the hotels' room numbers are listed in table 25. Table 25 shows that, there was a statistically significant relationship between the hotel managers who work for different sizes of hotels and their opinions about the performance of customer relationship, the performance of customer service quality, and the performance of customer retention (sig < 0.00 for all).

Post Hoc Tukey test was performed and it was found that the managers who work for 200-499 room hotels (Group 4) had a more positive opinion with regard to performance of customer relationship than the managers who work for 25-99 room hotels (Group 2) (MD: 1.12, sig < 0.00) and the managers who work for 100-199 room hotels (Group 3) (MD: 0.79, sig < 0.00). The managers who work for 500-749 room hotels (Group 5) had more positive opinion about performance of customer relationship than the managers who work for 25-99 room hotels (MD: 1.18, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.85, sig < 0.00). It was also found that the

managers who work for more than 750 room hotels (Group 6) had more positive opinion about performance of customer relationship than the managers who work for 25-99 room hotels (MD: 1.44, sig < 0.01).

The managers who work for 200-499 room hotels were more positive toward performance of customer service quality than the managers who work for 25-99 room hotels (MD: 1.08, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.77, sig < 0.00). The managers who work for 500-749 room hotels had a more positive opinion about performance of customer service quality compared to the managers who work for 25-99 room hotels (MD: 1.10, sig < 0.00) and the managers who work for 100-199 room hotels (MD: 0.78, sig < 0.00).

The managers who work for 200-499 room hotels and the managers who work for 500-749 room hotels were more positive about performance of customer retention than the managers who work for 25-99 room hotels (MD: 0.89, sig < 0.01; MD: 0.94, sig < 0.01) and the managers who work for 100-199 room hotels (MD: 0.68, sig < 0.00; MD: 0.72, sig < 0.00).

Table 24: The relationship between performance of RM and the hotels' room numbers

Statement	Post Hoc Tukey Test for Hotels' Room Numbers
Performance of customer relationship (F: 13.22, Sig < 0.00)	Group 4 > Group 2; MD: 1.12; Sig < 0.00 Group 4 > Group 3; MD: 0.79; Sig < 0.00 Group 5 > Group 2; MD: 1.18; Sig < 0.00 Group 5 > Group 3; MD: 0.85; Sig < 0.00 Group 6 > Group 2; MD: 1.44; Sig < 0.01
Performance of customer service quality (F: 7.35, Sig < 0.00)	Group 4 > Group 2; MD: 1.08; Sig < 0.00 Group 4 > Group 3; MD: 0.77; Sig < 0.00 Group 5 > Group 2; MD: 1.10; Sig < 0.00 Group 5 > Group 3; MD: 0.78; Sig < 0.00
Performance of customer retention (F: 5.83, Sig < 0.00)	Group 4 > Group 2; MD: 0.89; Sig < 0.01 Group 4 > Group 3; MD: 0.68; Sig < 0.00 Group 5 > Group 2; MD: 0.94; Sig < 0.01 Group 5 > Group 3; MD: 0.72; Sig < 0.00

F: F-value, MD: Mean difference; Sig: Significance level
Note: Group 1= Less than 25
Group 2= 25-99
Group 3= 100-199
Group 4= 200-499
Group 5= 500-749
Group 6= More than 750

Null Hypothesis 11

Ho11: There is no statistically significant relationship between performance of

RM and hotel properties' characteristics.

According to ANOVA findings there was a statistically significant relationship

between the hotel managers who were from different management affiliations and their

opinions about the performance of customer relationship, the performance of customer

service quality, and the performance of customer retention. Hence, they had similar

opinions about their perception towards performance of RM.

There was also a statistically significant relationship between the hotel managers

who work for different sizes of hotels and their opinions about the performance of customer relationship, the performance of customer service quality, and the performance of customer retention. The managers from different sizes of hotels had similar feelings about their perception towards performance of RM.

Null Hypothesis 11 was rejected.

Impact of Performance of Customer Relationship on Satisfaction with Relationship Marketing

The results of regression of the dimension "performance of customer relationship" against the dependent variable of "satisfaction with relationship marketing" are listed in the table25. To find the performance of customer relationship, summiting score of the seven customer relationship variables calculated. Customer relationship variables, customer service quality variables and customer retention variables with their overall performance scores are listed in table 19.The performance of customer relationship was used as an independent variable for regression.

The regression equation characteristics of "satisfaction with relationship marketing" indicated that adjusted R^2 of 0.51. This result indicated that 51% of the variation in "satisfaction with relationship marketing" was explained by this equation. The F-value of 85.74 was significant (prob. < 0.00) which showed that the equation was hardly by chance. None of the value of variance of inflation (VIF) values exceeded 1.00.

The t-statistics were used to find if the independent variable "performance of customer relationship" helped to predict the dependent variable "satisfaction with relationship marketing". The model was written as follows:

$$Y_1 = 1.52 + 0.76X_1$$

Where,

Y_1 : Dependent variable "satisfaction with relationship marketing"

X_1 : Independent variable "performance of customer relationship"

There was a positive sign of the coefficient which indicated a positive relationship between "performance of customer relationship" and "satisfaction with relationship marketing". Managers who had a higher performance at the seven customer relationship variables had a higher satisfaction with relationship marketing.

Performance of customer service quality and performance of customer retention were excluded in this regression. "Performance of customer service quality" had β of 0.11 while "performance of customer retention" had β of 0.02.

Table 25: Impact of performance of customer relationship on satisfaction with relationship marketing

Analysis of Variance					
Multiple R	0.72[a]				
Multiple R Square	0.51				
Adjusted R Square	0.51				
Standard Error of Estimate	0.54				

Source	DF	Sum of Square	Mean Square	F Value	Sig.
Regression	1	24.73	24.73	85.74	0.00[a]
Error	80	23.07	0.29		
C Total	81	47.80			

Variables in the Equation						
Variable	B	Std. Error	Std. B	T	Sig.	VIF
Constant	1.52	0.27		5.63	.000	
PE Relationship	0.76	0.08	0.72	9.26	.000	1.000

Excluded Variables				
Variable	B	T	Sig.	P. Correlation
PE Service Quality	0.11[a]	0.66	0.51	0.07
PE Retention	0.02[a]	0.13	0.89	0.01

Dependent Variable: Satisfaction with RM

Impact of Performance of Customer Relationship on Likelihood of Using Relationship Marketing

In table 26, the regression results of "performance of customer relationship" and "likelihood of using relationship marketing" are listed. The second one was used as the dependant variable in this study. The performance of customer relationship variables with

their overall scores are listed in table 19, which was used in this regression as independent variable.

The regression equation characteristics of "likelihood of using relationship marketing" showed that adjusted R^2 of 0.64 and 64% of the variation in "likelihood of using relationship marketing" was explained by this equation. The F-value of 144.62 was significant (prob. < 0.00) which showed that the equation was hardly by chance. None of the value of variance of inflation (VIF) values exceeded 1.00.

To find if the independent variable "performance of customer relationship" helped to predict the dependent variable "likelihood of using relationship marketing", t-statistics were used. The model was written as follows:

$$Y_2 = 1.61 + 0.86X_1$$

Where,

Y_2 : Dependent variable "likelihood of using relationship marketing"

X_1 : Independent variable "performance of customer relationship"

Null Hypothesis 2

Ho2: There is no significant impact of hotel managers' perception towards performance of RM on likelihood of using RM.

There was a positive sign of the coefficient which indicated a positive relationship between "performance of customer relationship" and "likelihood of using relationship marketing". Managers who had a higher performance at customer relationship were more likely to use relationship marketing.

Null Hypothesis 2 was rejected.

Performance of customer service quality and performance of customer retention were excluded in this regression. "Performance of customer service quality" had β of 0.28 and "performance of customer retention" had β of 0.01.

Table 26: Impact of performance of customer relationship on likelihood of using relationship marketing

Analysis of Variance					
Multiple R	0.80[a]				
Multiple R Square	0.64				
Adjusted R Square	0.64				
Standard Error of Estimate	0.46				

Source	DF	Sum of Square	Mean Square	F Value	Sig.
Regression	1	31.38	31.38	144.62	0.00[a]
Error	80	17.36	0.22		
C Total	81	48.744			

Variables in the Equation						
Variable	B	Std. Error	Std. B	T	Sig.	VIF
Constant	1.61	0.23		6.89	0.00	
PE Relationship	0.86	0.07	0.80	12.03	0.00	1.000

Excluded Variables				
Variable	B	T	Sig.	P. Correlation
PE Service Quality	0.28[a]	1.95	0.05	0.21
PE Retention	0.01[a]	0.07	0.94	0.00

Dependant Variable: Likelihood of Using RM

Impact of Performance of Customer Relationship on Likelihood of Recommending Relationship Marketing

The regression results of "performance of customer relationship" and "likelihood of recommending relationship marketing" are listed in the table 27. "Performance of customer relationship" was used as the independent variable and "likelihood of recommending relationship marketing" was used as the dependent variable. The regression equation characteristics of "likelihood of recommending relationship marketing" indicated that adjusted R^2 of 0.58. This result showed that 58% of the variation in "likelihood of recommending relationship marketing" was explained by this equation. The F-value of 113.66 was significant (prob. < 0.00) which showed that the equation was hardly by chance. None of the value of variance of inflation (VIF) values exceeded 1.00.

T-statistics were used to find if the independent variable "performance of customer relationship" helped to predict the dependent variable "likelihood of recommending relationship marketing".

The model was

$$Y_3 = 1.13 + 0.86X_1$$

Where,

Y_3: Dependent variable "likelihood of recommending relationship marketing"

X_1: Independent variable "performance of customer relationship"

Null Hypothesis 3

Ho3: There is no significant impact of hotel managers' perception towards performance of RM on likelihood of recommending RM.

There was a positive sign of the coefficient which indicated a positive relationship between "performance of customer relationship" and "likelihood of recommending relationship marketing". Managers who had higher performance at customer relationship were more likely to recommend relationship marketing.

Null Hypothesis 3 was rejected.

Performance of customer service quality and performance of customer retention are excluded in this regression. "Performance of customer service quality" had β of 0.14 and "performance of customer retention" had β of 0.17.

Table 27: Impact of performance of customer relationship on likelihood of recommending relationship marketing

Analysis of Variance					
Multiple R	0.76[a]				
Multiple R Square	0.59				
Adjusted R Square	0.58				
Standard Error of Estimate	0.53				

Source	DF	Sum of Square	Mean Square	F Value	Sig.
Regression	1	31.70	31.70	113.66	0.00[a]
Error	80	22.31	0.28		
C Total	81	54.01			

Variables in the Equation						
Variable	B	Std. Error	Std. B	T	Sig.	VIF
Constant	1.13	0.26		4.28	0.00	
PE Relationship	0.86	0.08	0.76	10.66	0.00	1.000

Excluded Variables				
Variable	B	T	Sig.	P. Correlation
PE Service Quality	0.14[a]	0.87	0.39	0.09
PE Retention	0.17[a]	1.18	0.24	0.13

Dependent Variable: Likelihood of Recommending RM

Impact of Performance of Customer Service Quality and Customer Relationship on Likelihood of Continuing Use Relationship Marketing

According to the regression results "performance of customer service quality" and "performance of customer relationship" and "likelihood of continuing use relationship

marketing" are listed in table 28. The first and the second were used as the independent

variable while the third one was used as the dependent variable.

60% of the variation in "likelihood of continuing use relationship marketing"

explained the adjusted R^2 of 0.60. F-value of 61.46 was significant (prob. < 0.00) which

means that the equation was hardly by chance. The value of variance of inflation (VIF)

values was 4.72 which exceeded 1.00.

T-statistics were used to find if the independent variables "performance of

customer service quality and "performance of customer relationship" helped to predict

the dependent variable "likelihood of continuing relationship marketing". The model was

written as follows:

$$Y_4 = 1.29 + 0.46X_1 + 0.49X_2$$

Where,

Y_4 : Dependent variable "likelihood of continuing use relationship marketing"

X_1 : Independent variable "performance of customer service quality"

X_2 : Independent variable "performance of customer relationship"

Null Hypothesis 4

Ho4: There is no significant impact of hotel managers' perception towards

performance of RM on likelihood of continuing use of RM.

According to this finding there was a positive sign of the coefficient which

indicated a positive relationship between "performance of customer relationship" and

"performance of service quality" with the "likelihood of continuing use relationship

marketing". It could be concluded that likelihood of continuing use of relationship

marketing increases, when the higher performance of customer service quality and

customer relationship occurs. In other words, the managers with higher customer service quality performance and higher customer relationship performance were likely to continue to use relationship marketing.

Null Hypothesis 4 was rejected.

The partial correlation coefficient,β, was used to find which independent variable has the greatest effect on the dependant variable. The highest effect belongs to "performance of customer relationship" ($\beta=0.49$, prob. < 0.00). The other independent variable "performance of customer service quality" ($\beta=0.46$, prob. < 0.00) had close numbers at impact on the dependent variable. The results showed that, the possibility of hotel and resort hotel managers' "likelihood of continuing use relationship marketing" changed by 0.95 (0.49+0.46) for each unit change in the two variables.

Performance of customer retention (table 19) was excluded in this regression. "Performance of customer retention" had β of -0.22.

Table 28: Impact of performance of customer service quality and customer relationship on likelihood of continuing use relationship marketing

Analysis of Variance		
Multiple R	0.78[a]	
Multiple R Square	0.61	
Adjusted R Square	0.60	
Standard Error of Estimate	0.58	

Source	DF	Sum of Square	Mean Square	F Value	Sig.
Regression	2	42.19	21.09	61.65	0.00[a]
Error	78	26.69	0.34		
C Total	80	68.89			

Variables in the Equation						
Variable	B	Std. Error	Std. B	T	Sig.	VIF
Constant	1.29	0.29		4.37	0.00	
PE Service Quality	0.46	0.17	0.42	2.75	0.00	4.72
PE Relationship	0.49	0.19	0.38	2.51	0.01	4.72

Excluded Variables				
Variable	B	T	Sig.	P. Correlation
PE Retention	-.222[a]	-1.252	.214	-.141

Dependent Variable: Likelihood of Continuing Use RM

Impact of Likelihood of Continuing use Relationship Marketing on Likelihood of Implementing Customer Relationship Management

The results of "likelihood of continuing use relationship marketing" against the dependent variable of "likelihood of implementing customer relationship management" are listed in the table 29.

The regression equation characteristics of "likelihood of implementing CRM" indicated adjusted R^2 of 0.68. This result indicated that 68% of the variation in "likelihood of implementing CRM" was explained by this equation. According to the F-value of 170.05, it was significant (prob. < 0.00) and it showed that the equation was hardly by chance. None of the value of variance of inflation (VIF) values exceeded 1.00.

T-statistics were used to find if the independent variable "likelihood of continuing use RM" helped to predict the dependent variable "likelihood of implementing CRM". The model was written as follows:

$$Y_5 = 0.41 + 0.87X_1$$

Where,

Y_5: Dependent variable "likelihood of implementing CRM"

X_1: Independent variable "likelihood of continuing use RM"

Null Hypothesis 5

Ho5: There is no significant relationship between hotel and resort hotel managers' likelihood of continuing use RM and likelihood of implementing CRM in the future.

The results of the regression analysis indicated that the coefficient carried a positive sign. According to this finding there was a positive relationship between the

independent variable and the dependent variable. In other words, the likelihood of

implementing CRM increased when the likelihood of continuing use of RM occurred

Null Hypothesis 5 was rejected.

Table 29: Impact of likelihood of continuing use relationship marketing on likelihood of implementing customer relationship management

Analysis of Variance					
Multiple R	0.83[a]				
Multiple R Square	0.68				
Adjusted R Square	0.68				
Standard Error of Estimate	0.56				

Source	DF	Sum of Square	Mean Square	F Value	Sig.
Regression	1	52.52	52.52	170.053	0.00[a]
Error	79	24.40	.309		
C Total	80	76.91			

Variables in the Equation						
Variable	B	Std. Error	Std. B	T	Sig.	VIF
Constant	0.41	0.29		1.39	0.17	
Likelihood of C. use RM	0.87	0.07	0.83	13.04	0.00	1.000

Dependent Variable: Likelihood of Implementing CRM

Impact of Familiarity with Customer Relationship Management on Likelihood of

Implementing Customer Relationship Management

The results of "familiarity with customer relationship management" against the

dependent variable of "likelihood of implementing customer relationship management"

are listed in the table 30.

The regression equation characteristics of "likelihood of implementing CRM"

indicated adjusted R^2 of 0.68. This result indicated that 68% of the variation in "likelihood

of implementing CRM" was explained by this equation. The F-value of 172.36 was

significant (prob. < 0.000) which showed that the equation was hardly by chance. None

of the value of variance of inflation (VIF) values exceeded 1.00.

T-statistics were used to find if the independent variable "familiarity with CRM"

helped to predict the dependent variable "likelihood of implementing CRM". The model

was written as follows:

$$Y_5 = 2.08 + 0.64X_1$$

Where,

Y_5 : Dependent variable "likelihood of implementing CRM"

X_1 : Independent variable "familiarity with CRM"

Null Hypothesis 6

Ho6: There is no significant relationship between hotel and resort hotel managers'

familiarity with CRM and likelihood of implementing CRM in the future.

According to this finding there was a positive relationship between the

independent variable and the dependent variable. In other words, the likelihood of

implementing CRM increased when familiarity with CRM occurred. So there was a

positive sign of the coefficient.

Null Hypothesis 6 was rejected.

Table 30: Impact of familiarity with customer relationship management on likelihood of implementing customer relationship management

Analysis of Variance					
Multiple R	0.83[a]				
Multiple R Square	0.68				
Adjusted R Square	0.68				
Standard Error of Estimate	0.56				
Source	**DF**	**Sum of Square**	**Mean Square**	**F Value**	**Sig.**
Regression	1	53.44	53.44	172.36	0.00[a]
Error	80	24.80	0.31		
C Total	81	78.24			

Variables in the Equation						
Variable	**B**	**Std. Error**	**Std. B**	**T**	**Sig.**	**VIF**
Constant	2.08	0.17		12.34	0.00	
Familiarity with CRM	0.64	0.05	0.83	13.13	0.00	1.000

Dependent Variable: Likelihood of Implementing CRM

CHAPTER V

CONCLUSIONS AND IMPLICATIONS

Conclusions

The lodging industry in general and resort type lodging industry in specific are under tremendous competitive pressure. The traditional notion of "learn from your mistakes as you go" is replaced with "do it right the first time and be absolutely consistent in doing it throughout". The main ingredients of success in the lodging industry (as is the case in other service industries) have been to acquire and to retain customers. The acquisition and retention of customers require identification, understanding and utilization of their likes and dislikes, which can only be accomplished through building close, one-on-one relationships with them. For this reason, the aim of this study was to analyze relationship marketing for the lodging industry in Turkey.

The Hotel Managers' and the Hotels' Characteristics: Analysis of data revealed that most of the respondents were sales managers (36.6%) and most of the managers (75.6%) were working for the present hotel above 2 years. According to findings, almost half of the hotels were independently managed hotels (42.7%). Interestingly, 31.7% of hotels had 100-199 rooms and another 31.7% of hotels had 200-499 rooms. Therefore, just 2.4% of hotels had above 750 rooms.

The demographic profiles of the hotel managers: The findings showed that the majority of the managers were male (81.7%). In terms of age, 26.8% from the 26-35 age group and 26.8% from the 36-45 age group were equally distributed. So, 53.6% of the

respondents were younger managers. 48.8% of managers held bachelor degrees while 30.5% of managers held doctoral and master degrees. These findings showed that most of respondents were educated managers.

Satisfaction with RM and likelihood of using, recommending and continuing use RM: The mean of the managers' satisfaction level with RM was 3.85 and it showed that the managers *were satisfied* with RM. "Likelihood of using RM" had a mean score of 4.35 that shows that the managers were *almost very likely* to use RM. "Likelihood of recommending RM" had the mean score of 3.89 which showed the managers were *likely* to recommend RM to others. "Likelihood of continuing use RM" had the mean score of 4.30. In other words, they were almost *very likely* to continue to use RM. The overall mean score of the hotel managers' perceptions toward relationship marketing was 4.00. In other words, the hotel managers had a high level of agreement in their perception toward RM.

The familiarity with CRM and likelihood of implementing CRM: According to the findings, the hotel managers were between *somewhat familiar and familiar* with CRM (3.22). Findings also showed that they were *likely* to implement CRM in the future (4.15).

The managers' perception towards RM: The mean score of the hotel managers' perceptions toward relationship marketing showed that the seven statements about RM were over 4.00. In other words, the hotel managers agreed with the all statements. The overall mean with the level of agreement of the hotel managers' perceptions toward RM was 4.24. In the other words, they had a positive perception towards relationship marketing.

The relationship between the managers' perception towards RM and their

demographics: According to ANOVA testing the male and the female hotel managers

showed difference in their perception toward RM. Hence, the male and the female hotel

managers didn't have similar level of agreement with their perception toward RM. In

terms of the relationship between the hotel managers' age and their perception toward

RM, only the statement "forming partner-style relationships is not too much work with

little return" (sig. < 0.090) showed statistically significantly difference. In other words,

the managers from different ages had similar perceptions toward RM, except with regard

to the statement mentioned above. Post Hoc Tukey test showed that the younger

managers (especially ages 26-35) were more open to RM than the older managers

(especially ages 56-65). Post Hoc Tukey test showed that the younger managers had a

higher level of agreement with RM than the older managers. The hotel managers from

different educational backgrounds showed a relationship in their perception toward RM.

The managers who held bachelor degrees and post graduation degrees usually had a

higher level of perception toward RM than the managers who held some college degree

and high school degree. One can predict that managers with higher educations had a

higher perception of relationship marketing.

The relationship between the managers' perception towards RM and the hotels'

properties' characteristics: The managers from different management affiliations and

different sizes of hotels showed relationship in their perception toward RM. According to

Post Hoc Tukey test the managers from chain-franchise hotels and the managers from

chain- management contract hotels had a higher level of agreement than the managers

from independent hotels for their feelings about RM. In terms of size, the managers from

bigger hotels, those with more than 200 rooms, had a more positive attitude about

perception of RM than the managers from smaller hotels, with less than 200 rooms.

Satisfaction with RM, likelihood of using, recommending and continuing RM:

According to regression analysis, there was a significant impact of hotel managers'

perception towards performance of RM on likelihood of using RM. Managers who have a

higher performance at customer relationships were more likely to use relationship

marketing. There was a significant impact of hotel managers' perception towards

performance of RM on likelihood of recommending RM. Managers who had a higher

performance at customer relationships are more likely to recommend relationship

marketing. There was also a significant impact of the hotel managers' perception towards

performance of RM on likelihood of continuing use of RM. The managers with higher

customer service quality performance and higher customer relationship performance were

more likely to continue to use relationship marketing.

Familiarity with CRM and likelihood of implementing CRM: There was a significant

relationship between hotel managers' familiarity with CRM and the likelihood of

implementing CRM in the future. Likelihood of implementing CRM increased when

familiarity with CRM occurred. There was a significant relationship between hotel

managers' likelihood of continuing use of RM and likelihood of implementing CRM in

the future. Likelihood of implementing CRM increased when the likelihood of continuing

use of RM occurred.

Importance-performance analysis (IPA): Importance-Performance Analysis (IPA) was

employed to compare the hotel and resort hotel managers' perception toward the

importance of RM and their perception toward the performance of RM. According to the

paired-mean sample t-tests between the importance means and the performance means, 13 attributes about perceptions toward RM showed that there were statistically significant difference at 0.00 level.

By using the overall mean values of the importance (4.06) and performance (3.2), vertical and horizontal lines were used to separate the derived factors into four quadrants. Only one variable fell in the "low priority" quadrant, two variables fell into the "possible overkill" quadrant and eight variables fell into the "keep up the good work" quadrant-The most critical quadrant, "concentrate here," had four variables. The managers' importance rating about "initiating and implementing long-term relationships with customers for improved competitive advantage" (D) had a mean of 4.16, while the performance rating had a mean of 3.15. The managers' importance rating for "inquiring about customers' willingness to form personal and close relationships" (G) had a mean of 4.20 while the performance rating had a mean of 3.07. Their importance rating had a mean of 4.06 for "managing conflicts and resolving service conflicts with customers" (I) while their performance rating had a mean of 3.16. For (J) "working on customer retention" (J), the managers' importance rating had a mean of 4.16 while their performance rating had a mean of 3.20. This quadrant is the most critical one since the managers considered these attributes to be important, but they didn't perform well for them. Thus, it reveals the respondents' hotels' weaknesses.

Importance and performance of RM: Relationship Marketing (RM) was divided three groups in the questionnaire. Those groups were customer relationship, customer service quality and customer retention. ANOVA was used to find the managers' perception towards the importance of RM and their perception toward the performance of RM. Post

Hoc Tukey was used to explore which group had the most agreement with importance and performance of RM.

Importance and performance of RM and the managers' demographic profile:
According to the findings, the male managers and the female managers had similar opinions with regard to the importance of RM, while they didn't have similar opinions with regard to the performance of RM.. In terms of age, the managers had similar feelings about importance and performance of RM too. Post Hoc Tukey test showed that ages 26-35 managers and ages 36-45 managers had a higher level of agreement with regard to importance and performance of RM than ages 56-65 managers. Again, younger managers were more open to RM than the older generation. The findings explored whether or not the managers from different education levels had different opinions about the importance and performance of RM. Post Hoc Tukey test identified that the managers who held bachelor and post graduate degrees had a higher level of agreement with the importance and performance of RM than the managers who graduated from high school and some college. This result explains that more educated managers had more favor in RM than less educated managers.

Importance and performance of RM and hotel properties' characteristics: The managers from different management affiliations and from different sizes of hotels showed a relationship in their perception towards the importance and performance of RM. According to Post Hoc Tukey findings, the managers from chain-franchise hotels and chain-management contract hotels had more positive feelings for importance and performance of RM than the managers who work for independent hotels. Therefore, the managers from more than 200 room hotels had more positive feelings than the managers

from less than 200 room hotels about their perception towards the importance and performance of RM.

Implications

The result of the present study has a number of practical implications for the lodging industry in Turkey.

Relationship marketing is an important part of success in today's competitive lodging industry. Based on building customer focus, marketing programs lead to better results. CRM is the next big thing after relationship marketing. It takes the relationship marketing to a higher level, where technology is used to better manage customer relationships.

According to the research results, there is an I-P Gap in hotel managers' perception towards the importance and performance of relationship marketing. While most managers think that relationship marketing indicators are important, very few of them think that the hotels are performing at the level that they should in those key indicators. To be successful in this competitive marketplace, the lodging industry should perform what they think is important to build and maintain better relationships with their customers.

The research showed that most hotel managers are not aware of CRM and its potential implication in being more competitive. This emerging concept, as well as related technologies, needed to be taught to managers of the lodging industry. Maybe a comprehensive awareness program at the level of the Tourism Ministry or hotel association should be launched to make the interested parties (lodging industry managers) aware of the technology, its advantages and how to implement it.

Younger managers and the managers with a higher level of education are more aware of the newer, more customer focused technologies, such as relationship marketing and CRM. That is a good sign for Turkish tourism since younger and better educated managers were the majority for this study, indicating the emergence of the younger generation of managers in the Tourism industry. On the other hand, older managers should have more technology education and training for the newer technologies.

Managers of relatively smaller and mostly independent establishments are less aware of RM and CRM. One would guess that the chains and franchises are more aware of the latest concepts and technologies in an effort to become and to stay competitive. Also, one might think that they are more likely to invest in these types of technologies and training programs because they have enough establishments to take advantage of the economies of scale. At the level of the Tourism Ministry or hotel association, a program can be designed to make the independent lodging industry owners and manages aware of RM and CRM and possibly help them to implement it by subsidizing the high cost of implementation.

The managers who think highly about the importance of RM are also the ones that perform better at practicing it. That is, the practice requires a high level of awareness and depth of knowledge of the concepts and technologies. The programs need to be designed to make the lodging industry more aware and better knowledgeable about RM and CRM, so that they would implement it to become competitive and to make the Turkish tourism industry more competitive in the world market.

Limitations

The sample size of this research was low. The response rate for the study would have been higher, but reaching the hotel and the resort hotel managers in the Turkish lodging industry, who would have the level of knowledge to fill-out the survey, was difficult. They were also too busy to fill out the survey. Other limitation was the fact that the sample was not randomly selected for this research. The last limitation was on location, that is, this research was limited to Antalya hotels and resort hotels.

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Appendix A

- Questionnaire Cover Letter -

May 5, 2006

Dear hotel and resort hotel manager:

Thank you for participating in our research study of analysis of hotel managers' perceptions toward relationship marketing in Turkey lodging industry. We would appreciate your taking a few minutes of your time to answer the questionnaire. The purpose of this research is to analyze your perception towards relationship marketing and to explore your likelihood to use customer relationship management in the near future.

There are no personal risks greater than those encountered in daily life by participating in this study. The data collected from this survey will be used for education and research purposes only. Your participation is completely VOLUNTARY and ANONYOMOUS. The information will be kept strictly CONFIDENTIAL. You may exit this survey anytime you want.

If you have any further questions about this study, please contact the principle investigator, Nevbahar Handan Delen, a Master Candidate in the School of Hotel and Restaurant Administration at Oklahoma State University. Phone # (918) 409-2756, (e-mail: handan.delen@okstate.edu). Alternatively, you may contact Dr. Sue Jacobs, Chair of Institutional Review Board (IRB), 415 Whitehurst, Oklahoma State University, Stillwater, OK 74078, phone #(405) 744-1676, (e-mail: irb@okstate.edu) about the research compliance of the project.

Thank you for your precious participation.

Sincerely,

Nevbahar Handan Delen
Master Student

Appendix B

- The Questionnaire -

SECTION 1

The following set of questions is to get some background information about you and your hotel. Please fill in the blanks fields and/or check the appropriate boxes.

1) What is your position in the hotel?

    1) Sales manager   3) General manager

    2) Marketing manager   4) Other (Please specify) _____

2) How long have you held this position? _____year_____month

3) For how long have you worked in the present hotel?

    1) Under 3 months   3) 1-2 years

    2) 3 months-1 year   4) 2 years and above

4) Your hotel's management pattern (please check one)

    1) Chain-Franchise   3) Independent

    2) Chain-Management contract   4) Other (Please specify) _____

5) How many rooms in your hotel?

    1) Less than 25 rooms   4) 200-499 rooms

    2) 25-99 rooms   5) 500-749 rooms

    3) 100-199 rooms   6) More than 750 rooms

SECTION 2

The following questions are to identify the level of agreement of your perceptions toward relationship marketing. Please enter the appropriate number for each statement by using the following scales.

1	**Strongly disagree (SD)**
2	**Disagree (D)**
3	**Neither disagree nor agree (N)**
4	**Agree (A)**
5	**Strongly agree (SA)**

	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)
Customer trust and commitment enhances business relationships.					
It is important to form close relationships with customers.					
Close relationships with customers bring about improved competitive advantage.					
Forming long-term relationships with customers is highly valued.					
Forming partner-style relationships is too much work with little return.					
Relationship marketing can improve the efficiency of the marketing processes in the hotel.					
Relationship marketing has potential to provide significant benefits for the hotel.					

SECTION 3

This section is to find out your opinion of the level of importance and the performance of relationship marketing at your hotel. Please enter the appropriate number for each statement by using the following scales.

Importance of each attribute: **Performance of each attribute:**

1	Not important at all	1	Not high at all
2	Somewhat important	2	Somewhat high
3	Important	3	High
4	Very important	4	Very high
5	Extremely important	5	Extremely high

	Importance Level	Performance Level
Customer Relationship		
Identifying key customers for building better business relationships.		
Discerning important customers from not so important ones.		
Enhancing and building trust and commitment with customers.		
Initiating and implementing long-term relationships with customers for improved competitive advantage.		
Analyzing competitors' relationships with their customers.		
Securing and spending the resources required in building close relationships with key customers.		
Inquiring about customers' willingness to form personal and close relationships.		
Customer Service Quality		
Identifying customer satisfaction as the first priority.		
Customizing service to suite the customers' needs.		
Managing conflicts and resolving service conflicts with customers.		
Customer Retention		
Working on customer retention.		

Maintaining good relationships with customers to improve customer loyalty.		
Rewarding loyal customers to encourage expanded purchase behavior.		

SECTION 4

The following question is to find out your level of satisfaction towards relationship marketing (RM). Please check the appropriate box for the following question.

7) What is your level of satisfaction towards RM?

1	2	3	4	5
Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied

These following questions are to find out your likelihood of using, recommending and continuing to use relationship marketing (RM). Please check the appropriate boxes for each of the following questions.

8) How likely would you use RM?

1	2	3	4	5
Very unlikely	Unlikely	Less likely	Likely	Very likely

9) How likely would you recommend the RM the other hotel managers?

1	2	3	4	5
Very unlikely	Unlikely	Less likely	Likely	Very likely

10) How likely would you continue to use RM?

1	2	3	4	5
Very unlikely	Unlikely	Less likely	Likely	Very likely

SECTION 5

Customer relationship management (CRM) technology consists of software applications and information systems. These capture and analyze customer data, automate, and integrate marketing, sales, and customer service. This section is to find out your familiarity with Customer Relationship Management and likelihood of implementing CRM at your hotel in the future. Please check the appropriate boxes for the following questions.

11) How familiar are you with CRM?

1	2	3	4	5
Not familiar	A little familiar	Somewhat familiar	Familiar	Very familiar

12) Please indicate the level of likelihood of implementing CRM at your hotel:

1	2	3	4	5
Very unlikely	Unlikely	Less likely	Likely	Very likely

SECTION 6

The following set of questions is to get some background information about you. Please check the appropriate boxes for the following questions.

13) Gender: 1) Male   2) Female

14) Age: 1) 25 or less   4) 46 to 55

                   2) 26 to 35   5) 56 to 65

                   3) 36 to 45   6) 66 and above

15) Education: 1) High school   4) Post graduate

                   2) Some college   5) Other (please indicate)

                   _____

                   3) Bachelor

Thank you for taking the time to respond to this survey.
To request a brief summary of survey results or any questions, please contact me.

Appendix C

- Intuitional Review Board (IRB) Approval -

Oklahoma State University Institutional Review Board

Date: Monday, May 22, 2006

IRB Application No   HE0673

Proposal Title: Hotel Managers' Perceptions toward Relationship Marketing: A Case Study of Turkish Lodging Industry

Reviewed and   Exempt
Processed as:

Status Recommended by Reviewer(s): Approved   Protocol Expires: 5/21/2007

Principal
Investigator(s

Nevbahar Handan Delen   Hailin Qu
4400 West Jackson St   210 HEWS
Broken Arrow, OK 74012   Stillwater, OK 74075

The IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in section 45 CFR 46.

The final versions of any printed recruitment, consent and assent documents bearing the IRB approval stamp are attached to this letter. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved. Any modifications to the research protocol must be submitted with the appropriate signatures for IRB approval.
2. Submit a request for continuation if the study extends beyond the approval period of one calendar year. This continuation must receive IRB review and approval before the research can continue.
3. Report any adverse events to the IRB Chair promptly. Adverse events are those which are unanticipated and impact the subjects during the course of this research; and
4. Notify the IRB office in writing when your research project is complete.

Please note that approved protocols are subject to monitoring by the IRB and that the IRB office has the authority to inspect research records associated with this protocol at any time. If you have questions about the IRB procedures or need any assistance from the Board, please contact Beth McTernan in 415 Whitehurst (phone: 405-744-5700, beth.mcternan@okstate.edu).

Sincerely,

Sue C. Jacobs, Chair
Institutional Review Board

VITA

Nevbahar Handan Delen

Candidate for the Degree of

Master of Science

Thesis: HOTEL MANAGERS' PERCEPTION TOWARD RELATIONSHIP
MARKETING: A CASE STUDY OF ANTALYA

Major Field: Hotel and Restaurant Administration

Biographical:

Education: Received Bachelor of Turkish literature from Marmara University, Istanbul,
Turkey; completed the requirements for the Master of Science degree in Hotel and
Restaurant Administration at Oklahoma State University in December 2006.

Experience: Employed by Kizilirmak Private elementary school in Turkey as a grammar
teacher from 1995 to 1996; employed by Bafra public high school in Turkey as a
Turkish literature teacher from 1995 to 1996; employed by The Chalkboard
restaurant in Tulsa, Oklahoma as an intern in 2002.

Name: Nevbahar Handan Delen

Date of Degree: December, 2006

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

Title of Study: HOTEL MANAGERS' PERCEPTION TOWARD RELATIONSHIP MARKETING: A CASE STUDY OF ANTALYA

Pages in Study: 121

Candidate for the Degree of Master of Science

Major Field: Hotel and Restaurant Administration

Scope and Method of Study: The objectives of this study were to 1) asses hotel managers' perception towards relationship marketing (RM) in Turkey's lodging industry; 2) asses if there is a GAP between hotel managers' perception towards importance and performance of RM applications in Turkey's lodging industry; 3) identify the relationship between hotel managers' perception towards RM and hotel properties' characteristics and hotel managers' demographics; 4) identify the impact of hotel managers' perception towards RM performance on likelihood of using RM; likelihood of recommendation of RM; and, likelihood of continuing use of RM; 5) explore if there is an impact of likelihood of continuing use of RM and familiarity with customer relationship management (CRM) on likelihood of implementing CRM in the future; 6) asses the relationship between the importance and performance of RM and hotels' property characteristics; and 7) asses the relationship between the importance and performance of RM and hotel managers' demographics. A descriptive cross-sectional research design was used for this study and a structured-undisguised questionnaire survey conducted. The target population of this study was 4 and 5 star hotel and resort hotel managers in Antalya and its surrounding regions in Turkey. Importance-performance analysis (IPA), multiple regression and ANOVA were employed for the data analysis.

Finding and Conclusions: The findings supported that there was an I-P gap in hotel managers' perception towards the importance and performance of relationship marketing. The research also showed that most hotel managers were not aware of CRM. Younger managers and the managers with a higher level of education were more aware of the newer technologies, such as RM and CRM. Managers of relatively smaller and mostly independent establishments were less aware of RM and CRM. The managers who thought highly about the importance of RM were also the ones that performed better at practicing it. To be successful in this competitive marketplace, the lodging industry should perform what they think is important to build and maintain better relationships with their customers. The programs need to be designed to make the lodging industry more aware and better knowledgeable about RM and CRM.

Advisor's Signature _____ Dr. Hailin Qu