

Customer's feedback is the information, the issues, inputs and insights which are shared by the community about the experiences with your company's products and services. Feedback helps businesses or organizations in identifying the areas of improvement hence empowering positive change in any business especially when it's negative (Gitonga, 2017). Feedback is very important because it guides businesses on areas to diversify hence helps keep community at heart in everything done at the hotel. Feedback can be acquired through use of surveys, registration forms and cards, personalized responses, emails, interviews, social media among others (Awad & Saad, 2019).

Service level is basically the percentage levels of occasions when quality service or orders are delivered right meeting or exceeding the customer's needs (Jun, 2014). Efficiency and effectiveness come in handy in establishing the service level of a business. The set rules and strategies put forth evaluating the performance of a system. More satisfied customers from a business lead to ease in how the company rides the ladder which is recognition in the market on quality service delivery. Patience, language, clear ideas, accommodation of customers suggestions are some of the customer service standards which must be maintained (Piercy, 2014).

Company's prolonged experience in the market is a guaranteed of lengthy experience whereby it helps in attracting a larger number of customers as well as maintain existing relationships while being able to acquire new relationships within the organization. Service experiential is the focus on the experience of customers while interacting with the organization rather than their experience and views on products and services which are delivered to them (Rogers, 2016). Service experience promotes performance of hotels hence considered a key factor (Castanheira et al., 2019).

CRM helps in promoting customers experience though allowing building of better customer relationships which in turn create loyalty and customer retention. Improved customer service, through provision of instant access to all the interactions which the customer has made in the business (Josiassen, Assaf, & Cvelbar, 2014). This enables customer support staff to pull up details while still interacting with them. Faster responses to customers enquire are guaranteed and communications are personalized. Therefore, CRMs are considered to be high valuable in improving customer experience as well as improve the overall customers journey across all touch points. CRM is viewed to be among the best

strategies and practices for hotels in order to develop their performance and ensure that their long-term goal is survival (Wu & Lu, 2012).

CRM helps firm in building long-term relationships with their customers which in turn create loyalty and customer retention. Customer loyalty and revenues are considered to be qualities which affect a company's revenue. CRM is a management strategy which results in increased profits for a business. At its core, a simpler user interface is a CRM tool created for the collection of data helping businesses recognize and communicate with customers in a scalable way. Ability to serve multiple clients with multiple and scalable services in CRM is made possible through resource pooling, whereby services are adjusted to meet the customers' needs without any apparent changes to the consumer. It's through an integrated CRM that organizations get to share goals such as improving customer's satisfaction, improving businesses efficiency, expansion of the customer base and enhancing sales and support teams (Phong & Chi, 2019).

Conceptual Framework

Conceptual framework is a model that attempts to illustrate the correlation between variables presented. Customer

experience factor is the independent variables while performance of star-rated hotel is a dependent variable measured by service quality, market share and customer retention/satisfaction.

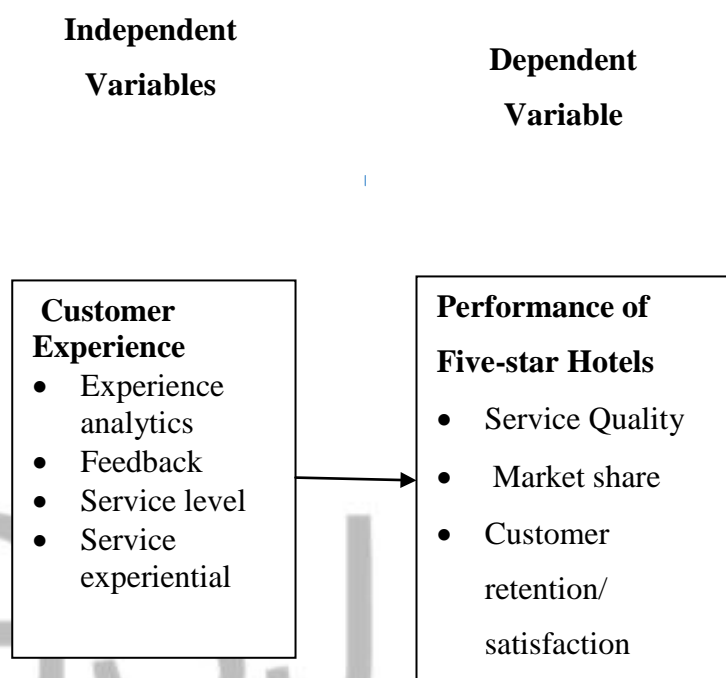


Figure 2.1: Conceptual Framework
Source (Author, 2022)

Research Methodology

The study adopted a descriptive cross-sectional survey design. According to Musyoka and Mulwa (2012), research design is the structure and the plan of investigation or research which are conceived to help in obtaining answers to the research questions are the research designs. The descriptive survey method was applied. The descriptive survey design

is concerned with what, where, when, or how much of a phenomenon (Cook, 2016). The researcher opted for the descriptive survey research design to establish the relationship between variables and understand the current phenomenon. Primary and Secondary data was used for this study. The primary data was collected from the respondents through the use of questionnaires. The secondary data was obtained from documents, materials and resources in the concerned hotels (Daniel & Turuta, 2017). Secondary data was also collected from the government's reports and records which are concerned on the hotel industry. The secondary data was corroborated with primary data.

The regression model took the following form;

$$HP = \beta_0 + \beta_1 SV + \beta_2 IC + \beta_3 RD + \beta_4 CE + \epsilon$$

Where; HP = hotel performance

β_0 is Constant

SV = System Versality

IC = Integration Characteristics

RD = Relationship duration

CE = Customer experience

ϵ is an error term.

$\beta_1 \dots \dots \dots \beta_4$ = Beta coefficients of

Research Findings

Descriptive Statistics

Customer Experience

The study sought to ascertain from the respondents on a scale of 1- 4, the level to which various statements relating Customer experience were pertinent in their organizations. The responses were documented in Table below

Customer experience

Categories	Mean	Standard Deviation
Level of the feedback given by customers in regards to customer experience/ service	4.27	0.46
Level of services given to customers from enquiry to service delivery in the hotel	4.15	0.58
Quality of the services given to customers on the CRM systems	4.08	0.61
Hotel's ability to meet and exceed customers experiences in the hotel	4.36	0.58

Average Score

22

0.56

Source: Survey Data, 2022

The statement with the least average score under Customer experience measurement was the Quality of the services given to customers on the CRM systems (M = 4.08, SD = 0.61) which was less than the composite score (M = 4.22, SD = 0.56) signifying that the participants concurred with the statement. The statement with the uppermost average score was on hotels ability to meet and exceed customers experiences in the hotel (M = 4.36, SD = 0.58).

Performance

The study sought to ascertain from the respondents, on a scale of 1- 4, the level to which various statements relating performance were pertinent in their organizations. The responses were as documented in Table below.

Performance

Categories	Mean	Standard Deviation
What is the level of impact of CRM on performance of the hotel?	4.12	0.54

4.

What is the effect of CRM on the quality of service in the hotel?	4.19	0.29
What is the level of impact of CRM on the market share in the industry?	4.05	0.73
What is the degree of customer's satisfaction in your hotel?	4.32	0.34
To what level has CRM contributed to increased competitive advantage?	3.89	0.78
What is the level of customer retention as a result of CRM practices?	3.91	0.89
Average Score	4.08	0.60

Source: Research Data, 2022

The statement with the least average score under performance measurement was the level to which CRM contributed to enhanced competitive edge (M = 3.89, S.D = 0.78), which was less than the composite score (M = 4.08, S.D = 0.60) signifying that the participants concurred with the statement. The statement with the

uppermost average score was on the degree of customer satisfaction ($M = 4.32$, $S.D = 0.34$).

Inferential Statistics

The overall objective of the study was to examine the influence of customer relationship management factors on the performance of the five-star hotels in Nairobi. The explanatory variables were system versatility, integration characteristics, relationship duration and customer experience whereas the independent variable was hotel performance.

Customer Relationship Management and Performance

Table 4.11 displays the model summary estimation pertaining outcome of the association between CRM and performance.

Summary of the Model

Model	Adj.			SEE
	R	R ²	R ²	
1	0.55	0.30	0.27	0.03

Predictors: (Constant), system versatility, integration characteristics, relationship duration, customer experience

Source: Research Findings (2021)

Based on the summary of the model, Table 4.11, the adjusted coefficient of determination (R^2) confirmed that 27% of

disparity in hotel performance is jointly described by system versatility, integration characteristics, relationship duration and customer experience whilst the remaining 73% is depicted for by external parameters not taken into consideration in the current empirical investigation.

Analysis of Variance (ANOVA)

	Squares	df	Mean Squares	F	p
Regression	0.03	4	0.00	10.46	0.00
Residual	0.07	7	0.00		
Total	0.09	11			

*Dependent Variable: Performance
Predictors: (Constant), system versatility, integration characteristics, relationship duration, customer experience*

Source: Research Findings (2021)

The outcome in Table 4.12 indicates that the overall estimation model computed is statistically significant in predicting the association between CRM and performance. The p value in testing the suitability of the overall model for the association was 0.00 which is lower than 0.05, the critical value at 95% level of significance as shown by the ANOVA. Table 4.12 ($F = 10.46$, $p < 0.05$). This

infers that the empirical data employed was perfect for drawing conclusions about the population attributes.

Regression Coefficients

Model	Coefficients		Standardized		
	β	SE	β	t	p
Constant	3.5	0.1		19.0	0.0
System versatility	0.0	0.0	0.02	1.66	0.1
Integration characteristics	0.0	0.0	0.05	3.52	0.0
Relationship duration	0.0	0.0	0.05	1.99	0.0
Customer experience	0.0	0.0	0.09	3.59	0.0

Dependent Variable: Performance
Predictors: (Constant), system versatility, integration characteristics, relationship duration, customer experience

Source: Research Findings (2021)

As shown in Table 4.13, the empirical results suggest that there was an insignificant influence of system versatility on performance ($\beta = 0.02$, $t = 1.66$, $p = > 0.05$). Integration characteristics positively and significantly predicted performance ($\beta = 0.05$, $t = 3.52$, $p = < 0.05$). Relationship duration positively and significantly influenced performance ($\beta = 0.05$, $t = 1.99$, $p = < 0.05$). Finally, performance was

significantly and positive predicted by customer experience ($\beta = 0.09$, $t = 3.59$, $p = < 0.05$). This implies that a unit increase in system versatility, integration characteristics, relationship duration and customer experience leads to an equivalent improvement in performance by the proportion of their beta coefficients respectively. The resultant prediction model is as specified below;

$$HP = 3.51 + 0.01SV + 0.02IC + 0.03^{RD} + 0.02CE$$

The findings of this study concur with those of Stuchlý (2020) who suggested that CRM positively contributes to performance. The findings also are in tandem with the outcome documented by Makau *et al.*, (2017) who found CRM as a positive determinant of performance. The results also are in line with those of Maina (2019) who established a significant association between CRM and firm performance. Similarly, the findings validate the empirical works of Awad and Saad (2019) who suggested that performance is largely determined by the CRM practices that an organization has adopted.

Conclusion and Recommendations

The main findings from this study established that CRM systems features based on the summary of the model, Table

4.10, the adjusted coefficient of determination (R^2) confirmed that 27% of disparity in hotel performance is jointly described by system versatility, integration characteristics, relationship duration and customer experience whilst the remaining 73% is depicted for by external parameters not taken into consideration in the current empirical investigations.

Based on the findings, the study concludes that versatile CRM systems, integrated CRM systems, relationship duration and customer experience and other parameters affected the performance of five-star hotels in a positive and significant way. It is thus important to ensure that CRM's that are in use have more abilities to collect data, needs and wants from customers.

The study recommends that managers of five-star hotels should pay close attention to the important role played by CRM systems specifically, versatile CRM systems, integrated CRM systems, relationship duration and customer experience. This is because of the direct role this play in influencing the performance of five-star hotels. Additionally, further research should be conducted to identify and ascertain further parameters which contribute to CRM and the performance of hotels.

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