

# CUSTOMER RELATIONSHIP MANAGEMENT IN VALENCIAN COMMUNITY

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# 1. INTRODUCTION

The globalization of markets where the demand is more than a few customers better informed, it makes that companies need to evolve towards a few management models , which it can meet and discover new needs of customers. The need of more personalized service to retain customers, it has enabled the development of new marketing techniques.

Today the customer has become more demanding; with needs that change very easily, and to know them we must give them a personalised service, transmitting security and confidence. We can thus generate a difference that can differentiate us from our competitors.

The companies want to keep the most of the customers as possible. For this it is important to recognize an anticipate customer's need to be able to satisfy them. (Olaf Hermans, 2003)

## **Definition of CRM**

CRM is a business strategy that helps us to manage the relationship with customers.

“Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value.”<sup>1</sup>

CRM is an association of several components; the company has to have all the customers' data. This information is process from and internal sources.

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<sup>1</sup> Definition provides by Atul Parvatiyar, Jagdish N. Sheth, (2001-2002) “Customer Relationship Management: Emerging, Practice, Process and Discipline”, Journal of Economic and Social Research, pp. 1-34

CRM is also has the potential to change the relationship between customers and companies. It has to recognize and treat costumers as an individual.

With the CRM Customer becomes the centre of attention with the aim of increasing satisfaction. We looking forward for differentiation maintain and manage the relationship with the customers in long term that it can generate value to both parts. (Mohammed Naveed U. 2012)

The main objective of CRM is to provide a real-time service thought the using of individual information. Workers have to use the proper tools in the CRM system to satisfy the costumers properly. (Brijesh, 2013)

### **CRM emergence**

Factors have contributed to make a rapid emergence.

The rapid evolution of technologies makes the interaction with the customers more direct. ((Mohammed Naveed U. 2012)

Improving it quality and reducing costs.

### **CRM benefits**

We can increase the number of customers by anticipating needs based on historic trends that we save in the system.

We can indentify the needs more quickly, attend specific requirements in a effective way.

We can improve the marketing communication and make it more effective.

All the workers are get used to use the system and know them.

It can make your reputation grows.

It increased the value of the costumers reducing cost associated with them.

You can deal with costumer problems in a easy way. (George K. Amoako, 2012)

## **CRM problems**

It is not all good also we can find problems such as collapse system.

Very high prices, the companies have to make an effort to acquire and also to maintain them.

We take the risk to forget the business strategy. It is important not to forget the goals and the achievements that the company has instead of the CRM.

We can not misunderstanding the needs of the costumers. We have to be careful to not forget them. (George K. Amoako, 2012)

## **CRM in hotels**

Understanding your guests, knowing how to talk them it is basic for a hotel but how you are sure that your costumers are going back.

CRM is not just only a software capable of doing list of your guests, it is also way to effectively communicate, not only using the traditional marketing also when they are booking their stay, waiting for check-in, when they are in the hotel and when they leave. (Abdul Alem Mohammed, Basri bin Rashid, 2012)

A breakthrough for the hotel industry has been the use of CRM systems. It allows them to have more control on the needs that may have clients with much precision. CRM is an ideal complement to a hotel.

It must not forget that the key of the success of the hotels in is customers, so we must taking care and dealing with them. (Brijesh, 2013)

Some way to have more costumer satisfaction, it is to improve more the loyalty programmes.

## 2. METHODOLOGY

This part of the essay consists on explaining the meaning of this work. For doing that, I made a small study using a survey assign by the University Jaume I to know how hotels have their CRM nowadays in the Valencian Community. I travel around the community making personally the surveys; at the end I have twenty of them. With the information obtained, I have extracted what I considered the most important to have clear results about the use of CRM in hotels.

With the result that we have got, we will do a small study analyzing the situation, comparing and explaining them to have a complete vision of the CRM in the community. All supported by graphics and relevant statistics.

### 2.1 SURVEY

The survey has been one of the work parts that it has taken more time to do it. I've moved in two of the three communities. So I creep on public transport and in my own vehicle. As I have mentioned before I have done personally or in presence while those workers filled in with the relevant data.

I have already to collect all the surveys that I've handed out but I've got more than half.

The survey<sup>2</sup> is dividing in four parts. The first one is about the basic information, we can get information like who's making the questionnaire and personal information, job related with the hotel, e-mail and the level of training. But also you can find information relating to the company he works. For this essay we ask about the enterprise, where is located, the stars of the hotel, the proprietary of the business, number of rooms and workers and also the opening date.

The second part is the use of CRM. Inside this part we are making questions related with the CRM system that the hotels use. The most important point is to know if the hotel has a CRM system, otherwise this part it's absolutely unnecessary for us. In this part we can find information about expecting results, effort, receptive to this technology, worries about the system...

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<sup>2</sup> The Survey you can find it and the end of this essay.

In this part we are going to get most of the information that we need for this work.

Part three is the introduction and the impact of technologies. It Contains information about the years they have IT<sup>3</sup>. IT also explains if the CRM has been updated her system and issues like the effect of the technology has in the system, opinions in the new programs or even in the improvements made.

The final part is called Organizational Learning Capability, human resources and performance management systems. Is the most extended part in the questionnaire. It has around 10 questions. In this part the type of questions are related with support workers to bring new ideas to change the system, if the companies take risks, collection of external information, if there is dialogue between workers and managers, if they take right decisions, policy of hiring and performance, training...

## **2.2 DATA ANALYSIS**

Once collected all surveys, we passed to the collection of data, so we read all the polls and began a program to mark data. In this case I've used a programme to get the best possible results. Introduced the data, we go on analyzing them and compare them.

It is important to mention that not all of the questions asked in the survey are necessary; as this work is focused on the only CRM I've taken the questions that they can help us to understand its use in the community as well as the development of this one.

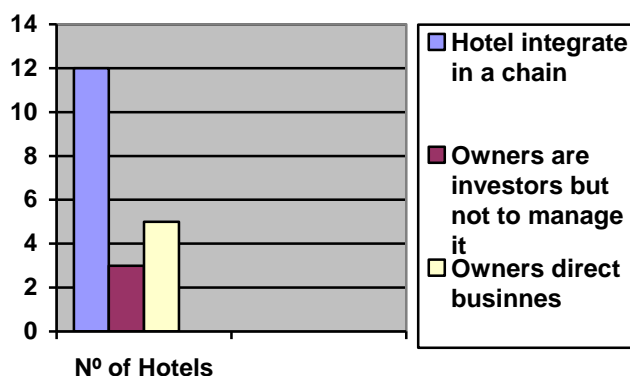
We will not use personal data included in the questionnaire; we will go straight to the data of the company.

### **Management and ownership**

The first data that we are interested in is to know the management and ownership of the hotels, because some of them can be influenced in the use of a CRM.

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<sup>3</sup> Information technology



With the data collected we can observe that most of the hotels are managed by chains between strings that can be seen are: Civis Hotels, Meliá, NH, Sweet I, Catalonia Hotels, Intur, HUSA and Vincci Hotels...

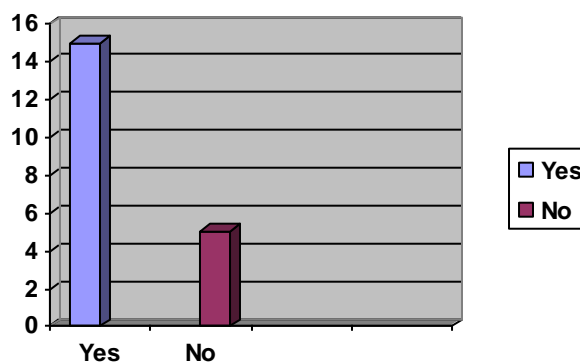
This tells us that chains have greater weight in the hotel market, it is followed closely by owners who run the hotel and finally there are a few companies that outsource the management tasks of the hotels to an external company.

Adhering to the CRM can be see most of them brand with CRM.

### Use of CRM

The next result is one of the most important.

The result set to the question whether your hotel has CRM, is going us to discard a few hotels and continue with the others. This question is called the question of cutting because it makes an inflexion point in the results; from now on the results will be more focused on the objective of this study.

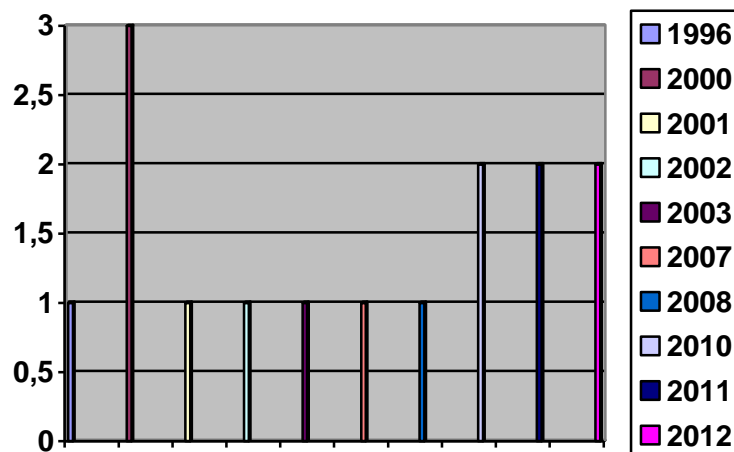




The result is clear enough; hotels are committed to a CRM system while there are still some hotels that don't have enough trust in the system. For this cases it would be interesting to add a question in the survey, asking for the reason for the non-acquisition of such a system.

There was also a section that indicated the year of the acquisition of such program and we found the 1996 as the oldest. This one tells us that the hotels as soon as they had the opportunity of choice to new technologies, they did not hesitate to buy them. On the other hand there are some ones who have not purchased their system until a couple of years ago. This may be due to the knowledge of the system or even fear of using such a system.

The majority of companies are between the years 2000 and 2010 in the acquisition.

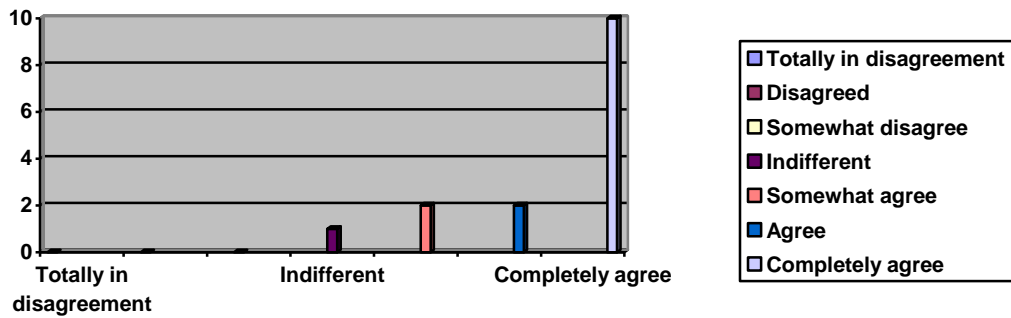


This makes us see the importance that they have acquired the technologies with the time passing by, the hotels have decided to adapt to the new systems.

### Expectations of results

In this question we will discuss the results on expectations that workers have in the system, if they consider that it useful for their work, and if they believe that it increases the productivity

### Useful



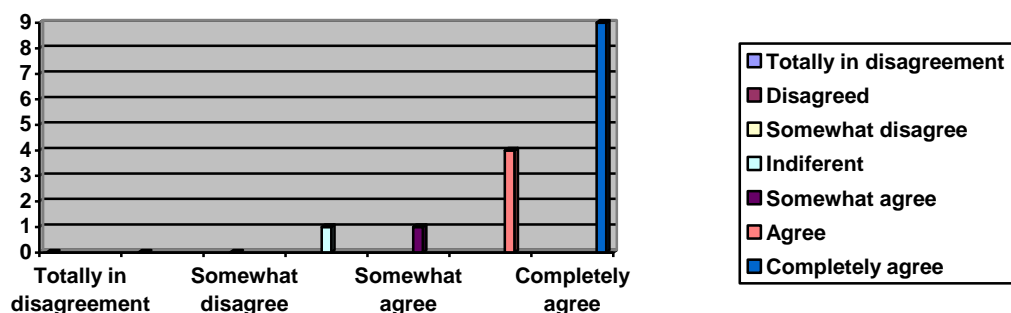
In particular we ask about, if the CRM would be useful. The result is clearly dominant in the part in which they are in accordance with 10 of the respondents. Other results that we have are that there is a hotel that is indifferent, and two that they are agree. In some way this is a little worrying because maybe they didn't trust the system.

This leads us to believe that for them it gives you equal type of program use and it would even give them just do not use it.

Somehow, having a system CRM is useful and can be more easily to do the job. The lack of a useful program makes that many hotels have their stressed-out workers.

It is important to have programs that know how to adapt to the needs of hotels and to put them in practice to be effective.

### Productivity



We see that the answer is again "yes". The CRM help to increase productivity, in the case of others as mentioned before, they can be due to the acquisition of a CRM that is no tailored.

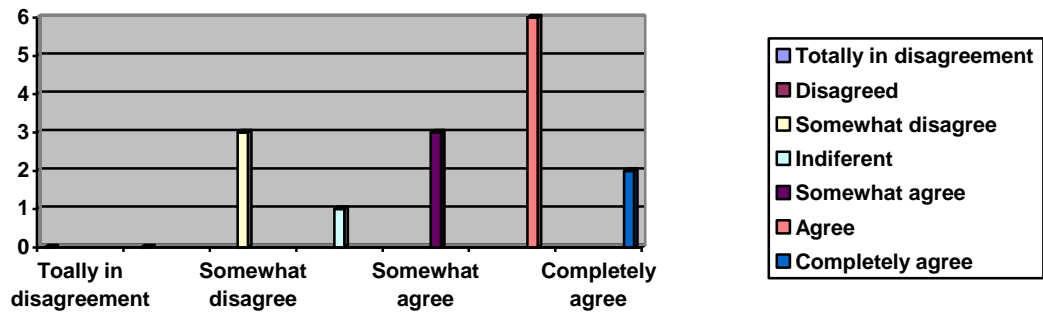
If the hotels believe that CRM is useful they consider that it is productive, since many times these programs help to a better organization of the relevant task

and to perform them in shortest time. Thus, the hotel can devote more time to other problems.

### Expectations of effort

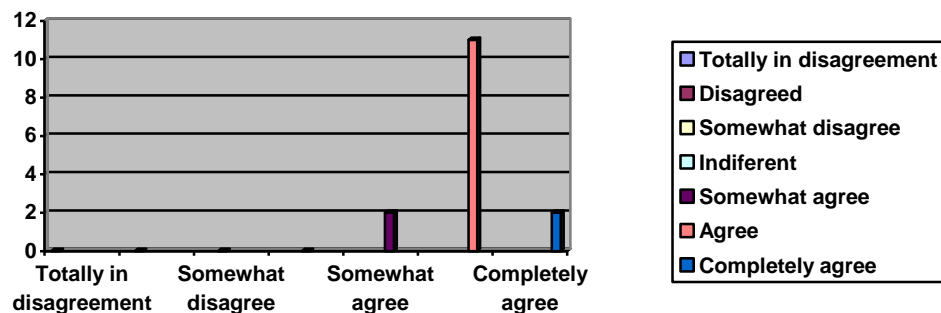
In this section we ask about the clarity and the difficulty to learn of program.

#### Clarity of program



In terms of the clarity of the programs, we have a majority outcome that agree. This indicates that the programs are clear but not quite as the workers would like. Only two hotels have put that their programs are clear. It has a positive meaning because that indicates that the programs there used have been adapted well to their goals, so it makes that choice of CRM has been adequate.

#### Difficulty to learn them



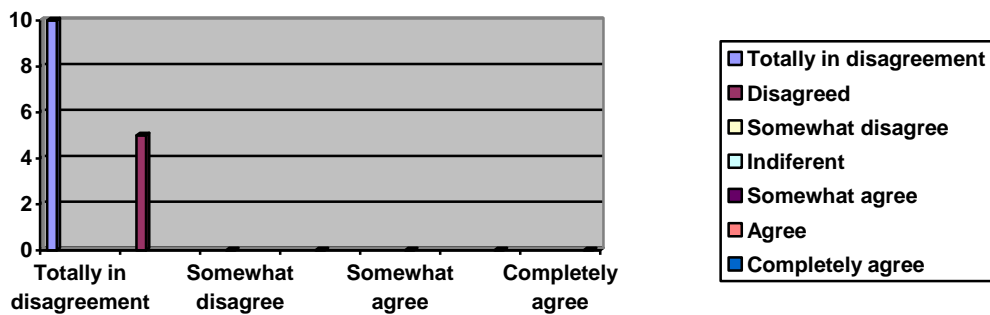
The question was whether it was easy to learn to operate with the system. We are in a situation similar to the clarity of the system. The results are virtually identical. This does not reflect again about on the use, it is unlikely that a worker can learn the program in its totally, but the truth is that it should be done. So it

should also be noted if the company is involved in these issues that later we will try to. The two hotels which have mentioned they are disagree, partly it is because they have not received instructions for the use of the CRM and perhaps they should take a remedy, speaking with the responsible person for their hotel.

### Attitude of the use of technology

In this question we wondered about if it was a bad idea to use the system.

#### Good or bad use of CRM



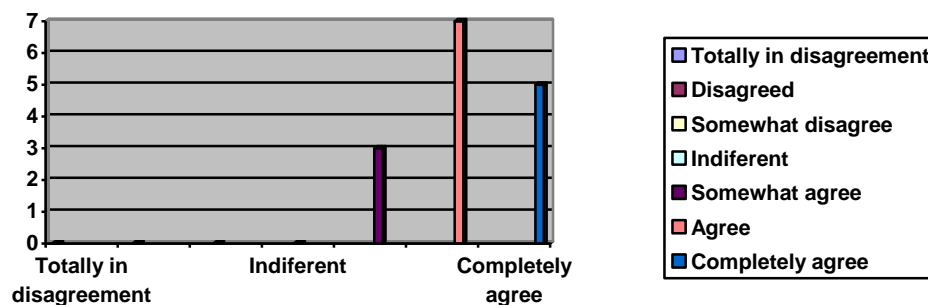
We expected some negative results and this has been like that. Ten hotels considered to be totally in disagreement on the non-use of a CRM.

This shows us that hotels bet strongly by using the system, although sometimes they are not all satisfactory they would like to.

### Social influence

We asked about a general way if the Organization has supported the use of the system.

#### Does the system support the company?

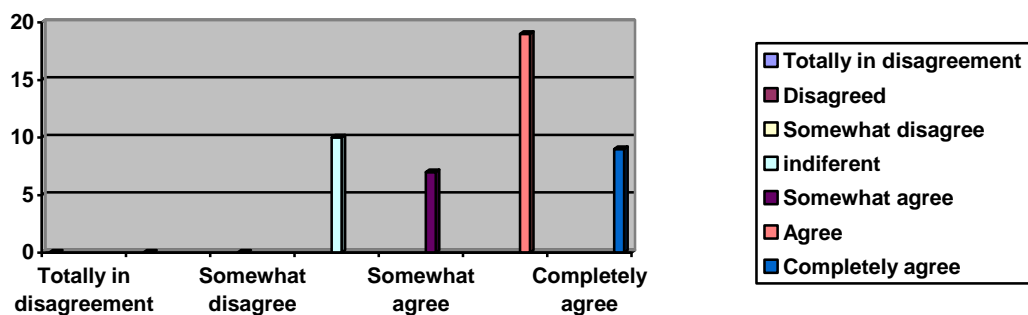


The answer to this question has an importance at the hotel. Luckily for most is positive, since it has obtained a favourable response. Employees are satisfied by the company support for the system. This means that they are satisfied with the choice of your particular system. This is very important for communication between employees at the hotel because if the directive make choices and they are supported by employees. It means that they have confidence in decision making and in this case in the CRM.

### Auto efficiency

It consists of whether the worker is able to use the CRM or he has to be aware of support.

#### Worker is effective or need help



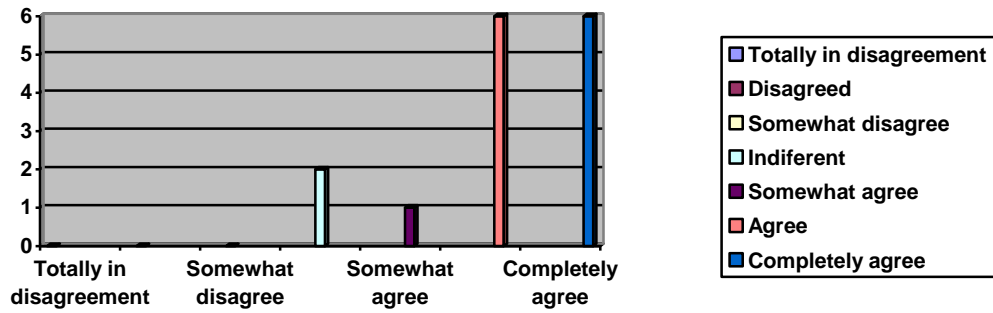
As we see in the results workers, do not feel intimidated when using the system, this may be because entrepreneurs of the hotels have offered proper training to use the CRM.

In relation to the above questions, this result is quite clear, and it is related to the clarity of the system, productivity, all fall within a cycle.

The fact that they don't need help does not create anxiety and fear to make mistakes in the use of the system. As well as this, it is clear that workers there are no fear to use the CRM.

### Use of the system

#### Use of the system in the future

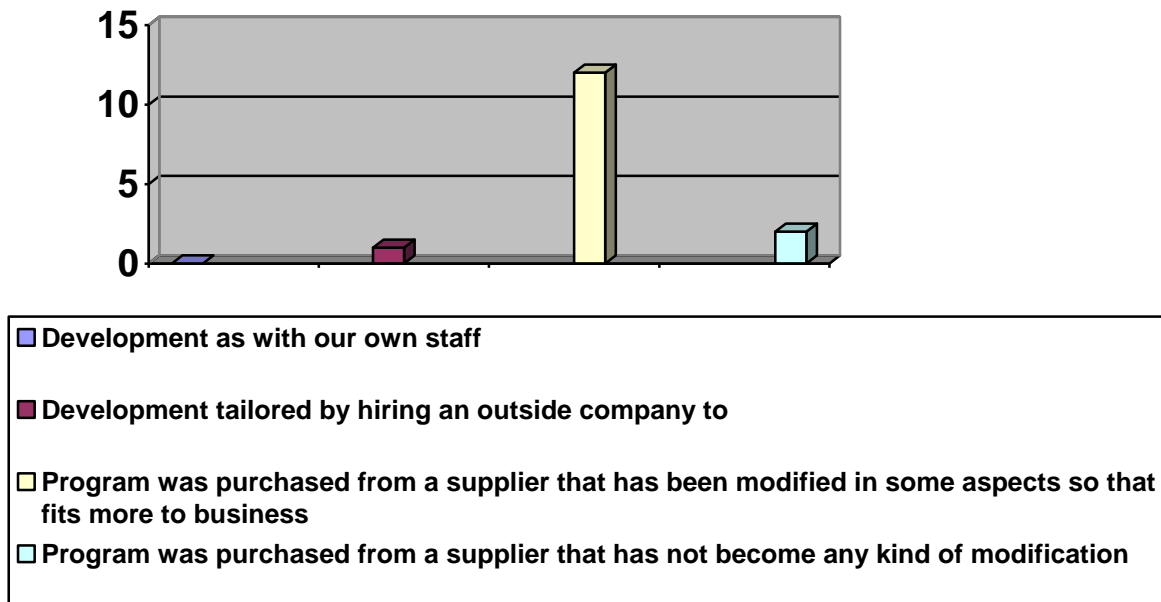


According to the results, we have a tie between the most positive results. Analyzing these data the majority is willing to continue using the system in the future.

The discussion above is very positive, but it should not be forgotten that for two hotels, it is indifferent if they have to continue using it. It is no longer a very alarming fact that the majority is willing to use it but if would be analyzed in a more personalized way to know the causes of that indifference.

### Development of CRM

With this question we want to know how companies have developed the system, currently used to be able to compare them.



The acquisition of the CRM is somewhat important for hotels, since it entails a disbursement of important money intended to pay off. This type of data bases

tend to have a high price, so that many companies think it is the time now of change or purchase the system.

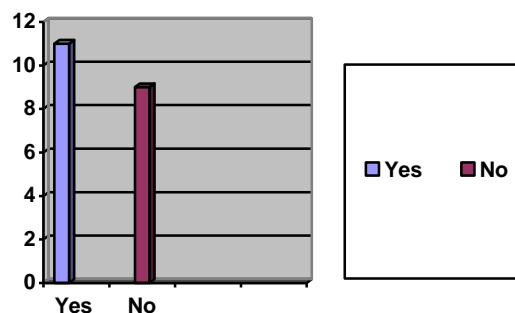
With the obtained data we can see that most hotels have acquire the program to a provider that has been modified to fit the needs of the company. This method consists on adjusting a program already made, which it will be modified parts until the needs of the customer, with this manage to adapt it, but it must take into account that sometimes providers do not know the exact needs and tend to remove and replace things that are not really useful for hotels.

In the case of the survey we asked them to put the name of the CRM system. It is curious to see that each hotel use a different CRM, among which we can find: Hetras, Tesipro, Protel, Ulysses, Velázquez Outs management Front Hotel 2012 and Sap - Simhotel...

Different is the case of the hotels belonging to the Civis, Intur and NH chains their CRM systems are the same for all its hotels. It is a good measure for the chain to be connected and the bookings become more easily. After all, workers and costumers believe the convenience when it comes to work and rapidity respectively.

### Update

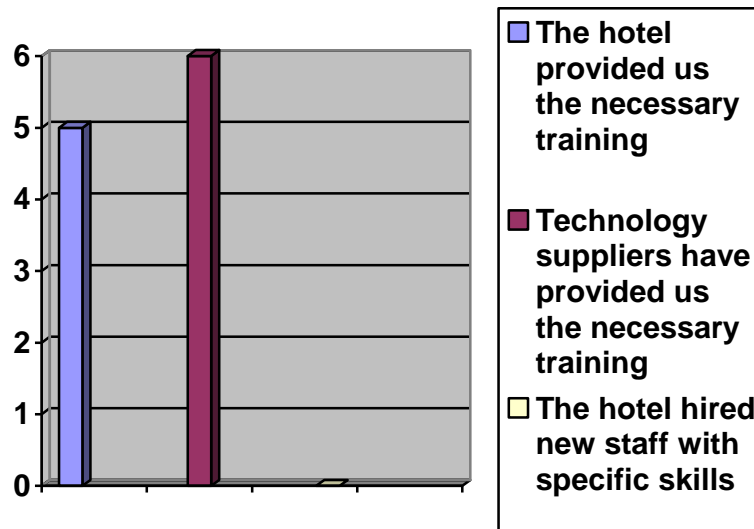
The last question we use for this essay it would be the updating of the CRM systems in the hotels.



It is important to know the condition in which your CRM is. Therefore this question in which we include again all the hotels, we have to say that the result was that eleven hotels with updates and four of the fifteen that if had the system they not have introduced any updates of their systems.

The introduction of upgrades normally is to be used for correction of mistakes that you may have from its acquisition, but also to introduce improvements and requests for workers in the system. Therefore, it is always suitable to upgrade any system from time to time in order to make it more productive.

If your answer was positive to this question in the survey, you have to answer another ones related to the update. It has to be with the supplier in your CRM.



In the results we can observe they the technology suppliers you buy the CRM, training the workers in the hotel in the new system and updates.

The other result we get, it is trained by the hotel. This tells us that hotels are committed and provide the necessary information for the use of the system after the upgrade.

Finally we can see that hire staff with specific skills has not been used by any hotel. This may be because hire persons with specific skills has a very high cost for the company.

Updates are performed by the original suppliers of the system; this is done to ensure that there is no problem with the systems.

Sometimes the hotels provide the necessary training through surveyor. This is very positive since Hotels, when they perform any update; they put the necessary means to make use of the system as more possible practice.



### 3. CONCLUSION

As we have seen throughout this work today there is a very high relationship between technologies and companies. You could almost say that it is a relationship of convenience. Companies need new information systems to adapt to the demand that wants society and enterprises committed in technology need to be permanently on the day to sell their products.

The use of information technology is essential for businesses, not only for the evolution of the technologies, but also these systems are capable of handling a large amount of information that is necessary for the work in the companies. In our case in particular at hotels. These systems store lots of information not only about the hotel but also about customers. This vast amount of information would be impossible to memorize for the company and hardly for a worker.

The use of these systems helps the company to perform better their duties. Not all information systems are the same, each technology is adapted to the needs of the company. Therefore, there are a lot of information systems.

As we have said before, we should be focused in the business since it is an element that the company uses to achieve its goals.

Information technology allows the use of a large amount of data in small spaces with fast and effective access, as well as improving the efficiency of workers. On the other hand, there is a dependence on technology. Sometimes this becomes a mistake, since we depend on computers, screens... and they can give problems or generate them.

By applying these information systems to hotels we have seen as most of the hotels rely on them. Hotels do not use these databases only to see the company's data, but they also to use them to create a relationship with the customer. Therefore the hotels are using CRM systems.

CRM systems help hotels to have an orderly system of data and also help the hotel to perform its tasks.

As we have seen throughout the work, data from the surveys are clear. Fifteen out of twenty hotels respond in using these systems. This means that it is a good tool for the management of the hotels.

In relation to the rest of question answer, the conclusions that we have are clear. The results of supporting the use of CRM systems are useful and improve productivity. If we consider that the system is useful to handle large amount of data, but as we have previously mentioned, system must be adapted to the company, so it turns it back to an almost indispensable tool.

The productivity of the hotels has increased, they not lose time in making out the tasks. It is faster, increases benefits, and improves relationships with customers...

The use of these systems is very bound to the vision of the companies, in our case in the hotels, with the results we can see that there are several concepts that are bound, one of them is the vision of the hotel, if it is not clear or is not informed of the use of CRM will hardly be able to help your hotel. Entrepreneur must bet in the use of the system that is a tool that will help you to improve your hotel. If this isn't clear, you can hard buy one. The second concept is the involvement of the company with the workers. Employees want to feel useful and do their job as quickly and effectively as possible, if the hotel provides them the tools, workers will respond suitably.

In most cases the hotel has supported the purchase and the training necessary to use CRM to the workers. This already creates a certain confidence in the system, which also is supported not only by the Hotel but also by the workers themselves.

In questions concerning workers in the use of CRM, we observed that the majority of workers in hotels define their CRM program as clear and easy to use, they claim that they have not had problems when it comes to learn it and have no fear to use the system and make mistakes. If they made a mistake they know that they have back up by the hotel to solve doubts, but we always find a negative result.

In the case of some hotels, we find that workers are not satisfied at all with their CRM. We understand that the program does not satisfy the needs that the hotel has. This dissatisfaction of the system can create stress to workers, take fear of the program and do not want to use it. It could also be that the company does not support the CRM and workers must learn to use it, in any way.

One thing we must consider our attention and it seems to us that we must comment. It has to do with the membership of hotels to chains. This brings us to see the Organization of these hotels may have another peculiarity. More specifically the using of CRM by some channels is the same, i.e. belonging to a chain hotels use the same CRM. This tells us that they trust the system but apart this allows them a greater communication between hotels and save costs in buying CRMs.

The advantages of using the same system also make the relationship between the hotels good and they have the ability to react before a system failure. It allows them to use a management system among all the hotels belonging to the same chain, so they can make reservations for all hotels only using the system.

In the future the entrepreneurs bet on in the use of systems, may be due to satisfaction of the use of the system and the opportunities it may have.

Most of the hotels bet again on the CRM and intend to do it again in the future. This indicates that systems, as we have mentioned throughout this work have managed to retain the hotels in the use and development. Many of them have opted to upgrade their systems; this confirms the confidence that they have in this type of system.

The global vision of the information systems in the Valencian Community.

Information technologies are present in almost all hotels in the Valencian Community, it must be said that hotels in the province of Valencia can see more variety of hotels and hotel chains, while in the province of Castellón just we find chains with various hotels located in the community. This makes us to see that the presence of the hotel chains is important in the community and with this entails for the tourism in the area.

If we want to analyze the volume of customers that visit the Valencian Provinces we find a very varied tourism. Overall Valencia hotels, as the capital of the province, have a good influence in customers, but it should not be forgotten that Castellón has his own tourism and attracts above all the business sector.

To be able to treat these clients well, most hotels have databases in their CRM. They generate added value to enterprises, which can also be used to introduce new services and also the needs of customers.

CRM systems are usually well introduced in the Valencian Community and they are used properly to achieve the objectives.

Hotels have claimed that these systems have helped them occasionally to better improve their services and even to achieve greater benefits.

If there is something important in the CRM system, it is the relationship that you have with the customer. This is helped by this type of systems which automatically record the name of the client and then we can observe their preferences, and even how many times the client stay in the hotel including the number of room he uses during his stay. Be able to create a closeness relationship with the client, has positive consequences for both of them, the company and the client. For this CRM is a good tool.

### **3.1 Personal experience**

Regarding to the use of CRM I have been able to see the operation of the system in a hotel. More specifically in the Hotel Luz Castellón<sup>4</sup>. My experience as a receptionist has given me the opportunity to work with a reservation system. In my specific case, this system has the particularity that CRM is not integrated in the management system. This means that, the management and CRM are separated. To make a reservation I have to use a web page of reserve management, but if I want to manage it I have to use another program. This can generate some problems. In my case, sometimes I have delays in listing of reservations and check-in problems.

This particular program was bought from a supplier that they improve some aspects and try to adapt it to the use of the hotel. When you have the opportunity to see better the program, you can watch that it has some inconsistencies as missing aspects related to the hotel system, as the general information of the customer, and not to forget that you have to click many times to get it. That's another problem that it has, instead of everything through a

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<sup>4</sup> I am doing the practice in this hotel.

screen, the program goes opening windows for everything, in the end you just have three or four windows open which then do not serve for nothing.

The program also has a number of aspects and services that they can be use to do nothing, basically we can say it is an adapted programme and it needs some improvement to have a better efficiency. The program is waiting for an update.

To finish we can draw the conclusion that information systems are necessary in our days and help in all the aspects to employers and customers. They facilitate the activities of hotels, increase productivity.

They also benefit workers, who do not feel threatened by the use of these systems, because managers support the CRM as well as employees.

CRM is the future of information systems for the hotels, which they are committed by them with the appropriate technology.

Advise all the hospitality industry and any business that use a CRM system.

We have CRM for many years.

## 4. ANNEX

Here you have the completed survey which I've extracted the information.

[https://docs.google.com/forms/d/1aPaJ3r6xP3bYPtBXo7kK-3AIVXA\\_2I9sagmpWOmM8mM/viewform](https://docs.google.com/forms/d/1aPaJ3r6xP3bYPtBXo7kK-3AIVXA_2I9sagmpWOmM8mM/viewform)

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