

# A Quantitative Study about Assessing the Effectiveness of Electronic Customer Relationship Management: A Case of Two Hotels in Mauritius

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**Abstract**—Worldwide, improving tourism competitiveness has been on the agendas of many stakeholders of the hotel sector, and they seem to have agreed that one of the best ways to compete is via the implementation of electronic customer relationship management (e-CRM). In so doing, the organizations enjoy strategic positioning on the competitive market by managing better not only the customers but, other business components including knowledge and employee management. Over the recent years, the tourism industry in Mauritius has witnessed a drastic economic boom at international and national levels; providing a new outlook to boost business performance through existing and potential customers. E-CRM has been one of the management tools used to achieving this position. Thus, this insightful context- Mauritius- was opted for the study. The aim was to assess the effectiveness of e-CRM as a strategic tool in the hotel sector in Mauritius through the implementation of business strategy to create competitive advantage and impact on the business performance. To achieve the objectives of the study, a quantitative research methodology was adopted and the research revealed that e-CRM is indeed an effective strategic tool in the hotel industry in Mauritius that can provide a competitive advantage and impact positively on the organization's performance.

**Keywords**—Customer, electronic, management, relationship, strategic.

## I. INTRODUCTION

**D**URING the recent years, many industries have realized and understood that a successful client relationship management is the key contributing factor to achieve and sustain a competitive edge on the global market which is becoming more and more difficult. The context of the study was interestingly Mauritius—a Small Island Developing State (SIDS), which despite having a rich tourism industry is undergoing the test of climate change which is affecting the hotel sector. According to [1], market competitors are constantly devising strategies to maintain the competitive edge on the market. As such, tackling climate change consequences through effective e-CRM (electronic customer relationship management) can be an insightful strategy. Hence, there is the need for an effective e-CRM as both a management competitive and a strategic tool. Consequently, to be able to provide a better support to key stakeholders of the tourism industry (hotel managers and employees), with a view to better maximizing their lifetime relationship value with

clients, it is important to have the proper technological assets which will contribute to enhancement of the client relationship in the long run. In turn, it will pave the way to other potential clients through existing clients by good word of mouth communication. As stated by [2], customer relationship management consists of three major components involving: people, process and technology. Therefore, to better enhance client relationship, there is a need for the organization to align these key elements with the e-CRM in view of maximizing benefits. Extensive research studies have been carried out in different fields from different countries about e-CRM namely: in banking by [3], in telecommunication by [4], and in the health sector by [5], amongst others, which all revealed significant rise in the adoption of e-CRM as an efficient and effective tool. While research works carried out so far in various fields including that of tourism, revealed much about customer loyalty, retention, acquisition and profitability, more work has to be dedicated towards strategic management tools such as e-CRM in vulnerable countries like that of Mauritius. The above justifies the aim of the study and the scope was to assess whether e-CRM can be implemented as a strategic tool in the hotel sector in Mauritius, consequently reflecting on the business performance. Apart from raising awareness about e-CRM, the outcome of this study will add value to the stakeholders of the Tourism Industry for those embarking on the implementation or practicing e-CRM as a business strategic tool. The objectives of the study were: 1) to investigate the effectiveness of e-CRM in building customer relationships, 2) to determine the relationship between e-CRM usage and performance of the hotel, 3) to identify how e-CRM dimensions could benefit the organization, and 4) to propose marketing strategies to create competitive advantage and improve business performance.

## II. LITERATURE REVIEW

### A. Theoretical Foundations

According to [6], e-CRM is considered as managing the customer relationship through the use of technology, for example, continuously updating the database of the customers profile. Reference [7] firmly encourages the use of e-CRM to promote the organization and client relationship to effectively contribute as a value-added factor by aligning the customer's needs with the marketing growth and strategies. According to [8], an organization can benefit from the implementation of a proper e-CRM platform through an increase in its customer

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loyalty and retention rate, devising and implementing strong marketing strategies aligned with its customers' needs, build a strong marketing analytic database on its customers, and provide reliable customized services while being efficient and effective in its delivering process. In view of creating a performance measurement tool for e-CRM implementations, [1] have worked out a balance scorecard approach regrouping the following key dimensions: customer, internal business, innovation and learning and financial perspectives. Moreover, [9] stressed that the strategic drivers which reflect on hotel performance, reside in building a strong CRM strategy, devising a strategic plan to build and sustain competitive advantage and position, the customer information, organizational support and learning, and technology integration. However, [10] found that customer orientation converges towards customer acquisition, customer retention and customer expansion which enable e-CRM to serve the customer interest while optimizing on the business operations costs in order to build its brand image during the marketing planning and implementation process in order to gain an increase in market shares, thus, being able to build competitive advantage. Reference [11] strongly reflects that customer orientation and marketing process are the key successful factors associated to create a fruitful business atmosphere. Hence, with a view to achieve a successful business performance, organizations are encouraged to build marketing strategies based on the good customer-client relationship bond and gather all the useful information, hence, giving value to knowledge management. Reference [12] reveal that knowledge management is seen as a contributing factor which increases business profitability and market shares by efficiently creating competitive advantage through the identification and understanding of the needs of customers. However, organizational support is important. Reference [11] state that it is important to provide a full-fledge working environment to staff by promoting the technological readiness of the company with regards to software resources, financial resources, affordability and professional skills required as input in order to meet its primary mission; that of, being eligible to cater and meet the needs of the customers. To achieve and sustain its vision, that of being a profitable business, the organizational support needs to be in the right position to set and integrate a good organizational culture in the DNA of its staff to ensure and maintain a good performance. Reference [13] found that there are two types of e-CRM, namely: Operational and Analytical e-CRM; whereby the operational e-CRM operates on the front office activities by directly dealing with customers through marketing, sales or client related services over the existing communication channels, whereas the analytical e-CRM operates at the back office activities focusing on customer-orientation, particularly, on data mining. Furthermore, [11] stated that marketing process, being a dependent factor on customer orientation and knowledge management, is an important indicator which can turn any organization into a profitable one. Besides, [14] perceives e-CRM to be of more than a mere marketing tool. It actually helps in the whole business performance; whereby for

instance, a hotel business performance is geared towards its financial stability, the satisfaction of customers and having enhanced learning and growth for good employee quality.

#### *B. Empirical Studies on e-CRM in the Hotel Industry*

A study carried out by [15] concluded that a successful implementation of e-CRM at its best, has enabled the South African market needs to be met; reflecting on a rise in more customer loyalty and retention rate. As stated by [16], "E-CRM and ICTs adoption is the key to the e-tourism growth. Furthermore, [17] revealed how hotel managers make use of e-CRM as a strategy to promote hotel services in order to achieve the desired business profits by using the latest technology; websites, social media and e-mail marketing campaigns. In addition, it is noted that the marketing strategies derived from e-CRM, do create a positive impact on the hotel's customers and performances. According to [18], to be able to compete and retain the customer rate, there is a strong need for the hotel managers to be well-informed about each and every customer's details from their needs to tastes in order to be in a position to deliver and meet the expected requirement of its customers. Taking into consideration the rapid global expansion at which the tourism industry is evolving, as mentioned by [19], there is a strong need to establish a communication network between the customers and the industry; hence, the need of an enabled e-CRM platform to provide the competitive edge to thrive on a customer-oriented approach to achieve the desired loyalty and retention rate. Hence, e-CRM can be assessed as a strategic tool by analyzing the impact it may have on marketing planning, marketing implementation and business performance. As proposed by [11], the hotel performance can be assessed by relating its ability of how its e-CRM internal factors, namely, customer orientation, knowledge management, technology integration and organizational support impact on marketing performance and business performance to create a competitive advantage on the market. The challenge resides in keeping an updated database of the customer's information in order to devise and implement strategic marketing and business decision-making process in the long term. Unfortunately, from a customer perspective, the lack of trust in terms of safety and security of information provided online may act as a barrier to adopting e-CRM, while internally, the initializing cost in the form of training and technology support as investments and internal organization politics may create barriers. Reference [20] acknowledges that e-CRM has without any doubt rapidly contributed to building and sustaining a good customer relationship with its customers; nonetheless, he also highlights that decision-making based on e-CRM could lead to business deficit resulting to a negative impact on the corporate image and significant decrease in competitiveness on the market. Hence, there is also a need to take into consideration the risk factors associated to e-CRM because secondary data points that it has failed to integrate organizations, namely due to: lack of integration across functions, the technological integration not being aligned to the organization needs; the necessary

customer information not updated as it should have been; and customer's information not provided in a timely manner to make real-time business decision making. Thus, there is still a need to investigate about the outcome when e-CRM internal resources interact with internal and external factors to create a direct or indirect impact on marketing strategies and business performance. Based on the above, below were the hypotheses developed for the study:

Hypothesis 1: There is a significant positive relationship between e-CRM and Marketing Performance.

Hypothesis 2: There is a significant positive relationship between e-CRM and Business Performance.

Hypothesis 3: There is a significant positive relationship between Marketing Performance and Business Performance.

Under e-CRM, customer orientation, knowledge management, organization support and technology integration were considered, while under marketing performance, marketing planning and implementation were considered. Financial perspectives, customer perspectives, learning and growth perspectives were considered under business performance.

### III. RESEARCH METHODOLOGY

The research objectives aiming to assess the effectiveness of e-CRM as a strategic tool resulted in the following research questions: 1) what are the factors that make e-CRM effective to build customer relationships, 2) what is the relationship between e-CRM usage and performance of the hotel, 3) what are the dimensions of e-CRM that can impact on the hotel's performance, and 4) how can marketing strategies contribute to create competitive advantage and improve business performance. The review of the existing literature related to e-CRM enlightened the concepts of e-CRM and context of the study. A quantitative research design was adopted which was in the form of survey questionnaires. The questionnaire was split into two sections—the first aiming towards assessing the objectives set, whether e-CRM (Customer Orientation, Knowledge Management, Organizational Support and Technology Integration) can positively affect the marketing performance (Marketing Planning and Marketing Implementation) leading to a positive impact on the business performance (Financial, Customer, Learning and Growth Perspectives) and the second section depicted the demographic section. The proposed conceptual framework was based on the study of [11], which reflected how the above dimensions influenced business performance. A Likert scale of 1 to 5 (1 being strongly disagree and 5 being strongly agree) was borrowed from existing literatures. The dependent variable was the business performance, while e-CRM and marketing performance were the independent variables; whereby marketing performance could be considered as a mediating variable. A pilot study was carried out for the purpose of pre-testing the questionnaires. In addition, it was noted that not all the hotel's staff made use of the e-CRM platform. Hence, there was a need to do a pre-selection to identify only the staff, working in the different hotels' operations, who were eligible to participate in the survey. The target population comprised

of a group of two hotels' staff with a figure estimated at 200 employees. The names of the hotels were not revealed for confidentiality reasons. This study used convenience and purposive sampling, which are non-probability sampling technique. As per [21], non-probability sampling technique can be beneficial when the investigator has restricted resources, time and staff. For [22], convenience sampling (also known as arbitrary sampling or unplanned sampling) is a type of non-probability or non-random sampling where members of the target population that meet certain practical criteria, such as easy approachability, topographical nearness, accessibility at a given time, or the readiness to contribute are involved for the purpose of the study. As for purposive sampling, as per [21], it is a non-random technique that does not need principal concepts or a set number of members, and [23] states that the investigator chooses what needs to be known and sets out to find people who can and are willing to provide the information by virtue of information or skill. Hence, this research had mixed convenience and purposive sampling techniques and the targeted population was represented by the Operations Staffs which consisted of Senior Managers, Managers and Staff who made use of the e-CRM platform, together with staff from the Marketing Department, Front Office and other related functions. The sample size was drawn as shown below: Hotel 1: 152 staff including 101 operations staff (quota set by researcher: 36).

Hotel 2: 225 staff including 121 operation staff (quota set by researcher: 77).

Final sample size:  $36+77 = 113$ .

For the purpose of the research study, a direct contact was established with the Human Resource Managers and the Marketing Managers, with the help of whom a total of 113 staffs working under the Operations Function were selected to participate. However, from the set of 113 questionnaires sent out for data collection at the hotels, only 103 questionnaires were duly completed and returned for analysis on the Statistical Package for Social Science Software (SPSS) version 20.0. For verification of the adequacy and validity of data, the KMO and Bartlett's Test of Sphericity were opted while the Cronbach's Alpha test was used to verify the reliability of the study. According to [24], it is important to have ethical considerations during a research study. Hence, consideration was given towards anonymity, confidentiality and agreement of respondents.

### IV. FINDINGS AND DISCUSSION

The Cronbach's alpha outcome denoted that 87 % of the responses were reliable for analyzing all constructs consistently as shown in Table I.

TABLE I  
CRONBACH'S ALPHA TEST

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.875	0.961	51

The KMO obtained was greater than 0.50 with a Sig value

of 0.0000, less than the default significant value level being 0.05; thus reflecting the validity of the data for the study.

TABLE II  
KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.832
Approx. Chi-Square	5015.546
Bartlett's Test of Sphericity	df
	1275
	Sig.
	0.000

From the statistical elaboration of the findings captured from the sample, the gender distribution of the survey respondents was 54.37% male and 45.63% female. It was noted that the age groups of the respondents were as follows: 35% aged 18-25, 45% aged 26-35, 16.5% aged 36-45, 4.86% aged 46-55 and 0.97% aged greater than 56 years. The study showed that 46.60% and 23.30% were Undergraduates and Higher School Certificate Holders, respectively, while 11.65% had a postgraduate degree amongst others. Despite the sampling method limitation, the profile of the respondents showed that the latter had more male workers who were young and that the workforce was educated. Should there be the possibility to extrapolate these characteristics to the hotel sector workforce population, it could be concluded that the level of perceiving information by the employees might be equally of high quality, them being young and educated.

For the inferential analysis of e-CRM, marketing and

business performance, a mean analysis was carried out for the rating of agreement opted by the respondents. The study revealed that the employees perceived e-CRM as a great tool which for them, tallied well with the organization's objectives. Reference made to Table III.

The mean analysis showed values ranging between 3.8641 and 4.0291; which were statistically significant. It seemed that the hotel management normally encouraged its employees to adopt a positive approach towards e-CRM on a daily basis to support their activities to build customer relationships. Thus, the management could engage its employees across the operational areas in training sessions on how to make use of e-CRM at the hotel to build a good customer approach. As regards e-CRM and customer orientation, the research showed that e-CRM at the hotel seemed to be highly concentrated towards a customer-centric approach to maintain a good relationship for further developing the business performance. However, there was still room for improvement to duly-update the system to meet the consistency in information being retrieved and used for further operational areas. Reference made to Table IV. Furthermore, to investigate about the extent to which the hotel management was successful in maximizing the effectiveness of e-CRM factors towards building customer relationships, a Pearson Chi square test done, showed a strong positive relation between e-CRM and customer perspective about business performance. Reference made to Table V.

TABLE III  
E-CRM IN THE HOTEL

	N	Mean	Std. Deviation
To what extent do you agree/disagree that e-CRM is an important tool which supports the Hotel's daily activities?	103	3.9417	0.95820
To what extent do you agree/disagree that e-CRM is encouraged to be used for the Hotel's daily activities?	103	3.9223	0.98707
To what extent do you agree/disagree that e-CRM is a great tool and supports my colleagues and myself in our daily activities?	103	3.8641	0.96048
To what extent do you agree/disagree that e-CRM is aligned with the Hotel's mission, vision and goals to meet the customer's needs, acquisition in view of enhancing customer relationship?	103	4.0291	0.85699
To what extent do you agree/disagree that e-CRM is used to focus on maintaining relationships with Hotel's customers?	103	3.9612	0.89577

TABLE IV  
E-CRM CUSTOMER ORIENTATION

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel has appropriate skills to handle the customers and customers' needs?	103	4.2233	5.14673
How far do you agree/disagree that the hotel management duly-update the customer information using e-CRM to focus on the clientele?	103	3.4757	1.11007
How far do you agree/disagree that the hotel has a clear process to focus on customer needs?	103	3.9515	.95362
How far do you agree/disagree that the hotel focuses on maintaining good relationship by providing good services?	103	4.0000	.82842
How far do you agree/disagree that the hotel clearly defines and highlights on improving its customer relationship?	103	4.1068	.88465
How far do you agree/disagree that the hotel has a good interaction with its customers to enhance relationship with them?	103	4.2039	.92205

TABLE V  
CHI-SQUARE TEST BETWEEN E-CRM AND CUSTOMER PERSPECTIVE ABOUT BUSINESS PERFORMANCE

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1324.286 <sup>a</sup>	1110	0.000
Likelihood Ratio	364.827	1110	1.000
Linear-by-Linear Association	22.015	1	0.000
N of Valid Cases		103	

a. 1199 cells (99.9%) have expected count less than 5. The minimum expected count is 0.01.

Since  $p < 5\%$ ,  $H_0$  was rejected which implied that there was a significant relationship between e-CRM and building customer relationships. Hence, e-CRM influenced the building of customer relationships. Furthermore, the result coincided with the views of [7] stating that an organization is encouraged to make use of e-CRM to foster customer relationship in view of increasing the business performance through the successful marketing strategies. Hence, the findings tallied with the literature, confirming the importance of e-CRM internal factors in building customer perspective. As a matter of fact, the hotel management therefore needs to constantly promote the use of e-CRM within the organization by offering good technological and motivational support to the employees to achieve high standards to meet the quality of services. As for knowledge management and e-CRM, the mean analysis showed values ranging between 3.6214 and 4.0777. A strong mean value of 4.0777 showed that the employees strongly perceived the use of e-CRM as a knowledge management tool when it came to manage customer information which positively contribute to improve the relationship with customers. The findings revealed that e-CRM at the hotel were highly concentrated towards knowledge management to retrieve meaningful information about customers' needs. Reference made to Table VI. Therefore, the hotel does have the opportunity to build its own knowledge management database system based on its customers' tastes and preferences, so as to proactively serve the latter. However, due to competition in the market, such information has to be secured and worthwhile analyses have to be done such that meaningful knowledge is derived.

The study had also put forward how organization factor was

perceived by the hotel employees within their working environment and the analysis showed mean values ranging between 3.6311 and 4.3786; which were statistically significant. A strong mean value of 4.3786 showed that the employees strongly agreed that the hotel management supported its customer management by adhering to a well-established set of procedures; whereby there was a proper flow of communication of consistent information between management and employees on a timely basis to deliver the hotel services. Thus, the management should continue and constantly train its employees in terms of technology or strategy so as to motivate and enrich the employee skills and knowhow when delivering the products and services of the hotel. This can eventually contribute towards building the image of the hotel. Reference made to Table VII. Furthermore, as regards to how technology integration was perceived by the hotel employees within their working environment, the analysis showed mean values ranging between 3.8155 and 4.1650; which were statistically significant. A strong mean value of 4.1650 showed that the employees strongly agreed that the technological factor in the form of e-CRM software had brought an improvement in the quality of customer management information available to support their daily activities. Therefore, the hotel should actively encourage its employees to use technology resources, for example, social networking sites, web sites, emails, online chat rooms to tool to vehicle the product and services offered or delivered by the hotel to its customers on the market to maintain its presence and demonstrate its value-added factors to fight the competition on the market. Reference made to Table VIII.

TABLE VI  
E-CRM AND KNOWLEDGE MANAGEMENT

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel has a well-established process based on its customer information?	103	3.8252	1.01390
How far do you agree/disagree that the hotel makes use of e-CRM software to manage/distribute customers' information?	103	3.6214	1.12124
How far do you agree/disagree that the hotel ensures a proper flow and exchange of customer information among staff?	103	3.6699	1.04214
How far do you agree/disagree that the hotel is well-versed about its customer needs and details registered on e-CRM?	103	3.8155	1.00730
How far do you agree/disagree that the hotel has a defined procedure to handle customer complaints?	103	3.9126	.91936
How far do you agree/disagree that the hotel uses e-CRM mainly to manage customer information to improve the relationship with customers?	103	4.0777	3.02178

TABLE VII  
E-CRM – ORGANIZATION SUPPORT

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel staff communicate customer information on a timely basis?	103	3.6311	0.99990
How far do you agree/disagree that the hotel has a well-established set of procedures with regards to customer management?	103	4.3786	4.02959
How far do you agree/disagree that the hotel caters for appropriate software to meet its objectives?	103	4.2524	4.03834
How far do you agree/disagree that the hotel provides the adequate platform for the staff to effectively handle /interact with the customers?	103	3.9515	0.78439
How far do you agree/disagree that the hotel engages its staff to work as a team?	103	4.3689	4.02685
How far do you agree/disagree that the hotel has a performance appraisal system to measure employee performance in line with service provided?	103	3.8447	0.86043
How far do you agree/disagree that the hotel caters for additional training for staff to provide good service?	103	3.9515	0.75898

TABLE VIII  
E-CRM – TECHNOLOGY INTEGRATION

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel uses e-CRM to efficiently manage customers and information?	103	3.8155	0.90475
How far do you agree/disagree that the hotel e-CRM software has improved the quality of customer management information?	103	4.1650	4.08752
How far do you agree/disagree that the hotel technology contributes to ensure quality of service or help?	103	3.9903	0.86880
How far do you agree/disagree that the hotel technology caters for a better communication platform between the customer and the staff?	103	3.8835	0.83197
How far do you agree/disagree that the hotel business processes are more efficiently carried out on a timely manner?	103	3.8932	0.83915
How far do you agree/disagree that the hotel's services are reliable and valid with the help of technology?	103	3.9029	0.81065

TABLE IX  
MARKETING PERFORMANCE – MARKETING PLANNING

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel has the right marketing expertise and resources to effectively and efficiently?	103	3.7476	0.89353
How far do you agree/disagree that the hotel uses e-CRM as a source of customer's information to develop new product/services?	103	3.7379	1.08430
How far do you agree/disagree that the hotel uses e-CRM as a source of information for market planning and implementation?	103	3.7476	1.09113
How far do you agree/disagree that the hotel and customer-relationship bond helps to target and market the product/services?	103	3.9903	0.90201

TABLE X  
MARKETING PERFORMANCE – MARKETING IMPLEMENTATION

	N	Mean	Std. Deviation
How far do you agree/disagree that the hotel marketing capabilities and strategic implementation leads to a competitive advantage?	103	3.8058	1.05773
How far do you agree/disagree that the hotel marketing strategies lead to enrich the hotel brand image?	103	3.9709	0.95442
How far do you agree/disagree that the hotel marketing strategies are useful to win targeted customers?	103	3.9709	0.94409

TABLE XI  
BUSINESS PERFORMANCE – FINANCIAL PERSPECTIVE

	N	Mean	Std. Deviation
How far do you agree/disagree that for the hotel, e-CRM and marketing performances positively impact on the business performance reflecting in an increase in customers?	103	3.7573	0.95451
How far do you agree/disagree that for the hotel, e-CRM and marketing performance positively impact on the business performance reflecting in a decrease on operation and promotional costs?	103	3.6505	1.07292
How far do you agree/disagree that for the hotel, e-CRM and marketing performance positively impact on the business performance reflecting in an increase on profitability?	103	3.8155	0.96759
How far do you agree/disagree that the hotel services contribute to increase in hotel shares?	103	3.7961	0.96365

As for how marketing performance factors, namely, marketing planning and marketing implementation were perceived by the hotel employees within their working environment, the mean analysis showed mean values ranging between 3.7379 and 3.9903 for marketing planning and between 3.8058 and 3.9709 for marketing performance; which were statistically significant. The strong mean values of 3.9903 and 3.9709 showed that the employees agreed that marketing planning and implementation were enhancing factors on the marketing performance. Hence, e-CRM will enable the marketing planning to build its targeted audience or segment markets where marketing implementation shall take place. Therefore, the hotel should constantly maintain an updated e-CRM to develop and build proactive marketing strategies. Reference made to Tables IX and X.

The study also elaborated on how business performance factors, namely, financial, customer, learning and growth perspectives were perceived by the hotel employees within their working environment. The mean analysis showed mean values ranging between 3.6505 and 3.8155; which were statistically significant. A strong mean value of 3.8155 showed that the employees strongly agreed that e-CRM and

marketing performance positively impacted on the business performance reflecting in an increase on profitability. Reference made to Table XI.

Using e-CRM as an information and marketing tool has enabled the management to witness a drastic decrease in terms of operational costs. Hence, this money can be re-invested to build the hotel's image; in turn, contributing to increase the shareholder value. Additionally, with a mean value of 4.3786, the hotel respondents tended to strongly agree that the hotel experiences an increase in customer satisfaction, while with a mean value of 3.8058, they tended to agree that the hotel considers to have a better image. Therefore, it can be concluded that an increase in customer satisfaction is associated to the hotel's products and services delivered. To promote customer satisfaction at its best, the hotel management should be aware of the customer needs in order to provide and deliver quality services. Hence, making use of its knowledge system, the hotel management shall be in a good position to promote its products and services to meet the customer requirement. With a mean value of 4.40485, the hotel respondents strongly agreed that that the hotel should improve its service quality; while, with a mean value of

3.7476, they agreed that the hotel did experience an increase in employee quality. Hence, it could be concluded that an improvement on the hotel's service quality positively reflected the learning and growth perspective demonstrated by the quality of service delivered by the employees to maximize business performance. The hotel management should ensure that adequate training and the hotel's culture are properly transferred to its employees to meet customer expectations.

The Chi-Square test analysis of independence was performed to examine the relation between the factors of e-CRM and business performance of the Hotel. Research Objective 2 and Objective 3 were respectively: to determine the relationship between e-CRM usage and performance of the hotel and to identify how e-CRM dimensions could benefit the organization. The analysis revealed that there was very strong evidence to show that there was a relation between e-CRM and business performance with Chi-Square, 2617.837,  $df = 2294$  and  $p\text{-value} < 0.005$ . Since  $p < 5\%$ ,  $H_0$  was rejected, which implied that there was a significant relationship between e-CRM dimensions and hotel performance. Hence, e-CRM do influence the hotel performance. Consequently, these findings aligned with [1] that the dimensions of e-CRM positively create an impact on the business performance of the hotel. Therefore, it is important to build and maintain consistency in the e-CRM factors in order to maximize on the business performance of the hotel. Research Objective 4 was to examine whether marketing strategies can create competitive advantage and improve business performance. The Chi-Square test analysis of independence was performed to examine the relation between the factors of marketing performance and business performance. The findings showed that there was very strong evidence to show that there was a relation between marketing performance and business performance with Chi-Square, 1273.842,  $df = 682$  and  $p\text{-value} < 0.005$ . Since  $p < 5\%$ ,  $H_0$  was rejected, which implied that there was a significant relationship between marketing strategies and business performance. Hence, marketing strategies influenced the business performance. The results coincided with [11] stating that marketing strategies reflect in a positive marketing performance which in turn reflects on the business performance. Hence, it is important to plan and implement strong marketing strategies to build and sustain the business performance of the hotel.

The correlation coefficient analysis was used to test the hypotheses.

#### Hypothesis 1

- $H_0$ : There is not a positive relationship between e-CRM and Marketing Performance.
- $H_1$ : There is a positive relationship between e-CRM and Marketing Performance.

The correlation coefficient (0.694) showed a strong positive correlation relationship between e-CRM and marketing performance. With the  $p\text{-value}$  lower than 0.05,  $H_0$  was rejected and  $H_1$  accepted; which implied that there was a meaningful relationship between e-CRM and marketing performance. Hence, there is a significant positive relationship

between e-CRM and marketing performance,  $r [18] = 0.694$ ,  $p=0.000$ . Given that the correlation coefficient was less than 0.8, it was deduced that there was no multicollinearity issue in this research study. The findings related to the views of [7] whereby e-CRM is highly encouraged to be used in order to promote the organizations client relationship in order to devise strategic marketing strategies based on a customer-oriented needs to successfully achieve market performance.

#### Hypothesis 2

- $H_0$ : There is no positive relationship between e-CRM and Business Performance
- $H_1$ : There is a positive relationship between e-CRM and Business Performance

The correlation coefficient (0.646) showed a strong positive correlation relationship between e-CRM and business performance. With the  $p\text{-value}$  lower than 0.05,  $H_0$  was rejected and  $H_1$  accepted; which implied that there was a significant positive relationship between e-CRM and business performance. Hence, there was a significant positive relationship between e-CRM and business performance,  $r [18] = 0.646$ ,  $p=0.000$ . Given that the correlation coefficient was less than 0.8, it was deduced that there was no multicollinearity issue in this research study. The findings aligned itself with [1] stating how the dimensions of e-CRM positively creates an impact on the business performance of the hotel and [9] indicating that the strategic drivers are required to achieve business performance. Therefore, it is important to build and maintain consistency in the e-CRM factors in order to maximize on the business performance of the hotel.

#### Hypothesis 2

- $H_0$ : There is no positive relationship between Marketing Performance and Business Performance.
- $H_1$ : There is a positive relationship between Marketing Performance and Business Performance.

The correlation coefficient (0.693) showed a strong positive correlation relationship between marketing and business performance. With the  $p\text{-value}$  lower than 0.05,  $H_0$  was rejected and  $H_1$  accepted; which implied that there was a meaningful relationship between marketing and business performance. Hence, there was a significant positive relationship between marketing and business performance,  $r [18] = 0.693$ ,  $p=0.000$ . Given that the correlation coefficient was less than 0.8, it was deduced that there is no multicollinearity issue in this research study. The findings met the views of [11], whereby marketing strategies reflect in a positive marketing performance which in turn reflects on the business performance.

## V. CONCLUSION

The research study clearly demonstrated that using e-CRM as a strategic tool in the hotel sector in Mauritius has brought business and marketing performances to another level in the industry. Many stakeholders operating in the industry have understood the significance of e-CRM and therefore highly

recommend enhancing its use to implement organizational strategies. However, the findings have demonstrated that there exists room for improvements to enable e-CRM to fully-operate as a strategic tool in the hotel sector. Based on the analysis of findings, the key recommendations with regards to the implementation of e-CRM are as follows:

- The organization should clearly define its objectives in each of its key operational areas, while the employees working within the operational areas being the key assets should be trained and involved in the process of initiation until implementation. The aim of this recommendation is to gain employees trust in the e-CRM to build and develop an appropriate customer orientation and knowledge management approach.
- The hotel management should provide its support to further empower and reward the hotel staff management by engaging in a learning and growth perspective. In doing so, the human asset can lead the organization to its peak performance by creating a value-added factor reflecting in the shareholders' value. The organization should be equipped with the latest technology to maintain an interactive presence through the help of frequent online feedback questionnaires, e-mail brochures or support or online chat room for online on the market. The aim of this recommendation is to invest in a good technology infrastructure, over the short term, to enable the management to be in a better position in the market.
- The hotel management should invest in the implementation of a secured online process whereby customers are willing to update their information on the hotel system in order to have error-free information to strongly promote the product and services of the hotel according to customer's preferences.
- The hotel management should invest in building its brand image through its employees. Therefore, the hotel may seek the help of qualified external resources on the international market to impart the adequate training to employees in order to understand and be in a position to deliver as per the customer taste and preferences to further consolidate the hotel image as per international norms in order to maximize the rate of new customer acquisition.
- The hotel management should further consider partnering with international organizations to host events or conferences to seize the opportunity in promoting the hotel's image and gather maximum information from its potential customers to consolidate its information system for developing a strategic approach.

This study provided clear evidence of the important use of e-CRM as a strategic implementation tool; reflecting its ability to create a new outlook to develop and implement good marketing business strategy to create competitive advantage to positively impact on the business performance. As for future research scope, most of the research studies carried out on e-CRM among various sectors stressed on the relationship among the integrated and internal entities only but, there is still a need to have an in-depth research to identify the external factors that may have a direct or indirect impact on the e-CRM

practices in the sectors.

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