

Customer Relationship Management and Customer Loyalty in Selected Star-Rated Hotels in Lira City

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Background: The study examined the effect of customer relationship management on customer loyalty in star-rated hotels in Lira City. The objectives of the study included to assess the effect of complaint handling, service personalization and customer orientation on customer loyalty.

Methods: The study adopted a cross-sectional design and employed a mixed methods approach for both qualitative and quantitative data. The study population was 190 respondents from where a sample of 123 was selected based on Krejcie & Morgan, 1970. The study used both questionnaire and interview guide as main methods of data collection.

Findings: The study findings revealed that complaint handling is the least contributor to customer loyalty with a coefficient value of 0.2648 at $p=0.0064$. Service provision had a positive and significant relationship with customer loyalty. It was further revealed that service personalization is the second contributor to customer loyalty as indicated by a coefficient value of 0.3435 at p value=0.0007 significance level. Customer orientation has a positive and significant relationship with customer loyalty. It is also noted that customer orientation is the greatest contributor to customer loyalty with a coefficient=0.3773 at p value=0.0005 level of significance.

Recommendations: The study recommended that the management of star-rated hotels should put more emphasis on complaint handling as this plays a significant role in the industry. When customers' complaints are listened to and addressed, possess a great opportunity for the business to thrive as repeated sales shall be assured of. The management of star rated hotels should put more emphasis on offering of the personalized services in nature through ensuring that customer needs are routinely met in a satisfying manner. In regard to customer orientation, star rated hotels should have a program to assisting in orienting their customers as this shall help such customers to quickly adopt to the environment.

Key Words: *Customer Relation Management, Service Quality, Customer Orientation, and Customer Loyalty*

