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# CUSTOMISED CUSTOMER CONTACT SERVICES IN HOTELS - THE STATE OF THE ART

Maria Nascimento Cunha\*, Isabel Miguel\*\*

**Abstract:** Several hospitality industries face the concerns of coordinating and organising a customised customer contact service point for their customers, especially regarding customer preferences and details (Cunha, 2014). Therefore, customers experience a sequence of intermittent communication moments when they come across contact points in the hospitality industry (Payne, 2016). Findings from the state of the art show that customers of hospitality industry highly acknowledged the importance of customised contact service and its positive impact on the customer's life. This research also showed that there is a significant difference between the income of customers and how it impacts their experience towards customised contact point. Other findings showed that both age and gender of the customer does not impact on the customers' experience towards personalised customer service contact point; thus, it shows no significant differences.

Keywords: Hotels, Contact Services, Customised Customer

#### INTRODUCTION

Many companies face the issue of coordinating and managing information, particularly when it comes to dealing with issues that are related to customer details (Cunha, 2019). This has most often lead to customers experiencing communication moments when they come across contact points in a company. To be specific, several companies largely implement contact services points as a way to interact with customers, such as, emails, phone, website, face to face, live chat, social media, etc., and this influences the way in which companies and customers communicate with one another (Payne, 2016). The implementation of these several contact service points is rising, increasing chances for companies to learn from customer responsiveness. Consequently, by adopting these customer contact points, the company can learn from the customer's desires and needs. This can be a way to customise a customer contact service (Abdul and Basri, 2012, Akroush et al., 2018).

The major aim of customised customer contact service could be data gathering by maintaining and retrieving the marketing database. Basically, marketing database of a company is seen and has been observed as being essential for a successful company (Palmer et al., 2000). Also, carrying out marketing database can be an instrument used in marketing campaigns and managing customer relationships.

Generally, marketing database creates value for a company, boosts customer response and improves accountability. Although research has been carried out on either database marketing or customer service, there has been almost no investigation linking customer contact service and database marketing (Rich, 2000, Abdul and Basri, 2012, Akroush et al., 2018). To be precise, investigation has been carried out on similar fields such as customer relationship and technology (Peter, 2007); customer relationship management (Buttle, 2000); using data in organisations (Menon and Varadarajan, 1992; Cunha, 2014); and service operation improvement (Tseng et al., 1999; Cunha and Santos, 2019). Nonetheless, investigation is needed to properly comprehend these challenges of information management in the customised customer service framework.

Accessibility to data is a key to the success of any company (Gates, 1999; Cunha and Santos, 2019). This research focuses on data accessibility as a process to ensure adapted customer contact service. Additionally, this data availability and responsiveness allows to ensure what the customer wants and could lead to higher levels of customer satisfaction (Coviello et al., 2001). Nevertheless, in order for a company to provide value to customers, they need both internal management of data and real-time sharing of that particular information. The structures and systems of a conventional company do not always allow this management and sharing of information.

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Investigation into customer desires and satisfaction can be shown through customer contact service and via numerous contact points (Yang and Jun, 2012).

Past studies had determined the gains of retaining a client to a company and, hence, stated that if a client sticks to a company for a long time, it can be more satisfying than acquiring a new client (Reichheld and Kenny, 1990). Hence, numerous companies all over the world are organising the technologies to coordinate clients' services as a valuable asset to gain competitive advantage. Domegan (1996) in his work, "the adoption of information technology in customer service" found that information communication technology is a tool in accomplishing client service advantage in various ways, such as effective and efficient operational responsibilities in the company, automation of office duties, as well as generating of information and strategic transformation. Another finding from Domegan (1996) is that technology helps to nurture client's service as an asset that is very valuable in separating inventories into more than one way, such as transaction, distribution, and relationship and strategic. Domegan's work (1996) lastly found that there is direct positive relational link between the optimisation of technology in clients' services and the level of information management. The study finally concludes to display the adoption process of this technology and states that companies that have greater competitive advantage in business are applying technology in client services (Abdul and Basri, 2012, Akroush et al., 2018).

The variety of contact points in a company shows that links with marketing database are complex. In an integrated company, the marketing database is the hub in which the wheel of continuous dissemination of data rotates and an important part that complements customer contact management.

#### SIGNIFICANCE OF THE STUDY

The variety of contact points in a company shows that relations with marketing database are complex. In an integrated company, the marketing database is the hub with the wheel of continuous sharing of data rotates and an important part that complements to the total customer contact management. This research will be significant to service industries by helping them understand how customised customer contact services can impact on customer's experience in hospitality industry; also, through the understanding of customers perceptions towards the customised contact points, hospitality industries will therefore approach the best way to appropriately contact, interact and serve their customers.

#### PROBLEM OF THE STUDY

Many companies lack coordination and management capabilities in connecting the information of customers, even with the rise of several customer service contact points and their huge implementation by companies. This mismanagement and non-coordination is a result of the lack of understanding of the customers' experience and perception towards customised customer contact service point with hospitality industries. Also, there is a need to understand the impact of customised customer contact service points on customers' experience, choice and personality. In the absence of this, customers' experience sequence of intermittent communications when they come across the different contact points created by hospitality industries will be negative. This occurs because these industries lack the required knowledge of customer experience and perception towards customised customer contact service point, as well as the impact of these customised customer contact service points on customer's experience. Thus, there is a need for a customised customer contact service platform, this will enhance an appropriate interaction between companies and customers, with an end goal of tailoring the services of the companies to the personal customer desires and needs.

The objectives of this study will therefore identify the impact of customised customer contact service point on customers experience and detect the perception of customer towards customised customer contact service according to their gender, age, and income and hotel preference.

This study will further answer the research question how customised customer contact service point impacts customer experience. In addition, what is the customer's perception on customised customer contact service based on their gender, age, and income and hotel preference?

The possible challenges that will be faced in this research is a situation of language barrier, as the researchers' Portugal language skill is not competent enough; nevertheless, efforts will be made to concentrate on sample participants with high competence in English language just like the researchers.

Finance is also another challenge faced by the researchers as the cost of covering all the sampled participants, collecting, storing and analyzing data is quite huge; thus, the researchers worked around the limitations during the research. Another possible challenge that researchers might face will be time, as such an demanding investigation will require more time than the one assigned for this research.

## **Customer Relationship Through Customised Contact Point**

Managing customer relationship is an ideology that has existed around management area which sorts to build longlasting relationship with clients of an organisation. Ensuring and managing client's loyalty can be seen as a technical pattern that is connected with enabling shareholder value through the advancement of appropriate coordination with major client segments and clients (Payne and Frow, 2005). Managing client's loyalty according to Richard and Jones (2006) is a series of actions of business enhanced by the combination of both technologies and process, linked by techniques and built to ensure company performance in client management field. Thus, to manage a successful customer relationship, a company should aim at fulfilling the needs of their clients, and further integrating these needs with the company's strategy, culture, personnel and process (Fagbemi and Olowokudejo, 2011).

Al-Khouri (2012) suggested similar components of managing the framework of customer's relations with the company. The components are appropriate customer's focus, organisations of CRM, CRM-focused knowledge and technology management (Abdul and Basri, 2012, Akroush et al., 2018). Past studies have shown that the management of a clients' loyalty increases efficiency of finance in marketing process (Sheth and Sharma, 2001; Jones et al., 2002). They have also shown that pricing increases the differentiation of product, dedication of client, loyalty and customer satisfaction (Park and Kim, 2003). It ensures long-term profit (Zikmund et al., 2003), management of knowledge (Leigh and Tanner, 2004) and enables acquisition, development and retention and decision of clients (Tanner et al., 2005). One the other hand it leads to improved successful performance of a company (Read, 2009).

Maintaining a client is highly important for a company to remain competitive. This has currently become more vital compared to acquiring new client. Based on an investigative study by Maxham (2005), retaining a customer has been evaluated by four scopes, which are the total satisfaction of a company, word of mouth, repetitive purchase motives and loyalty to an organisation. In a current study by Lin and Wu (2011), it has been established that there is a significant link between quality dedication, trust and maintaining and satisfying a client and a future purchase of a good. An early study has proven that dedication and trust directly lead to the cooperative attitude which is appropriate to the success of a marketing relationship and vital in the developing and managing a long-term link with clients (Robert-Lombard and Du Plessis, 2012).

Maintaining clients' loyalty is a technique aimed at ensuring a long-term retention of clients. Retaining a client is directly opposite to the client leaving. Now, the rate of retention is automatically equal to a low rate of leaving. Nevertheless, keeping clients is not a new concept among most companies, but the current market of today needs an original method to build and maintain clients' loyalty. A proper customer retention method does not only preserve the clients' loyalty but also encourages the sales of more inventories to that client as the need calls for it. Four proactive structures, as claimed by the financial service company, are at the centre of an effective program (Navigant Financial Service, 2010). These are targeting and tailoring (which helps to know the attitudes and priorities of your clients); improving the client's experience (ensures the inventories are in line with client needs); ensuring retention (includes client retention in the company's service policies); and engaging the staff of the company (build a team with the sense of client relationship ownership). Practical research in Dubai showed that 46% of clients that switched providers believed that their old company did not try enough to stop them from changing to a new company. Research has also shown that 56% of research respondents in Dubai believe that their companies never properly give rewards for loyalty (Global Consumer Insurance Survey, 2012).

Most past studies have determined the gains of retaining a client to a company and therefore stated that if a client sticks to a company for a long time, it is more satisfying than acquiring a new client (Reichheld and Kenny, 1990). Henceforth, numerous companies all over the world are organising technologies to coordinate clients' services as a valuable asset to accomplish greater competitive advantage. Domegan (1996) states "the adoption of information technology in customer service" serves as an improvement in accomplishing client service advantage in various ways, such as effective and efficient operational responsibilities in the company, automation of clerical duties, as well as generation of information and strategic transformation. Another finding from Domegan's work is that technology helps to nurture client's service as an asset that is valuable in separating inventories into more than one way, such as transaction, distribution, and relationship and strategic. Domegan's studies finally found that there is a direct positive relational link between the optimisation of technology and maintaining clients. The study finally concludes that using technology allows companies to have competitive in client services.

Sigala et al. (2001) suggest that strategic achievement and implementation of operations have been built on the trending period of the technology era. This goes far back to 2001 on the usefulness of reservation management, and its potential. The authors stated that operators in a hotel needed to comprehend how technology modifies the entire service system in the business and also pointed out technology as an alternative in acquiring a competitive advantage.

Palmer et al. (2000) examines the various types of loyalty programmes that are available in the England hotel sector. The study proposed that for a company to minimise its cost in stimulating continuous business, loyalty programmes should be part of the business policy and surroundings in which they function. There are various kinds of loyalty programs, and this is according to the way and manner they gather, evaluate and use customer data. The study further developed a conceptual framework trying to relate the management of information together with customisation of such customers' information. The proposition in this study aligns with the debate that there is not one particular technique for the improvement of a successful loyalty programme in the hotel sector. Proposals were raised regarding a loyalty programme that is effective and measurable, the characteristic of a market, the intensity of an information and customisation level, and how it can impact on the loyalty program in a positive way.

The increasing value of the service industry has brought significant attention to this industry. Practically, numerous service industries have tried to adopt different improvement programmes to enable their work, performance and operations in other to attain a competitive business edge. Many researchers identify service operation that is connected to clients, and views the costumers as subjects (Mitchell et al., 1993). However, this study proposes an improvement of a service operation programme through objective mapping of the service experience through the eye of the customer's journey.

Faed and Forbes (2010) and Yadav & Rahman (2017) in their research about the impact of customer management system talk about the need to increase the retention of customers. They also saw that new projectscan create new ideas on the management of customer relationship. At the end they state that there is a need to improve customer service quality in companies.

Gilmore's (1997) work on the four stages of customisation describes the limitations of poor implementation in customer customisation strategies. This source created an eye-opener on the wastage that could occur if managers or companies wrongly implement a bad strategy towards customising customer-company relation.

Coelho and Henseler's (2012) work on creating customer loyalty through service customisation developed a model of customer relationship outcomes on service customisation and the efficacy of service customisation. It further gave more insight on the size and nature of customisation.

So, many scholars and researchers have suggested that client's customisations will soon displace the practices of conventional market segmentation (Franke et al., 2009); the major lead on this development is due to the growth of the technological industry in production and communication sector on one side, and the growing differing client's choice on the other side. The customisation includes gathering information of clients' choices, needs and distributing a personalised inventory that particularly suits those needs. Franke et al. (2009) argue that this supports a more suited match and is, therefore, suitable for the client. However, most significant downfalls in mass customisation, such as the ones observed in recent times, put a question mark on this argument. Do clients really identify their needs in a very precise manner? These questions and arguments have raised doubting cases that subtly contest the value of customisation as a technique for marketing. Franke et al. (2009) further found that customised inventories lead to a significantly huge gain for the client in terms of their intention to purchase, willingness to pay and behaviour towards the goods than standard goods. The gains are huge if clients have a proper insight to their own choices, a proper ability to communicate their needs to the producers and greater product inclusion. Their findings suggest that customisation of clients' need holds the possibility to be a strong technique for marketing if the conditions are met.

Another case suggests that companies that aim to serve different client needs through creating personalised goods should try to accommodate their customisation structure in a pattern that openly solve the clients' inability to provide accurate need information (Franke et al., 2009). This can be attained through deviating from client-active means of needs transmission in which the client must state their need in an active manner, rather than depending on options such as smart links or recommender structures that need low skill and stress from the client compared to a stressful self-design processes. The study further suggested an alternative which is to create a toolkit for client design which is openly made to assist the client to comprehend and communicate their needs in a more appropriate manner.

Watjatrakul (2018) theorises that customisation of service ensures the users to customise services for their particular needs, and service industries can also adopt the customise output to provide higher services for their clients. Lesser concern has been given to the issues that cause clients to customise services differently and this customise output affects their intention to adopt such services. This work proposes a new paradigm to evaluate the impact of gathering information and clients' experience on the customisation of service, i.e., the configuration of services and custom outputs, and the impact of the customisation of services on client's intention to use a product or service.

Grenci and Watts (2007), in their work, focus on the success of mass customisation to increase multi retailing as an encompassing technique that guides online initiatives especially in the area of customer value. Optimising the technique will create assimilation of the various aspects and enhancement of e-customer services. Their study found that the total success of the larger web market is not justified by the company's vast relationship, but by the improvement of valuable standards which permit to greater customised bundling of products and services.

### **Customer Experience and Customised Contact Service Point**

To understand customer experience and their journey, it is important for the organisation to combine several functionalities of businesses, because customers nowadays communicate with organisations via countless contact points through various channels and platforms. Also, the experiences of customers are now more social (Lemon and Verhoef, 2016).

Jain et al. (2016) say that customers' experience can be seen as an encompassing and interactive process. This process can be supported via empathy and reasoning. But controlled by customers thru attributes and context which can result into pleasure or disliked memories. The study further pronounced that there is a need to consider and manage the customer experience as an entirely technical process for providing customer satisfaction, customer loyalty, competitive merit and customer differentiation. Mayer and Schwager (2015) described customer experience as any response that tends to be internal and subjective where the customer owns the result of a direct or indirect contact with an organisation; they further stated that an experience takes place due to a contact or being in connection with a thing or an event, which creates empathy, thoughts, and attitudinal, reasoning and relational values. Schmitt (2014) also explained customers' experience as a connection between a company and a customer. This could be a mix of a company's performance. The mind is activated and a feeling of empathy is evoked. All is intuitively evaluated and the customer expectation has to be fullfiled or it will cut with across all connections.

Frawley and Frawley (2014) stated that the entry to attract customer and create a durable company can be made by producing an encouraging customer experience. This experience supports current engagement that can derive from "like" icon from Facebook, to the decision of acquisition. Rahimi and Kozak (2017) found that no matter what change has arisen in the past decade with respect to customer's experience and expectation in hospitality industries, the value of money and major products still play a

vital role in the total satisfaction of the customer with budget hotels.

Stein and Ramaseshan's (2016) study discovered several elements that surround customer experience service points. Their study found such elements include technological, interactive, process, customer-employee communication, customer-customer communication, product interaction, etc. The findings from this work showed that numerous contact channels consist of various combination of those elements.

A study has proven that companies have not finally organised their clients' data and maximise clients' relationship for onward loyalty (Capgemini, 2007). To implement an in line technique it is also needed to invest in newer technology in order to help understanding. But also to determine the similarities between the groups of customers or to allocate values to the clientes. Its also important to make the correct segmentation and try to predict the type of experience customers want and implement the correct strategies All this will determine and optimise a continuous sale of both new and existing product customer. Many companies are designed for new client acquisition; nonetheless, the current study argues that retaining a client plays a huge part in the profitability of the company (McLauchlin, 2010). A database marketing research institute found that every dollar paid for retaining a customer invariably improves profits more than every five dollar that will be spent on getting a new client.

# **Customers' View on Customised Contact** Service Point Based on Gender, Age, **Income and Hotel Preference**

Gagnon and Roh (2016) examined the connection between clients' view of customisation and customer satisfaction in the hospitality industry: their study found that customers in the USA hotels had a good experience regarding customisation and in their general experience as a customer.

Ganesan et al.'s (2015) findings regarding income showed that there is no significant difference in the opinion of customers in relation to their income per month.

Wolf and Zhang (2016) found, in their work, the correlational in the difference of gender and customisation. They found that male and female customers showed positive but different attitudes towards the various contact service points provided to them by the hospitality industry. Wolf and Zhang (ibid) further suggested that owners or managers of hospitality industries should adopt various list and design techniques to captivate customers.

Meyer and Schwager (2014), in their study, found that customer experience is impacted through varieties of hospitalities and companies touch points; this experience could also be altered over time, within the customer's life.

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