



**The Impact of Online Relationship Marketing on
Customer Loyalty**
(With Special Reference to the Five Star Hotels, Galle
District)

This dissertation is submitted as a partial fulfillment of the degree of
Bachelor of Business Management in Entrepreneurship and Management

August 2019

K.P.K.C De Silva

UWU/ENM/15/010

Department of Management Science

ABSTRACT

Sri Lankan tourism industry is rapidly growing at the present. Therefore Tourism was able to upgrade its rank to the third level as one of the largest sources of Foreign Exchange Earner of the national economy. Based on this circumstance, mainly hotel sector contribute to the GDP of the country at a significant level. In this context, this study has investigated the impact of Online Relationship Marketing on Customer Loyalty with the mediating effect of online trust. The researcher has selected all five-star hotels in Galle district and collected data from 150 guests who visited those five-star hotels. Convenience sampling method and questionnaire is used as the data collecting technique. The signaling theory has been used to measure online Relationship Marketing and as it proved as engagement and interactivity are best determinants as to measure with mediating effect on online trust. Descriptive statistics, regression analysis, and PROCESS macro tool were used to analyses the data with the support of SPSS 25 version. According to the findings, there is a significant impact of Online Relationship Marketing dimensions on loyalty in the hotel industry. Existing level of online relationship marketing on loyalty is analyzed in this research by using descriptive statistics. In addition to that PROCESS macro analysis has confirmed the mediating effect of online trust between Online Relationship Marketing and Customer Loyalty. This study provides recommendations and suggestions for practical implementation for hotel management based on the research findings. It suggests that Engagement and Interactivity with the mediating effect of online trust as a key consideration as the impact on customer loyalty in an online context.

Keywords: Customer Loyalty, Online Relationship Marketing, Engagement, Interactivity, Online Trust, five-star hotels