



**Effect of Customer Relationship Marketing Practices  
on Customer Loyalty**

**(With special reference to five star hotels in Colombo  
District)**

This dissertation is submitted as a partial fulfillment of the degree of  
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## ABSTRACT

With the growth of the tourism hotel industry is also growing and as the commercial hub in Sri Lanka, Colombo has most accommodation facilities. So to generate more income customer loyalty is very important and marketing practices are important for that. The study reports the effect of customer relationship marketing practices on customer loyalty in five star hotels in Colombo district. Some researchers' have Argive that customer relationship marketing practices have an influence on customer loyalty while some are not, which makes a gap between those arguments. Objectives of the study are, identify the customer relationship marketing practices and how those practices influence on customer loyalty. A questionnaire has been derived from the literature review and has completed those by 100 customers who got the service from those hotels. Descriptive statistics, correlation and regression analysis were used to analyze the data with the support of SPSS 21 version. Descriptive statistics has implied existing customer relationship marketing practices and customer loyalty. Correlation analysis has shown the strong positive relationship between the independent and dependent variables. In addition multiple linear regression analysis has confirmed that, all the customer relationship marketing practices which are trust, commitment, social bonding, communication and empathy are highly significant for the model. Out of all five independent variables social bonding can be identify the most influencing factor to the customer loyalty. Apart from extending knowledge on relationship marketing practices into a domain without having much empirical work, the study also provides hotel managers with practical ways of implementing customer relationship marketing practices when achieving customer loyalty. The findings also suggest that hotels can create loyal customers by exhibiting trustworthy behaviors, communicating information to customers efficiently and accurately, delivering a quality services and improving overall customer relationship quality.

**KEYWORDS:** *Customer relationship marketing practices, customer loyalty, five star hotels*