

658.8 CUSTOMER RELATIONS MANAGEMENT OF SELECTED  
C11 HOTELS AND RESTAURANTS IN CAVITE  
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**THESIS**

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*College of Economics, Management  
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**CAVITE STATE UNIVERSITY**  
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**CUSTOMER RELATIONS MANAGEMENT OF SELECTED HOTELS  
AND RESTAURANTS IN CAVITE**

Undergraduate Thesis  
Submitted to the Faculty of the  
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In partial fulfillment  
of the requirements for the degree of  
Bachelor of Science in Business Management  
(major in Marketing)

**CINDY R. CABANGON**  
April 2006

## **ABSTRACT**

**CABANGON CINDY RIVERA. Customer Relations Management of Selected Hotel and Restaurants in Cavite. Undergraduate Thesis, Bachelor of Science in Business Management, major in Marketing. Cavite State University, Indang, Cavite. April 2006. Adviser: Dr. Luzviminda A. Rodrin.**

The study was conducted to describe the business profile of hotel and restaurants in Cavite; describe the organizational structure of hotel and restaurants in Cavite; determine the customer relations management practices employed by the management; and identify the problems encountered by the hotel and restaurants management related to customer relations.

The study was conducted in 32 hotel and restaurants located in Cavite. Data were gathered through personal interviews with the managers of the establishments with the use of the prepared interview schedule.

Frequency count, mean, range, and percentage were used to describe the business profile organizational structure and customer relations management practices of hotel and restaurants. Ranking was used to present the problems encountered by hotel and restaurants related to customer relations.

Forty-four percent of the hotel and restaurants were corporation, 41 percent were sole proprietors, nine percent had partners and six percent were government owned. The years in operation of the hotel and restaurants ranged from 8 months to 32 years with an average of eight years. Majority of the hotel and restaurants (81 %) were operating for 1 to 123 years, while the number of employees involved in customer relations/ service ranged from 6 to 85 with an average of 20 employees. The common positions involved in customer relations were manager, waiter/ food attendant, room boy/ room attendant, front



office/ front desk clerk and housekeeping. Other positions involved were supervisors, cook, cashier, security guard, maintenance personnel, laundry attendant, assistant supervisor, secretary and linen supervisor.

The organizational set up of the hotel and restaurants were functional organization (59 %), divisional organization (32%), and matrix organization (9%). The most compelling reason/s of the organization to improve customer relations was the fear of losing customers to competitors, fear of damage to organizations reputation and losing customers' satisfaction and quality service.

The ways by which reservation can be made by customers at the hotel and restaurants were by phone, walk-in, Internet, through their sales office, sales blitz and show room. All the hotel and restaurants revealed that the hotel always provides its services at the time it promises to do so. Sixty-nine percent of the respondents said that the customers were taken care immediately when responding to customer's request, 22 percent said that they responded within 3 minutes, three percent mentioned that they responded within 3- 5 minutes and six percent revealed that they responded on case-to-case basis.

The most frequently mentioned problem encountered by the hotels and restaurants related to customer relations was unpaid customer bills, followed by unmanageable guests, overbooking and guests that file complaint just to get discount.

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# **CUSTOMER RELATIONS MANAGEMENT OF SELECTED HOTELS AND RESTAURANTS IN CAVITE<sup>1/</sup>**

**Cindy R. Cabangon**

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## **INTRODUCTION**

The cost of making a new customer is nearly five times that of retaining an existing one (www.smilecrm.com, 2005/ "What relationships are built on"). No wonder then, that in today's world of decreasing margins, increasing competition and ever changing business environment, corporate success depends on an organization's ability to build and maintain loyal and valued customer relationships. But that is easier said than done. Leave aside personalizing communications with all customers even trying to interact with all of them is like trying to hit many moving targets, simultaneously. Yet, there is no escaping the fact that customer relationships are becoming very important.

Customer relations management (CRM) is developing into a major element of corporate strategy for many organizations. CRM, also known by other terms such as relationship marketing and customer management, is concerned with the creation, development and enhancement of individualised customer relationships with carefully targeted customers and customer groups resulting in maximizing their total customer life-