Original Scientific Paper

THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT DIMENSIONS ON HOTEL REPUTATION: AN EMPIRICAL STUDY

UDC 658.818:005]:640.412

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Abstract. *The reputation of a hotel is of paramount importance; however, its establishment can be a complex and demanding endeavor. Accordingly, this study was conducted to investigate the impact of various dimensions of customer relationship management (CRM) on the reputation within the hotel sector. Data were gathered from 136 participants through a 23-item questionnaire utilizing a convenience sampling approach. Multiple linear regression analyses were employed to evaluate the hypotheses. The results reveal that critical dimensions such as key customer focus, knowledge management, and technology-based CRM exert a positive and significant influence on hotel reputation. Conversely, CRM organization did not demonstrate a significant effect on hotel reputation, confirming that the effectiveness of CRM lies in its practical implementation and not just its organizational framework. This study serves to enhance hotel managers' understanding of the vital role that CRM strategies play in enhancing their establishments' reputations.*

Key words: *Hospitality industry, knowledge management, relationship management, reputation*

JEL Classification: D83; M15; M31

1. INTRODUCTION

Within the hospitality sector, while nurturing strong customer relationships remains crucial, neglecting the development of a robust hotel reputation is a critical issue that cannot be ignored. Establishing a strong hotel reputation demands persistent and dedicated effort, making reputation building a lengthy and challenging endeavor. Reputation is likely one of the largest difficult strategic tasks that managers face today (Brønn & Brønn, 2017). Today, an organization's reputation is considered crucial for enhancing its attractiveness and its ability to retain both customers and investors (Feldman et al., 2014). A company with a high reputation is likely to be perceived as being more trustworthy and credible as opposed to one with a bad reputation (Serra-Cantallops at al., 2018). Previous studies have demonstrated that effective corporate governance (Kaur & Singh, 2018), corporate social responsibility initiatives, financial performance, and research and development efforts contribute to a strong corporate reputation (Kaur & Singh, 2019).

Indeed, hotels have several effective strategic avenues to cultivate a good reputation. Among these options, implementing a customer relationship management (CRM) strategy stands out as one of the most advantageous approaches. A recent report by Grand View Research (GVR, 2024) indicates that the global CRM market "was valued at USD 65.59 billion in 2023". It is projected to expand at a robust "compound annual growth rate of 13.9% between 2024 and 2030" (GVR, 2024). Existing empirical studies confirm that there is a significant positive relationship between reputation and firm performance (Le, 2023). Also, CRM can be a useful tool to enhance performance in the hotel industry (Eldesouki & Wen, 2018). In addition, using CRM tools can increase sales, profitability, boost customer retention, and performance marketing. As a result of which, Eldesouki and Wen (2018) recommended managers of hotels that they should embrace the adoption of CRM.

Prior research has primarily focused on assessing the effects of CRM on customer satisfaction, retention, and loyalty (Khan et al., 2022; Rafiki et al., 2024), service quality (Al-Gasawneh et al., 2021), as well as various dimensions of financial, organizational, or marketing performance across a range of contexts (AlQershi et al., 2022; Haislip & Richardson, 2017; Soltani et al., 2018; Wu & Lu, 2012). Nevertheless, the investigation of CRM's effect on organizational reputation (e.g., Shah et al., 2024), particularly within the hospitality industry, has not been sufficiently explored. Consequently, investigating the correlation between CRM and hotel reputation presents an intriguing area for study. Therefore, it is imperative to enhance our comprehension of how different dimensions of CRM impact hotel reputation. In this regard, this study seeks to explore the effects of CRM dimensions (i.e., key customer focus, CRM organization, knowledge management, and technology-based CRM) on hotel reputation within the Algerian context. Implementing CRM practices can substantially benefit hotels by attracting new clientele, enhancing competitiveness, and establishing a robust global presence in the hospitality sector. This investigation contributes to determine whether adopting CRM systems leads to an improved reputation. Furthermore, the results from this study can provide insights for professionals on leveraging CRM strategies to effectively manage hotel reputation. In addition, this study enhances the broader understanding of reputation management.

The structure of this paper is organized as follows: The next section, literature review, provides an overview of relevant research on CRM dimensions and hotel reputation. This is followed by the presentation of our hypotheses and conceptual model. Section 3 details the research methodology employed in the study. Subsequently, the results and discussion section presents and interprets the findings. Finally, section 5 offers our conclusions.

2. Literature Review and Hypothesis Development

2.1. Hotel reputation

Merriam-Webster's Student Dictionary defines reputation as "overall quality or character as seen or judged by people in general." Saxton (1998, p. 396) further describes company reputation as "the reflection of an organization over time as seen through the eyes of its stakeholders and expressed through their thoughts and words." Building on this, Gotsi and Wilson (2001, p. 29) conceptualize corporate reputation as "a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder's direct experiences with the company, any other form of communication and symbolism that provides information about the firm's actions and/or a comparison with the actions of other leading rivals." Based on these definitions, we define a hotel's reputation as a composite of ideas, perceptions, and beliefs developed over time through individuals' experiences with the hotel, including its name and image. In this paper, hotel reputation is considered as the dependent variable. Factors influencing a hotel's reputation include positive guest experiences, customer satisfaction, and favorable electronic word of mouth (eWOM) (Serra-Cantallops et al., 2018). Peco-Torres et al. (2023) demonstrate that CRM serves as a significant predictor of strategic management of online reputation. Davies and Miles (1998) argue that reputation comprises personality, identity, and image. Meanwhile, Wartick (2002) proposes the following equation:

$$\text{Reputation} = f(\text{Image} + \text{Identity})$$

Argenti et al. (2010) categorize reputational strategies into four potential alternatives: (1) "Extreme neglect or business-as-usual"; (2) Deceptive virtue; (3) Innocuous competence; and (4) "Trustworthiness as a competitive advantage". A hotel's reputation, as reflected in online reviews, often reveals the nature of customer perceptions and experiences (Anagnostopoulou et al., 2020). A positive reputation acts as a signal of quality and reliability (Bartikowski & Walsh, 2011). The literature identifies several benefits of a strong reputation (Grunig & Hung, 2002), including: increasing market share, reducing market costs (such as lower prices), decreasing distribution costs, the ability to charge a premium, avoiding excessive regulation, enduring economic downturns, enhancing employee productivity, attracting and retaining top talent, drawing high-quality investors, entering new global markets, and gaining more favorable media coverage. Gunawan et al. (2021) found that corporate reputation has a direct impact on the CRM quality. A well-established reputation has been shown to lower company costs, enable premium pricing, and attract new customers (Fombrun, 1996), enhance firm's performance and boost consumer loyalty (Le, 2023), secure talented employees (Heller, 2005), and create barriers to competitive threats (Serra-Cantallops et al., 2018).

2.2. Customer relationship management (CRM)

According to Anderson and Kerr (2001, p. 2), CRM is "a comprehensive approach for creating, maintaining and expanding customer relationships." Kotler and Armstrong (2018, p. 38) describe CRM as "the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction." Parvatiyar and Sheth (2001, p. 5) define CRM as "a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply

chain functions of the organization to achieve greater efficiencies and effectiveness in delivering customer value." CRM encompasses methodologies, strategies, processes, and technologies designed to enhance the relationship between a company and its customers (Messner, 2005). Variations in CRM effectiveness can lead to significant differences in sales processes (Rodriguez et al., 2018). Wang et al. (2006) found that CRM performance is influenced by corporate reputation and brand equity.

In the hotel industry, CRM is crucial for enhancing guest retention, satisfaction, and loyalty, while also reducing customer acquisition costs and boosting profitability (Lo et al., 2010). It significantly contributes to business performance (Haislip & Richardson, 2017) and the improvement of "customer lifetime value" (Wu & Lu, 2012). Among the three sub-categories of CRM—"collaborative, operational, and analytical"—Torggler (2008) found that operational CRM systems, which support marketing, sales, and service functions, are the most commonly utilized tools by surveyed companies. Parvatiyar and Sheth (2001, p. 5) identify four dimensions of CRM: "customer identification, customer attraction, customer retention, and customer development". However, Sin et al. (2005) offer a broader perspective, defining CRM as a multidimensional concept with four main dimensions: "key customer orientation, CRM organization, knowledge management, and technology-based CRM". Our study adopts the latter framework (Sin et al., 2005) due to its more comprehensive nature. In this context, CRM organization refers to the structural framework and policies that guide how a hotel manages its customer relationships. It encompasses the roles and responsibilities of employees engaged in CRM activities, the processes established to manage customer interactions, and the alignment of CRM strategies with the hotel's business goals.

Shah et al. (2024) demonstrated that online brand communities have an impact on the CRM capabilities. Gunawan et al. (2021) discovered that customer value and customer satisfaction have a positive influence on the CRM quality. On the other hand, Chalmeta (2006) highlights several factors that can lead to CRM system failures, including the misconception of CRM as merely a technology, insufficient management support, lack of customer focus, inadequate readiness for CRM software, poor data quality, unclear strategy and vision, and insufficient customer engagement with CRM solutions. Therefore, CRM managers should focus on the effective practical implementation of CRM strategies and programs. This includes actions taken to execute CRM plans, such as employee training. Thus, effective implementation is crucial for translating CRM strategies into tangible results, such as enhancing the customer experience.

2.3. Developing hypotheses

2.3.1. Key customer focus and hotel reputation

Attracting and retaining customers is a fundamental goal for any business. According to Sin et al. (2005, p. 1267), the key customer focus dimension comprises four elements: "customer-centric marketing, key customer lifetime value identification, personalization, and interactive co-creation marketing". Buttle (2009, p. 193) states that customization means that "companies have to be aware of, and responsive to, customers' differing requirements". In this context, each customer represents a distinct market segment (Rao, 2011). Enhanced customization of service offerings can lead to greater customer satisfaction (Dah et al., 2023; Lepistö et al., 2024), customer retention (Srinivasan et al., 2002) and increased profitability (Ryals & Knox, 2001).

In the hotel industry, customer preferences are shaped by factors such as service quality, business facilities, value, room and front desk services, food, recreation, and security (Chu & Choi, 2000). Hotels with strong reputations are more likely to attract and retain customers (Serra-Cantallops et al., 2018). The credibility of eWOM plays a crucial role in managing online reputation within the hospitality sector (Reyes-Menendez et al., 2019). Grunig and Hung (2002) argue that the quality of relationships significantly impacts reputation. Kim and Kim (2016) found a positive correlation between reputation and overall customer trust in the hotel industry. Bartikowski and Walsh (2011) discovered that a positive customer-based corporate reputation enhances customer commitment, loyalty, and citizenship behaviors such as helping other customers and supporting the company. Serra-Cantallops et al. (2018) observed that hotel reputation has a direct positive effect on customer loyalty. In Indonesia, Rafiki et al. (2024) found that CRM practices had a significant positive impact on customer satisfaction in "Islamic-based hotels." In Yemen, AlQershi et al. (2022) identified that a significant emphasis on customer focus has a positive impact on the performance of SMEs. Additionally, Gul (2014) indicated a relationship among reputation, customer satisfaction, trust, and customer loyalty. However, Lepistö et al. (2024) indicate that customer focus a non-significant effect on company reputation. Thus, it is anticipated that key customer focus will positively affect hotel reputation. Based on these insights, we propose the following hypothess:

H1: Key customer focus has a significantly positive effect on hotel reputation.

2.3.2. CRM organization and hotel reputation

To deliver exceptional service, it is essential for departments such as design, sales, and customer service to collaborate closely. Employees are vital to any organization, making it crucial to understand their preferences and needs, as they significantly influence service quality. Service quality, in turn, is a critical component of customer satisfaction. CRM systems help HR professionals gain insights into employees' needs and preferences, enhancing their ability to support and manage staff effectively (Dorgan, 2003). Rahimi (2017a) discovered that four organizational culture traits—"adaptability, consistency, involvement, and mission"—positively and significantly affect the three core components of CRM: people, processes, and technology. Furthermore, Rahimi (2017b) found that organizational culture aspects such as cross-functional team creation, a culture of teamwork, employee commitment and involvement, adaptability to change, information sharing, a learning orientation, clear mission and vision, and high innovation levels positively impact successful CRM implementation in hotels. Dah et al. (2023) revealed that CRM organization improves both customer satisfaction and the financial performance of hotels. Therefore, CRM organization is anticipated to positively influence hotel reputation. Based on these insights, we propose the following hypothesis:

H2: CRM organization has a significantly positive effect on hotel reputation.

2.3.3. Knowledge management and hotel reputation

Knowledge is essential to every business organization and plays a critical role in determining its success or failure in today's fast-paced and competitive environment (Asrar-ul-Haq & Anwar, 2016). In recent years, effective knowledge management has become as vital as managing other organizational assets (Asrar-ul-Haq & Anwar, 2016). Navimipour and Charband (2016) define knowledge management as "the process of

capturing, sharing, developing, and using the knowledge efficiently." Consequently, collecting customer information has become a fundamental aspect of successful business operations. Various sources for gathering customer data include government reports, private reports, trade associations, point-of-sale data, employee insights, surveys, and focus groups (Anderson & Kerr, 2001). In the digital era, gathering this information has become significantly easier.

The saying "knowledge is power" holds true in today's competitive landscape. The creation and sharing of knowledge are crucial for managing and enhancing reputation. Van Den Hooff and De Ridder (2004, p. 119) describe knowledge sharing as "process where individuals mutually exchange their implicit (tacit) and explicit knowledge to create new knowledge." Černe et al. (2017) found that knowledge hiding negatively impacts employees' innovative work behavior. Additionally, Van Den Hooff and De Ridder (2004) demonstrated that a positive communication climate enhances knowledge sharing and affects commitment. AlQershi et al. (2022) indicated that effective knowledge management contributes positively to the performance of SMEs. Therefore, knowledge management is expected to positively influence hotel reputation. Based on these considerations, the following hypothesis is proposed:

H3: knowledge management has a significantly positive effect on hotel reputation.

2.3.4. Technology-based CRM and hotel reputation

Richard (2008, p. 11) describes CRM technology as "a sub-set of CRM, focused on the technology and technology applications used to support CRM implementation." Similarly, Reinartz et al. (2004) define CRM technology as "the information technology that is deployed for the specific purpose of better initiating, maintaining, and/or terminating customer relationships." In today's digital age, individuals can communicate seamlessly across various platforms, such as Facebook, Twitter, and email, from anywhere at any time. This digital transformation necessitates that hotels adapt to survive, as technology has fundamentally altered the business landscape.

Technology offers numerous advantages to hotels, such as transforming customers into brand advocates through personalized experiences, enhancing operational efficiency, and reducing costs. Despite these benefits, Messner (2005, p. 253) notes that "CRM technology has delivered great benefits to some companies, even propelling a few into positions of industry leadership, but for most businesses it is a continuous source of frustration, disappointment and costs." Rodriguez et al. (2018) found that CRM technology significantly impacts the sales process, including opportunity creation, opportunity management, and relationship management. Eldesouki and Wen (2018) studied the effects of CRM dimensions on the performance of classified hotels in Cairo, Egypt, and found that aspects such as customer retention, customer satisfaction, customer feedback, and data warehousing positively influenced hotel performance. Silva and Batista (2007) also demonstrated a positive relationship between CRM and corporate reputation. AlQershi et al. (2022) established that technology-driven CRM positively affects the performance of SMEs. Given these findings, technology-based CRM is anticipated to positively affect hotel reputation. Thus, based on this evidence, we propose the following hypothesis:

H4: technology-based CRM has a significantly positive effect on hotel reputation.

Our research model is grounded in four hypotheses, which are illustrated in Figure 1.
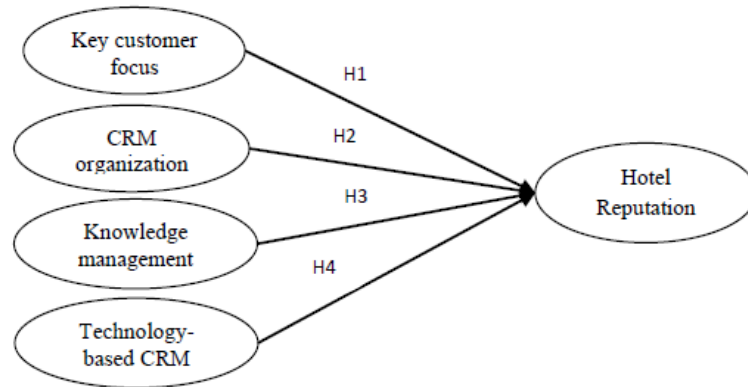
Fig. 1 Conceptual model of effect of CRM dimensions on hotel reputation
Source: Authors' development

3. METHODOLOGY

3.1. Measurement Instrument

This study employed a survey approach using a multiple-choice questionnaire that required respondents to select fixed responses to various statements. This method is efficient for gauging the attitudes and opinions of a large number of participants quickly and effectively compared to other techniques. The questionnaire was divided into two sections: the first collected demographic information, such as gender, age, and educational background, while the second comprised 23 statements related to CRM dimensions and hotel reputation. To assess CRM dimensions, we utilized a scale developed by Sin et al. (2005), which includes 18 items divided among four areas: key customer focus (4 items), CRM organization (5 items), knowledge management (4 items), and technology-based CRM (5 items). For evaluating hotel reputation, we adopted a five-item scale originally designed by Feldman et al. (2014). Respondents rated their agreement with each statement on a 5-point Likert scale, where 1 represented "strong disagreement" and 5 indicated "strong agreement". Before distributing the questionnaire, it was reviewed by two experts in CRM to ensure content validity. Minor revisions were made based on their feedback. The initial English version of the questionnaire was translated into Arabic (back-translation) by two translators to ensure accuracy. Both language versions were then distributed according to the respondents' preferences. Table 1 displays the final version of the questionnaire.

Table 1 Constructs and items

Constructs and Items
Key Customer Focus (KCF)
KCF1. We engage in continuous dialogue with individual key customers to tailor our offerings to their specific needs.
KCF2. Our hotel delivers personalized services and products designed to meet the unique requirements of our key customers.
KCF3. We actively seek to understand the needs and preferences of our key customers.
KCF4. When our hotel identifies a customer's desire to adjust a product or service, the relevant departments collaborate to implement the changes.
CRM Organization (CRMO)
CRMO1. Our hotel possesses the marketing skills and resources necessary for effective CRM implementation.
CRMO2. We offer training programs specifically aimed at enhancing employees' abilities to build and maintain customer relationships.
CRMO3. Clear objectives have been set for our hotel regarding customer acquisition, development, retention, and reactivation.
CRMO4. We assess and incentivize employee performance based on their ability to meet customer needs and provide exceptional service.
Knowledge Management (KM)
KM1. Our hotel's staff is readily available to assist customers in a timely and efficient manner.
KM2. Our hotel has a comprehensive understanding of the needs of our key customers through knowledge acquisition and learning.
KM3. We offer avenues for continuous, two-way communication between our key customers and our hotel.
KM4. Customers can rely on receiving prompt and efficient service from our hotel's employees.
Technology-based CRM (TCRM)
TCRM1. Our hotel employs skilled technical staff to support the use of technology in developing customer relationships.
TCRM2. Our hotel utilizes appropriate software solutions to effectively serve our customers.
TCRM3. Our hotel is equipped with the necessary hardware to meet our customers' needs.
TCRM4. Customer information is accessible at every interaction point within our hotel.
TCRM5. Our hotel keeps an extensive and detailed database of customer information.
Hotel Reputation (HR)
HR1. Our hotel actively engages in initiatives that enhance social welfare, economic development, and environmental sustainability.
HR2. Our hotel consistently shows courtesy to customers, communicates effectively, and prioritizes their safety and well-being.
HR3. Our hotel earns respect, admiration, and trust from its stakeholders.
HR4. Our hotel is perceived as an excellent employer, reflected in its supportive work environment, employee benefits, and positive treatment of staff.
HR5. Our hotel upholds strong values, adhering to legal standards, practicing transparency, and demonstrating respect for people and the environment.

Source: Authors' development

3.2. Population and Sample

The target population for this study comprised employees across various managerial levels in hotels ranging from one to five stars in Algeria. Data collection employed a non-probability

convenience sampling method, chosen for its speed, ease, availability, and cost-effectiveness. A total of 180 questionnaires were distributed to hotel staff in different Algerian hotels. Over a two-month period, 136 completed and valid questionnaires were returned, resulting in a response rate of 75.55%, which is deemed effective. Table 2 provides an overview of the respondents' profile.

Table 2 Demographic Profile of the Sample

Characteristic	Variables	Frequency	%
Gender	Male	115	84.56
	Female	21	15.44
Age (years)	18-35	41	30.15
	36-50	62	45.59
	Above 50	33	24.26
Education	High school level or less	46	33.82
	Tertiary (Diploma/bachelor)	59	43.38
	Postgraduate	31	22.80

Source: Authors' development

Concerning the characteristics of the sample, it is noteworthy that a predominant majority of respondents were male (84.56%), while females constituted a minority (15.44%). The respondents' ages were categorized into distinct groups, with the 36-50 age bracket exhibiting the highest representation at 45.59%, followed by the 18-35 age group at 30.15%, and those over 50 years old at 24.26%. In terms of educational attainment, Diploma or Bachelor's degree holders comprised the majority at 43.38%, followed by individuals with a high school education or less at 33.82%. Lastly, postgraduate degree holders accounted for the lowest percentage at 22.80%.

4. RESULT AND DISCUSSION

4.1. Descriptive Statistics

Table 3 provides the mean scores and standard deviations for the five constructs examined in the study. The respondents rated hotel reputation highest (M=3.90, SD=0.54), followed by technology-based CRM (M=3.72, SD=0.61), knowledge management (M=3.61, SD=0.59), CRM organization (M=3.34, SD=0.76), and Key customer focus (M=3.05, SD=0.68). Generally, it appears that respondents generally agreed with the measured statements regarding these constructs.

Table 3 Descriptive statistics results

Constructs	M	S.D.	Alpha	Skewness	Kurtosis
KCF	3.057	0.682	0.868	-0.835	0.930
CRMO	3.343	0.761	0.900	-0.523	0.245
KM	3.614	0.593	0.790	-1.152	1.846
TCRM	3.720	0.614	0.811	-0.758	0.367
HR	3.908	0.544	0.704	-1.187	1.998

Note: Key customer focus (KCF); CRM organization (CRMO); Knowledge management (KM);
Technology-based CRM (TCRM); Hotel reputation (HR); Means (M); Standard Deviations (S.D.)
Source: Authors' development

Reliability pertains to the consistency of a measurement instrument. The coefficient alpha is the predominant metric employed to evaluate the reliability of a set of indicators. As elucidated in Table 3, the reliability for the key customer focus construct was found to be satisfactory, with a Cronbach's alpha value of 0.868. The CRM organization dimension exhibited a Cronbach's alpha of 0.900, knowledge management was 0.790, technology-based CRM was 0.811, and hotel reputation was 0.704. All values of Cronbach's α exceeded the minimum acceptable threshold of 0.6, thereby confirming their internal consistency. Consequently, these scales may be classified as reliable, in alignment with the recommendations put forth by Malhotra (2010).

In order to evaluate normality, the skewness and kurtosis were computed. The results of the analysis revealed that the skewness values ranged from -1.187 to -0.523, while the kurtosis values varied between 0.245 and 1.998. Given that the skewness values fell within ±2 and the kurtosis values remained within ±7, it can be concluded that the conditions for normality are satisfied, as mentioned by Erokhin et al. (2024).

4.2. Hypothesis Testing

To test the hypotheses, we employed a multiple linear regression (MLR) analysis. This approach is widely used in marketing research. The MLR enables statistical examination of the relationships under investigation.

To evaluate multicollinearity, both the "variance inflation factor" (VIF) and tolerance were assessed. The analysis indicated that VIF values ranged from 1.044 to 2.150, with tolerance values spanning from 0.465 to 0.985. Since the VIF values were below the threshold of 5 and the tolerance values exceeded the threshold of 0.2, it is concluded that there is no significant concern regarding multicollinearity, as stated by Erokhin et al. (2024).

Table 4 Regression analysis results for hotel reputation

Model	B	t-value	Sig.	VIF	Toleranc
(constant)	1.031	4.336	0.000		
KCF	0.115	2.010	0.046	2.129	0.470
CRMO	-0.016	-0.450	0.654	1.044	0.958
KM	0.452	6.829	0.000	2.150	0.465
TCRM	0.254	4.129	0.000	2.001	0.500

Notes: Model summary: $R^2 = 68.30\%$; Adjusted $R^2 = 67.30$; $F = 70.855$
Source: Authors' development

Table 4 reveals that key customer focus has a positive and significant effect on hotel reputation ($\beta = 0.115$; $p < 0.05$), thus providing support for H1. Moreover, knowledge management demonstrates a strong positive effect on hotel reputation ($\beta = 0.452$; $p < 0.001$), confirming H3 as this dimension emerges as the strongest predictor of reputation. Similarly, technology-based CRM positively affects hotel reputation ($\beta = 0.254$; $p < 0.001$), supporting H4. Conversely, CRM organization displays a weak negative impact on hotel reputation that lacks statistical significance ($\beta = -0.016$; $p = 0.654$), leading to the rejection of H2. This suggests that CRM organization may not contribute significantly to enhanced hotel reputation.

Knowledge management emerged as the factor with the most substantial direct impact on hotel reputation, with a coefficient of 0.452. This indicates that among all dimensions, knowledge management exerted the greatest influence on hotel reputation. The combined influence of the CRM dimensions—key customer focus, knowledge management, and technology-based CRM—yielded an R^2 value of 0.673. This suggests that 67.30% of the variation in hotel reputation can be attributed to these three CRM dimensions.

Based on the SPSS output, the following multiple regression equation was formed:

$$Hotel\ Reputation = 1.031 + 0.115\ (KCF) + 0.452\ (KM) + 0.254\ (TCRM)$$

4.3. Discussion

The primary contribution of this study is its empirical analysis of how different CRM dimensions affect hotel reputation. Theoretically, it offers a detailed exploration of these dimensions and their varied impacts on hotel reputation, thereby enriching current relationship marketing theories and offering a foundation for future research in this area.

Firstly, the finding that focuses on key customers having a significant impact on a hotel's reputation highlights the importance of a customer-centric approach. In practice, adopting a customer-centric approach can help hotels build, enhance, sustain and protect their reputation, which often results in more positive reviews, increased customer loyalty, and improved performance. Moreover, a culture centered on key customers not only enhances customer satisfaction (Lepistö et al., 2024), but also strengthens the hotel's online reputation (Peco-Torres et al., 2023). This is crucial, as customer dissatisfaction and negative feedback can severely damage a company's reputation (Williams et al., 2016). This insight is consistent with previous studies, such as Sofi et al. (2020), which found that personalized service significantly improves customer satisfaction and encourages positive word-of-mouth. Additionally, Dah et al. (2023) revealed that a focus on customer service is strongly linked to higher hotel customer satisfaction. Therefore, a commitment to key customer focus presents a valuable opportunity for hotels to enhance their reputation.

Secondly, our research findings demonstrate that knowledge management has a substantial impact on hotel reputation, underscoring the essential function of effectively managing and utilizing organizational knowledge to enhance a hotel's public image. This outcome suggests that hotels which systematically collect, disseminate, and implement insights pertaining to customer preferences, operational efficiencies, and industry trends are more favorably positioned to elevate their reputation. This result is consistent with previous studies, such as the one conducted by Sofi et al. (2020), which illustrated that hotels with well-developed knowledge management systems attained higher levels of customer satisfaction and loyalty. Furthermore, Soltani et al. (2017) established that customer knowledge management plays a pivotal role in the success of CRM, subsequently influencing organizational performance. In a similar vein, Al-Gasawneh et al. (2021) identified that employing knowledge management practices to comprehend customer needs and expectations significantly contributed to enhancing hotel service quality. This evidence reinforces the concept that robust knowledge management practices are fundamental to cultivating and maintaining a favorable reputation within the hospitality industry.

Thirdly, our findings substantiate that technology-driven CRM significantly influences hotel reputation, highlighting the essential role of advanced CRM systems in shaping guest perceptions of hotels. This outcome suggests that establishments employing sophisticated

CRM technologies are better positioned to manage customer interactions effectively, personalize services (Al-Gasawneh et al., 2021), and respond to guest feedback, thereby bolstering their overall reputation. This conclusion is corroborated by prior research, including the study conducted by Sofi et al. (2020), which indicated that hotels leveraging technology-oriented CRM solutions observed enhanced guest satisfaction owing to more customized and efficient service delivery. Likewise, Shah et al. (2024) illustrated that the utilization of social media technology markedly affects a company's reputation through social CRM capabilities. Furthermore, Khan et al. (2022) demonstrated that organizations with robust CRM systems and a favorable reputation can cultivate positive customer satisfaction and loyalty, consequently contributing to an even stronger reputation. Research indicates that reputation is closely linked to customer satisfaction, loyalty, and trust (e.g., Gul, 2014). Therefore, rather than merely maintaining a database as a targeted mailing list, hotels should record and store customer preferences to deliver services that are specifically tailored to individual needs. This evidence affirms that the integration of technology-based CRM systems is vital for augmenting a company's reputation through enhanced customer service, satisfaction, loyalty, and engagement.

Fourthly, contrary to our hypothesis, our findings indicate that CRM organization does not have a significant impact on hotel reputation. This suggests that simply structuring CRM processes and teams may not be enough to influence customer perceptions of a hotel. Instead, factors beyond organizational structure—such as the effective implementation of CRM practices and the quality of customer interactions—appear to be more crucial in shaping a hotel's reputation. In the context of Algeria, where the hospitality sector is still developing, this may highlight a disconnection between CRM frameworks and their practical application. One possible explanation is that some hotel managers might not fully understand the benefits of a CRM organization, or there may be obstacles to successful CRM implementation, such as a shortage of skilled personnel. For instance, Dah et al. (2023) found that CRM organization had an insignificant effect on hotel financial performance through customer satisfaction, while Al-Gasawneh et al. (2021) reported that CRM organization could negatively impact hotel service quality.

5. CONCLUSIONS

In today's digital world, a hotel's reputation has become crucial for gaining a competitive edge, attracting more guests, and maintaining market presence. As such, it is essential for hotel managers to understand how different CRM dimensions impact hotel reputation. The survey, which included 136 participants, revealed that a hotel's reputation is significantly affected by effective CRM practices. The findings indicate that focusing on key customers, managing knowledge effectively, and employing technology-based CRM strategies have significant positive effects on hotel reputation. However, the study also found that CRM organization does not significantly impact hotel reputation. On this basis, adopting CRM as a strategic approach is essential for building a strong reputation. It's also crucial not to overlook the role of modern technologies, such as artificial intelligence and social media influencers, in improving CRM effectiveness and shaping a good reputation.

5.1. Managerial Implications

Based on the findings and in order to improve hotel reputation, we recommend the following actions: First, emphasize targeting key customers through developing strategies that cater specifically to their needs and preferences. Personalizing experiences for these valuable clients and building strong relationships with them can foster trust and encourage them to advocate for the hotel. Second, implement robust knowledge management systems. Managers should focus on collecting and analyzing customer data to identify trends and preferences. Leveraging this information can improve service quality, boost customer satisfaction, and strengthen the hotel's reputation. Third, invest in CRM technology to improve the customer experience and lower transaction costs. Tools like cloud-based CRM and automated communication platforms can streamline customer interactions, manage complaints effectively, and provide increased value to guests.

5.2. Directions for Future Research

Although this investigation contributes to existing literature, it has some limitations: First, the use of convenience sampling means the findings may not be applicable to the broader population, other service sectors, or different countries. Second, with a sample size of 136 employees, the results might not be generalizable, and a larger sample could yield more reliable and representative insights. Third, while multiple linear regression was employed, alternative methods like qualitative research or a case study might offer a deeper understanding of CRM dimensions' effects on reputation. Additionally, exploring potential mediators and moderators, such as employee satisfaction or hotel ratings, could shed light on their influence on the relationship between CRM dimensions and hotel reputation. Fourth, it would be useful for future studies to focus on understanding the impact of CRM on reputation within specific hotel categories, such as four- or five-star hotels. Furthermore, comparing the effects of CRM across various hotel classifications (such as "budget, mid-range, and luxury hotels") could provide useful insights for managers. Finally, future research should consider the impact of e-CRM on hotel reputation given the rapid advancement of digital technology. Moreover, future investigations could evaluate how the integration of digital technologies (such as artificial intelligence and chatbots) into CRM impacts customer experiences and hotel reputation.

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UTICAJ DIMENZIJA UPRAVLJANJA ODNOSIMA S KUPCIMA NA REPUTACIJU HOTELA: EMPIRIJSKA STUDIJA

Reputacija hotela je od izuzetne važnosti; međutim, njeno uspostavljanje može biti složen i zahtevan poduhvat. Shodno tome, ova studija je sprovedena da istraži uticaj različitih dimenzija upravljanja odnosima s kupcima (CRM) na reputaciju u sektoru hotela. Podaci su prikupljeni od 136 učesnika putem upitnika od 23 pitanja koristeći pristup uzorkovanju pogodnosti. Višestruke linearne regresione analize korišćene su za evaluaciju hipoteza. Rezultati otkrivaju da ključne dimenzije kao što su fokus na ključne kupce, upravljanje znanjem i CRM zasnovan na tehnologiji imaju pozitivan i značajan uticaj na reputaciju hotela. Nasuprot tome, organizacija CRM-a nije pokazala značajan uticaj na reputaciju hotela, potvrđujući da se efikasnost CRM-a ogleda u njegovoj praktičnoj primeni, a ne samo u njegovoj organizacionoj strukturi. Ova studija pomaže menadžerima hotela da bolje razumeju vitalnu ulogu koju CRM strategije igraju u unapređenju reputacije njihovih objekata.

Ključne reči: Industrija ugostiteljstva, upravljanje znanjem, upravljanje odnosima, reputacija