

Chapter 10

Customer Relationship Management in Tourism in the Digitalization Process: The Case of Turkey

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ABSTRACT

This chapter aimed to explicate CRM concept along with its distinct dimensions. Following the explanation of the denotation, evolution, and types of the CRM concept, the benefits of CRM, success factors, and possible causes for downfall are discussed. Another section of the chapter considers the role and evolution of CRM in the digitization process. This part introduces the reader to the concepts of E-CRM and SCRM that arose during the process, as well as the success conditions and essential aspects of these approaches. This section examines the relationship between customer satisfaction and loyalty in the tourism sector, the impact of CRM on business performance, and CRM applications in the context of destination management. In the last part, CRM practices and approaches in Turkey were discussed in terms of destination management and tourism businesses, and some applications and modules employed in the digitalization process are included.

INTRODUCTION

Instead of traditional marketing approaches, the origin and advancement of the customer relationship management (CRM) idea are based on the relationship marketing approach, which sought to create, maintain, and develop relationships with all stakeholders, particularly customers (Gilbert, 1996). CRM techniques began to be discussed practice and in the literature in the mid-1990s, as information technologies were being used in sales and marketing applications (Payne and Flow, 2005). CRM, in its most generic definition, is an approach to enhance customer loyalty by providing tailored products

DOI: 10.4018/978-1-7998-8306-7.ch010

and services (Rigby, 2006). In the period from the 2000s to the present, the development of the CRM concept has also changed depending on digitalization and the concepts of eCRM and Social CRM have gained importance. Furthermore, the question of how destination management organizations or tourism businesses handle their social media platforms has become a critical part of success, depending on the impact of the social media on the tourism behavior of customers.

The CRM strategy in the tourism sector is consulted in a set of dimensions such as ensuring customer satisfaction and loyalty, loyalty programs offered by tourism businesses to guests, the effect of CRM on company performance and CRM strategy in destination management. On the other hand, with the effect of digitalization, the necessity of CRM in tourism has grown even more, and the gathering, appraisal, and integrating of customer data has become fundamental for company efficiency and customer satisfaction.

Turkey is a major tourist destination due to its tourism potential. Effective marketing and promotion approaches are regarded to be possible to generate the projected revenue from tourism. At this stage, implementing a CRM strategy in both destination management and tourism businesses will help to boost customer satisfaction and loyalty. The digital tourism strategy and the integrated CRM will play an important role in improving Turkey's competitiveness in tourism and increasing its profitability.

BACKGROUND

Definition, Evolution and Types of Customer Relationship Management Concept

The knowledge of marketing has evolved into a relationship-based understanding as a result of today's fierce competition circumstances. The concept of relationship marketing is based on the goal of establishing, developing, and maintaining long-term connections with customers. On looking at the theoretical framework of the relational marketing approach, it's noticeable that several practical techniques have been influenced by and inspired by it. CRM arose as a result of relationship marketing's evolution and adaptability to contemporary situations and practices.

CRM is one of the methodologies and strategies that aims to create and maintain good relationships with present and potential customers, as relationship marketing forecasts. In a fiercely competitive market, businesses strive to keep their market shares by maintaining their existing customers, and so uphold their market competitive advantages. Along with the protection of existing customers, the CRM approach is also the source of a number of implemented strategies regarding the increase in the market share by gaining new customers,

Customer relationship management (CRM) is the process of identifying customers who can be served efficiently and influencing interactions between the business and its consumers. The ultimate purpose of CRM is to maximize the existing and anticipated value of customers to the business (Kumar & Reinartz, 2006). CRM is the logical consequence of a company's integration with evolving and changing technology and organizational forms in light of the company's new and innovative marketing ideas, utilizing dynamic and up-to-date data (Boulding et al., 2006). Table 1 contains some definitions of customer relationship management.

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