

# **Relationship Marketing & Its Role in Enhancing Customer Satisfaction in Saudi Tourism Organizations**

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## **Abstract**

This study seeks to clarify the role of relationship marketing in enhancing customer satisfaction. In accordance with the importance of the role, that relationship marketing plays in tourism organizations, these organizations must adopt this concept in order to achieve the customer satisfaction by providing services, which are capable to satisfy their needs and are compatible with their desires and tastes. As this study studies the effect and relationship between relationship marketing and enhancing customer satisfaction, on the other hand. The questionnaire form was used in order to achieve the study's objectives and to test its hypotheses. The study reached a set of results and recommendations, the most important of which was working to enhance the relationship marketing using special offers and prices for its customers. In addition to working to attract new customers and not only retaining old customers by establishing a special department for the relationship with customers, listening to them, understanding their complaints and accepting their opinions.

**Keywords:** Customer Relationship Management- Relationship Tourism Marketing- Customers Satisfaction- Tourism Organizations.

## **1. Introduction**

Marketing has become increasingly important in organizations with fast-moving and growing economic activities. This is due to the strength of the competition element in the market and everyone's desire to reach the customer and to make profit through the sales of products or services or both. Modern marketing is defined as a set of activities, which assists the business owner to discover the customers' desires. Then developing the products to achieve the maximum satisfaction of their desires in order to achieve the profits within an appropriate time. There are many patterns and styles of marketing, which have been used for hundreds of years. They are always related patterns to the nature of production and trade in different societies. Relationship marketing is one of the most prominent of these patterns and the most used by business owners at all economical and practical levels. Relationship marketing is known as an organized and continuous process of activities aimed at retaining customers in order to reach a solid consumer base and more confident in the product. Through such, the business owner can initially ascertain the volume of his sales with a higher profit rate due to reducing marketing expenditures to attract new customers and more confident in the product. There are many systems, which maintain and continuously develop the customer database. Moreover, the relationship marketing process assumes several basic points, the most important of which are: the nature of the customer who prefers a long-term relationship with the provider of the good or service rather than the experience of more than one company. Also, a customer who is familiar with one

company spends more on purchasing its products than others. Relationship marketing achieves benefits for both companies and customers or consumers. Many researchers, in the field of marketing, consider it as more challenging due to its slow effects. As for the benefits of relationship marketing to customers, it is the feeling of comfort and reassurance with the company that the consumer deals with, and his possibility of obtaining special treatment in many cases, unlike new customers, reducing the costs of searching for a new service provider company, save wasted time and efforts in trying different products. As for the producing companies or marketing agents, the benefits of relationship marketing can be the first safety factor for the company's business in the medium and long term. The first competitive advantage is stability over a certain percentage of sales that are always expected to increase, which means stable and continuous returns and profits, and reducing the costs spent to acquire new customers due to the existence of a wide base of marketers. They are the same consumers who recommend the product to their inner circle of friends, family and colleagues. As relationship marketing is an indispensable marketing activity in travel and tourism organizations in a world characterized by intense competition and changing customer tastes and desires. It plays a vital role, which creates and enhances customers' confidence and contributes to establish links and communicates with them by using various means of communication to persuade them to purchase the services and products of the organization in the right place and time and in accordance with the customers' customs, tastes and desires. As well as the organization's endeavors to understand the customers' needs and desires to enhance the customer satisfaction. Thus, relationship marketing will be studied by focusing on its dimensions (trust, exchange, common values, communication, clarity and links). In addition, its role in enhancing customer satisfaction highlights the importance of relationship marketing in relation to tourism organizations in the Kingdom of Saudi Arabia.

### **1.1 The Study Problem**

This study discussed how to enhance customer satisfaction by adopting relationship marketing to achieve the competitive advantage of tourism organizations in the Kingdom of Saudi Arabia. As we can express the study problem through the following questions:

- What is the relationship of correlation and effect between each of the relationship marketing variables with and customer satisfaction in the tourist organizations in the Kingdom of Saudi Arabia?
- Is there a difference in the view of the tourism organizations in the Kingdom of Saudi Arabia about relationship marketing?

### **1.2 The Study Importance**

The importance of this study is represented through the following points:

1. This study is regarded as the first of its kind according to the researcher's knowledge, which dealt with relationship marketing and its effect on customer satisfaction in Saudi tourism organizations.
- 2- This study seeks to diagnose the reality of relationship marketing in tourism organizations in the Kingdom and to identify their barriers and problems, and then present a set of solutions and recommendations for these organizations in order to enhance its use of relationship marketing.

### **1.3 The Study Objectives**

The main study objective is to analyze the relationship between the relationship marketing variables and customer satisfaction in tourism organizations in the Kingdom of Saudi Arabia.

#### 1.4 The Study Hypotheses

This study seeks to test the following hypotheses:

1. **The first hypothesis:** there is a significant correlation relationship at the level of significance ( $\alpha \leq 0.05$ ) between the relationship marketing variables and customer satisfaction.
2. **The second hypothesis:** There is a significant effect relationship at the level of significance ( $\alpha \leq 0.05$ ) for the relationship marketing variables with the customer satisfaction.

#### 1.5 The Study Methodology

In testing the hypotheses, the study adopted the analytical descriptive approach to study the relationship between the main dimensions by collecting and analyzing the data related to the searched tourism organizations. As the study relied on obtaining the data required to cover the theoretical side of the study on many scientific references such as books, magazines, studies, university theses, and the internet. In addition, the study, on the field side, relied on the questionnaire form to collect data, and it was taken into consideration that the questionnaire was designed to be consistent due to the reality of the researched tourism organizations, as two forms were designed:

The first form was distributed to workers in tourism organizations, including information about:

- A. General information regarding the name of the tourism organization.
- B. General information about the individuals researched (workers), including (gender, age, academic achievement, length of service, and job location). The second part focused on measures of tourism by relationship marketing.

The second focused on:

- A. General information about the customer (gender, age, nationality, length of stay and the sector in which the customer works).
- B. The second aspect relied on measures of customer satisfaction.

The five-point Likert scale was used, as each option was assigned a weight, and the researcher gave the answers of the respondents' scores from 1 to 5 with a mathematical arithmetic mean of 3.

| Phrase | Strongly disagree | disagree | Neutral | agree | Strongly agree |
|--------|-------------------|----------|---------|-------|----------------|
| Value  | 1                 | 2        | 3       | 4     | 5              |

#### 1.7 The Study Sample and Researched Population

The study population consisted of tourist organizations in Al-Kharj governorate (hotels, travel and tourism agencies, restaurants and cafes), as 60 different tourism organizations were selected. (100) questionnaire forms for workers in these organizations and (200) questionnaire forms were distributed to the customers of these organizations, and (93) questionnaire forms were retrieved from workers and (185) questionnaire forms from the customers. Table No. (1) Shows the distribution of the study sample among the various tourism organizations in Al-Kharj Governorate.

**Table 1**

Distribution of the study sample among the various tourism organizations in Al-Kharj Governorate.

| N.    | Travel and Tourism Organizations | Sample size | The ratio 100% |
|-------|----------------------------------|-------------|----------------|
| 1     | Hotels                           | 30          | 50             |
| 2     | Travel and Tourism agencies      | 10          | 17             |
| 3     | Restaurants                      | 20          | 33             |
| Total |                                  | 60          | 100%           |

## 2. Literature Review

There are not too many studies, which dealt with tourism marketing and relationship marketing in the Kingdom of Saudi Arabia, but there are few studies, which have dealt with this topic, including; the study (Al Murad, 2017) examined the role of relationship marketing in customer satisfaction in the hotel sector in the Iraqi Governorate of Duhok. The study emphasized on the importance of relationship marketing in achieving customer satisfaction and recommended strengthening the processes of contacting and listening to customers and achieving permanent relationships with them. A study (Al-Hazmi, 2020) recommended the necessity to establish permanent relationships with customers and respond quickly to changes in their tastes and desires in order to apply the principles of TQM in the tourism sector in Al-Kharj Governorate. The study (Al-Hazmi, 2020) dealt with barriers to the application of tourism marketing in tourism organizations in Al-Kharj Governorate. It recommended work to build permanent relationships with customers and work to provide a mix of services capable of satisfying their needs better than that of their competitors and work to establish a department for the customers' relationship and use the means of modern technology to achieve this. The study (Al-Hazmi, 2020) also emphasized on the importance of using modern information technology in the delivery of information about tourism services and products provided by tourism organizations in Al-Kharj. The study (Al-Hazmi, 2020) recommended the necessity of working accurately to specify the targeted market for tourism organizations in Saudi Arabia, identifying their needs and desires, work to satisfy these needs in a better way than competitors and work to establish permanent relationships with their customers in the targeted markets. The study (Al-Hazmi, 2020) reached the importance of marketing information systems in tourism organizations in the Kingdom of Saudi Arabia in building relationships with customers and retaining them for long periods, which enhance their loyalty to these organizations and turns them into means of promoting them. The study (Zahraa, 2018) emphasized on the importance of relationship marketing in achieving customer satisfaction with the services provided by transport & delivery organizations in Algeria and emphasized on the need to develop the relationship with customers better than competitors. The study (Suleimani, 2019) emphasized on the importance of relationship marketing in building permanent relationships with customers in small and medium enterprises and recommended working to increase and activate the role of relationship marketing through using modern communication means with customers such as social media sites. The study (Muammar, 2018) recommended the importance of establishing permanent relationships with customers of tourism organizations in order to gain loyalty to these organizations and win the largest possible market share in the travel and tourism market and work to serve them better. The study (Al-Maddah, 2020) emphasized on the importance of using the internet in building permanent and continuous relationships with customers, its great role in maintaining this relationship and enhancing loyalty to them. The study (Al-Zain, 20199) also

emphasized on the importance of relationship marketing in promoting the image of tourism organizations in Jordan and then attracting tourists to the services provided by these organizations.

Through our review of previous studies, we find that these studies dealt with different areas of the study area. In addition, they dealt with relationship marketing in sectors other than tourism sectors. Hence comes the distinction of this study and its distinctiveness from previous studies by dealing with the role and effect of tourism relationship marketing on customer satisfaction in tourism organizations in the Al-Kharj Governorate, the Kingdom of Saudi Arabia.

### 3. Analytical Side

#### 3.1 Analysis of Study Dimensions.

The different dimensions of the study were analyzed as follows:

#### First, describing the relationship marketing variables

**Table 2**

The Dimension Of Relationship Marketing.

| N.    | variable      | Mean  | Sd. Deviation | Sig.  |
|-------|---------------|-------|---------------|-------|
| 1     | Exchange      | 3.245 | 0.816         | 0.705 |
| 2     | Clarity       | 3.321 | 1.002         | 0.690 |
| 3     | Shared Values | 3.620 | 1.231         | 0.789 |
| 4     | Confidence    | 3.421 | 1.023         | 0.721 |
| 5     | Communication | 3.061 | 0.819         | 0.614 |
| 6     | Links         | 3.109 | 0.989         | 0.701 |
| Total |               | 3.541 | 1.121         | 0.745 |

#### 1. Exchange

From Table No. (2), we find that the arithmetic mean value reached (3.245) and a standard deviation of (0.816). This indicates that there is an agreement among the sample members that the tourism organizations in Al Kharj Governorate provide their services to the customers in a timely manner and deals with them with a high flexibility in accordance with the customers' expectations, and works to establish a permanent relationship with them.

#### 2. Clarity

Table No. (2) Also shows the sample answers about the dimension of clarity, as the arithmetic mean value reached (3.321) and a standard deviation (1.002), which indicates that the tourism organizations in Al-Kharj Governorate deal with their customers with high clarity and transparency when providing their services to their customers and have the ability to adapt to their desires and expectations.

#### 3. Shared Values

Table No. (2) Shows that the arithmetic mean value reached (3,620) and a standard deviation (1,231), and this indicates that there is a positive agreement between the study sample of customers of tourism organizations in Al-Kharj Governorate that these organizations are characterized by rapid change and adaptation to the customers' desires and deal with them with great flexibility.

#### 4. Confidence

From Table No. (2) We find that the arithmetic mean value reached (3.421) and a standard deviation (1.023), this indicates to a high degree of agreement among the sample members, that the tourism organizations in Al-Kharj Governorate seek to care about their customers and fulfill their obligations towards them, focus on solving their complaints, and are concerned with their safety and security during dealing with them.

#### 5. Communication

We find from Table No. (2) That the arithmetic mean value reached (3.061) with a standard deviation of (0.819). This indicates that the means of communication used by the tourism organizations in Al Kharj Governorate work to build and strengthen the relationship with customers by focusing on dialogue with them and increase their confidence in the services provided to them.

#### 6. Links

From Table No. (2) we find that the arithmetic mean value reached (3.109) with a standard deviation of (0.989), and this is a high degree indicating that the tourism organizations in Al-Kharj Governorate provide their customers with convenient transportation and services and provide their customers with additional services, which encourages customers to return and deal with these organizations one more time.

We find from Table No. (2) That the total arithmetic mean value for the axis after relationship marketing is (3.541) and a standard deviation of (1.121), and this is a high value, which indicates that the tourism organizations in Al-Kharj Governorate give great importance to the dimensions of marketing in relation to their customers.

### Second, describing the dimension of the customer's satisfaction

**Table 3**

The Dimension of the Customer Satisfaction.

| Customer Satisfaction | Mean  | Sd. Deviation | Sig.  |
|-----------------------|-------|---------------|-------|
|                       | 3.421 | 1.023         | 0.721 |

From Table No. (3), the arithmetic mean value amounted to ((3.421) with a standard deviation (1.023), and this indicates that there is agreement among the sample members that the tourism organizations in Al-Kharj Governorate seek to achieve their customer satisfaction by establishing permanent relationships with them using the relationship marketing variables. It takes care of their various needs and desires and improves means of communication with them. The management of tourism organizations in Al-Kharj Governorate is characterized by flexibility in dealing with customers and works to provide a mix of its services at reasonable prices and acceptable to its customers. It also works to provide a variety of discounts and facilities to its customers.

### 3.2 Analysis of the study variables

1. Analysis of the correlation relationship between relationship marketing and customer satisfaction in tourism organizations in Al-Kharj Governorate.

**Table 4**

The Correlation Relationship between The Dimension Of Relationship Marketing And The Customer Satisfaction In Tourism Organizations.

| Independent variable  | Relationship Marketing |
|-----------------------|------------------------|
| Dependent variable    |                        |
| Customer Satisfaction | 0.467*                 |

N=40

\*  $P \leq 0.05$

Through Table No. (4) We find that there is a significant correlation relationship between relationship marketing and customer satisfaction, as the arithmetic mean value of the correlation coefficient reached (0.467) at a significant level (0.05). This indicates that the greater the interest of tourism organizations in Al-Kharj in relationship marketing the greater to increase the level of customer satisfaction. Thus, we accept the first hypothesis, which states:

There is a significant correlation relationship at the level of significance ( $\alpha \leq 0.05$ ) between the relationship marketing variables and customer satisfaction.

2. Analyzing the correlations between the variables of relationship marketing and customer satisfaction in tourism organizations.

**Table 5**

The Results of the Correlation Relationships between Each of the Relationship Marketing Variables with Customer Satisfaction in Tourism Organizations.

| Independent Variable  | Exchange | Clarity | Shared Values | Confidence | Communication | Links  |
|-----------------------|----------|---------|---------------|------------|---------------|--------|
| Dependent Variable    |          |         |               |            |               |        |
| Customer Satisfaction | 0.467*   | 0.492*  | 0.518*        | 0.467*     | 0.480*        | 0.541* |

N=40

\*  $P \leq 0.05$

From the previous table, we find that there is a significant correlation relationship that shows the relationship marketing variables (exchange, clarity, shared values, trust, communication and links) and customer satisfaction, as the results were positive for all axes, as their arithmetic mean values reached (0.467) (0.492) (0.518) (0.467) (0.480) (0.541), respectively, at a significant level of (0.05). This indicates that the more tourism organizations in Al-Kharj Governorate pay attention to the marketing dimensions of the relationship, the greater the level of customer satisfaction.

### 3.4 Analyzing the Effect Relationships between the Study Variables.

1. Analyzing the effect of relationship marketing to the relationship on customer satisfaction.

**Table 6**

The Effect of Relationship Marketing On Customer Satisfaction.

| Independent variable<br>Dependent variable | Relationship Marketing |          | R <sup>2</sup> | F          |           |
|--|------------------------|----------|----------------|------------|-----------|
|  | B                      | B1       |                | Calculated | Tabulated |
| Customer Satisfaction                      | 2.039                  | 0.467*   | 0.301          | 8.967      | 4.156     |
| N=40                                       |                        | df(39.1) | * P≤ 0.05      |            |           |

From Table (6) we find that the results of regression analysis indicate that relationship marketing has a significant effect in increasing customer satisfaction in tourism organizations in Al-Kharj Governorate, as the arithmetic mean value of (F) reached (8.967), which is greater than its tabular value of (4.156) at a degree freedom (39.1) and level of significance (0.05). It is deduced from the arithmetic mean value of the coefficient of determination (R<sup>2</sup>) that (30%) of the enhancement and the increase in the level of customer satisfaction with the services of the tourism organizations is due to the relationship marketing. In addition, the arithmetic mean value of the regression coefficient (B1) amounted to (0.467) and this indicates that (0.467) changes the occurrence in the response variable is the result of a change in the interpreted variable by one unit. Hence, the second hypothesis can be accepted, which states:

There is a significant effect relationship at the level of significance ( $\alpha \leq 0.05$ ) for the relationship marketing variables with the customer satisfaction.

2. Analyzing the relationship of the effect of relationship marketing variables on customer satisfaction.

**Table 7**

The Effect of Each of Relationship Marketing Variables on Customer Satisfaction.

| Independent variable<br>Dependent variable | Customer satisfaction |          | R <sup>2</sup> | F          |           |
|--|-----------------------|----------|----------------|------------|-----------|
|  | B                     | B1       |                | Calculated | Tabulated |
| Exchange                                   | 2.423                 | 0.349    | 0.140          | 10.965     | 2.445     |
| Clarity                                    | 2.235                 | 0.492    | 0.291          | 12.210     | 2.445     |
| Shared Values                              | 2.001                 | 0.586    | 0.280          | 13.560     | 2.445     |
| Confidence                                 | 2.432                 | 0.412    | 0.245          | 8.965      | 2.445     |
| Communication                              | 2.420                 | 0.402    | 0.271          | 11.012     | 2.445     |
| Links                                      | 2.496                 | 0.301    | 0.201          | 7.956      | 2.445     |
| N=40                                       |                       | df(36.4) | * P≤ 0.05      |            |           |

From Table No. (7) We find that, there is a significant relationship of the relationship marketing variables with the (exchange, clarity, shared values, trust, communication and links) on customer satisfaction in tourism organizations in Al Kharj. This is supported by the calculated (F) values of (10.965) 12.210) (13.560) (8.965) (11.012) (7.956) which is greater than its tabular value of (2.445) at the degree of freedom (36.4) and the level of significance (0.05). The total coefficient of determination (R<sup>2</sup>) of the different dimensions (0.140) (0.291) (0.280) (0.245) (0.271) (0.101) respectively. We find that, the unexplained differences in customer satisfaction organizations and tourism services refer back to relationship marketing variables, and return the rest into variables, which cannot be controlled. Thus, we find that there is a



relationship for each of the marketing variables with the relationship to customer satisfaction in tourism organizations, in Al-Kharj Governorate in the Kingdom of Saudi Arabia.

## Conclusion

Based on the analysis of the study objectives and hypotheses, the study concluded that the relationship marketing activity in tourism organizations in Al-Kharj is focused on attracting new customers and not retaining old customers. These organizations are concerned with the customers satisfaction, which strengthens the important relationship and makes them loyal to it. Hence, relationship marketing is closely related to customer satisfaction. Therefore, tourism organizations build personal relationships with their customers by providing them special offers and prices, and then increase their loyalty to tourism organizations and establish permanent relationships with them. Thus, tourism organizations in Al-Kharj Governorate must work on designing their services according to the customers' needs and desires, which helps to attract new customers, build permanent relationships with them, and provide them with social temptations in addition to financial incentives. The tourism organizations should work to establish a special system for receiving customers' complaints, which helps them understand their requests, solve their complaints and enhance their satisfaction. Tourism organizations must establish a special department that is concerned with the relationship with the customer and conduct studies about their opinions and the compatibility of tourism services with their needs and desires. Finally, tourism organizations in Al-Kharj Governorate must work to enhance the role of marketing in relation to their services in order to build permanent relationships with their customers and attract new customers.

## Acknowledgment

The researcher extends his sincere thanks to the Deanship of Scientific Research at Prince Sattam bin Abdulaziz University for its continuous support and contributions in the field of scientific research.

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