



CRM application in managing hotel, restaurant and tourism services in Vietnam

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Abstract

Vietnam is starting to enter a new stage of development and integration, deeply integrating into the world economy with the completion of many large-scale free trade agreements. The development of integration shows how Vietnamese tourism and hotel tourism enterprises have applied management and implementation methods, to build strong resources and competitiveness in the current context. To do this, businesses are always on the spirit of strategic planning and in the spirit of solving problems related to customers, information and technology innovation. Experts said that Vietnam's tourism and hospitality industry promises to continue to grow when Vietnam is emerging. The above topic will bring some information about customer management solutions for tourism and restaurant services.

Keywords: CRM, service management, tourism, restaurants, hotels, Vietnam

1. Introduction

Customer relationship management is a method to help businesses access and communicate with customers in a systematic and effective way to manage customer information such as business information, needs, and early contact to serve customers better and more professionally. Through the customer relationship system, customer information will be updated and stored centrally in the database management system. Enterprises can analyze, formulate a list of potential customers, prospects and close customers, VIP to set out reasonable customer care strategies. In addition, businesses can handle customer problems quickly and effectively. Customer Relationship Management provides a reliable system, helps manage customers and employees and improves employee-customer relationships. A reasonable customer relationship policy also includes employee training, adjusting business methods and adopting an appropriate IT system. Enterprises can choose a reasonable customer relationship solution based on the criteria of placing customers in a central location, paying attention to the needs of customers to achieve the goal of maintaining good relationships with customers and achieve maximum profit in business.

2. Theoretical Framework

2.1 The concept of CRM

CRM (Customer Relationship Management) is a method to help businesses access and communicate and create relationships with customers in a systematic and effective way, manage customer information such as account information, needs, and links to serve customers better. The best way to understand CRM is: the entire process of synthesizing and analyzing customer and sales information, the effectiveness of marketing, the ability to adapt to market trends. The purpose of improving business performance is to bring the highest profit for the company. CRM is also known as marketing by relationship or customer management. This is the term of the information technology industry to talk about methods, strategies, software,

or other forms based on database platform to help businesses organize and manage relationships with customers.

The purpose of CRM is to help businesses better understand their customers, their value and help businesses improve how to contact them. CRM has gradually replaced traditional marketing forms with basic 4Ps technology: Product, Price, Distribution Channel and Marketing. There are three main areas mentioned frequently when evaluating customer satisfaction: Business, Marketing and Services. Marketing focuses on sample customer analysis and optimal solutions that bring satisfaction to customers. The concept of CRM appeared in the early 1970s, when business units showed many changes from concept of "product orientation" to "customer orientation". Customer Relationship Management is known as an outstanding process of handling, implementing and managing customers for an organization. The concept of managing original customer relationships is based on three major principles: Taking care of existing customers; expand future customers and increase asset value for all customers. The final CRM system appears to include all the complete information about a business, and the result of the company will increase sales and profits, improve customer satisfaction and loyalty.

For customers: CRM contributes to promoting long-term relationships between customers and businesses, helping customers better understand, being served more attentively, feeling interested in very small things like hobbies, needs and anniversary.

For businesses: CRM helps businesses listen to customers more, easily manage the business and development situation, help businesses promote products and brands quickly, easily and at the lowest cost. CRM is a tool to help businesses manage their resources and employees centrally.

For managers: CRM provides managers with many effective support tools, helping managers quickly analyze, assess the business situation of enterprises and detect risks to be able to timely propose appropriate solutions to solve the problem. At

the same time, CRM also allows managers to assess the situation and performance of each lower-level employee.

For employees: CRM allows employees to effectively manage their time and work, helping employees understand information about each of their customers to provide quick, reasonable support methods. Be reputable and retain long-term customers. Depending on the large and small scale of business areas, the CRM implementation process of businesses will be different. However, there are still basic steps:

- Set detailed requirements for each departmental department based on the general objectives initially set out in the CRM strategy.
- System design and integration, this is a time-consuming phase in deployment.
- Check the system: check the functions of the selected solution to serve the business needs to a certain extent, ensuring the system is operated smoothly.
- Training staff to exploit and use the system.
- Collect staff feedback, especially customer care as well as customer comments. On that basis, assess the operational results of the benefits that CRM brings.

2.2 Current state of implementing CRM system in Vietnam

CRM is quite popular in the world. In Vietnam, CRM has not been paid attention and developed properly. Many Vietnamese enterprises are now aware of the importance of Customer Relationship Management, but only interested in investment in technology solutions. Only a few businesses apply CRM at large scale. The rest of businesses mostly apply at department level or incorporate CRM into one or more other projects. In Vietnam, CRM has been present for more than 15 years but is still a very new concept for the business community. Many businesses have not really understood the CRM. Enterprises' awareness of the importance of CRM technology is still very limited. In order for a company to be efficient, cost-effective and easily manageable, CRM technology is very potential. The shyness and delay in the application of technology may make it difficult for Vietnamese enterprises to integrate with the global economy. Businesses all know CRM focuses on finding, selecting, building and maintaining relationships with customers. But, because CRM relates to customers, many people still think that only the business department needs CRM. This has led to mistakes in implementing and applying CRM. Due to the promotion, dissemination and supervision of the implementation of CRM vision to each department, employees do not work well, leading to the awareness and collaboration of each employee, middle-level leader, affecting the real CRM exam. Some businesses believe that ERP (enterprise resource management) must be internally applied and then think of CRM as external management. Meanwhile, the existence, growth or degradation of businesses all depend on customers. If it is waiting for strengthening internal resources and thinking about customers then it is too late. The competition does not wait for anyone, should not think that large enterprises need to go to CRM, not small. Some businesses have not really placed customers in a central location. Because of focusing too much on technology and strategy, businesses have forgotten the central position of customers. Some other businesses are too hasty in the process of implementing CRM on the enterprise side. If in the process of applying CRM, enterprises do not

focus on training employees, they do not have full understanding in terms of concept, usage as well as how to implement CRM, therefore, it is more difficult to serve customers and not bring about success for businesses as expected. For customers, no matter which model the company applies, most importantly, they do not have to face many obstacles in accessing information from the business and are provided with the best services. In Vietnamese enterprises, the full CRM strategy faces many difficulties. The assessment of the current position of the business in terms of value, loyalty and customer satisfaction is incomplete because of the lack of customer information. Customer value is largely assessed by sales while customer loyalty and satisfaction are almost impossible to assess. Setting up customer goals is largely vague, unclear. Most businesses are not interested in pointing out the requirements of people: skills, culture, organization, responsibilities and powers. The requirements for customer data are completely lacking and inconsistent based on existing discrete data of individual departments. While CRM needs a lot of information to rebuild business relationships with lost customers or build marketing plans or sales and service policies, providing information is often lacking and accuracy is not high to meet the requirements. Many businesses have not focused on building long-term, sustainable relationships with customers, but it is not clear that CRM is the bridge between businesses and customers, helping businesses understand the needs and capture information of customers are faster, more accurate. Besides, some businesses are too hasty in the process of implementing CRM. Some businesses in the application process have not focused on employee training, while employees have the best understanding of concepts, uses and how to implement CRM. CRM is a long-term strategy to help businesses achieve long-term goals.

Employees in some tourism businesses have not seen their importance and responsibility in building customer relationships. Research results show that in restaurants, visitors will be special. satisfied if the staff perform the following: Remember the name of the customer, greet the intimate guests, show their professional skills: Have knowledge about cuisine, understand the dishes, processing methods , the application of each dish, presentable to the guests of each dish, create comfort for guests according to the preferences and needs of each type of guests.

Of course, restaurant staff can only remember the names of long-stay guests, but the following two requirements can be made with professional and responsible employees. The reality shows that Vietnamese restaurants have not done so. The performance of employees is still formal and only according to responsibility. Many employees do not have knowledge of cuisine and do not master the operation of the restaurant. Not only that, but their service is still slow and wrong. This shows that employees are not yet oriented to customers. This may be due to the failure of the leader of the restaurant who has not yet thoroughly assigned them to see that they must target their customers, their responsibilities and their role in building relationships with customers, or they may not have been trained accordingly.

Information technology is very important in modern life today. Application of information technology helps us solve quickly and effectively many problems. But businesses operating in the

tourism sector have not taken advantage of its capabilities in their operations, especially in customer relationship management. Many businesses think that having CRM software is really about managing customer relationships. In fact, CRM software only has its effect when businesses perform well in each step of customer relationship management. It is very difficult to find documents about CRM in tourism. In all the issues from 2000 to the present of Vietnam Tourism Magazine, there has not been any article mentioning the management of the customer relationship. It shows that this issue has not been paid attention to businesses operating in the tourism industry. Here are some information about the status of customer relationship management in the tourism industry in Vietnam. We can see that this issue has not been properly concerned in the tourism industry. But in the current trend of economic integration, the biggest value of enterprises is customers. While businesses around the world consider a new philosophy of business, in which customers and customer relations are at the forefront, in Vietnam, in the tourism industry, an industry that requires keeping and retaining a relationship more than any other industry are not given proper attention. This gives us many questions

Most Vietnamese enterprises face 4 main difficulties in implementing CRM application: no standard business process; daily level and reporting skills of employees are poor, so are the sharing and coordinating work. The team spirit in the business is not good, most of the staff does not understand CRM, and so they do not know how to apply and deploy CRM and how to choose appropriate CRM software. A successful CRM project includes processes, policies, manpower, strategy and technology. Besides, there are a number of other factors that we need to be aware of to ensure success in deployment. Many deployment cases did not bring CRM to promise, simply because it was hindered by the dispersion of information and the separation between front-office CRM systems and back-office ERP applications.

3. Research Results and Discussions

Initially, CRM is just a simple contact information management system (CMS - Contact Management System), but over time, vendors aim to build a comprehensive CRM solution that includes activities. sales and marketing, and at the same time become an important 'extension' in helping businesses understand customers better, thereby providing information for product and service exchanges, helping to develop and retain customers. Goods and strategies to increase sales. As an enterprise operating in the field of services: tourism restaurants, hotels, certainly cannot care about the features and characteristics that CRM brings:

- Calendar management. Support identifying and scheduling interaction with customers or potential customers. The bottom line is that neither too early nor too late, timely contact will help to increase the ability to convert into real customers. With caregivers, this is a good feature to help manage contact support after purchase to help customers experience the best service from the business.
- Email marketing. With a customer database built over time, the marketing team can perform email marketing campaigns for a variety of purposes (usually providing newsletters, or launching new features or chapters

promotions, discounts), through which build continuous relationships with customers.

- Manage quotes and proposals (quote, proposal). Managerial quotes, suggestions for each customer or customer group automatically use the quoted price when making orders for customers, avoiding confusion in terms of information and professional image presentation.
- Integrated marketing automation. Automated repetitive tasks to improve marketing efficiency include campaign management and email management, reporting and analyzing leads, website optimization, creating landing pages and forms.
- Lead scoring. The feature shows the transition ability of a focal point through the assessment point, in order to have active contact and priority when caring.
- In addition to the most used floating features of CRM, during the strong development of industry 4.0, the collection of customer information from social networking sites and online information also contributed to the way compete and thrive among them, including 5 features that businesses most want from CRM:
- Follow social network (social listening). Knowing how your brand or product is being spread / discussed on social networks, is extremely useful for businesses that regularly implement sales and advertising campaigns on these platforms.
- Social network profile (social profile). The other side of collecting customer information is to get a full picture of the customer, besides the information gathered through sales and marketing.
- Mobile application (mobile app). Due to increasing flexibility for users, most CRM providers today have or are planning to provide solutions on mobile platforms.
- Tracking customer. The higher the competition in a field, the more important the importance of customer care work, retaining customers who continue to use products or services is the ultimate task in today's business environment. Knowing the level of customer loyalty will help provide appropriate strategies to achieve this goal.
- Integrated e-commerce (e-commerce integration). This is an increasingly popular feature. For businesses to use, this is a feature that helps them take advantage of consumer habits and behavior of purchasing, combining them into the e-commerce platform, to enhance the experience of customers. With a solution provider, this feature helps them to outperform their competitors. It is also bait that attracts businesses to stick with their solutions.

Typically, CRM applications will be used by the following objects in the business, corresponding to each different purpose: Sales team: Salespeople use CRM to record opportunities, calls as well as contact information, schedule contacts, track the status of potential customers to make sales efforts. The sales manager will use CRM to know which potential customer is in the buying phase (buying journey) and monitor the progress of sales. This process helps to identify sales staff who need additional training.

- **Marketing expert:** Marketing experts will use the information obtained from CRM to better introduce enterprise products. Information in CRM provides insight

into the market and segment. Marketing will have more time to focus on creative ideas to help find more clues.

- **Customer care:** The goal of CRM helps businesses build relationships with customers better, and one of the activities to help achieve this goal is care. The care staff will rely on the recorded interactions on the CRM system to perform care, support, complaint recognition, troubleshooting, etc.
- **IT:** Usually involves deploying CRM, performing updates or integrating CRM with other systems.
- **Finance:** This object needs to access payment information or customer contracts (if available on CRM), as well as sales growth forecast data provided on CRM.
- **Personnel:** Take notes and collect data to track employee performance and productivity in sales, marketing, or using CRM to track candidates for jobs instead of using other software for recruitment.

4. Conclusions and Recommendations

With the development of a market economy, supply greater than demand, in order to achieve profitability, businesses must have many measures to care about customers, because customers are the primary goal of enterprises, making How to attract new customers, retain old customers, require businesses to understand their tastes and always be willing to change and improve products accordingly. The forms of customer satisfaction by product quality and service quality during and after sale are also increasingly paid attention. Businesses that are able to meet customer needs are interested by customers, will stand firm on the volatile business market today. In order to do this, Vietnamese enterprises must constantly develop, in which the application of information technology to management activities is being paid attention to by companies and corporations. Understanding CRM customer management strategy as well as applying CRM software solutions is an inevitable trend that Vietnamese enterprises should invest and apply. Not only because CRM brings many benefits for businesses but also because CRM helps businesses enhancing their position in the hearts of customers and in the marketplace. Especially with the size of Vietnamese enterprises at present, the quality of products is not really respected, it is necessary to focus on caring for customers and listening to their voices. The application of the customer relationship management system in Vietnam today has been understood and applied by businesses. However, the application of CRM is still young and difficult. Therefore it is necessary for businesses to thoroughly understand and devote a reasonable resource for implementing and deploying CRM to maximize the benefits it brings.

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