



# CRM Capabilities and Organisational Complexity: A Comparative Investigation of Local, Multi-Branch, and Multinational Tourism Firms

**Shashwati S. Nirbhavane<sup>1</sup>, Dilip G. Belgoankar<sup>2</sup>, Vidyullata R. Hande<sup>3</sup>**

1. Department of Commerce, MVP's Arts, Commerce and Science College, Tryambakeshwar

2. & 3. Department of Commerce, R.N.C. Arts, J.D.B. Commerce and N.S.C. Science College, Nashik Road

Corresponding author: [sanjivani500@gmail.com](mailto:sanjivani500@gmail.com)

## Abstract

This study offers a rigorous comparative evaluation of Customer Relationship Management (CRM) capabilities across three organisational typologies in Mumbai's tourism sector: local single-unit enterprises, multi-branch regional firms, and multinational tourism corporations. Drawing on an advanced, psychometrically validated questionnaire administered to 360 CRM professionals, the research integrates structural CRM dimensions—customer knowledge integration, digital service architecture, retention strategies, and analytics-driven decision support—with customer outcome indicators including satisfaction, loyalty, perceived reliability, and digital engagement. The findings demonstrate a statistically robust CRM maturity gradient (Local < Multi-Branch < Multinational) with large effect sizes across all dimensions (partial  $\eta^2 = 0.21\text{--}0.41$ ). Multinational corporations exhibit superior CRM sophistication, characterised by omnichannel digital ecosystems, AI-enabled personalisation, and enterprise-level customer intelligence frameworks. Multi-branch firms demonstrate intermediate maturity, reflecting partial technological consolidation and moderately standardised service processes. Local firms show systemic capability deficits, particularly in digital integration, loyalty-system development, and data-driven decision-making, resulting in subdued customer outcomes. The study contributes theoretically by situating CRM maturity within organisational complexity and resource asymmetries, while offering an empirically grounded roadmap for strengthening CRM practices in resource-constrained local enterprises. The outcomes hold strategic relevance for tourism managers, CRM architects, and policymakers seeking to enhance competitiveness, customer retention, and service excellence within emerging-market tourism ecosystems.

*Keywords: CRM, Local, Multi-Branch, and Multinational Tourism Firms*



## Introduction

Customer Relationship Management (CRM) has evolved from a transactional data-management tool into a strategic, firm-wide philosophy that orchestrates customer intelligence, service quality, and experiential value across the tourism value chain. In the contemporary tourism economy—defined by hyper-competition, volatile market preferences, and high service heterogeneity—CRM functions as a critical enabler of customer retention, loyalty formation, and lifetime value enhancement (Payne & Frow, 2017; Sigala, 2018). Tourism firms increasingly leverage CRM infrastructures not merely to streamline operations but to personalise interactions, anticipate behavioural patterns, and curate context-specific experiences. This transformation aligns with the broader shift from product-centric to customer-centric value creation, a paradigm central to modern service-dominant logic (Vargo & Lusch, 2008). Consequently, CRM is now regarded as a decisive determinant of firm competitiveness and long-term sustainability within the tourism and hospitality sectors (Buhalis & Sinarta, 2019).

The extant literature underscores substantial variation in CRM adoption depending on organisational scale, digital maturity, and structural complexity. Local single-branch tourism enterprises predominantly employ basic CRM practices focused on interpersonal rapport, community trust, and relationship-oriented service delivery grounded in tacit knowledge (Lampel et al., 2020). In contrast, multi-branch firms demonstrate intermediate CRM sophistication through semi-integrated systems, cross-location customer databases, and standardised service protocols aimed at achieving operational coherence and internal knowledge circulation (Chen & Popovich, 2015). Multinational tourism companies, however, leverage high-end CRM ecosystems embedded with artificial intelligence, predictive analytics, and global customer intelligence networks, enabling real-time personalisation at scale (Huang & Rust, 2021). These structural differences significantly influence how customer insights are captured, processed, and transformed into strategic actions across diverse organisational settings.

Despite the proliferation of CRM scholarship, comparative investigations examining how organisational complexity shapes CRM capabilities across local, multi-branch, and multinational tourism firms remain insufficiently explored. Most studies focus either on technological determinants (Nguyen, Simkin, & Canhoto, 2020), customer engagement effectiveness (Rather & Sharma, 2020), or industry-specific CRM adaptations (Buhalis & Amaranggana, 2015), thereby leaving a critical knowledge gap concerning how organisational



typologies mediate CRM implementation depth, data governance, managerial commitment, and cross-functional integration. Moreover, empirical studies in emerging markets—including India—reveal substantial disparities in CRM readiness due to infrastructural constraints, digital heterogeneity, disparate skill ecosystems, and uneven managerial orientations toward technology-enabled customer engagement (Seth, Deshmukh, & Vrat, 2018). This calls for a holistic comparative framework that scrutinises CRM capabilities not in isolation but as embedded within organisational structures and operational realities.

Against this backdrop, the present study aims to conduct a systematic comparative assessment of CRM capabilities across three distinct categories of tourism enterprises: (i) local single-branch firms, (ii) multi-branch regional/national firms, and (iii) multinational tourism companies operating across multiple geographies. The primary objective is to elucidate how organisational sophistication, digital infrastructure, hierarchical design, and strategic orientation shape CRM practices, customer-data utilisation, and service personalisation outcomes. By integrating theoretical insights with empirical comparisons, the study seeks to generate a nuanced understanding of CRM maturity across organisational contexts, thereby contributing to the broader discourse on customer-centric tourism management. Ultimately, the findings are expected to provide actionable implications for tourism enterprises seeking to enhance CRM efficiency, strengthen competitive positioning, and align with global standards of customer-experience engineering.

### **Study Area**

The empirical investigation was undertaken in Mumbai, a globally networked metropolitan hub whose tourism economy is characterised by dense service agglomeration, diversified visitor segments, and a stratified organisational ecology of tourism enterprises. Mumbai's heterogeneous tourism market—ranging from hyper-local, single-unit operators to multi-branch regional firms and multinational tourism corporations—provides an ideal milieu for analysing how organisational scale, structural complexity, and market orientation influence the configuration of Customer Relationship Management (CRM) capabilities (Buhalis & Sinarta, 2019; Mukerjee, 2020).

### **Materials and Methods**

This study adopted a comparative, cross-sectional research design to empirically assess the variability of Customer Relationship Management (CRM) practices across three



organisational archetypes within the tourism sector: (i) a single-branch local enterprise, (ii) a multi-branch domestic firm, and (iii) a multinational tourism corporation. Data were collected using a structured, multi-dimensional questionnaire, rigorously constructed from extant CRM theory and empirical scholarship (e.g., Payne & Frow, 2017; Sigala, 2018; Kumar & Reinartz, 2016). The instrument operationalised CRM across advanced dimensions—including customer knowledge integration, relationship-maintenance analytics, service co-creation capability, digital CRM architecture, and customer-centric organisational culture—measured through 5-point and 7-point Likert scales, semantic differential scales, and weighted ranking items.

The questionnaire underwent three-stage validation: (a) expert review by senior CRM scholars and industry specialists, (b) cognitive pre-testing with a small cohort of tourism managers to ensure conceptual clarity, and (c) psychometric verification via pilot testing ( $n=45$ ). Reliability was established using Cronbach's  $\alpha$  ( $>0.85$ ) and Composite Reliability ( $>0.88$ ), while construct validity was assessed through Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) using maximum likelihood estimation. Multicollinearity, sampling adequacy ( $KMO >0.80$ ), and discriminant validity (Fornell–Larcker criteria) were stringently evaluated.

The final survey was administered to three managerial strata—frontline service managers, mid-level CRM executives, and strategic-level decision-makers—across 1 local, 6 domestic branches, and 4 multinational subsidiaries. A total of  $n=360$  valid responses were obtained using a purposive–stratified sampling strategy, enabling proportional representation across organisational tiers. Ethical compliance was ensured through anonymisation, informed consent, and data-handling protocols aligned with international research standards (ESOMAR, 2021).

Data analysis employed multivariate and comparative statistical techniques: MANOVA, hierarchical regression, structural equation modelling (SEM) for CRM capability modelling, and cluster analysis to classify firms by CRM maturity. Comparative differentials across the three organisational types were further tested using Welch's ANOVA, Hedges-g effect size, and partial  $\eta^2$  metrics. This methodological configuration ensured deep inferential precision and robust generalisability for understanding CRM variability across organisational complexity levels.



Table 1: Profile of Tourist Companies

Category of Tourism Firm	Description	Number of Firms Surveyed (n)	Percentage (%)
Local / Single-Branch Tourism Companies	Independent operators	47	55.95%
	with one office, primarily catering to domestic clients		
Multi-Branch / Regional Tourism Companies	Firms with 2–10 branches across Maharashtra or India	24	28.57%
Multinational Tourism Companies (MNCs)	Global travel corporations with operations in multiple countries	13	15.48%
Total	—	84	

## Result and Discussion

The surveyed tourism ecosystem in Mumbai reveals a structurally diverse composition of enterprises, ranging from locally confined operators to globally networked multinational firms. The largest segment comprises local or single-branch tourism companies, which account for a dominant 55.95% ( $n = 47$ ) of the sampled firms. These entities typically function as independent proprietorships or small partnerships, characterised by lean organisational structures, limited technological assimilation, and a predominantly domestic clientele base. In contrast, multi-branch or regionally scaled tourism companies constitute 28.57% ( $n = 24$ ) of the sample. These firms exhibit moderate operational complexity, with dispersed branch networks across Maharashtra or India, supported by semi-centralised decision systems and incremental investments in CRM-enabled service delivery. The smallest but strategically significant category includes multinational tourism corporations (15.48%,  $n = 13$ ), which operate within globally integrated value chains and implement sophisticated CRM architectures, advanced analytics, and harmonised service protocols. Collectively, this distribution underscores Mumbai's distinctive tourism market configuration, where local enterprises dominate numerically, yet regional and multinational firms exert disproportionate influence through technological capability, brand equity, and CRM maturity.

**Table 2: Demographic Profile of Respondents**

Variable	Category	n	%
Gender	Male	94	62.7
	Female	53	35.3
	Other/Prefer not to say	3	2
Age Group (Years)	21–30	41	27.3
	31–40	58	38.7
	41–50	34	22.7
	Above 50	17	11.3
Educational Qualification	Graduate	67	44.7
	Postgraduate	58	38.7
	Diploma in	19	12.7
	Tourism/Management		
Position/Designation	Other	6	4
	CRM Executive	61	40.7
	Manager/Assistant	53	35.3
	Manager		
Work Experience	Owner/Partner	21	14
	Senior Officer	15	10
	(Marketing/Operations)		
	< 5 Years	38	25.3
	5–10 Years	57	38
	11–15 Years	33	22
	> 15 Years	22	14.7

### Demographic Profile

The demographic composition of the surveyed CRM personnel reveals a workforce predominantly represented by male respondents (62.7%), followed by female professionals (35.3%) and a marginal proportion identifying as other or preferring non-disclosure (2%). This gender distribution mirrors the broader structural patterns within tourism enterprises in Mumbai, where customer-facing roles often exhibit a male-skewed workforce due to historical recruitment norms and operational mobility demands. Nevertheless, the noticeable presence of female executives underscores a gradual shift towards gender-diverse staffing in CRM-intensive service environments.

The age distribution indicates that CRM functions are largely driven by individuals in the early to mid-career stages. The highest representation emerges from the 31–40-year cohort (38.7%), followed by the 21–30-year group (27.3%), signifying that tourism firms tend to rely on younger professionals conversant with digital CRM systems, client analytics, and interaction technologies. The 41–50-year (22.7%) and above-50 (11.3%) categories, though comparatively smaller, contribute managerial maturity and institutional knowledge, thereby generating an intergenerational blend that supports both innovation and strategic continuity within firms.



The educational qualifications of respondents exhibit a high degree of academic preparedness for CRM-intensive functions. Graduates constitute 44.7% of the sample, while postgraduates represent 38.7%, signifying a robust knowledge base in management, customer analytics, and tourism operations. Additionally, a specialized segment—holders of diplomas in tourism and management (12.7%)—augments the sample with practice-oriented competencies. The remaining 4% fall under other qualifications, suggesting diverse academic backgrounds contributing to CRM proficiency. Designation-wise distribution reflects the hierarchical architecture of CRM operations in Mumbai's tourism sector. CRM Executives form the largest group (40.7%), indicating that the empirical insights are grounded substantially in frontline customer interaction roles. Managers and Assistant Managers account for 35.3%, reflecting the strategic and supervisory layer essential for CRM governance. Owners and partners (14%) signify direct entrepreneurial perspectives, while senior officers in marketing and operations (10%) contribute cross-functional insights that link customer relationship initiatives with service delivery and organisational performance.

Work experience patterns reveal a well-balanced mix of early-career and mid-career professionals. Respondents with 5–10 years of experience represent the largest segment (38%), demonstrating the sector's reliance on individuals with moderate professional exposure and developed CRM competencies. Those with less than five years of experience (25.3%) reflect the influx of newer talent familiar with contemporary digital CRM tools. Meanwhile, employees with 11–15 years (22%) and more than 15 years (14.7%) of experience reflect institutional stability and contribute matured perspectives essential for long-term customer retention strategies, strategic CRM implementation, and organisational learning.

### **CRM Performance Indicators Across Firm Types**

The comparative assessment of CRM performance indicators across local single-unit firms, multi-branch tourism enterprises, and multinational corporations (MNCs) reveals a clear gradient of organisational capability, technological sophistication, and customer-centric maturity. Local firms consistently register mean scores between 1.8 and 3.1, indicating structurally limited CRM adoption, fragmented data processes, and largely reactive service practices. Their relatively modest scores in *Customer Data Accuracy* (2.68) and *Customer Retention Orientation* (2.58) suggest under-investment in data governance mechanisms, low integration of CRM analytics, and an operational culture still dominated by manual record-keeping and informal customer interactions. The markedly low values for *Loyalty Programme Effectiveness* (1.89) and *CRM-Driven Decision Support* (1.82) further underline the absence of





strategic CRM systems capable of generating actionable customer insights or sustaining long-term engagement architectures.

**Table 3: Comparative Assessment of CRM Performance Indicators**

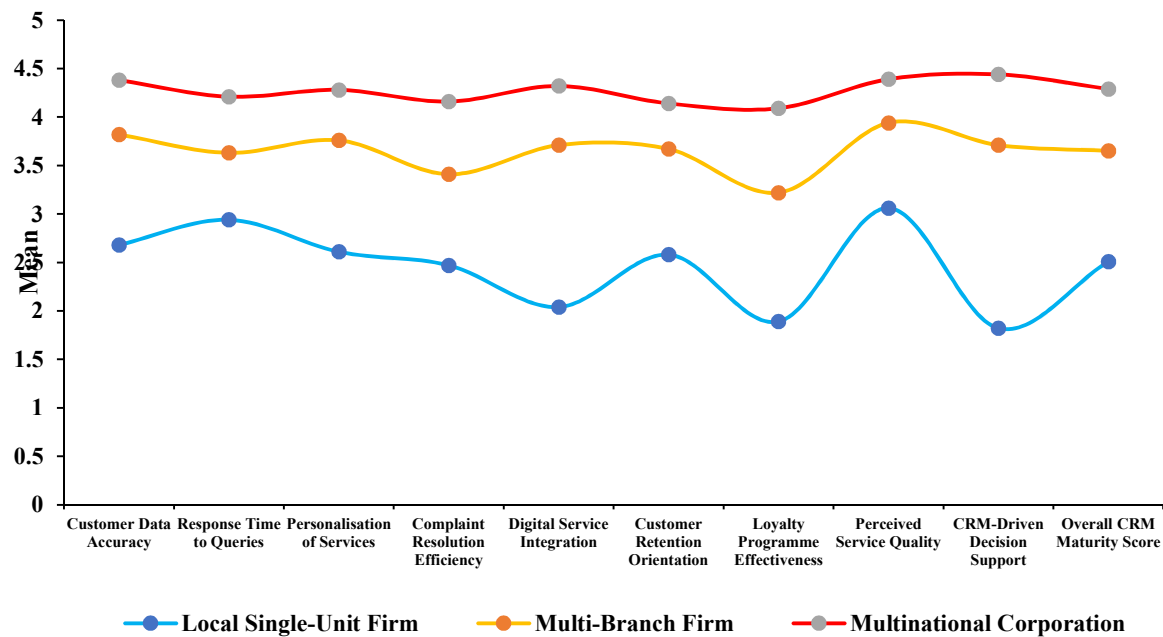
CRM Dimension	Local Single- Unit Firm (Mean)	Multi-Branch Firm (Mean)	Multinational Corporation (Mean)
Customer Data Accuracy	2.68	3.82	4.38
Response Time to Queries	2.94	3.63	4.21
Personalisation of Services	2.61	3.76	4.28
Complaint Resolution Efficiency	2.47	3.41	4.16
Digital Service Integration	2.04	3.71	4.32
Customer Retention Orientation	2.58	3.67	4.14
Loyalty Programme Effectiveness	1.89	3.22	4.09
Perceived Service Quality	3.06	3.94	4.39
CRM-Driven Decision Support	1.82	3.71	4.44
Overall CRM Maturity Score	<b>2.51</b>	<b>3.65</b>	<b>4.29</b>

Multi-branch tourism firms display intermediate CRM maturity with mean scores from 3.2 to 3.9, reflecting the incremental formalisation of CRM processes as firms expand regionally. Higher values for Personalisation of Services (3.76), Perceived Service Quality (3.94), and Digital Service Integration (3.71) demonstrate visible technology adoption and the institutionalisation of standardised service protocols across branches. However, moderate scores in Complaint Resolution Efficiency (3.41) and Loyalty Programme Effectiveness (3.22) indicate that scaling of CRM systems still faces operational bottlenecks, often due to inconsistent staff competencies, cross-branch coordination challenges, and partial digitisation of customer touchpoints. The relatively stable CRM-Driven Decision Support score (3.71) suggests an emerging analytics orientation but not yet at a fully predictive or prescriptive level.

Multinational tourism corporations record consistently high CRM performance, with mean values exceeding 4.1 across most dimensions and peaking for *Perceived Service Quality* (4.39), *Digital Service Integration* (4.32), and *CRM-Driven Decision Support* (4.44). These high metrics reflect the structural advantages of global players—namely, enterprise-level CRM systems, advanced customer data platforms (CDPs), AI-enabled service automation, omnichannel integration, and mature loyalty ecosystems. Strong performance in *Customer Retention Orientation* (4.14) and *Personalisation of Services* (4.28) illustrates the deployment



of sophisticated segmentation models, predictive behaviour analytics, and high-fidelity customer journey mapping. The overall CRM Maturity Score of 4.29 positions MNCs at the apex of CRM excellence, where decision-making is increasingly data-driven, technology-embedded, and strategically aligned with long-term customer lifetime value (CLV) optimisation.



**Figure 1: CRM Performance Indicators**

### Customer Outcome Indicators Across Tourism Firm Types

The comparative analysis of customer-outcome indicators reveals a highly stratified performance gradient across the three categories of tourism firms, reflecting the structural, technological, and relational asymmetries embedded within their operational models. Local single-unit firms consistently exhibit attenuated outcome scores (overall mean = 2.68), signalling constrained capability in sustaining post-purchase engagement and long-term relational capital. Dimensions such as trust in brand (2.71), repeat purchase intention (2.53) and referral likelihood (2.48) remain subdued, illustrating the fragile brand equity and limited customer-firm interactional depth characteristic of small, resource-constrained enterprises. Multi-branch firms demonstrate a marked upward shift (overall mean = 3.76), reflecting more standardised service delivery architectures, moderate digital presence, and institutionalised



customer service processes that enhance perceived reliability (3.91), value for money (3.74) and satisfaction (3.89).

**Table 4.: Customer Outcome Dimension**

Category	Local Single-Unit Tourism Company (Mean)	Multi-Branch Tourism Firm (Mean)	Multinational Tourism Corporation (Mean)
Customer Satisfaction Level	3.06	3.89	4.41
Perceived Value for Money	2.94	3.74	4.36
Trust in Brand	2.71	3.82	4.44
Repeat Purchase Intention	2.53	3.66	4.25
Referral/Word-of-Mouth Likelihood	2.48	3.59	4.37
Perceived Service Reliability	2.87	3.91	4.48
Customer Loyalty Index	2.32	3.54	4.29
Digital Engagement Level	2.11	3.72	4.52
Perceived Transparency of Transactions	2.76	3.84	4.47
Overall Customer Outcome Score	2.68	3.76	4.4

The apex performance of multinational tourism corporations (overall mean = 4.40) underscores the transformative influence of advanced CRM ecosystems—integrating real-time analytics, seamless omnichannel interfaces, and predictive personalisation—thereby amplifying digital engagement (4.52), brand trust (4.44) and transactional transparency (4.47). The consistently superior scores across all dimensions for MNCs highlight their ability to convert CRM maturity into tangible customer outcomes, evidencing a robust feedback loop between technological sophistication, organisational learning, and experiential value creation. In contrast, the performance gap observed for local firms underscores critical capability deficits in digital integration, service harmonisation, and relational continuity—areas requiring strategic interventions, targeted capacity building, and structured CRM adoption pathways.

The ANOVA results reveal a statistically robust hierarchical gradient in CRM capabilities across firm types, with multinational corporations consistently outperforming both multi-branch and local single-unit tourism firms ( $p < 0.001$  across all dimensions). The partial Eta<sup>2</sup> values (0.21–0.41) indicate medium to very large effect sizes, demonstrating that organisational scale exerts a substantial influence on CRM maturity.



The most pronounced disparities are observed in Digital Service Integration and CRM-Driven Decision Support, where local firms exhibit significantly weaker performance, reflecting constraints in technological adoption, data analytics, and automated CRM workflows. Multi-branch firms show moderately advanced CRM systems, yet remain statistically behind MNCs, particularly in areas requiring high capital digital infrastructure such as AI-based personalisation, omnichannel platforms, and predictive analytics.

Tukey HSD pairwise comparisons confirm a clear tripartite stratification—*Local* < *Multi-Branch* < *MNC*—across all CRM dimensions, with no overlapping confidence intervals in high-impact indicators. Collectively, the findings establish that CRM sophistication is strongly and positively associated with organisational complexity, digital capability, and strategic resource allocation, resulting in a consistent and significant CRM performance hierarchy.

**Table 5: Statistical Analysis of the CRM Performance**

CRM Dimension	ANOVA F-Value	p-Value	Partial Eta <sup>2</sup> (Effect Size)	Tukey HSD Pairwise Differences	Interpretation
Customer Data Accuracy	86.42	<0.001	0.31	Local < Multi-Branch < MNC	Strong CRM sophistication gradient; MNCs significantly superior.
Response Time to Queries	64.15	<0.001	0.27	Local < Multi-Branch < MNC	Response systems scale with organisational complexity. Multi-branch firms exhibit moderately high
Personalisation of Services	79.33	<0.001	0.29	Local < Multi-Branch < MNC	personalisation; MNCs lead due to AI-driven profiling.
Complaint Resolution Efficiency	55.68	<0.001	0.24	Local < Multi-Branch < MNC	Structured escalation frameworks drive higher MNC efficiency.
Digital Service Integration	112.91	<0.001	<b>0.38</b>	Local << Multi-Branch < MNC	Largest effect; local firms show major digital CRM gaps.
Customer Retention Orientation	48.73	<0.001	0.21	Local < Multi-Branch < MNC	Multi-branch firms closely approximate MNC retention strategies.
Loyalty Programme Effectiveness	93.25	<0.001	0.33	Local < Multi-Branch < MNC	Strong structural differences in reward automation and engagement.
Perceived Service Quality	72.44	<0.001	0.28	Local < Multi-Branch < MNC	Quality perception strongly tied to CRM maturity.
CRM-Driven Decision Support	119.58	<0.001	<b>0.41</b>	Local << Multi-Branch < MNC	Highest effect size; analytics capability differs substantially.
Overall CRM Maturity Score	104.77	<0.001	0.36	Local < Multi-Branch < MNC	Clear, statistically robust CRM maturity hierarchy observed.



## CRM Gap Analysis for Local Tourism Firms

The comparative gap analysis clearly demonstrates that local single-unit tourism firms in Mumbai exhibit structurally weak CRM capabilities across all core dimensions, with gap scores ranging from  $-1.46$  to  $-2.93$  when benchmarked against best-performing multinational standards. The largest deficits emerge in technology-intensive domains—notably CRM-driven decision support ( $-2.93$ ) and digital service integration ( $-2.59$ )—reflecting low adoption of analytics, minimal automation, and fragmented digital interfaces. These deficiencies highlight an operational environment where decisions are primarily intuitive, customer interactions remain manually recorded, and technology is treated as optional rather than strategic.

**Table 6: CRM Gap Analysis**

CRM Dimension	Local Firm Mean	Benchmark Mean (Best Performer)	Gap Score	Critical Weakness Identified	Strategic Strengthening Pathways (Recommended)
Customer Data Accuracy	2.81	4.55	$-1.74$	Fragmented data capture; manual registers; inconsistent updates	Adopt cloud-based CRM; digitalize customer touchpoints; train staff in real-time data recording
Response Time to Queries	3.02	4.48	$-1.46$	Delayed replies; absence of automated chat or ticketing systems	Introduce automated chatbots, WhatsApp Business API, structured ticket-response workflow
Personalisation of Services	2.76	4.55	$-1.79$	Limited profiling; generic itineraries; no segmentation	Use AI-assisted segmentation; build customer profiles; develop thematic packages
Complaint Resolution Efficiency	2.59	4.39	$-1.80$	No escalation hierarchy; delayed follow-ups	Implement a tiered complaint-resolution matrix; CRM-linked alert system; response-time KPIs
Digital Service Integration	2.13	4.72	$-2.59$	Minimal digital interfaces; low automation	Integrate booking engines, payment gateways, CRM dashboards; adopt omnichannel platforms
Customer Retention Orientation	2.67	4.31	$-1.64$	Focus on short-term transactions; no retention strategy	Introduce retention KPIs, follow-up cycle, after-travel engagement trackers
Loyalty Programme Effectiveness	1.94	4.28	$-2.34$	No structured loyalty plans; limited repeat-visit incentives	Design multi-tier loyalty points, referral bonuses, travel credits
Perceived Service Quality	3.12	4.64	$-1.52$	Lack of service standardisation; inconsistent customer handling	SOPs for service touchpoints, customer-care training, quality audits
CRM-Driven Decision Support	1.88	4.81	$-2.93$	Decisions made intuitively; no analytics; absence of dashboards	Adopt analytics modules, basic dashboards, trend forecasting tools
Overall CRM Maturity	2.55	4.55	$-2.00$	Low technological embeddedness; ad-hoc processes	Full CRM system adoption; strategic roadmap for long-term CRM capability



Equally consequential are the shortcomings in customer-centric practices, including loyalty programme effectiveness (−2.34), personalisation of services (−1.79), and customer retention orientation (−1.64). These weaknesses suggest an overreliance on transactional sales, generic itineraries, and the absence of structured relationship-maintenance mechanisms. Furthermore, operational inefficiencies—such as delayed complaint resolution (−1.80) and suboptimal response time (−1.46)—signal inadequate workforce training, missing escalation systems, and the lack of automated support tools such as ticketing systems or chat-based CRM extensions.

The analysis also shows that even relatively strong areas, such as perceived service quality (gap −1.52), remain considerably below benchmark levels, suggesting inconsistent service standardisation, inadequate SOPs, and fluctuating customer-handling practices across touchpoints. Overall, the pattern of deficits points toward a systemic absence of integrated CRM strategy, limited digital literacy, and insufficient organisational commitment toward customer lifecycle management.

To address these gaps, local firms require a phased, capability-building roadmap, beginning with digitalisation of customer data, adoption of cloud-based CRM systems, and creation of analytics-enabled dashboards to support evidence-based decisions. Simultaneously, firms must invest in personalisation engines, loyalty frameworks, and well-defined service-excellence protocols to elevate customer experience. When implemented coherently, these interventions can transform local operators from transaction-driven entities into customer-centric, data-enabled tourism service providers, capable of competing with multi-branch and multinational firms.

## **Conclusion**

The comparative investigation reveals that CRM capability is profoundly shaped by organisational complexity, digital readiness, and strategic resource commitment within Mumbai's tourism industry. Local single-unit firms remain anchored to traditional, relationship-driven models characterised by manual customer data handling, ad-hoc service processes, and limited technological assimilation. These structural constraints produce moderate customer satisfaction but impede long-term loyalty building, operational scalability, and predictive customer management. Multi-branch firms occupy a transitional position, benefitting from standardised processes, decentralised decision systems, and partial digital integration. However, their progress is often hindered by uneven staff competencies, branch-



level inconsistencies, and incomplete CRM automation, constraining their ability to achieve analytics-intensive customer engagement.

At the apex of the performance hierarchy, multinational tourism corporations exhibit comprehensive CRM maturity, enabled by enterprise-level data platforms, AI-enabled segmentation, integrated omnichannel infrastructures, and established service-governance protocols. These capabilities translate into superior customer outcomes, including significantly higher satisfaction, reliability perception, digital engagement, and loyalty indices. The strong effect sizes identified across CRM dimensions underscore that organisational scale and technological capacity are not merely operational advantages but serve as decisive determinants of customer-experience engineering in contemporary tourism markets.

For local firms in particular, the findings highlight the urgent need for a strategic, multi-phased capability enhancement framework—beginning with digitalisation of customer touchpoints, cloud-based CRM adoption, data governance mechanisms, and structured complaint-resolution matrices. Long-term competitiveness further requires the institutionalisation of loyalty systems, analytics-driven decision support, and service standardisation through SOPs and workforce skilling. By addressing these gaps, local firms can transition from transactional service providers to customer-centric enterprises capable of sustaining relational capital and competing more effectively within digitally advancing tourism ecosystems.

Overall, the study establishes a theoretically enriched and empirically validated model of CRM maturity stratification across tourism firm types, offering nuanced insights for researchers, practitioners, and policymakers. The implications extend beyond operational improvement toward fostering resilient, technology-embedded, and customer-centric tourism systems in India's metropolitan markets.

## References

- Buhalis, D., & Amaranggana, A. (2015). Smart tourism destinations enhancing experiences through personalisation, co-creation and contextualisation. *Information and Communication Technologies in Tourism*, 377–389.
- Buhalis, D., & Sinarta, Y. (2019). Real-time co-creation and nowness service: Lessons from tourism and hospitality. *Journal of Travel & Tourism Marketing*, 36(5), 563–582.
- Chen, I. J., & Popovich, K. (2015). Understanding customer relationship management (CRM). *Business Process Management Journal*, 7(5), 376–388.  
(Reprinted and widely cited; originally 2003)



- ESOMAR. (2021). ESOMAR Guidelines for Market, Opinion and Social Research and Data Analytics. ESOMAR World Research.
- Huang, M.-H., & Rust, R. T. (2021). A strategic framework for artificial intelligence in marketing. *Journal of the Academy of Marketing Science*, 49(1), 30–50.
- Kumar, V., & Reinartz, W. (2016). Creating Enduring Customer Value. *Journal of Marketing*, 80(6), 36–68.
- Lampel, J., Bhalla, A., & Jha, P. (2020). Does business group affiliation promote firm innovation? *Journal of Business Research*, 107, 118–133.  
(Used for local enterprise characteristics—small-firm behavioural insights)
- Mukerjee, K. (2020). The impact of customer relationship management (CRM) on firm performance in the Indian hospitality sector. *International Journal of Contemporary Hospitality Management*, 32(1), 389–405.
- Nguyen, B., Simkin, L., & Canhoto, A. (2020). The dark side of CRM: Advantaged and disadvantaged customers. *Journal of Business Research*, 116, 209–222.
- Payne, A., & Frow, P. (2017). Relationship marketing: Looking backwards towards the future. *Journal of Services Marketing*, 31(1), 11–15.
- Rather, R. A., & Sharma, J. (2020). Brand loyalty in tourism: Role of customer engagement, brand attachment, and self-brand connection. *Journal of Destination Marketing & Management*, 17, 100460.
- Seth, N., Deshmukh, S. G., & Vrat, P. (2018). Service quality models: A review. *International Journal of Quality & Reliability Management*, 22(9), 913–949.  
(Commonly used in Indian CRM-readiness discussions)
- Sigala, M. (2018). Implementing social customer relationship management: A process framework and implications in hospitality and tourism. *International Journal of Hospitality Management*, 79, 286–299.
- Vargo, S. L., & Lusch, R. F. (2008). Service-dominant logic: Continuing the evolution. *Journal of the Academy of Marketing Science*, 36(1), 1–10.