THE EFFECT OF RELATIONSHIP MARKETING STRATEGIES ON PERFORMANCE IN THE HOTEL INDUSTRY IN KENYA: A CASE OF FIVE STAR HOTELS IN NAIROBI

by

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In accordance with Daystar University policies, this thesis is accepted in partial fulfillment of requirements for the Master of Business Administration.

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I declare that this thesis is my original work and has not been submitted to any other college or university for academic credit.

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Sylvia M. Ng’ang’a
DEDICATION

This work is dedicated to my husband Thomas Gioko; the person in my life who is a pillar of strength, support and encouragement. God bless you abundantly.
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<tbody>
<tr>
<td>RM</td>
<td>Relationship Marketing</td>
</tr>
<tr>
<td>RMS</td>
<td>Relationship Marketing Strategies</td>
</tr>
<tr>
<td>ROI</td>
<td>Return on Investment</td>
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<td>SPSS</td>
<td>The Statistical Package for Social Science</td>
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ABSTRACT

This paper examined relationship marketing strategies and performance in the five star hotels. The objectives of the study were; to determine the relationship marketing strategies used by five star hotels located within Nairobi, to evaluate the effectiveness of the relationship marketing strategies on the performance of five star hotels located within Nairobi, and finally to identify effective relationship marketing strategies that would result in the enhanced performance of five star hotels located within Nairobi. The purpose of the study was to assess the current relationship marketing strategies being practiced in the five star hotels. And find out their effect on performance in the five star hotels that are located within Nairobi. The study used descriptive research design and was carried out in Nairobi and it targeted a population of 12 five star hotels in Kenya. A sample size comprising 60 employees were selected using expert sampling techniques. The results indicated that the hotels had knowledge on relationship marketing and the relationship marketing strategies. The findings also showed that the five star hotels indeed practice relationship marketing strategies and this translated to an improved performance in the hotels. Recommendations from the study were: relationship marketing strategies should be employed in the Kenyan hospitality industry, because of the positive relationship between the practice of relationship marketing strategies and hotel performance. The study also recommends that other companies and organizations should use the relationship marketing strategies