

## **The Effect of Interpersonal Relationship on Marketing Performance in the Nigerian Hotel Industry**

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### **Abstract**

*Relationships are the primary assets of an enterprise, thus many industries today seem to be migrating from transactional mindset to relational mindset in their dealings with customers. Due to highly competitive nature of hotel industry, ability to develop and maintain long-term relationships with customers has become strategic issue. This study is focused on the assessment of the effect of interpersonal relationship on marketing performance in the Nigerian Hotel industry. A survey research design technique was used. The convenience sampling method was employed to select 350 participants. The research instrument was a 30 item validated structured questionnaire. The analytical tools employed are a principal component factor analysis, correlation and multiple regression analysis. The findings revealed that friendly interactions exhibited overwhelming positive effect on customer retention, indicating the importance of the dimension of interactive factor in perceived service quality. It is concluded that interpersonal relationship has become an important competitive weapon in the hotel industry due to its potential in eliciting friendly interaction that fosters commercial friendship, emotional attachment and loyalty to the service providers. It is recommended that effective marketing performance requires good interpersonal communication, effective relational style, sound development of relational atmosphere and ensuring quality friendly interaction towards improved productivity and gaining competitive edge.*

**Keywords:** Interpersonal Relationship, Interpersonal Communication, Relational Style, Relational Atmosphere, Friendly Interactions, Marketing Performance.

### **Introduction**

Many industries today seem to be migrating from transactional mindset to relational mindset in their dealings with customers. The hotel industry is highly competitive and the right knowledge about customer values and demand is essential to differentiate from competitors and gain sustainable competitive advantage. Despite being differentiated by star ratings, most hotels in Nigeria offer similar core products and services. In this regard, development of relationships with customers can be considered as fundamental to the Nigerian hotel industry. Ulrich (2010), observed that interpersonal relationships at work is governed by personality traits.

The idea that business relationships require both the service firm and the customer to benefit from the relationship has recently stimulated academic interest on the types of benefits consumers receive as a result of engaging in long term relationships with sellers (Gwinner et al, 1998; Hennig-Thurau et al, 2002; Reynolds & Beatty, 1999). As a result Interpersonal relationship is becoming more important in today's global markets, especially in terms of finding out the compatibility levels of individuals.

The hospitality industry consist of large category of fields within the service industry that includes lodging, restaurants, event planning, theme parks, transportation, cruise line and additional fields within the tourisms industry. Traditional marketing thoughts have primarily focused on discrete transactional exchanges with anonymous customers (Ganesan 1994; Morgan and Hunt 1994). As a result, acquiring new customers and increasing sales rather than enhancing relationships were the leading priorities of marketers (Berry 1995). Later, marketers realized that securing existing customer's loyalty (Reichheld, 1996) and their lifetime value (Bolton, 1998) could be strategically favourable and financially rewarding.

To nurture successful relational exchanges thus became their priority. From a customer's perspective, relational engagement can effectively reduce choice and facilitate decision making (Sheth and Parvatiyar, 1995). These issues have catalyzed the acceptance of "relationship marketing" or customer relationship management. Mosad (2006), noted that marketing is also about how to integrate the customer into the design of the product/service and to design a systematic process for interaction that will create substance in relationships.

Hennig-Thurau et al (2005) opined that customer relational benefits have been identified as a driving motivation for customers to engage in long term relationships with service providers. Such benefits can be expected to play a crucial role in the success of service firms when extending their business into other countries and cultures.

Most of the previous discussion on interpersonal relationship has been conducted almost exclusively in Nigeria contexts and has not addressed the impact interpersonal relationship may have on marketing performance in the hotel industry for gaining relationship outcomes such as customer loyalty, increase sales turnover, customer retention and competitive advantage. The aim of this research is to deepen our understanding of the effects of interpersonal relationship on marketing performance in order to develop long term relationships with customers in the hotel industry.

### ***Statement of the Problem***

In today's world, business seems hampered in environment that lack friendliness.

The hotel industry as one of the world's largest and most pervasive industry is as exposed as any other to the forces of change that seems to be brought about by competing rivalry in the industry. Therefore, the development of marketing performance, customer loyalty, increase sales and friendly atmosphere appear as major challenge.

To compete effectively, hotel managers are challenged on how to cope with effective interpersonal communication that appears not be recognized by them as a competitive tool. Most of the hotels have modern facilities, in spite of this; they seem to lack relational style that will enable them to achieve high customers' patronage for their services.

In view of the fact that customers always patronize hotels that have good friendly interaction, friendly interaction poses several challenges to marketers. Therefore, any hotel which does not reckon with fundamentality of friendly interaction to customer behaviour may have their marketing performance hindered.

### ***Objectives of the Study***

The general objective of this research study is to determine the effect of interpersonal relationship on marketing performance.

Other specific objectives are to:

- i. Determine the effect of interpersonal communication on customer loyalty.
- ii. Find out the impact of relational style on marketing performance.
- iii. Ascertain the effect of relational atmosphere on sales turnover rate.
- iv. Examine the influence of friendly interaction on customer retention.
- v. Determine the impact of marketing performance on competitive advantage in the hotel industry.

### ***Theoretical Perspective***

Interpersonal relationship orientation is logically appropriate for hotels, given their close interaction with customers. Services researchers argue that a customer's satisfaction with a particular service is primarily an outcome of the interactive relationship between the service provider and the customer (Berry and Parasuraman 1993; Gronroos, 1990). Similarly, Liu and Wang (2000) and Luo (1997) referred to interpersonal relationship as the concept of drawing on connections or networks, and it involves reciprocal obligations and favours between two parties in personal or business relations. A customer's preference to enter into and maintain a long term relationship with a company is largely driven by his assessment of the core product/service, and the relational aspects of the exchange

Davies et al (1995) reported that highly important benefits arise from interpersonal relationship; such as smoothing business transactions, providing information and obtaining resources. Marketing as a function is no longer what it used to be a decade ago. Marketing managers have had to learn new ways and methods to build strategies and reach out to the customers. The marketing success today lies in building the customer chemistry.

Getting to know the customer, building relationship with the customer and managing customer relationships has become an important part of the marketing function.

The mutuality that develops in intimate friendships has been described as “an intermingling of souls” (Jossehnson, 1996). Hinde, (1995) explains that intimacy between people occurs when people feel understood, validated and cared for.

Relationship marketing has been discussed as a strategic meta-option for firms competing for customers (Hunt, 2000). The whole arena of marketing today has got converted into a network of relationships. The better a company and its employees are at relationships with all the concerned parties, the more profitable future they can strategize.

### ***Hotel Industry***

Hotel industry is an industry that provides travellers with shelter, food, refreshments and similar services and offering on a commercial basis things that are customarily furnished within households but unavoidable to people on a journey away from home. Historically, hotels have also taken on many other functions, serving as business exchanges, centers of sociability, places of public assembly and deliberation, decorative showcase, permanent residences, etc.

The hotel as an institution and hotels as an industry, transformed travel in Nigeria, hastened the settlement of the nation and extended the influence of urban culture. The landscape is evolving quickly as new technology demands that hotels become more social and engaging in their marketing efforts, travellers are looking for the best value propositions and consumer demand is pushing for hotels to make concerted effects on property upgrades and improvements.

### ***Interpersonal Relationship***

Customer satisfaction with a company’s products or services is often seen as the key to a company’s success and long term competitions. It seems that as humans we seek to be in control of our lives, not too subjected to uncontrollable external imperatives, but also seek attachments and solidarity with others: the need for status (control, power, agency) and the need for love (affection, communion and affiliation) (Kiesler, 1996). Interpersonal relationship refers to a strong association among employees either working together in the same team or same organization.

Hsu and Saxenian (2000) conclude that the social networks (i.e. interpersonal relationship) help coordinate transactional (across regional) collaborations in high technology regional development between different parts of a nation.

Interpersonal relationships play a significant role in Nigeria business and are critical precondition of effective business. Consumer-firm relationships have been shown to be a culture-dependent concept (Ambler and Styles, 2000; Palmer, 1997, 2000; Simmons and Munch, 1996). Specifically, Palmer stated that relationship marketers should be wary of prescribing universal solutions for exchange based as they are developing universal product and promotion policies for all markets.

Ambler and Styles (2000) echo the sentiment by contending business relationships are embedded in a cultural environment that must be considered to fully understand the development of long term relationships. As service encounters are largely social exchanges between consumers and service providers, cultural values that influence social relationships should play a role in these service relationships as well. Specifically, we will propose that national culture will moderate the relationship between relational benefits and customer loyalty.

However, over the past decades, it has been argued that businesses across all sectors should move towards supply chain management and most recently, interactions, relationships and networks (Day 2000, Gronroos 2000; Gummeson 1999; Hunt 2000; Peck et al, 1999 and Webster, 2000).

### ***Interpersonal Communication***

Today it is not just the matter of customer but all those who either help or facilitate the delivery to the final customer. Relationship cannot be bought or easily achieved. They take time, consistency and a strategy to nurture and capture individual preference and habits. Mohr and Nevin (1990) have called communication “the glue that holds together a channel of distribution”.

Thirty years ago, a business person was generally hired on the basis of technical skills. Since then, the world's economy has moved towards service-oriented, information-focused businesses that are increasingly organized in teams.

Furthermore, the typical business organization is not an easy place to maintain interpersonal relationships. The diversity of communication styles and cultural expectations, the lack of time to develop relationships and the heavy reliance on written or electronic forms of communication are all identical to the ways in which human beings traditionally create and maintain relationships.

Interpersonal communication occurs not when you simply interact with someone, but when you treat person as a unique human being (Beebe, Beebe and Redmond, 2002). From this perspective, interpersonal communication can occur in writing or by email, as well as in face-to-face setting. Further, even total strangers who interact with each other respectfully could be said to be communicating impersonally even though the topic of conversation might be trite or task related.

Interpersonal communication is more about the content and character of exchange than about the mechanics of how it happens or with whom. The successful member of a business organization will display a range of skills whenever he or she uses communication to maintain relationship, share tacit knowledge or exchange information about emotions, values and motivations.

### ***Relational Style***

In the fast paced and competitive market, organizations need to have their ears and eyes open to the customers. Only those businesses that have invested in getting to know the customer on conditional basis, built an on-going relationship, understood the needs and anticipated the customer needs have been successful in the long run. Bjorn (2004) opined that a company's relational style is defined as its constant and consistent behavioural pattern in interactions with customers in long term business relationships.

In today's hyper competitive environment, companies are managing their relations with their value chain partners. They are no more treated just as raw material provider and distributor but as partner who can contribute towards gaining that competitive edge over competition.

### ***Customers Relational Benefits***

Relational benefits focus on aspects of the relationship itself and are available only to those customers who are engaged in continuing relationships with the service provider and its personnel. The most extensive study of relationship benefits from the customer's perspective has been presented by Gwinner et al (1998). Gwinner et al (1998) developed a typology consisting of four separate relational benefits.

- i. **Social benefits:** It refers to the emotional part of the relationship between a customer and an employee. The customer enjoys his positive relationship with the employees (it's more fun to deal with somebody you are used to) and interprets such relationship with the respective employee as similar to friendship (he is like a kind of friend now).
- ii. **Psychological benefit:** It includes those aspects of a relationship that focus on the reduction of uncertainty (You don't have as much anxiety and you have a higher confidence level in being a loyal customer)
- iii. **Economic benefits:** It contains monetary and non-monetary advantages (e.g., time saving) that the customer derives from maintaining the relationship.
- iv. **Customization benefit:** It describes those advantages resulting from individualized treatments of the customers by the service provider.

Reynolds and Beatty (1999) developed empirical consumers typologies based on relational benefits and found relational benefits to influence customer satisfaction and loyalty with the salesperson. Based on consumer-brand relationship research Fournier (1998) and Hennig-Thurau et al (2000) generated a framework for relational benefits and barriers and showed empirically that the importance of relational benefits differs between customer segments.

They also introduced the concept of identity-related relational benefits and proposal that being in a relationship with a specific provider might add meaning to the consumer's self concept. Such identity-related benefits were originally suggested by Fournier (1998) in the context of consumer goods.

Hennig-Thurau et al (2002) conceptualized relational benefits as antecedents of relationship quality and relationship outcomes (i.e. customer loyalty and positive word of mouth communication). They found both social benefits and confidence benefits to significantly impact of relationship outcomes, while no such impact was found for special treatment benefits.

### ***Relational Atmosphere***

Management experts and organizations have come a long way in terms of their outlook to the internal and external environment. Ulrich (2010) noted that interpersonal relationship at work is considered by some to be mainly governed by personality traits. Other psychological working conditions may also affect interpersonal relationships. Studies in work and organizational psychology have shown that psychological stress affects the emotions and mood of individuals, which can be theorized to induce behavioural modifications affecting how individual relate to one another.

Relational atmosphere is the domain or environment within which interpersonal relationship is exhibited. The work environment is a multifactorial aspect of people's life that affects health both in positive and negative way. Relational atmosphere constitute the day to day interaction between workers or staff and customers.

As the world has moved towards globalization businesses and organizations have to keep pace with external environment.

### ***Friendly Interaction***

Man is known to be the only creature that has been able to develop its communication potentials to the Zenith of writing, reading and having clear expressive capabilities to understand and interpret what is being communicated. Svend (2011) opined that interaction theory was developed by the Swedes but spread into France, the United Kingdom, Italy and Germany of like-minded researchers formed what became known as the IMP Group, basing their research on the interaction model. The interaction model has four basic elements.

- i. The interaction process which expresses the exchange between the two organizations along with their progress and evolution throughout time.
- ii. The participants in the interaction process, meaning the characteristics of the supplier and the customer involved in the interaction process.
- iii. The atmosphere affecting and being affected by the interaction
- iv. The environment within which interaction takes place.

Friendly interaction is an important aspect of interpersonal relationship. Customers tend to patronize staffs that are friendly.

### ***Theoretical Framework***

The theoretical background that is employed in this study is based on the social exchange and uncertainty reduction theories of interpersonal relationships.

### ***Social Exchange Theory***

Social exchange theory was proposed by George Casper Homans in the year 1958. According to social exchange theory "give and take" forms the basis of almost all relationships though their proportions might vary as per the intensity of the relationships,

In a relationship, every individual has expectations from his/her partners. A relationship without expectations is meaningless. According to social exchange theory feelings and emotions ought to be reciprocated for a successful and long lasting relationship. Good relationships should be mutually beneficial and not suppose to be one sided. An individual invests his time and energy in relationship only when he gets something out of it.

There are relationships where an individual receives less than he gives. This leads to situations where individual starts comparing his relationship with others. Comparisons sometimes can be really dangerous as it stops individual from putting their best in relationships. Don't always think that you would have a better relationship with someone else. Understand your partner and do as much as you can for him/her. Don't always expect the other person to do things first. Take initiative on your own and add value to your partner.

### ***Uncertainty Reductions Theory***

Both Charles R. Berger and Richard J. Calabrese proposed uncertainty reductions theory to explain the relationship between individuals who do not know each other much or are complete strangers.

According to uncertainty reductions theory, two unknown individuals meeting for the first time go through stages to reduce the level of uncertainty between them and come closer to each other. Strangers must communicate well to know each other better and find out their compatibility level. The following are the stages individuals go through to reduce the level of uncertainty in relationships.

- i. *Entry stage*: The entry stage is characterized by two individuals trying to know each other better. Each one tries to find out the other person's background, family member, educational qualification, interests, and hobbies and so on. Each one discloses his likes and dislike to strengthen the bond and take the relationship to the next level.
- ii. *Personal stage*: In the second stage or the personal stage, individuals try to find out more about their partner's attitude and beliefs. Individuals try to know more about the other person's ethics, values, behaviour and nature. On the whole individuals may no longer be strangers and learn more about each other's personality traits in the stage.
- iii. *The exit stage*: The personal stage decides the fate of the relationship. Individual comfortable in each other's company decides to enter into long term commitments.

In sum, the social exchange theory has generated a framework which depicts that feelings and emotions ought to be reciprocated for a successful and long lasting relationship. Implying that good relationships should be mutually beneficial and not suppose to be one sided. Thus the rational individual is motivated to invest his time and energy in relationship only in anticipation of getting something out of it. In furtherance, the uncertainty reduction theory establishes a framework for appreciating that as interpersonal relationships develop the levels of ambiguity and uncertainty tend to fall and are replaced with the mutuality that develops in intimate friendships that elicit understanding, familiarities and security.

### ***Marketing Performance in Terms of Customer Loyalty, Customer Retention and Competitive Advantage***

Today's marketing has to be all-pervasive part of everyone's job description, from the receptionists to the board of directors. In a competitive world, companies have to work hard to have any added value. They have to work with customers and to discover ways to run the business more efficiently for themselves and more effective for the customers. A company's interpersonal relationship is measured as the outcome in marketing performance, in terms of customer loyalty, customer retention and competitive advantage.

#### ***Customer Loyalty and Customer Retention***

Central to organization's relationship management strategy is the ability to develop and enhance long term customers' relationships and to satisfy its existing customers. Although, there is no universally agreed definition of customer loyalty (Uncles et al, 2003) refer to customer loyalty as a commitment to continue do business with a company on an on-going basis.

Loyalty is something that consumers may exhibit to brands, service stores, product categories and activities. It concerns preferential behavioural response.

Managing customer loyalty and retention is a critical factor of customer relationship marketing. For many organizations, the question "what can be done to increase customer loyalty?" is a recurring theme at board level. Relationship marketing and customer relationship marketing are concerned with customer retention and how this can be achieved by creating long term customer loyalty;

The first step in managing a loyalty base business system is finding and acquiring the right customers: customers who will provide steady cash flow and a profitable return on the firm's investment for years to come, customers whose loyalty can be won and kept (Reichheld, 1996).

Thus, switching barrier and customer satisfaction may lead to higher customer retention, higher loyalty, and lower customer switching costs (search costs, learning costs and emotional costs), r and higher profitability.

Hennig-Thurau and Klee (1997) stated that in the context of relationship marketing, customer satisfaction is often viewed as a central determinant of customer retention.

Mosad (2006) stated that the fundamental issue of this customer retention approach is that when dealing with a customer, a company must consider the lifetime value (LTV) of a satisfied customer, rather than the profit to be gained from any individual transaction.

Satisfaction has been treated as the necessary premise for the retention of customers and therefore has moved to the forefront of relational marketing approaches (Rust and Zahorik, 1993). Loyalty will be developed overtime if the parameters for the relationship are planned and implemented correctly. To develop effective acquisition and retention strategies, organization needs a thorough understanding of the needs, behaviour and profiles of different groups of customers.

### ***Competitive Advantage***

A competitive advantage is the aggregation of factors that set a business firm apart from its competitors and gives it a unique position in the market that makes it superior to its competitors. A company has a competitive advantage when it has an edge over rival firms in attracting customers and defending against competitive moves from rivals.

### **Research model and hypotheses**

The major antecedents of interpersonal relationship were analysed within the domain of hotel industry which enabled us to conceptualize relational behaviour in that context. Business relationship is becoming more important in today's markets, such that when a customer accesses services from the hotel outfit, he experiences certain process features of interpersonal relationships. The dimensions that shape the customers perception of interpersonal relationship are denoted by interpersonal communication, relational style, relational atmosphere and friendly interaction.

Interpersonal communication is conceptualized as more about the content and character of exchange with respect to communication to maintain relationship which seems to have strong influence on customer loyalty. This is because interpersonal communication occurs when the other person is treated as a unique human being (Beebe, Beebe and Raymond, 2002). Against this back drop, there appears to be support from the marketing literature for including interpersonal communication component in the conceptualisation of interpersonal relationship due to its role on customer loyalty. Hence we hypothesize that:

**H<sub>1</sub>:** *Interpersonal communication has positive effect on customer loyalty.*

Relational style appears to be an essential factor in gaining competitive edge over competition. Bjorn (2004) refers to a company's relational style as its constant and consistent behavioural pattern in interactions with customers in long-term business relationships. In the highly competitive hotel industry, it seems companies practicing value-oriented relational styles are willing to create value for their customers through strongly relational behaviours and styles. This suggests that customers seem to infer good service quality on the basis of style and pattern of interactions that are most direct manifestations of relational behaviour. Hence we hypothesize that:

**H<sub>2</sub>:** *There is significant positive relationship between relational style and customer loyalty.*

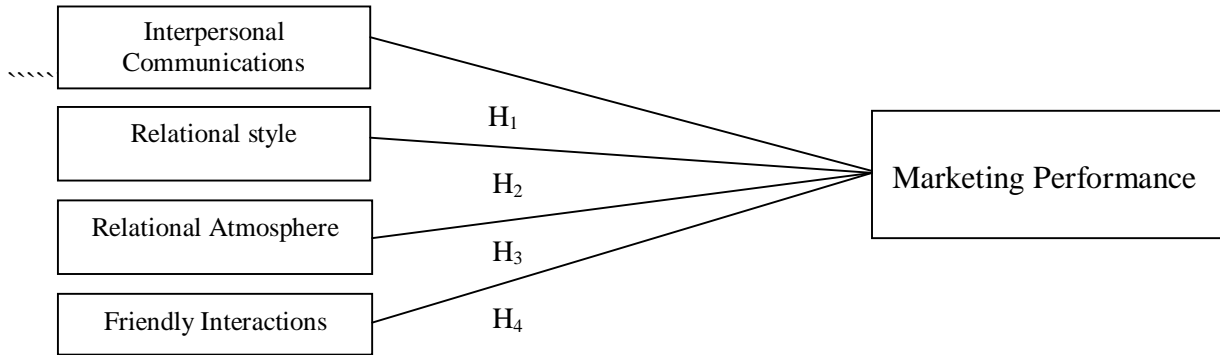
Relational atmosphere has become an important factor in terms of outlook of the internal and external environment. It is perceived as the environment or context within which interpersonal relationship is encountered. Thus the relational atmosphere seems to have impact on consumer behaviour. This implies that relational atmosphere seems to influence daily interactions between employees and customers. Hence we propose that:

**H<sub>3</sub>:** *Relational atmosphere has statistical significant relationship with sales turnover rate.*

Friendly interactions are important aspect of interpersonal relationship. This is because customers tend to patronize staff that are friendly. Johnson et al (2006) stressed that there is added value that friendly interactions bring to communication process. This suggests that there seems to be positive influence that friendly interaction has on repurchase behaviour. In this regard there appears to be support from the marketing literature for including friendly interaction as a dimension of relational behaviour. In the light of this we further propose that:

**H<sub>4</sub>:** *Friendly interaction has significant positive relationship with customer retention.*

**Figure 1: The Conceptual Model**



**Research Methodology**

This research involved a field survey that examined the interpersonal relationship in the Nigerian hotel industry. Due to the importance of development of relationships with customers as fundamental to provider-customer relationship in moderated content and standardized services such as Airlines, Cinemas, fast-food outlets, hospitality sector, etc. The hotel industry was chosen as the ideal context to test our conceptual model.

The participants of the study were 350 customers sampled through convenience sampling technique at different hotels locations in Asaba, Delta State based on availability and willingness of participants. The non-probability convenient sampling was employed because the population was large and the researcher had no control over it. However, in other to consider possible times regarding customer patronage, preliminary observations were taken to consider the time frame the hotel sector in Asaba has the highest patronage. Tuesdays to Thursdays were observed to have the relatively highest patronage in all selected hotels.

The research instrument was a 30 item validated structured questionnaire. All items were assessed on a five-point likert scale to measure responses, with anchors ranging from 1 to 5 (with higher numbers indicating higher levels of agreement)

**Measurement Assessment**

To validate the research instrument Straub’s (1989) process of validating instruments in MIS research was employed in terms of convergent validity and discriminate validity. In this regard a Principal Components Factors Analysis (CFA) with varimax rotation was conducted to investigate the distinctions among interpersonal communication, relational style, relational atmosphere, friendly interaction and marketing performance. As reported in table 1, the instrument demonstrated convergent validity with factor loadings exceeding 0.50 for each constraint. Therefore these results confirm that each of the five constructs is unidimensionally and factorially distinct and that all items used to operationalize a particular construct is loaded to a single factor

**Table 1: Factor Analysis Results: Principal Component Extraction**

Scale Items	Interpersonal Communication	Relational Style	Relational Atmosphere	Friendly Interactions	Marketing Performance
IC 1	0.723				
IC 2	0.641				
IC 3	0.703				
IC 4	0.698				
RS 1		0.682			
RS 2		0.697			
RS 3		0.707			
RS 4		0.710			
RA 1			0.665		
RA 2			0.692		
RA 3			0.603		
RA 4			0.687		
FI 1				0.772	
FI 2				0.721	
FI 3				0.685	
FI 4				0.691	
MP 1					0.752
MP 2					0.764
MP 3					0.688

*Suppress absolute values < 0.05*



**Table 2: Correlations, Reliability and Descriptive Statistics**

		1	2	3	4	5
1	Interpersonal communication	1				
2	Relational Style	.81**	1			
3	Relational Atmosphere	.74**	.61**	1		
4	Friendly Interactions	.67**	.72**	.69**	1	
5	Marketing Performance	.78**	.67**	.70**	.59**	1
	Cronbach's	.77	.85	.81	.92	.79
	Average Variance	.61	.66	.71	.78	.62
	Composite Reliability	.71	.84	.88	.82	.74
	Mean	5.20	5.60	5.88	5.49	4.80
	SD	1.07	1.35	1.20	1.42	1.23

\*\* Correlations are significant at .01 levels

**Table 3: Results of Multiple Regressions of dimensions of Interpersonal Relationship on Marketing Performance****Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficient	t	Sig.
	B	Std Error	Beta		
1 (Constant)	8.661	3.830		2.314	.025
Interpersonal Communication (IC)	.328	.140	.259	2.260	0.29
Relational Style (RS)	.381	.222	.206	1.723	0.84
Relational Atmosphere (RA)	.422	.161	.308	2.611	.016
Friendly Interactions (FI)	.536	.141	.422	3.833	.001

Dependent Variable: Marketing Performance (MP)

**Table 4: Model Summary**

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Standard Error of the Estimate
1	.422a	.178	.166	3.097

As reported in the regression analysis table that investigated the influence of IC, RS, RA, FI, on MP, It was revealed that IC ( $\beta = .259$ ,  $P < 0.01$ ), RS ( $\beta = .206$ ,  $P < 0.01$ ), RA ( $\beta = .308$ ,  $P < 0.01$ ), FI ( $\beta = .422$ ,  $P < 0.01$ ) had significant positive effect on marketing performance. The regression coefficient of Adjusted R<sup>2</sup> indicated that the four constructs of the independent variable explained 17% of the variance in marketing performance.

**Discussion of Findings**

This study investigated the relationship between dimensions of interpersonal relationship and marketing performance within the domain of hotel industry. The results of the correlation analysis in table 2 involving all components of interpersonal relationship revealed positive correlation coefficient values among the variables. This implies that they are appropriate indicators and constructs of interpersonal relationship.

The results of the multiple regression analysis in table 3 reported that the independent variable (dimensioned into four indicators) has significant positive effect on marketing performance. Special interpersonal communications exhibited significant positive effect on marketing performance ( $\beta = .259$ ,  $P < 0.01$ ). This result provided support for the result of H<sub>01</sub> testing in the regression table (with the P-value calculated of 0.24), which affirmed that interpersonal communication has positive effect on customer loyalty. This is also in agreement with Souga (2002) findings that interpersonal communication helps to maintain relationships. This implies that communicating interpersonally is important in creating, maintaining and sustaining relationships that are germane to building customer loyalty in the hotel industry.

In furtherance, the results from the regression analysis revealed that relational style has positive relationship with marketing performance ( $\beta = .206$ ,  $P < 0.01$ ). This findings appears not to be consistent with the result of H<sub>02</sub>: (with the P-value calculated of 0.84) which indicated that relational style has no significant positive effect on customer loyalty. However, the result of the regression analysis is in consonance with the findings of Henning-Thourau (2005) and Bjorn (2004) which emphasized that relational style is the consistent behavioural pattern in interactions with customers in long-term business relationship.

This may not be unconnected with why most companies in the hotel industry today seem to be managing their relations with their value chain partners towards gaining competitive advantage over competition.

In the same vein the results of the regression analysis showed that relational atmosphere exhibited statistical significant positive effect on marketing performance ( $\beta = .308$ ,  $P < 0.01$ ). This findings further provided support for the result of  $H_3$  (with the P-value calculated of 0.016) which affirmed that relational atmosphere has statistical significant relationship with sales turnover rate. This is also in accordance with the findings of Ulrich (2010) and Bitner (1992) which enunciated that other psychological working conditions and the work environment may also affect interpersonal relationships. This suggests why in the hotel industry a lot of investments are involved in improving physical environment because customers appear to infer quality on their perceptions of the physical facilities.

Similarly, the regression analysis results reported that friendly interactions recorded positive effect on marketing performance ( $\beta = .422$ ,  $P < 0.01$ ). This findings is in agreement with the results of  $H_4$  testing (with the P-value calculated of 0.01) which confirmed that friendly interaction has significant positive relationship with customer retention. This is in line with Svend (2011) and Cronin (2001) findings, that friendly interaction is an important aspect of customer relationship. This implies that interactive factor is an important aspect of perceived service quality in the hotel industry. Such that customers tend to patronize staff that are friendly.

### ***Conclusion***

In the generality of the above, the following are the conclusion arrived at based on the findings from the foregoing analysis:

Interpersonal communication as a variant of interpersonal relationship has major positive influence on marketing performance, in terms of it relevance in increasing the level of customer loyalty in hotel industry. It occurs not only when you simply interact with someone, but when you treat the other person as a unique human being, thereby helping in retaining customers towards increased profitability and marketing performance in the hotel industry.

The relational style act as a driving motivation for consumers to engage in long-term relationships with service providers. Such benefits are expected to play important role in marketing performance of hotel industry. Thus relational style as a consistent behavioural pattern with customers that fosters long-term business relationship helps in managing relations towards gaining competitive edge in the hotel industry

It is further inferred that relational atmosphere in terms of other psychological working conditions, the working environment and physical facilities play essential role in influencing customers perception of quality towards satisfaction and support of marketing performance in the hotel industry. This reckons with the fact that relational atmosphere seems to have a number of appeals which are not openly stated. It may be aesthetic appeals with entertainment value which may provide valuable information and psychological attractions that can elicit repeat purchase behaviour towards improved marketing performance in the hotel industry.

The quality of friendly interaction as a dimension of interpersonal relationship has overwhelming positive influence on marketing performance in the hotel industry. Such relationship may promote commercial friendship between customers and service personnel. This is because an important aspect of service encounters is based on social exchanges, thus customers who feel a relationship with service personnel can develop an emotional attachment and loyalty to the service firm.

Interpersonal relationship has become an important competitive weapon in the hotel industry due to its potential in eliciting friendly interaction that fosters commercial friendship, emotional attachment and loyalty to the service providers

### ***Recommendations***

Different measures of interpersonal relationship were developed and validated in this study. Within the context of increasing competition in the hotel industry, managers should determine which dimensions of interpersonal relationship are appropriate to their peculiar target markets in order to craft appropriate positioning strategy.

As an important competitive tool in the hotel industry there should be training and retraining of employees in the hotel service industry especially in the area of quality interpersonal relationship towards developing and sustaining customer loyalty and improved marketing performance.

Managers in the hotel industry should step up consideration on managing relational styles as a driving motivation for building long-term relationships with customers. This will contribute in managing relations with their value-chain partners towards gaining competitive advantage in the hotel industry.

In the competitive marketing environment, the relational atmosphere must be regarded as an important factor to be capitalized on. This is due to various appeals it can elicit that are germane to enhancing customer loyalty in the hotel industry.

The quality of friendly interaction should be managed to avert defection. This suggests that there should be increase investment in training of customer contact employees to enable them acquire desired friendly interaction skills as important competitive tool in the hotel industry.

As competitive pressure mount in the hotel marketing environment, effective marketing performance requires good interpersonal communication, adoption of effective relational style, sound development of relational atmosphere and ensuring quality friendly interaction towards improved productivity and gaining competitive edge

### **Managerial Implications**

The findings of this study have practical implications. For managers in the hotel industry, our results imply that hotel quality services should also be accessed according to evaluation of quality of interpersonal relationship. This is essential because interpersonal relationship seems an important competitive tool in the hotel industry. Therefore to the marketing practitioners, the results of this study suggest the relevance of incorporating interpersonal relationship as an important aspect of a firms marketing strategy.

Increased attention should be given to relationship marketing strategies, which demands that research focus should be broadened to relational spheres in which individuals are interdependent. Given the inherent social nature of relationships, hotel management should give increased attention the training of customer contact employees in order to acquire effective interpersonal relationship skills towards eliciting customers' loyalty.

The findings of this study will encourage managers to include measures of interpersonal relationship in performing brand evaluation analysis. Such dimensions of interpersonal relationship will be relevant in enhancing social interaction, favourable treatment to customers and intimate relationship as basis for developing and sustaining customer loyalty and effective marketing performance in the hotel industry.

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