Kinabuch Customer Relationship Management in Puerto Princesa City as Correlated to Customers’ Preference and Satisfaction

Randy G. Olano, Western Philippines University
E-mail: randy.olano@wpu.edu.ph

Abstract: This research is descriptive-correlation. It describes the business profile of the business establishment, the customer relationship management, and the customers' profile. It correlates the customer relationship management of Kinabuch as viewed by the owner and employees to the customer preference and satisfaction with the services offered. The respondents of the study were the business owner, 15 employees, and 50 customers. For statistical treatment, it employed frequency, percentage, rank, t-test, weighted mean, and correlation coefficient. Data gathering was done using a researcher-made questionnaire. This study found out that Kinabuch after operating for almost 15 years was profitable and well-known to both local and foreign tourists visiting Puerto Princesa City and employed Palawan folks. Most of the customers were considered as walk-in, local, and working middle class who can afford to drink and dine with friends and families. The customer relation management viewed by the owner and employees of Kinabuch has received a descriptive rating of much true or 3.83 equivalent to its numerical rating. The customer preference for the services offered by Kinabuch has received a descriptive rating of much preferred or 4.12 equivalent. The customer satisfaction with the services offered by Kinabuch has received a descriptive rating of much satisfied or 4.36 equivalent to its numerical rating. The null hypothesis is rejected thus, suggests that the correlation between customer relationship management and customer preference and satisfaction is significant. This study recommends that the management should look into the findings and consider the recommendations made by the researcher.

Keywords: Customer relationship management, Customer preferences, Customer satisfaction, Kinabuch, Puerto Princesa City

1. Introduction

Business establishments that are engaged in the customer offering products and services such as restaurants, bars, hotels, and the like, need to look for innovative ways to improve customer relationship management with the intention in mind to be competitive and be able to capture a bigger slice of the pie in the market. Hence, it necessitates a review of the present business practices of dealing with customer service. Tesorio (2002) stated that
Kinabuch is one of the business establishments in Puerto Princesa City which is located along Rizal Avenue and near the airport is primarily doing business as a restaurant and at the same time bar. As a restaurant, it offers food, which includes exotic such as “tamilok” woodworm and crocodile meat, and delicacies for the customer to dine in or take out. In the bar, the customer may choose to order local and foreign beverages and drinks from beer, tequila, and other specialty shots for men and women. Kinabuch provides amenities such as a pool (billiard) table where players can play for fun while enjoying bar drinks with friends. There is a large screen, too where customers can enjoy watching sports games either local or foreign in origin. Customers can experience the unique hospitality of the staff while dining and chatting. Importantly, the foods and drinks are exceptionally affordable and within one's budget as a tourist visiting Puerto Princesa City and the province of Palawan (Tesorio, 2002).

Several reviews have been continuing to hit online about Kinabuch. Usually, these reviews are written by visiting customers and other travel business websites to guide the tourists about the best places to stay while in the province. It offers a superb dining experience with a classy atmosphere, wide choices of gastronomic menus, mouthwatering desserts, and a variety of wines. Kinabuch is a tourist attraction because of the services it provides for its customers. If the tourist is traveling to Puerto Princesa City, he or she does not complete his or her travel to the Palawan island without visiting Kinabuch. It is widely known as a family-friendly restaurant and bar in town because of its cozy ambiance for the guests/customers while dining, chatting, drinking, and even holding an informal meeting in the place. For several years now, tourist arrivals in Palawan are continually increasing in number. Today, six airlines operate in the airport with maximum flights which include direct flights from Malaysia, Taiwan, and Russia. Aside from the local shipping lines that operate at the port of Puerto Princesa City which transport passengers from Manila port, it is now a point of destination of international shipping lines which are called cruise lines carrying passengers coming from Europe, America, and Asia. In effect, these tourists are visiting Kinabuch to dine and drink spending money which helps the business to grow financially. Esteves (2012) mentioned that the influx of tourist arrivals signals also for new business establishments to open resto-bar in Puerto Princesa City and offer the same services as that of kinabuch. Meaning to say, it is high time for the kinabuch to review, revise and innovate as to the services being offered at present to address the issue of competition in the market. It may lead to discovering new ideas about serving the customer better after the customers are asked about their preferences and satisfaction (Esteves, 2012).

The scarcity of information from previous studies in the province of Palawan about customer relation management challenges the researcher to engage in this type of study to show that despite the expensive software available online and in the electronic stores about doing customer surveys it can be simplified to suit the need of business establish-
ment like Kinabuch to assess the products and services it offers and be able to get the perception of the customers based on their preference and satisfaction which can be of great help to improve for the better its usual business practices and address the issue on stiff competition in doing business of the same line of products and services for the customer to avail while visiting the place.

1.1 Objectives of the Study

This study was conducted to determine and analyze the customer relation management and find out the level of customers' preference and satisfaction about the products and services offered by Kinabuch Grill and Bar. Specifically, it sought to determine the business profile of the Kinabuch as a restaurant-bar in Puerto Princesa City; describes the customer relationship management of Kinabuch; identify the profile of customers; examine the level of customer preference and satisfaction as to the services offered by the Kinabuch, and analyze the significant relationship between the customer relation management and the customer preference and satisfaction.

1.2 Conceptual Framework

This study finds strong justification from the theories of Rosenfield (2010) and Teel (1983). According to Rosenfield (2010), it is important to find out the customer's feedback according to the services or products being offered by the company or business establishment, in particular, to assess quality management either tangible or intangible which in return aids the business manager/owner to come up with comparable business strategies to elevate further the quality of customer services and may end up in gaining higher profit and be able to meet a certain degree of preference and satisfaction (Rosenfield, 2010). These claims highlight the use of software that is copyrighted to conduct consumer surveys. However, it can be deduced and simplified to suit the need of the business establishment like Kinabuch using researcher-made survey questionnaires using generally accepted format in formulating questions and the like. According to Teel (1983), consumer satisfaction is important to the marketer because it is generally assumed to be a significant determinant of repeat sales, positive word-of-mouth, and consumer loyalty. Satisfaction is important to the individual consumer because it reflects a positive outcome from the outlay of scarce resources and/or fulfillment of unmet needs (Teel, 1983). The researcher, after digesting the prevailing theories about this study, arrives at the theory that customer relationship management (CRM) is playing a pivotal role in a business establishment like Kinabuch as reflected in the General Guidelines and Code of Conduct of the Employees. The products and services offered are generally to be subjected to the test making use of the perception of the customers in terms of preference and satisfaction.
To illustrate the conceptual framework, the Research Paradigm is presented next page.

Figure 1
Research Paradigm

Figure 1 shows that the general policy on Customer Relation Management (independent variable) is defined according to the products and services (intervening variable) which affects the customer preference and satisfaction (dependent variable). **Source:** Authors’ Compilation.

2. Literature Review

Kinabuch Bar and Grill is one of the finest restaurants in Puerto Princesa city because of its stylish, unique, and cozy ambiance which produces an enticing atmosphere especially every night. It is Palawan's famous restaurant serving mouth-watering Asian Dishes and the freshest choice of seafood dishes. Kinabuch Bar and Grill has been cooking dishes that suit every taste with an exciting and wide array of steak, grilled and fried for a very affordable prices.

A business establishment like Kinabuch is dealing with customers as a primary source of income from the products and services it offers. It is known to local and foreign tourists because of the products and services. It has received good reviews and that is why it has been consistently included as one of the tourist destinations in Puerto Princesa City. Even the local government is helping to promote Kinabuch for free because of its inviting atmosphere which entices anybody to recommend the place to others for them to enjoy dining, drinking, and doing informal meetings and gatherings from families to friends and social to business groups.

To trace back the history of Kinabuch, it is important to mention the humble beginnings of the business establishment more than a decade ago. The place where Kinabuch is located was formerly occupied by a different business establishment which service includes female dancers or socially called guest relation officers which was patronized
by locals most of the time. From rural folks to executives representing private and government offices rushed to avail of the services it offers while dining and drinking at the same time. However, the operation stopped and the time has come for business interest persons like Mr. Edward “Buch” E. Chase to show interest in acquiring the space and he did it well when he demolished the building and underwent a major renovation of the place and finally became the Kinabuch Grill and Bar. For him, it has been a paradigm shift from a patron of motorbikes to handling the restaurant business (Tesorio, 2002).

The business establishment needs to revisit its company manual to make sure that it includes some of the applicable principles of management as identified by Zarate to strengthen its grasp as the primary tourist destination in Puerto Princesa City in terms of dining and drinking despite stiff competition in line with restaurant and bar business in an emerging highly urbanized city such as Puerto Princesa City. Zarate (2009) enumerated the 14 principles of management such as division of work, authority, discipline, unity of command, unity of direction, the predominance of general interest, remuneration, centralization, scalar chain, order, stability, and tenure of personnel, initiative, and esprit de corps.

Zarate (2009) states further that universal theories cannot be applied to organizations because each organization has unique characteristics and different problems or challenges that it confronts with. It holds that both internal and external factors affect the organization’s performance. Fred Fiedler, for instance, focused on individual leadership in his contingency model (Zarate, 2009). The model is very appropriate to this study because of the unique business atmosphere that Kinabuch has as a customer service provider.

As to the financial aspect of the business establishment, profit is very important because it is where the operation of the business depends upon. No profit means the business is losing and may result in bankruptcy which in turn halts doing business that may cause a lot of trouble from both the owner and his/her employees. No businessman wants his capital to go to waste because of financial mismanagement.

According to Harina (2008), there is a need to include the performance reports because the primary purposes of which are to inform managers and superiors of their performance in responsible areas and to motivate managers and superiors to generate the direct action necessary to improve performance. The characteristics of effective performance reports are behaviorally sound, relevant, timely and accurate, and cost-effective. Thus, all these boil down to the sound and responsible management accounting. The employment of a resident accountant provides sound fiscal management and that adds to being liquid in terms of cash flow and a cash reserve of the business establishment.
Managing a customer-oriented business establishment is a complex task that requires skill, patience, diligence, and hard work. There is a need to do some assessment before investing money. If it is customer-related and service-oriented, the manager needs to conduct a customer survey as part of the customer relationship management.

According to Marks (2006), an investor should understand himself very well as to assessing oneself before engaging in business. Some of the questions need to be asked himself/herself are the following: "Do I have the persistence and patience necessary to be a business owner?". "Does this business idea energize me?". "Am I able to quickly recover from setbacks and not take things personally?" and many more (Marks, 2006).

According to Schermerhorn (2008), management is defined with the concept of the interrelationship of the following: planning, organizing, leading, and controlling. However, these four are not accomplished in a linear, step-by-step fashion. The reality is that these functions are continually engaged as a manager moves from task to task and opportunity to opportunity in his/her work. Thus, it calls for stringent action on the part of the manager/owner of the business establishment. Schermerhorn (2008) opines further that good managers should employ customer relation management and it is best measured by making use of software available in the market intended for consumer surveys (Schermerhorn, 2008).

According to Snell (2008), managerial action is the opportunity of the manager to contribute to the success or failure of the business. These managerial actions are delivering strategic value, building a dynamic organization, mobilizing people, and learning and changing.

To emphasize learning and changing, it is important to know two things - the perspective of the customer so that the company can think of offering a new product or service that may lead to the gusto of the customer and be able to recommend the same to other prospective customers who may visit Puerto Princesa City and the other one is the ability of the staff to contribute more to the business management in improving customer service by sharing their insights and knowledge on product development (Snell, 2008).

Competition is normal in the business industry which has been developed as a positioning view and calls it a competitive strategy. According to Beckman and Rosenfield, the set of players in the industry which is known as five player model is comprised of suppliers, buyers, potential new entrants, incumbent competitors, and possible substitutes. Each player has different means by which it can gain or retain a competitive advantage in the industry (Rosenfield, 2010).

Customer service is measured by knowing the preference and satisfaction from the products and services offered by the company or business establishment like Kinabuch. It is
done to gauge the degree or level from which the business establishment tries its best to offer quality services to the customer.

According to Farnham (2011), strategic management decisions can be made based on consumer sensitivity to any of the variables in the demand function from a product. To obtain this information on consumer behavior, firms typically rely on: expert opinion, consumer surveys, test marketing, and price experiments, analyses of the census and other historical data, and unconventional methods (Farnham, 2011).

Customer behavior is important to understand by the managers to find out their considerations on the products, services, and the different market demographics. It has something to do also with consumer preference and satisfaction. If the product and service being offered fall within his/her standard, then the satisfaction is met unconsciously that may result in the continuance of availing the product or service being offered to them.

Farnham states further that business management needs to find ways to meet a certain degree of customer preference and satisfaction and in doing so it helps the market to produce more products and services as part of marketing strategy and product development as a result of innovative ideas generated from customers or consumers generally patronizing a specific product or service (Farnham, 2011). For instance, Kinabuch is becoming a brand of a product or service that may influence consumer or customer preference in choosing a particular restaurant to visit and dine in while staying in Puerto Princesa City.

The operation of the business establishment needs to take into consideration the physical amenities which can be easily judged by customers and it goes with the popular saying "the first impression lasts". According to the study of Gabriel (2001), it is important to recommend that tourist spots must give utmost priority to the cleanliness of the place to ensure good perception from the visitors and the use of advertisement is helping a particular tourist spot to be promoted (Gabriel, 2001).

Therefore, Kinabuch, as a tourist destination and at the same time a business establishment engages in the restaurant and bar business, needs to make sure that every aspect of its operation is very well taken care of to effect good customer relationship management and offers reliable service to the customers which are generating income or profit for the establishment.

Customer behavior is greatly influenced by psychological factors. According to Hechanova et al. (2006), psychological empowerment was positively correlated with both job satisfaction and performance. Although intrinsic motivation was associated with higher levels of empowerment and job satisfaction, contrary to the hypothesis, intrinsic motivation did not moderate the relationship between empowerment and job satisfaction and performance (Hechanova et al., 2006).
2.1 Foreign Studies

Studies on customer preference and satisfaction have been practiced by PR groups handling specific company’s product development and management ranging from transport businesses operating by air, sea, or land; alcoholic and non-alcoholic beverages, food, and others.

According to Oliver (1981), the field of consumer satisfaction, long neglected by cognitive consumer behaviorists, is now beginning to develop a research tradition. Satisfaction has been measured using a variety of post-exposure variables having effect as a common theme. Most researchers would agree, however, that product evaluations and attitudes are not operational definitions for satisfaction. Other approaches include multi-item Likert scales or semantic differential scales (Oliver, 1981).

The findings of the study suggest that, generally, it was found in both overall and summed attribute analyses that satisfaction was a function of expectation and disconfirmation, that intention was a function of satisfaction, and that preference was influenced by satisfaction and disconfirmation, the latter having the greater effect.

To simplify further, the buyer of a product or service reacts to the quality or level of satisfaction after having received the product or service which may lead to the customer's expression of his/her choice. The customer preference is influenced greatly by the level of satisfaction received or experienced by the provider of it.

To emphasize further, Teel (1983) opines that consumer satisfaction is important to the marketer because it is generally assumed to be a significant determinant of repeat sales, positive word-of-mouth, and consumer loyalty. Satisfaction is important to the individual consumer because it reflects a positive outcome from the outlay of scarce resources and/or fulfillment of unmet needs (Teel, 1983).

The study suggests that customer satisfaction generally contributes to an increase in sales because in doing business the unmet needs of the consumer are of great importance. The unmet needs are behavioral which can only be measured using preference and satisfaction. This paves the way for the customer to have that mindset of dining to Kinabuch for instance because it offers quality customer service.

2.2 Synthesis of Review Literature

In this study, the researcher finds it fitting to emphasize that Kinabuch is considered a brand just like in any product that affects consumer behavior to buy according to his/her own choice. The product and service it offers become secondary in terms of selection because the primary consideration is that if you choose Kinabuch the rest is being taken care of by the business management and its employees.
To validate the claim as a result of customers' feedbacks online, there is a need to conduct a consumer survey because it includes both direct surveys of consumer's reactions to price and analysis of product characteristics. This type of survey is easily understood and less costly to implement than other approaches to analyze customer behavior. Surveys have the greatest value when there are a relatively small number of clients who have well-defined preferences that they are willing to disclose to a survey format.

Henceforth, business establishment like Kinabuch has to make sure that the customer relationship management which embodies the core nature of the business which is tourism-related and customer-oriented is subject to constant review and thorough assessment to look for improvement in the management of the business using customers' feedback through this study.

3. Research Design and Methodology

This research is descriptive-correlational. Firstly, it describes the profile of the business establishment focusing on customer relationship management which is part of the general guidelines and code of conduct for employees. Secondly, it presents the profile of the customer as a respondent and assess the product and service offered using a survey questionnaire. It has been argued by Gonzales (2005) that descriptive research is fact-finding with substantial interpretation because of the notion that facts obtained are treated with a certain degree of accuracy in terms of expressions of central tendency or deviation or of correlation.

Using a descriptive-correlational type of research is proven effective as a result of the study conducted by Dalida (2014) for educational aspect and is suggested to be effective in this study as opined by Oliver (1981) for consumer survey on preference and satisfaction (Dalida, 2014).

3.1 Research Instruments

To gather the data, the researcher developed a survey questionnaire. There were two sets of a questionnaire. The first questionnaire was intended for the business owner/manager. It has three parts: the first part is about his/her profile; the second part is about the business profile, and the third part is about his view on customer relationship management where the employees also assessed this part. The second questionnaire was for the business customers. It has two parts: the first part is about the customer's socio-economic profile, and the second part is about his/her view on the products and services offered through customer preferences and satisfaction.
3.2 Respondents

The samples of the study included the business owner or the business manager who has ample knowledge of the general operation of the business. The respondents were the customers who are dining in the restaurant and/or drinking at the bar either regularly or walk-in for the period of three to five days. There were 50 respondents to participate in answering the survey questionnaire. Quota convenience sampling was used to identify the 50 customers and the 15 employees. To avoid inconvenience on the part of the visiting customers, the survey questionnaire was administered from 5:00 p.m. to 7:00 p.m. and 10:00 p.m. onwards. Peak hours are from 7:30 to 9:30 in the evening wherein a heavy volume of orders are made and customers are mindful of their personal and social chores which the distribution of questionnaires becomes boring to them.

3.3 Data Gathering Procedure

Permission to conduct the study and to administer the research instrument was forwarded to the owner/manager of Kinabuch Grill and Bar. Upon approval, the researcher conducted the said research on the selected customers. The researcher personally administered the survey questionnaire and asked for the help of co-workers if necessary.

3.4 Statistical Treatment

The following statistical tools were applied to treat the data gathered by the researcher.  
1. Frequency and percentage were used to describe the respondents based on their socio-economic profile. 
2. A five-point Likert scale made by the researcher was used to gauge the perception of the respondent on customer relationship management and customer preference and satisfaction. 
3. Pearson-r correlation was employed to find out if there is a relationship between variables. 
4. t-test was applied to find out the significance of the correlation at 0.05 level of significance. 
5. The null hypothesis was tested at a 0.05 level of significance.

4. Results and Discussion

The following information was taken from the interview with the owner of the business establishment. The business started on October 06, 2000, with an estimated capital of Php 400,000.00. According to the business owner, it is earning profit. There are 43 staff employed and the security of tenure is observed as stipulated in the Kinabuch’s Employees Manual. The services offered are a restaurant, catering, and bar. Kinabuch
employed marketing strategies through tourism offices, lonely planet travel guide, event sponsorship, local newspaper ad, and local TV ad.

Table 1 on consumers’ selected profile shows the age bracket of 19-29 years old ranks number one which comprises 34 percent, followed by 30-39 years old ranks number two which is 32 percent, followed by 40-49 years old ranks number three which is 24 percent, followed by 50 years old and above ranks number four which is 6 percent and lastly, 18 years old and below ranks number five which is 4 percent.

In terms of gender, male customer ranks number one with 52 percent and female ranks number two with 48 percent. The monthly income bracket are as follows: 30,000.00 – 39,999.00 ranks number one with 38 percent, 10,000.00 – 19,999.00 ranks number two with 18 percent, below 10,000.00 ranks number three with 16 percent, 40,000.00 – 49,999.00 ranks number four with 12 percent, above 50,000.00 ranks number five with 10 percent and lastly 20,000.00 – 29,999.00 ranks number six with six percent.

As to the type of customer, walk-in ranks number one which is 62 percent, and regular ranks number two with 38 percent. As to the type of tourist, local ranks number one with 62 percent while foreign ranks number two with 38 percent. As to the type of group, friends rank number one with 46 percent, family ranks number two with 36 percent, and others (alone) ranks number three with 18 percent.

<table>
<thead>
<tr>
<th>Table 1: Customers’ Selected Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selected Profile</td>
</tr>
<tr>
<td>Age:</td>
</tr>
<tr>
<td>50 years old and above</td>
</tr>
<tr>
<td>40 – 49 years old</td>
</tr>
<tr>
<td>30 - 39 years old</td>
</tr>
<tr>
<td>19 – 29 years old</td>
</tr>
<tr>
<td>18 years old and below</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Gender:</td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Monthly Income bracket:</td>
</tr>
<tr>
<td>Above 50,000.00</td>
</tr>
<tr>
<td>40,000.00 – 49,999.00</td>
</tr>
<tr>
<td>30,000.00 – 39,999.00</td>
</tr>
<tr>
<td>20,000.00 – 29,999.00</td>
</tr>
<tr>
<td>10,000.00 – 19,999.00</td>
</tr>
<tr>
<td>Below 10,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
Type of customer:
- regular 19 38.0 2
- walk in 31 62.0 1
Total 50 100

Type of tourist:
- local 31 62.0 1
- foreign 19 38.0 2
Total 50 100

Who are you with?
- Family 18 36.0 2
- Friends 23 46.0 1
- Others, please specify: alone 9 18.0 3
Total 50 100

Source: Primary data

This Table 2 on customer relation management of Kinabuch shows that statement number five which reads "the business is aware of the stiff competition between and among restaurants and bars" ranks number one with descriptive rating of very much true and statements number one, two, four, six and seven which read as follows in order "the general guidelines and objectives of the business are still relevant today", the code of conduct for the employee is discussed with the business staff on a regular basis", "the business establishment is aware that customer service is of utmost importance at all time", the business is aware that introducing a new product and service is important to keep the loyalty of the customers" and "the business is sensitive to the feedbacks of the customers in relation to the products and services being offered" have received a descriptive rating of much true and lastly, only statement number three which reads "the rules and regulations of the business establishment are being followed by the staff religiously" has received a descriptive rating of true which is ranked number seven. Overall, the descriptive rating for the customer relationship management of Kinabuch is much true than a numerical score of 3.83.

Generally, the customer relationship management of Kinabuch as viewed both by the owner and the employees as part of the management is helping the business to be competitive and at par with other business establishments. However, it can be misconstrued as an administrative lapse on the part of the owner to opine that meeting with employees need not include a topic on following rules and regulations.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Wx</th>
<th>DR</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>The general guidelines and objectives of the business are still relevant today.</td>
<td>3.69</td>
<td>MT</td>
<td>5</td>
</tr>
<tr>
<td>The code of conduct for the employee is discussed with the business staff regularly.</td>
<td>3.56</td>
<td>MT</td>
<td>6</td>
</tr>
</tbody>
</table>
The rules and regulations of the business establishment are being followed by the staff religiously. 3.00  T  7
The business establishment is aware that customer service is of utmost importance at all times. 4.38  MT  2
The business is aware of the stiff competition between and among restaurants and bars. 4.63  VMT  1
The business is aware that introducing a new product and service is important to keep the loyalty of the customers. 4.25  MT  3
The business is sensitive to the feedbacks of the customers about the products and services being offered. 4.00  MT  4

Average wx 3.93  MT

Source: Kinabuch’s General Guidelines and Code of Conduct for Employees

Legend: Numerical Scale Descriptive Rating
5  4.51 = 5.50 Very Much True
4  3.51 = 4.50 Much True
3  2.51 = 3.50 True
2  1.51 = 2.50 Less True
1  0.50 = 1.50 Not True

Table 3a on the level of customer preference to the services offered by Kinabuch presents that statement number two which reads "the food should be prepared fresh and clean from source" ranks number one which is described as very much preferred. Meanwhile, the rest of the statements from one, three, four, five, six, seven, and eight have received a descriptive rating of much preferred. Overall, the descriptive rating is much preferred with a numerical scale of 4.12.

It shows that in the restaurant business food preparation is important and customers are very particular with the source - from harvesting to packaging and finally cooking. The present setup of Kinabuch does not include an acoustic live band because it may create noise and other customers might not enjoy chatting in a noisy environment. Thus, it can be interpreted from the customer preference on the acoustic or live band and less noise in the area that there should be a specific area like, for instance, the bar where a live band can be set up to avoid noise from adjacent halls where social chatting is taking place within family, friends, and acquaintances.

Table 3a: Level of Customer Preference to the Services Offered by Kinabuch

<table>
<thead>
<tr>
<th>Customer Preference</th>
<th>Wx</th>
<th>DR</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>The food should be served hot and sizzling.</td>
<td>4.20</td>
<td>MP</td>
<td>5</td>
</tr>
<tr>
<td>The food should be prepared fresh and clean from the source.</td>
<td>4.64</td>
<td>VMP</td>
<td>1</td>
</tr>
<tr>
<td>The price of the food should be within your budget.</td>
<td>4.32</td>
<td>MP</td>
<td>4</td>
</tr>
</tbody>
</table>
The staff should inform you of the waiting time for your order to be served. 4.34 MP 3

The management should include additional attractions such as acoustic or live bands. 3.70 MP 6

The management should add space for parking areas. 3.68 MP 7

There should be less noise in the area for you to enjoy chatting with friends. 3.66 MP 8

There should be no hidden charges to the bill. 4.38 MP 2

**Average wx** 4.12 MP

**Source:** Primary data

Legend:  
5 4.51 = 5.50 Very Much Preferred  
4 3.51 = 4.50 Much Preferred  
3 2.51 = 3.50 Preferred  
2 1.51 = 2.50 Less Preferred  
1 0.50 = 1.50 Not Preferred

Table 3b on the level of customer satisfaction to the services offered by Kinabuch presents that statement number seven which reads "the location is easy to find and accessible" ranks number one with a descriptive rating of very much satisfied and being followed by statement number eight which reads "the business establishment is worth to visit again and to recommend to others" with the same descriptive rating. Meanwhile, statements one, two, three, four, five, and six have received a descriptive rating of much satisfaction. Statement number four which reads "staff is available on time" and statement number six which reads "the physical amenities such as washroom and dining area are clean" got a low numerical rating. Overall, the descriptive rating is much satisfied with a numerical rating of 4.38.

It can be interpreted that the level of satisfaction of customers to the services offered by Kinabuch is exceptional because it does not fall below a numerical rating of 4.0. The response for statement number eight is supported with good reviews from bloggers, social media, and media networks. In doing business like a restaurant, accessibility is number one and that has been proven in the responses of the customers in this study, except for two considerations, such as cleanliness and staff availability which should be addressed by the management accordingly.
Table 3b: Level of Customer Satisfaction to the Services Offered by Kinabuch

<table>
<thead>
<tr>
<th>Customer Satisfaction</th>
<th>wx</th>
<th>DR</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>The food is served on time.</td>
<td>4.36</td>
<td>MS</td>
<td>4.5</td>
</tr>
<tr>
<td>The food is delicious and palatable.</td>
<td>4.36</td>
<td>MS</td>
<td>4.5</td>
</tr>
<tr>
<td>The price of the food/drink is affordable.</td>
<td>4.28</td>
<td>MS</td>
<td>6</td>
</tr>
<tr>
<td>Staff is available on time.</td>
<td>4.20</td>
<td>MS</td>
<td>8</td>
</tr>
<tr>
<td>The staff is friendly, cheerful, and courteous throughout.</td>
<td>4.38</td>
<td>MS</td>
<td>3</td>
</tr>
<tr>
<td>The physical amenities such as the washroom and dining area are clean.</td>
<td>4.24</td>
<td>MS</td>
<td>7</td>
</tr>
<tr>
<td>The location is easy to find and accessible.</td>
<td>4.64</td>
<td>VMS</td>
<td>1</td>
</tr>
<tr>
<td>The business establishment is worth visiting again and recommending to others.</td>
<td>4.58</td>
<td>VMS</td>
<td>2</td>
</tr>
<tr>
<td><strong>Average wx</strong></td>
<td>4.38</td>
<td>MS</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Primary data

Legend: Numerical Scale   Descriptive Rating
5    4.51 = 5.50     Very Much Satisfied
4    3.51 = 4.50     Much Satisfied
3    2.51 = 3.50     Satisfied
2    1.51 = 2.50     Less Satisfied
1    0.50 = 1.50     Not Satisfied

As reflected in the Table, there is a very high correlation that can be observed on the correlation between the customer relationship management of Kinabuch and the customer preference. This is evident in the computed r-value of 0.763.

To confirm if there is a significant relationship between the customer relationship management of Kinabuch and the customer preference, the computed correlation values were subjected to the test of significance and the findings revealed that the customer relationship management is significantly correlated to the customer preference (t = 4.256 > 2.160, df = 13).

The findings lead to the rejection of the null hypothesis which states that there is no significant relationship between the customer relationship management of Kinabuch and the customer preference at a 0.05 level of significance.

The findings convey that the customer relationship management of Kinabuch is associated with customer preference.
Table 4a: Correlation between the Customer Relation Management of Kinabuch and the Customer Preference

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>r-value</td>
<td>0.763</td>
</tr>
<tr>
<td>Computed t-value</td>
<td>4.256</td>
</tr>
<tr>
<td>df</td>
<td>13</td>
</tr>
<tr>
<td>Critical t-value (0.05)</td>
<td>2.160</td>
</tr>
<tr>
<td>Decision</td>
<td>Ho: REJECT</td>
</tr>
</tbody>
</table>

Source: Result from Microsoft Excel Data Analysis

Legend:

<table>
<thead>
<tr>
<th>Interpretation for Correlation</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interval Estimate</td>
<td></td>
</tr>
<tr>
<td>1.00</td>
<td>-</td>
</tr>
<tr>
<td>0.70 - 0.99</td>
<td>-</td>
</tr>
<tr>
<td>0.40 - 0.69</td>
<td>-</td>
</tr>
<tr>
<td>0.20 - 0.39</td>
<td>-</td>
</tr>
<tr>
<td>0.01 - 0.19</td>
<td>-</td>
</tr>
<tr>
<td>0.00</td>
<td>-</td>
</tr>
</tbody>
</table>

As indicated in the table, the correlation value of 0.822 suggests a very high correlation on correlation between customer relationship management of Kinabuch and customer satisfaction.

Further, the table reveals that the null hypothesis which states that there is no significant relationship between the customer relationship management of Kinabuch and customer satisfaction is rejected at a 0.05 level of significance. This is supported by the computed t-value of 5.204 which is higher than the tabular value of 2.160 with a degree of freedom of 13.

This means that the customer relationship management of Kinabuch influences customer satisfaction.
Table 4b: Correlation between the Customer Relation Management of Kinabuch and the Customer Satisfaction

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>r-value</td>
<td>0.822</td>
</tr>
<tr>
<td>Computed t-value</td>
<td>5.204</td>
</tr>
<tr>
<td>df</td>
<td>13</td>
</tr>
<tr>
<td>Critical t-value (0.05)</td>
<td>2.160</td>
</tr>
<tr>
<td>Decision</td>
<td>Ho: REJECT</td>
</tr>
</tbody>
</table>

Source: Result from Microsoft Excel Data Analysis

Legend:
Interpretation for Correlation

<table>
<thead>
<tr>
<th>Interval Estimate</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00</td>
<td>Perfect Correlation</td>
</tr>
<tr>
<td>0.70 - 0.99</td>
<td>Very High Correlation</td>
</tr>
<tr>
<td>0.40 - 0.69</td>
<td>Substantial Correlation</td>
</tr>
<tr>
<td>0.20 - 0.39</td>
<td>Low Correlation</td>
</tr>
<tr>
<td>0.01 - 0.19</td>
<td>Negligible Correlation</td>
</tr>
<tr>
<td>0.00</td>
<td>Zero/No Correlation</td>
</tr>
</tbody>
</table>

5. Conclusion

Kinabuch is a well-known, tourist-related establishment and profitable business establishment in Puerto Princesa City which started its operation almost 15 years ago and employs Palawan folks. Many of the customers are considered working middle-class who can afford to dine and drink at the restaurant. Most of the customers are walk-in and local tourists comprise many of them. The customer relationship management of Kinabuch is working in progress to achieving a certain degree of excellence. The customer preference and satisfaction generally validate the claims of the management as to CRM practices that need improvement to achieve a certain degree of quality customer service. Customer satisfaction generally speaks of the reviews posted online and in print media about classy ambiance while dining at Kinabuch. There is a correlation between customer relationship management of Kinabuch and customer preference and satisfaction with the services offered by Kinabuch.
6. Recommendations

Based on the conclusion, the following recommendations are offered:

6.1 Kinabuch Management

Findings of this study may be considered in looking for areas in the business that needs improvement to attain excellent customer service and attract more customers. The management should employ different strategies to entice more customers to come and experience excellent services and keep their loyalty. The management should implement the rules and regulations to its employees religiously. The management should design an organizational chart for the flow of business operation and this has to be disseminated to the employees.

6.2 Kinabuch Employees

They should listen to the feedback from the management, supervisors, and most especially the customers to improve their performance. They should attend to customers’ needs at once and be available to them as the need arises. They should maintain the cleanliness of washrooms and the dining area. They should be provided with the result of employees’ performance evaluations.

6.3 Customers

They should continue to recommend Kinabuch to their friends who will visit the city and the province based on their experience.

6.4 Other Business Establishments

Set this study as an example to review their customer relationship management and improve their business practices to ensure that their customers get the satisfaction desired.

6.5 Researcher

He should share the findings of this study with the management and offer recommendations to continuously improve Kinabuch services and create higher customer satisfaction.

6.6 Future Researchers

Further studies on tourism-related topics may be conducted particularly on tourist preference and satisfaction. He/she should conduct empirical studies that deal with quality customer service using this study as a base knowledge.
References

2. Esteves, P. (2012). *Tourist arrivals in Palawan seen to hit 600,000*.