

Analysis of luxury hotel emirate palace



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Introduction

The Emirate palace is the most luxurious hotel in Abu Dhabi being the second seven star hotel of the world. Construction of the hotel is done with the maximum possible standards of comfort and luxury. It is built in 1000 hectares of beautiful landscapes. Infrastructure of the hotel is highly commendable with all the facilities. It has 20 different places for culinary delights, vast parking place, 2 helipads, 300 rooms, 90 suits, 48 conference rooms, and a huge conference centre. The level of various services provided by the hotel is of very high quality. (Minghetti., 2003)

Some of the major services in the hotel industry are the customer services, room services, layout services, quality services etc. These services hold a great importance in the hospitality industry and even more for a hotel like Emirate Palace. Providing good customer services in the hotel industry is the most critical objective to remain competitive and profitable in the long run of the business. Customer service is a very significant facet of the hospitality industry. Customers of hotels need the employees to fulfill their various requirements and thus keep on interacting with them all the time during their stay in the hotel. (Fitzsimmons., 1999)

Tourism is an important sector of the UAE and thus the hospitality and tourism industry is flourishing and competitive there. There are a large number of hotels in Abu Dhabi which fulfils all the requirements of location, accommodation and budget of the customers. To gain a competitive edge in the market it is advisable for a hotel to work rigorously for the improvement of the customer services. Providing exceptional customer service is a very

critical issue for the hospitality industry. Customers of hotels expect a good level of service from the hotel employees and if not provided than they may often feel dissatisfied but if they are given better service than the expectations they can be made feel special and important for the hotel and can make sure that during the next visit in the city they will stay in the same hotel. The main objective of good customer service is bringing the customers back. This can be done if the level of service provided to the customer is good enough to satisfy him so that he should spread a positive feedback about the hotel that will attract more customers to the hotel. The main focus of customer services is the customer satisfaction to gain retention by making strong and long term relations. (Dominici., 2010)

Following figure show the service blueprint of a luxury hotel:

Mission and Vision of Emirate Palace

The mission of the hotel is to provide clients the most exclusive and unique experiences.

The strategic vision of the Emirate Palace is to serve as a world's most luxurious hotel and leisure destination and to lead the industry. Another vision of the hotel is to contribute in making Abu Dhabi the centre of cultural activities of the Middle East and Emirate Palace a milestone in the country which can host any prestigious sporting event in Abu Dhabi.

Customer Services in Emirate Palace

Following are the main customer services offered in the Emirate Palace:

Hotel Reservations - Emirate Palace has a very nice facility to make reservations in the hotel. It has an online reservation portal where customer can make advance bookings for their stay in the hotel. Customer can also check the status of availability of rooms on the future dates when he wants to visit the hotel. Many online payment options are available on the website for the convenience of the customer to choose payment option which suits them the most. Reservation portal also gives many offers on the advance booking of rooms. (Dhabi.)

Meetings and Conferences - The Emirate Palace has 48 conference rooms, a large conference centre, a ballroom with a capacity of 2400 guests, a huge auditorium able to accommodate 1100 seats. These meeting and conference halls are best suitable for a gathering of 1000 people or a private confidential meeting of 10 people. The conference rooms have projectors, LCD screens, microphones, Wi-Fi data system and audio and video conference system preinstalled. (Dhabi.)

Guest Relations - Emirate Palace used to provide high level of customer service to the guests of the hotels. It is one of the most superior hotels in the world so the list of the hotel guests is also very exclusive. After getting pampered with the world class customer service the customers are welcomed to provide an honest feedback about their stay in the hotel. This feedback is helpful in maintaining long term relationship with the customers. (Dhabi.)

Membership - The hotel provides the facility of membership with the group. This membership facility is very useful in case of urgent bookings in the

hotel. Members of the hotel are the customers who used to visit the hotel more often. This facility is the benefit of the long term relationship between the hotel and its customers. The members of the hotel are given priority in case of unavailability of enough vacancies in the hotel.

Comments/Suggestions - Collecting feedback from the customers is a critical issue for providing the best customer services in the industry. Words from the customers are very important for the hotel. These feedbacks are used to improve the quality of service if needed.

Transit Visas for UAE - UAE is the main place of attraction for the tourists all around the globe. Tourism is an important industry in the UAE and people used to visit UAE both for work and fun. The hotel helps its customers to provide transit visas for the UAE during their stay in the country. Acquiring visas is the most time consuming task for a visit in a foreign country. This herculean task is made easy for the customers by the Emirate Palace by providing them the transit visas for the UAE. The Emirate Palace get transit visas of 14 days issued for the customers within 7 working days. (Transit Visas for the United Arab Emirates)

Events Calendar - Schedule of the coming events in Abu Dhabi, UAE and Emirate Palace is available on the website of the hotel. This information can be very helpful for the customers of the hotel to make reservation accordingly if they want to attend a certain event in the hotel. The event calendar is used for getting information about the latest events going to be held at the hotel. (Dhabi.)

IT Butler Service – Till now the Emirate Palace used to provide a personal butler for every room and suite but now the butler service has taken a step ahead and the hotel is providing an IT butler for private consultation. This IT butler service is 24×7 facilities for IT assistance and support of the customer. Emirate Palace is used to host many conferences and workshops for many IT companies.

Online Printing – In case a customer needs printed copy of some of his document then he does not have to go to a printer to get his document printed. The Emirate Palace provides the service of online printing. The customer has to upload the electronic copy of the document on the web portal of the hotel and order it for printing. Nominal charges are applicable on printing of documents. This service adds value to the customer services provided by the hotel. (Dhabi.)

Leisure & Healthcare – The hotel has unlimited leisure and recreational facilities available. The hotel has health spa, fitness suites, energy zone, tennis and paddle programs for health and fitness of the customers. Many water sports activities are facilitated by the hotel where the customers can enjoy the thrill of the open sea. Sarab Land is a children playground well equipped with slides and swings and many child activities organized by the beach club. (Dhabi.)

Analysis of Customer Service Operations in Emirate Palace

Service operation management is all about the process by which organization produce services which are useful for the customer. Operation management takes care of managing the process of production of services. The process of

transformation of input resources in the output of services is called an operation. (JPC Media LLC)

The operation process of transforming inputs into outputs certainly adds some value (apart from the cost of input) to the final product or service which is called the value added to the service.

The Emirate Palace provides a very high level of service to its customer. This level of service can be produced only if the organization incorporates a service operation management which keeps a watch on the process of production of services. Various customer services in the Emirate Palace are discussed above and here these services are being analyzed on the framework of service operation management. (JPC Media LLC)

Hotel Reservation – In the Emirate Palace the hotel reservation system is a customer service. In the operation of this service the inputs given are the web portal for the reservation system where the queries for the availability of rooms on are asked, and information (like number of rooms, number of guests, adults or children, date of reservation) from the customer is also required. Another input is the payment options for the advance booking.

The transformation process of this service includes the changes in the database of the hotel reservation system. The database provides the results of the queries made by customer regarding the vacancy of room on the given date. The process of reservation also includes the transaction of amount for the reservation made in the hotel.

Output from the transformation process is the customer service for making advance reservations in the hotel. The process provides information about the availability of rooms or suites on the particular date when customer wants it. The process also provides the information about all the types of rooms and suites in the hotel, their specifications, facilities in the rooms, and charges of the rooms. Using this information customer can choose the type of room and services they need. After making the payments for the reservation customer can get his room booked in the hotel on the desired date. (JPC Media LLC)

Meetings & Conferences – The Emirate Palace is one of the best venues for government conference and summits. Meetings and conferences of many multinational companies are arranged at the conference rooms and auditorium of the hotel. The input in the operation of this facility are the space of the meeting rooms, gadgets like the LCDs, microphones, projectors, other services like, Wi-Fi internet, audio or video conferencing systems. These additional services act as input of this customer service. Another input is the piece of information provided by the customer about his requirements of the meeting or conference rooms.

Transformation process of the above input gadgets and services into the desired output of the service include a few steps. Conference rooms or auditorium are booked for various purposes. So first of all the requirements of the customer are studied and an estimation of the budget is given to the customer. If the customer needs any changes then the budget is revised otherwise next step that is installation of the extra facilities like Wi-Fi,

projectors, LCDs are done in conference rooms and the rooms are ready and well furnished for the meetings going to held there.

Successful business meetings and government conferences and summits without any disturbance or interrupt due to some missing equipment or service are the output of this service operation. Satisfied customer is the intangible and most important outcome from the operation. (JPC Media LLC)

Guest Relations – Emirate Palace is one of the few hotels which provide seven star facilities to its customers. So the list of guests of the hotel becomes very exclusive as many government official, Hollywood stars, and sports star used to visit the hotel. The input in the service operation is the guests and the employees of the hotel.

The process of the operation involves the interaction between the customers and the employees of the hotel. Guests used to keep on communicating with the hotel staff during all the hours of the day and the response of the staff plays a crucial role in the process of transforming inputs in the desired output. The hotel staff is well trained in the field of hospitality and fulfills all the needs of the guests of the hotel.

The output of this service operation is the long term relationship with the customers. A happy guest with the facilities of the hotel will give a positive feedback of the customer services of the hotel. Apart from the positive feedback another important output will be the next stay of the guest in the hotel. Managing healthy and long term relations with the guests is important in the retention of the customers. (JPC Media LLC)

Transit Visas for UAE – Emirate Palace helps its customers in getting the temporary tourist visas of the UAE. Input for the service operation is the customer's documents, and charges of the visa. These are the requirements for getting the transit visa for UAE for the customers of Emirate Palace.

The process of the service operation involves many steps as it has to go through a government protocol which is a bit time consuming but less than what it takes to get a transit visa directly from UAE embassy. Processing of the visa application takes at least 7 working days. The issuance of visas is under control of the Immigration department of Abu Dhabi.

Transit visa valid for 14 days from the day of arrival in UAE is the output of the transformation process. A scanned copy on the mail of the customer is sent as soon as the visa is approved. The customer can receive the original copy of the visa from the Immigration office at the UAE airport. (Transit Visas for the United Arab Emirates)

IT Butler Service – Personal butler service for each room is being provided by many hotels and is not enough for the Emirate Palace so has decided providing a perfect hospitality service according to day today's requirements of the customers. Input in this service is the employee of the hotel who is well trained in the hospitality business and in IT skills as well.

The process of service operation is the training of the staff for the role of IT butler. They are trained to solve IT related problems of the customers.

Solution of the IT issues of the customers is the output of the operation. The IT butler helps the customers in setting up their office network, company's

VPN, or any handy issue with some technical tool or application. The IT butler is available 24×7 for the service of the customers.

Analysis of Supply Chain Management

Precisely speaking Supply Chain Management is “ a set of approaches utilized to efficiently integrate suppliers, manufacturers, warehouses, and stores, so that merchandise is produced at the right quantity, to the right location and at the right time, minimizing the cost and improving the service quality.” This definition of Supply Chain Management depicts that each and every facility plays an important role in making the product according to customers’ requirement. The supply chain in the hotel industry is used to provide the best service in the industry to the customers. The Supply chain of the Emirate Palace is designed with a certain objective of each link in the chain. Designing the right service for the customer with flexibility should be delivered to the customer in appropriate quantity, at the right time when he customer really needs it should be provided at the minimal cost. (Supply Chain Management)

In the Emirate Palace various decisions are made at times at different levels of management for the advancement in the customer services. Long term decisions are made at the strategic level. Issues like ambience of the rooms and suites, type of customer services etc are decided at the strategic level. Decisions regarding the customer services like what services to provide, how to provide, what should be cost of a particular service etc are taken at this level.

Medium term decisions like the menu of the week, theme of a particular party, other offer on services, duty of the hotel staff etc are taken at this level of the chain. The operational level is to take day to day decisions like the attire of the staff, celebrity guest of the day etc. There is a very thin line between the functions of tactical and operational level.

Inventory management and Customer service hold a trade off with each other. If the hotel staff start being very rigid with their inventory management system then they will not be able to provide the level of customer service they are providing currently. The Emirate Palace provides a very high level of customer services which will not be possible if the hotel management is more concerned about the stocks in the inventory rather than the customer satisfaction. (Supply Chain Management)

Electronic Operations at Emirate Palace

The Emirate Palace provides many services to the customer. These services are the measure of customer satisfaction with the hotel. The hotel Management use to manage most of their tasks using technologically advanced resources these operations are also called electronic operations. The major electronic operations of the hotel are the following: (Minghetti., 2003)

Reservation System

The Reservation System of the hotel is completely web based. A web portal is provided for the customers to check the availability of rooms on particular dates and make reservations if available. There the customers can also look at the images of the different types of rooms and suites of the hotel and

choose one of them for their stay in the hotel. Payments are also done online via credit card and many other payment options. The payment link is provided extra web security for security reasons of the customers. Overall the reservation system of the Emirate Palace is a value added service operation of the hotel.

Online Printing

There is another facility of online printing provided for the customers of the hotel. This facility can be availed by a customer if he has a meeting early in the morning and he needs hard copies of some of his documents of which he has electronic copy. Customer can go to the website of the hotel and click on the link of online printing. Now he can upload the soft copy of his document and order it for printing. The print outs cost nominal printing charges.

(Transit Visas for the United Arab Emirates)

ATMs

The electronic operations of the Emirate Palace include all the electronic services provided by the hotel. There are three ATM machines in the hotel from where customers can make transactions in case if they need cash amount.

Internet Facility

The Emirate Palace also provides internet facilities to the customers. All the rooms and suites have a Wi-Fi internet connection of 20 mbps. This complementary line is spread in all parts of the hotel. On special demand of the customers a broad line of 80 mbps Wi-Fi internet connection is provided which has additional charges.

SWOT Analysis of the Emirate Palace

Strengths

Exclusive service and features and high brand value.

Patronage of the high profile clients thus maintained profits.

Weaknesses

Extremely heavy cost of rooms so 50% rooms vacant every year.

Exclusive and the quality service cost very high.

Opportunities

Reduction in prices may attract more guests.

Threats

Another 5 star hotel Burj-Al-Arab is a major competitor.

Profits might get reduced because of the global economic melt down.

Business Process Map of the Emirate Palace

Business process mapping is a methodology to improve the performance and efficiency of the organization by improving the process steps in the delivery of product or service. The business process of the delivery of customer services in the Emirate Palace is depicted in the figure below: (Business Process Modeling)

Customer

Order for Service

Apologize for delay and ask for time.

Deliver Service to customer

Update Service & customer Database Database

Service booked for the customer

Yes

Forward order to Inventory Management

No

Check time to make available

Available?

Processing order

Check Availability

The notations of the various figures are different in the above flow chart of the business process of the.

Decision point

Activities

Actions

Events

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Service Quality Management

Quality of the service is the ability of satisfying customer needs and meets his expectations consistently. It is the duty of the hotel staff and employees to provide the level of service which is up to the mark or even better than their expectations. The Emirate Palace is a seven star hotel so the quantity of customer service will be obviously large. But the quality of service they provide should be tested on various dimensions. (Dominici., 2010)

Dimensions of Quality

The dimensions of quality are:

Performance: The services provided by the hotel are very exclusive. The innovation team of the hotel has worked hard to provide the customers with the unique customer services.

Aesthetics: Customer services provided by the Emirate Palace are very lucrative and well designed. The reservation system of the hotel is very user friendly i. e. any newbie can use the portal and book a room for him.

Special Features: Each and every customer service of the Emirate Palace has certain unique and special feature in it. Like most seven star hotels provide a private butler for every room and suites. But the Emirate Palace is providing a private IT butler for every room and suite. The job of this butler will be to help the customers with the IT related problems.

Conformance: All the customer services of the Emirate Palace are up to the mark of the expectations of the customer.

Reliability: The consistent performance of certain customer services in the Emirate Palace is doubtful. Like the IT butler service. (Dominici., 2010)

Durability: The services offered by the hotel seem to have a long useful life. All the services provided to the customers today will be also are needed by the future customers of the hotel.

The following figure shows the Gap Model of the Service Quality

Total Cost of Quality

Failure Cost: This cost of quality is the cost of defective and faulty parts of service. The failure cost of quality of the customer services will be high for the hotel. This cost is further classified in two types:

Internal Failure Cost: This is he cost when the fault in the service is detected before the launch of the service. Some employees of the hotel must have gone under training of IT skills for doing the job of IT butler.

External Failure Cost: All the cost incurred to determine and repair the fault of the service which is detected after it is offered to the customer.

Appraisal Cost: This is the cost paid to ensure that the quality of service is maintained during the use of it. Like the cost of maintenance of the database of the hotel reservation system because if the database or the system crashes then one of the most important customer service of the hotel will be finished.

Prevention Cost: This cost is paid for the training & planning of total quality, customer satisfaction, and quality improvement costs so that defect can be

prevented. A separate team of innovation and customer service is always working for the improvement in the current services and remove the faults if any.

The Emirate Palace has received the Environment Management System ISO 14001: 2004 Certification of Hospitality Services.

Recommendations & Suggestions

The Emirate Palace provides a wide range of customer services to its guests.

Most of these services are value added and costs pretty high for the hotel.

The reservation system of the hotel is a wonderful customer services but there are some improvements required in the system so that it can be more valuable for the customers. Reservations made on the web portal cannot be withdrawn later if the customer has any case of urgency. Full amount of the payment is forfeited by the hotel. If a customer has booked a room advance in 1 month but on the day of reservation he got stuck with some important work than the instead of forfeiting the whole amount a particular percentage of the payment should be deducted and the rest should be transferred back. The process of providing transit visas of the UAE is a bit time consuming so the hotel management must try to reduce the time taken in the process.

Conclusions

The Emirate Palace is one of the world's few seven star hotels providing excellent level of customer services. These customer services are produced by passing through various processes of service development. Operation management, process design, service supply chain strategies, and service quality management. All these frameworks and tools are helpful for the

improvement of services. Developing a service involves 3 phase of giving input, process transformation, and obtaining output. Each service is the output of this process. The objective behind these high levels of services is customer satisfaction. In the hospitality industry the guests should be treated to make them feel special. Every customer has a certain level of expectations from the service provider and if the service provided does not live up to the expectations of the customer then the customer will never come back to buy the service again. But a satisfied customer is always necessary for spreading the word of mouth about the quality of service of the business. So an organization must always vigorously strive to provide customer services to the guests so that they get satisfied and give a positive feedback of the organization.