Service marketing assignment

ASSIGN BUSTER

Models such as the SURVIVAL, Serviceable, Service Blueprint and Service Encounter traits were adopted to highlight the variables, limitations and strengths of Hotel-81. By applying the above stated studies and models adoption, the group critically evaluates how hotel-81 manages Its customer service strategies of which that shapes the organization. 2. Introduction In recent growing years, regardless the discipline of a business organization, the elements of customer service provision aids the final consumption decision accepted by the customer (Wild 2010).

Pragmatically, most organization support customers through the assistance of substantially trained employees. The elements rendered by these Inter-organization supporters Include – providing online, telephone support, ace-to-face interactions and hands-on demonstrations to guarantee customer satisfaction (Clarity, 2009; Wild 2010). Incomparably to product disciplinary based organizations, service disciplinary based organizations impact customers directly though intangible elements – pertaining to the fact that ' service' is the organization ' product' (Clearly, 2009).

According to Clarity (2009), customer service has been classified Into ratings of excellent to poor. With excellent service encounters, customers are usually Impacted by good Impression attributes and that eventually lead to repeat patronage. However, poor customer service occurs when the organization is incapable of meeting the needs and wants of customers. At the same time, employees that lack substantial knowledge of the organization's products portray negativity in the eyes of customers.

Negativity of image usually suffers the possibility of repeat patronage (Cleanly, 2009). In hotel industries, besides providing quality accommodation, provision of outstanding services Is essential as the mall source of revenue growth and statistical patronage rely mainly on the core service disciplinary (Mania and Andrea, 2012). Running accommodation service as a core disciplinary organization, Hotel-81 has been knowingly recognized for its price sensitive costing and convenient locations incomparably to renowned hoteliers.

Patrons mainly accommodates at Hotel-81 for the price sensitive costing element as well as the quality assurance provision. This report alma to focus on the Importance of customer Involvement In service encounters, critically analyses the Interrelationship of consumers and Hotel-81 as well as value co-creation that will strengthen the relationship of Hotel-81 and the targeted audience. 3. Customer Service of Hotel-81 At Hotel-81, besides facilities provision, service providers of Hotel-81 play important roles in an evaluation of satisfaction.

As mentioned above at Section 2, the focus of service disciplinary based organizations differs from product disciplinary based organizations are that Intangible elements are the core evaluating Indicators for intangible services include intangibility, heterogeneity, inseparability and permissibility (Mueller, 2010). Intangibility: Hotel-81 provides services to customers such as helping customers with the procedure of checking-in and out of the hotel. It also means attending to customers' needs and enquiries through tactical explanations.

Product disciplinary based organization differs in a way that service providers cannot test out the functions of a brand new Juicer in order to solve customer's queries. Heterogeneity: To maintain the services provided to all different customers at least to a certain same standard. For instance, providing customers with accurate information to enquiries and rendering prompt assistance to all different customers. Product disciplinary based organization differs in a way that different nonusers needed different products, same function do not serve different customers.

Inseparability: Service provider's presence when consumption takes place. This includes services such as tour enquiry assistance and housekeeping service assistance which Hotel-81 provides on a daily basis. Both parties play a role in completion of a task. Product disciplinary based organization differs in a way that once the product is being purchased, the product will be owned solely by the customer, the product does not belong to the organization anymore. Permissibility: Service perishes right away once it is consumed.

At Hotel-81 , the evidence of creditable services can be imprinted by memories and spread by word-of-mouth for hotel attributions. Product disciplinary based organization differs in a way that customers spread word-of-mouth about the product but may not the service provider himself that provides all the enquiries of the product. 4. Target Audience Differs by disciplinary of business from product based organization, it is important to segment Hotel-81 main target audience. The service organization has more than 20 outlets spread nation-wide across Singapore, from city centre to suburban areas.

Prices range from as low as $50 per room per night to as high as $130 per room per night, depending on the location and room types. As mentioned by Budget Hotels book expansion (201 1), economic growth reflects an increment in leisure travelers especially the young ones. Such travelers search for only basic accommodations to maximize funds during their holiday. In order to succeed in budget hotel chain, one of the criteria will be quantitative measures of substantial volume patronage (Budget hotels book expansion, 2011). Through this study, it has mirrored the aim of Hotel-81 at the target audience for Value Co-creation. Customer Service functions of Hotel-81 & its targeted customers 5. 1 Value Co- creation A service organization creates value for its customers by identifying what the customer wants. " Customer value is a solution or benefit that removes the problems, challenges, difficulties, frustrations and impossibilities so that the customer can do a job he or she is trying to do to achieve the outcomes desired at an affordable cost (Attenuate-Gene, 2012) ". Having one of the most outlets across Singapore, Hotel-81 allows customers to choose the property or location to stay overnight (outcomes).

At he same time, these advantages enhances through co-production of service delivery always a co-creator value, which implies value creation is international. For instance, customers request for an upgrade of hotel room, tour arrangements or car rental services, it influences Hotel-81 (service provider)'s production process. The actions of Hotel-81 influences the customer's value co-creation process and how it proceeds (Grosses and Vomit, 2011). 5. 2 Factors that shape customer service In the value co-

creation process, the SURVIVAL model is a useful instrument that measures the scale of Quality in the service sectors.

Service quality is based by the judgment of customer's pre-purchase expectation, perceived process quality and perceived output quality Avoid and Regional, 2011). The five main dimensions identified as below (Tsar, Www and Liana, 2008): (1) Reliability: The ability of service to perform the promised service dependably and accurately, as mentioned by Almost (2008). Hotel-81 has been achieving excellent service awards from 1999 to 2003. (2) Tangibles: The physical appearance of facilities, equipment, personnel, and communication materials related to the service (Tsars et al, 2012).

Hotel-ass's clean and tidy rooms. (3) Responsiveness: The willingness or readiness to help customers and provide prompt service (Tsars et al, 2012). The efficiency of Hotel-ass's staffs by preparing the room keys once the customers arrive at the counter. (4) Assurance: Employee's knowledge, courtesy and their ability to convey trust and confidence (Tsars et al, 2012). Hotel-ass's staffs are trained to ensure that customer needs and render any assistance round the clock. Hotel-81 worked with States Institutes for training and development. 5) Empathy: Providing personal attention to customers ND employees' readiness to answer questions and maintain error-free service (Markova et al, 2013). Hotel-ass's staffs will be able to render any assistance round the clock. Figure 1: Proposed model for measuring customer satisfaction (Marketing et al, 2013) As stated by Almost (2008)g's studies on U. S. A hotels, the most important factors are tangibles elements. Through excellent service awards, Hotel-81 showed that the organization is

capable of providing quality services continuously through high level of customer involvement.

However, there are still factors that might affect the service standards. 5. 2. 1 Critical Incidents Critical incidents are one of the factors defined as significant events that may affect the shaping of value co-creation process between Hotel-81 and the target audience. For instance, consumers are Judger or even evaluators of hotel stays based on the overall satisfaction (Chatty, Hughes and D' Alexandra 2012, 55). Therefore, Roughshod explain, to accomplish an overall satisfaction, the role of a service provider together with the evaluating consumer cannot be separated.

The production as well as the (Roughshod, 2012). A 100% service excellence encounter is not possible when practicing consistency of customer service delivery. However positive events usually lead consumers to brand loyalty and rendition of customers. Holistically, rectification of critical incidents is the prime motive for shaping an organization to deliver competitive advantages in customer service, hence to compliment the level of reciprocal arrangement with Zone of Tolerance (Huh, 2012). 5. 2. 2 Zone of Tolerance (GOT) As mentioned in section 5. Line 3, consumers are evaluators of satisfaction in service encounters, hence the GOT is usually placed at the top priority. Therefore, a lower costing of accommodation must also ensure a consistency in service quality delivery Salary and Costa, 2010). Prior to patronage, consumers often held perception(s) of their selected accommodation with regards to any service encounters they will be receiving. Studies have also shown that service recoveries are definitely not

the most favorable solution if any service failure occurs (Salary and Costa, 2010; Among, Sings and Chain, 2011).

Figure 2 is a classification of critical incidents Hotel-81 has adopted to prevent any unforeseen circumstances that may be led by Zone of Tolerance (Z. O. T). If customer rendition are the main objective of hotel industry, the iris level of service encounter contact has to be precise and strong (Salary and Costa, 2010; Among, Sings and Chain, 2011) in order to safeguard customers' involvements as Judger and evaluators. Product Dimension Core Peripheral Aspect Group Personal Response to check-in guest promptly at check-in time.

Service staff Interaction with Service staff during room allocation. Organizational Availability of rooms at check-in time. Room reservations administration Taking note of the time intervals guests are likely to be checked-in such as knowing their arrival time from the airport. Figure 2 (Chatty, Hughes and D' Alexandra, 2012) . 3 Serviceable and Recovery Another important factor that lead to consumer's evaluation of ' Quality with Hotel-81 will be Serviceable. However as an intangible character, this factor is difficult to be standardized (Chatty, Hughes and D' Alexandra, 2012).

The classification at Figure 2 adopted can only be maintained but not standardized due to the fact that Core dimensions need to be supported by Peripheral dimensions (Chatty, Hughes and D' lapse that may happen if Peripheral dimension fails. Serviceable include not only the social elements, but of a range of hospitality settings such as the hotel's ambiance, surrounding elements, environmental and technical aspects that may elicit

the consumer evaluation based on service encounters (Icing and Suck, 2009).

In such a way consumers will be more at ease if the store-induced aspects get to calm a guest down. Response to check-in guest cannot be allocate promptly at earlier check-in time/day, because guest had wrongly booked his check-in hotel date Service staff Interaction with Service staff during room allocation lapse because no rooms were available. Availability of rooms at check-in time lapse because all rooms are fully booked. Room serrations administration Flight arrived earlier but guest had wrongly booked his check-in hotel date.

Figure 3 (Chatty, Hughes and D' Alexandra 2012, 82) 5. 4 Service Blueprint and Customer Involvement To rectify Serviceable, the service blueprint holds a significant role in controlling the outcome of a service encounter experience. In order to succeed in service recovery, identification of the stages in service development should be linked with the consumer's involvement. Alternative solutions from supplementary dimensions should be used (Chatty, Hughes and D' Alexandra, 2012) inclusive of the overall segments played by the various roles within a service encounter.

As follow: Behavior of front-office employees: front-office staffs could suggest swapping of hotel to the nearest outlet to the consumer. Thereafter seek an approval from back-offices employee for support since Hotel-81 has various outlets such as Chinatown, Siegel and Benevolence. Concurrently at the same time, front-office employees will offer beverages and snacks to calm the guest down while sourcing for room availability. Behavior of back-office

employees: Support front-office staff by checking nearest outlets for room availability.

Thereafter, give directions and advice consumer to go over/ provide transport from organization (if any). Behavior of customers: Customers are to monitor how solutions are being solved since the glitch is not a service failure but a remedy to salvage an unforeseen error. Thereafter evaluate the overall satisfaction as an involved party. 5. 5 The service encounters traits For service encounter to stand out among the competitors, distinctive traits must be traits are advantages that support the service blueprint that will lead to positive evaluation of a consumer Judgment. A) Be hard to imitate – Having a centralized

Hotel-81 system that is transparent to all 20 outlets such as the CRM strategy (refer to independent variables at section 6. 1). B) Draw on combinations of resources – Centralized system to link up all 20 outlets room occupancy availability. C) Integrate individual functional capabilities – Centralized system that records the special needs, wants and other details of in-house customer, not Just check-in particulars. D) Core competences should lead to competitive advantage – Rectify customers' needs, wants and other up-to-date details prior to their check – in date: that is to get their involvement for an overall evaluation.

Relationship between Hotel-81 & its targeted customers Figure 4 (Attain, Hessian and Junta, 2011) There are three variables which will determine the outcome of the relationship between a hotel and its customers. The independent variable is determined by the service encounters, culture and

employees training provided by the organization. Meanwhile, the moderating variable defines the traveler's or customer's expectations which coincide with the level of involvement and perceived service quality.

Lastly, the dependent variable depends on the customer's satisfaction level. The efficiency arrive level of the provider will be determined by the serviceable and the positive or negative critical incidences experienced by the customer. 6. 1 Independent Variables Hotel-81 sends its employees for training and equips them with the customer service manual to handle different situations and requests. In order to measure service quality, Hotel-81 adopts the SURVIVAL to benchmark its performance standards.

It provides an excellent way for the management to measure their customer service offering, identify the present gaps and evaluating how the organization's performance based on key service performance indicators (Chatty, Hughes and D' Alexandra, 2012). Profitable relationships are maintained through customer relationship management (CRM) strategy (Chatty, Hughes and D' Alexandra, 2012). Hotel-81 invested in technology and it enabled the entire hotel chain to link their booking systems into a consolidated database where its entire customer base's information are captured and stored.

Thus, whenever there are any promotions, Hotel-81 will be able to send invitations to its regular customers. At the same time, a user friendly reservation system to manage online booking, serves as a good platform to encourage repeat patronage. Therefore, the entire service encounter of the customers begins when the dyadic interaction takes place. From the

encounter with the frontline employees to the chambermaids and the shift manager determines the level of service offering to the customers. As mentioned by Mahout et al (2012), every touch point contributed by a service employee is important as it determines customer relationship.

The other factor to consider is the culture differences between Asian and Western customers. Expectation levels will differ. Thus, it is important for Hotel-81 to determine which ethnic group contributes a higher percentage of occupancy rates and work on maximizing the expected hospitality revise of this group. 6. 2 Moderating Variable Figure 5 (Thomas, Crooning Jar and D. Hopkins, 2009) When it comes to customers' expectations, Hotel-81 is adopting the employee customer orientation approach when it realized the challenge to keep every customers satisfied. According to Thomas, Crooning Jar and D.

Hopkins (2009), the customer's involvement with a service is a function of the extent to which a person perceives that service to be personally relevant. Thus, based on this perspective, Hotel-81 is providing services which come in different levels of involvement targeted t different groups of customers, to satisfy their needs in different situations. This is consistent with the notion that service is heterogeneous and benefit from customization strategies. 6. 3 Dependent Variable Figure 6 (Attain, Hessian and Junta, 2011) Figure 6 clearly indicates that customer satisfaction is dependent mostly on the service encounter.

Other than providing affordable accommodation to budget travelers, Hotel-81 provides transit stays and quick stays for travelers waiting for transit

flights and customers who require Just a couple of hours to satisfy their needs n the red light districts. As for employees training, hotel employees have been through stringent training and equipped with skills and knowledge to handle customer's requests and deal with difficult situations. Cultural differences must be taken into consideration when it comes to types and level of services to provide to foreign customers.

Asian customers might be more inclined towards receiving warm greetings from the reception whilst western customers would prefer no frills kind of service. Once these three aspects are taken care of, customer's satisfaction level will gradually increase. 7. Strengths Hotel-ass's mission is to provide quality assured, comfortable accommodation for everyone. Its strategy is to position itself as the preferred chain of value hotels by offering affordable accommodations for budget travelers (Hotel-81 , 2004). Hanna and Felix (2008) mentioned in order to achieve success; hoteliers must continuously and efficiently provide superior customer value.

More emphasize should be given to improve quality of services offered and to ensure guest's needs and expectations are taken care of. Therefore, the hotel group's Internal Marketing Orientation (MO) is shared clearly across the entire structure. As such, employees have been adhering to the organization's mission and strategy which resulted in consistent & efficient service delivery. By trusting and empowering the employees to create value, a unique expectations, it increases employees' commitment to constantly seek opportunities to innovate and enhance the customer service.

Ye, Young and Change (2008) state that employee satisfaction is vital to achieving service quality, to customer satisfaction and profitability in the service industry. With the achievement of service quality and customer satisfaction, comes the positive word of mouth (WHOM) recommendations room customers which further enhances Hotel-ass's reputation as a quality value chain of hotel. 8. Limitations As majority of Hotel-81 are located in red light districts, it may have a negative social cost effect on travelers who are deterred by the Judgment and perception of either peers or fellow travelers.

These travelers might feel uncomfortable with the serviceable as the physical surroundings will create a negative service encounter. Refine, Enmeshing and Karri (2013), state that the atmosphere created by the serviceable provides emotional dimensions to the overall experience of consumers. Thus, with any negative encounters, Hotel-81 risks losing return patronage and negative word of mouth from disgruntled customers as a result of dissonance. Due to limited space and the infrastructures of the hotel chain, the availability of augmented services is very limited.

The fact that competition is stiff among budget and economy hotels, Hotel-81 faces constant elastic demand. Prices will fluctuate depending on demand. Meaning to say, the revenue per available room (Reveal) of Hotel-81 will be affected and sales growth will be impacted as a result. 9. Conclusion In conclusion, those disciplinary product based organizations are incomparably different from service disciplinary based organizations. The level of customer involvement played by customers themselves in service organizations reflects an important role in customer service management.

As per the SURVIVAL model, the Hotel-ass's main aspects are the employees' attitudes to the customers (tangibles). As per the service blueprint and service encounter traits, the main objectives were to work hand in hand with customers to achieve possible value co-creations of the organization for better service provision for the consumers. Other than getting the customers to be involved in the services, other factors such as the different stated variables are components which affect the overall satisfaction evaluation of the customers.