

The significance of business development in hospitality



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The essay mainly focused on the significance of business development in hospitality, Business Development analyses and evaluates the different aspects of business growth routes and development processes in the international hospitality industry. It considers the essential features of the strategic business context, in which any hospitality organization operates.

The hotel industry needs significance business development

According to Pizam states further in the essay following things will be focused similar to, aspire of importance of business development, accepting requires of consumer, how to build up product that can make best to customer want, the main reason for failed hotel business. Victorious hotels are individuals who regularly involved in developing new product that can catch the attention of consumer, for the reason that client are the crucial base of any business, particular in the hospitality sector. “ Discrimination refers to capability to offer exceptional value to client & produce brand loyalty that lowers customer senility to cost” (Pizam, 2005 p54)

Modifying the business development system features of new products and world class services, toward the inside new markets and the success of any hospitality business depends mainly help to increase hotel revenue, improves customer satisfaction, quality, and achieves important benefits for organizations.

According to Hassanien, Dale, Clark (2010) that Hospitality industry improvement refer to the method by which an association uses joint resources in order to launch, get better, modify or extend its present in an accessible in new market. (Hassanien A, et al, 2010 p1-p3)

Profitability

Successful Hotel industry organizations must regularly search to generate their profitability for new ways to reduce operating expense and grow revenues. Think about outsourcing as a way to reduce expenses, but also weigh up its effect on quality of service. Continuing improvements in technology and ideas have created new opportunities for profitability improvements, but technology improvements must be based on careful Return on profit. Hotel must look to both increases and decreases in room rates. Example

Increase in room occupancy and room price once again provides London with the great compliment of being the most money-making city of Europe's key hotel markets. The United Kingdom capital was way ahead of the pack significance achieving gross operating revenue per available room. The statement well said David Bailey, deputy managing director, TRI Hospitality Consulting. London hotels enjoyed a strong boost to profitability 23% during December 2009 . The first time since December 2008, Budapest hoteliers achieved amazing growth in profitability.

To improve market shares have many wonderful ways, depending on the item for consumption or good service.

Customization of services or product refers that enlarge the customer's willingness to continue to deal with hotel rather than bidding out the contract at every opportunity. The trick here is to ensure that the high revenue and very fast improve market shares .

Business growth goals

Doing well business expansion requirements a lot of factors to come together at the exact time. For business growth must have the time to plan and manage the growth, the sales and market strategies must carry in new consumer.

Unique product new unique products creates an entirely targeted new market and provides that excellent improved performance better than old product. New products earn good profit and profit growth depends on market demand and new product introduction. The hotel offers a unique product to consumer. Hotel provides reimbursement that are planned to meet very precise needs, wants and desires of very specific target markets

Sustained customer service and a scope of preference in product and services bring in a distinctive relationship between customer and product. (Cedicci et al, July 2007) for example a 5 star hotel in Ramada hotel Jaipur in India has changed many new items in its guest room like Big Flat TV, free internet facility fresh flowers and fruit bucket, laundry facility for the guest staying for more than a week, Bottle of red and white wine to all rooms.

These unique ideas not only make easy the guest and make them happy this is shows business development of hotel.

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Every big hotel has new market opportunities in Boutique hotels are those hotels which provide outstanding accommodation, furniture in a themed and stylish manner and cater to corporate travellers. Example: The Taj Lake

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palace Udaipur is one of the best boutique hotels in India. According to (Jones, 2009) boutique hotels was firstly opened in 1980s in USA and then gradually it covered the whole of Europe and finally throughout world. He says that the luxury hotels are in danger zone some watt but at the same time the there has been no effect on the boutique hotels and its growing day by day. Customer or tourist are mostly attracted to the boutique hotels rather than going to the luxury hotels. Most of the largest groups of hotels like intercontinental group of hotel , the Marriott hotel and Taj hotel are launching many boutique hotels in Europe as well as in many others country in the world

Managerial urge

According to Clark, A(2007)

Budget hotels are those hotels which are designed and made according to meet up the fundamental require of the guest by provided that relaxing and very hygienic clean room for a comfortable stay in the hotel as well best budget fare. Budget hotels are totally new concept in all countries. These types hotel comes below five star hotels like as small property. Budget hotel discovered in USA Budget hotels generally comes under 4 star or 5 star property known as ' Budget Hotels'. These kind of hotel do not recommend as many services as the other 5 star and luxury hotels offers, but offer reasonably priced accommodation to the extremely great price for the domestic customers and foreign travellers. Budget hotels are playing significant role Indian hospitality market.

Economies scale

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The term Economies of scale refers to a firm's ability to reduce the cost of producing one unit of goods and services as the volume of production increases. Mass production and economies of scale were central concepts in the development of modern economic theory

According to Economies survey Hospitality industry currently generates more than \$100 million in annual revenues, giving significant "bulk" and purchasing power.

Customer attraction and Satisfaction

To understand guest is the main key to business excellent improvement. Understanding guest need, necessity is only doable when hotel keep in contact with guest during stay in hotel and after stay, by responsibility explore in the market, must take feedback from guest as regards what guest look forward to any more expectation for next time stay in the hotel.

The important of guest satisfaction has become an essential business issue as hotel has realized the significance outcome achieved when providing effective customer service in hotel industry satisfaction has always been important. The ability to satisfy customer, therefore, become the key ingredient of continued success

Coopers, P(2002) shows that firm is aware that customers satisfaction and quality can be more important than current financial result creating long term share holder

Competition is increasing national and international market new competitors growing fast day by day in hotel industry.

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EDDYSTONE C. NEBEL III states that Being successful in hotel business depends how much the hotel managing level is strong and power full and how much know about business development. Hotels industry has become very much competitive industry, this affects how hotel need to be managed.

Significance of business development in hotels are need to improve standard of service and understanding how the service business differ from good-producing business helps executives manage better to best. Hotels provide both a product and service. The main purpose is that ability to provide great service

Competition is main significance of business development Marketers must need to monitor other competitor's product and must be development distribution method to make high competitions with other hotels.

Brand and image improvement.

In to have better brand image the particular brand should be advertize and marketed well and they should be innovative pricing which would attract more guests to visit the particular branded property

(Anon, 2008) In India has many highly branded hotels as like Taj, ITC, but Oberoi hotel group is one most highly trusted brand in Hospitality industry in India. An Oberoi hotel understands its guest and believes in designing, excellent developing services which make possible it to top their expectation. Oberoi hotels are always willing to take new challenges and needs of their guest, Oberoi hotel is most well organized and methodically managed hotel in India which is really wonderful effort to do its best, to

make happy to guest, and hotel gives value for money to guest. Oberoi is mostly known as for world class and very excellence in service. Hotel meets the needs of guest and hotel keep on innovating new product. Brands are seen as product characteristics brand is associated in consumer mind and advertising has a significance influence of consumer image of brand

Globalization

In all world countries, where Travel and tourism have grow to be a most important export industry, the hospitality sector is the central position for concepts of globalization. Hospitality industry has become the world's largest export industry. The hospitality industry is one of the world's largest employer and arguably one of the largest traders of foreign currency. The hospitality industry plays significance branch bodily in bringing people together with a global community

Internationalization

The twentieth century was the rapid supply in h internationalization hotel market. Hotels companies expanded market across the world. Example Marriot hotels spread from 29 countries in 1996to 56countries in 1999.

Best western is largest internationalization working under a single brand name and western has more than4000 separately owned and operated hotels in the world. Best western offers over 300, 000 sleeping bedrooms in 78 countries all over world.

Business development the process by which a Hotel industry can get better performance through modify feature and attribute of it recent product or <https://assignbuster.com/the-significance-of-business-development-in-hospitality/>

services developing new product or service toward the inside new market In the hospitality industry.

Conclusion

This essay y highlight the importance of business development within hospitality industry a. what significance of business development