

The hospitality industry of malaysia



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Around the world, the hospitality industry has been marked by growing at an unprecedented rate . There has increased focus on the hospitality industry as an industry of global dimensions. Today, the hospitality industry is considered as a successful sector especially there are more and more consumers look at the quality not merely quantity. Consumers will not be attracted by merely a large quantity of products offered, but they will pay attention to the quality of the products and service provided. Hence, the hospitality firms put more emphasize in customers' needs and requirements so that the customer will feel satisfy. Dupre and Lane (1997) have mentioned that the historic ability of hospitality industry to anticipate customer needs has contributed to its successful in global economy.

When asking about the components of hospitality industry, most people will give answer of hotels and restaurants. In fact, hospitality is just like a big umbrella. It is a people-oriented industry and involves employers, employees, and customers. The business of hospitality is created when the needs for certain services emerge for people away from home. People may travel from one country to another one, or travel from one state to another state. They may also travel to a place nearby their house. Those people need a place to eat or sleep. That is hospitality industry which provides these two distinct services that satisfy people needs that are sleep and eat. Thus, under the big umbrella of hospitality, there are two main sectors which included lodging and foodservice (Jones, 2002). Hospitality industry has provided the shelter for people staying away from home and provides food and beverages for people eating away from home or not prepares their own meals.

Lodging sector involves the provision of facilities for overnight or longer time services to guests. In the view of most people, lodging is simply a place for people to sleep. For others, lodging is not just a place to sleep but it also provide entertainment and recreation facilities. In other words, lodging sector not just refer to hotels but it is also include lodging with entertainment facility such as cruise ships and spa resort, lodging affiliated with recreation like camping, and also lodging with health care such as assisted living centers. Each customer has different needs and requests towards their place to stay. Therefore, hospitality industry offer many types of lodging to satisfy varying customer preferences range from budget or economy motel to luxury hotels to extensive resorts.

On the other hand, foodservice sector involves provision of food and beverages for consumption of patrons. Traditionally, the two main categories in foodservice sectors are commercial and noncommercial foodservice establishments. In commercial foodservice establishments, the preparation and service of food is the primary activity. Meanwhile, the preparation and service of food is secondary activity for noncommercial foodservice establishments. According to Dupre and Lane (1997), the commercial foodservice operations can be further categorized as stand-alone restaurants, foodservice within a lodging property, clubs, and catering. Meanwhile, the noncommercial foodservice operations are broken down further to restaurants within other establishment, eatertainment (combine the concept of eating and entertainment), and institutional establishment.

The hospitality industry has its roots lie in social life. It is shaped by society and continues changes based on it. The societies often changes in what they

need and what they want. Therefore, hospitality will continue changes with the changes in societies. Nowadays, leaders in hospitality firms go beyond the traditional skills in operation. They need to have the ability to understand and give quick respond to the changing world. They should also able to predict the changes in advance. For instance, people now are become increasingly concerned about the environmental issue. Because of this, more and more hospitality firms are aware about this and have increasingly encouraging environmental-friendly practices. They have adopted some changes in order that they can align themselves as environmentally conscious player.

In Malaysia, the hospitality industry has experienced a positive increase consistent with the growth of global hospitality industry in recent years. In our country, the hospitality industry has become the major pillars of national economy. Zain (as cited in Lean and Chor, 2010) has highlighted that Malaysia which has visited by 16. 4 million visitors in year 2005 has been awarded as the second most visited destination in Asia in that year. Tourism arrivals to Malaysia have achieved 23. 6 million in year 2009 and have contributed to RM 53. 4 billion. The arrivals of tourists have increased 7. 2% compared to 2008 (Ministry of Tourism Malaysia, 2009). Despite the slower growth of Malaysia economy due to global economic crisis and concerns regarding H1N1 flu, the tourism industry has rebounded quickly. In 2009, there are approximately 2, 373 hotels that contribute to a total room supply of 168, 844. Besides, Malaysia hotel occupancy rate in 2009 was at 60. 9% (Ministry of Tourism Malaysia, 2009). In addition, hotels in this country have been awarded accolades in world award shows. Pan Pacific Kuala Lumpur

International Airport Hotel has voted as the World's Leading Airport Hotel for second year running in 2009 (World Travel Awards, 2009). Such awards show Malaysia hospitality industry has world-class standard.

This study is conducted to provide information for public to have more understanding and increase awareness of Malaysia hospitality. Moreover, the hospitality firms in our country can obtain information regarding this industry. They can know about the Malaysia hospitality more thoroughly and use the information for planning and management at national and international levels. This is also can be used as referential framework by schools and institutes to educate and train their students.

1. 2 Problem Statement

Hospitality industry is the world's largest and fastest growing industry. It is one of the major contributors to global economic growth. The hospitality related service has become more and more significance in recent years (Tsaur and Lin, 2004; Barros, 2005). Concurrent with the growth of hospitality industry, it has triggered a complementary need for growth in hospitality information. Thus, research has become an important tool for private and public sectors in this industry to gather information on the hospitality.

In addition, the hospitality industry is considered as a competitive global industry (Claver and Pereira, 2006). This industry is unique since it involves people serve people. The performance of this unique operational system can have strong influence on the firms, the employee, and the customers.

Therefore, the hospitality firms have to in touch with the markets in terms of

recent trends and changes. They need to have thorough understanding of hospitality industry. Through a better understanding of hospitality and understand its uniqueness in our country, the hospitality firms are able to know better about the hospitality and can build competitive strategy.

Although there are many research in hospitality, there is little research has been conducted on Malaysian hospitality. People always heard about French service, English service, American service, Thai Service and other services. Each service has its own characteristic. They have their own way to provide the service. Nevertheless, public is not clear about Malaysia hospitality and its characteristics. Malaysia hospitality does not have a clear edge. This study aims to explore the way that hospitality firms in this country to provide the service in Malaysia way.

1.3 Objectives

To define what Malaysia hospitality concept is and investigates how service is provided in Malaysian way.

To identify the difference of Malaysia hospitality from other service and thus understand about strengths and uniqueness of Malaysia hospitality.

To propose Malaysia hospitality.

1.4 Research Questions

How Malaysia hospitality firms provide service in its own way?

What are the characteristics of Malaysian hospitality?

What is the attractiveness of Malaysia hospitality?

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CHAPTER 2 LITERATURE REVIEW

2. 1 Definition of hospitality

The word hospitality is derived from the Latin ‘hospitis’ that is origin for hospital and ‘hospice’ (Barnhart, 1988). The past literatures have shown many meanings of hospitality. Grove (1965) has defined hospitality as a hospitable act or practice with sincere and generous welcome and entertainment of strangers and guests either socially or commercially. Collins Concise English Dictionary Plus has been sum up the definition of hospitality as “kindness in welcoming strangers or guests” (Hanks, 1989, p. 604) which is considered as the main theme of hospitality from the dictionary definitions from the 1930s to 1999s.

Some definition of hospitality is too general to explain it. For instance, hospitality has interpreted by Tideman (1983) as the way that makes the guests feel satisfy and provision of desired quantity and quality of goods and services with acceptable price for the guests. This definition is too general to explain the definition of hospitality since it is actually can used to define almost any economic activity.

Other academic paper has explained definition of hospitality in more holistic ways. For instance, Cassee (1983) interpreted hospitality as “a harmonious mixture of tangible and intangible components – food, beverages, beds, ambience and environment, and behaviour of staff” (p. xiv). This definition has modified by Cassee and Reuland (1983) to “a harmonious mixture of food, beverage, and/or shelter, a physical environment, and the behavior and attitude of people” (p. 144). These definitions avoid the problem of conflating definitions of hospitality with the hospitality industry but continue

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to exhibit the underlying assumption that hospitality is something that is, principally, commercially 'created' for consumption. In the past, hospitality has known as social value in western country. When the time passes, hospitality has been explained in a more detail way. When the time passes, hospitality has been explained in a more detail way. According to Gilje (2004), hospitality is a moral imperative, kindness, civility, and even a legislated duty.

2. 2 Characteristic of hospitality industry

Hospitality is a special operational system which is considered as people industry. It is a service business that the hosts provide service to guests who are apart from home (Brotherton, 1999). One of the characteristics of hospitality industry that is stated by Walker (2008) is the operation time of 24 hours a day and 365 days a year for hospitality businesses. Walker (2008) also pointed out that the personnel in hospitality industry have to work longer time when compared to the other industries due to its long hour's operation time. The personnel in this industry even need to work during the holiday, while others are enjoy their free time.

In operation of hospitality business, many peaks and valleys happen. In a hotel, there are seasonal fluctuations which are months that have high, low, or moderate volume of business. In addition, weekly fluctuations also can be seen in hotel. There are differences of business volume between weekdays and weekend. Even in a day, there is actually has peak and valley time. Lots of the customers will patronize the restaurant during the meal period (Lane and Dupre, 1997).

The hoteliers as the hospitality providers act as hospitable host and also security officer. It is very hard to play these two roles due to the unlimited time and public access of a hotel. However, these roles are essential to make the uninvited guests feel welcome and those uninvited guests do not create any security problems. In fact, the hospitality firms make great efforts to bring outstanding customers satisfaction. This not only can lead to loyalty of customers but also profit for the firms (Walker, 2008).

In addition, Hepple, Kipps, and Thomson (1990) have mentioned that hospitality consists of both tangible and intangible components. The tangible components are the physical products while intangible components refer to services. Services cannot be touched, seen, tasted, smelled or heard before being purchased (Lockyer, 2007). Christopher, McDonald, and Wills (1980) have mentioned that products in service industry can produce a series of benefits. However, these benefits cannot be stored for future use. When a hotel does not sell out rooms for certain night, the revenue for those unoccupied rooms is lost permanently. Those unoccupied room cannot be stored like other inventory and hence the products provided is considered as perishable (Mullins, 1993).

Walker (2008) has explained another characteristic for hospitality industry which is inseparability. Both the host and guests are indispensable in the transaction in hospitality industry (Brotherton, 1999). There is interaction exist between the hospitality provider and receiver. Lockyer (2007) has recognized that customer-employee contact as part of the product.

Customers may dissatisfy with the poor service delivery despite the high quality of food. Customers are also considered as part of product. The

behaviour of one group of customers such as make loud noise can influence other group.

2. 3 Components of Hospitality Industry

According to Jafari (2003), hospitality comprised of two components which are lodging component and foodservice component.

2. 3. 1 Lodging Component

Lodging sector involves accommodation service which is the provision of facilities for people who stay away from their home (Jones, 2002). According to Chon and Sparrowe (2000), lodging sector is actually can more represent hospitality industry since it offer overnight and even long-term service to customers. In the past, lodging sector just provide the simplest and basic form of accommodation, which has known as ' bed and breakfast'. Over the time, lodging is continually to change to appeal the customers. Nowadays, it is not just a place to sleep, but is augmented with washing facilities, comfort facilities, and entertainment facilities (Jones, 2002).

2. 3. 2 Foodservice Component

Jones (2002) has indicated that foodservice sector is the provision of sustenance for those have their meal away from home. Chon and Sparrowe (2000) has highlighted that on-site and commercial foodservices are two elements of foodservice operations. On-site foodservice operations serve people from specific kind of institution which included schools, hospitals, nursing homes, and military. Meanwhile, commercial foodservice operations

are different from on-site foodservice since they are open to all customers and compete in free market (Lane and Denise, 1997).

2. 4 Hospitality as a service business

Business in the food service industry is one of the biggest economic contributions towards a country in term of its hospitality system. Service in hospitality could be tangible and intangible where tangible could be the products sell in the market that can be touch, see, and taste, while intangible could be the unseen service such as food service (Barrows & Powers, 2008). It is only can be evaluated by its quality characteristics. In term of business, service may provide and increase the organization's profit (Friedman, 1970).

The goal of business in hospitality industries specially, is to satisfy clients. Barrows and Powers (2008) proposed that business in food service industry must satisfy customer needs for example, they wants least expensive food with enough variety and high quality so that they will loyal towards the organization. Therefore, the hospitality firms must implemented lots of business skills and techniques to maintain old customers and increase new customers (Kozak and Rimmington, 1998).

Service in hospitality industry needs to meet customer's satisfaction besides making profit and create customer loyalty (Lane and Dupre, 1997). In addition, good image of the hospitality industry would at least depends on the service business provide by the organizations under the hospitality system (Kozak and Rimmington, 1998). Thus, service must be treat as a

function process where it will help the organization to generate profit, insure high quality, and make every moment count (Lane and Dupre, 1997).

2. 5 Importance of Service

Generally, service play as a significant role in the customer-oriented industry such as hospitality industry. It was argued that the service quality for the hospitality industry was highly competitive in meeting customer satisfaction (Jeong and Oh, 1998). The importance of customer service in hospitality is highlighted since that customer decision has a significant implication toward the continuous survival of the business in the market based on the degree of customer satisfaction.

Tsang (2011) proposed several factors such as integration, moderation, relationship status, and discipline which impacted on the service performed. It is the responsibilities of the server in performing a quality service and creating a memorable experience for the customer while dining in the food service industry. However, the service quality context might respectively divergent for managerial and employee (Ross, 1995).

Customer service is the fundamental key factor to success in the hospitality industry despite of keeping the competitive edges. Prompt service is important in meeting the demand of the customer thus creating customers' satisfaction. Whereby, it dedicate for building customer loyalty indirectly and good reputation among the customers. This will then develop good reputation and thus allows spreading of positive word-of-mouth which enables attraction of new patronages. For ensuring the continuous survival in this highly competitive industry, the return of the customers is essential.

Instead of that, attentiveness and passionate of the staff and server are also the essence of a good quality service in meeting the customer needs and demands. Mavondo and Nasution (2008) reported that the delivery of customer value should be emphasized in assuring customer expectation and need are met. Undeniably, customer satisfaction tends to be higher whenever the service provided beyond the customers' expectation.

A good service usually associated with better customer relationship. Establishing good customer relationship is vital particularly to the hospitality industry. Satisfaction toward quality of service received significantly brings in effect on the business performance in which a good service quality will in turns leads to customers' repetitive patronage (Su, 2004). Designing quality service has gradually evolved becoming an important issue in particular in the hospitality industry.

The service quality should be continuous and consistence. The first time visit of customer in experiencing the service will definitely affect the decision for their patronage in the future. Nice service experience will lead to retain regular customer as well as developing more business. On the other hand, bad service experience cause towards complaints, negative word-of-mouth, lower satisfaction, and reputation loss.

CHAPTER 3 METHODOLOGY

3. 1 Research Design

This study aims to explore Malaysia hospitality, in which the service provided in Malaysia own way. It is considered as an exploratory study since there is little research previously done on the Malaysia hospitality (Jennings, 2001).

The method used in this research is qualitative method. Jennings (2001) has suggested that qualitative method is applied in exploratory study because of the flexibility of data collection approaches. Furthermore, this type of study is not based on random sampling and representation of a study's population. Moreover, qualitative method is used to explore the perspectives, experiences, attitudes, and belief of the respondents (Holloway, 1997).

3. 2 Subject

The target population in this study is the industry experts in hospitality industry. They included the managers of hotels and restaurants. 15 managers of four or five star hotels and restaurants are selected. As they have rich knowledge and experience in field of hospitality, they can give their perceptions and opinion towards Malaysia hospitality.

3. 3 Sampling Site

This study will be carried out around Klang Valley. It is comprised of Kuala Lumpur and towns in Selangor. Hence, Klang Valley can be considered as the main city in Malaysia. It is the place that most of the tourists from other countries and even local residents will visit. Moreover, the hospitality industry in Klang Valley has grown extensively. Thus, Klang Valley is chosen as the sampling site.

3. 4 Sampling procedure

The sampling method used in qualitative research must provide information-rich data and serve the purpose of in-depth understanding (Altinay and Paraskevas, 2008). Thus, judgment sampling is used in this study. Judgment sampling is often used in qualitative investigation. The samples are chosen

based on their expertise in the research topic who can provide information required (Sekaran and Bougie, 2009).

3. 5 Data Collection Method

Interview method is conducted since exploratory research can be studied by interviewing individuals (Sekaran and Bougie, 2009). Interview method provides access to experience and knowledge, and gives an opportunity to explore the issue investigated (Altinay and Paraskevas, 2008). The interview involves data collection through face-to-face interaction. By face-to-face interview, the nonverbal cues from the respondents can be noticed. The respondents' facial expression and body language are observed for better interpretation of the views (Sekaran and Bougie, 2009).

In addition, the interview technique of unstructured interviews is chosen. In this technique, the interviewer has some broad questions related to the issue studied in the interview guide (Jennings). By unstructured interviews also, rich data and thick descriptions of the world being studied can be collected. Open-ended questions are used in this research. Crowther and Lancaster (2008) have noted that open-ended questions are suitable for interview method as they can provide deeper insights responses and richer information.

3. 6 Instrument Development

A list of interview questions needs to be developed. According to Creswell (2003), the data collection of qualitative research should be conducted in the natural setting which always refers to the home or office of the respondents.

Hence, interview will be conducted in the office of manager in the hotel or restaurant. Due to this, there is a need for the permission of interview.

Information from the respondents is recorded by handwritten notes and audio taping during the interview (Creswell, 2003). According to Crowther and Lancaster (2008), the electronic device is used to record the interview in order to record the whole interview for future reference.

3. 7 Data Analysis

Walsh (2003) has noted that qualitative data analysis involves summarize the data and then identify related themes and patterns. Data reduction is the first step in qualitative data analysis since qualitative data collection collects large number of data. It can be done through coding and categorization (Sekaran and Bougie, 2009). The data collected is categorized and transcript. Moreover, a coding scheme is created to organize concepts (Walsh, 2003).

According to Sekaran and Bougie (2009), the second step is data display. In this step, the reduced data is presented in an organized mode. Maps, charts, matrices, graphs, or diagrams can be used to find out the existence pattern. Conclusion drawing is the last step in data analysis. Qualitative ‘theory’ is generalized by explaining the observed pattern and relationships, or comparing data against other data.

CHAPTER 4 CONCLUSION

As a conclusion, we hope that rich information can be obtained by interview the manager in hospitality firms during data collection time. By interpreting that information, we can have a clear concept about Malaysia hospitality. Hence, Malaysia hospitality can be defined clearly through this study. This

study is useful for public and hospitality firms in knowing the details and understands about the service provided in Malaysia. When the hospitality firms understand about the Malaysia hospitality, they can provide service in Malaysia way.