

# Budget hotel



**ASSIGN  
BUSTER**

The Advantages and Disadvantages of 7 Days Inn As a typical budget hotel, Seven Days Group Holdings Limited established in 2005 and now, more than 1000 Seven Days Inn have scattered all around the China (Zhang, 2012). I registered to be a member of 7 Days Inn two years ago, and have already lodged in three branch stores in different cities during my travels. Budget hotels are considered as 1 star hotel because they provide lodging at cheaper price varies from 30\$-40\$ per room per night.

The main service is providing guest rooms with limited amenities for general tourists and business travelers(Song, 2009). In the last few years, budget hotel has demonstrated its huge market potential, especially within the key consumer groups, like backpackers and university students. Being one of the top ten budget hotels in China, 7 Days Inn has its obvious advantages, such as various reservation systems, convenient hotel locations and enthusiastic services. The primary reason for customers choosing Seven Days Inn is that it provides a complete hotel reservations system.

Hotel reservation system, commonly known as a central reservation system (CRS) is a computerized system that stores and distributes information of a hotel, resort, or other lodging facilities (Zhang, 2012). A complete reservation system is important because it is assistance for hotel staffs to manage all of their online marketing and sales, where they can upload their rates and availabilities to be seen by all customers. And for the customers, they can finish their reservations through multiple channels, like internet, telephone and e-mail.

Thanks to the 7 Days Inn's complete reservation system, I could still book a room in time with my mobile phone after I suddenly changed my travel plan

in Zhuhai. The second advantage of 7 Days Inn is the convenient location. During my traveling, I found it easy to get to the locations of the branch stores I had booked, because they were either near bus stations or the landmarks of the districts. Different kinds of customers choose 7 Days Inn for different purposes, some for vacations, while others for business. No matter for what purposes, locations of the hotels will surely play a big role in the overall enjoyment of the trip.

That's because a well-located hotel will significantly cut down the amount of time you waste in traffic or trying to navigate an unfamiliar place. As a customer-friendly budget hotel, nearly 35% of the 7 Days Inn runs shuttles to and from popular sightseeing destinations, and the rest of its branch stores mainly locate near the metro stations or bus stations (Liu, 2008). At that point, the customers will savemoneyas well as time on cab fare or public transportation. All the staffs trying their best to provide enthusiastic services are the most prominent advantage of the 7 Days Inn.

Service quality has been reported as having apparent relationship to costs, profitability, customer satisfaction, customer retention, behavioral intention, and positive word-of-mouth (Boltan, 1991). To provide high quality service, all staffs in 7 Days Inn are required to wear clean uniform and satisfy customers' requirements with smiling faces to the greatest extent. Besides, high service quality also has strategic benefits of contributing to market-share and return on investment, as well as in lowering manufacturing costs and improving productivity.

Accordingly, in 2011, 7 Days Inn's annual revenue growth rate increased 28%, which illustrates the importance of high service quality (Li, 2012).

Although Seven Days Inn has three aforementioned advantages, at the same time, its reputation is also devalued at a certain extent by its disadvantages, such as the deficient company website with limited information and obsolete equipments in some guest rooms. Firstly, 7 Days Inn's company website is underdeveloped, which just with some limited or outdated information.

A company website is a fairly inexpensive business tool that can serve a purpose for both the company and its clients. With a thorough company website, 7 Days Inn can feature a complete electronic version of its catalog, in which describe all its products and services in greater details. For its clients, they will have the convenience of reading about the service and updated information on their own time. 7 Days Inn already had a website, but as a permanent member, I only use it for my reservation. Most of the customers can not find some more interesting and eye-catching information.

Besides presenting its hotel rate and some basic hotel introductions, to well develop its company website, the 7 Days Inn's webmasters should take measures to perfect its company website, like encouraging all the staffs and customers to publish their ideas and experiences of lodging in 7 Days Inn. On the other hand, obsolete and deficient equipments in some guest rooms also make the customers unsatisfied with 7 Days Inn. I once complained the small and obsolete TV set in my guest room, because I even could not find CCTV-NEWS channel.

Among all the problems about deficient and obsolete equipments, the dullish and yellow lighting in some branch stores is most annoying. Lighting, whose aim is to temporarily receive guests and revivify the staffs, has to be designed for different purposes in different areas. However, in two branch

stores that I lodged in, the lightings in corridors were so dim during days and nights, while the lighting color and intensity in the guest rooms was unchangeable. In a hotel, during the day, people are attracted by the interior design, by furnishings, shapes and colors.

But at night the hotel has a second dimension, since the guest needs to stay in a safe, comfortable and protected atmosphere, but even relaxing, clean and efficient (Cui, 2007). So the lighting system in 7 Days Inn can be perfected by installing new type of lighting which can change its color and intensity, especially in the receptions and guest rooms. The disadvantages I mentioned above have been complained by some other customers according to the evaluation records in its website. So, it is high time for the managements of 7 Days Inn to take actions. In 2011, 7 Days Inn's market share was 12.3%, the second among all the budget hotels in China. During the previous three quarters, it opened 838 branch stores, 95 more when compared with the year earlier (Li, 2012). With its rapid development, 7 Days Inn will surely occupy larger market shares. But, it has to insure the environment and services quality in every branch store. Nevertheless, improving its disadvantages is the main task for managements.

References

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