

Free research paper on parkroyal hotel

[Business](#), [Management](#)



Parkroyal Hotel

The centrality of asset management in the success of the hotel industry cannot be gainsaid. This paper explores renovation efforts at Parkroyal Darling Harbour Hotel in Sydney, Australia. In addition to monitoring things of value, asset management involves maintenance of physical assets.

Renovation at the hotel involved upgrading the physical assets at the hotel to boost customer experience.

Parkroyal Darling Harbour is a hotel built in the central business district of Sydney. The hotel borders Sydney's major attractions and sites that make it ideal for customer experience. The attractions include Sydney Convention and Exhibition Centre, Pitt Street Mall, King Street Wharf and Cockle Bay (Noone et al., 2011). The hotel came up in light of a growing need to enrich customers' experience in the competitive hotel industry. Parkroyal developed against this backdrop to become one of the top hotels in Sydney. In a bid to improve its performance, Parkroyal hotel underwent renovations. This initiative caused inconvenience to customers that had already been booked in because of the noise that emanated from the construction site. Parkroyal provides accommodation to customers. It consists of modern rooms that consist of harbour views. The rooms contain desks, large screen TVs, facilities for preparing tea and coffee as well as iPod docks to enhance the experience of the customers (Denton et al., 2009). The hotel consists of club rooms. Breakfast, internet and other refreshments are available in the rooms. The hotel serves free breakfast in a spacious restaurant. In addition to these facilities, Parkroyal comprises a fitness centre where customers can access body therapies.

The hotel targets the upper segment of the middle class and upper class. Due to its luxurious outlook, the hotel expects to lure this segment of the society through enhanced services. The hotel charges reasonable prices that aim at switching customer loyalty and increasing its customer base. Parkroyal reaches out to its target market through a strong online presence (Singh et al., 2012). The hotel has linked up with various websites to market its brands and ensuring constant feedback to customers that have visited in the past. Through this, new customers that desire to know more about the hotel can find leading information through the internet and either visit the hotel or find other alternatives. Customers are allowed to make both positive and negative comments regarding the quality and nature of services that they find at the hotel. The administrator in charge of the hotel's online presence takes time to respond to each of the comments. The satisfaction of the customers has been met in some areas including provision of free internet services, quality breakfast and club services (Chang, 2010). The hotel ideal location close to the city's central business district is a scoring point for the management since most customers prefer proximity to the city centre to enable them to enjoy other services. However, some customers complained about a disappointing view of the balconies during renovation. This is because some of the balconies were adjacent to the construction site.

In light of the growing competition in the hotel industry in Australia, the need to undertake renovations at the Parkroyal Hotel could not be gainsaid. The concept of renovation came against the backdrop of customers' need for enhanced services. In this regard, Parkroyal hotel was renovated to increase

its portfolio. The hotel assessed its strategic location and the opportunity to serve increasing number of customers (Ransley & Ingram, 2012). The reasons for renovation at the hotel included lowering market risks that come with purchasing an already established enterprise and lowering construction costs since the economics of establishing a new hotel is costly (Bennett & Beudel, 2014). While carrying out renovation, the management of Parkroyal were guided by pre-renovation timeline as well as potential surprises. The management exercised due diligence and planning by engaging another company to have an enhanced view of the cost of renovation. The potential surprises consist of cracks and faults that may occur on the walls and floors of the building under renovation. Such unknowns have the potential of inflating the budget set aside for renovation as well as extending the timeline for renovation. Renovation helps hotels to adjust to trends and changing times. This is because what was regarded as acceptable decor in the 1980s no longer appeal to the current generation. In this regard, renovation enhances competitiveness and freshens up old structures by giving them a new appeal.

The major stakeholders affected by renovation include consumers, shareholders and owners. Renovation involved closing some sections of the hotel to give way for refurbishing. This implies that the functions of sections of these sections were suspended or transferred. While undertaking renovation efforts, the management of the hotel booked in customers in other sections of the hotel. This move was counterproductive since most customers complained of noise at the renovation site. According to Chang (2010), customer dissatisfaction was evident over the internet since many of

them expressed their disappointment. The negative comments by customers might have discouraged potential customers from visiting the hotel. A reduction in the flow of customers implied fall of revenues. The hotel owners and shareholders were affected by renovation since because the initiative led to fall of revenues.

Conclusion

In light of the foregoing, it is imperative that the management of Parkroyal hotel ensures proper management of its assets during renovation. Even though the efforts of renovation were noble, pre-renovation measures should have been explored to ensure that the renovation exercise does not yield surprise outcomes. Nonetheless, the prominence of Parkroyal hotel in Sydney continues to glitter due to successful renovation efforts.

References List

Bennett, J., & Beudel, S. 2014. Curating Sydney: Imagining the city's future. UNSW Press.

Chang, L. L. 2010. World's LEED Hotels: Innovation, Renovation & Development. Wen I Chang.

Denton, G. A., Raleigh, L. E., & Singh, A. J. (Eds.). 2009. Hotel Asset Management: Principles & Practices. Educational Institute of the American Hotel & Lodging Association.

Noone, B. M., McGuire, K. A., & Rohlfs, K. V. 2011. Social media meets hotel revenue

management: Opportunities, issues and unanswered questions. *Journal of Revenue & Pricing Management*, 10(4), 293-305.

Ransley, J., & Ingram, H. 2012. *Developing hospitality properties and facilities*. Routledge.

Singh, A. J., Kline, R. D., Ma, Q., & Beals, P. 2012. Evolution of hotel asset management:

The historical context and current profile of the profession. *Cornell Hospitality Quarterly*, 1938965512458351.