

Tangible and intangible elements



**ASSIGN
BUSTER**

Lovelock (1994), 'Hotel firms offer products which comprise tangible and intangible elements that combine into a unique combination of production and service'. Service delivery and benefits derived differ largely from hotels to hotels. The way the hotel staff are trained the services are delivered. According to Teare(1991), ' high quality service is often delivered by spontaneous and sincere acts by hotel staff which cannot easily be rehearsed or scripted, but are nevertheless an important means of customer satisfaction'.

It should be added the environment in which the service is delivered is essential. The environment in which the service has been delivered is important as it makes the tourists boost their satisfaction and attracts the tourists for more frequent visits. The service environment is more often called servicescape in the tourism jargon. It is the ' style and appearance of the physical surroundings and other experiential elements encountered by the customers at the service delivery sites'.(Lovelock, 2001)

The experiential elements are the special condition created by music, colours, scents, lights, the hotels' and restaurants' architecture, their add-on features and many design variables which tend to have a special effect on the senses of the tourists' mind. The special effect tends to boost the level of satisfaction of the tourists.

Whenever the service is not delivered as wished by the customers, there are some sorts of service failures. These service failures tend to discourage the tourists and create dissatisfaction. If there is service failure, service improvement and closing the gap would be an important source of

competitive advantage as this action would create more repeat customers. (Hadyn Ingram, 1996).

Classification of hotels

According to Ingram (1996: 31), ' since 1962, the World Tourism Organization (WTO) has sought to develop a universally accepted hotel rating system, but in 1995 there were over 100 classification systems in operation.'

In Ottenbacher's words [...] ' hospitality operates according to the different customer segments that they target and serve. For example, hotels are classified from one star/diamond to five stars/diamonds and foodservice is, typically, classified using commercially developed guides for consumers, such as Michelin or Gault Millau'.

The classification of hotels has been one of the main marketing strategies of destination. The brand image of hotels and resorts help a lot in the marketing of the destination. Many destinations are made known through their leading hotels and resorts of the world.

Tourists tend to opt for a destination by being influenced by a hotel marketing campaign. International hotels tend to attract by their classification.

Officially, according to the Ministry of Tourism and Leisure, Mauritius does not have any ' Star' classification for its hotels and ' Etoile Michelin' for its restaurants. Hoteliers tend to classify their hotels according to the quality of service they are offering and to what their competitors are offering.

The Mauritian hotels need to know that their customers have expectations and there is a need not to leave a gap as the gap as a result will make tarnish the country's image and will create a word to mouth negative advertising. So as to avoid the service gap, a good servicescape and a efficient service recovery are extremely important. Hotels such as the Royal Palm and Le Saint Geran have path their way by classifying themselves as 5 star hotels through their excellent service delivery and through many international awards won.

MARKETING STRATEGIES

Marketing strategies are used to successfully allocate and organise marketing resources and activities in order to achieve the organisation's objectives. The marketing strategy is a dominant element as it determines the extent of success of the organisation(destination). Strategies are chosen routes to achieve goals and objectives.

In Johnson's and Scholes's words,

' Strategy is the direction and scope of an organisation over the long-term: which achieves advantage for the organisation through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfil stakeholder expectations.'

Adcock (2001) explains that marketing strategy is about ' product/ market/ exchange area'. Product and market are available, but for the exchange there will be competition. As such, the organisation with competitive advantage will benefit largely. Strategies are devised so as to deal with competition.

Successful destination management requires a system of indicators to monitor the effects of actions on destination competitiveness and the performance of the actors in the system. Porter (1985) ‘ The intensity of competition in an industry is neither a matter of coincidence nor bad luck. Rather, competition in an industry is rooted in its underlying economic structure and goes well beyond the behaviour of current competitors.’ The state of competition in an industry depends on five basic competitive forces.”. The Five Forces defines the rules of competition in any industry.

New entrants

Rivalry among existing industry competitors

Bargaining power of suppliers

Bargaining power of buyers

Threats of substitute products

Entry barriers

Economies of scale

Brand identity

Cost advantage

Government policy

Rivalry among existing competitors

Product differentiation

Price competition

Advertising battle

Sales promotion

Customer services

Bargaining power of suppliers

Merging/ integration

Cost relative to purchase in the industry

Buyer power

Forcing price down

Higher quality

More information

Product differentiation

Threat of substitute products

Buyer power to switch to substitute

Lower margin of profit

More competition

Additionally Middleton, 2001 states ' Strategic marketing planning undoubtedly provides a sense of direction, organisational leadership and an agreed framework for the conduct of business in ever changing and

competitive market environments. As a result with proper strategic marketing, competitive advantage would be gained’.

Competitive advantage

Competitiveness has been described as ‘ destination’s ability to create and integrate value-added products that sustain its resources while maintaining market position relative to competitors.’ (Hassen, 2000: p239)

Pearce (1997: 16) describes destination competitiveness as destination evaluation techniques and methods that can systematically analyze and compare the diverse attributes of competing destinations within a planning context. Such an effective evaluation and differentiation of big tourism components with competitors would provide a better appreciation of competitive advantage.

In simpler words, competitive advantage is what we have additionally which attract tourists of our country and what our competitors do not have. The MTPA is promoting the country as an island with prestigious hotels and duty free facilities. Our geographical location make our country competitively advantageous as we are inter-connected with the world -need revising