An Evaluation of Project Management Systems in Small Individual Chain and Large International Chain Hotels - through the Analysis of Marketing, Service, and Physical Environment Perspectives

Chen- Ping Chen

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Abstract

The environment of hospitality industry in Taiwan has been influenced by the policies of the Taiwan government in two stages. One is from 1970, when the government promoted tourism and encouraged the building of international facilities. This led to the increase of international chain hotels and the release of public properties for tourism purposes.

During the 1970-1990, the local hotel owners have developed large scale of investments and improve their services and quality to reach five star standard. In the examples of the interview, the three hotels were built under the promotion of Taiwanese Government. The second stage is when the policy of “two days off per week” is introduced. After the introduction of the policy, the hospitality industry in popular tourist spots catering not only to international market but also the domestic customers the witness of the increase in the number of chain hotels.

The aim of this report is to examine the performances of service and physical resources focusing in customer perceptions in different chains of hotels. A systematic approach of marketing, service, and physical environment analysis is used to learn the ways of developing brands in hotel projects.

Finally, we discover that the business affiliations relate to the systems of marketing plan, service operations, and the physical environment. Due to the different configurations of corporations, the project management system represents divers considerations. As a result, we look forward that this report can apply more attributes and implements of developing hospitality properties in the future.
Acknowledgement

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Contents

1. Introduction: 1
   1.1 Scope and Purpose 1
   1.2 Problem Statement 2

2. Literature Review 6
   2.1 Concept of Project Management 6
      2.1.1 Project Management- Strategic design and implement 6
      2.1.2 Project Management- Systems Analysis 9
      2.1.3 Corporate Identification: developing brand 13
   2.2 Concept of Hotel Management 18
      2.2.1 Hotel Management- Asset management 20
      2.2.2 Hotel Management- Hotel Organization and the Front Office 23
      2.2.3 Hotel Management- Operations relationships & support systems 25
   2.3 Concept of Service Design 28
      2.3.1 Service operation management- a framework 31
      2.3.2 Service delivery Management- a quality performance measure 33
      2.3.3 Service marketing management 38
      2.3.4 Mass-customization & Customer Relationship Management 40

3. Methodology
   3.1 Literature review- Interview- Interview questions design 43
4. Interview Question Analyze

Part 1 HOTEL GENERAL INFORMATION
Part 2 ROOM CATEGORIES
Part 3 HOTEL'S FACILITIES
Part 4 ORGANIZATION MANAGEMENT SYSTEMS
Part 5 SERVICE MANAGEMENT SYSTEM
Part 6 SPACE MANAGEMENT SYSTEM
Part 7 QUALITY MANAGEMENT SYSTEM
Part 8 PROJECT MANAGEMENT SYSTEM

5. Conclusion

6. Appendix: Questionnaires

7. Bibliography
List of Figures

Figure 1.2-1  The development process.  3
Figure 1.2-2  Phase Model of Hotel Project Development  5
Figure 2.1.1-1 A model of the hospitality design process  6
Figure 2.1.2-1 Service/space development relationships  9
Figure 2.1.2-2 Tasks accomplished by project phase  10
Figure 2.1.2-3 The projectivity model  11
Figure 2.1.3-1 The anatomy of a brand  15
Figure 2.1.3-2 The five loyalty profiles  16
Figure 2.1.3-3 The branding cycle  17
Figure 2.2.1-1 Business production  18
Figure 2.2.2-1 The front office serves as a clearinghouse for communication activities among departments  24
Figure 2.2.3-1 Typical hotel area relationship plan (Courtesy of the Ransley Group)  26
Figure 2.2.3-2 Blueprint of hotel services  27
Figure 2.3-1 Screen of service analysis  28
Figure 2.3-2 The service as a system in hotel industry  30
Figure 2.3.1-2 The servuction process  32
Figure 2.3.2-1 The perceived service quality model  34
Figure 2.3.2-2 The SERVQUAL model  35
Figure 2.3.2-3 Principal Benefits of an Effective Service Quality Information System  37
Figure 2.3.3-1 Market orientation: better, faster, closer  38
Figure 2.3.3-2 The taxonomy of service  39
Figure 2.3.4-1 From Product-centric to Customer-centric  42
Figure 4.2-1 Comparison of tariff per sq. m in Hotel A & C  48
Figure 4.3-1 Food & Drink in Hotel A & B & C  51
Figure 4.4-1 The Landis Management Model  54
Figure 4.5-1 Origins of customers  56
Figure 4.5-2 Purpose of guests  57
Figure 5-1 Project Lifecycle- Hotel A  71
Figure 5-2 Project Lifecycle- Hotel B  71
Figure 5-3 Project Lifecycle- Hotel C  71
Figure 5-4 Project specifications, briefs and proposals  72
List of Tables

Table 2.1.1-1  The fundamentals and attributes in project brief  8
Table 2.1.2-1  Typical products and work breakdown structures
               (PBS): applied in hotel project  12
Table 2.3.2-1  From ten to five dimensions  33
Table 2.3.4-1  Features of the competitive Landscapes of the 1990s  40
Table 2.3.4-2  Mass Customization Contrasted with Mass Production  41
Table 4.1-1   Hotel generally information  45
Table 4.2-1   Hotel tariff & size  47
Table 4.2-2   Comparison of tariff per sq. m  47
Table 4.3-1   Hotel’s amenities  49
Table 4.3-2   Hotel’s recreations  50
Table 4.4-1   Hotel’s S.O.P  53
Table 4.4-2   Corporate coordination  53
Table 4.4-3   Human resources in organizations  55
Table 4.5-1   Service management policy in hotel groups  56
Table 4.5-2   Hotel guests’ origins  56
Table 4.5-3   The purposes of guests  57
Table 4.5-4   Reservations systems in hotels  58
Table 4.5-5   How do the guests know the hotels  58
Table 4.5-6   Reservations tools in hotels  59
Table 4.5-7   Information help in entrances  60
Table 4.6-1   Space Management Policy  61
Table 4.6-2   Parts need for rearrangement/refurbishment  62
Table 4.6-3   The reasons for rearrangement/refurbishment  63
Table 4.7-1   Measuring the image of the hotels  64
Table 4.8-1   Project management system  65
Table 4.8-2   Specialists need to be appointed  65
Table 5-1     Marketing & Brand Management  67
Table 5-2     Service operation Management  68
Table 5-3     Physical Environment  70
Table 5-4     Project management perspectives  73
1. Introduction:

1.1 Scope and Purpose

Developing hospitality properties and facilities needs to deliver comfort and convenience experience of lodging or catering to meet customers’ expectations. These customers’ prospects often present challenges to managers of hospitality units in defining marketing, operating services delivery and managing facilities.

Nowadays, there is a tendency in the hotel industry to use concepts such as “small and luxury”, “boutique”, and “design” etc. to share marketing from the large chain hotels. These concepts are used as brands of hotel groups, which are applied to fit new markets and to target at style and individuality-conscious business travelers. In addition, their services deliver the five-star level but reject the homogeneity of some of the international hotel groups by identifying each guest’s features. Moreover, the “boutique” and “design” hotel boom can be attributed to travelers’ increasing desire for a sense of place and intimacy.

In brief, we define the stylish chain hotels as “small individual chain” hotels to tell from “large international chain” hotels. Likewise, the marketing of the “small individual chain” hotels is “tiny but growing”; those hotels are tiny in “sizes of rooms”, “facilities of entertainment”, but growing by offering “unique ambience”, and “intimate attitude”. Above all, each hotel emphasizes in unique style or service, which has individual atmosphere and the affinity between the staff and guests that cannot happen in a large hotel.

Correspondingly, the “small individual chain” hotels share the same sales, marketing and reservations under each recognized brand name. The two main reasons for individual hotels joining distinctive groups are: “independent hotels need to get their names out to travelers, and those travelers are looking for recommendations they can trust.”

Accordingly, the hospitality development in the 21st century is emphasized as more diversity of these scopes than the past. The report concentrates on the aspects of the marketing orientations, service delivery, and physical environment in order to perceive the different approaches between the small individual chain and large international chain hotels.

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1 Survey from internet. Sara Perez Webber, It's a Small World, Travel Agent.
1.2 Problem Statement

The traditional project development of hospitality industry might be based on a standardized services and image to construct their hotel properties. As a result, the similarities and uniformities cause the growing marketing of individualized hotel properties. However, the market is changing and the expectations from customers’ demand of services and styles require more innovation and uniqueness. These features make the management of hotel project more complex than the past.

First of all, the developer is the person or organization who initiates a project and brings together the various resources needed to carry it out (site, finance, professional inputs). A new hotel project must consult a range of experts to determine how the property might be developed and what the costs might be. Experts are needed to design and build new developments, which comprise various concerns in each stage.

The process of the management in hospitality development is critical. The traditional approach, according to Ingram & Ransley, developing hospitality properties and facilities could be group in five main stages: “concept”, “planning”, “building”, “operations”, and “maintenance”. (Figure 1.2.1)

1. Concept: in conceptual term, it usually initiates plans and concept drawings between the developer and a designer. For larger organizations, this might be included part of an overall development strategy and brand management, and will take in issue of asset management.

2. Planning: this will include a feasibility study and planning the structures of the finance, legal, service, space relationship issues. Following the concept the project must be planned and estimated so that it can be completed within a suitable budget and to an agreed standard.

3. Building: in the building stage, the property is constructed or adapted in a physical way. During the process, more experts may involve in building construction and service pre-opening training.

4. Operations: after building construction is complete, all physical resources including equipment or furniture must be installed to operate the hospitality property. It is necessary that operational relationships should support accommodation/ restaurants and business service as well.

5. Maintenance: for a hotel operation, the ongoing maintenance and repairs should be more demanding in keeping its function efficient and new and clean looking. This function may be outsourced to specialist facilities management organizations.
There is a life cycle of a hotel property, the development needs to be periodically reviewed in the organizational needs and customer feedback, so that a new improvement cycle can begin again.

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**Figure 1.2-1 The development process.**

As a quote from Mr. Yen "A hotel is made by men and stone." Therefore, in hospitality operations, the service delivery by people and the attraction of built environment are the key concerns of customers' expectations. In order to target new market, the development of hospitality has to comprise of an innovative task of business process and built environment. I believe that the new imperatives considered in the modern hospitality industry that properties need to be concepts and products refocused in three perspectives: "marketing", "hotel core service", and "building design". (Figure 1.2-2) I assume that there are different focuses of aspects in different hotel groups.

In development of hotel projects, the demands of many design issues in either service or building aspects influence the project's objective. I would like to compare

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different hotels in scale, sales, marketing, facilities, service, organizational culture, space ambience, and quality control, in order to understand the contents of different hotels' brands. Furthermore, I would like to compare the project management systems in each hotel groups implementing systems within hotel management, brand management, design management and service management.

The problem in developing a hospitality property is determined by numbers of factors. This dissertation is a beginning to decompose the issues influencing the concept and product of different projects of hotels and analyze their advantages and disadvantages then consider how to apply those advantages of project management system to each other.
Figure 1.2-2 Phase Model of Hotel Project Development

ASSET MANAGEMENT

Task

Hotel Core service

Marketing scope

Building Design

Project Manager

CONCEPT

Standard Service

Conceptual Phase

Design Proposal

Design Manager

Operation Manager

Definition Phase

Create initial design

Modify design

Operational requirements

Research Phase

PLANNING

Conduct Program

Development Phase

Design Complete

Detail Program

Confirmation Phase

BUILDING

Construction Phase

OPERATIONS

Project Complete
2. Literature Review

2.1 Concept of Project Management

2.1.1 Project Management- Strategic design and implement

According to Hughes et al (1992), in determining to develop a new hotel, it is general to undertake some form of project assessment/ feasibility study. Mostly, the company should hold an overall strategic plan and that the project should fit in with that strategy. “Strategy means thinking, decision-making and actions toward superior long-term goals, without being deflected by short-term advantages, disadvantages or variations” (Schwaninger 1989). Strategic decision-making involves identifying those external factors such as economics, marketing changes that will need to be carried out the performance of the organization, as well as those factors that are internal to the organization in order to control the business.

A feasibility study will thus contain an examination of existing and projected competitors, sources and criteria. Generally, it would initiate from a discussion of the characteristics of the area of location need to be developed, e.g. the site appraisal and marketing plan. The financial consideration of the project would assess estimated capital costs, current revenue and costs, estimated rate of return. In most cases, a consideration of alternative methods of financing, and cash flow and capital budgeting statements have to be evaluated.4

![Diagram of the hospitality design process](image)

**Figure 2.1.1-1 A model of the hospitality design process**5

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The design process, shown in Figure 2.1.1-1, begins with a scope on the part of the property managers or owners to reform or initiate the product. A hospitality design concept can be influenced by a number of factors, including:

- **Company policy**: product style, brand, and future development strategy. The company policy may come from the hotel group/or adjust according to local climate, basically, it guides the achievement of the project.
- **Concept**: objectives, market orientation. It is comprise of appealing to the target market in order to project the image and provide required price and quality.
- **Location**: type of premises, surroundings, and constraints. The location needs to be concerned in its own characteristics including external features including weather, public transportation, cultural differences and physical environmental limits.
- **Function**: space usage, seating capacity, operational needs. It needs to fit the individual area considering capacity of sales (e.g. rooms, restaurant, meeting, and recreation), effective circulation of operation, (e.g. front house and back of house) in physical environment.
- **Aesthetics**: style, character, and design features. The image of individual hotel is part of hotel product to distinct itself others. Some of the hotel chains may demand corporate style, standard objects, or repeated patterns, however, the aesthetics of hotel design is related to hotel identification. Also the new image of aesthetics may be included in part of marketing design in a hotel project to attract new customers.
- **Budget**: investment criteria, payback, financing, and resources. It is perceived in hospitality development that the capital cost expenditure and return on investment driven by earning and profit are therefore direct and measurable. Hotels thus must be planned to be functional, operationally efficient and to operate with minimum maintenance and running costs, as well as being design to provide guest comfort, appeal and be suited to service-specific markets.
- **Business**: planned life cycle, future changes. In hotel business, the standard format of service should be evaluated and considered the life cycle and future changes, for example, those elements including “core product-bedroom, facilities”, “customer and usage”, and “service flow patterns”.
- **Logistics**: critical dates, stage, and contractors. The target date depends on the complexity of the scheme, together with the client’s timetables and programming requirements.
The successful development of hotels depends on many factors, which can be grouped from those objectives, for example, “marketing”, “economics”, “location”, “enterprise”, “planning and design”. Most of these considerations are related to a whole context of strategic design and implement. In order to fit in those criteria of developing project, a tool of “project brief” is illustrated by Ingram & Ransley and presents as a checklist within a project.6

The project brief
A project brief is an important document that establishes the project’s objective and parameters for all the parties concerned, including owners, managers/operators and design team. The project brief should address a number of key issues:

- **Objective of the development**: why a change and what is required.
- **Budget**: spending limits and required rate of return.
- **Time**: desired star and finish date to maximize selling opportunities and minimize disruption.
- **Quality**: standards and durability required from the development.

<table>
<thead>
<tr>
<th>Fundamentals</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objectives</strong></td>
<td>costings, marketing, operational and maintenance issues.</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td>budget and content, timescale, planned life cycle, operational elements and staffing levels</td>
</tr>
<tr>
<td><strong>Content</strong></td>
<td>scope, relevant legislation, technical facts, nature of site, building fabric and area specifications</td>
</tr>
<tr>
<td><strong>Planning</strong></td>
<td>services, space relationships, function, operational methods and seating capacities.</td>
</tr>
<tr>
<td><strong>Marketing</strong></td>
<td>market segment, customer profile, spend per head and duration of stay, service standards, usage and entertainment.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Attributes</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Realism</strong></td>
<td>realistic in terms of objectives, resources, context, planning and quality.</td>
</tr>
<tr>
<td><strong>Relevance</strong></td>
<td>information related to the project only</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>be specific enough for decisions to be taken and flexible enough to encourage the exploration of options</td>
</tr>
<tr>
<td><strong>Operation</strong></td>
<td>define the organization’s standards, informed by the client’s experiences of the durability of materials and running costs.</td>
</tr>
</tbody>
</table>

Table 2.1.1-1: The fundamentals and attributes in project brief

2.1.2 Project Management- Systems Analysis

The critical elements to achieving any successful building project are time, cost and quality. These factors are even more important in hospitality projects, which can be complex, especially in major refurbishments where the units is to remain open and trading. A clear, concise and specific client briefing document defining not only the parameters of cost, time and quality, but also service design, space standards and area relationships is therefore essential to successful implementation of a development.

![Operational requirements diagram](image)

Figure 2.1.2-1 Service/space development relationships.

In the development of service and space in a hospitality project, the components of either operational requirements or area relationships need various experts to achieve

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7 Reproduced from Cleland, David I. [1990], Project management: strategic design and implementation TAB Professional and Reference Books, USA. p: 46
the criteria of marketing plan. It includes (1) the core ‘product/service line’ business.
(2) proposed new product, service, or process design and development effort. (3) the
development of resources to support the product line, for example, facilities
construction, productivity improvement programs, quality assurance programs,
employee participation projects, etc.

**Systems analysis:**

<table>
<thead>
<tr>
<th>Level of efforts</th>
<th>Phase I</th>
<th>Phase II Planning</th>
<th>Phase III Operation</th>
<th>Phase IV termination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conceptual</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Identify need</td>
<td>• Implement schedule</td>
<td>• Procure materials</td>
<td>• Train functional personnel</td>
<td></td>
</tr>
<tr>
<td>• Establish feasibility</td>
<td>• Conduct Study and analyses</td>
<td>• Build and test tooling</td>
<td>• Transfer materials</td>
<td></td>
</tr>
<tr>
<td>• Identify alternatives</td>
<td>• Design system</td>
<td>• Develop support requirements</td>
<td>• Transfer responsibility</td>
<td></td>
</tr>
<tr>
<td>• Prepare proposal</td>
<td>• Build and test prototypes</td>
<td>• Produce system</td>
<td>• Release resources</td>
<td></td>
</tr>
<tr>
<td>• Develop basic budget and schedule</td>
<td>• Analyze results</td>
<td>• Verity performance</td>
<td>• Reassign project team</td>
<td></td>
</tr>
<tr>
<td>• Identify project team</td>
<td>• Obtain approval for production</td>
<td>• Modify as required</td>
<td>• members</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 2.1.2-2 Tasks accomplished by project phase**

**Figure 2.2.1-2** illustrates the tasks development in four phases. Firstly, during
phase I it is a conceptual stage to determine the requirements, to establish the goals,
and estimate the resources that can be committed from organization. Secondly, the
planning stage comprises of definition of the project targets, approach, and schedule

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for execution phase. Thirdly, in execution stage, all components (design construction, production, site activation, testing, and delivery etc) should be carried within the project. Finally, the project terminates in transferring product, physical environment, as well as human resource.

**Project & Product Life Cycle**

**Figure 2.1.2-3** shows that the projects may involve operations supply, the tasks of the operations are to deliver resources to enable selected projects to take place. However, the tasks of projects are to achieve the project goals. Basically, a hospitality project may need resources supported from operations management including manpower and physical systems. A commitment should come from the high managerial level to ensure the project can be carried on properly. During the procedure of a project, the roles such as project team, design team, and operational team should understand and fit in the goals of project. Consequently, all systems inside service tasks (e.g. employee training, and service operational procedure) should be achieved as well as the physical environment (e.g. building construction, facilities installment).

![Projectivity Model](image)

**Figure 2.1.2-3 The projectivity model**

According to Turner, breakdown is a technique by which the project is divided and subdivided for management and control purpose. The products and work breakdown structures (PBS & WBS) are developed in order to apply better control in

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organization and be aware of project life cycle. Nevertheless, the PBS breaks different levels of work to identify the required resources and facilities. However, a WBS can be developed by PBS to point the roles of associate work.

<table>
<thead>
<tr>
<th>Deliverable/product</th>
<th>Work element</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate development objectives</td>
<td>Programme</td>
<td>5-10 years</td>
</tr>
<tr>
<td>Specified change</td>
<td>Project (product change)</td>
<td>9-18 months</td>
</tr>
<tr>
<td>Individual service objective</td>
<td>Area of work (S.O.P)</td>
<td>6-18 months</td>
</tr>
<tr>
<td>Milestone</td>
<td>Activity</td>
<td>1-3 weeks</td>
</tr>
<tr>
<td>Component</td>
<td>Task</td>
<td>days</td>
</tr>
<tr>
<td></td>
<td>Step</td>
<td>Hours</td>
</tr>
</tbody>
</table>

Table 2.1.2-1 Typical products and work breakdown structures (PBS): applied in hotel project

2.1.3 Corporate Identification: developing brand

“A brand is a product or service made distinctive by its positioning relative to the competition, and by its personality in the context of the target market”. (Hankinson and Cowking 1993)

The “brand name” is the characteristic name used to market the offer. In essence, brand name is preference of customer to ensure quality, uniformity and value as well as staff, financiers, suppliers and owners. 11

**Brand Management**

Brands have become a major focus not only of a company’s marketing strategy but also of its financial strategy, as brands have become recognized as part of the key assets that a company owns. In hotel industry, some operating hotels choose to join franchise agreements using the brand names of other hotel groups gives them a better exposure to customers and enhanced profitability.

There are six categories which give different perspectives of a brand: “visual/verbal approaches”, “positioning approaches”, “brand image approaches”, “added value approaches”, “perceptual appeal approaches”, and “personality approaches”. 12

1. **Visual/verbal approaches:** In some brands that it was the name that known by customers and not only the products. For example, Aaker (1991) defined a brand as “a distinguishing name and/or symbol (such as a logo, trademark, or packaging design) intended to identify the goods or services from those of competitors”. Moreover, these aspects of a brand are important, particularly for the purposes of recognition. They are also important for legal purpose, as they can be registered, on a trademark register to prevent copying by other companies.

2. **Positioning approaches:** Ries and Tout (1986) focused on the need to establish a unique position in the customer’s mind that distinguishes a brand from the competition. “The essence of this approach is to use the marketing mix to establish a reputation or position as the number one in a market. The success of this approach depends upon the identification of a gap in the market that allows a brand to claim the number one position.” The whole marketing should mix on the effective communication of the distinctive features of the brand to target an identifiable group of customers.

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3. **Brand image approaches**: The building of an image is mainly regarded as the initial purpose of branding. In this approach, it is the symbolic aspects of the brand 'the effort to differentiate the brand is psychologically rather than physically based' (Frazer 1983). To be successful, the brand's image must be based on a clear understanding of the thoughts and feelings of the target consumer. However, the product and service may seem insufficient to customers, if the product or service seems lacking to deliver the functional benefits to meet customers' expectation.

4. **Added value approaches**: The value-added approach is reflected in the neglect of the need to meet customers' expectation, which is based upon the notion of a brand as 'an identifiable product, service, person or place, argumented in such a way that the buyer or user perceive relevant unique added values which match their needs most closely' (De Chernatony 1992). It is important that a value of the brand should be represented in the unique relevance of the offer to the needs of the customer.

5. **Perceptual appeal approaches**: These approaches to brands distinguish different aspects or components of a brand, which offers a different sort of appeal. As Doyle *et al* suggest that 'there are three sorts of appeal; they are all interrelated and each brand has a different blend of the three- an appeal to the senses, an appeal to reason and an appeal to the emotion' (Doyle *et al*. 1974) This separated approach provides a more precise examination of a brand's anatomy. If the integral parts of a brand's appeal of perception can be identified, then the way of building a brand may be more closely to meet the needs of the target consumer.

6. **Personality approaches**: Since the 1980s, the concept of image has been put back by the concept of brand personality. Just like people, brands grow with personalities and not only the more simple concept of an image. The market-research findings has taken a multidimensional approach based upon appropriate personality attributes. The brand personality has been described as 'a shorthand way of describing the nature and quality of the consumer response to a brand' (Gordon 1991).

In respect of price or product usage, the following **Figure 2.1.3-1** will define positioning in relation to the brand's point of reference to the competition. This represents a unique combination of functional attributes and symbolic values. It illustrates that brand positioning can be described and distinguishes positioning from the brand personality. Functional attributes describe external, tangible properties including appeals to both senses and reason, which implies attributes in hotel brands such as 'full services', 'exclusive', and 'quality effectiveness'. Symbolic values include internal, intangible properties, for example, a boutique hotel brand is
recognized as ‘stylish’, a fine service hotel may be addressed as ‘homelike’, and a big chain hotel brand could be identified as ‘internationality’.

![Diagram of the anatomy of a brand]

**Figure 2.1.3-1: The anatomy of a brand**

Those approaches show different attentions of the way in building brands. However, the brand may initiate from a verbal sign and create whole image comprised of added value, appealing to customers’ feelings, and own its personality. In some cases, the owners’ personality can be strongly reflecting their value and briefs in that brand. For example, the Virgin Group, the personality of the hotel group is doing business in an informal way according to the owner- Richard Branson’s views.\(^{14}\)

In hotel industry, according to Ingram and Ransley (2000), strong brands inspire trust, and customers often will forgive errors in service; brands encourage repeat purchase, and this means that guests stay longer and recommend the brand to friends and colleagues. In addition, branding bring the benefits of “funding”, “people”, “create barriers to competition”, “marketing” and “price”. The luxury hotel groups are easy to attract funding or investors, attract and retain employees, demand a high level from a competitor, penetrate new markets and locations, command a premium tariff for the product or service.

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Brand loyalty & the branding cycle

Brand loyalty is about the tendency of a customer to purchase a brand again. "The five loyalty profiles" in Figure 2.1.3-2 indicates the preferences of customers' purchasing activities. The promiscuous switchers, at the bottom of the pyramid are the customers who show no loyalty at all. Thus, they consume between a wide range of brands and purchase on the basis of price, or availability. The second level of loyalty is illustrated as constrained switcher, who choose depending upon circumstances and the occasion. The next level up represents that customers buying the same brand out of a habit not of a reason. They are habitual buyers, however, they show passive loyalty.

Furthermore, the active loyalist has a reason to be loyal. The reason maybe economic, functional, or emotional as far as the brand offer the symbolic values that meet the consumer's profile. The top level of loyalty is the committed, which identifies the brand as extreme choice and they will not buy other brand.

Figure 2.1.3-2 The five loyalty profiles

We have addressed two models of "the anatomy of brand" (Figure 2.1.3-1) and "the loyalty profiles" of brand (Figure 2.1.3-2), let us turn to the interactions between the brand position and customers' loyalty. In reality, building brand is a continuous cycles of research, planning, implementation, and control. A brand name is operated through

effective marketing communication and reviewed of customers’ buying power. It is the responsibility of brand management to keep attracting customers.

Accordingly, creating a new brand begins with research to target marketing mix, then product or service start to be packaged as the brand name through advertising and sales promotion. Then, the process will end its first cycle with the consumers’ perception of physical and psychological needs. Thereafter, the cycle operates again. The brand name should be examined at its approaches to ensure that the brand continues to meet customers’ needs. Focusing on monitoring research will restart the brand cycle and implement the control process during whole plan.

Figure 2.1.3-3 The branding cycle

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2.2 Concept of Hotel Management

Hospitality properties are generally high-value, capital-intensive assets that require concentrated management in order to produce revenues, operating income, and expected profits.

In addition, an operating hotel is a business enterprise. As Graaskamp defined in 1991, ‘The lodging industry is essentially a service industry using a large piece of real estate hardware.’ For the owner-operators of the business, it involves several different clusters of assets to generate revenues and make business profits. Those classifications can be divided into the following groups: (1) real estate including land, site improvement and buildings, (2) tangible personal property comprising of most especially furniture, fixtures, and equipment, and (3) intangible assets consisting of ‘expertise’ in management and operation of that business. 17

real estate produce return - investments of real estate

tangible property surplus - investments of tangible property

intangible asset - investments of intangible property

= entrepreneurial skill (residual profit)

Figure 2.2.1-1 Business production

The production of Hospitality is a business process that hopefully produces surplus deducted from the costs. The business of an operating hotel enterprise is a going affect that comprises of real estate, tangible personal property, and intangible assets. That surplus (or called business profit) in a successful hotel operation will return on the investments in real estate, tangible personal property, and those intangible assets that require commitment of investment funds.

If there are residual business profit, then it goes to operating entrepreneurship. Graaskamp calls the fourth factor of production in any business enterprise as “expertise” or “entrepreneurial skill”. Therefore, it is the decision from any business enterprise to utilize any “residual” or left over profit. In hotel industry, any surplus of

the net income may be considered to invest on new asset or refurbish current property. As a result, a new asset may be invested or present property may be renovated.

We have illustrated the business production and categories of hotel asset, let us turn to more detailed about the property. The Uniform Standards of Professional Appraisal Practice (USPAP), (Appraisal Standards Board, 1990-1999) which governs the appraisal practices and procedures of certified appraisers in the United States as well as Canada. According to the USPAP, followings are the measurable elements of nonrealty at a hotel property that are separable from the real property.\(^{18}\)

- Furniture, fixtures, and equipment (FF&E) (tangible personal property);
- Working capital for the hotel business (intangible asset);
- Assembled, trained, and skilled workforce (intangible asset);
- The name of the hotel and its reputation (intangible asset);
- Affiliation with a chain or an association of independent hotels that provides a reservation system, a referral system for members or affiliates, group advertising, both information for travel agents and publications aimed at travel agents, and an identifiable and recognized name (intangible asset);
- Licenses and permits that are specific to the business operator, as opposed to those 'going with the property' (intangible asset) (sometimes incorporated with name and reputation);
- Profit centers (mostly guest services): food and beverage, meetings and events, telephone service, valet and laundry service or concession, parking service or concession, health club or fitness center, business center (intangible assets).

Those components of hotel property has been grouped in order to measure the value of hotel asset. In other words, the tangible personal property might indicate more demanding quality and higher cost in a five star hotel. Also the applications of intangible asset are related to the features of business affiliations such as name and reputation. Furthermore, the service formula in profit centers exemplifies the brand of its hotel's chain (if it joins a chain).

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2.2.1 Hotel Management- Asset management

An asset is defined as “any property that has money value” (OUP, 1994). Initially, management is described as “the process of managing a business” while the successful business is determined by “having under effective control”. Thus, asset management from a wide view is “the process by which a property with money value is effectively controlled and managed as a business.”

Criteria for asset operator selection:

The owner may be the operator as well, however, many hospitality properties select another way to do their business such as business affiliations to maximize revenue and profit. In order to generate or reproduce the image and service in hotel, the asset operator -the role of enterprise should consider the different features to distinguish itself from other competitors. Those perspectives vary in numbers of ways such as “marketing”, “hotel core service”, and “building design”. The owner/operator should ensure the property is effectively marketed, efficiently operated. Above all, there are five criteria that the asset operators need to be concerned:

- **Market positioning:** The essential thinking of market positioning is to target the market segment. A positioned market must attain a certain number of units, achieve brand recognition, develop a reasonable level of referred business, establish the support systems and spread its overall overhead cost.
- **Brand name development:** The brand name development is utilized as driving greater revenues and better profit margins from the asset. Thus, in an increasingly competitive environment, a well-defined and clearly focused brand name in their market segment are more likely to be selected by the investors as the operator for their asset.
- **Marketing:** When a successful brand name has been well established, then the marketing will been highly focused. However, it is also important to review the market strategy to operate and support the asset.
- **Supporting systems:** There are various supporting systems must be applied to analyze the cost-benefit. For example, these systems range from sales support such as number of sales office, size of sales team in the field and detailed reservations system. Other factors are still important like operational controls and financial

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reporting systems.

- **Commercial terms and condition:** The final criterion to select an operate may be determined by the developer’s particular commercial terms and conditions. A particular unit might be offered by the operator, for example, a less experienced or a weaker financial position hospitality investor may be seeking an operator willing to carry some of the risk by providing cash flow guarantees.

The *business affiliations* are the indications of either chain or independent ownerships. In the hotel industry, these classifications of *business affiliations* are the most easily recognizable by consumers. The features are identified from brand name, structural appearance, and ambiance. In a long term, marketing effects develop a brand loyalty and acceptance that is the most important profitability for a hotel. According to Brandi in 1996, there are different operations of *Chain Affiliation*, which will be described as followings:21

1. **Franchise Property:** Under a franchise agreement the investor-franchisee retains ownership of the asset and almost full control of the operating business. Thus, franchise corporations offer support to the franchisee in form of reservation systems, advertising, operations management, and management development. Under this structure, the investor benefits from gaining quick access to an establishment brand name and reservation system and the major hotel brands grow rapidly as it requires less capital investment. Generally, the franchisee pays fees for items of services, such as initial start-up, rental of signs and other equipment, use of the corporation’s reservation referral system, and national advertising.

2. **Referral Property:** When the property has been physically developed but wishes to be associated with a certain chain, then this is called *referral property*. Since a hotel operates as an independent organization and the entrepreneur may only want management assistance, marketing and advertising, and/or reservation referral assistance. For the reasons, the fees are based on service required. However, the chain’s quality assurance standards must also be met by the referral property. A referral property may keep its own hotel name but be referred as well the chain brand name to address its marketing attraction.

3. **Company-owned Property:** A hotel is defined as a *company-owned property*, which

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is owned and operated by a chain organization. Also the property uses its own expertise in site selection, property development, marketing and advertising, and operation management. The hotel company developer recruits professionals into the organization to manage such properties and uses the chain’s reservation system. In spite of a limit on the number of franchises, the hotel company developer still retains majority of the properties so that the property remains company-owned.

4. Management Contract Property: If a consulting company that provides operational and marketing expertise and a professional staff operates a hotel, it is called management contract property. A management contract property is similar to a referral property. However, there are several kinds of business relationships in management contract organizations, which allow manage existing hotels or operate their owned hotels as well. Mostly, the business relationship commands financial accountability and profitability. Under some circumstances, management contract companies may choose to operate the hotel as a member of a franchise or as an independent.

5. Independent Properties: An independent hotel is one that is not associated with any franchise. Compared with a chain property, it presents a greater sense of warmth and individuality. Mainly, independent hotels have particular characteristics, which may plan the room rates similar to chain properties, yet the room decorated in different styles and the business allows more features according to the owner/manager. Although the independent entrepreneur operates the business without the advantages of consultation and assistance, the owner/manager may have gained a great deal of operations and development experience in the industry. Managing all aspects of the business must be coordinated with a profit-and-loss statement and a balance sheet. The challenge of managing an independent property can be overwhelming, however, it can also offer effective business and financial independence.
2.2.2 Hotel Management- Hotel Organization and the Front Office

There are five main sections in the full services hotels, the function provided by each department is according to the organizational structure of individual hotel’s concern. Followings are the diverse functions in a full-service hotel.

1) Front of House: reception, front desk, concierge, reservation, etc.
2) Back of House:
   - Marketing and Sales: market & sales, advertising etc.
   - Maintenance: repair of heating, ventilation and air-conditioning units, plumbing, televisions, and other room furnishing.
   - Controller: administration, account, and finance.
   - Security: fire safety measures and emergency communication systems as well as procedure for routine investigation of guest security concerns.
   - Human Resource: staff employment, training in screening methods.
3) Housekeeping: linen division, room service, etc.
4) Food- and Beverage: restaurants, bars, lounge, coffee shop, etc.
5) Banquets and Recreation: Events for business centers or food and beverage, gyms, shopping & store etc.

Essentially, the functions provide by back of house like marketing and sales, maintenance, controller, security, and human resource can be center controlled by hotel chain. Those lines are defined as non-direct services from the view of customers’ service experiences. Nevertheless, various departments provide hospitality to guests, for example: housekeeping, food-and beverage, and banquets and recreation, the front office is at the center of this diagram to illustrate the many interdepartmental lines of communications that exist.

Front office plays a pivotal role in delivering hospitality to guests. The front office sets the stage for a pleasant or unpleasant experience. The initial services that guests expect are eager to learn the approaches of their new environment. Those requests for information start with the doorman, bellhop, switchboard operator, front desk clerk, cashier, or concierge. In other words, these employees are the most visible and impressive parts of service perceived from the guests.

Figure 2.1-1 shows the various departments in a hotel that interact with the front office. To begin with marketing and sales department, it relies on the front house to provide data on guest histories, frequency of visits, corporate clients, special needs, and reservations for buying services. A completing booking of hospitality service (e.g.
lodging, dinning, wedding banquets, convention, or seminar) depends on marketing and sales department relays messages to front office. The guests finally arrive for the services, the front office staff should be competent to make the effort of guiding guests and communicating with other departments such as banquet supervisor.

In the second place, food and beverage or banquet & recreation department essentially needs front office to relay messages and providing accurate information on vouchers. Moreover, these lines relate with those issues, which should provide hospitality in the form of “clean rooms, properly operating equipment, safe environment, well-prepared food and beverages, efficient table service, professional organization and delivery service etc.”

And to conclude, these criteria require departmental directors organize to ensure of fulfilling the goal of the professional hospitality. Furthermore, in reality it needs continuous effort to succeed the details of employees, materials, procedures, and communication skills to produce qualitative product and services. According to Bradi, “total quality management (TQM), a management technique that help managers to look at processes used to create products and service with a critical eye on improving those process, is being practiced in many hotels today.”

![Diagram](image)

**Figure 2.2.2-1** The front office serves as a clearinghouse for communication activities among departments.\(^{22}\)

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2.2.3 Hotel Management- Operations relationships & Supporting systems

A hotel usually offers guests a full range of accommodations and services, which may include reservations, suites, public dining and banquet facilities, lounge and entertainment areas, room service, cable television, personal computers, and meeting rooms. In a large scale hotel, the services may provide extra activities such as specialty shops, personal services valet, laundry, hair care, swimming pool and other recreation activities, gaming/casino operations, ground transportation to and from an airport, and concierge services.\(^{23}\)

Generally, the core business of hotels involves the people buying services including lodging, dinning, and recreations inside the hotels. The hotels require place, facilities, and materials to allow the services to take place. The operations obtain and manage all staff in certain procedures to ensure customer satisfaction.

Operational relationships

In hotel industry the “operations” comprise of all activities in producing and delivering hospitality services. Essentially, the aims of hospitality operation is to attract customers to buy services, and then to provide those services efficiently to make a profit or to avoid making a loss.

In addition, operations involve a great variety of tasks to fit together, including ensuring the product quality, meeting financial and other targets, dealing with staff and customers, preparing and delivering tangible “product” (e.g. clean, maintenance room conditions, and attractive meals). All activities are related to the design, construction and efficient operation of hotel business. It is important to conclude these goals into the design and construction of premises in three main ways:\(^{24}\)

1. \textit{The appearance must be attractive and must match the service concept.}
2. \textit{The structure, layout and facilities provided by the building must permit smooth, efficient provision of the intended service.}
3. \textit{The structure, layout and facilities must conform to legal standards and make it easy to avoid liability under the law.}


Figure 2.2.3-1 Typical hotel area relationship plan\(^\text{25}\) (Courtesy of the Ransley Group)

Supporting systems

Figure 2.2.3-2 Blueprint of hotel services

Figure 2.2.3-2 is a “detailed Process Flow”, which indicates the service operations relationships between Hotel front house and back of house by analyzing the “Guest Arrival Procedures” including “Check in & Check out”, and “Consuming other services”.

Each process needs supporting systems from the internal configuration of facilities and interactions between different departments. The facilities include accommodation, food and beverage areas, reception areas, leisure amenities, storage and services (e.g. heating, air conditioning, gas, water, lighting). Also power and communications supporting from required departments should be applied in order to deliver the services. In the design of process the consideration must be given to the circulation pattern of customers and staff and possibly, so that bottlenecks do not cause frustrations for staff and possibly lower the standard of service for guests.\(^\text{26}\)

2.3 Concept of Service Design

Service Design

The screen is divided into three panels, each of which contains a number of components. In the center, is the people panel, made up of two elements: “service providers” and “customers”. On the left is a panel entitled model, the elements are “structure”, “process”, and “contents”, which describes the generalizations about services. The panel on the right of the screen is called the mission. The components

---

Figure 2.3-1 Screen of service analysis

The screen is divided into three panels, each of which contains a number of components. In the center, is the people panel, made up of two elements: “service providers” and “customers”. On the left is a panel entitled model, the elements are “structure”, “process”, and “contents”, which describes the generalizations about services. The panel on the right of the screen is called the mission. The components

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represent aims and objectives inferred by an organization's mission statement, and
normally comprise some, or all of "satisfaction", "loyalty", "quality" and "profitability".

The controls for the screen are of two main forms indicating that the basic
characteristics of service prevail. These features are set to "high" for heterogeneity
and perishability and to "low" for tangibility and separability.

**Definition of "service"

Valarie Zeithaml and Mary Jo Bitner (1996) defines service as: 'in the most simple
terms, services are deeds, processes and performances.' In addition, Fitzsimmons and
Fitzsimmons (1994, p.24) illustrate the "service package" concept and define it as "a
bundle of goods and services provided in some environment". This bundle comprises
of supporting facility, facilitating goods, tangible services and intangible services. It is
important to understand consumers' behaviors, also it is a reflection of what
consumers expect from a service. \(^{28}\)

**Figure 2.3-1** illustrates how the three functional areas - marketing, operations and
human resources of the service business in hotel industry - are integrated together.
The service operations system comprises backstage activities, for example, stock,
maintenance, staff training, as well as the operations in frontstage experienced directly
by customer, such as how they perceive the manners from employees as soon as they
enter the hotel, or how they feel enjoyable about lodging/dinning/recreation in a hotel.

In addition, the service delivery system encompasses not only the visible elements
of the service operating system, staff and the physical facilities, but also includes
exposure to other customers, e.g. advertisements on internet or publications. Also the
word of mouth can bring comments to new customers on their opinions of the hotel.

Furthermore, the service marketing system includes elements of the service
experiences, which may contribute to customer's overall view of the organization.
However, the delivery system may not determine whole marketing aspects. The
service experiences illustrated by Lovelock are three overlapping systems, service
managers are forced to consider their business from a customer rather than a purely
operations perspective. It highlights the importance of managing all features of the
business that are visible to customers.

\(^{28}\) Kasper, H & Helsdingen, P. van & Vries jr, W.de, [1999] *Services Marketing
Management- An International Perspective*, John Wiley & Sons Ltd. pp: 8-12
### Service Marketing System

<table>
<thead>
<tr>
<th>Service Delivery System</th>
<th>Service Operation System</th>
<th>Other Customer Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>BACKSTAGE ACTIVITIES</td>
<td>INTERIOR AND EXTERIOR FACILITIES</td>
<td>OTHER CUSTOMERS</td>
</tr>
<tr>
<td>e.g.</td>
<td>e.g.</td>
<td>e.g.</td>
</tr>
<tr>
<td>booking</td>
<td>car parking, rooms, recreations</td>
<td>friends consume</td>
</tr>
<tr>
<td>replacement</td>
<td>amenity, signage, transportation</td>
<td>companions</td>
</tr>
<tr>
<td>stock</td>
<td>EQUIPMENT</td>
<td>THE CUSTOMER</td>
</tr>
<tr>
<td>e.g.</td>
<td>e.g.</td>
<td>'regulars'</td>
</tr>
<tr>
<td>Computer systems</td>
<td>furniture, fixtures</td>
<td></td>
</tr>
<tr>
<td>Staff training and</td>
<td>kitchen equipments</td>
<td></td>
</tr>
<tr>
<td>Recruitment</td>
<td>gyms tackles</td>
<td></td>
</tr>
<tr>
<td>Refurbishments</td>
<td>supplies</td>
<td>OTHER CUSTOMER</td>
</tr>
<tr>
<td>Housekeeping</td>
<td>CONTACT PERSONNEL</td>
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<tr>
<td>Accountant</td>
<td>e.g.</td>
<td>fellow</td>
</tr>
<tr>
<td>Staff meetings</td>
<td>receptionist</td>
<td>CUSTOMER</td>
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<td></td>
<td>desk/room key clerks</td>
<td>e.g.</td>
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<td></td>
<td>Bus staff</td>
<td>customers</td>
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<td></td>
<td>Concierge</td>
<td>unknown prior to</td>
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<td></td>
<td></td>
<td>the direct check-in</td>
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**Figure 2.3-2** The service as a system in hotel industry

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2.3.1 Service operation management- a framework

An alternative approach to explain the service experience has been put forward by Grove and Fisk. They present a perspective that considers services as “drama”. Those features present at a service encounter have been described like those contributing to a theatrical production. The key components in service experience parallel the setting, the actors, the audience and the performance. Likewise, the actors and the audience are the various roles (e.g. hotel staff and customers), the setting is the physical environment (e.g. the hotel itself, décor, lighting, etc.) and the performance can be the process of service assembly. All three components are closely interrelated.

In order to control the whole performance, controllers are as director to manage on the parts played by the various players in the team as well as direct employees of the company. As it also draws management attention to the importance of managing customer (audience) involvement in the service experience, the procession of service context allows more concerns of customers’ perceptions and participations.

A ‘service’ experience

Since we have illustrated that a service experience as “drama”, followings are the context in a whole service performance.

- **Analyzing the Experience**: The feelings and apprehensions are the story that customers experience from the service as well as the range of facilities offered by the service providers.
- **Defining the service**: The “core” service offering is the necessary demand, which meets the customers’ expectations. The level of “customization” varies within services, which may be determined by individual company objectives to deal with various customers. The VIP guests in a hotel, for instance, are given very different treatment both before and during the experience- from first arrival in airport to directly check-in showing the attaching importance to the definite person/group.
- **The Invisible Elements**: Comparing a service like a drama performance, this would include consideration of all the backstage activities. In a hotel, the performances would have carried out staff training programs, delivering catering supplies. Computer systems development has to ensure booking and customers’ data can be relayed between certain departments, etc.
- **The Physical Environment**: The physical environment of the service includes the ambient conditions (temperature, air quality, noise, music, etc.) the utilization of

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the space (equipment, layout, furnishings), as well as any signs, symbols and artifacts. These elements make up what has been labeled the “servicescape”.

- **The People**: Although the physical environment is an intrinsic component around any “service” experience, the story highlights the importance of the people. The drama performs in terms of individual personnel’s behavior and attitude, and the interactions with each other. The people in the context are both customers and contact personnel (people providing the service). There are a number of different contact personnel involved in the story, of different status, within the organization. In hotel industry, the people especially address the performance of their service.

- **Interpersonal Interactions**: Many interactions may occur during the service encounter, the most obvious parts happen between the employee-customer—especially interactions between front office personnel and the clients. The direct contact between service provider and customer is essential. These are ‘the moment of truth’ where the organization actually shows what they can do and how they meet expectations set.

![](image)

**The servuction process**

Eiglier and Langered (1987) have developed the concept of the ‘servuction process’. This word is a combination of service and production, indicating the simultaneous production and consumption of services. A part of this servuction process is visible to the customer, especially the interactions between the customer and the ‘front office personnel’. The ‘front office personnel’ and their activities are supported by the invisible part of the service provider— the back office personnel. In general, the servuction process distinguishes from a production process of a tangible good in the following respects:

- certain degree of relevancy of the physical surrounding to the customer; and
- mutual interaction between customers during the production process.
- customer A will be affected by the presence of customer B and C.

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2.3.2 Service delivery Management- a quality performance measure

Hospitality is the concept of the generous and cordial provision of services to a guest. Hospitality is the most important criterion in hotel management, and it is an array of services that makes the guests stay enjoyable. The success or failure in providing hospitality often determines the success or failure of the hotel. Consequently, most hospitality perceived by customers is adopted as the principle of each hotel and organized as the standard operating procedure (S.O.P) of each department.

Evaluation of quality

In order to provide quality services, organizations need to measure the performance of service delivery. The first act is to characterize what does the “quality” mean.

<table>
<thead>
<tr>
<th>Ten dimensions</th>
<th>Five dimensions</th>
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<tbody>
<tr>
<td>tangibles</td>
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<td>responsiveness</td>
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<td>empathy</td>
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<tr>
<td>communication</td>
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<tr>
<td>understanding the customer</td>
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</table>

Table 2.3.2-1 From ten to five dimensions

According to Kasper et al., there are five dimensions in all types of organization, which are a summary of ten dimensions. Those features express the customers’ subjective judgments about the value received by service achievements. Following are the five dimensions:

1. tangibles: appearance of physical facilities, equipment, personnel and communications materials.
2. reliability: ability to perform the promised service dependably and accurately.
3. responsiveness: willingness to help customers and to provide prompt service.

4. *assurance*: knowledge and courtesy of employees and their ability to convey trust and confidence; and
5. *empathy*: caring, individualized attention to the firm provides to its customers.

**Understanding the object of marketing: the perceived service quality model**

![Perceived Service Quality Model Diagram](image)

The customers’ perceptions of the service quality are divided into two dimensions: technical quality and functional quality. The technical quality can be described as a "business formula"—what are the service process leads to for the customer in a "technical" sense. While the functional quality is related to physical factors—how the process functions by certain components such as supporting systems and facilities. The first criterion of service quality is "technical" side—if the service process delivery satisfies the customers, however functional quality will be perceived later and evaluated on the tangible factors.

In the model, the image changes over time, which is a dynamic aspect comprising of internal service delivery and external business plan. Those elements of technical and functional quality will be influenced by the external environmental factors such as market communication, image, word of mouth, and customer needs.

Another SERVQUAL model has developed by Zeithaml *et al* to evaluate the quality in service delivery between different actions. It illustrates the gaps need to be closed.

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CONSUMER

Word-of-mouth communications

Personal needs

Past experience

Expected service

Perceived service

GAP 5

MARKETER

Service delivery (including pre-and post-contacts)

External communications to consumers

Translation of perceptions into service quality

Management perceptions of consumer expectations

GAP 1

GAP 3

GAP 2

Figure 2.3.2-2 The SERVQUAL model

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Criteria of good service.

According to Blois, there are six criteria of good service "". These descriptions are referred to "outcome-related", "process-related", "image-related" criteria.

• **Professionalism and skills.** It is necessary for the customers to receive the service in a professional way. This involves in the service provider, its employees, operational systems, and physical resources to show the knowledge and skills required to solve the problems (outcome-related criteria)."

• **Attitudes and behaviour.** Also the attitudes and behavior will influence the perceptions of the customers. The service employees should be concerned about the customers and interested in solving their problems in a friendly and natural way (process-related criteria).

• **Accessibility and flexibility.** The more that the customers feel that the service is accessible and flexible the more that the customers recognize it is good service. For example, the service provider, its location, operating hours, employees, and operational systems are designed and operate so that it is easy to get access to the service and so that they are prepared to adjust to the demands and wishes of the customer in a flexible way (process-related criteria).

• **Reliability and trustworthiness.** The customers feel that they can rely on the service provider, its employees and systems, to keep promises and perform with the best interest of the customers at heart (process-related criteria).

• **Recovery.** Although something goes wrong or something unpredictable unexpectedly happened, the customers realize that, whenever, the service provider will immediately and actively take actions to keep them in control of the situation and find a new, acceptable solution (process-related criteria).

• **Reputation and credibility.** It is important that the customers believe that the operations of the service provider can be trusted and give adequate value for money. The outcome image stands the reputation and credibility for good performance and value that can be shared by customers and the service provider (image-related criteria).

The six criteria need continuous improvement inside the organization. However, the task of improving service in organizations is complex. It involves in multiple fronts, such as technology, service systems, employee selection, training and education, and reward systems. It involves in implementing these actions and

transforming activity into sustainable improvement. It is suggested by Berry in 1995 that a genuine service improvement requires an integrated strategy based on systematic listening. It requires related studies, outdated research, and findings about customers and should provide sufficient support for improving service.¹³⁷

Figure 2.3.2-3 Principal Benefits of an Effective Service Quality Information System

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2.3.3 Service marketing management

The marketing management is similar to brand management, (Chapter 2.1.3) marketing management is a business strategy to define its customers’ group, however, brand management comprise of financial issue and focuses on developing a conceptual meanings/image to identify itself. In general, if the market orientation successes in targeting customers and delivers high quality, then a “brand” can be easily identified and the brand loyalty can last in the long term marketing plan.

Simply states, marketing is based on three benchmarks in the market. It is related to strategic development of three interactions - “the customer”, “the competitor” and “the organization itself”.

![Figure 2.3.3-1: Market orientation: better, faster, closer](image)

Marketing is related to provide services, which actually satisfy the needs, wishes, feelings and preferences of present and future customers. Firstly, an organization should select a proper target group of buyers, which is called the organization’s customer orientation. Customer orientation may lead to different services for different customers, these will relate to a degree of customization. (Figure 2.3.3-2)

Secondly, the organization’s own services should be better than those services provided by competitors, then the customer can recognize a higher quality- the price position or added value to the organization’s services. In order to realize this, a company should know “which services are perceived as competing by the customer”, “which organizations “produce” these services”, “in which way are they produced (how much and what kind of customer participation is required)”, and “what are

competitors likely to do in the near future, etc”.

Thirdly, the market is some combination of superior customer value and lowest delivered cost. And the essence of competitive advantage is a positioning theme that sets a business apart from its rivals. It means that the services can meet the target customers. The most successful themes are built on some combination of three drives—these are “better (through superior quality or service),” “faster (by being able to sense and satisfy shifting customer requirements faster than competitors),” and “closer (with the creation of durable relationships).”

Another consideration is to deal with the intangibility of service and the accompanying characteristics like inseparability (simultaneous production and consumption), inconsistency (heterogeneity) and not having possibilities to store the service ( perishability). So that the business can operate in an interactive way and considers continuously reviewing the perceptions of services in divers ways.

Furthermore, the orientation of customer may lead to add services according to different customers’ demand in service. The model of taxonomical services can be applied to attract variety classes of customers. It generally implements in hotel industry to provide further services and subdivide the internal business market.

![Figure 2.3.3-2 The taxonomy of service](image)

**Figure 2.3.3-2 The taxonomy of service**

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2.3.4 Mass-Customization & Customer Relationship Management

In 21st century, the business meet some effective responses happened in the competitive landscape of the 1990s, consequently, the features influencing development in hospitality industry are "Regional marketing", "Market-driven quality", "Micromarketing", "Increased customization", "Total quality management", "Flattened hierarchies", "Process re-engineering", "Heightened importance of services", "Fragmented markets", "Quick response", "Database marketing" and shift from mass-production to mass-customization.

From Mass Production to Mass Customization

| • Time-based competition | • Lean production |
| • Proliferating variety | • Cycle time reduction |
| • Just-in-time production | • Total quality management |
| • Regional marketing | • Flattened hierarchies |
| • Continual improvement | • Computer-integrated manufacturing |
| • Shortening product life cycles | • Process re-engineering |
| • Market-driven quality | • Heightened importance of services |
| • Globalization | • Fragmented markets |
| • Networked organizations | • Quick response |
| • Micromarketing | • Flexible manufacturing systems |
| • Increased customization | • Database marketing |

Table 2.3.4-1 Features of the competitive Landscapes of the 1990s\(^\text{41}\)

Some innovations of managing are the basic accelerators that together achieve both mass and customization:

- Just-in-time delivery and processing of materials and components that eliminate process flaws and reduce inventory carrying costs.
- Reducing setup and changeover times, which directly lowers run size and the cost of variety.
- Compressing cycle times throughout all process in the value chain, which eliminates wastes to increase flexibility and responsiveness while decreasing costs.

• Producing upon receipt of an order instead of a forecast, which lowers inventory costs, eliminate fire sales and write-offs, and provides the information necessary for individual customization.

Mass-production focuses efficiency through stability and control, while mass-customization reflects variety and customization through flexibility and quick responsiveness. The goal of mass-production is developing producing, marketing, and delivering goods and services at price low enough that nearly everyone can afford them, however, the objective of mass-customization is developing producing, marketing, and delivering affordable goods and services with enough variety and customization that nearly everyone finds exactly what they want.

Therefore, the key features in mass-production are “stable demand”, “large, homogeneous markets”, “low-cost, consistent quality, standardized goods and services,” “long product development cycles”, and “long product life cycles.” On the other hand, the key aspects in mass-customization are “fragmented demand”, “heterogeneous niches”, “low-cost, high-quality, customized goods and services”, “short product development cycles”, and “short product life cycles”.

<table>
<thead>
<tr>
<th>Focus</th>
<th>Mass production</th>
<th>Mass Customization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>Developing producing, marketing, and delivering goods and services at price low enough that nearly everyone can afford them,</td>
<td>developing producing, marketing, and delivering affordable goods and services with enough variety and customization that nearly everyone finds exactly what they want</td>
</tr>
<tr>
<td>Key Features</td>
<td>stable demand</td>
<td>fragmented demand</td>
</tr>
<tr>
<td></td>
<td>large, homogeneous markets</td>
<td>heterogeneous niches</td>
</tr>
<tr>
<td></td>
<td>low-cost, consistent quality, standardized goods and services</td>
<td>low-cost, high-quality, customized goods and services</td>
</tr>
<tr>
<td></td>
<td>long product development cycles</td>
<td>short product development cycles</td>
</tr>
<tr>
<td></td>
<td>long product life cycles</td>
<td>short product life cycles</td>
</tr>
</tbody>
</table>

Table 2.3.4-2 Mass Customization Contrasted with Mass Production

---

Customer Relationship Management

Because mass-customization has focused on “personalized”, “customized” to meet the new trend of different lifecycle of business, the “Customer Relationship Management” (CRM) has become more important to provide more precise and divers marketing plan. The objective of mass-customization transfers the organization’s view from “Product-centric” to “Customer-centric”. The most important factor of a successful business is “people”(60%), the next element is “process”(30%) and the last point is “technique”(10%).

The functions of CRM comprise of a wide range of whole business design such as “market research”, “sales strategy”, “manage account history”, “customer history logging & updating”, “customer complaint analysis”, “customer satisfaction”, “customer usage behavior/trend”, “service improvement & development”. The aims of CRM are to understand the present customers’ perceptions, special requirements, so that these informations can contribute to predict future market and maintain existing customers.

In brief, a tendency shows that the attention of business will change to customer orientation. Nowadays, more organizations address in the importance of CRM. Additionally, CRM will be helpful for companies to plan their marketing, appraise their value, and adjust their business scope in order to enhance their competitive advantages in the 21st century.

3. Methodology

3.1 Literature review- Interview- Interview questions design

In this dissertation, literature and hotel management systems survey are used to understand the PM systems in Chain hotels, and how they apply their systems of service operations, marketing plan, and physical environment into the chain in order to construct their brand.

Furthermore, there is a trend in building chain-hotels; the report tries to find the "business formula" from one of the chain hotel, and analyze the systems of marketing, operation, service, quality, and space management in order to understand how to generate a new project of hospitality property.

There are many types of hotels according to their location, lodging facilities, service level, and market orientation, for example, city commercial hotels, full-service hotels, limited-service motels, and holiday resorts. Each type of hotel may present different functions and services. However, in reality we can conclude from literature review that the brand name can be applied in various types of hotels. The brand name of a chain indicates their management systems and service scopes to ensure the image and quality from customers' perceptions.

Consequently, this report tries to look inside different chains' approaches not only their applications of organizational management but also in their operational relationships and supporting systems which are based on a city commercial hotel especially addressed as a full-service hotel.

Part 1 HOTEL GENERAL INFORMATION
Part 2 ROOM CATEGORIES
Part 3 HOTEL'S FACILITIES
Part 4 ORGANIZATION MANAGEMENT SYSTEMS
Part 5 SERVICE MANAGEMENT SYSTEM
Part 6 SPACE MANAGEMENT SYSTEM
Part 7 QUALITY MANAGEMENT SYSTEM
Part 8 PROJECT MANAGEMENT SYSTEM

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4. Interview Question Analyze

I would like to compare different hotels in scale, sales, marketing, facilities, service, organizational culture, space ambience, and quality control, in order to understand the contents of different hotels’ brands. Furthermore, I would like to compare the project management systems in each hotel groups implementing systems within hotel management, brand management, design management and service management.

The problem in developing a hospitality property is determined by numbers of factors. This dissertation is a beginning to decompose the issues influencing the concept and product of different projects of hotels and analyze their advantages and disadvantages then consider how to apply those advantages of project management system to each other.
Part 1 HOTEL GENERAL INFORMATION

1. Hotel A: Grand Hyatt Taipei
   Chain: Hyatt Hotels & Resorts - luxury hotels around the world

2. Hotel B: The Ritz Landis Hotel
   Chain: The leading Hotels of the World

3. Hotel C: Howard Plaza Hotel, Taipei
   Chain: Howard Hotels & Resorts International

<table>
<thead>
<tr>
<th>Hotel</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property</td>
<td>Franchise</td>
<td>Referral</td>
<td>Company-owned</td>
</tr>
<tr>
<td>Location</td>
<td>Taipei</td>
<td>Taipei</td>
<td>Taipei</td>
</tr>
<tr>
<td>Number of rooms</td>
<td>870</td>
<td>200</td>
<td>606</td>
</tr>
<tr>
<td>Star-rating</td>
<td>★★★★★</td>
<td>★★★★★</td>
<td>★★★★★</td>
</tr>
<tr>
<td>Age of hotel (years)</td>
<td>10</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>Number of employee</td>
<td>1063</td>
<td>300</td>
<td>1200</td>
</tr>
<tr>
<td>Rate of staff (per room)</td>
<td>1.33</td>
<td>1.5</td>
<td>1.98</td>
</tr>
</tbody>
</table>

Table 4.1-1 Hotel generally information

First, the “Grand Hyatt Taipei” is owned as a “franchise property” associated with “Hyatt Hotels & Resorts - luxury hotels around the world”. There are three types of Hyatt chain-hotels, such as: Hyatt Regency, Grand Hyatt, and Park Hyatt. According to the numbers of guestrooms, the Hyatt Regency operates over 900 rooms while the Grand Hyatt contains 700-900 rooms and the Park Hyatt includes 300-700 rooms. The Grand Hyatt Taipei is comprised of 870 rooms and total number of staff in Hotel is 1063.

Second, “The Ritz Landis Hotel” is also owned as a “referral property” associated with “The leading Hotels of the World”. However, there are two properties in Taipei associated with the same chain, “The leading Hotels of the World” is operated by the GM Mr. Yen who has high reputation in Taiwan. According to the experiences of “The Ritz Landis Hotel” in Taipei, Mr. Yen has developed a chain of “Management Contract Property’ which name is “The Landis Management Company”.

Nowadays, there are five properties under “The Landis Management Company”. Although the scale and properties are less than other five star hotels, “The Landis Management Company” emphasizes as “small but luxurious” hotel and provides a
delicate quality and service environment. The scale of “The Ritz Landis Hotel” is owned 200 rooms only, and requires 300 staff to operate its service.

Third, “Howard Plaza Hotel, Taipei” is the prototype of the chain in “Howard Hotels & Resorts International”. All properties of the chain are “company-owned” ones. In addition, the chain owns three Hotels in center-city, three all-suites in suburban for long-term customers, three resorts in leisure spots, two plaza boutique and one restaurant in cities. The total number of “Howard Plaza Hotel, Taipei” is 606 which requires 1200 staff to operate full services.

The scales of rooms in these three hotels are:

Hotel A (800) > Hotel C (606) > Hotel B (200)

However, the numbers of staff in each hotel are:

Hotel C (1200) > Hotel A (1063) > Hotel B (300)

Furthermore, the rate of staff divided rooms is

Hotel C (1.98) > Hotel B (1.5) > Hotel A (1.33)

Although Hotel A operates the biggest scale among these hotels, which shows “the staff per room” is the smallest. Besides, Hotel C is the smallest scale one but it does not require higher proportion of staff than Hotel B does. The key questions need to be clarified are the causes of the proportions in each hotel, which can be examined from the following aspects:

- Hotel Facilities & Service- Part 3
- Human Resources- Part 4
- Total Quality Management- Part 7
Part 2 ROOM CATEGORIES

The tariffs of Hotel, in general, according to room types are:

Hotel A > Hotel B > Hotel C

<table>
<thead>
<tr>
<th>Hotel Type</th>
<th>Hotel A</th>
<th>47.1sq.m</th>
<th>Hotel B</th>
<th>50.1sq.m</th>
<th>Hotel C</th>
<th>46.2sq.m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Room</td>
<td>NT$8,200-9,600</td>
<td>33.1sq.m</td>
<td>NT$7,000</td>
<td>N/A</td>
<td>NT$6,900-7,300</td>
<td></td>
</tr>
<tr>
<td>Superior Room</td>
<td>NT$8,800-10,800</td>
<td>49.6sq.m-59.5sq.m</td>
<td>NT$8,500</td>
<td>N/A</td>
<td>NT$7,600-8,600</td>
<td></td>
</tr>
<tr>
<td>Deluxe Suite</td>
<td>NT$9,400-12,600</td>
<td>59.5sq.m-82.6sq.m</td>
<td>NT$9,500-12,000</td>
<td>N/A</td>
<td>NT$9,700-13,000</td>
<td></td>
</tr>
<tr>
<td>Executive Suite</td>
<td>NT$18,700-24,200</td>
<td>132.2sq.m-188.4sq.m</td>
<td>NT$17,000-22,000</td>
<td>N/A</td>
<td>NT$23,000-86.7sq.m</td>
<td></td>
</tr>
<tr>
<td>Presidential Suite</td>
<td>NT$75,000</td>
<td>221.5sq.m</td>
<td>NT$36,000</td>
<td>N/A</td>
<td>NT$41,000-166.8sq.m</td>
<td></td>
</tr>
</tbody>
</table>

One pound is equal to 50 New Taiwan Dollars (1 £ = NT$ 50)

Table 4.2-1 Hotel tariff & size

Following is a comparison of tariff per sq.m in these hotels.

<table>
<thead>
<tr>
<th>Hotel Type</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room Type</td>
<td>Tariff per sq.m</td>
<td>Tariff per sq.m</td>
<td>Tariff per sq.m</td>
</tr>
<tr>
<td>Standard Room</td>
<td>NT$248-290</td>
<td>N/A</td>
<td>NT$149-158</td>
</tr>
<tr>
<td>Superior Room</td>
<td>NT$177-182</td>
<td>N/A</td>
<td>NT$150-152</td>
</tr>
<tr>
<td>Deluxe Suite</td>
<td>NT$153-158</td>
<td>N/A</td>
<td>NT$134-179</td>
</tr>
<tr>
<td>Executive Suite</td>
<td>NT$128-141</td>
<td>N/A</td>
<td>NT$265</td>
</tr>
<tr>
<td>Presidential Suite</td>
<td>NT$339</td>
<td>N/A</td>
<td>NT$246</td>
</tr>
</tbody>
</table>

Table 4.2-2: Comparison of tariff per sq. m
Comparison of tariff per sq.m in Hotel A & C

According to the table shows the tariffs that can range in different room types in individual hotel. Hotel A's most profitable room type is “Presidential Suite”, however, its least profitable one is “Executive Suite”. In contrary, Hotel C shows the most profitable room type is exactly “Executive Suite”. In addition, the range of tariff per sq. m indicates obvious diversities in Hotel A, while Hotel C presents an average in the former three room types.

The size of standard room in Hotel A is far smaller than those in Hotel C, besides, Hotel A still can set higher tariff than Hotel C. Furthermore, the significant differences in Hotel A and C are that Hotel A creates a luxurious presidential suite, which is in big scale and high profits; but for Hotel C, the room types are according two main categories- “standard, superior, deluxe suite (rooms under 72.6 sq. m)” and “executive, and presidential suite (rooms above 72.6 sq. m)”

Figure 4.2-1: Comparison of tariff per sq. m in Hotel A & C

<table>
<thead>
<tr>
<th>Room type</th>
<th>Hotel A</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Room</td>
<td>269</td>
<td>153.5</td>
</tr>
<tr>
<td>Superior Room</td>
<td>179.5</td>
<td>151</td>
</tr>
<tr>
<td>Deluxe Suite</td>
<td>155.5</td>
<td>156.5</td>
</tr>
<tr>
<td>Executive Suite</td>
<td>134.5</td>
<td>265</td>
</tr>
<tr>
<td>Presidential Suite</td>
<td>339</td>
<td>246</td>
</tr>
</tbody>
</table>
## Part 3 HOTEL’S FACILITIES

### Table 4.3-1 Hotel’s amenities

<table>
<thead>
<tr>
<th>AMENITIES</th>
<th>Hotel A Usage of Guests (rate from 1-5)</th>
<th>Hotel B Usage of Guests (rate from 1-5)</th>
<th>Hotel C Usage of Guests (rate from 1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individually controlled Air Condition</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Cable TV etc</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>On-command movies</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Radio</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>CD player</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Newspaper</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Fridge &amp; Mini bar</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Tea/ coffee making facilities</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>24-hour room service</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Wake-up</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Multi-line facilities (direct lines and private lines)</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Personalized direct telephone and facsimile lines</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>International PC modern plugs (ISDN)</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Bedside reading lights</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Hairdryers</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Audio in bathroom</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>In room safe</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Valet parking</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Dry Cleaning/ Laundering</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Medical Service</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Porterage</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Fleet service</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Shuttle service to airport/station</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Car parking</td>
<td>☀</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Shoeshine Service</td>
<td>None</td>
<td>0 1 2 3 4 5</td>
<td>None</td>
</tr>
</tbody>
</table>

○ Hotel A does provide the facilities but cannot rate the usage of guests.
The table shows a checklist of hotels, which indicates that Hotel B lacks of some facilities, but provides a special service—“shoeshine service” comparing with the other two hotels.

<table>
<thead>
<tr>
<th>RECREATION</th>
<th>Hotel A USAGE OF GUESTS (rate from 1-5)</th>
<th>Hotel B USAGE OF GUESTS (rate from 1-5)</th>
<th>Hotel C USAGE OF GUESTS (rate from 1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gymnasium</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Sauna</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Local Information Service/Travel Arrangement</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>FOOD &amp; DRINK</td>
<td>Hotel A (number)</td>
<td>Hotel B (number)</td>
<td>Hotel C (number)</td>
</tr>
<tr>
<td>Restaurants-Chinese &amp; Asian</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Restaurants-Western</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Restaurants-exclusive</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Lounge</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Bar, Pub</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Lounge: only provides drink &amp; dessert.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bar: open late after 22:00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONFERENCE &amp; FUNCTION ROOM</td>
<td>Business Centre Flexible usage</td>
<td>Business Centre Flexible usage</td>
<td>Business Centre Flexible usage</td>
</tr>
<tr>
<td></td>
<td>1500 persons</td>
<td>400 persons</td>
<td>N/A</td>
</tr>
<tr>
<td>SHOPPING &amp; STORE</td>
<td>Store</td>
<td>Boutique stores</td>
<td>Howard Plaza Boutique</td>
</tr>
</tbody>
</table>

Table 4.3-2 Hotel’s recreations

Hotel A and C do combine more recreations, while Hotel B due to a smaller scale does not comprise of swimming pool and “shopping & store”. Also the usage of customers shows that customers in Hotel B require less recreation activities than Hotel C.
Figure 4.3-1: Food & Drink in Hotel A & B & C

The figure indicates the numbers of restaurants in each hotel.
Hotel A (9) > Hotel C (8) > Hotel B (3)

- Market orientations- compares with service marketing segment. Part 5
  The styles of food in restaurants show cultural differences in each hotel.
  If I define lounge, bar & pub as western style, then the rate of Chinese and Western will be:

  Chinese: western
  Hotel A- 1 : 2
  Hotel B- 1 : 3
  Hotel C- 1 : 1
Part 4 ORGANIZATION MANAGEMENT SYSTEM

1. Organizational structure.

In general, there are five main sections in the full services hotels, according to the organizational structure of individual hotel. (Chapter 2.2.2)

1) Front of House: reception, front desk, concierge, reservation, etc.
2) Back of House: marketing and Sales, advertising, maintenance, controller, administration, account, and finance, security, human resource.
3) Housekeeping: linen division, room service, etc.
4) Food- and Beverage: restaurants, bars, lounge, coffee shop, etc.
5) Banquets and Recreation: Events for business centers or food and beverage, gyms, shopping & store etc.

The individual hotel organizational structure does not illustrate too much diversity; however, the management culture (e.g. roles & interactions, leadership, and power & influence etc.) can be told differently from the "Business affiliations" (chain operations).

First, Hotel A as a "franchise property" is operated separated in finance, but strongly in form of "reservation systems", "advertising", "operations management", and "management development". Hotel A as the franchisee pays fees for items such as "initial start-up", "rental of signs and other equipment", also use of the referral system of guest reservation, and global advertising. According to the interview, there are complete service standard "menu" from hotel group and all equipments & facilities will be updated after the instructions of its hotel group. The service is highly controlled by its hotel group to identity its "brand".

Second, Hotel B is original as a "Referral Property" in "The leading Hotels of the World", while it is also a prototype of "The Landis Management Company". The management culture of hotel B is more diverse and customer-orientated, this leads other "Management Contract Properties" show more flexible features in services and image design according to local climate. The most important aspects in Hotel B group emphasizes its "brand" as delicate service - small and luxury. The point for hotel B to operate a small scale is to deliver a "home-like" atmosphere.

Third, hotel C does not associate with any international affiliations to generate its

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46 Handy, Charles. [1993], Understanding Organization, Penguin Group.
“brand”. It is completely a “Company-owned Property” and duplicates its service standard and image in other properties. The group of hotel C consists a big scale of “Corporate Office”, which comprise six departments: “development”, “Purchasing”, “Human Resource”, “Sale & Marketing”, “Public Relation”, and “Engineering”. All departments are under the corporate owners.

2. The S.O.P (standard operation procedure) in each department.

<table>
<thead>
<tr>
<th>S.O.P</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own SOP</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Define SOP</td>
<td>Hotel Group</td>
<td>Each Dep.</td>
<td>Hotel Group</td>
</tr>
<tr>
<td>Frequency of changing SOP</td>
<td>1 year</td>
<td>Uncertain</td>
<td>1/2 year</td>
</tr>
</tbody>
</table>

Table 4.4-1 Hotel’s S.O.P

Next, the S.O.P in each hotel indicates more clear perspective of its operational management. Although these three hotels all own its S.O.P, yet Hotel A does not change the S.O.P until the “yearly menu” from its Hotel Group; accordingly, the adjustments of localization are open to department heads to meet competitive marketing, for example: designing restaurants.

In addition, Hotel B allows more flexibility to each department, which shows more creations inside organization. Thus in Hotel C, the hotel group highly controls SOP, while the SOP lasts shorter than the duration of Hotel A

3. The corporate coordination.

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>Daily</td>
<td>Daily</td>
<td>Monthly</td>
</tr>
<tr>
<td>Examination</td>
<td>Yearly Report</td>
<td>GM</td>
<td>GM</td>
</tr>
<tr>
<td>Coordination</td>
<td>Dep. Head</td>
<td>Dep. Head</td>
<td>Dep. Head</td>
</tr>
<tr>
<td>Culture</td>
<td>Task Culture</td>
<td>Power Culture</td>
<td>Role Culture</td>
</tr>
</tbody>
</table>

Table 4.4-2 Corporate coordination

The corporate coordination illustrates that Hotel A and B concern more dynamic influences inside hotels than Hotel C. According to the interview, Hotel A and Hotel B illustrate their meeting held every morning in order to realize the business booking and prepare for their guests.
In addition, Hotel A emphasizes the coordination between departments are open to each head, and the internal examination not only relies on GM but also from the hotel group. This can be assumed as a “task culture”, “the task culture is a job or project orientated. Its accompanying structure can be best represented as a net.”  

However, Hotel B and Hotel C stress the importance of GM to take more responsibilities. Thus Hotel B shows as a “power culture”, which depends on a central power source (that is the president Mr. Yen), with rays of power and influence spreading out from the central figure. Moreover, the organization depends on trust and empathy for its effectiveness”. According to Mr. Yen, Hotel B emphasizes the importance of management by all staff, which can be seen from the model of “The Landis Management Company”.

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Figure 4.4-1 The Landis Management Model

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Furthermore, Hotel C was center controlled by corporate owners and even center controlled its profits under the six departments in Corporate Office. It can be assumed as “role culture” which indicates the procedures for roles, communications, the rules for settlement of disputes. They are co-ordinated at the top of senior management.\textsuperscript{50}

4. The human resource in organizations.

<table>
<thead>
<tr>
<th>Human Resource</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Dep.</td>
<td>N/A</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Outsourcing</td>
<td>N/A</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Others</td>
<td>N/A</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
</tbody>
</table>

Table 4.4-3 Human resources in organizations

The comparison of human resource shows that Hotel C hires more outsourcing employee than Hotel C. According to the former comparison in part 1, Hotel C not only owns more staff in proportion but also more temporary employee.

Part 5 SERVICE MANAGEMENT SYSTEM

1. Service management policy from your hotel group.

<table>
<thead>
<tr>
<th>Service management policy</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>S.O.P © © ©</td>
<td>©</td>
<td>©</td>
<td>©</td>
</tr>
<tr>
<td>Corporate identity © © ©</td>
<td>©</td>
<td>©</td>
<td>©</td>
</tr>
<tr>
<td>Training program Individual</td>
<td>Individual</td>
<td>©</td>
<td>©</td>
</tr>
</tbody>
</table>

Table 4.5-1 Service management policy in hotel groups.

From this table, all hotels have strong corporate identity from its group, they all emphasize their own S.O.P. Beside Hotel A, the other two hotels also involve in their training programs.

2. The guests in your hotel.
   a. Guests’ origins.

<table>
<thead>
<tr>
<th>Origin</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Countries</td>
<td>60%</td>
<td>60%-70%</td>
<td>50%</td>
</tr>
<tr>
<td>Asia</td>
<td>20-30%</td>
<td>10-20%</td>
<td>35%</td>
</tr>
<tr>
<td>Local country</td>
<td>10-20%</td>
<td>10-20%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Table 4.5-2 Hotel guests’ origins

Figure 4.5-1 Origins of customers

In order to understand the marketing strategy of each hotel, it can be examined from their customers’ segment- who are the customers. In Hotel B, the marketing segment is strongly designed by customers from western countries (65%), however, Hotel C poses a higher rate of Asia customers (35%) and most of them are from Hong Kong and Japan; additionally, the western customers lodging in Hotel A are majority from...
American (U.S.A and Canada). Apparently, there are more European guests lodging in Hotel B.

Otherwise, it can been examined from the former Figure of “food and drink” that Hotel A and B more emphasize in Western styles food than Hotel C, which can also reflect the figure of “origins of customers”. For example, there are more local (15%) and Asia (35%) customers in Hotel C.

b & c & d. The purposes of guests.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>W</td>
<td>A</td>
<td>L</td>
</tr>
<tr>
<td>Lodging</td>
<td>The 80% of international guests lodge in Hotel A for business meeting purpose.</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Dinning</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Recreation</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Banqueting/ meeting</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Shopping</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 4.5-3 The purposes of guests

Figure 4.5-2 Purpose of guests

This figure is referred to the strategies of these hotels and shows very much
difference. Hotel A strongly believed that the major purposes of its lodging guests are meetings and banquets. Also the hotel provides the recreations (restaurants, gyms, shopping) for majority of local customers, which indicates the same intention of Hotel C. In Figure 4.5-2, the international guests do not enjoy dining, shopping, recreation as much as local guests in Hotel C.

In addition, Hotel B operates its hotel as “homelike”, it can be proven from the preferences of guests’ purposes in “dinning” and “recreation” that customers lodging in Hotel B enjoy more activities inside hotel than other two hotels.

3. Please explain the reservations of your guests in your hotel.

a. What are the sources of guests’ reservations in your hotel?

<table>
<thead>
<tr>
<th>Sources of reservations</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Clients (Business)</td>
<td>The majority of guests are individual travelers for meeting or conference.</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Group Travelers</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Pleasure Travelers</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Current Guests</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.5-4 Reservations systems in hotels

The table shows the tools of guests’ reservations, which illustrates that the marketing of these three hotels attract business travelers most. Also Hotel A does not have any specific resources of clients such as that Hotel B tries to attract more individual and group travelers and concerns of clients repeating more than other two hotels. According to the interview, the sources of guests in Hotel C are obtainable from its direct “sale & marketing” department of Corporate Office. There are lots of promotions in the Hotel C chain to encourage guests lodge in.

b. How do the guests know your hotel?

<table>
<thead>
<tr>
<th>Reservations</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>The 70-80% of guests know Hotel A through its Brand.</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Publications/ Magazines</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Travel agent</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Friends</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Hotel Brand</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
</tbody>
</table>
Table 4.5-5 How do the guests know the hotels

According to this table, Hotel A believes that their “brand loyalty” is very strong while Hotel B constantly use publications/magazines to intensify its brand and Hotel C seems to attract guests more through its location than brand. In addition, the travel agent play a more important role in Hotel B (3) than in Hotel C (2), however, Hotel A relies on its Hotel Group’s brand and advertisement a lot.

c. How do the guests book for lodging in your hotel?

<table>
<thead>
<tr>
<th>Reservations</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet/e-mail</td>
<td>The majority of guests book from internet “Global”</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Fax / post</td>
<td>guests book from internet</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Travel agent</td>
<td>internet “Global”</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Telephone</td>
<td>Distinction</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Others</td>
<td>System” (GDS)</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
</tbody>
</table>

Table 4.5-6 Reservations tools in hotels

This table illustrates that Hotel A relies on the GDS mostly to obtain their guests, while Hotel B holds many reservation systems, and Hotel C does not put attentions on the information systems especially internet. During the interview, Hotel C indicated that they relies on their marketing and sales department to sale their business mostly, consequently, the marketing scope remain more local than other hotels.

4. Please explain the procedure of guests’ flow.
   a. Please explain the procedure of guests’ checking-in.
   b. Please explain the procedure of guests’ checking-out.

   Hotel A and Hotel C illustrate that they own various procedures according to their guests. Part of the customized services are operated differently. For example, the VIP guests enjoy the direct checking-in their rooms, and uses the individual lift concerning of their privacy. Thus, in general, the guests of Hotel A and C have to wait in front of desk to check in.

   In Hotel B, it also operates customized service, but the front office clerks treat general guests the different way- there is no desk between guests and staff, the clerks provide guests seats and check in without the barriers and express intimacy from the first contact. The procedure of guests’ flow in Hotel B is fixed in the service concept of “small individual chain”.

59
c. How many entrances are there in your hotels?
d. Do you provide information help in each entrance?

<table>
<thead>
<tr>
<th>Information help</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrances</td>
<td>3</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Information desk</td>
<td>One entrance</td>
<td>One entrances</td>
<td>One entrance</td>
</tr>
<tr>
<td>Porter</td>
<td>One entrance</td>
<td>Both entrances</td>
<td>One entrance</td>
</tr>
<tr>
<td>Signage</td>
<td>All entrances</td>
<td>Both entrances</td>
<td>All entrances</td>
</tr>
<tr>
<td>Others</td>
<td>Brochure</td>
<td>Brochure</td>
<td>Brochure</td>
</tr>
</tbody>
</table>

Table 4.5-7 Information help in entrances

In this item shows that Hotel A and C do not control their entrances on Ground floor. On the other hand, Hotel B manages their guests’ flow more active than the others. According to their descriptions, almost all guests are recognized from their first arrival especially repeated guests. Moreover, they express their friendships by identifying individual’s name, personal details, and special requirements through their customer relationships management (CRM).
Part 6 SPACE MANAGEMENT SYSTEM

1. Do you have any space management policy from your hotel group? For example, space standards, capacities, arrangement, and color scheme.

<table>
<thead>
<tr>
<th>Space management policy</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel group standard</td>
<td>©</td>
<td>N/A</td>
<td>©</td>
</tr>
<tr>
<td>Space Image VS Brand</td>
<td>Medium</td>
<td>Slight</td>
<td>Strong</td>
</tr>
<tr>
<td>Decision</td>
<td>1/4 Hotel group, 3/4 Hotel owner</td>
<td>Individual owner</td>
<td>Hotel group</td>
</tr>
</tbody>
</table>

Table 4.6-1 Space Management Policy

According to Table 4.6-1, it describes the different perspectives of space management in these three hotels. Hotel A is a “franchised property”, and it follows the basic principal of its hotel group such as the criteria of rooms. Hotel A belongs to “Grand Hyatt” (700-900 rooms), then the concept of space comprises of “atrium lobby”, “grand image” etc. Even though the hotel controls the foundational elements of space (e.g. facilities, capacities), the space allocations and color scheme can be depended on individual owners.

Hotel B is owned as a “referral property”, while it also operates several “management contract” properties. First, the referral hotel group “The leading Hotels” emphasize its service intimacy and individualities, as a result, the hotel group does not provide specific standard of space. Consequently, “The Landis Management Company” illustrates its profit analytic and managerial help and encourages diversities within its contract hotels.

However, Hotel C is a “company-owned” property, it stresses in its Chinese style to tell from other hotel groups. The strong and identical style highlights the brand of its group as the reorganizations of the authentic of Chinese and tradition. The company owner made all decisions including space standards, capacities, arrangement, and color scheme. Moreover, all properties follow the prototype of “Howard Plaza Hotel, Taipei” and are determined by the preferences of the boss.

2. What department is in charge of the space management?

In Hotel A, the space management policy may come from either the hotel group (group standard) or occur from its hotel’s demand. While the space requires changes according to various reasons (e.g. marketing needs), the involved department heads
(e.g. restaurant, rooms, security, engineering, GM, marketing & sales) will come out a solution working with architect/ interior designer, and subcontract to construction company. In general, the engineering department is in charge of the maintenance of space, however, it may entail small scale of renovation projects.

Clearly, in Hotel B, the owner retains its Art Deco style and renovates to update its facilities and room amendment during 21 years. In order to maintain their business during the refurbishment, they chose various phases to complete the project. According to the interview, they indicate that the space management is controlled by the GM/ President, Thus there is an engineering department to take in charge of maintenances. The same as Hotel A, they subcontract project to design/ construction companies.

Lastly, Hotel C is underlined its space management by its owners. Although individual department reflects individual requirements of space changes, the demands have to go back to corporate owners. The “Corporate Office” comprises of a large scale of Engineering department, which takes in charge of all design/construction not only the maintenance but also plan/construct the new projects. Consequently, the engineering department works directly with the corporate owners.

3. After completion, is there any situation that you need to rearrange or refurbish some part of the hotel building? Please tick the following items:

<table>
<thead>
<tr>
<th>Space management policy</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foyer/lobby</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Reception/front office</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Corridors</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Guest rooms</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Toilets</td>
<td>☐</td>
<td></td>
<td>☐</td>
</tr>
<tr>
<td>Restaurants/bars</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Meeting rooms</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>GYM/Pool</td>
<td></td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Shops/stores</td>
<td></td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Back of office</td>
<td>☐</td>
<td></td>
<td>☐</td>
</tr>
<tr>
<td>Technology</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Finished work (painting, wallpaper, fabric)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 4.6-2 Parts need for rearrangement /refurbishment

In general, these three hotels all demonstrate that “guest rooms”, “restaurants/bars”, “meeting rooms”, “technology”, and “finished work” are the major parts of refurbishment.

4. Why do you need to rearrange or refurbish some part of the hotel building?

<table>
<thead>
<tr>
<th>Space policy</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service objective adjustment</td>
<td></td>
<td>⊘</td>
<td></td>
</tr>
<tr>
<td>Operational adjustment</td>
<td>⊘</td>
<td>⊘</td>
<td></td>
</tr>
<tr>
<td>Update Technology</td>
<td>⊘</td>
<td>⊘</td>
<td>⊘</td>
</tr>
<tr>
<td>Create new style</td>
<td>⊘</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renew fabric</td>
<td>⊘</td>
<td>⊘</td>
<td>⊘</td>
</tr>
<tr>
<td>Marketing needs</td>
<td>⊘</td>
<td></td>
<td>⊘</td>
</tr>
</tbody>
</table>

Table 4.6-3 The reasons for rearrangement /refurbishment

Table 4.6-3 shows that the common reasons of refurbishment among these three hotels are “update technology”, and “renew fabric”. Coincidentally, Hotel A and Hotel C emphasize that “marketing needs” is another purpose of renovation. However, Hotel B highlights the cause of “service objective adjustment” and “operational adjustment” as they continue reforming their service operations. As a result, in Hotel B, we can examine that the public areas (e.g. Foyer/lobby, front office, and corridor) need to change to meet the business scope, also the “back of house” has to modify according to the new way of service procedure.

In conclusion, we can find the different perspectives of space management in these three hotels. Hotel A considers space change because of marketing needs, additionally, the requirement of local market in Food & Drink. Hotel C seems to concern less image and creative space arrangements, but only update the fabric and technology according to market demands. Finally, Hotel B illustrate more service demands to arrange their space. Hotel B maintain the same image for 21 years, but keep modifying their service operations.
According to Kasper, *et al.*, there are service criteria of “Good Practice” in Taiwan for example, “polite”, “friendly”, “respect”, “feeling important”, and “competent/knowledgeable sales people”.

**Measuring the image of the firm.**

A popular technique to measure the image of a service firm is the semantic differential. Originally, this technique was developed in order to measure attitudes, adds more features such as “Fast/ slow”, “Large/small”, “Personal/ impersonal”.

The image of a service can be seen as an attitude, but more likely as the average of a number of customers with regard to particular service. Following is a comparison of these three hotels to indicate their service strengthens and weakness.

<table>
<thead>
<tr>
<th>Quality Management</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roles of department</td>
<td>Executive Each department</td>
<td>Personnel and training</td>
<td>Corporate Office</td>
</tr>
<tr>
<td>Brand image</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Polite</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Friendly</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Respect</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Feeling important</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Competent/ Knowledge Sales people</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Fast</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Large</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Personal</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
<td>0 1 2 3 4 5</td>
</tr>
</tbody>
</table>

Table 4.7-1 Measuring the image of the hotels

---


**Part 8 PROJECT MANAGEMENT SYSTEM**

<table>
<thead>
<tr>
<th>Roles of department</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive</td>
<td>Executive</td>
<td>Hotel management</td>
<td>Corporate Office</td>
</tr>
<tr>
<td>Sale/Marketing</td>
<td>Sale/Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room</td>
<td>Room</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>Food &amp; Beverage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering</td>
<td>Engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Manager</td>
<td>Out sourcing</td>
<td>In-house</td>
<td>In-house</td>
</tr>
<tr>
<td>Contractors</td>
<td>Out sourcing</td>
<td>Out sourcing</td>
<td>In-house</td>
</tr>
</tbody>
</table>

Table 4.8-1 Project management system

**Design/ professional team appointments**

According to the type of project, location, branding and complexity, there are major professional teams need to be appointed such as following:

<table>
<thead>
<tr>
<th>Service issue</th>
<th>Marketing issue</th>
<th>Physical issue</th>
<th>Environmental issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management company/ Hotel group</td>
<td>Quantity surveyor</td>
<td>Architect</td>
<td></td>
</tr>
<tr>
<td>Mechanical and electrical services engineer</td>
<td>Planning consultant</td>
<td>Interior designer</td>
<td></td>
</tr>
<tr>
<td>Traffic engineer</td>
<td>Structural engineer</td>
<td>Landscape architect</td>
<td>Historic buildings consultant</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Arborist (tree specialist)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Environmental engineer</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Acoustics engineer</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Kitchen planner</td>
</tr>
</tbody>
</table>

Table 4.8-2: Specialists need to be appointed

In Chapter 2, it describes the four main categories of project brief: “Objective of the development”, “budget”, “time”, and “quality”. Before the architect comments the design of the project there should be a detailed design brief setting out the requirements for the hospitality concept and its branding position, the facilities and the structure of the management team. The building team should undertake a value management exercise to establish whether all the elements included within the concept are viable in terms of their revenue production when compared with the
capital investment.53

The role of project manager does not necessarily come from exactly fields. In a theoretical definition, an effective project manager poses six traits 54: “problem-solving ability and results orientation”, “energy and initiative”, “self-assured leader”, “perspective”, “communication”, “negotiating ability”.

In practical, the role of project manager is pointed according to the hotel project. In Hotel A, the services completely followed the standard of its hotel group and the marketing survey was taken by the owner’s objectives. In short, the project of Hotel A has a clear brief to guide the processes so that the role of project manager was pointed by an out-sourcing role to coordinate the managers from service and design issues. And the project was simply a “building design” issue to point the specialists from the building design field; however, the service manager was the role to understand those standard from hotel group as “service features” operation. The project manager needed to control the service operations related to the physical environment and the main image to achieve the concept of its brand.

In Hotel B, the project was more uncertain than Hotel A. As Hotel B emphasized in delicate and diverse service and most the marketing segment are long-term customers, according to their “customer-oriented features” (Chapter 2.3.3) the service objective is more difficult than Hotel A to achieve and make sure that all staffs are capable of their own disposition. In contrary, the image of Hotel B unchanged for over years, and the hotel group did not provide any precise standard as business “formula” (process) but only a “quality” concept.

Finally, Hotel C is a company-owned property, all standard and image are highly controlled by corporate office. Also it used less outsourcing specialists to complete its project. Almost all works were done by the central Corporate Office, which included “marketing survey”, “S.O.P”, “site appraisal”, “financial appraisal”, and “design proposal”. The project indicated more “Management features”.

5. Conclusion

The purpose of this report is to examine, through the methodologies of literature review and interviews, how the perspectives of marketing, service, and physical environment are affecting the development of a hospitality project.

Marketing & Brand management

<table>
<thead>
<tr>
<th>Hotel</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property</td>
<td>Franchise</td>
<td>Referral</td>
<td>Company-owned</td>
</tr>
<tr>
<td>Star-rating</td>
<td>★★★★★</td>
<td>★★★★★</td>
<td>★★★★★</td>
</tr>
<tr>
<td>Tariff</td>
<td>Highest</td>
<td>Medium</td>
<td>Lowest</td>
</tr>
<tr>
<td>Brand &amp; Marketing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand</td>
<td>International Brand: Grand, quality</td>
<td>Small individual chain: intimacy service</td>
<td>Traditional Chinese chain</td>
</tr>
<tr>
<td>Marketing scope</td>
<td>Individual business traveler</td>
<td>Corporate, group, pleasure travelers</td>
<td>Corporate travelers</td>
</tr>
<tr>
<td>Guests’ origins</td>
<td>Western 60% Asia 20-30% Local 10-20%</td>
<td>Western 60-70% Asia 10-20% Local 10-20%</td>
<td>Western 50% Asia 35% Local 15%</td>
</tr>
<tr>
<td>Purpose of Guests</td>
<td>80% business travelers: meeting</td>
<td>All services</td>
<td>Lodging</td>
</tr>
<tr>
<td>Sources of reservations</td>
<td>Internet booking</td>
<td>Corporate clients, -5 Group travelers, -3 Pleasure travelers, -3 Current Guests, -2</td>
<td>Corporate Clients, -5 Group Travelers, -1 Pleasure Travelers, -1</td>
</tr>
<tr>
<td>Identified by guests</td>
<td>Brand</td>
<td>Internet-3 Publications-4 Travel agent-3 Friends-1 Location-1 Brand-4</td>
<td>Internet-1 Publications-1 Travel agent-2 Friends-2 Location-5 Brand-3</td>
</tr>
</tbody>
</table>

Table 5-1 Marketing & Brand Management (Part 1 & 5)

These three hotels show diversity in their scopes of “Marketing & Brand Management. Hotel A emphasizes that their brand is strong enough to attract their
customers; also their tariff is the highest. As a result, Hotel A indicates a successful "Brand Management". While the marketing strategy follows its Hotel Group, it could turn out of ignoring the local marketing. Mostly they depend on internet booking without strong customer relationship, it is easy to lose customers unconsciously.

Hotel B illustrates more intimacy and identifying individual guest. According to their customers’ history Hotel B represents more stable customer relationships (brand loyalty). Thus Hotel C lacks of strong brand identification, it relies on its large department of “Marketing & Sales” and it does not construct a well-established internet booking system, which shows weak potential of international marketing.

In contrary, Hotel C does pose a strong net of local marketing, which sales and promotes company-owned chain affiliations as a package. In the end, if the tourism marketing transfers from international to domestic perspective, then Hotel C will turn to be more competitive than Hotel A. However, Hotel B also develops other “management contract” properties, which combines both international and domestic marketing, and implements multiple strategies in various cities.

Service Operation Management

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service style</td>
<td>Standardized- Yearly menu</td>
<td>Homelike</td>
<td>Owner’s preferences</td>
</tr>
<tr>
<td>Customized service</td>
<td>Lowest</td>
<td>Highest</td>
<td>Medium</td>
</tr>
<tr>
<td>Number of employee</td>
<td>1063</td>
<td>300</td>
<td>1200</td>
</tr>
<tr>
<td>Rate of staff (per room)</td>
<td>1.33</td>
<td>1.5</td>
<td>1.98</td>
</tr>
<tr>
<td>Define S.O.P</td>
<td>Hotel Group</td>
<td>Each Dep.</td>
<td>Hotel Group</td>
</tr>
<tr>
<td>Frequency change S.O.P</td>
<td>1 year</td>
<td>Uncertain</td>
<td>1/2 year</td>
</tr>
<tr>
<td>Management Style</td>
<td>Task culture</td>
<td>Power culture</td>
<td>Role culture</td>
</tr>
<tr>
<td>Key feature of management</td>
<td>Hotel Group</td>
<td>All staff</td>
<td>Hotel Group</td>
</tr>
<tr>
<td>Meeting Frequency</td>
<td>Daily</td>
<td>Daily</td>
<td>Monthly</td>
</tr>
<tr>
<td>Training program</td>
<td>Hotel itself</td>
<td>Hotel Group</td>
<td>Hotel Group</td>
</tr>
<tr>
<td>Quality Management</td>
<td>Yearly Report</td>
<td>GM</td>
<td>GM</td>
</tr>
<tr>
<td>Importance of CRM</td>
<td>Lowest</td>
<td>Highest</td>
<td>Medium</td>
</tr>
</tbody>
</table>

Table 5-2 Service operation Management (Part 4 & 5 & 8)
Table 5-2 is a combination of the features within service operation management. The first consideration is the service style, which describes the image of each hotel. Hotel A holds a standardized service from Hotel Group, which can be easily controlled their service outcome. As it can be examined from the low rate of staff to make high profit of tariff. (Generally, it is confidential to obtain the real estimate of profit in each hotel, we only review the data of headcount and tariff in each hotel.) On the other hand, it focuses more attentions on service process and fewer considerations on individual customer (low customized service).

Consequently, Hotel B overcomes the service constrains within Hotel A. It encourages flexibilities and friendliness of their services. Hotel B does require more staff to operate their business and review service performances dynamically. Those considerations may refer to higher cost in management fee; but the emphasis of CRM can lead to foundational successes in the long term.

Furthermore, Hotel C comprises of high proportion of staff, which may be caused by the "role culture" of management style. Because the senior management level controls the internal communications between departments, it is difficult to reflect the low level of service outcome. As a result, Hotel C shows the highest rate of staff and also employs more temporary staff for their business operations. (Table 4.4-3)

In Part 8, we measure the service features in Table 4.7-1, which indicate the service quality varies in each hotel. Measuring the image of the hotels includes "brand image", "polite", "friendly", "respect", "feeling important", "competent knowledge sales people", "fast", "large", and "personal". It concludes that Hotel B as a member of "small individual chain", which indicates higher service quality. The service performance can be attributed from Chapter 2.3.2 that good service comprises of six criteria. Additionally, Hotel B is superior in the successes of "Attitudes and behaviour." and "Accessibility and flexibility" by identifying each guest's features.

It can be concluded that the "large international chain" hotels address the brand reputation to approach the guests that has less information about local industry. However, the "small individual chain" illustrates divers services and space image to attract certain customers. The marketing scope targets the conscious people looking for different ambiences and reject the homogeneity of some of the international hotel groups.
The components of physical environment are also important criteria in service business. These tangible objects can contribute to the experiences of customers' perceptions.

In Part 3, we find that the items of amenities do not indicate too many differences among the rooms in these three hotels. However, Hotel A and Hotel C are larger than Hotel B, these two hotels comprises more facilities than Hotel B proposes. In addition, according to different targets of markets, the food & drink section reflects the marketing orientation in each hotel. Hotel A and Hotel B attract more western customers, as a result they prepare more western types of consumption. (e.g. bar and pub).

In Part 6, we have found the same parts of consideration to refurbish physical environment such as “guest rooms”, “restaurants/bars”, “meeting rooms”, “technology”, and “finished work”. These descriptions can provide the general concerns of renovation in the “maintenance” stage of hospitality.

Finally, we can conclude the different systems of project cycles in these three hotels. Hotel A considers majority of the requirement of local market in Food & Drink. Thus Hotel B highlights the cause of service. As a result, in Hotel B, we can the continuous modifying small projects according to the new way of service procedure. Hotel C appears lacking of strategic project but only update the fabric and technology according to market demands.
Systems analysis:

Figure 5-1 Project Lifecycle - Hotel A
Big scale of renovation - 4 years (restaurants); Renew fabric in rooms - 2 years
Modify SOP - 1 year

Figure 5-2 Project Lifecycle - Hotel B
Big scale of renovation - uncertain; Renew fabric in rooms - 2 years
Modify SOP - uncertain

Figure 5-3 Project Lifecycle - Hotel C
Big scale of renovation - 8 years; Renew fabric in rooms - 2 years
Modify SOP - 1/2 year
Project management systems

Figure 5-4 Project specifications, briefs and proposals

Figure 5-4 consists of those elements achieving in a successful building project, which compose in different layers of structures such as “environment”, “market”, “company”, “project” and “design”. Those systems must be managed in an effective way to ensure that all the parameters are successful implemented in developing a hospitality project. These components include cost, time, quality, service design, space standards and area relationships. Figure 5-4 also indicates the interactions of various effects influencing the project.

The project system is to develop either operational requirements or area relationships, which need various experts to achieve the task. In the modern hospitality industry, developing properties need to be concepts and products refocused in three perspectives: “marketing”, “hotel core service”, and “building design”. (Figure 1.2-2) We found that there are different focuses of aspects in different hotel groups.

<table>
<thead>
<tr>
<th>Project Management</th>
<th>Hotel A</th>
<th>Hotel B</th>
<th>Hotel C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perspective</td>
<td>Building design</td>
<td>Service design</td>
<td>Local marketing design</td>
</tr>
</tbody>
</table>

Table 5-4 Project management perspectives

In short, the project of Hotel A has a clear brief to guide the processes and the project appears as a “building design” issue. The project manager needed to control the service operations (from hotel group) related to the physical environment and the main image to achieve the concept of its brand.

In Hotel B, it emphasizes in delicate and diverse service and targets long-term customers. However, the service objective is more difficult than Hotel A to achieve. The hotel group did not provide any precise standard as business “formula” (process) but only a “quality” concept.

Finally, Hotel C is a company-owned property, all standard and image are highly controlled by corporate office. The central Corporate Office takes in charge of “marketing survey”, “S.O.P”, “site appraisal”, “financial appraisal”, “design proposal” and “construction”. The project indicated more “marketing features”.

Generally speaking, each hotel chain has its own focus on developing hospitality project. The large international chain hotels (for instance Hotel A) own the competitive advantages of brand management and standardized service process. The
brand may bring plenty of international guests, however, the hotel chain may also lose the majority of customer resource when international marketing decreases.

In addition, the small individual chain hotels, for instance the chain of Hotel B, try applying the "mass customization" to come across the barriers of "mass production" in large international chain hotels. It is also inevitable that the international chain hotels may not duplicate their standards due to the variety of local cultures, then they may find difficult to approach local marketing. As a result, the large international chain hotels may lose their customers without knowing their special requirements and establishing local network.

To sum up, the corporate objective of market orientation implies "better, faster, and closer" services, which should continuously identify its customers' demand and its competitors. Likewise, the marketing of the "small individual chain" hotels offer "unique ambience", and "intimate attitude" which has individual atmosphere and the affinity between the staff and guests that cannot happen in a large hotel.

In the same way as the "large international chain", the "small individual chain" hotels share the same sales, marketing and reservations under each recognized brand name. They may associate as "referral" or "management contract" properties in order to be recognized by travelers especially by international guests. Moreover, the "small individual chain" hotels try to offer more customized service under individual brand names to ensure their service "quality".

In the 21st century, the concepts of hospitality development need a brand name, marketing segments, delivering customized service and diversity of building design. These innovative aspects can be implemented in any hospitality projects; the generic approaches can combine together to improve the small individual chain and large international chain hotels.
6. Appendix

From: Chen-Ping Chen
Tel: 886-(0) 2-25986736
Mobile: 886-(0) 931-477211

An Evaluation of Project Management Systems in Small Individual Chain and Large International Chain Hotels - through the Analysis of Marketing, Service, and Physical Environment Perspectives

Thank you for your time and help in completing data collection. This review of current practice is part of my dissertation and part of the MSc programme, The Bartlett School of Graduate Studies, University College London. Naturally, I undertake that no information will be divulged to parties outside the University without your consent.

Sincerely Yours,

Chen-Ping Chen
Part 1 HOTEL GENERAL INFORMATION

1. NAME OF HOTEL:

2. LOCATION:

3. NUMBER OF ROOMS:

4. STAR RATING:

5. YEARS FOR HOTEL: (AFTER COMPLETION)

6. PERIOD OF DESIGN TO BUILDING: (PRE-CONSTRUCTION TO HANDOVER)
## Part 2 ROOM CATEGORIES

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Room description</th>
<th>Room size</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Executive) Single rooms</td>
<td>One double bed</td>
</tr>
<tr>
<td></td>
<td>(Executive) King rooms</td>
<td>King size bed</td>
</tr>
<tr>
<td></td>
<td>(Executive) Twin rooms</td>
<td>Two double beds in room</td>
</tr>
<tr>
<td></td>
<td>Queen Duplex Suites</td>
<td>Split level suite- queen size bed upstairs, sofa bed downstairs</td>
</tr>
<tr>
<td></td>
<td>King Suites</td>
<td>Split level suite- king size bed upstairs, sofa bed downstairs</td>
</tr>
<tr>
<td></td>
<td>Twin Suites</td>
<td>Split level suite- two double beds upstairs, sofa bed downstairs</td>
</tr>
<tr>
<td></td>
<td>Studio</td>
<td>Split level suite-One double bed, kitchen, working area</td>
</tr>
<tr>
<td></td>
<td>Flat</td>
<td>One double bed, kitchen, living room</td>
</tr>
<tr>
<td>Others:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Part 3 HOTEL’S FACILITIES

<table>
<thead>
<tr>
<th>AMENITIES</th>
<th>TICK</th>
<th>USAGE OF GUESTS (rate from 1-5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individually controlled Air Condition</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Cable TV etc</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>On-command movies</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Radio</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>CD player</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Newspaper</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Fridge &amp; Mini bar</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Tea/ coffee making facilities</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>24-hour room service</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Wake-up</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Multi-line facilities (direct lines and private lines)</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Personalized direct telephone and facsimile lines</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>International PC modern plugs (ISDN)</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Bedside reading lights</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Hairdryers</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Audio in bathroom</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>In room safe</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Valet parking</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Dry Cleaning/ Laundering</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Medical Service</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Porterage</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Fleet service</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Shuttle service to airport/station</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>Car parking</td>
<td>0 1 2 3 4 5</td>
<td></td>
</tr>
<tr>
<td>OTHERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RECREATION</td>
<td>TICK &amp; SIZE</td>
<td>USAGE OF GUESTS (rate from 0-5)</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Gymnasium</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Sauna</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Local Information Service/ Travel</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Arrangement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OTHERS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FOOD &amp; DRINK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurants</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Restaurants</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Restaurants</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Restaurants</td>
<td></td>
<td>0 1 2 3 4 5</td>
</tr>
<tr>
<td>Bar, Pub</td>
<td></td>
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Part 4 ORGANIZATION MANAGEMENT SYSTEMS

1. Please explain your organizational structure.
   a. How many departments are there in your hotel?
   b. How many people are there in each department?

2. Please explain the S.O.P (standard operation procedure) in each department.
   a. In each department, does it have its own S.O.P
   b. How do you define the S.O.P?
      □ __________ department
      □ __________ department
      □ Consultancy
      □ each department
      □ others

3. Please explain the corporate coordination.
   a. How often do you have meetings to understand the current operation situation in each department?
   b. Who is in charge of the examination of each department?
   c. Who is in charge of the coordination of each department?

4. Please explain the human resource in your organization.
   a. How do you get people in your organization?
      □ HR department 0 1 2 3 4 5
      □ Out sourcing 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
      Do you employ temporary staff?
      □ Weekly 0 1 2 3 4 5
      □ Monthly 0 1 2 3 4 5
      □ Yearly 0 1 2 3 4 5
      □ Occasionally 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
      □ Never
Part 5 SERVICE MANAGEMENT SYSTEM

1. Do you have any service management policy from your hotel group? For example, S.O.P. (standard operation procedure), corporate identity, and training programme.
   a. □ Yes, please describe the policy of service management from your hotel group.
   b. □ No, the S.O.P. is defined by the specific operations of the hotel.

2. Please explain the guests in your hotel.
   a. Who are the guests in your hotel?
      □ International 0 1 2 3 4 5
      □ Local 0 1 2 3 4 5
      □ Other cities 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
   b. If your guests are international, what are the purposes of your guests in your hotel?
      □ Lodging 0 1 2 3 4 5
      □ Dinning 0 1 2 3 4 5
      □ Recreation 0 1 2 3 4 5
      □ Banqueting/meeting 0 1 2 3 4 5
      □ Shopping 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
   c. If your guests are the citizens in the city, what are the purposes of your guests in your hotel?
      □ Lodging 0 1 2 3 4 5
      □ Dinning 0 1 2 3 4 5
      □ Recreation 0 1 2 3 4 5
      □ Banqueting/meeting 0 1 2 3 4 5
      □ Shopping 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
   d. If your guests are from other cities in the country, what are the purposes of your guests in your hotel?
      □ Lodging 0 1 2 3 4 5
      □ Dinning 0 1 2 3 4 5
      □ Recreation 0 1 2 3 4 5
      □ Banqueting/meeting 0 1 2 3 4 5
3. Please explain the reservations of your guests in your hotel.
   a. What are the sources of guests’ reservations in your hotel?
      □ Corporate Clients (Business) 0 1 2 3 4 5
      □ Group Travelers 0 1 2 3 4 5
      □ Pleasure Travelers 0 1 2 3 4 5
      □ Current Guests 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
   b. How do the guests know your hotel?
      □ Internet 0 1 2 3 4 5
      □ Publications/ Magazines 0 1 2 3 4 5
      □ Travel agent 0 1 2 3 4 5
      □ Friends 0 1 2 3 4 5
      □ Location 0 1 2 3 4 5
      □ Hotel Brand 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
   c. How do the guests book for lodging in your hotel?
      □ Internet/e-mail 0 1 2 3 4 5
      □ Fax / post 0 1 2 3 4 5
      □ Travel agent 0 1 2 3 4 5
      □ Telephone 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5

4. Please explain the procedure of guests’ flow.
   c. Please explain the procedure of guests’ checking-in.

   b. Please explain the procedure of guests’ checking-out.

   b. How many entrances are there in your hotels?

   c. Do you provide information help in each entrance?
      □ Information desk 0 1 2 3 4 5
      □ Porter 0 1 2 3 4 5
      □ Signage 0 1 2 3 4 5
      □ None 0 1 2 3 4 5
      □ Others 0 1 2 3 4 5
Part 6 SPACE MANAGEMENT SYSTEM

1. Do you have any space management policy from your hotel group? For example, space standards, capacities, arrangement, and color scheme.
   a. □ Yes, please describe the policy of space management.

   b. □ No

2. What department is in charge of the space management?

3. After completion, is there any situation that you need to rearrange or refurbish some part of the hotel building? Please tick the following items:
   □ Foyer/lobby
   □ Reception/front office
   □ Corridors
   □ Guest rooms
   □ Toilets
   □ Restaurants/bars
   □ Meeting rooms
   □ GYM/Pool
   □ Shops/stores
   □ Back of office
   □ Technology
   □ Finished work (painting, wallpaper, fabric)
   □ Others
   □ None

4. Why do you need to rearrange or refurbish some part of the hotel building?
   □ Service objective adjustment
   □ Operational adjustment
   □ Update Technology
   □ Create new style
   □ Renew fabric
   □ Others
   □ None
Part 7 QUALITY MANAGEMENT SYSTEM

1. Do you have any quality management system in your hotel? For example, service standards, operations, and quality examination.
   a. □ Yes, from the hotel group. Please describe the system of quality management.

   ________________________________

   b. □ Yes, from the hotel itself. Please describe the system of quality management.

   ________________________________

   c. □ No

2. Do you have any systems to understand the guests’ satisfaction and expectations?
   a. □ Yes, the internal systems of quality management.

   ________________________________

   b. □ Yes, the outsourcing consultancy survey.

   ________________________________

   c. □ No

3. Do you use questionnaires to understand customers’ responses?
   a. □ Yes, every customer. Where do you put the questionnaires?

   ________________________________

   b. □ Yes, if customers request.

   ________________________________

   c. □ Yes, regularly. Please specify the cycle

   ________________________________

   d. □ Others

   ________________________________

   e. □ No

4. Please choose the aspects you emphasize in your questionnaires.
   a. □ Room service 0 1 2 3 4 5
   b. □ Staff attitude 0 1 2 3 4 5
   c. □ Facilities 0 1 2 3 4 5
   d. □ Image & Ambience 0 1 2 3 4 5
   e. □ Others 0 1 2 3 4 5
5. What aspects do you improve from the questionnaires?
   a. □ Room service  0 1 2 3 4 5
   b. □ Staff attitude  0 1 2 3 4 5
   c. □ Facilities  0 1 2 3 4 5
   d. □ Image & Ambience  0 1 2 3 4 5
   e. □ Others __________  0 1 2 3 4 5

6. Please tick the priority aspect of customers’ satisfactions you get from questionnaires.
   a. □ Room service  0 1 2 3 4 5
   b. □ Staff attitude  0 1 2 3 4 5
   c. □ Facilities  0 1 2 3 4 5
   d. □ Image & Ambience  0 1 2 3 4 5
   e. □ Others __________  0 1 2 3 4 5

7. Do you agree that using questionnaires can help your service quality?
   a. □ Yes.  0 1 2 3 4 5
   b. □ Not at all

8. Which department is in charge of the service quality?

9. Do you use any benchmarking system or evaluation system to improve your service getting better than before or than other competitors?
Part 8 PROJECT MANAGEMENT SYSTEM

1. Please explain your project team structure.
   a. How many roles are there in your project?

   b. Who is the project manager?
      a. □  In-house resource
      b. □  Out sourcing
      e. □  Others

2. Please tick the aspects that need to be solved by your project team?
   a. □  Identify objectives/marketing
   b. □  Establish operation systems
   c. □  Define services & facilities
   d. □  Create Image & Style
   e. □  Appoint advisers
   f. □  Liaise with users
   g. □  Arrange funding
   h. □  Analyze risk
   i. □  Appraise location
   j. □  Risk analysis
   k. □  Utilize appropriate contract
   l. □  Monitor progress and costs
   m. □  Review and collate post-project data
   n. □  Others

3. Please tick the stages while the members of project team are selected.
   a. □  Preliminary concept
   b. □  Market study
   c. □  Financial evaluation
   d. □  Implement plan
   e. □  Design brief
   f. □  Detailed design and planning
   g. □  Build to operate
   h. □  Operation
   i. □  Maintenance
   j. □  Others
4. Please explain the length of each stage in your project.
   a. □ Preliminary concept ___________________
   b. □ Market study _________________________
   c. □ Financial evaluation ___________________
   d. □ Implement plan _______________________
   e. □ Design brief __________________________
   f. □ Detailed design and planning ___________
   g. □ Build to operate _______________________
   h. □ Others __________

5. What are the aspects influencing your project?
   a. □ Time 0 1 2 3 4 5
   b. □ Budget 0 1 2 3 4 5
   c. □ Quality 0 1 2 3 4 5
   d. □ Flexibility 0 1 2 3 4 5
   e. □ Risk 0 1 2 3 4 5
   f. □ Responsibility 0 1 2 3 4 5
   g. □ Others 0 1 2 3 4 5

6. After completion, who are the roles of specialists if you need advices to start a
new project?
   a. □ Chartered surveyor 0 1 2 3 4 5
   b. □ Architect 0 1 2 3 4 5
   c. □ Specialist engineer 0 1 2 3 4 5
   d. □ Project manager 0 1 2 3 4 5
   e. □ Services engineer 0 1 2 3 4 5
   f. □ Contractor 0 1 2 3 4 5
   g. □ Others 0 1 2 3 4 5

7. What do you expect the lifecycle of your hotel project?
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