



What should we be teaching in Hotel Schools in this the first year of the new Millennium? David McCaskey MHCIMA from the Centre for Management Studies at Colchester Institute strongly endorses a return to the basic 'Three Rs' of business school education where the alternative alliteration would now read Repeat, Referral, Recommendation.

Fundamental to any service is the promise to deliver. When the experience we provide and continue to provide fulfils that promise, we engender trust.

This is essential to the development of a long term relationship leading in turn to customer loyalty. Central to this is 'the experience'; the various components of which will be analysed and evaluated here.

The latest research from the Henley Centre 'Planning for Consumer Change' (Nov '99) exposes a loss of faith in many long established brands, the disappearance of the inert consumer and the emergence of the Active Truster consumer "who forms strong attachments to innovative consumer brands but is sceptical of institutions. They are outspoken and will actively promote or disparage brands based on their user experience." They are also far more likely to trust new brands that win their mind-space and which, through innovation, continue to meet their increasing expectations and always deliver the brand promise. Paul Edwards CEO of the Henley Centre identifies the essence of consumer change thus: "Brands and businesses can no longer tell consumers what is good for them. Businesses are in a new type of

REPEAT, REFERRAL,

consumer relationship, a contract between informed, consenting adults."

It is this consistent delivery of the promise made through the experience provided which is crucial to the achievement of the 3Rs:

Repeat: I have confidence in and will continue to buy and rebuy your brand of hospitality;

Referral: I will happily buy your brand anywhere in the world and should you develop brand extensions your certification is sufficient to give me conviction to purchase on trial your new products and services.

Recommendation: my inherent trust in your brand, inculcated through continued good user experiences has made me an advocate for your brand, a loyal customer who will always speak up for you. Of course, failure to deliver the promise through the provision of a bad experience will incur my wrath in the form of the 3Ns - No, Nay, Never will I cross your threshold, No Never No more. Yours will be the hotel brand I used to frequent and on every possible future occasion it will be condemned through my advice "I'll certainly

"Failure to deliver will incur my wrath in the form of the 3 Ns: No, Nay, Never"

tell you where not to stay!"

As the nature of the experience provided is so evidently at the crux of business success in the Hospitality Industry (as in all service industries including education) and, many of our HND and Degree students will have significant operational responsibility for its delivery in their first management positions following graduation, it is for this reason that the return to the basic 3Rs in Hotel Schools is strongly endorsed in this article.

Case in point

To provide a framework for analysis of the experience, the following models and concepts will be used :- The extended marketing mix with its extra 3Ps - People, Process and Physical Evidence and those well-established characteristics which separate prod-

ucts from services - Intangibility, Inseparability, Heterogeneity and Perishability. will be examined

People.

Here we are concerned with the interaction between our staff who provide the experience and our customers who partake of the experience. In terms of staff we should consider such issues as autonomy, training, commitment, appearance, attitude, incentives, fulfilment. When employees are unhappy, the creation of customer contentment takes a back seat, we can lose our best people and in the worst possible case, we end up with only demotivated people who can't find jobs elsewhere. Have we created a working environment of partnership and ownership in which our staff can take pride and pleasure which in turn may be extended to our customers whose behaviour and involvement will enhance the experiential outcome for all?

That wonderful series of double page spread Marriott advertisements "Now that's what we call Empowerment" were successfully designed to introduce an understanding of the brand to UK audiences, aimed at both internal and external stakeholders. In the late seventies, Forte's first foray in TV advertising initially with "The Biggest

Smile in Europe" followed by the enigmatic "That Certain Smile", demonstrated an understanding of the significance of this contact, but this could not be delivered as many of the staff preconditions were not present. The equally inept BR "Let The Train Take The Strain" was out around the same time when it was (is still?) taking the train which inevitably created the strain.

There can be no doubt as to the absolute importance of people interaction; it can be a major source of both satisfaction and dissatisfaction. How can we best manage this? As managers, our leadership, exemplary behaviour and commitment to the 3Rs mission can inspire.

Process.

Best summed up as are our systems user

RECOMMENDATION

friendly? Frustration free? How easy is it to book, to check in, to check out. Again an example from Marriott Hotels will illustrate. Their research showed that the first ten minutes of a guest's stay determined whether the customer would expect the rest of the stay to be enjoyable and their likelihood of returning or not. For many of us, the first two minutes would be sufficient (some say 30 seconds is enough). Using their guest database Marriott developed a First Ten programme which greatly facilitated the check in process. Follow up research showed how well this was received and thus a seamless check in was introduced to all of their hotels. In our cash rich, time poor society, taking the stultifying bureaucracy out of the process for travellers is a main consideration to provider and user alike.

Physical Evidence.

This includes all those tangible aspects of our offering which can be seen, heard, touched, tasted, felt or sensed. It starts with our advertising, moves on to observing our exterior and on into an examination of our interior. From the very architecture to the minutiae of a crumb on the floor, this can be best summed up as the WOW factor. Sadly my students don't often come across places which make them go WOW. Too many are lack lustre, fatigued, curled up at the edges places which, if given a spring clean and a bit of TLC, could be restored to excite and delight the visitor. What is important is that the student is able to analyse what contributes to or detracts from the encounter.

Intangibility.

This is the most distinguishing characteristic which separates product from service. A service is an experience, a performance. As managers we orchestrate a range of tangibles and intangibles to create an atmosphere, we know when there is a buzz and equally when it is flat. Services are most often subjectively judged based on the set of expectations and perceptions which are used to evaluate the experience

and which inform an opinion. Hospitality services may be regarded as a chore e.g. staying on business, or as an entertainment e.g. the wedding, the honeymoon. The risk in purchasing is often high. Strong brand images may be developed to assure the consumer as Richard Teare (1996) states "These may engender a positive attitude thus resolving some of the risk and anxiety of purchase."

"Services cannot be stored. Unsold rooms represent a perished opportunity"

Inseparability.

This is the customer's involvement and active participation in the delivery and consumption of the service, which is a major component of the experience. Two television advertisements captured this element well, Forte Travelodge depicted the business stayer arriving with his energy battery almost depleted. Through the period of his stay, check in, bath, dinner, sleep, breakfast and check out, we witnessed his gradual restoration to becoming fully charged up, ready for the next day's business. Swallow Hotel's 'stripper', peeling off his business suit as he walks through the hotel and diving into the swimming pool, embodied the work, rest and play potential of a stay in their hotels.

Heterogeneity.

No two performances can ever be the same. The potential for variability in the experience delivered is something which taxes all managers. The concept of brand Gestalt, i.e. a perceived organised whole or that the outcome is more than the sum of all its parts, can be usefully applied here. Through deconstruction and perfecting each of the components it becomes possible to guarantee a very good time where occasional underperformance in one or two factors still gives tolerable variation. However, in most cases an excellence time will be the norm. In turn this level of consistent service delivery differentiates a brand from much of the mediocrity that prevails. Inevitably a brand which takes

this approach will have built in flexibility and have in place contingency plans to be triggered where circumstances outside its control cause service malfunction thus ensuring that service recovery is both effective and efficient.

Perishability.

A fundamental source of difference, services cannot be stored. Unsold rooms tonight or unoccupied covers for tonight's dinner, represent a perished opportunity, now past their sell by date and time. Demand from our different market segments is variable. Thus in order to maximise the use of resources, hotels and pub/restaurants have had to develop chameleon type qualities changing for example the lighting, the tempo, the beat throughout the hours of operation, creating an alternating ambience to meet the differing customer needs exemplified by the changes required in hotels to meet the very different needs of the weekday corporate guest to those of the weekend bargain breaker.

Conclusion.

The emergent prosumer (an educated professional consumer) has developed the expectation that service delivery will consistently match the promise made. Through this he will engender trust on which a long term relationship may be built which may eventually convert to loyalty.

Increasingly we witness audiences, which we accommodate via traditional segmentation, segmentation methods further fragment with the unique and different requirements of each individual coming to the fore. This meeting of individual needs is implicit in the promise etched in stone at the Beverly Wiltshire Hotel "Mea Casa Est Sua Casa", (my house is your home).

It is for these reasons that the teaching of the analytical and critical evaluation techniques imbued in the 3Rs approach is strongly endorsed here at Colchester Institute and why, on both our Degree and HND courses, the study of Consumer Behaviour is a core final year subject of, at very least, equal standing to those other essentials of strategy, human resource management and finance. Francis Buttle (1986) captured this need best when he declared, "The more we know about the who, the what, the where, the when, the why and the how of consumer behaviour, then the probability of marketing success is enhanced."