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Saimaa University of Applied Sciences Tourism and Hospitality Imatra Degree Program in Hotel, Restaurant and Tourism Management
Viktoriia Vargina
How to Improve Hotel Service? Case: Leinon Apartments
Thesis report 2019

#### **Abstract**

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How to Improve Hotel Service? Case: Leinon Apartments
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Saimaa University of Applied Sciences
Faculty of Tourism and Hospitality, Imatra
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Customers' feedback is of the most important factors in getting success in every business, because customers are the main source of profit creation. No matter, if customers are satisfied or dissatisfied, their feedbacks are important to develop any kind of customer service. The main purpose of the thesis was to find out what customer service should be, what services are the most needed and customers' opinions about already existing services in hotel Leinon Apartments. In this way, research was aimed to expand the feedback system, which is provided by Booking.com Company, and was intended to find customers' satisfactions and dissatisfactions.

The information needed for the theoretical part of the thesis was gathered from the literature, the Internet, author's personal expertise, and interviewing Salpa's hotel manager, as this information was used as comparison aspect. Also, the feedback was collected during three months and analyzed for getting more information to understand customers' needs.

The interview and feedback showed that majority of customers were satisfied with both places being situated in the fresh air, near lake, and there is possibility to go fishing. However, some customers were not satisfied, and they did not explain it.

Keywords: customer satisfaction, feedback, semi-structured interview

# **Table of Contents**

1 Introduction	4
1.1 Object of the study	4
1.2 Aim and delimitation	
2 Tourism and Hospitality	5
2.1 Definition of Tourism	
2.2 Definition of the hospitality	
2.3 Why is customer satisfaction important?	
2.4 If customer is satisfied, he buys more and often	
3 Service quality and the role of the customer	
3.1 What is quality?	
3.2 Service quality and official quality standards	
3.3 Five techniques to implement superior service quality	
3.5 The role of consumer. Customers' satisfaction and dissatisfaction	
4 Research methods	
4.1 Benchmarking	15
4.2 Types of benchmarking	
4.3 Data collection and qualitative research method	17
5 Empirical study	
5.1 Leinon Apartments	18
5.2 Services offered	18
5.3 Salpa hoteli: comparing hotel for making analysis of hotel services	19
6 Research findings	20
6.1 Analysis of interview with manager (Salpa Hotelli)	20
6.2 Analysis of interview with manager (Leinon Apartments)	21
6.3 Customers' feedback: Leinon Apartments	
6.4 Feedback analysis	29
7 Conclusions and recommendations	31
Figures	33
Tables	34
List of references	35

Appendices
Appendix 1. The semi-structured questions

#### 1 Introduction

The subject of the thesis is "How to improve hotel service?". The theme was chosen, because a hotel in Ylämaa area needs to develop hotel service to attract new potential customers and try keep it as popular as it was several years ago. The theme is actual nowadays, as Russian customers often visit Finland. They are interested in staying in the hotel, which is situated near the lake during the weekends. Sometimes a big hotel chain or some small family hotel attracts them. It depends on customers' wishes.

For the thesis report, the author decided to write about benchmarking, due to possibility of analyzing what kind of services should be improved in the hotel business, how to attract new customers.

This analysis can show strengths, weaknesses and future threats of the place, give opportunities for developing the service in the best way for attracting new potential customers.

#### 1.1 Object of the study

The theme was chosen, as the situation in tourism sphere has changed during the last 4 years and the idea arose to research and find information on how to develop customer service according to customers' feedback. It might be useful for developing other business aspects, offer new types of services for the hotel services. The reason of choosing this topic is to develop hotel business introducing ideas of developing hotel services according to customers' feedback, so that tourists know better about hotel services.

As for the research, one hotel was chosen that is operating on providing accommodation to the customers – Leinon Apartments. It is a family hotel, which was opened in summer 2014. During that year, this place was popular among

tourists, but unfortunately after the crisis in Russia and in the whole Europe the situation changed. It started at the end of 2014, there was a situation in the Ukraine, Crimea wanted to be separate from it and all politians had thoughts that it was Russians' fault. After those situations, European Union published sanctions against Russia, and as a result, Russia made the same actions to all countries that are in it. As Finland is in EU, the situation became difficult. Subsequently, Leinon Apartments started losing customers. In addition, it might caused by not well-organized marketing, less advertising and using less social media, less service.

#### 1.2 Aim and delimitation

The main aim of thesis is to develop hotel services in Leinon Apartments, in order to attract more potential customers. As during last few years, the occupancy was on the lowest level, consequently, there were no sales revenues at all. After it, the hotel owner had to make the decision of closing the hotel for a while, as it was not popular among tourists. That is why company has to develop new services, so the business will be profitable in the future. It may give a chance to become more noticeable in social media.

The delimitations of this project are to concentrate on involving new hotel services and possibilities. After gathering and analyzing customers' feedbacks, the author can make conclusions and give recommendations to the hotel owner.

## 2 Tourism and Hospitality

The researcher attentively chose the theory relevant to the research topic as it has big impact on the quality of research's outcomes. The information that was gathered was carefully reviewed and summarized in the following theoretical part of the thesis project.

#### 2.1 Definition of Tourism

Tourism is the study of people's habits; this is industry that responds to customer needs, wishes and expectations (Baum 2006, p.20).

Tourism is an industry providing services to traveler, from transportation to accommodation to entertainment and ancillary services such as currency exchange (World Travel and Tourism Council).

This industry is one of the largest in the world, as it gives many possibilities to people to travel all over the world. There are many different types of tourism, for instance, leisure tourism, business tourism, study tourism, health tourism. However, the main types are still leisure and business tourisms. (Davidson, 1993, p.10).

Mostly people prefer to travel for spending the holidays during summer or winter, sometimes, the purpose of leisure tourism is visiting friends and relatives during holidays. Moreover, it has become popular to go for an event, for instance, a concert of rock group. (Davidson 1993, p.10)

A business tourism is mostly common for businessmen, who need to make new deals with other companies, go for conference or conventions. Why it is popular? People travel like this, because it is good a possibility to make good contacts in every country, using business issues. Currently, maybe it is better to develop business tourism, so the situation could become better in the world. (Davidson 1993, p.13)

## 2.2 Definition of the hospitality

When we hear the word hospitality, we have already had thoughts about the meaning of it: it is hotels, services, and responsibility. According to the Oxford English Dictionary, hospitality means the reception and entertainment of guests, visitors or strangers with the liberality and good will (Powers 1995, p. 4).

There are other definitions of hospitality:

According to Tideman (Powers 1995), hospitality is the method of production by which the needs of proposed guest are satisfied to the utmost, that means a supply

of goods and services in a quantity, and quality that is acceptable to him so that he feels the product is worth the price.

In Casse opinion, a harmonious mixture of tangible and intangible components – food, beverages, beds, ambience and environment, and behavior of staff.

Different definitions can show that the main things are customers, service and customer satisfaction.

All managers, supervisors and well-skilled staff members as well have to think about hospitality as industry, because they need to think about their customers, about their wishes (Powers 1995, p.10).

Hospitality is showing the service to the guest: how to welcome customers, the relation of the employees to the work responsibility, appearance, different kind of facilities and amenities, for example food and beverages. In addition, it can be meeting and conference rooms, if hotel has business travelers. Most of these facilities are common in big hotel chain. However, if we talk about a small family business, what services do they usually have? These are accommodation, maybe breakfast included, leisure facilities, for example sauna. If the hotel is situated near the lake, there might be possibility of fishing. More, during summer time customers are interested in bicycling, as it is sport, possibility to enjoy the environment, organising barbeque near the lake, but of course, the territory must be available for customers, so it is not somebody's property. (Powers 1995, p.11)

## 2.3 Why is customer satisfaction is important?

Customer satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers or percentage of total customers, whose reported experience with a firm, its products,

or its services exceeds specified satisfaction goals (Farris, Bendle, Pfeifer & Reibstein 2010).

Why do companies need to know about customer satisfaction and dissatisfaction? Why are customers' feedbacks important? Usually, it shows the advantages and disadvantages of the company and it may reflect on the success in the future. Customers' feedback give possibility to make changes in company's service, CRM system, in the work staff, develop new ideas, if owners have them after all.

According to Ryan, usually researchers seeking to understand the phenomenon of tourism typically use satisfaction as a dependent variable linked to travelers' experience of sites, their activities and their social contexts.

When hotel or restaurant want to find about the customer satisfaction or dissatisfaction, the managers usually use feedback and propose book, in which customers can write their opinions about the staff members, service, and staff behavior. Usually, it is common in the restaurant. As for the hotels, now it is more common to use Booking.com feedback system or TripAdvisor, as it is convenient and useful.

Anyway, satisfaction is certainly a commonly used outcome measure in tourist behavior research (Pearce p.165). As an example, there might be situation that the hotel offers high quality of services. During some period customers have gotten the pleasure of staying in this place, they are satisfied, however, even in five star hotels customers can find something that they did not get from the hotel service.

Customer satisfaction is important to the success of hospitality business. If customer experiences low service quality or poor customer service, he may not come next time and will not advise anybody to visit this kind of place. As a result, it will harm the hotel reputation - a word-of-mouth recommendation will be negative (Bowie, Buttle, Brookes & Mariussen 2017, p. 331).

The word-of-mouth recommendation from satisfied customer is simply the most costeffective form of customer acquisition. When friends tell that a hotel has an excellent customer service, good price, cleanliness, the customer will consider following that word-of-mouth recommendation (Bowie, Buttle, Brookes & Mariussen 2017, p. 332).

## 2.4 If customer satisfied, he buys more and often

Each company knows that if customer issatisfied he will come back again and recommend your place to friends and colleagues.

What is important: quality or satisfaction? In hotel case, both aspects are important, because they are connected. Quality is important for guest, for the hotel, it is important that customers feel comfortable (Gerson and Machosky 1993, p. 5).

Before the hotel staff can measure how well they provide customer service, there should be customer service system in place. To understand it, there will be presented seven steps for successful developing of customer service system:

<u>Step 1: Total Management Commitment</u> – when the director of the place should know how the system must develop every day; what staff should expect from the customers; how to satisfy customer.

<u>Step 2: Know your customers</u> – in this case, you need to ask questions to find about the customers' wishes, likes and dislikes.

<u>Step 3: Develop Standards of Service Quality Performance</u> - this might mean that customers always wait, when their problem and complaint will be solved.

<u>Step 4: Hire, Train and Compensate Good Staff</u> – good qualified and competent staff is one of the main things that each company must remember.

<u>Step 5: Reward Service Quality Accomplishments</u> – rewards, bonuses are good for both sides (customers and staff).

<u>Step 6: Stay Close to Your Customers</u> – in step 2 it was mentioned that you need to know everything about the customers, but in this step, you need to keep in touch with them in any and every way possible.

<u>Step 7: Work Toward Continuous Improvement</u> – do not relax, there is no perfect system. It always needs to improve the customer service system.

(Gerson & Machosky, 1993, pp. 14-18)

## 3 Service quality and the role of the customer

## 3.1 What is quality?

There is no clear definition of quality, but there is certain idea that quality is about those features and characteristics of a product or service that affect its ability to satisfy the needs and desires of consumers (Horner & Swarbrooke, 1996 p.408).

The quality should be always under control of all staff members, as consumers are standing in the center in every company. Consumers are important. They bring money, they show their elation to the service quality.

Most of the customers do not want to feel a standardized service with all possible expectation, they want to feel that the product or service will be tailor made, so they can see that their desires and needs were heard (Horner & Swarbrooke. 1996, p.409).

## 3.2 Service quality and official quality standards

Firstly, it should be know what service quality is. Service quality is an assessment of how well a delivered service conforms to the client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, quickly identify problems, and better assess client satisfaction (Business Dictionary).

The various official standards of quality in tourism, leisure and hospitality, include following:

- national government official classification of hotel standards, such as the "star" system
- the licensing of premises such as selling alcohol
- the licensing of tour operators which often is in recognition of the fact that they have adequate financial resources

(Horner & Swarbrooke 1996, p.418).

As it can be seen, these different standards of quality all have different purpose and criteria. However, some criteria should be in every hotel, including:

- price
- facilities in the hotel or individual rooms
- location
- services available
- size of the establishment.

(Horner & Swarbrooke. 1996, p.418).

Anyway, it seems also confusing to the customers. When they come to the place, sometimes it happens that hotel does not respond to all their wishes or they are misunderstood. For example, they thought that sauna is in the room, but it is in another building. Why does it happen: because they do not always pay attention to all their criteria and do not read description correctly. For some reason, price, facilities and services are the most common.

Quality is important, that is true, although, it is a highly subjective concept. This concept might be changing every time. Nobody knows when. Consequently, all companies that are specialized in accommodation, food and beverages services must be prepared for every situation that might happen.

## 3.3 Five techniques to implement superior service quality

As we know all seven steps of developing customer service system, here are five ways to implement a service quality program. They will help to improve the quality of the products and services that company provides to their customers:

- 1. Add value give them more than they want.
- 2. Train your staff in internal quality measurement techniques the staff must be trained to know when and where quality problems are and steps how to solve them.
- 3. Constant Programs communicate with your customers, write to them about your new offers in newsletters, give them thank-you cards, birthday cards, holiday cards and telephone calls.
- 4. Reward Programs provide extra reward not only for your staff, but also for your customers.
- 5. Strategic Alliances and Partnerships customers are not just customers, they are also partners; in their feedback, when they leave it, they might suggest some ideas that can be improved in customer service.

(Gerson & Machosky 1993, pp. 19-20)

## 3.4 Cooperation between employees and customers

As it is known there are no different situations or complaints, which cannot be solved. However, each customer has his individual situation. Every company can face with problems, where employees should be cooperative and tolerant.

Below will be presented six cooperation techniques that help employees and customers cooperate:

<u>Technique 1: Use a warm and cooperative tone of voice</u> – do not be irritated, if customer is frustrated; breathe and listen clearly.

<u>Technique 2: To build confidence, use "I will..."</u> – use this phrase instead of "I will try..", because you will give hope, but not the result. Below, there is table with phrase examples, how to use "I will..."

Rather Than:	Replace with:
1) "I will try to get an answer for you from	1) "I will call Product Coordination and I
Product Coordination."	will get back to you before 12pm."

2) "I will try and transfer your call to Maintenance. You should not call me."
3) "Can't you see we are busy? It will take at least half an hour to get that information to you."

2) "I will transfer your call to Maintenance. They can answer your question."
3) "I will get back to you before 4pm."

Table 1. Phrases example with using "I will..."

<u>Technique 3: To reduce frustration and stress, use 'Will you..."</u> – no blaming, no irritation from employee's side. Customer will be frustrated more; listen carefully and attentively.

<u>Technique 4: To say no courteously, use "You can..."</u> – sometimes it is difficult to say "no" or "I do not know" to the customer, as it means that, you cannot solve the problem. This technique is good when you cannot provide exactly what your guest is asking; when customer does not understand his request. Below, there is table with this phrase:

Rather Than:	Replace With:
<ol> <li>"I do not know anything about that. It is not my job. You have to check with Finance".</li> <li>"You cannot give us the information over phone. We cannot get it approved until we have it in writing."</li> </ol>	, ,

Table 2. Phrases example with using "You can..."

<u>Technique 5: To save time, give the reason first</u> – customers always want to know why; it attracts customers' attention; use it when you are talking about technical issues; when there is no cooperation. The reason might be: "To help save your time."; "To complete the request more rapidly."

<u>Technique 6: To reduce tension, call anyway</u> – keep in touch with your customers, as it is important for them to know what is happening and they know you try to solve their problem.

(Scott 2000; pp. 78-92)

#### 3.5 The role of consumer. Customers' satisfaction and dissatisfaction.

Consumer behavior is the process when you need to know about individual or group of people that select products or services to satisfy their needs and wishes.

Why is it important to get customers' feedbacks? If we need to find out about pluses and minuses of the services that company provides, the best way is to collect feedbacks after customers' staying. It gives possibilities to know, if the service was good or bad. Due to it, the company can improve their service.

The service sphere requests many factors, if company wants to be successful. It is professionalism, responsibility, politeness, education and experiences. Of course, each profession needs it, however, there is one segment that should be one of the main – tolerance. Sometimes customers can be demanding, sometimes aggressive. The staff must be prepared to these kind situations. For example, customer usually comes to the reception with complaints. Company policy should be designed to reduce dissatisfaction when product has fallen short of expectation by:

- listening to and responding politely to complaints,
- recognizing the deficiency,
- apologizing and accepting to responsibility to assist customers, but not necessarily responsibility for causing the problem,

- explaining what's wrong, describing any steps taken by the company to prevent it happening again, and inviting customer comment,
- compensating customers where appropriate.

(East, Wrighte, Vanhuele 2008)

## 4 Research methods

## 4.1 Benchmarking

Benchmarking is a continuous systematic process for evaluating the products, services and work of organizations that are recognized as representing best practices for the purpose of organizational improvement (Spendolini 1992).

Benchmarking is a process that could be used to understand not only competitors but also any organization, competitor or non-competitor, large or small, public or private, foreign or domestic. The key is to find common metrics in like function (e.g. marketing, facilities) and compare one's business practices with those organizations. (Spendolini 1992, pp. 3-4)

In the author's opinion, this can be used as taking notes about the company's services. It might be, like an interview with the manager, but in this case, the meeting should be organized. A well-planned questionnaire may be sent by email to the manager, so it will make it easier for researcher. Moreover, the customer's feedbacks can be collected from the social media (Booking.com or TripAdvizor).

## 4.2 Types of benchmarking

There are several types of benchmarking activities, and each is defined by the "target" or "object" of the benchmarking activity. Those types are:

- internal benchmarking
- external benchmarking
- competitive benchmarking

The table, which is going below, shows those types that can be used in different companies and they all have their advantages and disadvantages.

Туре	Definition	Examples	Advantages	Disadvantages
<u>Internal</u>	Activities in different	- Xerox practices	Easy to collect data,	Limited focus, internal
	locations, departments etc.	- Marketing strategies by	good results for	bias
		divisions	diversified "excellent"	
			companies	
External	Organizations recognized as	Warehousing, shipment	Discovering	Time-consuming,
	having state of the art	status, customer service	innovative practices,	difficulty transferring
	products/services/processes		development of	practices into different
			professional	environment
			networks, access to	
			relevant database	
Competitive	Direct competitors selling to	Cannon, Kodak, Ricoh	Information relevant	Data-collection
	same customer base		to business results,	difficulties, ethnical
			history of information	issues
			gathering	

Table 3. Types of benchmarking (Spendolini 1992, p. 17).

Why should benchmarking be chosen? There are some aspects that are written below:

- strategic planning developing plans
- forecasting predicting trends in business
- new ideas
- product, services and process comparisons comparing with competitors (Spendolini, 1992, p. 25).

## 4.3 Data collection and qualitative research method

<u>Qualitative research</u> is a type of social science research that collects and works with non-numerical data and that seeks to interpret meaning from these data that help us understand social life through the study of targeted populations or places (Crossman 2015).

<u>Data collection</u> is the first operational part of the process model. Data are collected in different time frames and from different sources (Phillips & Stawarski 2008, p. 1).

In this project, the researcher organized a semi-structured interview with the hotel manager of Salpa hotel, because he can give the main explanation about their services, customers, advantages and disadvantages. However, beforehand, it was arranged the day and time with the manager that researcher could come to interview him.

Moreover, the author decided to interview the manager of Leinon Apartments, as he also can see what is good in their services and what should be improved.

The research interview consisted of ten questions. All of them were connected with the customer service. The semi-structured interview is the most important way of conducting a research interview because of its flexibility balanced by structure (Gillham 2005, p. 70). The interview is a good possibility to find out more about the hotel service, customers opinion. The manager of the Salpa hotel was interviewed two months before the high season, as it was convenient time for the manager and for the researcher. The interview was organized in the following way: the researcher made questions to the manager and during the talking, the researcher was taking marks of his answers.

For the second data collection, the internal type of benchmarking is used. The researcher was collecting customers' feedback from Booking.com during summer season of 2018 and it was decided to use feedback for year 2017, as it could show how the situation changed in one year. After all analysis, there will be two opinions: from manager's point of view and from customers'. That gives possibility to compare both opinions and find similarities and differences.

## **5 Empirical study**

This part of the thesis project refers to theoretical part of the research. It includes: description of the main comparison betweenthe two hotels, interpretation of the data, feedback from the customers and the main results of customers' feedback. Therefore, all the results concerning the research were described in detail, allowing researcher to proceed and make logical conclusions and recommendations.

## **5.1 Leinon Apartments**

In 2014, a Russian family bought it for opening a family business. The hotel was named "Leinon Apartments".

These apartments are situated in the picturesque place on the lake coast and it is 30 minutes from Lappeenranta. Russian border (Torfyanovka/Vaalimaa) is 35km away and the nearest shop 7km away.

All apartments have two floors with beautiful view on the lake. In each apartment, there is fully-equipped kitchen with all necessary equipment, living room with sofa, big dining room and TV, and there is a veranda with all grill equipment.

In all apartments for the usability to the guests, there is a dishwasher and washing machine. In the hotel territory, there is free parking place, Wi-Fi and private pier. For the extra payment, guests can use sauna.

#### 5.2 Services offered

As it was mentioned in the previous chapter, the hotel situates in a place near a lake and the from of Lappeenranta is 30 km away. Why do customers choose this kind of hotel? Many of the customers want to get rest from big city, from people. In addition, they just want to be in fresh air – be connected with the nature.

All apartments that hotel provides are with the view on the lake and with private terrace. The types of apartments are:

- Standard Apartments two bedrooms, shower and two WC, living room, kitchen, terrace for barbeque.
- Superior Apartments three bedrooms, shower and two WC, living room, kitchen, terrace for barbeque.

The hotel services are:

- free parking
- boat for fishing (no payment, only for the fishing license)
- private pier
- sauna (for extra charge)
- free Wi-Fi
- 15% discount, if reservation was made by email, telephone and through website
- playground for children

#### 5.3 Salpa hoteli: comparing hotel for making analysis of hotel services

For bechmarking, the researcher chose one hotel, which is Salpa hotelli. It is situated in Luumäki. This hotel was chosen for comparing, because it is small, not a chain hotel, it has same kind of services like Leinon Apartments.

This property is 1 minute walk from the beach. Featuring 2 saunas and an indoor pool, this hotel lies next to 100 m of private beach along Lake Kivijärvi. Lappeenranta is 24 km away. Free WiFi, a hotel restaurant and a summertime terrace are also available on site. Each guest room at Hotelli Salpa has a bathroom, a TV and a balcony.

Hotelli Salpa has a cafeteria for light meals and snacks. The hotel restaurant Lumo offers an a la carte menu including Nordic favourites and keeps guests entertained with regular live music and dancing.

Kouvola is 64 km from the hotel. The Fortress of Lappeenranta is 24 km away, while Karelia Aviation Museum is 21 km away. The Finland-Russia Border is 47 km away.

This hotel offers following services:

- swimming pool
- free parking
- bar
- breakfast (included into hotel price)
- private beach area
- sauna
- children's playground
- table tennis
- fishing
- boats

This information was taken from the booking.com website. These are the most popular hotel services that customers like.

## 6 Research findings

During three months (June, July and August) the researcher was collecting the feedback from the customers, as it was on her plan to find out what was the opinion about the hotel services. In addition, there was possibility to talk with Leinon Apartments' manager, as he could tell more about the hotel's situation. Also, there was an interview with Salpa's Hotel manager. All results and findings were described and analyzed for making conclusions and recommendations.

## 6.1 Analysis of interview with manager (Salpa Hotelli)

The meeting for interview was appointed on second of May around five o'clock in the evening. The researcher came in advance, as there was a possibility to look around before. During the interview, ten questions were. The manager has worked there seven years already and from his point of view; he thought that excellent customer service is when guest is happy and he would like to come back again to this place. Next, the discussion was about roles and responsibilities in customer service. The manager briefly and concretely told the main things that are important in customer service: friendly and helpful staff, do not say to customer "do not know" or "it is not possible. In this case, each worker should remember that customer is always right and all mistakes and misunderstandings must be solved any way, as it will show the good customer service.

Then, the researcher and manager discussed the main target group. Of course, it was obvious that it was Russian tourist and some Finnish workers. Why? It is close to Russian-Finnish border and to Lappeenranta, as tourists usually want to find something not far away from it, sometimes they want to rest from the big city, rest in the fresh air. There were some aspects that might attract customers, for example, lake view, spa, location. As for the Finnish workers, they usually do not need any luxuries. The main things are shower, kitchen and bed, because they want just rest after hard workday. That is why the important advantage of the Salpa Hotel was that they are mall (not a chain). It gives them possibility to be flexible with the customers.

At the end of the interview, one question was important from the researcher's point of view. What can be developed in the nearest future in Hotelli Salpa? The answer was rooming upgrade and this upgrading already started. It might mean that there were some aspects that should be fixed, as customers did not like the room facilities, the appreance in general and because of it, they maybe felt uncomfortable. For example, there were some broken places on the wall, the beds were too old.

## 6.2 Analysis of interview discussion with manager (Leinon Apartments)

This interview was not a face-to-face discussion. The author decided to send the questions by email.

Manager of Leinon's Apartment has worked there for six years. His idea about good customer service was wide. He thinks that guests can perceive it in different ways.

People who book a five star hotel in the center of Paris, for example, expect from their stay at the hotel not at all what people who chose apartments on the lake shore in Finland are waiting for. In his opinion, good customer service is when customers' expectations were exactly as they wanted. In this case, if we talk about good customer service, roles and responsibilities are important, because no one wants to disappoint their customers.

As it is known, the guest is always right, however, in manager's opinion, sometimes customers' complaints are unfounded. For example, when a guest books an apartment in Leinon Apartments, they know that they go to the nature. The apartments are in the forest on the lakeshore, from of Lappeenranta is thirty kilometers away and to the nearest shop is seven kilometers. The guests come to rest and relax from the city life, go around the forest, go fishing. Although, there are customers, who complaint there are no restaurants or nightclubs. Firstly, manager has to figure out what the complaint is. If it is obvious, then manager should do everything to solve it and sort out this problem, and of course to improve the facilities.

The main target group in Leinon Apartments are families with children, friends' crews. In addition, different business companies book apartments for their employees, who work in South Karelia area.

One of the advantages is the apartments' location. Forest, silence, lakeshore, thirty minutes away from Lappeenranta city and Russian-Finnish boarder. Manager explained that for making low price, they provide to guests the possibility of choosing facilities that they want. They provide minimal price and other extra services are for extra charge, for example sauna. However, using of boats is free of charge.

Manager said that it is difficult to rate himself. It is not objective. On Booking.com the hotel has rating nine from ten. It means that the hotel is good for its category.

The main advantages of the hotel are silence, nature, lake, at the same time, there is good infrastructure and transport accessibility.

One of the questions was about what customers usually pay attention to? Manager cannot speak for everybody. In manager's opinion: if he wants to go somewhere, firstly, he will think about the travel aim, read reviews and feedbacks attentively about the hotel.

Finally, manager told about developing customer service. Here, the author decided to quote:

"Our policy is to provide the possibility of comfortable rest to our guests with minimal price. To make it true we try to provide them everything they need. Moreover, we are working on infrastructure's improvement for children. We are trying to improve our playground, we have made the beach, so little children can swim."

As for conclusion, the author got the main idea from this interview: manager of Leinon Apartments explained that they do not want to pretend that they are a fivestar hotel, but they want to show all their guest friendliness, family relation and comfort that guests expect from them.

## 6.3 Customers' feedback: Leinon Apartments

During the summer time of 2018 feedbacks from the customers were collected by the researcher and also some other feedbacks that were written in 2017 were taken for showing changes after one year. In 2017 there were written around thirty feedbacks. The author decided to take four feedbacks, because there are some commentaries. Not every customer wrote additional commentaries and the score might be the same in several feedbacks.

As for example, there is one feedback, where customer wrote his opinion. Customer came in April 2017 during the weekend. The overall grade that they gave to the hotel was 6.7. From the figure 1, it is seen that guest was not satisfied with the "comfort", "facilities". It might be that they were waiting something else, it is impossible to say, as hotel manager could not read their minds.

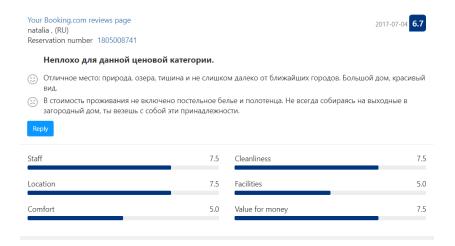


Figure 1. Customer feedback from Booking.com in 2017

## Not bad for this kind of price type.

- + "Great place: nature, lake, silence and it is not so far away from the closest cities. Big house and beautiful view".
- "The bed linen and towels were not included into the price. When you go to stay in villa you take all these stuff with you".

In January 2017, there was customer and the overall score for the rest was 5.4. She was dissatisfied mostly with everything.

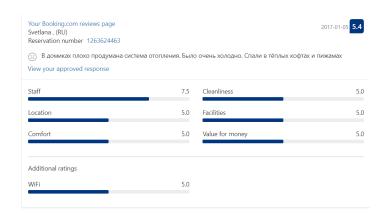


Figure 2. Customer's feedback in 2017

+ "The heating system is bad in the apartments. It was cold. We were sleeping in warm cardigans and pajamas".

The next feedback was written in February 2017. The score was 9.2. Guests were satisfied with all their stay in the hotel and just gave one wish,

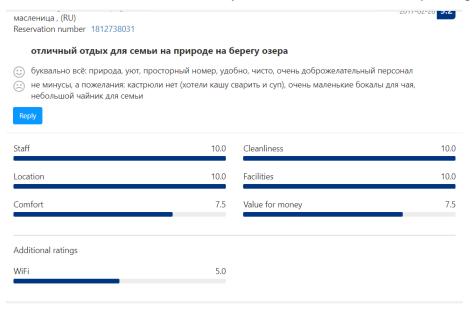


Figure 3. Customers' feedback in 2017

- + "We liked practically everything: nature, comfort, apartment is spacious, conveniently, clean, the staff is friendly".
- It is a not disadvantage, just a wish: there was no pot (we wanted to cook porridge and soup), the cups for tea were little, and kettle was small for big family".

There was another feedback, which was made on summer time. The overall grade was 8.8. The main thing that the customer did not like was Wi-Fi connection.

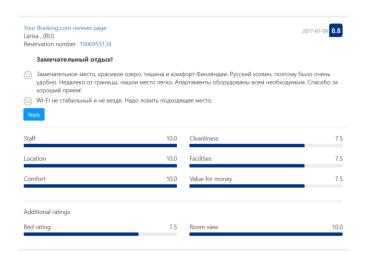


Figure 4. Customer's feedback in 2017

- + "It is a perfect place, beautiful lake, silence and comfort of Finland. The owner is Russian, this is why it was comfortable. Not far away from the border, so we found the place easily. The apartments are fully equipped. Thank you for the warm welcoming".
- "The Wi-Fi is not stable and does not work everywhere. It needs to find suitable place".

During summer 2018, only eighteen feedbacks were written on Booking.com. Sometimes, customers do not want to write anything or they just forget about it. The author thought that there is no need to describe and write all eighteen feedbacks, some of them are the same with score and not all have additional commentaries.

Unfortunately, from November 2017 until April 2018 the hotel was closed, as owner decided to fix few moments in the hotel, like heating system, room facilities. As it was mentioned before, the researcher decided to collect feedbacks' during summer time. It is high season, usually people like to go to the nature.

During 2018 (from April until August) the hotel got mostly positive feedback, as the mistakes were fixed: hotel tried to improve the Wi-Fi connection, provide bed linen and sauna visiting for free of charge, if customer reserved the apartment more than for three days, add more toiletries. For this period (from April until August) the hotel

got around thirty feedbacks from the customers, but it was decided to use only those that were written in summer time. Most of them are with additional commentaries.

No matter that, overall scores from the customers' were the highest, however, some customers were not satisfied. Some customers still were dissatisfied, because Wi-Fi still works badly, but the hotel manager tried to do everything possible.

Here there is one of example of positive feedback from the customer, who stayed at Leinon Apartments in June 2018.

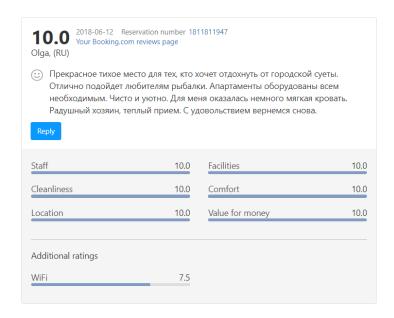


Figure 5. Customer feedback from Booking.com 2018

"Beautiful peaceful place for those, who want to rest from the city life. It is a good place for people, who like fishing. The apartments are fully equipped with everything that is needed. Clean and cozy. As for me, the bed was a bit soft. We were welcomed with hospitality. We will come back again with pleasure".

Moreover, one more feedback and all facilities were evaluated in the best way.

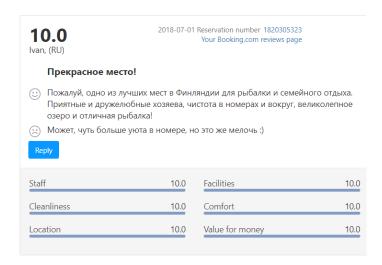


Figure 6. Customer's feedback from Booking.com in 2018

- + "Perfect place! Perhaps this is one of the best places in Finland for fishing and for family rest. The staff is kind and friendly, room is clean, and there is beautiful lake around the place and good fishing".
- "Anyway, there might be a bit more comfort in the room, but it is a small thing".

There was other commentary from next customer, who gave overall grade 9.2. This feedback was written in English, even though that he was from Russia.



Figure 7. Customer's feedback from Booking.com in 2018

Feedbacks were always different and with their help hotel can try to develop already existing services. Moreover, there is possibility to think about new services that can be added.

According to all feedbacks that are on Booking.com system, there is possibility to see the guest review with overall score. In the next figure, it is seen that hotel still needs to work with "Comfort", "Facilities", Cleanliness" and "Value of money".

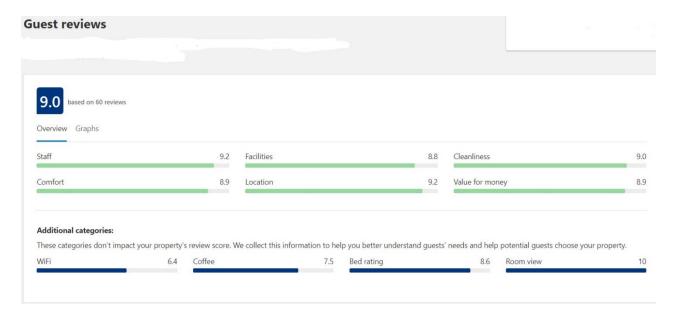


Figure 8. Guest reviews based on 60 reviews in 2017 and 2018

#### 6.3 Feedback analysis

After collecting all feedback from the customers, looking through them, the researcher has noticed to what customers' usually pay attention and what should be improved in Leinon Apartments:

- wi-fi connection is not so good as it might be
- not enough of hotel staff (or maybe customers' do not like the relation from the hotel staff, as some guests evaluate the "staff" with 7.5
- value of money not everybody is satisfied with the price.
- customers' do not feel comfortable; it might mean that furniture is a bit old
- somebody was not satisfied with the cleanliness

These aspects should be considered in the future, so hotel could get more positive commentaries, more profit and of course success.

However, when comparing 2017 and 2018, there are differences between them. The researcher decided to find statistics that can show what the difference was after one year.

In Figure 8 it is shown the review score for the last year (2017) and this year (2018). This year hotel had less feedback. Than it was last year, because not so many tourists stayed at Leinon Apartments, as the hotel was closed for five months because of repairs



Figure 9. Review score

## 6.4 Leinon Apartments and Salpa Hotelli: comparison and differences

As it was mentioned earlier, the Salpa Hotelli was chosen for comparison with the Leinon Apartments. The main conclusion is that there are more difference than similarities, as it was written in the description of both hotels.

#### The similarities are:

- not chain hotel
- small; there is lake near the accommodation
- possibility to use boats, go fishing; children's playground
- sauna, free parking area, Wi-Fi
- close to the Russian-Finnish boarder

#### The differences are the next:

- in Salpa Hotelli there is spa and swimming pool
- breakfast is included in the room price
- bar, conference room
- catamaran; table tennis near reception
- more room types
- closer to the town

According to this information, it might mean that Salpa Hotelli is good, when customers want to be in the fresh air and closer to the town at the same time. And, Leinon Apartments is good, because it is small family hotel.

#### 7 Conclusions and recommendations

The thesis process was structured of analyzing customers' feedback about Leinon Apartments. With their help, the hotel staff could see what should be improved. The research shows that customers were satisfied after staying in the hotel, however, there were moments that might be changed.

Firstly, customers have noticed the silence, peacefulness and general atmosphere are the main factors that customers like. The distance from the city is thirty kilometers and this sometimes is advantage for the hotel. In addition, it does not ruin the general impression. Anyway, sometimes guests prefer to be in a bustle.

Thus, most of the customers did not give only positive commentaries, but negative also. In the author's opinion, little things can be important. For example, guests mentioned bad internet connection. The hotel staff has tried to change it during three years. In this case, there is a suggestion to provide internet modems in each apartment for customers' comfort.

The next factors that should be mentioned are place and facilities. These are the main things for Leinon Apartmets. From the last feedbacks it is seen that customers like it and hotel should pay more attention to it to attract new potential guests.

According to it, author suggests to make more marketing in different social networks, use word of mouth.

However, it is better to improve some facilities: to include the bed linen into the price, to have bicycle rent for the summer season and ski rent for the winter season.

In addition, for the staff comfort, it is a good idea to use feedback questionnaires and leave them in each apartment. Customers can write their feedback before check-offe and hotel staff does not need to wait, when gust writes feedback on Booking.com. However, guest do not always write their opinion.

With using feedback questionnaires, hotel will appreciate feedback that will help to understand better customers' needs and wishes.

## **Figures**

- Figure 1. Customer's feedback in 2017, p. 24
- Figure 2. Customer's feedback in 2017, p. 24
- Figure 3. Customer's feedback in 2017, p. 25
- Figure 4. Customer's feedback in 2017, p. 26
- Figure 5. Customer's feedback from Booking.com in 2018, p. 27
- Figure 6. Customer's feedback from Booking.com in 2018, p. 28
- Figure 7. Customer's feedback from Booking.com in 2018, p. 28
- Figure 8. Guest reviews based on 60 reviews in 2017 and 2018, p. 29
- Figure 9. Review score, p. 30

## **Tables**

- Table 1. Example phrases with using "I will...", p. 13
- Table 2. Example phrases with using "You can...", p. 13
- Table 3. Types of benchmarking, p. 16

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## **Appendices**

Appendix 1. The semi-structured questions

The list of questions:

- 1) How long have you worke in this sphere?
- 2) What does excellent customer service mean to you?
- 3) How do you think, which roles and responsibilities are important in customer service?
- 4) What are your main goals for solving customers' complaints?
- 5) What is your main target group?
- 6) What are advantages and disadvantages (if there are any) of your customer service?
- 7) How would you rate your customer service? (1-10)
- 8) How do you think, why do customers choose your hotel? What does attract them?
- 9) What do usually customers pay attention to?
- 10) Which aspects could be added to develop customer service in the nearest future?