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Marketing Communications Research On Food & Beverage Outlets Of Moevenpick Hotel Saigon

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<p>The purpose of this thesis was to conduct a marketing communications research on Food & Beverage Outlets of Moevenpick hotel Saigon. Besides, a short description of consumer rating on F&B service quality was other mission specifically assigned by the commissioned party.</p> <p>The research provided general information about both targeted potential customers from surrounding areas and current hotel guest and restaurant diner. Next was the analysis derived from the customer survey's result, the ranking and comments on the goods and services quality provided by different 5 Moevenpick hotel Saigon F&B's outlets namely Café Saigon, Cayda Café, Slate-the bar, Lotus Court and IKI. Afterwards, the study of marketing communications mix and current media with its effect was mentioned.</p> <p>An outcome of the research was the finding that there are many potentials to increase profit by improving marketing communications productivity without increasing the investment cost. Thanks to technology advancement, integrated marketing communications could be well planned and implemented with the combination of both traditional and non-tradition media. The trend of online marketing communications was also captivated thanks to its efficiency and saving cost, resulting in a promising media channel.</p>	
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PREFACE

This thesis was written in the period from June to October 2012 during the internship in Marketing Communications Department of Moevenpick hotel Saigon. The thesis is part of dual degree program between Kajaani University of Applied Sciences in Finland and Heilbronn University in Germany. It was accomplished in the form of applied research work with the topic relevant to the author's study specialization in marketing. It was assigned by General Manager and Marketing Communications Manager of Moevenpick hotel Saigon.

This work had been completed thanks to valuable assistance from Prof. Dr. Christian Buer who is the supervisor from Heilbronn University. Special thanks as well to Anas Al Natsheh, Ph.D. for co-supervising the thesis work.

Sincere thanks to Moevenpick hotel Saigon's General Manager, Mr Craig Smith, and Marketing Communications Manager, Ms Pham Y Nhi for substantial support on providing information, consulting the research survey and leaving the author strong autonomy for fulfilling the research work.

Finally, the work is dedicated to express my gratitude to my family, especially my parents who provide me the chance to study abroad and finish my bachelor degree.

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CONTENTS

I. INTRODUCTION.....	1
II. THEORETICAL FRAMEWORK.....	2
1. MARKETING COMMUNICATIONS KEY ISSUES.....	2
1.1. <i>Definition of Marketing Communications.....</i>	2
1.2. <i>Elements in the Communication Process.....</i>	2
1.3. <i>Integrated Marketing Communications.....</i>	3
2. MARKETING COMMUNICATIONS PROCESS.....	6
2.1. <i>Identifying the target audience.....</i>	6
2.2. <i>Determining the communications objectives.....</i>	6
2.3. <i>Design the message.....</i>	7
2.4. <i>Promotions Mix.....</i>	7
2.5. <i>Budgeting and Evaluation.....</i>	10
3. ONLINE MARKETING COMMUNICATIONS TRENDS.....	12
3.1. <i>The increasing presence of smart- connected devices.....</i>	12
3.2. <i>Different types of informative website.....</i>	13
III. EMPIRICAL PART.....	17
1. COMPANY BACKGROUND.....	17
2. SITUATION ANALYSIS.....	18
2.1. <i>Internal analysis.....</i>	18
2.2. <i>Competitor analysis.....</i>	23
3. CUSTOMER ANALYSIS.....	26
3.1. <i>Definition of the Research Problem and Objectives.....</i>	26
3.2. <i>Research Design.....</i>	27
3.3. <i>Sampling and Data Collection Methods.....</i>	28
3.4. <i>Survey Results.....</i>	30
4. FURTHER RECOMMENDATIONS FOR MARKETING COMMUNICATIONS ACTIVITIES	
47	
4.1. <i>Marketing Communications Goals, Objectives.....</i>	47
4.2. <i>Target Group.....</i>	48
4.3. <i>The marketing communications approach.....</i>	49
4.4. <i>Recommendations on Modifications of Communications Mix and Media.....</i>	50
IV. CONCLUSION.....	56
SOURCES.....	57
APPENDICES	

LIST OF FIGURES

Figure 1: Mindscape of Integrated Marketing Communications.	4
Figure 2: Internet user growth 2000-2009 in selected Asian countries.....	13
Figure 3: Room demand in Ho Chi Minh City from 2004 to 2010.....	33
Figure 4: Ranking of Cayda Cafe Factors.	35
Figure 5: Ranking of Slate-the Bar Factors.....	36
Figure 6: Ranking of Lotus Court Factors.	37
Figure 7: Ranking of IKI Factors.	38
Figure 8: Ranking of Cafe Saigon Factors.	39
Figure 9: Moevenpick hotel Saigon Facebook Page Statistics.	43
Figure 10: Percentage of Communications Sources for Cafe Saigon Guest.....	46

I. INTRODUCTION

During the economic crisis, there are many challenges and hindrances for particular businesses to increase the profit by generating top-line growth while maintaining quality without having to cut costs. This has been the question for Moevenpick hotel Saigon F&B outlets. Understanding the ability to gain competitive advantage through effective integrated marketing communications on organization performance¹, the objective of this thesis was to conduct a research on evaluation and recommendations to improve marketing communications' productivity of Moevenpick hotel Saigon F&B outlets to increase sales and profit, as well as to promote popularity and reputation. In other word, the author aimed to improve every current effort and to plan for more productive integrated marketing communications contribution to each F&B outlets' performance by attracting new hotel restaurants and bar guest as well as increasing the current guest' purchase rate.

In the following will be introduced general information about Moevenpick hotel Saigon and 5 F&B outlets individually. Following is the theoretical background of important issues and trends in marketing communications as well as the research methodology of this thesis. Furthermore, the thesis includes guests' analysis about their expectations, comments on the outlets' performance. Their evaluation about the hotel marketing communications activity and their preferred media channels were then introduced. Finally, recommendations for Moevenpick hotel Saigon's marketing communications department complete the thesis.

¹ Eagle,L. & Kitchen,P., *IMC, Brand Communications and Corporate Cultures: Client/Advertising Agency Co-ordinations and Cohesion* (European Journal of Marketing, 2000), pp. 91-106.

II. THEORETICAL FRAMEWORK

1. MARKETING COMMUNICATIONS KEY ISSUES

1.1. Definition of Marketing Communications

Marketing communication represents the “voice” of the company, its brand and is a good way to establish a dialogue and build relationship with consumers. Marketing communication is defined as the process when information of product is successfully communicated to target audience.² This element completes the big picture of marketing mix alongside with the other 6 aspects namely product, price, promotion, place, process and physical evidence in hospitality marketing. Each element has its particular role in conveying a sense, an impression about market information to audience. Thus, integration of all these features to communicate a consistent message is an increasingly important concept.

1.2. Elements in the Communication Process

Communications can be defined as transmitting, receiving, and processing information.³ Information includes messages and related media used to communicate with targeted audience of relevant stakeholders. A flow of communication happens at the moment when the sent message reaches its destination in a form understood by the intended audience.⁴ Hence, marketers need to understand how communication works and what 9 elements mean, in order to communicate effectively in any marketing campaign or program. Below is a brief description of a communications process and its 9 elements,

² Burnett, J. & Moriarty, S., *Introduction to Marketing Communications: An Integrated Approach* (Prentice Hall, 1998), pp.3.

³ Clow, K. & Baack, D., *Integrated Advertising, Promotion, and Marketing Communications* (Pearson Prentice Hall, 2007), pp.5.

⁴ *Ibid.*, pp.6.

acting as the basic guideline for further applications of the study case. The basic model had been introduced from a work of Wilbur Schram.⁵

The first major two elements in any communication process are the sender and the receiver. The sender includes non-personal entity (such as company with its own in-house marketing resources or outsourced advertising agency) or representing individuals (such as salesperson or celebrity). The receiver can be defined to be the targeted group whom the message should be sent to. Other two features are the major communication tools - the message and the media. Message is sent to the targeted audiences through various transmission devices, e.g. television, magazines, radio, etc. Apart from the listed party and tool above, there are four primary communication processes – encoding, decoding, response and feedback. Several factors interfere with the process such as social context, environment either internal being experiences, attitudes, values, and biases or external: weather, time frame, etc.⁶ This is the last element called noise in the system.⁷ It disrupts a message or distorts and appears at any stage in the communication process.⁸ In practical context, many messages are misunderstood, fail to arrive or, are simply ignored.

To communicate effectively, the marketing communicator must understand the consumer's field of experience. Senders need to know what audiences they want to reach and what response they wish to receive.⁹

1.3. Integrated Marketing Communications

Integrated marketing communications (IMC) concept, at its most fundamental level, is the attempt to evaluate the efficiency among different marketing communications messages and how the communications can be better coordinated.¹⁰ IMC is the coordination of all forms of communications and messages to assure the tight link,

⁵ Schram, W., *The Process and Effects of Mass Communication* (Urbana: University of Illinois Press,

⁶ Burnett, J., *Promotion Management* (Houghton Mifflin, 1993), pp.246.

⁷ Kotler, P. et al., *Principles of Marketing: European Edition* (Financial Times Prentice Hall, 2005), pp. 728-729.

⁸ Clow, K. & Baack, D., *Integrated Advertising, Promotion, and Marketing Communications* (Pearson Prentice Hall, 2007), pp.7.

⁹ Kotler, P. et al., *Principles of Marketing: European Edition* (Financial Times Prentice Hall, 2005), pp. 729-730.

¹⁰ Schultz, E. & Patti, C., *The Evolution of IMC: IMC in a Customer-driven Marketplace* (Journal of Marketing Communications, 2009), pp. 75–84.

connection among it. These promotional tools can benefit together in harmony and communicate a consistent message to customer. Below is the mindscape of IMC.

Figure 1 shows the mindscape of IMC, which includes an overall, unified picture of communications tools. The concept is a broad function ranging from corporate image to the handling of customer enquiries. While ‘corporate communications management’ and ‘market communications management’ are mostly considered as one-way non-personal communications, ‘customer contact management’ benefits two-way dialogue and personal communications. This mindscape is the grouping of the various activities into the three pillars without introducing new concepts.¹¹

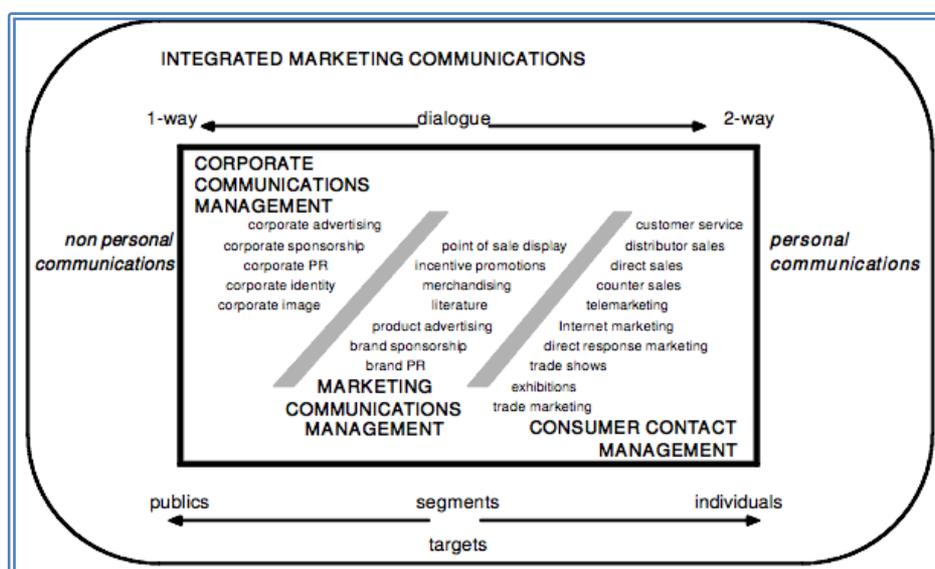


Figure 1: Mindscape of Integrated Marketing Communications.¹²

The tendency to consider marketing communications as an isolated process with one-way messages from above-the-line promoter to target audience have received a re-thinking thanks to comprehensive IMC approach. With interactive direct communications in trade shows, telemarketing, customer services center, direct response marketing and personal selling, it has been developed significantly in recent years, assisted by advances in technology.¹³ With the changing environment of technological development, customer behavior, expectations and media, IMC reflects the adaptation by marketers to better combine their efforts and out-perform traditional media. A successful IMC program

¹¹ Hartley, B. & Pickton, D., *Integrated marketing communications requires a new way of thinking* (Journal of Marketing Communications, 5:2, 1999), pp.103.

¹² Ibid.

¹³ Ibid.

requires a firm to find the suitable combination of promotional tools and techniques, define the role and extent to co-ordinate them.¹⁴

¹⁴ Belch, G., & Belch, M., *Advertising and Promotion: An Integrated Marketing Communications Perspective* (Irwin Professional, 2006), pp. 13.

2. MARKETING COMMUNICATIONS PROCESS

One of the main issues in understanding and applying IMC as a successful and effective tool is to define an ideal process to follow step by step what is happening or what should happen in order to communicate successfully with relevant stakeholders.

2.1. Identifying the target audience

The audience can be defined as potential buyers or current users, those who make the buying decision, or influence it. There are 4 important issues to choose and evaluate the target audience. Due to the different influence they have, each of the group can require distinguished marketing communications plan, message and media.¹⁵ Questions like ,Who is our customer?' ,Who we want to be our customer?' ,Who could be our customer in future?' can be very helpful for decisions within the definition of target groups. Hereby a corporation should concentrate on criteria of market segmentation. Those are demographic and socioeconomic issues, value and benefit criteria, and aspects concerning the purchase behavior.

2.2. Determining the communications objectives

Commonly, the target audience might be in any of 6 states in buyer readiness. It is then on the hand of the sender to decide which objectives/ aims should be gained after the campaign. This can be awareness, knowledge, liking, preference, conviction or purchase.¹⁶ At the end of the day, it is the responsibility to increase the organization's profit either by increasing sales from the target audience or to enhance the organization image among stakeholder. It is important to distinguish between goals referring to potential parameters, for instance image, brand awareness, purchase behavior etc. and goals referring to economic or market parameters (market share, sales, return on investment, profit).

¹⁵ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2006), pp.542.

¹⁶ Lavidge, R. & Gary, S., *A Model for Predictive Measurements of Advertising Effectiveness* (Journal of Marketing, 1961), pp. 59-62.

2.3. Design the message

The message content is then decided according to desired objectives. Not all of the communication message can obtain action with confidence and satisfaction as final stage in AIDCAS model.¹⁷ Yet, the message content should at least convey some feelings such as rational, emotional or moral effect. Then, message's receiver would decide on him or herself which type of referred response. Besides, aspects such as message structure, format and sources are important in designing the message.¹⁸ Normally, designing the message would be on the hand of the advertising expert with many creative and innovative ideas. Furthermore even product decisions can affect tremendously the decision of defining the right communication plan, also by considering distinction between B2C and B2B Markets. It is necessary to highlight the Unique Selling Proposition and the Product Benefits throughout the communication media and within the decision process of the message content.

2.4. Promotions Mix

Marketing communication mix consists of five main elements namely advertising, public relations, sales promotion, personal selling and direct marketing. Each instrument processes its unique set of capabilities and characteristics. This section gives a general outline of the definition and remarks on these instruments. Besides, some critical issues relating to the application will be briefly discussed.

The first instrument to be mentioned is advertising. It can be defined as 'any form of non-personal presentation and promotion of ideas, goods, or services.'¹⁹ Advertising is considered as the most potent tool for building the brand awareness due to its intensive interaction with a substantial number of targeted customers. Given the adequate implementation, advertising can deliver a prompt, active impact. When making advertising decision, the 5 Ms: mission, message, money, media and measurement

¹⁷ Kitson, H., *Manual For The Study Of The Psychology Of Advertising And Selling* (Philadelphia 1920), pp.21.

¹⁸ Kotler, P. & Keller, K., *Marketing management* (Pearson, 2006), pp.550.

¹⁹ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp.426.

should be carefully taken into considerations.²⁰ Without a close look on these issues, an inappropriate message of the brand image, little or no return on advertising investment due to huge leakage can greatly damage the company's profit.

Advertising is often linked to the pull approach in marketing communication, which arouses initial interest among potential end users so that they demand the product from intermediaries. This approach works effectively where there is a space for an advertising opportunity.²¹

The role of magazines and newspaper in the advertiser's media plan differs from the broadcast media since they allow detailed information that can be processed at the reader's preference. It is referred to as high-involvement media due to its requirement on the activeness of the reader.²² Other than that, broadcast media such as TV, radio also has its unique advantages. It helps to deliver and combine visual images, sound, motion, and color presents that convey the most creative and imaginative appeals comparing to any other medium.²³ However, due to the high cost, lack of selectivity and most importantly the difference in organizations' communication demand in each product and market life cycle, advertising through broadcast media poses particular limitations.

Secondly, public relations are more commonly utilized as building good relations with the company's various stakeholders by obtaining public attention, building a positive corporate image and dealing with unfavorable rumors, unexpected events.²⁴ Public relation entails press relations, product publicity, public affairs, lobbying, investor relations and development. The instrument consists of entering events, trade fairs to build up not only business but also personal relations, which benefit the company. Comparing to advertising, public relations have a positive impact on public awareness without investing as much money as in advertising. Public relation does not only direct at establishing an image for the product, but also for the general corporation in various social aspects.

²⁰ Kotler, P. & Keller, K., *Marketing management* (Pearson, 2006), pp.568.

²¹ Ibid.

²² Belch, G., & Belch, M., *Advertising and Promotion: An Integrated Marketing Communications Perspective* (Irwin Professional, 2006), pp. 379.

²³ Ibid. pp340.

²⁴ Kerin, R., & Peterson, R., *Strategic Marketing Problems Cases and Comments* (NJ: Pearson, 2000), p.230.

Services that want to develop brand or image equity, increase customer traffic and increase awareness, which the receiver of communications being in the awareness or knowledge state, will put focus on advertising. However, having a combination of a sales promotion such as a contest or sweep-take with advertising will usually have a greater impact than separate application. That is the idea behind integration.

Sales promotion describes its meaning as short term incentives to encourage the purchase or sale of product.²⁵ It is viewed as an effective short-term tool having immediate impact. Nowadays, customer may move towards deal-oriented, asking for real time benefit.. There are 2 categories of price and value promotions. Price promotions include: money-off coupons, pence-off flashes, buy one, get one free, extra fill packs. This promotion type is often very sensitive to well monitor since it can lead to negative impact on brand value, which advertising has tremendously been invested to build up. Along time, price promotion lowers the customer's willingness to pay the actual price. It is important to balance the generated investments and profits and the side effect of customer's unwillingness to purchase product when there is no sales promotion. Helping to improve the drawbacks, value promotions benefit both short term sales, product trial for customer and long-term brand value. It consists of free draws, mail-in premiums, container promotions and competition.²⁶ The tools are getting more and more diversified to attract the attention and retain customers. The choice of sales promotion tools should harmonize with other communications mix to support the business strategy.

The other tool is personal selling. The use of personal selling is normally restricted to business services or higher priced customer services. It utilizes personal presentation to make sales and build customer relationships.²⁷ Known as one of the oldest professions it still processes many strengths and work effectively in particular situation. Comparing to other tools, it is the most transaction oriented. The sales can be very flexible, customized and fairly complex. To manage in-house sales force demands much investment in money, time and effort. Still, the company can have a personal relationship and understanding of the market. Personal selling represents the primary characteristics to adopt push

²⁵ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 468.

²⁶ Cummins, J., & Mullin, R., *Sales Promotion: How to Create, Implement and Integrate Campaigns That Really Work* (Kogan Page Publishers, 2008), pp.40.

²⁷ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 452.

communication approach concentrating on channel intermediaries, building long-term relationship.

Last but not least is direct marketing, a channel-free approach. The concept is to deal with customers directly with the assistance of technology, for example sending the Internet webmail, newspaper and brochures, making telephone marketing. According to the Direct Marketing Association, direct marketing “is an interactive system of marketing which uses one or more advertising media to affect a measurable response and/or transaction at any location”.²⁸ With the increasing number of customers interacting with the Internet, telephone all over the world, direct marketing appeals to be a lucrative business for being low cost, broad interaction with many customers and being convenient for them. However, question remains how to increase the efficiency of direct marketing on the target audience, how to find them and convince them to make the purchasing decision. After that, a database of customer identifying separate target group of distinguished communications demands. To marketer, it helps to reach target audience with the right benefits. On the customer perspectives, there are 3 benefits: convenience, efficiency, and compression of decision-making time.²⁹

2.5. Budgeting and Evaluation

Above, the author has mentioned 4 major steps in the whole process. They are defining the goal and objectives of communication, target groups and deciding on the message content, the media tools. After that, when it comes to budgeting or allocation, it is essential to distribute resources on that media, that fits best to the defined goals and of course mainly to the chosen target groups. In so doing, different methods of budget setting exist. The affordable method implies setting the budget at what the company can afford. Setting the budget at a determined percentage of current or forecasted sales, or as a percentage of sales price is also an option.³⁰ Often corporations choose the competitive parity method for the sake of convenience. The last option is the objective-and-task method by which specific objectives are defined and the budget is set for those objectives

²⁸ Bob Stone, *Successful Direct Marketing Methods* (Illinois: NTC Business Books, 1994), pp.5.

²⁹ John J. Burnett, *Promotion Management* (Houghton Mifflin, 1993), pp.652.

³⁰ Kotler, P., Bowen, J., & Makens, J., *Marketing for Hospitality and Tourism* (Prentice Hall, 2005), pp.555.

that have to be achieved. The budgeting has to be coordinated with the nature of product market, the business strategy and the product life cycle.³¹ Last but not least, it comes down to evaluate the success of communication. For instance, by comparing two brands with each other, the corporation can point out if the awareness is sufficient and if potential customers who are aware also tried the product.

To wrap up, it has to be mentioned that the main steps to be made, are firstly adapt to the target market, secondly to determine objectives, to decide message content, followed by choosing the media and lastly evaluating the success. All aspects have to be comprehensive to each other, consistent, clear and compelling company and product messages.

³¹ Ibid.

3. ONLINE MARKETING COMMUNICATIONS TRENDS

“The web is no longer a novelty. For many, it is not even exciting. It is simply a universal communications tool, as accepted as the television or telephone, to help people locate information on demand.”³²

This remark on the role of online website made by Roger in 2000 has still proven its soundness until current day. The ease of getting connected to the Internet has truly enabled a revolutionary communications tool. It is important to understand the trend and grasp this opportunity to further effectively improve the organizations marketing communications activity.

3.1. The increasing presence of smart- connected devices.

New press release from International Data Corporation, known as IDC implies that the global market for smart connected devices- including PCs, smartphones, and tablets—reached 267.3 million units shipped in the second quarter of 2012, a 27.4% increase year over year and a 2.8% quarter-over-quarter improvement.³³

Besides, Asia/Pacific leads in total PC and smartphone shipments. Still, tablet in Asia/Pacific, hasn't catch up with its fellow's speed with a modest increase in volume, capturing a small share of the global total.³⁴

In forecasting the short-term period, IDC believes the worldwide total unit shipments for smart connected devices will reach nearly 1.2 billion in 2012, a 27.4% increase over 2011, and grow to 1.4 billion in 2013, 19.2% year-over-year increase. The market in Asia/Pacific is expected to stretch its lead over other markets, having the highest number

³² Kerin, R., & Peterson, R., *Strategic Marketing Problems: Cases and Comments* (Pearson Education, 2000), pp.25.

³³ IDC, *IDC Expects Smart Connected Device Shipments to Grow by 14% Annually Through 2016, Led by Tablets and Smartphones*, <http://www.idc.com/getdoc.jsp?containerId=prUS23703712> (September 2012).

³⁴ IDC, *IDC Expects Smart Connected Device Shipments to Grow by 14% Annually Through 2016, Led by Tablets and Smartphones*, <http://www.idc.com/getdoc.jsp?containerId=prUS23703712> (September 2012).

in volume. Instead of PCs, smartphones will top up amidst the growth.³⁵

In Vietnam, the internet usage is in blooming stage with significant increase. This can be seen in figure 2:

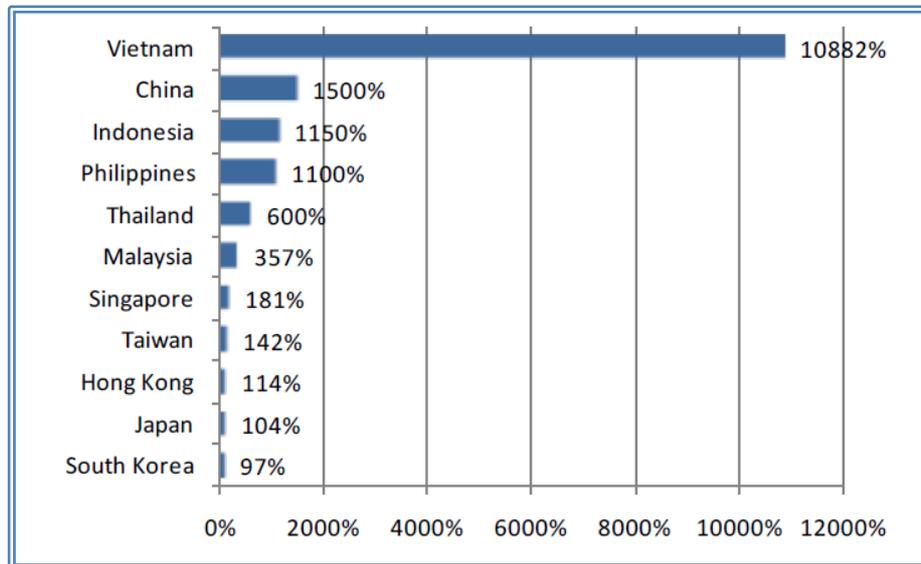


Figure 2: Internet user growth 2000-2009 in selected Asian countries.³⁶

3.2. Different types of informative website

With the increasingly prominent of online usage, website types can be categorized in various ways according to purpose, characteristics, etc. In all, it has been concluded to several types of websites including inner-directed, information-oriented, transaction-oriented, relationship-oriented.³⁷ Inner-directed sites are often the home page of the organization with photographs, lists of history milestones, accomplishments, product and services introduction. This type of website lacks the focal important ability to exchange specific products information. In the case of Moevenpick hotel Saigon, the property under Moevenpick hotel chain, it has a very limited room in the website of the chain. Therefore, only brief introduction about Moevenpick hotel Saigon's room, restaurant and

³⁵ Ibid.

³⁶ Cimigo, *Vietnam NetCitizens Report: Internet Usage and Development in Vietnam*, Ho Chi Minh City, <http://www.cimigo.vn/en-US/WhatIsNew/2010-01/cimigo-publishes-netcitizens-report1.aspx> (March 2010).

³⁷ Kerin, R., & Peterson, R., *Strategic Marketing Problems Cases and Comments* (NJ: Pearson, 2000), p.41.

bar is delivered without providing detailed information about the current promotions, news and press release of its own. This site might be only beneficial for first time guest to have an overview of the property. On the other hand, frequent guest would find it struggling to keep him or herself updated about the Moevenpick hotel Saigon news.

Second mentioned category of website is information-oriented. It helps to fill the gaps from the previous type in terms of providing detailed information about particular product. This specialized website might be essential in a complex product with specifications, usage, etc.

Transaction-oriented website is the third major type, especially important in hospitality industry. It is often managed by intermediary, who offers good deals to convince visitor to make a purchase. It sets a focus on price, product characteristics, benefits offered from different suppliers. The visitor can evaluate and choose the best suitable for him or herself. This type of site appears to be very popular nowadays. It often allows a two-way communications between supplier and visitor who has used the product or services. For hotel industry, there are a number of transaction-oriented websites, allowing online booking, leaving feedbacks, comments. Moevenpick hotel Saigon is also active is listing itself on different sites such as Booking, Agoda, Expedia, Hotels. Mentioned in the articles about hospitality trend, Rauch has claimed the increasing presence of mobile bookings and to research lodging, book and choose room preferences. With travelers opening to further utilize their smartphones and tablets capacity at such a rapid pace, there are more opportunities and advantages for hotelier, business to improve the transaction-oriented website to push sales, as well as keeping a closer connection with visitor.³⁸

So far, there has not a website aiming to build a long- term relationship with visitor. Hence, the most beneficial of relationship-oriented website is to establish an on-going dialog with them, fine-tuning the relationship between seller and buyer, encouraging buyer to have a worth of mouth to further introduce the organization to his or her friend.

Besides, the last decade has witnessed a prominent presence of online social communities powered by consumers. Social media offers many forms such as blogs,

³⁸ Rauch, R., *Top 10 hospitality industry trends for 2012*, http://hotelmarketing.com/index.php/content/article/top_10_hospitality_industry_trends_for_2012, (December 2011).

wikis, social network such as Youtube, Facebook, Myspace, Twitter, Pinterst, Foursquare, etc. First form is blog, an online interface, used to be considered as a personal diary. Yet, for the increasingly popularity of influencing blogs, there is chance to influence the consumer's purchase behavior since people are checking blogs to read about product's review, opinion. Furthermore, many bloggers offer advertising space with reasonable price.³⁹ The other major player in the online social communities is social network, which is the fastest growing phenomenon on the Web. Commented on the advantage provided by Facebook on an article in Businessweek, three decades ago, having a word of mouth—peer opinion, which has consistently been rated the most credible source of information, didn't have much profound effect on friend's point of view as today.⁴⁰ Fast as the growth of social network, one might question the fatigue of any trend and the practical effectiveness of advertising on such network. It is undeniably true that social network should be considered, firstly as a platform to exchange ideas, opinions and to share news. It enables the 2-way flow of information with prompt updates, desirable size and customized content. In that sense, social network acts as the gate to establish closer relationship with current and interested visitor, instead of focusing on advertising to spontaneous Facebook user. There is increasing number of Vietnam Facebook user. Also, the trend of marketing by creating Facebook page has been of dominant success. For hotel in Ho Chi Minh City, there are some strong players such as Caravelle hotel with more than 5000 likes, allowing direct booking from Facebook, posting continuous updates and promotions, Park Hyatt Saigon: 3200 likes, enabling to register for The Gold Passport Program used in Park Hyatt worldwide, Sheraton Saigon Hotel & Tower with around 1600 followers. Other 5-star hotel either has not opened its own page or has less than 1000 likes in the case of Moevenpick hotel Saigon.⁴¹ It is clearly seen that the actual potential of social network among some hotel has not been fully exploited or hasn't arise much interest on the user. Apart from Facebook, there are many other types of social network in existence. Yet, they are just on the stage of new introduction and have not had an effective performance as it is supposed to have.

- Determine market's information needs

³⁹ Sheehan, B., *Basics Marketing: Online Marketing* (Ava Publishing, 2010), pp. 98.

⁴⁰ Yarmis, J., *How Facebook Will Upend Advertising*, Bloomberg Businessweek http://www.businessweek.com/technology/content/may2009/tc20090527_635562.htm (May 2009).

⁴¹ Number gained from Facebook page in 15th September 2012

In order to fully exploit the awaiting potentials offered by online website, hoteliers and business should have a clear understanding of market's information needs. In every stage of the process, there is varied demand. For example, in the introduction period, only the basics should be emphasized, ease of access and product price range, benefits. On the other hand, at the transaction stage, it is necessary to close the deal with special promotions, early-bird or two-for-one coupon specials, etc.⁴²

- Promoting the website

Having an informative website is not enough when there is not sufficient tactics to promote it. Recommended by Roger, there are various methods to attract visitors. It is important to assure the extensive optimization in search engines such as Google, Yahoo, Ask, etc.⁴³ Secondly, it is possible to place banner advertisements that link to the website on other website. However, deciding on which website to place the banner and how to calculate the practical effect of banner ads remains questionable to many marketing executives. Another effective method is to promote the website address everywhere in your current existing print communications such as brochures, business card, envelop stuffers, invoices, newsletter, posters or billboards, etc. All these activities aim to create more interest from visitor as well as to retain current and acquire new guest.

⁴² Kerin, R., & Peterson, R., *Strategic Marketing Problems Cases and Comments* (NJ: Pearson, 2000), p.161.

⁴³ Ibid., pp.194

III. EMPIRICAL PART

1. COMPANY BACKGROUND

The commissioning party of this thesis is Moevenpick hotel Saigon. Having entered in Vietnam since 2008, it is the only 5-star hotel located near Tan Son Nhat international airport- Ho Chi Minh City. Aiming to mainly serve corporate travelers, professionals, foreigners and premium customers, Moevenpick hotel Saigon is regarded to be one of the most convenient, best-equipped business hotels in Ho Chi Minh City with exceedingly comfortable room, 2 large meeting rooms, a ballroom for up to 400 guests, and 3 boardrooms with necessary business services. In 2010, the hotel had been under construction for momentous improvements at a cost of about \$15 million. A more progressive, environmentally sound image of the building is projected to enhance guest comfort and to harmonize the neighboring architecture.⁴⁴ Moevenpick hotel chain has had a long- standing history and friendly organizational culture embracing care, professionalism with Swiss touch. The vision is said “to be the preferred and most enjoyable upscale hotel chain of Swiss origin, for guests, employees, hotel owners and shareholders.”

The hotel offers diverse dining options with 5 food and beverage outlets. There is a variety of cuisine around the globe, from Asian favorites to European fine dining. IKI is a new concept, a Japanese bistro where top-quality, super-fresh sushi, tempura and other East Asian favorites are served in an appealingly non-traditional setting. Lotus Court is dedicated to Chinese cuisine with the city’s finest dim sum. Apart from that, Café Saigon is the property’s all-day dining restaurant consisting of international buffet- an elegant fusion of local, Asian and Western influences. Cay Da Café, a bakery that serves up homemade ice creams pastries, cakes and the best European style bread. The only bar, namely Slate – The Bar, offers wide range of martini and snacks.⁴⁵ These 5 outlets remain as the main topic of this thesis.

⁴⁴ Pham N., *Moevenpick hotel Saigon Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

⁴⁵ Pham N., *Data collected from Moevenpick hotel Saigon Restaurants and Bar Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

2. SITUATION ANALYSIS

With the current strategies of product and market growth are market penetration and development,⁴⁶ the objective is to increase the purchase rate of existing customer as well as to reach out for potential profitable ones, improving the market share for all F&B outlets. In order to give recommendations for marketing communications to achieve these objectives, it is important to understand and analyze both internal and external environment of all the restaurants and bars in Moevenpick hotel Saigon. These outlets would be taken into considerations independently. Hence, the situation analysis may only cover aspects relevant to the restaurants and bar, leaving alone the external factors affecting the hotel. By understanding opportunities, challenges and pinpointing the competitive advantages, it is then feasible to introduce different possibilities to the existing and potential market.

2.1. Internal analysis

To better exploit the competitive advantages, it is important to understand the marketing mix of the restaurants and bar. From its nature, restaurants and bar are service business oriented. The marketing mix includes the 7 Ps: product, price, promotion, place, people, process and physical evidence.

Product is defined to be tangible and intangible which combines goods and services offered by the company. According to Kotler & Armstrong, product entails the product variety, the depth and length of the product line; quality; design and features as well as packaging and services.⁴⁷ Moevenpick hotel Saigon offers a variety of restaurant cuisine. Café Saigon offers a contemporary all day dining with international menu buffet. Café Saigon focuses on fusion of flavours from Vietnam, Asia and Western ingredients. It is the place for international guest to find his or her own favorite dishes whether it is sushi, noodles, pizza or pastries.⁴⁸ Lotus Court is a Chinese restaurant with a specialty in dim

⁴⁶ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 43.

⁴⁷ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 50-51.

⁴⁸ Pham N., *Cafe Saigon Restaurant Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

sum and Cantonese cuisine. The restaurant is famous for its modern twist of food and interior. While the menu is vast, with everything from delicate dim sum to roasted meats and fresh seafood, it stands out for non-traditional Chinese ingredients, presentation.⁴⁹ The third restaurant to be is IKI, a Japanese restaurant with affordable menu and easy atmosphere. Unlike most other Japanese restaurant in a 5-star hotel with a luxury menu with an exclusive price, IKI establishes a different concept of fresh ingredient, simple dish and reasonable price offering to general customer such as white-collar worker, resident in neighboring office building and hotel guest, etc. The most popular foods are sashimi, nigiri and business set lunch including main course, drink and ice-cream of choice.⁵⁰ The only European style bakery stop is Cayda Café with daily fresh bread, cakes and pastries plus an assortment of sandwiches and pies. Coffee and tea specialties are available for both friend-gathering and business partner informal meeting. With the legend of Moevenpick fame for ice cream, it is also the best selling point of Cayda Café with a variety of homemade ice-cream flavors.⁵¹ Last but not least is Slate – the Bar. It is the newest F&B outlet, located in 3rd floor with a vibrant and modern design. The menu sets itself apart by a multitude of over 30 martinis made from various combinations of premium spirits and other fresh flavors. Besides, there is a diverse selection of liquor, wine, cocktails, long drink, shot and soft drink with the company of BBQ menu, snacks.⁵²

The second aspect to be considered is the price. It is defined to be the amount of money paid to obtain the product. It includes features as the list price, discounts, payment periods, allowance and credit terms.⁵³ There is no specific pricing strategy for all F&B outlets since the differentiation strategy, the target audience and restaurant concept is different. Café Saigon, Cayda Café, Lotus Court and Slate-the Bar adopt the marketing-orientated pricing strategy to maintain the flexibility of price to be competitive enough, yet able to earn profit. Comparing to other 5-star restaurants, the price range is lower to stay competitive. Overall, since these F&B outlets have a differentiation strategy, they

⁴⁹ Pham N., *Lotus Court Restaurant Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

⁵⁰ Pham, N., *IKI Restaurant Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

⁵¹ Pham, N., *Cayda Cafe Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011).

⁵² Pham, N., *Slate-the Bar Introduction*, [News release], Retrieved from: Marketing Communications Press Kit (July 2011)

⁵³ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 50.

offer the price according to customer's perceived value for food quality, customer services, intangible emotion and feeling. The goal of the pricing strategy in these outlets is to create added value perceived by the customer comparing to the actual price. On the other hand, it is higher than other neighboring competitors in order to cover the cost and remain consistent with the quality standard, the brand image of an upscale restaurant. However, IKI is aimed at more general customers with simple menu at a competitive low price, adopting a direct-cost pricing strategy. According to Fitzsimmons, a standard product can be customized at a very little cost for a service companies. "If a hotel boy can address a guest by name, it makes an impression and can do more business with a very low cost".⁵⁴ This type of customization is followed by IKI management with the emphasis on dedicate staff, fast service, clear cut menu, yet affordable price. Low prices charged in order to increase output and bring down the costs thanks to experience curve effect.

Place is understood as the distribution policy of the company. The prominent features of place are marketing channel, locations of distribution, transportation and logistics.⁵⁵ Analyzing this P of a restaurant, the main focus would be on location. Location could be a blessing or a curse. A restaurant might gain benefit for close proximity, given the fact that it should not find itself in a cluster of restaurants without sufficient differentiation strategy.⁵⁶ A restaurant's location appears to be critical to patronage. Accessibility is compromised when the restaurant is located in a remote location. On the other hand, an easy-accessed restaurant in remote for potential guests will have higher chance for potential selection of dining choices.⁵⁷ As mentioned earlier, Moevenpick hotel Saigon is located near the airport where is around 5km far from District 1-the center of tourist attractions and city leisure creations. However, Phu nhuan District densely populated, more than 36.000 people/km² with 183,000 inhabitants in an area of just 4.88 km².⁵⁸ It is considered to be a prime location for having borders with several other inner-city districts. It is a favorite residential area for locals and many office building. The location invites both benefits and challenges. In remote areas of Moevenpick hotel Saigon, there

⁵⁴ Fitzsimmons, J., & Fitzsimmons M., *Service Management: Operations, Strategy, Information Technology* (McGraw-Hill/Irwin, 2008), pp.40.

⁵⁵ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 51.

⁵⁶ Parsa, H. G., Self, J., Njite, D., & King, T. (2005), *Why restaurants fail?* Cornell Hotel and Restaurant Administration Quarterly, 46(3), 307.

⁵⁷ Ibid., pp.364.

⁵⁸ *Phu Nhuan District Demographic Information*, Phu Nhuan District Official Webpage, <http://www.phunhuan.hochiminhcity.gov.vn/gioithieuchung/bandohanhchinhh>, (September 2012).

are not so many direct competitors. With right choice of target customer, restaurant concept, food quality and service, all of Moevenpick F&B outlets can gain unique competitive advantage. Nevertheless, there are challenges to attract irregular traveler, customer during weekends. The competition with other down town 5-star F&B outlet is stronger if there is no out-standing factor of special programs, promotions or food specialty to compensate for the distance.

The fourth P in traditional marketing mix is promotion, also known as marketing communication. According to Kotler & Armstrong, promotion can be defined as activities that communicate the merits of the product and persuade target customers to buy it.⁵⁹ There are a number of communication activities, which have been implemented to communicate a consistent image of each F&B outlets. Integrated marketing communication ensures all activities are well coordinated to achieve the communication objectives for each F&B outlets. Currently, both push and pull approach are applied with the use of monthly electronic newsletter, loyalty program, advertising via press, social media, public relations and sales promotions. For an upscale restaurant like Café Saigon, Lotus Court, Slate-the Bar and Cayda Café a pull approach is applied with advertisements, news presenting in selected magazines targeting at the desired audience in high-end, fashion and business magazines such as Travellive, Heritage, Elle, Her world, etc. Online website, booking site, social media such as Facebook are increasingly cherished thanks for its low cost and large audience. The visual image has also become a popular communication tool for advertising campaigns. As a public mode of communication it is capable of reaching a mass audience repeatedly. It is about grabbing attention through trying to stimulate as many of the human senses as possible. The pull approach is suitable for an upscale restaurant since consumer seek out the brand and because of its exclusive nature. This approach of direct communication with the end-user is the most appropriate way to achieve the given objective of creating the desired brand perception. As brand awareness is an indicator of consumer knowledge about the existence of the brand since Café Saigon, Lotus Court, Slate-the Bar and Cayda Café are trying to position their brand image. The main issue here is that on the one hand there is a big chance to reach the desired target group through the chosen instruments; on the other hand it is extremely costly to conduct activities such as regular advertisement, event marketing such as new promotions luncheon, international masterchef visit week,

⁵⁹ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2008), pp 51.

sponsorship, public fairs such, etc. On the other hand, IKI enjoys a push marketing communication approach with more emphasis on introducing new promotions than investing on advertisements, public relations. Some of current promotions include “All you can eat” sushi, Business bento box at IKI; Seafood Wave at Café Saigon; Burger and Beer, pizza after work, happy hour, ladies night, cocktail of the month at Slate-the Bar; happy hour, “All you can eat” ice cream, special of the month at Cayda Café; “All you can eat” dimsum at Lotus Court.⁶⁰ Further detail about this topic will be discussed at later stage.

The next P of people is an essential aspect for any service company. Consumers’ perception of how the employee takes care of them highly affects customer satisfaction.⁶¹ According to Knutson’s, the underlying factors, which increase customer’s satisfaction in restaurants, are employee greeting, restaurant atmosphere, speed of service, and convenience.⁶² Each and every F&B outlet has its own staff guidelines and policies. In Café Saigon, even buffet is run all day, yet there is the collaborative interaction between customer and staff. The staff of each outlet has his/her own uniform to match with the ambiance and décor of the restaurant. For waiter and waitress, English and Vietnamese are compulsory languages: Mandarin is recommended in Lotus Court. The language requirement assures the effective communications with the guest. Tracked from most of guest feedbacks, the attitude and friendliness of all restaurants and bar are highly appreciated comparing to the other F&B outlets. It is the mission of Moevenpick hotel Saigon to “deliver premium service, culinary enjoyment and sustainable environments - all with a personal touch”, which focuses on each individual expectations of the guest.⁶³

The last but not least P is physical evidence. According to different concepts and cuisine, each restaurants and bar has different interior decorations, furniture, music, etc. In Café Saigon, there are several open "satellite kitchens" and "islands" where expert chefs prepare culinary highlights in front of diner. There are appetizer, main course and dessert corners, each with international dishes, served in cold or hot on demand. The wide space

⁶⁰ Pham, N., *Monthly Promotions of Moevenpick hotel Saigon*, [Press release], Retrieved from: Marketing Communications Press Kit (September 2012).

⁶¹ Smith, A., Bolton, R., & Wagner, J., A Model of Customer Satisfaction with Service Encounters Involving Failure and Recovery (*Journal of Marketing Research*, 1999), pp. 356-372.

⁶² Knutson, B., Ten laws of customer satisfaction (*Cornell Hotel and Restaurant Administration Quarterly*, 1988), 29(3), 14-17.

⁶³ Moevenpick Group/Profile,

http://www.moevenpick.com/content/profil_moevenpick_hotels.php?language=en, (September 2012).

with large seating capacity delivers a very contemporary feeling. The trend is familiar with IKI with theme color of lively lime green and yellow color, which is the trademark of Japanese food. On the contrary, Lotus Court has its very traditional approach with Chinese characteristics ornaments and lacquer paintings. Some guests already referred to the restaurant as an art gallery within a superior setting. A dim sum kitchen is open to guests. Private rooms are available for private gatherings mainly favored in Western dining culture. Cayda café, a café corner has the smallest in-house area, yet a lovely terrace, convenient for morning café. Prominent of all with unique style of décor and furniture is Slate-the Bar. The bar is located in the 3rd floor, separately from other F&B outlets. Large windows allows guest to have a dynamic view of the surrounding street life. The cool and trendy design in black, silver and turquoise colors reflect the modern approach. Slate – the bar features the only up-market cocktail bar in town

2.2. Competitor analysis

Competitor analysis is an important part of the strategic planning process. It helps assessing the competitive position of the organization in the marketplace, hence developing strategies accordingly. Mentioned in study of Aaker & McLoughlin, there are 2 different approaches to examine the competitor. While the first is taking customer's perspectives to make choices among competitors, the other approach is to categories competitors into strategic groups on the basis of the competitive strategy.⁶⁴ First approach aims at the degree competitors compete for buyer's choice, which is much business level oriented. The second one is, on other hand, is more to corporate level oriented. In the industry of restaurant and bars, it appears to be so general the level is to provide a clear understanding of competition since each competes on different bases and customer group's expectations. In this thesis, competitors will be examined in the second approach, which is in strategic groups. It helps understand, differentiate direct and indirect competitors; questions the possibility of switching from one strategic group to others; identifies potential opportunities and challenges.⁶⁵

⁶⁴ Aaker, D., & McLoughlin, D., *Strategic Market Management: European Edition* (John Wiley & Sons, 2007), pp. 57.

⁶⁵ Johnson, G., Scholes, K. & Whittington, R., *Exploring Corporate Strategy* (Harlow: Pearson Education Limited, 2005), pp.69.

Bases on Porter studies, there are 2 categories of different characteristics for identifying strategic groups, of which are scope of activities and resource commitment.⁶⁶ In this case, the author introduced direct and indirect competitor groups.

There are several direct competitors of Moevenpick hotel Saigon F&B's outlets in terms of similar target customer segment, location and restaurant and bar organization. Located on the same Nguyen Van Troi street, these restaurants and bar belong to 4-star hotels namely: StarCity Saigon hotel and Parkroyal hotel. Garden Brasserie in Parkroyal Hotel and La Mezzanine Restaurant in StarCity offer international buffet in combination with traditional Vietnamese dishes. Both restaurants are direct competitor to Café Saigon since it follows very similar concept and marketing strategy. Should it not be for excellent product quality of food and services, also successful marketing communications campaign, there can be confusion in customer's perspectives of each restaurant value and competitive advantages. Both competitors have lower price for their buffet with La Mezzanine delivering seafood lunch buffet and Garden Brasserie with seafood buffet dinner while seafood buffet is only available at Café Saigon during the weekend.⁶⁷ It can be a disadvantage for Café Saigon since Vietnamese diner often favors seafood buffet and rank the buffet quality according to the seafood variety and specialties. On the other hand, the marketing communications activities for these restaurants are still limited with interrupted programs or promotions.

Unlike the competitive situation for restaurants, the bar in each hotel has different product type and unique selling point. Bar Lotus in Parkroyal hotel emphasizes on serving a distinguished collection of coffee from Guatemala, Ethiopia, Costa Rica, Colombia, India and tea Ceylon, Mint, Ginger, Earl Grey, etc.⁶⁸ The ambiance and live music are designed according to characteristics of the bar. On the contrary, Vino Veritas in StarCity offers large selection of wine both by the bottle and by the glass of all styles, supported by all famous brand cigars. It is clearly seen that Slate-The Bar has its own concept and different audience.⁶⁹

⁶⁶ Porter, M., *Competitive Strategy* (Free Press, New York, 1980).

⁶⁷ Parkroyal Saigon Website, http://www.parkroyalhotels.com/en/hotels/vietnam/saigon/parkroyal/restaurants/garden_brasserie.html, (September 2012).

⁶⁸ Ibid.

⁶⁹ StarCity Saigon Hotel Website, <http://www.starcitysaigon.com/starcity-saigon-hotel-restaurant.html> (September 2012).

- Direct competitors in broader strategic groups

The competition with other 5-star restaurants and bars in Ho Chi Minh City appears to be more intense with many strong players. They earn the benefits of being very long presenting in the market and a deep understanding of customer, effective customer relations and ideal location of the city center where attracts many tourists and residents. The prominent restaurants and bars are from Sheraton Hotel, Caravelle, New World hotel at a very high price and from Intercontinental, Equatorial hotel at a relatively competitive price range. It is challenging to switch to this broad strategic group. Hence, it is recommended to focus on geographic areas of Moevenpick hotel Saigon. This market is more profitable, potential.

Apart from these direct competitors, there are substitutes for customer which results to decreasing purchasing rate. Since, the current main target audience is customer in neighboring areas, the indirect competitors will be identified and examined according to this criteria. Having the highest number of substitutes is Cayda Café. There are a variety of café and bakery around the area such as Olive Café Lounge, Paris Baguette, Tous le Jours and many small café aiming at regular Vietnamese customers.

Having knowledge about competitors, it is sensible to evaluate them and to realize the competitive advantages. Michael Porter has categorized 2 basic types of competitive advantage: cost advantage and differentiation advantage. Cost advantage exposes when the firm is able to product same product as competitors but at a lower cost. Differentiation advantages gained when the product delivers benefits, which exceed those of competing ones. Hence, the firm creates superior value for customers and itself.⁷⁰ Reflecting on that, Moevenpick hotel Saigon F&B outlets claims to focus a differentiation advantages to offer customer excellent value of psychological, spiritual aspects.

⁷⁰ Porter, M.E. *Competitive Advantage* (Free Press, New York, 1985).

3. CUSTOMER ANALYSIS

Understanding the strategic customer is the first and foremost importance in every strategic planning process. Since they are the ones whom the strategy is primarily addressed and having the most influence over which goods or services are purchased.⁷¹ Hence a survey has been fulfilled in order to understand more about the current strategic customer of all F&B outlets. The method and result shall be discussed in detail below.

3.1. Definition of the Research Problem and Objectives

In order to achieve meaningful results, the prior objectives should be set to conduct research questionnaire in a structured way. According to Burns and Bush, the marketing research process can be divided into eleven different steps. One of these steps is the definition of the problem, followed by the establishment of objectives.⁷² The problem of the thesis at hand was defined as to evaluate the consumers' satisfactions in Moevenpick hotel Saigon F&B outlets and the marketing communications impact on these consumers. The problem acts as the guideline to search for solutions to increase profit of Moevenpick hotel Saigon F&B outlets by improving the marketing communications productivity without increasing the investment cost. The objectives were to increase the purchase rate of current strategic customer and to identify the most effective marketing communications mediums and media channels to reach the targeted potential customer. That meant not only the understanding of customer's profiles, expectations for Moevenpick hotel Saigon F&B outlets' goods and service quality; building closer relationship, connection with them, but also the research for effective marketing communications tools to attract more potential customers.

⁷¹ Johnson, G., Scholes, K., & Whittington, R., *Exploring Corporate Strategy: Text and Cases* (Harlow: Financial Times/Prentice Hall, 2005), pp.96.

⁷² Burns, A. & Bush, R., *Basic Marketing Research – Using Microsoft Excel Data Analysis*. 2nd edition (New Jersey: Pearson Education Inc, 2008), pp.63.

3.2. Research Design

According to Burns & Bush, the next step is to determine the research design, which was exploratory research for this thesis.⁷³ The main purpose of applying exploratory research is to gain insight, to uncover ideas, opinions and to find possible explanations, which are obviously not solely to get the answer. There is a variety of different ways that can be utilized in exploratory research, for example by analyzing secondary data or studying previous similar cases or collecting primary data from experience surveys, focus groups or projective techniques. In order to produce a sound assumption, there should be a combination of collecting data methods to achieve an objective conclusion. Therefore, the marketing research for this thesis consisted of both an analysis of secondary and collection of primary data.

Secondary data is defined as to “have previously been gathered by someone other than the researcher and/or for some other purpose than the research project at hand”.⁷⁴ There exist two categories of secondary data. Both of these two will be mentioned here with internal source providing an insight of the situation, provided by Moevenpick hotel Saigon and external data, used to analyze general situation and to identify external environment’s opportunities and threats.

Primary data was gained through direct interview with restaurants & bar’s customer. The aim of interviews is to obtain more personal, detailed, or in-depth information. The interviewer fills out the survey while asking questions. Each interview offers extensive chance to probe and to give respondents the ability to elaborate their answers. The chance to be present in the hotel and extreme support from the hotel management had enabled the researcher to conduct individual interview with the consumer. Hence, it is effective to understand the guest’s comments and feedbacks. Still, some interviews were quite time-consuming. This is the following step in the marketing research process, which is the design of data collection.⁷⁵ In this context, a questionnaire was chosen to be the design of data collection. It acts as the guidelines for structured interviews, while

⁷³ Ibid.

⁷⁴ Ibid., pp. 137.

⁷⁵ Burns, A. & Bush, R., *Basic Marketing Research – Using Microsoft Excel Data Analysis*. 2nd edition (New Jersey: Pearson Education Inc, 2008), pp.63.

maintaining ability to convey more information.

3.3. Sampling and Data Collection Methods

Before conducting the interviews, the first step was to define the population of the research. With the aim to increase the purchase rate of current existing customers and improve the marketing communications activities, the population was the diner in all F&B outlets during the research period. August is one of the lowest months in terms of sales figures in Moevenpick hotel Saigon. Therefore, it was the appropriate time to identify the reason of the decrease in sales and current customer's expectations for the restaurants & bar performance. The population in this thesis of applied social research was the group the researcher would like to sample from, because this is the interested group to be generalized from.⁷⁶ Keeping in mind the distinction between the theoretical population, which is the ideal group, and the accessible population, the researcher had chosen the group of current customer in lowest month sales. The other targeted population was potential customer in surrounding building and offices. These were groups from whom the researcher would like to generalize, in order to achieve the project objectives of increasing current customer purchase rate and attract more neighboring locals. However, due to the constraint to reach, conduct survey to the neighboring locals and low degree of reliability, this plan had been withdrawn. It was the case in many buildings and offices that the researcher did not have the permission from the property-owned company to conduct a survey. Besides, even when survey by paper had been delivered to the targeted group, the rate of return was very low due to the lack of time and relationship support. In the end, the main population is the F&B outlets' diner who was either frequent or first time customer in Moevenpick hotel Saigon.

The research applied in this thesis was quantitative, yet providing much qualitative information thanks to the fact that survey was filled by the researcher while interacting directly with the targeted group.

With the defined population, the questionnaire design was necessary to act as the guideline of every interview. Since the aim of research was to get more information

⁷⁶ Web Center for Social Research Method, Structure of Research
<http://www.socialresearchmethods.net/kb/strucres.php>, (September, 2012).

about the diner's expectations, comments and favored marketing communications tools, the questionnaire consisted of both multiple choice and open-ended questions with aided response format. Multiple-choice question provided general information while open-ended question allowed the respondent to answer in his or her own words. There was aided response for answering open-ended question, acting as a hint for the respondent to start sharing idea and opinion quickly. The questionnaire consisted of 10 questions in average. The content of the questionnaire had been discussed with the marketing communications and F&B manager of Moevenpick hotel Saigon. Equal attention to research on the customer's comment on goods, service quality and marketing communications activities was paid. The first question concerned the ranking of service, beverage, food quality, location and promotions from excellent to poor. Even this question introduced a ranking system for each feature; it spared room for opened response. Because there was high percentage of diners who expressed his or her opinion and further feedbacks on particular aspect, which he or she was either satisfied or unhappy with, instead of solely providing ranking grade. Furthermore, there were questions concerning which features of the restaurants and bar that he or she favored the most and least; the frequency of his or her dining out habit. Besides, the questionnaire contained questions about productivity of Moevenpick hotel Saigon's marketing communications activities on how diner knew about Moevenpick hotel Saigon F&B outlets, whether he or she had heard about the available promotions or not and how often he or she was informed about restaurants and bar news and promotions. These were questions in categorical format.

In order to evaluate the customer's feedbacks on 5 F&B outlets' performance, the survey had been fulfilled in all restaurants and bars with different time slot. For Cayda Café, survey was made after breakfast hour and after 5pm to closing time. Alternatively, Slate- the bar was often busy from 9pm to midnight. On the other hand, researcher had most of evening time from 6pm to 8pm in IKI- Japanese restaurant and Café Saigon - all day dining international buffet. The last Lotus Court- Chinese restaurant was typically busy during weekend lunch thanks to the dim sum promotions. In a first attempt in the 2 beginning days, the interviewee had coped with the challenges of customer refusing to do the survey in IKI, Lotus Court and Café Saigon due to the rush in lunch hour. In Cayda Café where offering takeaway services, many customers didn't have much time spending on the café. The Slate – the bar's opening hour was late in the evening so that it restricted

questioner from arranging the time schedule due to some personal hindrances.

Finally, the problem was solved after 2 days, after getting acquainted to the buying behavior and peak hour of all outlets. Higher response rate was achieved when the author spent more time in evening to work in IKI and Café Saigon, weekends at Lotus Court and late night in Slate- the bar and Cayda Café.

The research had spent 5 weeks: from 6th August 2012 to 9th September 2012. There are 220 copies of the customer questionnaire had been given face-to-face to customers of five F&B outlets. The questionnaire had been done in means of small direct interview to receive prompt interaction with the customers and chance to receive more feedbacks from them. The average amount of time spent on each group is 7 to 10 minutes. During sampling, different groups of customers in terms of nationality, age, occupation, were chosen. At the end of the period, 165 groups agreed to answer the questionnaire. The rate of response was 75 %.

3.4. Survey Results

The final step was the evaluation of collected data. Derived from the combination of both secondary data from public source about potential, existing customers information including statistical data; in-house guest feedbacks provided by Moevenpick hotel Saigon F&B manager and primary data collected from the survey samples, the result part included the analysis and some generalized conclusion. Besides, charts, figures were complement for clear illustration.

In the first section, general information about both targeted potential customers from surrounding areas and current hotel guests and restaurant diners was introduced. Next was the analysis derived from the customer survey's result, the ranking and comments on the goods and services quality provided by Moevenpick hotel Saigon F&B's outlets. Afterwards, the study of marketing communications' issues was mentioned. The summary outlined main points generalizing from the survey. Due to the fact that this survey was quantitative, the result might generalize some main conclusions. In addition, particular qualitative information supports insight about the problem and situation.

3.4.1. General information about Moevenpick hotel Saigon's guest

Clearly stated, each of Moevenpick hotel Saigon's F&B outlets has different customer target segment. The major segment might match with the in-house guest segment in the case of Lotus Court restaurant, Slate- the bar: or can be totally different in the case of Cayda Café. Saying that, restaurants and bar have 2 different customer segments namely hotel guest and external diner. Two groups have different geographic, psychographics and behavioral characteristics and demand unique marketing communications approach.

Concerning the hotel guest segment, attracting new guest or increasing purchasing rate of existing guest doesn't only improve the restaurant sales itself but also the hotel occupancy rate. Belonging to the airport and city hotels group of Moevenpick hotel chain, the strategic location of Moevenpick hotel Saigon decides its own main guest segment, which consists mainly of business traveler, executive and short-term expat living and working in Ho Chi Minh City. The existing main stream of in-house guest is foreigner from Europe and neighboring countries in Asia such as Korea, Singapore, China and Japan. 90% of interviewed in-house guest dining in all outlets are on business trip, working in surrounding offices and building of Phu Nhuan District. The other 10% belongs to foreign visitors to Ho Chi Minh City. Most of them prefer to stay in an off center thanks to quiet surroundings, yet still convenient to commute to tourist attractions. It was a surprise to realize that all of interviewed in-house guest were from Western countries. There are 2 theories generated from that which was either the Vietnamese customer segment is small in Moevenpick hotel Saigon or this segment does stay in the hotel and refers to dine out instead of using the outlet's options. In all, it is clearly seen that Moevenpick hotel Saigon F&B services hadn't been popular and being of little interest in domestic market. Also around 80%, which was 41 out of 51 interviewees were first-time and infrequent hotel guests and diners in Moevenpick hotel Saigon F&B outlets. The frequency of their visits to Vietnam greatly depends only on working requirements. Hence, the primary benefit sought was convenient commuting distance and a competitive price of Moevenpick hotel Saigon among other 5-star hotels in Ho Chi Minh. Major number: 48 in 51 in-house guests were satisfied with the services and considered the experience "well worth the money". The rest was either unhappy with the

secure internet charge, uncomplimentary breakfast in Café Saigon or some errors in room equipment, etc. With that promising result, more than 90% of interviewed in-house guest agreed to book the hotel for the next stay and referred the hotel to his or her friends. The number of in-house guest in Café Saigon and IKI restaurant ranked highest with the Café Saigon having 20 in 45 making it 44,4% and IKI: 15 out of 40 (37,5%). Next position belongs to Slate – the bar with 12 in 15 guests being in-house. Due to the fact that the total survey gained from this bar was very limited, the percentage of in-house guest in Slate-the bar is as high as 80%. It indicated the main customer segment in the bar is in-house foreigner guest. On the other dimension, in-house guest segment does not make up a high percentage of total customers in Lotus Court Restaurant and Cayda Café. There were only 4 in 40 interviewed guests in Cayda Café staying in the hotel. The figure was 5 in 25 for Lotus Court Restaurant. It is explicable since September is often the low season during the 5-week period of this research. The main segment of in-house guests was mostly from contracted or strategic partners such as airlines, international company having sales offices, manufacturing property or meeting, conferences in Ho Chi Minh city. Assigned account manager in sales department is in charge of strategic customer. Typically, guest from the strategic partner, is informed about the hotel restaurants and bar options as soon as he or she checks in and depending on the contract or hotel programs, special privilege of discount or voucher at specific restaurant inside the hotel might be offered.

It is clearly seen from the current customer's analysis that there are many opportunities to attract new sources of hotel guest, from which the hotel hadn't put an emphasis on. Neighboring to Moevenpick hotel Saigon, there are many sales offices representatives of international companies. According to VNAT (Vietnam's National Administration of Tourism), international business travelers coming to Viet Nam had the greatest increase of 19% compared with the same period last year for 9 beginning months. Fostering more strategic moves towards a win-win relationship with them might provide more in-house guests. On the other hand, the tourist segment in the hotel is still modest comparing to other 5-star hotels while the figure of tourist travelling to Ho Chi Minh is gradually rising with more than 2 million in the first 9 months of 2012, representing a 12.3% increase comparing to 2011.⁷⁷ The brand preference of customer to associate Moevenpick hotel to

⁷⁷ Statistics from Ministry of Culture, Sports and Tourism of Vietnam, International visitors to Vietnam in September and 9 months of 2012,

business traveler hotel should be changed since the transportations in Ho Chi Minh City has been greatly improved. It takes only 10 to 20 minutes from the hotel to go to any tourist attractions by taxi. Besides, due to the statistics provided by property consultancy CB Richard Ellis Vietnam, the number of domestic tourist to Ho Chi Minh had highly out-weighted the amount of foreigners (Figure 3). Thereafter, focus to increase the market share of domestic market should be the next strategic development of the hotel management.

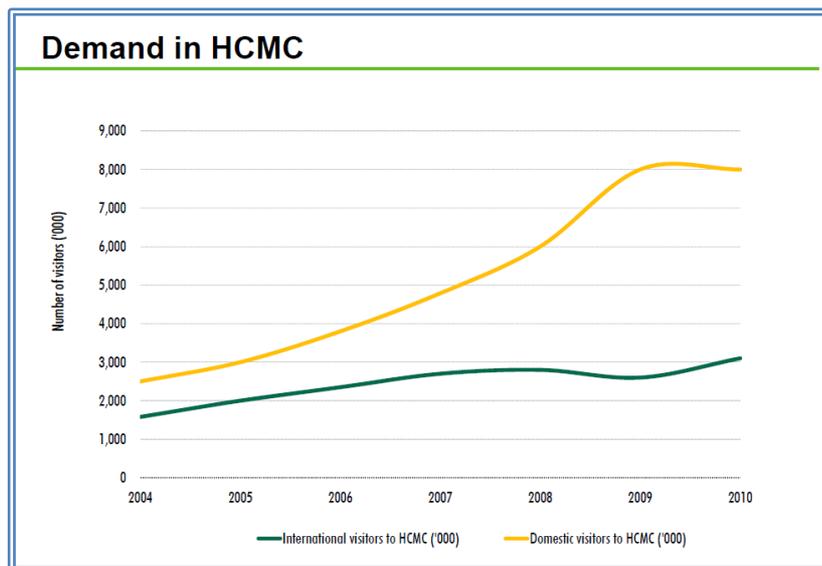


Figure 3: Room demand in Ho Chi Minh City from 2004 to 2010.⁷⁸

The second customer segment, also being the future strategic target group of Moevenpick hotel Saigon F&B outlets is external diner. They came to the restaurants and bar solely to enjoy the F&B services, not to stay in the hotel. From the management perspectives, this segment's potentials hadn't been fully exploited. Therefore, mentioned by Moevenpick hotel Saigon General Manager, the aim of future marketing program is to promote the F&B outlets as independent properties to attract new local customer from surrounding areas as well as foreigners, expat residing in town.⁷⁹ The representative of a five-star hotel in Hanoi- the capital of Vietnam has commented on the current trend of dining out habits among Vietnamese middle to upper income class. "Over half of the hotel's food and beverage customers are Vietnamese, who are often businesspeople or those with

<http://www.vietnamtourism.gov.vn/english/index.php?cat=012041&itemid=6026>, (September 27, 2012).

⁷⁸ McIntosh, R., 2011 Hotel investment strategy: What every developer should know (CB Richard Ellis, 2011), <http://www.cbrevietnam.com/wp-content/uploads/2011/09/CBRE-2011-Hotel-investment-strategy-what-every-developer-should-know-EN1.pdf>, pp.7.

⁷⁹ Direct interview with Moevenpick hotel Saigon's General Manager, Mr Craig Smith, (July 2012).

well-paid jobs in foreign companies or powerful state-owned enterprises in banking, finance, information technology and insurance sectors’’. With this higher revenue from F&B outlets, it offsets the reduction on room bookings during slack period.⁸⁰ This is the case for many other 5-star hotels in Ho Chi Minh City such as Caravelle, Park Hyatt Saigon or Sheraton Saigon Hotel and Tower, etc. Many marketing programs had been well executed to increase the sales of restaurants and bar to attract locals such as launching loyalty programs, introducing special theme buffet, rotating unique menu, etc. Even with intensive competition, Le Bich Diep, marketing and communication manager of Golden Gate, which owns more than 40 dining outlets nationwide, including the Kichi Kichi hotpot restaurants, a direct competitor to IKI restaurant in Moevenpick hotel Saigon claimed the big market size of promising future for restaurants and bar. “Demand for dining out is very large. I myself see no restaurants shutting down due to having no customers.”⁸¹ The external consumer group has unique characteristics of being a wealthy class with high position in either political party or business organization. As the living conditions improve, they turn to 5-star restaurants when making dining options in special event of the whole family, dating or business meeting. During the survey, 106 in 165 F&B outlets’ diners were external guest. This amount nearly doubled the number of in-house guest dining in the hotel. In Cayda Café, 90% of consumers who responded to the survey didn’t stay in the hotel. The number was 80% in Lotus Court restaurant, 73.3% in Café Saigon, 55% in IKI and 20% in Slate-the bar. Extracted from the report from F&B Department, the sales in Cayda Café had been higher than other outlets thanks to this consumer segment. Considering the smaller average unit price of Cayda Café comparing to that of Café Saigon, IKI or Lotus Court, the total amount of unit sold was obviously much higher. It demonstrated the huge opportunities and potential of external consumers.

3.4.2. Customer satisfaction in F&B service quality

In the above competition analysis, it is clearly seen that customers have a plethora of restaurant choices in Ho Chi Minh City. Hence, understanding current and potential diner’s needs enables practices to implement a strong customer-driven marketing

⁸⁰ Ngan. A., Inflation and the good life, Thanh Nien Daily News, <http://www.thanhniennews.com/index/pages/20120302-inflation-and-the-good-life.aspx>, (March, 2012).

⁸¹ Ibid.

strategy. Referred from the current guest analysis, the author comes to several criteria, which Moevenpick hotel Saigon F&B outlets mostly used to evaluate the service performance and buying decision. These factors were food quality, price, promotions, and recommendations, among other benefits desired. Consumers in Cayda Café were most satisfied with location, 87.5% ranking it excellent. Foods and services followed with 25% and 20% respectively. Unfortunately, beverage was not the selling factor in consumer's perspectives with only 85% evaluating it good and the rest judging fair to poor quality.

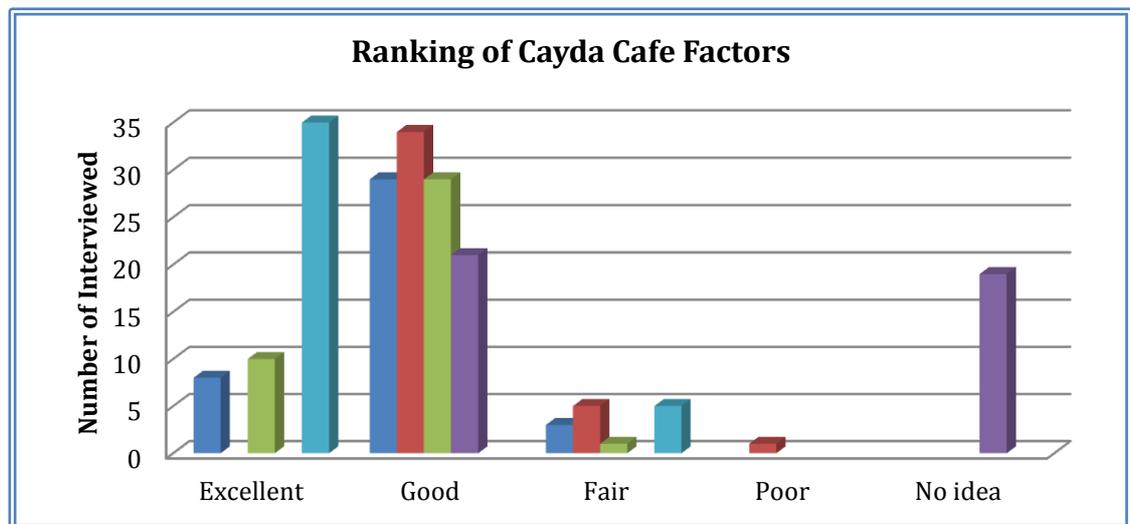


Figure 4: Ranking of Cayda Cafe Factors.

On the other hand, the situation was different in Slate- the bar in terms of beverage quality with many favorable comments on its signature martinis and other liquor. Location, again, was very convenient since 80% of the interviewed were in-house guest and the other 20% external consumer. Service was also highly ranked with “nicely bartender, fast and friendly waitress”. However, food was not often served in Slate-the bar. Therefore, more than half of response had no idea about its quality. It can be concluded that all of the consumers were satisfied with the provided service, apart from minor feedbacks on having live music band and the lack of crowd during weekend. As good as the service is, there were still a small number of external guest to the bar. The reason for this should not be blamed for bad product or services quality. Yet, it might be the distant location from district 1 or the atmosphere or the marketing communications inefficiency, which will be discussed later.

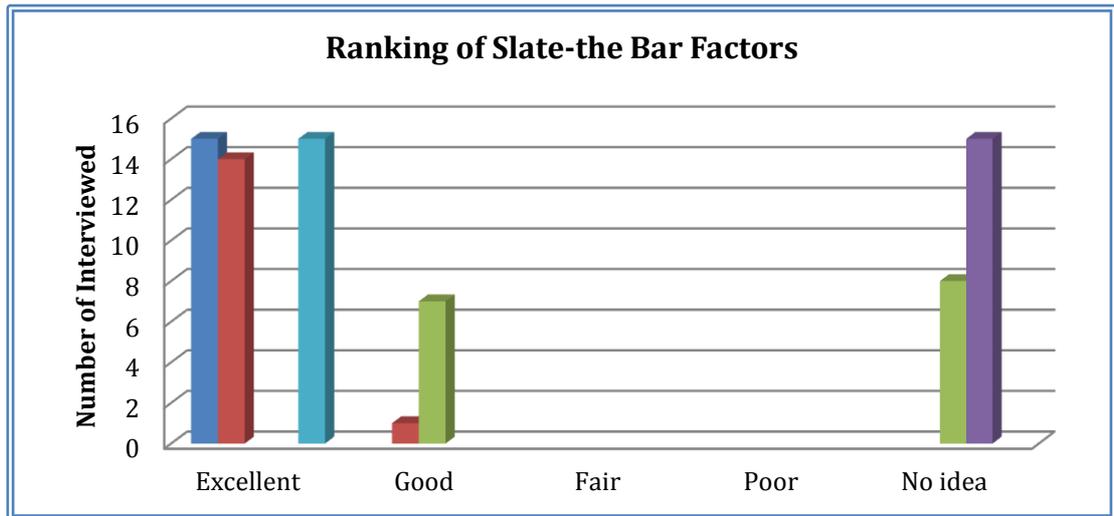


Figure 5: Ranking of Slate-the Bar Factors.

During the research period, Lotus Court is the most challenging outlet to fulfill the aimed number of response in order to produce a valid or reliable result. The reason was that Lotus Court had been busy mostly on weekends with 80% external consumer. The restaurant is located on the second floor of the hotel, which doesn't have an ideal position. Many of respondents when asked, didn't know the existence of Lotus Court restaurant (30% of total interviewed). The main source of Lotus Court was loyal guest with member card, guest using casino inside the hotel and some Chinese in-house guests. It was transparent that the location for these consumer groups was excellent. They also ranked services very good with 27% totally satisfied with services quality and the other 83% evaluated desirably good. Even so, diners were still not convinced to prefer Lotus Court than its competitors due to the food and beverage issues. 80% of response in Lotus Court is native Chinese. Hence they required an authentic cuisine, which the restaurant hadn't been able to offer in their opinions. Even though 20 groups of respondents categorized food quality to be good, they weren't excited about the restaurant menu and price offer. During the interview, the author was able to extract many detail comments on specific dish's problems. The beverage was in a similar situation, 21 groups rated it good and the rest weren't happy with the choice and the price of it.

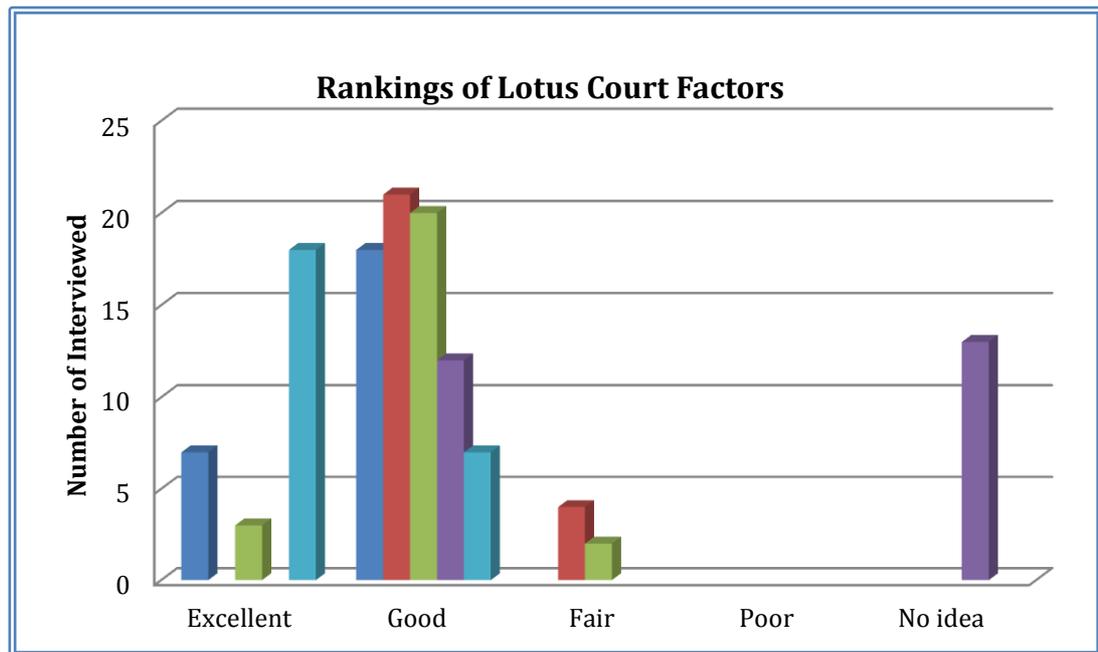


Figure 6: Ranking of Lotus Court Factors.

Concerning IKI restaurant, the number of response was 40 groups. IKI was one of the busiest outlets in Moevenpick hotel Saigon, alongside with Café Saigon and Cayda Café. With the target consumer group is young, middle income adult, IKI had achieved its popularity within local community. Offering Sushi blast buffet promotions, IKI was often mostly occupied on Wednesday. 75% interviewees ranked location excellent along with 12.5% were satisfied with food and service quality. Major respondents were glad with the dining choice, stating that it was worth paying the price. Minor negatives on the small portions size, inconsistent food freshness and beverage high price charged had been quickly explained and compensated by the outlet's manager. The only issue in IKI is the confusion of the restaurant concept in some particular consumer's perspectives. There were couples of first time external diners who were surprise with this Japanese restaurant concept with a modern twist of service, furniture and affordable menu. It differs from authentic Japanese style, which other competing 5-star hotels downtown were aiming to achieve. There is a gamble of either a full consumer satisfaction thanks to this friendly atmosphere or an extreme disappointment of a 5-star quality restaurant. It would have a big impact on difficult consumer when he or she jumps to a quick conclusion of a product and service failure in other outlets' performance. It was the complaint from 3 groups of diners to the researcher, which had a negative impact on the brand image of Moevenpick hotel Saigon and its positioning strategies in general.

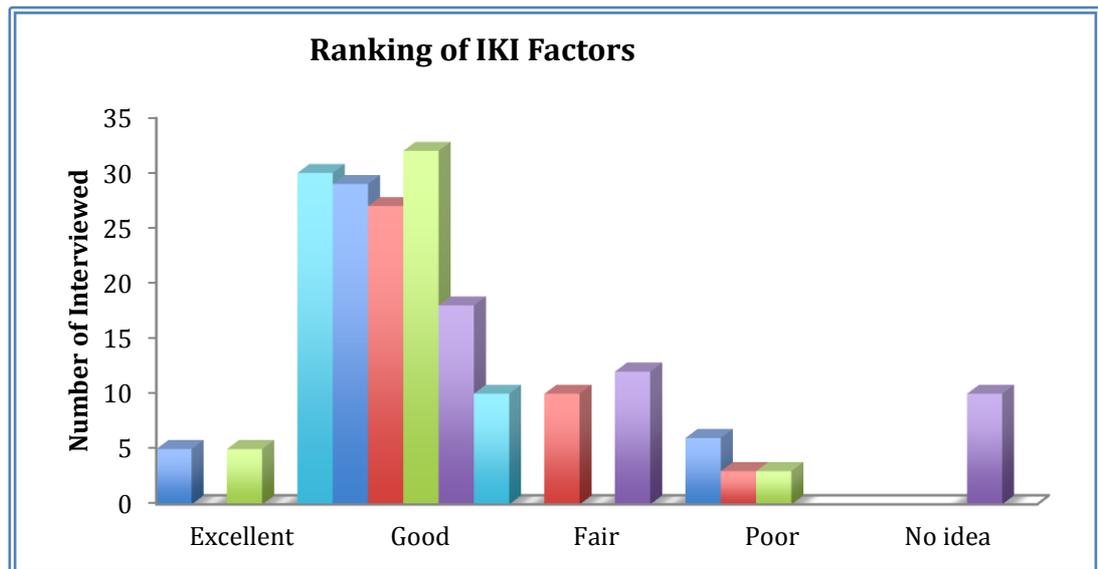


Figure 7: Ranking of IKI Factors.

Last but not least is Café Saigon restaurant. With 45 groups of interviewees, there were about half of consumers find the location, service and beverage excellent; only 17.8% were thrilled about the food quality, the other 66.7% seemed contented. The highest ranking about F&B quality and services were often collected on Friday and Saturday thanks to the Seafood Wave Promotions. Besides, 7 groups of respondents appeared to be dissatisfied with the international buffet during weekdays, stating their expectations to have more variety of food, fresher pastries, etc. There were equal shares of different consumer groups in Café Saigon. It was populated with in-house guests for breakfast and lunch, and external guests for dinner. On the contrary to other outlets, Café Saigon is often busier on weekends than working days. Claimed by 35 groups of interviewed, there were not a significant factors in their mind to push them making dining options in Café Saigon. In stead, it was a combination of convenient location, quite a wide range of food offerings, especially on special menu days and free flow of beverages included in the price. This could be a disadvantage since Café Saigon hadn't stood out from its direct competitors. There were only 23.5% among 45 groups being loyal /frequent diners. The purchase rate of current guest should be encouraged to increase through future marketing programs.

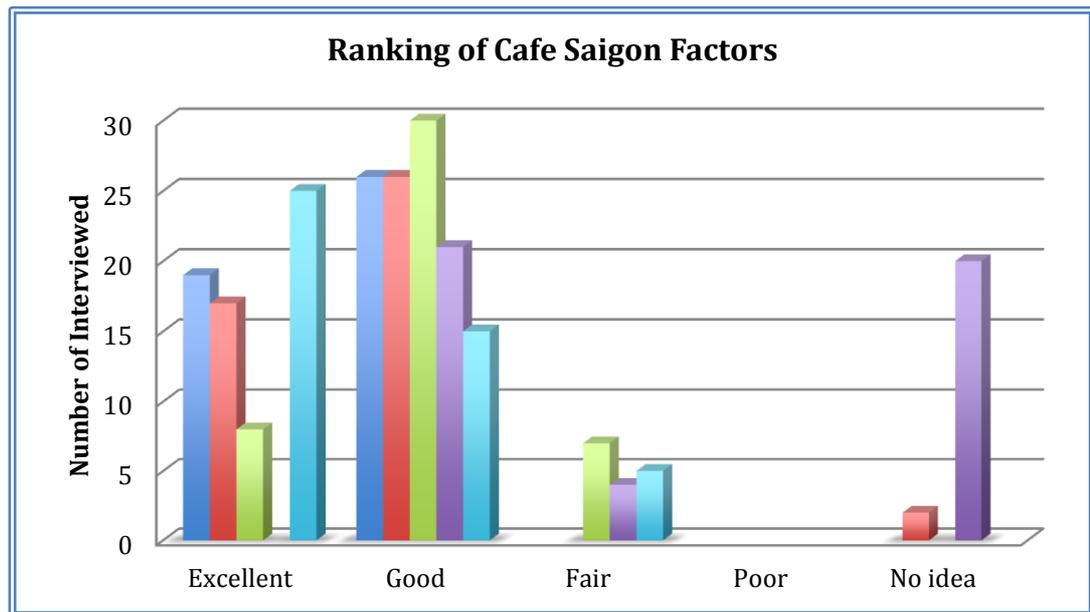


Figure 8: Ranking of Cafe Saigon Factors.

In general, there were three most profitable F&B outlets in Moevenpick hotel Saigon. However, customer expectations had not been successfully come up to. There were still complaints concerning the inconsistent food and beverage quality in Lotus Court, IKI and Café Saigon. There hadn't been an exciting atmosphere for a signature dish or special type of beverage, which could push guest to come back more often or spread a worth of mouth to his or her friends. In another word, customer preferences haven't specifically been matched with provided F&B quality attributes to achieve competitive edge. Unfortunately, it has been proved that a high percentage of restaurants fail because the management does not understand, appreciate, adapt to, or expect changing market trends.⁸² Some central questions should be re-considered. For example, what the expected needs from targeted and main consumer groups are. Food quality is considered to be the most important factor influencing repeat purchase intentions in full-service restaurants.⁸³ Added by another research work, the most critical factors determining restaurant customers' repeat visits should be food quality, appropriate cost, and attentive service.⁸⁴ Thus, it should be a remark for Moevenpick hotel Saigon F&B department.

⁸² Parsa, H. G., Self, J., Njite, D., & King, T., *Why Restaurants Fail?* (Cornell Hotel and Restaurant Administration Quarterly, 2005), 46(3), pp.304-322.

⁸³ Sulek, J., & Hensley, R., *The Relative Importance of Food, Atmosphere, and Fairness of Wait: The Case of a Full-service Restaurant.* (Cornell Hospitality Quarterly, 2004) 45(3), pp.235-247.

⁸⁴ Gupta, S., McLaughlin, E., & Gomez, M. *Guest Satisfaction and Restaurant Performance.* (Cornell Hospitality Quarterly, 2007), 48(3), pp.284-298.

However, plus point gained with services and location aspects being highest ranking factors considered by large number of interviewees.

3.4.3. Evaluation of marketing communications activities

The evaluation of Moevenpick hotel Saigon marketing communications effect for F&B outlets initials with the survey to current diner, asking by which means and how often they hear about the outlets, the current strategy on positioning, branding, promotions. The ultimate objectives of the survey were to gain an insight on some aspects. Firstly, it was the assessment of what degree target group of marketing communications, who Moevenpick hotel Saigon aimed at, could match with the current guest segment. This was the first objective in any marketing communications campaign. Secondly, a study on how customer allocated the brand image with specific knowledge, preference or emotional feelings followed. Last but not least was an investigation of how efficient the promotions programs had been communicated to current guest and influencing on his or her dinning options. This represented the evaluation of program content and the chosen media choice productivity.

Prior to focusing on single outlet, marketing communications efforts of Moevenpick hotel Saigon would be discussed. An integrated approach has been followed throughout different marketing communications programs. The communicated message is homogenous to promote the image of Moevenpick hotel chain as a Swiss personal touch. The positioning strategy is to create a 5-star quality hotel in accordance with international standards. “Our quest is to be the most enjoyable upscale hospitality company”⁸⁵. Not the most luxury or prestigious hotel, whose market is densely populated with strong players such as Caravelle, Park Hyatt Saigon or Sheraton Saigon Hotel and Tower, Moevenpick hotel Saigon positions itself in the middle of 5-star hotel market. Belonging to the Moevenpick chain, there is a major benefit when it comes down to communications effect on European and Middle East guests. The reason of benefits routes from the brand name itself, which Moevenpick hotel chain has successful established for over 60 years with an arm-hearted hospitality and quality image. Its

⁸⁵ Moevenpick Hotels & Resorts – Vision, <http://www.moevenpick-hotels.com/en/pub/service/careers/culture/vision.cfm>, (September 2012).

renowned brand name assures the quality of service in the customer's perspectives. Apart from the non-material support from the chain brand name, the marketing communications activities in the Saigon hotel are divided among 3 departments and external third party, which could be named: sales, marketing communications, F&B department and HMC Ltd,. The sales department consists of different sales account: wedding & conference, tourist agency, online booking website, strategic business partner such as international contracted companies, etc. This department's role in communications is to establish and keeping contacted with third party online booking website and to recruit B2B partner. The F&B department is in charge of introducing new promotions for different outlets, responding to guest comments and feedbacks. Furthermore, Moevenpick hotel Saigon has been in cooperation with separate supplier called HMC to administer the member card called Life style circle. The concept of this card is to sell annual membership fee so that the buyer can receive future discounts and privileges in using all services the hotel provided. Last but not least is the marketing communications department specializing in prospering public relation; running advertising campaign, event marketing; administering monthly newsletter to interested email address and monitoring correctness of online information in website forum, social media. Due to the limited budget, mass media advertising is not dominated from other activities. Instead, public relations are more emphasized with participation in fairs, press conference, public event sponsoring, etc. Thanks to publicity, Moevenpick hotel Saigon attempts to get the media or run a favorable news/ reviews corner on room facility, F&B outlet, events on monthly newspaper or magazines. Moreover, Moevenpick hotel Saigon has participated in many programs to promote the corporate image of sustainability such as BGGV Fun Run for Charity, Green Globe Certification partnership, Annual Charity Golf Tournament to support KOTO organizations and Heartbeat, etc. With the recent Mövenpick bridal show 2012, held in 2 days commencing June 30th, 200 couples were interested and more than 100 consumer contacts were gained. Around 25 contracts for wedding were signed until end of this year. This was a positive result, thanks to the hotel overall effort, especially the marketing communications department thanks to its public relations to attract 13 partners to co-host the programs, communicating in a variety of online and offline media mediums, delivering many vouchers/coupons to interested audience.

Concerning the online marketing communications, there has been a combination of

different channels. Such efforts entail maximizing the search engine result on Google, updating the homepage of Moevenpick hotel Saigon inside the corporate site, which provides general introduction and allows direct booking. There were around 23% of foreign in-house guests mentioned that they searched and evaluated the hotel criteria through photos, reviews from online booking websites such as Booking, Agoda, Expedia, Tripadvisor, etc. These websites provide a detailed rating and comments/feedbacks from previous hotel guests. Besides, articles about service reviews and hotel news, promotions were published on online magazine. Two-way discussion is enabled on major website such as diadiemanuong.com⁸⁶, webtretho.com⁸⁷. These are among most popular websites of Vietnamese community for user to exchange ideas, opinions about the product and services quality. Moevenpick hotel Saigon has opened a Facebook page for 2 years. It has increasingly gained more attention of the public with most popular weeks belonged to the busiest business period in June, the most popular age group is from 25 to 34 years old. The news and promotions are often updated and renewed every week by the marketing communications department.

Co-operation and integration remains cornerstone of the process to create synergy and to remove duplication. Other than outsourcing personal selling to the HMC, other marketing communications activities were produced by in house resources. It helped to save costs and assured a consistent image to target market. In specific occasion, the most appropriate and effective methods to contact consumers as well as other stakeholders would be utilized.

⁸⁶ Review Buffet in Café Saigon, Moevenpick hotel Saigon, Diadiemanuong.com, <http://diadiemanuong.com/home/f11/%5Breview%5D-buffet-moevenpick-toi-hai-san-o-nha-hang-cafe-saigon-19342/>, (August 2010).

⁸⁷ Review Wedding Party in Moevenpick hotel Saigon, Webtretho.com, <http://www.webtretho.com/forum/f630/wedding-party-tai-movenpick-hotel-507731/> (May 2010).

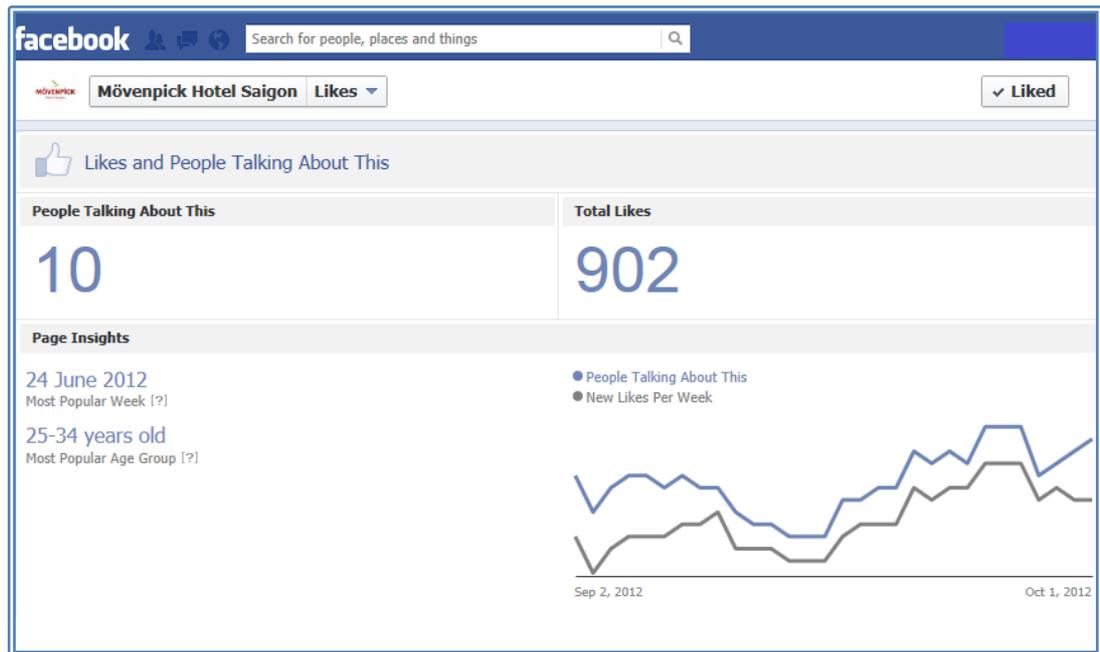


Figure 9: Moevenpick hotel Saigon Facebook Page Statistics.⁸⁸

Apart from integrating marketing communications activities to promote the hotel, each of the outlets focuses on different approach and choice of instruments/media. In Cayda Café, in-house guests occupied 10% while 62.5% knows about Cayda Café thanks to its location. Six other groups (15%) heard from friends. The rest found the Café ads and news on local magazines. It shows that location acts as the main marketing communication instrument in this case. The current spend on promoting Cayda Café surrounding the building in LCD screen, banner, placing ads on online website and on magazines hasn't delivered desirable result. On the other hand, 55% of consumers were informed about Cayda Café promotions such as Special half price hours and Ice-cream buffet on Monday. The source of information is mainly from friends, word of mouth and online website. When asked about which types of media consumer prefers to use, most of them (85.7%) left email address to the author to receive direct newsletter.

With the main consumer groups of in-house guest, respondents in Slate-the bar are informed about the bar when check-in. The bar is promoted with news, ads inside the elevator, LCD screen and out-door advertising. It is often the case that consumer were active in the communication process. There was a demand to use the hotel facilities before the process happens. The public relation efforts for Slate-the bar were mostly

⁸⁸ Moevenpick hotel Saigon Facebook Page, <https://www.facebook.com/moevenpicksaigon/likes>, (October 2012).

fruitful among other hotel outlets. Many public events had been organized in Slate-the bar, sponsored by Moevenpick hotel Saigon. Several events included celebrity thank-you party, international business association's parties such as GBA, Amcham Vietnam, etc. Besides, Slate-the bar offers free entrance for magazine fashion, F&B photo shooting, hosting location to film TV reality show such as Mic rubic, Weekend chat with celebrity, etc.⁸⁹ There is a heavy spend on mass media advertising on prints such as Elle, Vietnam Airlines in-flight magazines. Slate-the bar also has its own Facebook page, with the aim to reach younger audience than the target group of the hotel. New programs for lady nights, live DJ playing during weekend are marketing communications efforts to attract more external guests. However, the impact of these events limited to build awareness and knowledge among target audience. The stage of conviction and action has not been successfully achieved. The lack of frequent external guest number to Slate-the bar is the most transparent evidence to pinpoint the problems in marketing communications of this bar.

For Lotus Court, the research showed that 48% of interviewed guest knew about the outlet through HMC's company. They own the member card and become a frequent guest to Lotus Court. Since then, all of them prefer to come on Saturday and Sunday when Dim Sum Bruch Promotions were offered. Still, none of them stated that they have heard about kind of information elsewhere, other than from the brochure given by lifestyle circle. The other 31% of guests were actually from casino, which is located inside the hotel. They knew about the restaurant from Digital Signage in LCD screen in the lobby. That information source was also received by most of in-house guests.

Regarding IKI, the communications practices are complement with the restaurant concept and positioning strategy. Differing from other F&B outlets, IKI has followed an overall cost leadership strategy to compete in its market. Alongside with the menu design, restaurant décor and furniture, the message is developed to promote an affordable, hippy destination for Japanese cuisine fan. The push approach is chosen with an attention to promotions such as Sushi Blast. 75% respondents were informed about the programs prior to their dining decision. Most of them had membership card (45%) or read about IKI on Moevenpick hotel Saigon Facebook, reviews from online forum (20%). The rest of this group was influenced by his or her friends' recommendations.

⁸⁹ Moevenpick hotel Saigon Marketing Communications Monthly Report. September 2011

15% being in-house guests dining in IKI showed vouchers provided by their company as it was part of agreement between Moevenpick hotel Saigon and contracted business partner. However, IKI sometimes has a small corner on reviews of magazines thanks to the effective public relations obtained by marketing communications department. In all, IKI has been in a strong business position thanks to its proper strategy implementation.

Being the most popular restaurant of Moevenpick hotel Saigon, Café Saigon has received extreme attention to maximize the marketing communication productivity. Unlike IKI, Café Saigon aims at high-income consumer such as foreign tourist, business traveler, executive officer, etc. With the upscale restaurant settings and menu, many advertising campaign and public relations has been accomplished to deliver the consistent message. The analysis of guest satisfactions on the restaurant's performance, which was discussed earlier, demonstrated the partial success of the integrated marketing program utilized for Café Saigon. Due to the type of market and consumer readiness stage, pull approach was followed with frequent print media advertising, event marketing, LCD signage. Advertisements and reviews on magazines are often placed on occasion of special events such as new guest chef week with unique menu from his home country; new promotions launch-eon with different menu themes of Vietnamese, Mediterranean or chocolate brunch; special celebrations of independent day, Christmas, Vietnamese Women Day, Mother day, etc. The type of events offers great chance to attract publicity, to promote the restaurant fame, and to achieve closer contacts with loyal guests and increase sales. From the survey, 27% of guests were in-house while higher percentage (29%) were external frequent members. 18% states that they referred to have business lunch and meet partner in Café Saigon thanks to its convenient location to their office/building. The rest of factors leading to guest dining decision in Café Saigon were either by friends' recommendations, reviews from magazines or information gained from Facebook. The other interesting reasons that guests provided was the interest gained when they attended friends' wedding in Moevenpick hotel Saigon. Other than in-house guests and 7% of guests returning from wedding party, all diners knew about the available promotions on Seafood Waves. Recent promotions of Mediterranean and Vietnamese menu hadn't been communicated effectively with only 10% of guests were informed about new programs. There were many frequent members claiming that they didn't receive any newsletter or updates from either the hotel or HMC party. Email was only sent interruptedly to their account and they were not exposed to any other advertising media. It is obviously seen

that there were a leakage in the chosen media instruments. The objectives and the practical audience poses several gaps so that many current frequent guests have not been followed up as effective as it should be.

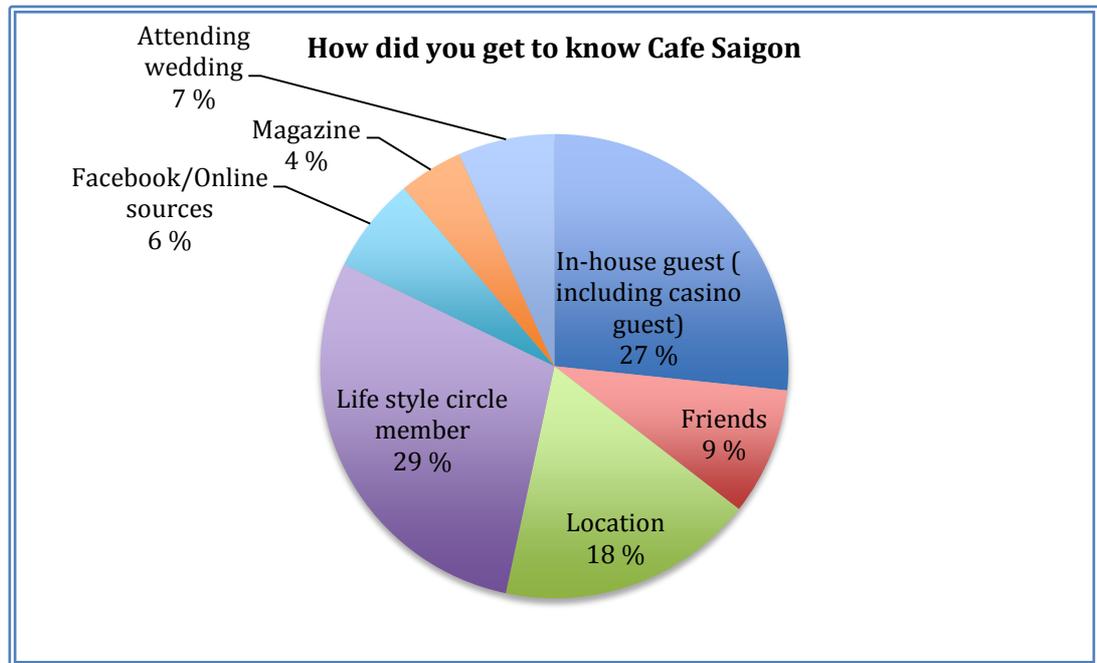


Figure 10: Percentage of Communications Sources for Cafe Saigon Guest.

In conclusion, a truly integration of marketing communications in Moevenpick hotel Saigon has achieved with very flexible, modern approach. Reflecting on the consumer engagement model, the primary stage of awareness, knowledge and preference from both foreigner and local is gained. Nevertheless, the ultimate goals to promote sales of individual F&B outlets haven't been accomplished. There are several issues of final execution in media choice, advertising frequency, intensity and creativity that played a partial role in decreasing the productivity of marketing communications activities. Over all, there is a significant factor having negative influence on the communications performance. Due to the emphasis on non-personal communications (NPCs), which is traditional model of communication for one-way communications without dialogue and with delayed response and use a medium to transmit the message, the application of personal communications (PCs) is restricted. Given that Moevenpick hotel Saigon has followed an integrated marketing communications to create synergy and eliminate duplications for separate outlet, the media choice for direct two-way communications,

which may include immediate dialogue between individuals, should be developed further. In order to fulfill this mission, the most cost saving effective method is to introduce and utilize online marketing communication, which then would be discussed in detail on the next chapter.

4. FURTHER RECOMMENDATIONS FOR MARKETING COMMUNICATIONS ACTIVITIES

Each successful marketing communications project begins with proper planning process. It is when after studying external and internal environment assessment, business potentials and resources availability, marketing communications team would realize the priority of objectives that future campaign should obtain.

4.1. Marketing Communications Goals, Objectives

Promotional objectives enable executives to lay the framework for the subsequent steps in a promotional campaign. Main marketing communications objectives might include improving corporate image and reputation (increasingly important – links closely with corporate social responsibility, product and customer service quality and business ethics).⁹⁰

In this case of Moevenpick hotel Saigon marketing communications activities, financial and numerical objectives are hard to define. It appears to be beyond the author's expectations to receive reliable numerical figures in such a short period of 3 months working in Moevenpick hotel Saigon F&B outlets. Furthermore, depending on the nature of hospitality business, the hotel restaurants and bar suffer from the influence of fluctuation of market conditions, economics, increasing competition, etc. Hence, the main objectives would only limit to increase the marketing communications effect of the restaurants and bar's comparing to collected result from the research.

⁹⁰ Fill, C., *Marketing Communications: Contexts, Contents and Strategies* (Prentice Hall Europe, 1999), pp.510.

On the restaurant's perspectives, the priority aim of future marketing program is to promote the F&B outlets as independent properties to attract new local customer from surrounding areas. Mentioned earlier, there defined two distinguished target groups of potential and current guest. Moevenpick hotel Saigon has official been present in Ho Chi Minh City in 2008, many local residents still confuses about the brand content of Swiss touch and its positioning strategy. Marketing communications towards potential guest aims to create awareness, interest and stimulate demand from both local resident and foreign business traveler, tourist. Thus, it is important to enhance the brand touch-point with different cluster, marketing communications channels. Furthermore, utter effort to create conviction, action and satisfaction from the current consumer should be emphasized through enhancing the relationship and reinforce the information flow.

4.2. Target Group

“Market segmentation divides a market into distinct groups of buyers who have different needs, characteristics, or behaviors, and who might require separate products or marketing programs.”⁹¹. The distinct groups of buyers described by Amstrong & Kotler can be applied in this case in terms of requirements for separate marketing communications programs. According to the amount of time and investment for long-and short-term period, the author might recommend to have primary and secondary group. Annually, there assigned 17,000 USD for marketing communications budget in Moevenpick hotel Saigon. It covers investments on all activities carried by this department from advertising, PR to direct mailing.⁹² This amount is evaluated to be modest when graphics, printing, brochure designs, event sponsoring are included. Hence the priorities should be set to better allocate the budget and timing. The primary group was current guest while potential guest belonging to secondary one. The secondary group might require long-term investment and strategic co-operations with other parties, the action plan would be made and implemented gradually and strongly. On the other hand, Moevenpick hotel Saigon has already established a relationship with current guest, having his or her contact. Then, reinforcing the information flow, enhancing the loyalty

⁹¹ Armstrong G. & Kotler P., *Marketing An Introduction*. 10th edition (New Jersey: Prentice Hall, 2011), pp.78.

⁹² Direct interview with Moevenpick hotel Saigon Marketing Communications Manager, Ms Pham Y Nhi.

to increase the purchase rate would be a sensible short-term profitable action plan.

4.3.The marketing communications approach

The message content and positioning strategy might be left aside due to the fact that these issues are out of this thesis coverage and considered to be appropriated chosen by the management board. Based on the objectives, target audience and resources, a suitable marketing communications approach shall be introduced. Then, supporting media choices should be implemented in accordance to this approach. Three main approaches are pull, push and profile strategy.⁹³

Due to the unique nature of each F&B outlets and targeted diners in Moevenpick hotel Saigon, an integrated marketing communications with a combination of different approaches is necessary. Pull strategy is oriented on the end consumers and the aim is to create demand from end user. A pull strategy requires a highly visible brand, which can be developed through mass media advertising or similar tactics. On the other dimensions, push approach's goal is to force the product to move forward through the channels of distribution by aggressively selling and promoting the item.⁹⁴ In hospitality, pull strategies can be applied by offering percentage of sales per each booking made by end consumer through third party channel. Thus, push strategy focus on incentives, promotions and mostly used in B2B relationship.

As the primary target audience is the current consumer, pull strategy is more suitable to introduce 2-way communications, thereafter building a closer relationship with the consumer. Also, this strategy can maximize the ROI with real time buying incentives for ultimate consumer and decrease the cost of data leakage in advertising campaign. The secondary target group, however, has different information demand. Therefore, recommendations on the choice of media and instruments on pull strategy will also be discussed for this group.

⁹³ Fill, C., *Marketing Communications: Contexts, Contents and Strategies* (Prentice Hall Europe, 1999), pp.510.

⁹⁴ Belch, G., & Belch, M., *Advertising and Promotion: An Integrated Marketing Communications Perspective, International Edition* (Irwin McGraw-Hill, 1998), pp.60.

4.4. Recommendations on Modifications of Communications Mix and Media

This section was divided into 2 parts. The first concerned the mix supported for push strategy to communicate with primary audience. Next was the combination of media decisions, which should be applied for potential guest. Another remark is that recommendations are focused on tasks and activities whose responsibility belongs to the marketing communications and sales department of Moevenpick hotel Saigon. HMC company role in the communications process may leave untouched since it is out of the thesis scope.

Having the consumer's comment and evaluation of marketing communications activities of the Moevenpick hotel Saigon, there were several major problems in the choice of media. The reach, frequency and impact of current media were not efficient enough to convince the consumer of increasing the purchase rate.

Prior to any modifications, the current biggest problem is database management, which should be alternated with more frequent updates. This database was overload with incorrect emails and consumer addresses. The software should be upgraded to better deal with larger amount of database without corruption. It should be the marketing communications department responsibility to manage all these accounts since it needs them monthly for direct emailing of newsletter. According to Shultz, databases are rapidly becoming the primary management tool that drives the organization's business strategy.⁹⁵ Database would enable in time information about frequent consumer purchase rate, then, develop more efficient relationship with this consumer group through various communications tools and tactics.

4.4.1. Current guest segment

The first important mix is sales promotion. It was concluded that the availability of senior-citizen discounts, being a comfortable social destination, close travel distance, and peer recommendations are the most important considerations for consumers patronizing

⁹⁵ Schultz, D., *A New IMC Mantra* (Marketing News, 1997), 31(11), pp. 8.

specific restaurants.⁹⁶ Many studies suggested that coupon promotion is a powerful tool to increase the purchase rate of existing consumer because he or she has already become familiar with the restaurant coupons. This practice is less expensive than attracting new customers.⁹⁷ Moreover, trend showed that during this economic crisis, Vietnamese are the most prolific promotion-seekers in Asia Pacific. Already price-sensitive, Vietnam stands out as having the most promotionally focused shoppers, with 87 percent open to buying promotions compared to a regional average of 68 percent.⁹⁸

With all these numbers, it is recommended to offer more sales promotion for frequent consumers. When database becomes more logical and effective, a selective approach to sales promotions ought to be applied. The current promotions focus on discount coupons for all card members or for guests attending wedding fairs, spontaneous external audience. These practices allow high number of distribution, but not as high for redemption rate. There should be modifications to sale promotions content and the selectivity, frequency in order to maximize the sales figure, yet not to dilute the brand identity, especially for upscale image of Moevenpick hotel along with its Café Saigon, Slate-the bar outlets. The issue concerns quality not quantity of delivered vouchers. Besides, creativity is important to monitor loyalty schemes after having effective database marketing. There should be more exciting events, privileges created to retain and increase the purchase rate on special occasion of birthday, women day, new menu launch-eon, etc. These occasions have the highest possibility of dinning out options. Hence, an incentive to better drive the decision making process is necessary. Loyalty schemes can be administered either by the sales department or HMC with a competent human resource of personal selling.

Other than that, promotions can be aimed at strategic business organization in the form of barter contract. Since many in-house guests worked in international companies locating in the surrounding areas, it is recommended to build a closer relationship with these companies so that foreign expats could be introduced to stay and enjoy more privilege of

⁹⁶ Moschis, G., Carolyn F., & Danny B., *Restaurant-selection Preferences of Mature Consumers* (Cornell Hotel and Restaurant Administration Quarterly, 2003), 44(4), pp.51-60.

⁹⁷ (Taylor, 2002), and Long-Tolbert, S., *Coupon Promotions in Quick-Service Restaurants: Preaching to the Converted* (Cornell Hospitality Quarterly, 2002) 43(4), pp. 41-47.

⁹⁸ Nguyen, T., & Le, T., *Vietnamese Shoppers are the Most Prolific Promotion-seekers in Asia Pacific* (Nielsen Shopper Trends Study. 2011), <http://www.nielsen.com/intl/vn/news-insights/press/english/2011/vietnamese-shoppers-are-the-most-prolific-promotion-seekers-in-a.html>

the hotel facilities. This should be monitored by the sales department due to this is B2B relationship. Even though Moevenpick hotel Saigon has gained some contracted partners, more negotiation, flexibility and co-operation within the management board should be integrated to obtain more prolific strategic business customers. With this improvement, it ensures the stability of occupancy rate in the low season and prevents over-crowding in peak period. Besides, long stay guest would receive more attention, benefits; hence, increase guest's satisfaction and probability of attending F&B services.

For a frequent guest, there is a need for 2-way forums for hotel and F&B department to receive in time feedbacks or comments for compliments as well as complaints. Besides comment card or email feedbacks, there should be integration from customer service in front desk, F&B outlets waiter/ waitress with marketing communications staff to allow information flow about guest expectations and satisfaction after his or her experience with Moevenpick hotel Saigon, especially in F&B outlets. Online media also provides invaluable tools to communicate with guest efficiently and costly. This will be discussed in further detail later on.

Direct marketing is recommended to integrate with other mixes. Thanks to its benefits, more customer relationship management programs can be planned and implemented. With the aim to increase the purchase rate, the most important mission is to increase the customer satisfaction by introducing more programs, events to relate to target customer. There are a number of named occasion when the hotel manager can continually meet, greet and socialize with strategic or loyalty consumers such as annual guest party, F&B new menu launch, etc. Again, it counts on the effective database collected and organized by marketing communications department to deliver detailed information about different consumer account about his or her backgrounds, preferences, habits of staying or dining in Moevenpick hotel, etc.

4.4.2. Potential guest segment

Concerning new potential guest, advertising targeting at in-house stay and F&B outlets diner is of similar importance. Their communication demand and readiness stage is almost alike. Hence, integration of different media to recruit both groups can be applied. If customers have eaten in a specific restaurant before, they will have a possibility to

compare the previous experiences to other restaurant, then make the dining decision according to their preferences. However, for a new customer to any restaurant, they might search for other relevant sources of information, such as recommendations of friends or food guides.⁹⁹

The first remark is on advertising. Due to the high cost of broadcast media on TV, radio and print media should be carefully selected. The decision of magazines should ensure the reach to target audience at the right time, right occasion, while minimizes the wastage of audience leakage. Thanks to the effective public relations, news about Moevenpick hotel Saigon F&B outlets appears frequently on the news corner of many magazines. However, the news listing might not be spotted on comparing to advertisement. Therefore, advertising on Heritage, the official in-flight magazine of Vietnam Airlines and Entrepreneur Saigon, the most popular magazines of businessmen and women in Saigon, should deliver highest result. The percentage of similarity between the reader groups of these two magazines and the Moevenpick marketing communications' target audience is highest comparing to other print magazines and newspapers. Heritage appears on more than 6000 flights/ month of 28 international flight connections and 22 domestic flight connections of Vietnam Airlines.¹⁰⁰ The magazines are distributed free to flight passengers and ticket agency. It attracts attention from flight passenger from his or her idle time. Besides, many international visitors coming to Ho Chi Minh may refer to Moevenpick given its own brand accountability or a captivating advertisement. The most economical ad is listed 2,000USD for ½ page with ½ circulation.¹⁰¹ This price is reasonable in comparison to airport advertising. Even though advertising in arrival terminal of Tan Son Nhat International Airport can attract international visitors from different airlines, the yearly investment is more than 20,000USD, which is over the budget of marketing communications. Considering Entrepreneur Saigon, there are 2 types of issues for weekly and monthly. The price range is comprehensively lower than on Heritage with the main reader group in Southern Vietnam.¹⁰² The magazines provides chance to get accessed to local entrepreneur in Ho Chi Minh City as he or she might read

⁹⁹ Namkung, Y. and Jang, S., *Does Food Quality Really Matter in Restaurants? Its Impact on Customer Satisfaction and Behavioural Intentions* (Journal of Hospitality & Tourism Research, 2007), 31(3), pp. 387-410.

¹⁰⁰ Advertising Quotations from External Sources: <http://www.marketingvietnam.net/content/view/620/25/> (September, 2012).

¹⁰¹ Ibid.

¹⁰² Advertising Quotations from External Sources: <http://www.marketingvietnam.net/content/view/374/25/> (September, 2012).

this magazines in leisure time to collecting news, information about the market, lifestyle, and entertainment, etc.

Participating in directories listing is the current effective media. Cultivating on the current tourist agency relationship, international business associations' connections in Ho Chi Minh City, Moevenpick hotel Saigon F&B outlets can place advertisements on these organizations' brochure, directories which then be distributed to all of their members. Listing acts as the reference point, or encouragement to invite new guest by specific sales promotion.

Mentioned earlier, the potential might search information from friends, influencing personnel prior making dining decision. Then the beneficial communications channel is word of mouth- "personal communication about a product between target buyers and neighbors, friends, family members and associates".¹⁰³ Word of mouth can stimulate among friends to friends or from public figures. Thereafter, programs to offer points to exchange benefits can be planned towards current guest when he or she brings new friends to the F&B outlets as well as to stay in the hotel. On interactive online forum discussing about restaurants and bar in Saigon, it is easy to get accessed with the potential guest and diner when the administrator lists the review and comment on it. However, monitoring these sources to eliminate spam or to explain to negative comments can be challenging with limited marketing communications human resources.

Miscellaneous Media

Apart from traditional marketing communications media, there are some other significant support media types, which might provide a number of potentials and benefits to the communications of Moevenpick hotel Saigon F&B outlets towards new consumers.

Out-of-home media introduces new phrases and ideas to directly communicate with the target audiences. Outdoor advertising using billboards and signs may increase the attention from the public. The billboards and signs can be placed in order to maximize the exposure of the communications message to target audience. However, it concerns to the regulations and law restrictions as well as the placement of billboard. Further research on this recommendation can be carried afterwards.

¹⁰³ Kotler, P. & Armstrong, G., *Principles of Marketing* (New Jersey: Prentice Hall, 2006), pp.437.

Aiming to recruit more new guests from surrounding areas, digital signage on LCD screen providing information about current program schemes in each F&B outlet can be located inside the building reception areas, elevator, main door entrance, etc. This communication tool helps to minimize the audience leakage and increase the ads frequency. Along with awareness, interest might arouse with attractive message content with support photograph and program specials. Due to the limited budget left for the year-end quarter, this recommendation, even highly appreciated, was delayed until next year with 2 parties have to discuss in details about the terms, policies and value of this contract.

Online channel

The great amount of benefits, which online marketing provided, should be more emphasized exploited in the future marketing communications programs of Moevenpick hotel Saigon. The annual statistics from sales department is 90% of current booking is direct while only 10% is from online sources. The proportion leaves high potentials to develop. Moevenpick hotel Saigon home website should be customized to focus on closing the deals with different offers. Furthermore, in order to increase restaurant sales, ease of access to make direct reservations with restaurant ought to be abled with adding notice of special events, wine tasting, theme meals. On the other hand, affiliate marketing with other website is necessary to increase the access rate to hotel and F&B outlet website. Many online forums allows putting banner prior to entering the website. During the wedding fairs, advertisement as a welcome message was placed on Marry.vn so that every visitor to this site was informed of this event. The media did contributed a large amount of interested couples to the wedding fairs, leading to the positive result of wedding contracts sold this year. Overall, it should depend on the programs, campaign to choose which specific media, time frame and budget are suitable. It is the case when Slate-the bar should be advertised on PartyinSaigon website, one of the busiest site updating events, parties, entertainment schedule everyday while Cayda Café and IKI can appear on Facebook, online forum for young audience. On the other hand, Lotus Court and Café Saigon should focus on restaurant reviews on influencing blogs, magazines of businessmen and women, foreign tourist and expat to Ho Chi Minh City. It is the integrated approach to all media to maximize the accumulated marketing communications effect.

IV. CONCLUSION

It can be concluded that Moevenpick hotel Saigon has different options to improve its marketing communications activities to increase the profit of all F&B outlets, as well as hotel occupancy rate. Even though the company needs to further research the feasibility of different marketing communications medium and media along with the efficiency provided by this tool, there is the possibility to leverage of the skills and resources from current capability to explore more communications practices and to integrate them with existing media to produce a consistent image towards hotel guest and F&B diner. So as to increase the purchase rate of current guest, it is important to achieve a competitive advantage, recruit it in each service step, element or relating factors to exceed customer satisfactions. Delivering a best-in class F&B and service quality might not the objectives of Moevenpick hotel Saigon in its market, yet, surprising the guest with careful Swiss touch, attractive customer relationship management would cater for added value perceived by the customer, insist his or her on returning back to Moevenpick for the next stay or next dining out options.

Here, it is also of relatively importance to not only focus on customer retention, but also customer attraction. To some extent, the author would agree with the current marketing communications media. Still, the details on implementing the media plan presented many imbalance and lack of selection. Different type of media other than traditional ones can be utilized with the assistance of modern technology and in time information. Miscellaneous media and online advertising are recommended to further reach target audience without increasing the communications investment. It would be an advantage to improve the online advertising effort to keep up with trend and increase the overall profit.

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APPENDIX 1: Interview questions to customer at Cayda Café

Your comment are greatly appreciated as we strive to serve you better at Cayda Café

How do you evaluate these factors at Cayda Café?

	Excellent	Good	Fair	Poor
Service				
Beverage quality				
Foods quality				
Promotion				
Location				

How did you get to know Cayda Café?

Have you heard of the happy hour, All you can eat ice-cream, special of the month promotions or loyalty program? How do you heard about it?

Do you have any incentives to increase the purchase rate thanks to this program?

Have you ever tried other food & beverage outlet in Moevenpick Hotel Saigon? If yes, which one is it?

Which one you prefer at Cayda Café?

Pastries	
Bread	
Ice-cream	
Soup of the day	
Other	

Comments/ Suggestions about quality and quantity:

How often do you visit Cayda Café?

Once in a while (1-2/month)

Regularly (1-2/week)
Often

Would you make a post-purchase or recommend your friend to come here?

Yes/ No

If not, please kindly leave us any feedback/comment for improvement:

Name (Mr/Mrs/Ms):

Phone:

Email address:

Sign up for newsletter: Yes/No

Date:

Time:

APPENDIX 2: Interview questions to customer at Slate-the Bar

Your comment are greatly appreciated as we strive to serve you better at Slate-the Bar

How do you evaluate these factors at Slate-the Bar?

	Excellent	Good	Fair	Poor
Service				
Beverage quality				
Foods quality				
Promotion				
Location				
Ambience				
Music				

How did you get to know Slate-the Bar?

Have you heard of the burger and beer, happy hour ? How do you heard about it?

Do you have any incentives to increase the purchase rate thanks to this program?

Have you ever tried other food & beverage outlet in Moevenpick Hotel Saigon? If yes, which one is it?

Which is your favorite station at Slate-the Bar?

Comments/ Suggestions about quality and quantity:

How often do you visit Slate-the Bar?

Once in a while (1-2/month)

Regularly (1-2/week)

Often

Would you make a post-purchase or recommend your friend to come here?

Yes/ No

If not, please kindly leave us any feedback/comment for improvement:

How do you wish to receive further promotions/ news from our restaurants?/ By which means?

Name (Mr/Mrs/Ms):

Phone:

Email address:

Sign up for newsletter: Yes/No

Date:

Time:

APPENDIX 3: Interview questions to customer at Café Saigon

Your comment are greatly appreciated as we strive to serve you better at Café Saigon

How do you evaluate these factors at Cafe Saigon?

	Excellent	Good	Fair	Poor
Service				
Beverage quality				
Foods quality				

Promotion				
Location				
Restaurant ambience				

How did you get to know Café Saigon?

Have you heard of the seafood wave promotions? How do you heard about it?

Do you have any incentives to increase the purchase rate thanks to this program?

Have you ever tried other food & beverage outlet in Moevenpick Hotel Saigon? If yes, which one is it?

Which is your favorite station at Café Saigon?

Comments/ Suggestions about quality and quantity:

How often do you visit Café Saigon?

Once in a while (1-2/month)

Regularly (1-2/week)

Often

Would you make a post-purchase or recommend your friend to come here?

Yes/ No

If not, please kindly leave us any feedback/comment for improvement:

How do you wish to receive further promotions/ news from our restaurants?/ By which means?

Name (Mr/Mrs/Ms):

Phone:

Email address:

Sign up for newsletter: Yes/No

Date:

Time:

Your comment are greatly appreciated as we strive to serve you better at Lotus Court

How do you evaluate these factors at Lotus Court?

	Excellent	Good	Fair	Poor
Service				
Beverage quality				
Foods quality				
Promotion				
Location				
Restaurant ambience				

How did you get to know Lotus Court?

Have you heard of the "All you can eat" Dim Sum" promotions? How do you heard about it?

Do you have any incentives to increase the purchase rate thanks to this promotion?

Have you ever tried other food & beverage outlet in Moevenpick Hotel Saigon? If yes, which one is it?

Which is your favorite dish at Lotus Court?

Comments/ Suggestions about quality and quantity:

How often do you visit Lotus Court?

Once in a while (1-2/month)

Regularly (1-2/week)

Often

Would you make a post-purchase or recommend your friend to come here?

Yes/ No

If not, please kindly leave us any feedback/comment for improvement:

How do you wish to receive further promotions/ news from our restaurants?/ By which means?

Name (Mr/Mrs/Ms):

Phone:

Email address:

Sign up for newsletter: Yes/No

Date:

Time:

APPENDIX 5: Interview questions to customer at IKI

Your comment are greatly appreciated as we strive to serve you better at IKI

How do you evaluate these factors at IKI?

	Excellent	Good	Fair	Poor
Service				
Beverage quality				
Foods quality				
Promotion				
Location				
Restaurant ambience				

How did you get to know IKI?

Have you heard of the Sushi Blast Promotions on Wednesday and loyalty card program?

How do you heard about it?

Ads/Agent/Email/Exhibition/Facebook/Flyer/

Do you have any incentives to increase the purchase rate thanks to this program?

Have you ever tried other food & beverage outlet in Moevenpick Hotel Saigon? If yes, which one is it?

Which is your favorite dish at IKI?

Comments/ Suggestions about quality and quantity:

How often do you visit IKI?

Once in a while (1-2/month)

Regularly (1-2/week)

Often

Would you make a post-purchase or recommend your friend to come here?

Yes/ No

If not, please kindly leave us any feedback/comment for improvement:

How do you wish to receive further promotions/ news from our restaurants?/ By which means?

Name (Mr/Mrs/Ms):

Phone:

Email address:

Sign up for newsletter: Yes/No

Date:

Time:
