THE IMPLEMENTATION OF THE SOLO BRAND IN CASE OF THE SOLO SOKOS HOTEL TAMMER

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ABSTRACT

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Branding is a very important means to differentiate the company's own services from those of the competitors. A company that is in possession of a strong brand holds a fundamental advantage. The aim of this bachelor's thesis was to study and evaluate the Solo branding concept of the Solo Sokos Hotel Tammer and its implementation. The objective of this research was to provide the company with a current insight on the employees' and guests' opinions on the implementation of the Solo brand and offer suggestions for possible improvements.

The theoretical framework of this thesis consisted of brand and branding, marketing communications and service quality. In addition, the brand´s internal marketing communications handbook was described and utilised. To respect the privacy of Solo Sokos Hotel Tammer, the handbook can be found in the appendices.

The research method of this thesis is quantitative. Structured interviews and a questionnaire survey were conducted. To process and analyse the data statistical software was utilised.

In the employees' and customers' view, the implementation of the Solo brand at the Solo Sokos Hotel Tammer has been successful. The results showed that the guidelines of the brand were reflected in the service provided at the hotel. However, the brand was not known very well among the guests. The internal marketing communications were effective whereas the external marketing communications could be improved to strengthen awareness and knowledge of the Solo brand.

To assure a strong brand in the future, further research on the external marketing communications should be conducted. It is of great importance to conduct research on the implementation of the brand on a regular basis to ensure the particular level of service quality at all times.

Key words: brand, branding, marketing communications, service quality

CONTENTS

1 INTRODUCTION

The research of this bachelor's thesis was conducted for the case company Solo Sokos Hotel Tammer, the workplace of both authors. The hotel is located in the city centre of Tampere and is a part of the Sokos Hotel chain. This hotel chain is the biggest in Finland and recently all Sokos Hotels were divided into three sub-brands, Original by Sokos Hotels, Break by Sokos Hotels and Solo by Sokos Hotels. The case company is a part of the latter. Changes in the overall operation occurred with the branding and the aim of the work was to find out how well the implementation of the *Solo brand* has been conducted in the Solo Sokos Hotel Tammer. Prior research did not exist on this subject. The results of this research provide the company with new insights that may assist the organisation in future activities.

The theoretical framework utilised were brand and branding, marketing communications and service quality. These three topics are introduced in detail in the following chapter. The data collection method that was used in this research is quantitative. Structured interviews and structured questionnaire were utilised to gather information on the employees' and guests' opinions on the brand. The collected data was processed with the assistance of Tixel, a statistical software based on Microsoft Excel. The data was analysed with the help of the theoretical framework. The handbook that was created for the internal marketing of the brand was utilised for the analysis as well.

2   THEORETICAL FRAMEWORK

2.1   The implementation of the Solo brand in the Solo Sokos Hotel Tammer

The topic of this paper is the implementation of the *Solo brand* in the case of the Solo Sokos Hotel Tammer. The hotel that is used for this case study is the third oldest in Finland and it is located in the city centre of Tampere. The Solo Sokos Hotel Tammer is an accommodation service provider and offers its customers 87 guest rooms as well as three restaurants and a sauna. (Sokos Hotels: Tammer Solo by Sokos Hotels.) It belongs to the Sokotel Oy, a subsidiary of the Suomen Osuuskauppojen Keskuskunta (SOK). All the hotels of the SOK used to be a part of one big hotel group, the Sokos Hotels, until in June 2012, they were divided into three different sub-brands: the Original by Sokos Hotels, the Break by Sokos Hotels and the Solo by Sokos Hotels. Since then the Solo Sokos Hotel Tammer has been a part of the *Solo brand*. (S-kanava: S-ryhmän rakenne 2014; Sokos Hotels 2013: Sokos Hotels lanseeraa Break- ja Original-hotellit.)

The branding of the Solo Sokos Hotel Tammer is rather new and no previous research on this subject had been conducted before. For this reason the authors decided to conduct an exploratory research on the implementation of the *Solo brand* in the case company. The aim was to obtain a deeper insight on both the employees' and customers' point of view on the brand and to reveal possible strengths and weaknesses. The results of the research provide the company with new, valuable and relevant information that could be used for further actions.

The objective of this research was to provide the company with current insight on the employees' and customers' opinions on the *Solo brand* and offer suggestions for possible improvements. New perspectives may arise that could be used for planning future trainings and actions. The results may have an influence on further decisions that the company could make in regards to improvement of the service, the marketing communications and the employees' knowledge and professionalism.

2.2   Brand and branding

Companies need to find a way to persuade the guests to select their organisation over others (Morgan & Pritchard 2000, 214). Branding is a very important means to differentiate the own services from others of the same kind. In the hospitality industry, for example, the services offered by a specific hotel can vary from business and conference services to any kind of offerings around sport, leisure or entertainment (Cooper, Fletcher, Fyall, Gilbert & Wanhill 2005, 385). A wide range of services alone, however, is not enough to attract potential customers since other hotels situated in the same location may possess the same features and offer similar services. The customer is given the possibility to choose from a wide range of facilities. Branding is therefore a very important and inevitable means that should be used by any hotel in any location to differentiate itself from its competitors and thus gain a competitive advantage (Morgan & Pritchard 2000, 214). Keller and Lehman refer to the American Marketing Association stating that a brand is a name, image, design, logo or symbol or any kind of composition of two or more of these. It is created to determine a service or a product and to set it apart from the brands of its business rivals. Constructed in the right way, the brand arouses certain feelings in the customers and makes them implicate the brand with a certain experience. The brand should be connected with a certain quality level and not only serve in its practical purpose, but reflect the all over experience the customers are gaining with this particular brand. (Keller & Lehmann 2006, 740 –759.)

Branding is a very effective tool for matching the offered services and products to the specific customers' needs (Pendler & Sharpley 2005, 20) and it assists in differentiating the organisation's product from other products that were created to satisfy the same needs (Kotler & Keller 2012, 263). It also assists in creating customer loyalty (Pendler & Sharpley 2005, 20). Each hotel, for example, possesses a certain quality of service, specific products and especially a certain value and they all should be symbolized by the brand (McCabe 2009, 192). According to Kotler and Keller (2012, 263) branding 'requires careful planning, deep long-term commitment, and creatively designed and executed marketing'.

2.2.1 Role of brands

Brands can play a role for both, the customer as well as the company. Customers are able to identify the source or producer of a product through the brand. The consumers have become familiar with the product through an experience in the past. Therefore the customers distinguish the products that satisfy their needs from those that do not. A brand ensures a particular level of satisfaction and the customers know what to expect from it. According to Kotler, Keller, Brady, Goodman and Hansen the time needed for shopping is reduced by branding. The customers do not have to consider what to buy as they will select and purchase the familiar brand. An emotional bond with the customer is created that makes him or her loyal to the brand. (Kotler, Keller, Brady, Goodman & Hansen 2009, 428.)

Customer loyalty has several advantages for companies. It makes demand of a product predictable and secure. The impact of marketing communications activities undertaken by a competitor is less impairing. Market entry of new products created by opponents is more difficult. Customers are more willing to pay higher prices for their preferred brand and, in addition, price increases are more likely accepted through brand loyalty. (Kotler et al. 2009, 428–429.)

Brand loyalty is only one of the valuable functions that brands and branding perform for companies. A further advantage is that the unique characteristics and attributes that the product or service contains of can be legally protected through the brand. Registered trademarks can be used for protection of the brand name. This legal protection allows the companies to safely invest in their brands. As said before, brands assist companies in differentiating their products from those of their competitors and therefore in securing the competitive advantage. The efficiency of the different marketing communications tools is hereby increased. Higher-level employees are attracted by brands, and the support received from different stakeholders is more solid. The opportunities for growth increase through brand extension. Brands also assist companies in widening their range of product offerings by using segmentation. Organisations are able to place different products or services that are targeted to different audiences or customers, within the same market. (Kotler et al. 2009, 428–429.)

2.2.2 Brand equity and brand values

The concept of brand equity originates from the field of accounting. In accounting, capital items as for example real estate have a value or equity. Organisations throughout the world realize that brands as well possess a certain value or equity. It may be reflected in the manner customers feel, think and act regarding to the brand. The power of a brand depends on what consumers have read, heard, seen, learned, felt and thought about the brand. Kotler, Bowen and Makens (2006, 450) are referring to Kim and Kim (2004, 117) stating that 'strong brand equity means that customers have high brand name awareness, maintain a favorable brand image, perceive that brand is of high quality, and are loyal to the brand'. The core values of the brand should be authentic, reliable, feasible, consistent, and consignable. All of the values are constantly and consistently fortified and proven true through the services or products (Morgan & Pritchard 2000, 216).

According to Kotler and Keller (2012, 271) there are three sets that lead to high brand equity. The first set consists of the brand elements. Brand elements are, for example, logos, characters, symbols, jingles, packages or names. The second set is built up of the products and services themselves as well as all the marketing communications activities that are conducted to support them. The third set is composed of any kind of associations that are indirectly linked to the brand. These could be, for example, places, persons or objects, which are indirectly associated with the brand. (Kotler & Keller 2012, 271.)

Nowadays most of the companies in the hospitality industry are extremely aware of brand equity (Kotler et al. 2006, 450). They understand that the associations that their customers are making with their brand have to be strong and favourable. Therefore organisations have to ensure that their customers experience their products, services or marketing activities in a certain way to develop the desired brand knowledge (Kotler & Keller 2012, 266). Brand equity is depending on the strength of the brand.

2.2.3 Brand elements

An important question that companies should ask themselves is, in which way the brand is seen by the customers and what the brand stands for in a customer's mind. The own brand should be easily identifiable and distinguishable from those of the competitors.

Brand elements are used to reach this aim and to create brand equity. They are defined as tools, which can be trademarked, that determine and separate the brand. Brand elements are logos, symbols, names, URLs, jingles, spokespeople's slogans, signage and packages. All brand elements assist the customer in identifying the brand. (Kotler & Keller 2012, 271–272.)

According to Kotler and Keller (2012, 271), brand elements are meaningful, memorable, transferable, likeable, protectable, and adaptable. The recognition value of the brand elements should be high. All the tools should represent the intangible characteristics that the brand has and they should be easy to remember. By means of the different brand elements customers are able to get an understanding for what the brand is and why it is special. The elements assist in convincing the customer to choose the particular brand. In the case of the Solo Sokos Hotel Tammer, for example, the denomination Solo is a brand element. This appellation stands for individuality and uniqueness and therefore reflects the characteristics of the brand. (Kotler & Keller 2012, 271–272.)

2.2.4   Brand image and brand value

The brand image is the estimation that customers or consumers have about the specific brand. It may be very subjective as the beliefs that each customer has are depending on the own experience. Therefore the brand image may also differ from its accurate characteristics. Conception, distortion and retention take place on a very selective level. (Kotler et al. 2006, 221.) Due to this it is crucial for any organisation to develop a perception of certain levels of quality and value. Consistency in all offered products and services are of central importance to attract customers to the brand. The value of the brand should be perceived as superior to those of the competitors. The same quality will be expected in all branches of the same brand. Customers' expectations have to be met by developing standards that apply to all the branches of the brand. (Kotler et al. 2006, 319.) In the case of the *Solo brand*, for example, common service standards have been created by means of a service manual (chapter 3).

2.2.5 Branding and marketing communications

The core offers of each organisation in the hotel industry are usually very similar and the marketplace of hospitality services is highly competitive. Hence it is inevitable that personality and values of the particular brand are reflected in all marketing and non-marketing activities. All marketing communications devices that are used have to impart a strong message that present the unique features of the brand and make it very easy to identify. The brand identity has to be communicated to both, the internal as well as the external audiences to make all parties involved aware of the visions and aims of the brand. The external audience consists of customers and consumers whilst the internal audience is built up of employees, shareholders, suppliers, and other stakeholders. (McCabe 2009, 9.)

Globalisation causes rapid change of the competitive environment. With the assistance of the Internet, information can be accessed easily and several sources are offered that can be used to find out more about any kind of information on the hospitality industry. Customers are given the possibility to look for details on brands, destinations, organisations, products and services for themselves. Through rising experience the expectations of quality that the customers have regarding hospitality services have become higher. Nowadays customers are surrounded by marketing communications, and they are able to identify and select the brand that meets their own needs the most (McCabe 2009, 50–51). Choice will be made based on how the customer feels and thinks about the brand. The brand promise that was created by the marketers of the company reflects their vision of how the brand serves the customers. (Kotler & Keller 2012, 267.)

The same brand values have to be communicated externally and internally, and they have to be linked to each other. The internal marketing communications activities are conducted to ensure that the brand is embraced and understood. Employees are informed and inspired through different marketing activities. According to Kotler and Keller (2012, 275) 'The brand promise will not be delivered unless everyone in the company lives the brand'. The more the employees believe in the brand and the more they care about it, the more motivated they will be to work even harder. Their loyalty to the company will increase and the brand promise can be delivered. (Kotler & Keller 2012, 275.)

2.2.6 Branding in the hospitality industry

The provision of accommodation for one night or more for people who are travelling has a very long history, and it is the oldest mercantile business in the world (Goeldner, Ritchie & McIntosh 2000, 166). As almost every traveller is in need of a kind of place to stay overnight when being away from home (Cooper et al. 2005, 385) it is the basic product that is offered in the hospitality industry (Baker & Huyton 2001, 19). Accommodation is offered by different kind of establishments that vary in their types, sizes and organizations (Cooper et al. 2005, 385). According to Holloway (1998, 143) hotels are the 'most significant and widely recognized form of overnight accommodation'. This is the reason why especially in the hospitality industry, where it is very easy to copy the features of offered products and services, branding is of vital importance (McCabe 2009, 189).

Large hotels and hotel chains are capable of building strong brands, but even privately owned hotels, which see their individuality as a sufficient strength for running their business, should aim for a strong brand (Pendler & Sharpley 2005, 19). According to Morgan and Pritchard (2000, 214) 'branding has become today's most important marketing strategy'. In the hotel industry it assists in countering the consequences of intangibility and alterability (Pendler & Sharpley 2005, 115).

Customers connect the brand to a certain value and emotion (Morgan & Pritchard 2000, 216). They are becoming loyal to the brand and prepared to pay more to be able to use the services and products (Morgan & Pritchard 2000, 215). It is inevitable that the promise that was made by the brand is kept at all times, as this is the only way to build close relationships with the customers. In the service industry the brand creation is very dependent on the intangible experience that the customer is going through. Each and every hotel guest has to feel special, very welcomed and noticed. Nowadays a lot of customers are looking for a more personal service tailored to their own specific needs. It is not only the physical environment that matters to the guest, but the service consistency (Applegate, Piccoli & Dev 2008). The customers' needs have to be matched or even exceeded.

Customers often become loyal to one particular brand, and brand loyalty is one of the major advantages of branding. On these grounds many hotel chains attempt to hold sev-

eral branches in the most important destinations. (Kotler et al. 2006, 319.) In addition some hotel chains might place several of their brands at one location. The organisations decide to create different brands to be able to cover the different needs of the various customer market segments (McCabe 2009, 193). Sub-brand names are used to distinguish the different brands from each other whilst being still identified as a part of the main brand. They can be explained as sections of a family brand, which are customised for a certain market or target group (Kotler & Keller 2012, 283).

The process of creating and building a brand is slow and very time consuming. Patience and commitment are needed to go through the course. Those companies, which are already in possession of a strong brand, hold a fundamental advantage. Brands are complex and valuable, they develop and grow, and hence constant investment is required to be able to maintain the strength of the brand. According to Morgan and Pritchard (2000, 219) 'the most powerful brands are those with the richest personality'. In the hospitality industry the name and the image of the brand should represent and stand for the engagement to the certain level of service quality within an organisation (McCabe 2009, 193). The main aim of brand and branding should be to create brand loyalty and hence to bind the customers to the brand.

2.3   Marketing communications

This chapter gives an insight on how brand value and brand equity are created and how they are managed in general, in tourism and particularly for the *Solo concept*. Marketing communications is an inevitable part of the brand as it is utilised to communicate the brand promise. The difference between marketing communications and brand or branding is that the former stands for the ways companies utilise to deliver a certain message or promise to the audience, whereas the latter represents the ways in which those messages and promises are kept. Marketing communications are an essential means for companies in order to be able to keep up their business activities. (Fill & Jamieson 2006, 1/12.)

Companies have to communicate with several stakeholders to receive services or materials that are needed for executing the respective business. Without communication, the coordination of the distribution of the organisation's goods would not be possible. But

there are not only the different stakeholders that companies need to communicate with. It is inevitable for organizations to communicate with the consumers as well. Due to a wide range of offered products, services and brands, the consumers are free to select among a wide supply. Marketing communications are thus used by companies to give stakeholders, consumers as well as the overall public an understanding of their offerings and to make them appreciate the merit offered by the products and brands. (Fill & Jamieson 2006, 1/12.)

Designing a good product and bringing it to the market at an appealing price is no longer sufficient for recent marketing. Customers and potential customers need to be more than only 'informed' and made aware of an existing offering. Due to this, communication has to aim for more than just the persuasion of choosing a certain product. Communication can take place in many different ways and through many different channels. By using different marketing communications tools companies are able to inform, convince and remind buyers about their marketed brands. Marketing communications is also a tool for the customers to find out why and how a product or service is used, where and when it is used, and by whom. In addition, the buyers can see by which enterprise the product was created and offered. With this knowledge the consumers are able to evaluate the reputation of the organisation's brand and to receive a certain perception and understanding of it. Certain images as well as a certain emotional message of the product or brand are procured. Marketing communications are used to underline the distinctive features of each product or brand and thus differentiate them from those of the competitors. Various brand images are created with the communications tools that surround them. These images disassociate one brand from another and place them in a way that consumers develop positive attitudes and build up purchasing confidence (Fill & Jamieson 2006, 1/3,1/4, 1/9, 1/10.)

The communicated messages need to be consistent, clear, compelling, and targeted to the appropriate audience. This audience usually consists of external and internal stakeholders. The external stakeholders can be distributors, intermediaries, customers or other stakeholders who might have an impact on the execution of the organisation's business activities. Internal stakeholders are e.g. staff members. Company images or perceptions cannot be established if there is no communication between the organisation and its employees. (Fill & Jamieson 2006, 1/7, 1/12, 1/13; Kotler et al. 2009, 688–691.)

There are multiple forms of marketing communications, and organisations have to choose a mixture of those which are the most suitable for them. The companies need to find out what they would like to say, how and when they would like to say it, to what kind of audience and at what kind of frequency. With the assistance of today's media, information can be found very easily and quickly, and the number of channels that can be used for marketing communications has increased remarkably within the last decades. Not only does the modern technology offer companies several different ways for marketing, but it has also given the customers the possibility to choose where and how they would like to be exposed to commercials, if at all. (Kotler et al. 2009, 688–691; Fill & Jamieson 2006, 1/13.)

According to Kotler, Keller, Brady, Goodman and Hansen (2009, 691) there are eight main types that the marketing communications mix is composed of. Those types or modes are advertising, sales promotion, events and experiences, public relations and publicity, direct marketing, interactive marketing, word-of-mouth marketing and personal selling. Several platforms can be found behind every mode of the marketing communications mix. Advertising can be conducted, for example, through posters or leaflets, or packaging inserts or videotapes. Events and experiences marketing can be undertaken at e.g. festivals, or sports or entertainment events. Word-of-mouth marketing can take place in e.g. chat rooms or blogs. Every contact the consumer has with a brand has an effect on what kind of opinion he or she forms about it, regardless of the platform that the buyer receives the commercial content from. A certain value is communicated to the customer, and that is why brands should be generated very carefully. Companies should aim for reflection of the values perceived by the customer to be able to build strong brand equity. (Kotler et al. 2009, 691–692.)

All marketing communications actions that are carried out conduce to brand equity. Each activity raises the awareness of the brand and it increases the proper associations that the customer memorises about the brand image. Every marketing communications action assists in strengthening the connection between the consumer and the brand and it should arouse positive feelings and opinions that the buyer has or creates about the brand image. Therefore it is crucial that the companies find the right set of marketing communications tools and the right channels to transmit those tools to the targeted audience. (Kotler et al. 2009, 691–693.)

2.4 Marketing communications in the hospitality industry

The hospitality industry is a highly competitive marketplace and therefore it is inevitable for companies to assure that brand personality and values are reflected by all marketing and non-marketing information. It is not possible to store the services offered by this field of industry and sell them at a later date. A four-night Caribbean cruise leaving Miami on June 6th, for example, cannot be sold at a later point in time. This fact makes the services offered by the hospitality industry perishable. The experiences in the hospitality industry are relying on interaction between the customer and the employee of the organisation. Due to this each service encounter varies from the other. The products and services of the hospitality industry are inseparable. This means that the product or service does not exist unless the consumers utilise it (Pendler & Sharpley 2005, 104). In addition, the services are intangible as they cannot be experienced prior to purchase. Consumers have to trust the information given by the marketing communications tools. All marketing communications actions utilised should convey a certain interpretation and understanding of the service. The information transmitted through the marketing communications tools should be precise about the specific characteristics and features of the service, communicate the intangible gains of the service, provide essential information as well as concrete details. According to Pendler and Sharpley (2005, 104) printed materials, for example brochures, are utilised more often in the hospitality industry than in other fields of business. However, modern technology in form of online booking and automated services is increasing and the role of interpersonal communication between the customers and the service provider is changing. The communication between the consumer and the hospitality organisation is more often taking place during the experience itself. Therefore it is advisable that equal attention is paid to internal marketing communications as to external to be able to communicate the brand values through the staff members to the customers. The expectations of the consumer have to be met as the behaviour of one customer has an influence on the experience that another customer has with the product at the same time. (McCabe 2009, 9–12; Pendler & Sharpley 2005, 111–112.)

2.5   Service

Providing services plays an important role for many different organisations since it improves competitiveness and leads to work placement. The attention to quality management practices has increased due to the improvement of competitiveness. (Oh & Pizam 2008, 210–213.) It is important for a service provider to be aware of the service evaluation and to identify the service management. Only then an organization can influence the service in the desired direction. (Grönroos 2000, 61–63.)

A service is an intangible process or activity where production and consumption are coexistent. The customer is involved in the process and affects the outcome in terms of quality. A range of service definitions have been introduced between 1960 and 1980 until in 1990, according to Grönroos (2000, 46), a more accurate definition has been introduced:

> A service is an activity or series of activities of more or less intangible nature that normally, but not necessarily, takes place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems. (Grönroos 2000, 46.)

As Grönroos stated, service is an interaction that is involving the customer and the service provider. The customer's involvement in the process signifies that he or she influences the functioning and the development of the process. Therefore it is fundamental that the customer's perception is taken into account as he or she affects the outcome and quality of the service given. Due to the fact that services are an intangible series of activities, it is difficult for a customer to evaluate the service as he or she can only experience the result and the visible activities. In addition, the perception of a received service varies because of the different opinions of the customers, which causes the most problems in the service management. (Grönroos 2000, 45–50).

2.6 Quality

Quality is an important method for an organization to differentiate itself from and to obtain an advantage over its competitors. For that reason Grönroos (2000, 66) stated, that 'quality is considered as one of the keys to success'. Quality needs to be defined in order to achieve better quality. According to Grönroos the quality of a product or service is defined as whatever the customer perceives it to be. To accomplish a positive result it is important for an organization to define quality in the same way as the customers do. (Grönroos 2000, 62–63.)

The customers' opinion about a product or service is based on so called quality dimensions. According to Grönroos (2000, 61–66) quality can be explained within two dimensions, a technical or outcome dimension and a functional or process-related dimension. These are significant as a service or product can only be improved or developed if the quality dimensions are understood. Therefore it is important for a company to identify all relevant quality dimensions for its own service or product. (Hayes 2008, 11–12.) The first dimension is concentrating on what the customer does receive and with what he or she is left. This dimension is fundamental as it is based on what the customer obtains. The second dimension is as well crucial as it is focusing on how the service is received and experienced. Here the service employees, that are taking part in the service process, are relevant as they have an influence on the customer's view of service. (Grönroos 2000, 61–66.)

2.7 Service quality

Customers have different and certain expectations of a provided service. The service provider's aim is to satisfy all customers and to meet their needs. Service quality is a concept that is difficult to measure and to define. A service should meet or exceed a customer's needs and expectations. Due to the fact that the customer is evaluating the process and deciding on the quality, the customer's view should be taken into consideration. In order to get an insight and an understanding of the situation, it is important to take customers', but also employees' and owners' needs and expectations into account as the correct quality can only be offered if both, employees and owners are satisfied. (Bo, 1998.)

In 1985, Berry, Parasuraman and Zeithaml developed a scale for the measuring of customers' perceptions of service quality, called the SERVQUAL. Service quality was composed of ten different dimensions: Dependability, willingness, competence, availability, courtesy, communication, trustworthiness, assurance, empathy and tangibility. Later studies showed that the dimensions were overlapping. Therefore, Berry et al. decreased the dimensions in 1988 to the following five: Tangible, reliability, responsiveness, assurance and empathy. Tangible indicates the physical facilities, equipment and the appearance of the personnel whilst reliability is referring to the ability to perform the promised service accurately. Responsiveness is pointing out the willingness of the personnel to help the customers and to provide prompt service. Assurance means that an employee should reflect knowledge and courtesy. Additionally the personnel should be able to arouse trust and confidence. Empathy, the fifth dimension, stands for caring and individualized attention that an organization provides its customers. (Hayes 2008, 12; Hill and Alexander 2006, 241–243.)

According to Grönroos (2000, 80–81) there are seven additional criteria of good perceived service quality:

1. Professionalism and Skills: Customers realize that the service provider, its employees, operational systems, and physical resources have the knowledge and skills required to solve their problems in a professional way (outcome-related criteria).

2. Attitudes and Behaviour: Customers feel that the service employees (contact person) are concerned about them and interested in solving their problems in a friendly and spontaneous way (process-related criteria).

3. Accessibility and Flexibility: Customers feel that the service provider, its location, operating hours, employees, and operational systems are designed and operate so that it is easy to get access to the service and are prepared to adjust to the demands and wishes of the customer in a flexible way (process-related criteria).

4. Reliability and Trustworthiness: Customers know that whatever takes place or has been agreed upon, they can rely on the service provider, its employees and systems, to keep promises and perform with the best interest of the customers at heart (process-related criteria).

5. Service Recovery: Customers realize that whenever something goes wrong or something unpredictable happens the service provider will

immediately and actively take action to keep them in control of the situation and find a new, acceptable solution (process-related criteria).

6. Serviscape: Customers feel that the physical surrounding and other aspects of the environment of the service encounter support a positive experience of the service process (process-related criteria).

7. Reputation and Credibility: Customers believe that the service provider's business can be trusted and gives adequate value for money, and that it stands for good performance and values which can be shared by customers and the service provider (image-related criteria).

As shown above and outlined by Grönroos, the criteria influencing customer's experience of service quality may be related to outcome, process or image (outcome-related, process-related, image-related). This shows that the employees of a service provider are playing an important role. The employees should reflect knowledge and professionalism in all situations. In case of a problem, a staff member should show interest in the customer's concern and solve the problem in the best possible way. A customer should have the feeling that he or she can rely on the service provider and is always welcome. Grönroos further explains that the physical environment is also a crucial aspect that needs to be taken into account when aiming for well-perceived service quality.

An organisation's reputation and credibility are of fundamental value since the consumer's decision to choose a certain service provider as well as his or her opinion on the organization may be made upon the organisation's image. The image is built up in different ways. As already stated before, the company image has to fit together with the customer's expectation of quality. Factors that are affecting customer's expected quality are, amongst others, marketing communications, word of mouth, price and customer needs and values. Grönroos (2000, 67–81.) The theoretical framework of marketing communications will be further explained in chapter 3.3.

This section was created to point out, how important the management of service quality is for service providers. The case company, the Solo Sokos Hotel Tammer, is a service provider and therefore, needs tools for service quality management as well. Service quality management has to be adapted constantly to the customers' changing needs in order to be able to offer the right quality. As already mentioned in chapter 2.6, quality is an important method to receive an advantage over competitors.

2.8 Research question

The research question evolved from the fact that both of the authors are employed at the Solo Sokos Hotel Tammer and thus are very familiar with the *Solo brand*. Due to their own experience and involvement in the subject the writers were interested in obtaining a deeper insight on the *Solo brand* and its implementation. It has only been a year since the introduction of the *Solo brand* and hence the authors considered research very relevant at this point. The research question was: How well has the *Solo brand* been implemented in case of the Solo Sokos Hotel Tammer from the employees' and customers' point of view? A sub-question that assists in the main research question was: Is the brand visible from the customers' point of view?

2.9 Data collection method

The data collection technique that was used in this research was quantitative. Fixed designs in form of questionnaires and structured interviews were applied. The data collection was conducted in two parts which both took place at the Solo Sokos Hotel Tammer. The first part was created for gathering information on the employees' point of view, while the second part was concentrating on the opinions of the hotel customers. Two different data collection methods were used in the research: The employees were interviewed and the guests' opinions were collected via questionnaires. The data collection techniques were created on the basis of the handbook of the Solo Sokos Hotel Tammer. The methods and forms were approved by the hotel management prior to the data collection.

The authors decided to interrogate the employees by using structured interviews. Information was collected systematically through asking questions, recording or noting responses. The structured interview assisted in keeping the conversation focused and under control. This technique is very suitable for small sample groups and as the group of employees that were interviewed consisted of only 14 people the authors chose this method. (Altinay & Paraskevas 2008, 107–135.)

Questionnaires are one of the most popular data collection methods among hospitality and tourism research. This technique is structured and very effective for collecting in-

formation from a large number of people. A structured set of questions is prepared to obtain information. Due to the large sample group the authors decided to use this method for surveying the hotel guests. Self-administered questionnaires were utilised. This means that the questionnaires were distributed among the hotel guests and they filled them out by themselves. (Altinay & Paraskevas 2008, 107–135.)

Tixel was used to process and analyse the quantitative data. This statistical software is based on Microsoft Excel. Brand and branding, marketing communications, service quality, as well as the *Solo handbook* of the Solo Sokos Hotel Tammer were utilised in the data analysis. The theoretical framework and the concept are presented in detail in this chapter as well as in chapter 3.

3 THE CASE COMPANY

3.1 The S-Group

The S-Group (Finnish: S-ryhmä) is a Finnish retailing cooperative organisation. It consists of regional cooperative enterprises as well as of the nationwide cooperative organisation Suomen Osuuskauppojen Keskuskunta (SOK) and its subsidiary companies. The enterprises of the S-Group cover the markets of groceries, consumer durables, service stations, car sales, agricultural supplies, as well as hotel and restaurant services. The latter comprises of several nationwide restaurant chains as well as a large number of individual restaurants. In addition to the restaurants there are two hotel chains that belong to the S-Group, Radisson Blu Hotels & Resorts and Sokos Hotels. Sokos Hotels compose the largest hotel chain in Finland. In the end of 2012 the S-Group was in possession of 751 restaurants and 58 Sokos Hotels which are operated either by regional cooperative enterprises or the Sokotel Oy, a subsidiary of the SOK. (S-kanava: S-ryhmän rakenne 2014.)

The Sokotel Oy functions in the field of restaurant and hotel services. The operation consists of several restaurants such as Amarillo, Fransmanni, and Memphis, as well as of six Radisson Blu Hotels and fifteen Sokos Hotels. The majority of the hotels, four of the Radisson Blu Hotels and ten of the Sokos Hotels, are located in the Helsinki metropolitan area. The other two Radisson Blu Hotels are situated in Vaasa and Oulu. One of the Sokos Hotels can be found in Oulu, one in Turku and the remaining three are situated in Tampere. The Sokos Hotels in Tampere are the Original Sokos Hotel Villa, the Original Sokos Hotel Ilves, and the Solo Sokos Hotel Tammer. (S-kanava: Sokotel Oy 2014; S-kanava: Hotellitoimintaa kahdella brändillä, ravintolatoimintaa lukuisilla 2014)

3.2 Branding S-Group

Branding S-Group is explained in appendix 1.

3.3 Marketing communications used for the Solo concept

Marketing communications used for the *Solo concept* are explained in appendix 1.

3.4 Services of Solo Sokos Hotel Tammer

The Solo Sokos Hotel Tammer, former Grand Hotel Tammer, was built in 1929 and is the third oldest hotel in Finland. The architect Bertel Strömmer designed the hotel on behalf of the Tampere Society of Technology. In 1992 the building with its luxurious decoration was placed under a preservation order. The hotel owners had changed several times until, in 1995 the proprietorship of the Grand Hotel Tammer was transferred to Sokotel Oy. With the transfer of the ownership the hotel's name was changed to Sokos Hotel Tammer. A renovation of the hotel, with intention of preserving the history of the building, took place in 2009 and with the renovation, the new restaurant Vihtorin kirjasto was opened. Since 2010 the hotel is in possession of the Nordic eco-label that is awarded to organisations whose operations are environmentally friendly. With the branding in March 2013, the name of the hotel was changed from Sokos Hotel Tammer to Solo Sokos Hotel Tammer. (Sokos Hotels: Tammer Solo by Sokos Hotels 2014.)

The historical building of the Solo Sokos Hotel Tammer is situated in the city centre of Tampere, close to the Tammerkoski rapids. It is known for its unique atmosphere. The facility consists of 87 rooms that are all equipped differently. The Solo Sokos Hotel Tammer possesses five meeting rooms that can be rented for any kind of occasions. The ballroom is antique and classy and with its 157 square metres the biggest of the five rooms. Because of its size and unique atmosphere, it is used for the breakfast service as well. (Sokos Hotels: Tammer Solo by Sokos Hotels 2014.)

The Solo Sokos Hotel Tammer features three different restaurants. The Italian restaurant Trattoria can be found in the basement. The Vihtorin kirjasto is located on the ground floor next to the front desk of the hotel. Also on the ground floor is the ballroom, which is referred to as the restaurant Tammer. It is a rotisserie that operates as a restaurant for private occasions or such organised by the hotel. The reception is open 24 hours and hence is available to its guests at all times. The hotel sauna is situated in the basement next to the Trattoria. It is intended for customer use only and cannot be rented by exter-

nal people. Guests have the possibility to park their car in a parking hall nearby. (Sokos Hotels: Tammer Solo by Sokos Hotels.)

The history and uniqueness is what the Solo Sokos Hotel Tammer is famous for. Due to the location and the historical atmosphere the hotel attracts people from all over the world. It is visited by different kind of travellers such as business travellers, families, couples, friends or honeymooners. The facilities and meeting rooms are often used for weddings or other festivities as well as meetings, trainings and conferences.

3.5   The service manual of the Solo concept

All the Solo by Sokos Hotels should be operating according to the same requirements imposed by the company. Therefore the organisation created a handbook which explains the service concept of the brand and works as a guideline for all the hotels and their employees. The manual was created to clarify in which way the company is expecting their employees to carry out their work and how the employees should serve the customers. According to the manual all the Solo by Sokos Hotels should provide the same, certain service culture, they should fulfil the values of the *Solo concept* as well as the service promise. The Solo hotels are aiming for constant improvement and development of their service. In addition to this, each Solo hotel has its own manual of rules and standards. This set of directions should be followed in the same way as the overall handbook of the Solo by Sokos Hotels. The service manual of the Solo hotels is divided into four parts: the *Solo values* of the *Solo brand*, the service promise of the Solo hotels, the service culture of the *Solo brand*, and the service development culture of the Solo hotels. (S-ryhmä 2012. Solo-hotellin palvelukäsikirja.)

The service manual of the *Solo concept* is explained in appendix 1.

4   SURVEY AMONG THE EMPLOYEES

The questionnaire that was compiled for the survey among the employees consisted of 35 questions and 19 deepening questions. It was divided into eight parts. These parts were (1) personal information, (2) general feelings, (3) responsibility and decision making, (4) values, (5) supervisors and co-workers, (6) team work, (7) training, and (8) employees' additional thoughts. The final questionnaire was a result of a test run conducted on a draft questionnaire. After the piloting some adjustments were made to finalize the form.

The data collection was conducted in the premises of the Solo Sokos Hotel Tammer. The interviews took place from the 17th until the 24th of November 2013. During this period 14 employees of the Solo Sokos Hotel Tammer were interrogated by the authors. The sample group consisted of staff members from front office, breakfast and kitchen. The original questionnaire was created in English and then translated into Finnish. Due to the fact that all staff members are Finnish speaking, the interviews were conducted in their native language. All answers given were then translated into English. In order to assure the respondent's anonymity the initial four age groups that were utilised in the questionnaire were later combined into two. The analysis of the questionnaire was executed with the help of Tixel. The questionnaire can be found in the appendix 5.

The results and the analysis of the survey among the employees are explained in appendix 2.

5   SURVEY AMONG THE GUESTS

The questionnaire that was compiled for the survey among the guests consisted of 16 questions. Three of the questions were open-ended. The final questionnaire was a result of a test run conducted on a draft questionnaire. After the piloting some adjustments were made to finalize the form. The authors' intention was to collect the data by sending an online questionnaire to the hotel guests. Due to legal reasons this was not possible and therefore the data collection was conducted in the premises of the Solo Sokos Hotel Tammer. It took place from the 15th until the 23th of February 2014. During this period the questionnaire was handed out to the guests of the Solo Sokos Hotel Tammer. The questionnaires were either distributed by the receptionists at the check-in or by the authors during the breakfast. In order to support the participation the hotel management agreed on conducting a drawing of a gift certificate for an overnight stay at the Solo Sokos Hotel Tammer between all participants. By filling in their contact details the respondents had the opportunity to take part in this drawing. The winner was chosen by the lot and contacted by the authors through email.

The aim of gathering a minimum of 100 questionnaires was exceeded and the authors decided to stop the data collection after having received 118 questionnaires in eight days. Four age groups were created on the basis of the respondents' years of birth to obtain a clearer illustration. The four age categories are 20-34, 35-49, 50-64 and 65-79. The questionnaire was created in English and Finnish. Most of the questionnaires were answered by Finnish speaking people. For the processing all Finnish answers were translated into English. The analysis of the questionnaire was executed with the help of Tixel. All of the graphs were received either trough one tabulation or cross-tabulation and all figures in the following charts are illustrated in percentages. The questionnaires can be found in the appendix 6.

The results and the analysis of the survey among the guests are explained in appendix 3.

6 ANALYSIS OF THE OUTCOMES OF THE SURVEYS

The analysis of the outcomes of the surveys is explained in appendix 4.

7 CONCLUSION

The purpose of this bachelor's thesis was to find out how well the *Solo brand* has been conducted in the case of the Solo Sokos Hotel Tammer. The research topic was chosen as the brand was introduced recently to the hotel where both authors are employed. In addition, no prior research had been conducted on this matter before. The results received through the surveys were interesting for both the organisation as well as the authors. Due to their employment at the case company the authors were involved in the introduction of the Solo brand and are therefore very familiar with the brand and its requirements.

The theoretical framework used in this thesis was brand and branding, marketing communications and service quality. In addition, the handbook that was created for the internal marketing communications of the Solo brand was utilised. The data collection, which was conducted on the basis of interviewing and questionnaire was successful. The employees of the Solo Sokos Hotel Tammer were interviewed by the authors in November 2013. If further research on the staffs' point of view would be executed on this topic the authors would suggest enlarging the sample group of the first survey to receive more accurate results. The survey among the guests took place in February 2014. After having analysed the results of both surveys separately the authors conducted an analysis on the outcomes of both surveys.

The S-Group had realized that branding is of vital importance these days. With the division of their Sokos Hotels into three different sub-brands the organisation is able to meet the different needs of their customers. In present times guests are seeking for more personal service that is tailored to their own specific needs. The *Solo brand* meets this need of more personal service. The experiences guests have in the hospitality industry are very dependent on the intangibles and they are mostly relying on the interaction between guests and employees. The process of building brands is a slow and time consuming and continuous investment is required to be able to maintain the strength of the brand. Therefore the authors suggested conducting regular trainings of the staff members to assure that the internal marketing communications are kept on a high level to be able to fulfil the brand promise and values. In the authors' opinion the *Solo value* to address guests formally should be reassessed. Further research should be conducted on

the external marketing communications of the *Solo brand*. In addition, the authors proposed to conduct research on the implementation of the Solo brand in the other Solo by Sokos Hotels.

In the hospitality industry the name and the image of a brand should represent the commitment to a certain level of service quality. The aim is to create brand loyalty and hence bind the guest to the brand. In case of the Solo Sokos Hotel Tammer the service quality was on a high level. Some of the guests were already loyal to the hotel and chose it due to earlier experience. To others it was recommended by friends or family who had stayed at the hotel previously. Although there seems to be some kind of loyalty it does not necessarily mean that it is loyalty to the brand. The results show that the hotel was connected to certain experiences, feelings and expectations but most of the respondents did not know the *Solo brand*. This leads to the conclusion that guests are loyal to the hotel and not to the brand. Therefore the conduction of further research on external marketing communications as well as on the implementation of the *Solo brand* in the other Solo by Sokos Hotels would be very important. The brand awareness would be increased and guests would more likely choose a Solo hotel over another.

The employees of the Solo Sokos Hotel Tammer had understood and embraced the *Solo brand* and they were communicating the brand values and its personality to the guests. The results show that the staff members were acting according to the requirements of the *Solo handbook*. Knowledge and professionalism were reflected. The expected level of service was fulfilled. In the analysis of the survey among the employees the authors suggested that employee training on the *Solo brand* should be executed at the earliest possible. However, the results of the survey among the guests indicate that training is not as crucial as it was thought as they revealed that the *Solo values* are fulfilled. Training still is very important and should be conducted on a regular basis. In the author's opinion it was very important that the position of the *Solo coach* was handed over to someone working at the hotel. The monitoring of the employees will be a lot easier and possible issues can be resolved quicker. Hence the requirements of the *Solo brand* can be fulfilled even better.

The results are satisfying and the research question was answered. The aims and objectives were fulfilled as a deeper insight to the matter was achieved. The brand was very well implemented in employees' and customers' view. This research provides the com-

pany with new and valuable information. The results of this thesis can be used by the hotel management for further improvements of the *Solo brand*, for example in the area of external marketing communications or employees trainings. The brand is not known very well yet and therefore it is difficult to create strong brand equity. However, strong brand equity is of great importance for the company as it will lead to high brand awareness and therefore make the customers loyal to the *Solo brand*.

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APPENDICES

Appendix 1. The case company

Appendix 2. Survey among the employees

Appendix 3. Survey among the guests

Appendix 4. Analysis of the outcomes of the surveys

Appendix 5. Questionnaire I

Appendix 6. Questionnaire II