CLIENT RELATIONSHIP OF HOTEL INDUSTRY IN THAILAND

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ABSTRACT

Client relationship marketing (RM) is a marketing approach that widely gain more interest from marketer and apply to today's business as well as in hotel sector. For hotel business staffs need to build up a relationship for their first time guest, and maintaining a relationship with their returning guests. This issue is incredibly important to hotel business because it is a service based business which need to impress guest's before, during, and after their stay with the hotel. Nevertheless, the right activities and strategies that hotel staffs use should be proper and apply in order to build and maintain a good relationship with guests. Moreover, it can give many positive benefits for hotel. As a result, each department has different ways to build and maintain relationship. It is various activities and strategies use to satisfy guests, and also help to prevent dissatisfaction through a good relationship among two parties such as call guest by name, extra mind, loyalty program offered by hotel, and quick response to guests. All of these activities help to support and maintain a good relationship for hotel business.

This study proposed a framework of client relationship development process during each stage of relationship for hotel business. Through in-depth interview shows that there are many activities and strategies that hotel's operator and staffs can use to develop relationship with guests. This is to help to be a step ahead of their competitors in term of service and intangible benefits that guests will get from staying in the hotel.

KEY WORDS: CLIENT RELATIONSHIP / LOYALTY PROGRAMS, PROMOTIONS /
                        WORD OF MOUTH / TRUST

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CHAPTER I
INTRODUCTION

1.1 Introduction

Competition in today's market for all businesses is increasing continuously (Barr & McNeilly, 2003) and become more competitive due to globalization and international market expansion which bring more choices to customers. That could lead to less customer's loyalty to business operator unless the company tries to maintain it. Many theories have been proposed and developed from the past from different scholars. The "marketing mix" was developed from an assumption of the marketers as a "mixer of ingredients" (Culliton, 1948). The concept was introduced by Neil Borden in the 1950s (Borden, 1964). However, there is a study show that marketing is now shifted to the new paradigm from a traditional one to a relationship marketing approach (Gronroos, 1994). Especially for service business which this paper try to emphasize on, and service is related to feelings and it is unlikely touchable, it will be difficult for customers to differentiate whether company or service providers are professional or not. It is not only before making a purchasing commitment, but also following purchase and consumption (Sharma & Patterson, 1999).

In this paper researcher had mainly paid attention to recurrent and inspect three relationship development process models (Dwyer, Schurr, & Oh 1987; Ford et al., 1998; Wilson, 1995) and a customer relationship life cycle model (Gronroos, 2000). In this paper will be focusing on hospitality industry in Thailand. Although, brand image is already represent hotel's standard and qualities, but to build impression and long lasting relationship among customers, hence company should try to include relationship within the service at all levels as well. Many scholars have dedicated to the buyer-seller relationship marketing literature by proposing different conceptual models. In order to identify relationship marketing practices by hotelier or hotel staffs at different stage of the client relationship development process. Researcher revisited and thoroughly examined three relationship development process models (Dwyer, Schurr, & Oh, 1987; Ford et al.,

1998; Wilson, 1995) and a customer relationship life cycle model (Gronroos, 2000). Although, these models differ somewhat, all of them recognize that relationship marketing is not only for marketing specialist, but also requires a dedication from other departments than the marketing department who happen to have contact with clients. This explains why this article will focus on people in different department of hotels that have direct contact and associate with guests in hospitality industry.

Although extensive research has found out what a company should and could be doing in relationship marketing practice (Alvarez, Casielles, & Martin, 2011; Christopher, Payne, & Ballantyne, 2002; Claycomb & Martin, 2002; Gronroos, 2000; Huntley, 2006; Roberts, Varki, & Brodie, 2003; Sin, Tse, Yau, Lee, & Chow, 2002; Theron & Terblanche, 2010), little effort has been given to finding out how hospitality industry practice relationship marketing with their clients at different stage in the relationship development process.

The remainder of this article consists of four sections. First the literature review regarding the essential of relationship marketing in professional service industry is reviewed and conceptual models proposed by many scholars referring to the relationship development process and the customer relationship life cycle are inspected. Next the research methods used for this study are discussed; the findings are then presented and discussed within the context of literature review with reference to the conceptual framework proposed. Lastly, the research summarizes with a discussion of the implication and limitations of the findings and direction for future research.

1.2 Relationship Marketing Concept

Relationship marketing among seller and buyers has started long ago since human began to trade goods and services through trading sellers developed trust support by product's qualities and services. There is an increasing expectation of performance, and that make the development of a satisfactory relationship become more complicate and difficult (Wilson, 1995). Relationship marketing is no longer limited to marketers only, but as well as other practitioners in the company have to be a part of building relationship with their client at different stages of the client relationship development process (Woo & Leelapanyalert, 2014). Relationship marketing appeared in the 1980s

as an alternative to the common view of marketing as a series of transactions because it was acknowledged that many exchanged, especially in the service industry, were relational by nature (Berry, 1983; Dwyer et al., 1987; Gronroos, 1994; Gummesson, 1994; Sheth and Parvatiyar, 2000) Therefore, relationship marketing aims at enlarging customer profitability while offering better services for customer du (Naidu et al., 1999; Palmatier and Gopalakrishna, 2005). Relationship marketing will not spontaneously lead to stronger customer relationship; rather, customers will display different levels of relationship closeness and strength (Berry, 1995; Lijander and Strandvik, 1995). In order to make it more attractive, relationship marketing strategies should encourage customer to recognized benefit of involving in relationship (O'Malley and Tynan, 2000).

1.3 Problems statement and research objectives

The objective of this article is to recognize practices used by the hospitality industry firms in implementing relationship with clients. In exceptionally, it looks to examine marketers and other employee at manager and all levels practices in client relationship at different stages.

There is a major problem that currently happen to hotel business in Thailand because of customers now tend to be more varieties seeking rather than being a loyal customers to a good service hotel. In this research the author would like to find out:

How hospitality businesses use client relationship to maintain their customers?

CHAPTER II
LITERATURE REVIEW

Today focus of marketing has developed from basic idea of giving customers what they want to building and maintaining mutually satisfying long term relationship with clients and developing long-term strategies for client retention (Christopher et al., 2002; Reinartz & Kumar, 2003; Xu, Goedegebuure, & Van der Heijden, 2006). This new model affirms that buyer and seller are involved in a mutual exchange situation in which both parties gain from the relationship (Gounaris, 2005). Companies gain from increasing sales and volumes, declining operating costs, and positive word of mouth (WOM; Gilpin, 1996; Gronroos, 2000; Reichheld & Sasser, 1990)

The overall objective of relationship marketing is to build, maintain, and magnify a long-term buyer-seller relationship. Enduring relationship with customers can provide companies with a incomparable and sustainable competitive advantage (Liang et al., 2009) because they are not easily copied by competitors (Buttle, 1996; Perrien & Richard, 1995). Without a good relationship customers can easily change to competitors by taking advantage of other deals proposed by other suppliers (Holmlund & Kock, 1996). Relationship marketing is based on two economics discussions: It is more expensive to win a new customer than to grasp an existing customer (Storbacka, Strandvik, & Gronroos, 1994); and the longer the relationship between a company and customer, the more profitable the relationship for the firm (Buttle, 1996)

2.1 Character of Services Marketing

When obtaining products, the consumers explore many tangible cues to clarify the qualities such as color, finish package, and style. As customers purchasing services, there are lesser tangible signals exist to help consumer making decision (Javalgi, Martin & Young, 2006). As of service providers many cases show that tangible evidence is not much, it is limited to physical facilities, equipment and personnel (Parasuraman,

Berry & Zeithaml, 1983). That is how client relationship becoming an important part to convince and established a good relationship between clients and customers. Intangibility, inseparability, heterogeneity, and perishability are four attributes that most commonly used by marketers to separate between goods and services (Javalgi, Martin & Young, 2006).

2.2 Prior Research and the Conceptual Model

Existing journal review mentioned that the future of business and industrial marketing methodologies will be affected by four areas which are technology, *buyer-seller relationship,* international business and employment trends (Lewin & Johnston, 1996). Marketing and sales activities are going to change because the increase in information and technologies advancement which will have an effect on marketing environment. New substitute products will increase too with better qualities and lower prices.

Buyer-seller relationship will be increased. From traditional "arm's-length" transaction it will become long term assistant. Partnership and strategic alliances will have a positive advantage of vertical integration that is costless. The changing environment of buyer-seller relationship requires a new breed of worker-compassion, flexibility. Being near to customers was smart to increased sales, but it was no longer like that. In the future of business relationship information will flow in both directions. Also it could be a drawback for marketers as customers use information to gain better service at lower price.

Many studies have been focused on customer relationship management in different industries in the past 20 years. However, there is still some controversy on its definition and meaning (Landrigan, 2005). Payne and Frow (2005) came up with a crossed-functional, process-based conceptual framework covering five generic processes including strategy development, value creation, multichannel integration, and information management and performance assessment. From previous literature review (Wilson, 1991; Moller, 1988) had gathered an interesting list of variables such as structural bonds, trust, and cooperation have been used in modeling different relationship situations. All these variables will be useful for in depth interview in this paper derives from (Han and Wilson, 1993) and it could be used for pinpoints information when researcher conducts in depth interview from different departments.

All of the above framework and theories used was developed and used in different period of time and applicable for that particular period. As the world become more globalised and interconnected marketing trend change over time as well. Nevertheless, the most interesting one that researcher had been reviewed was about relationship development process model because it seemed to be more précised in answering research question that mention above. As the goal of relationship marketing is to raise, sustain, and magnify buyer-seller relationship. Long lasting relationships with clients can offer firms with a unique and sustainable competitive advantage (Liang, Wang & Dawes Farquhar, 2009) because they are not easily to imitate by competitors (Buttle, 1996; Perrien & Richard, 1995).

This paper will choose to emphasize on buyer-seller relationship because it will links to the same interest of other scholars research. Therefore, we need to study carefully about buyer-seller relationship from many scholars about what benefits it could bring to support company's performance to customers.

2.3 Recurrent of Relationship Development Process Models

Relationship marketing becomes increasingly importance for management and business operators especially in service industry. There is a model change from general marketing mix approach of Four P's to relationship marketing has been inspected (Webster, 1992; Gronroos, 1994). The widespread of marketing mix could not apprehend the key elements that must be appealed to build and maintain relationship. Recognizing relationship marketing demand distinguishing between the discrete transaction, which has a "distinct beginning, short duration, and sharp ending by performance," and relational exchange, which "traces to previous agreements [and]… is longer in duration, reflecting an ongoing process" (Dwyer et al., 1987, p13).

The process of relationship development is stimulated company to accomplish their goals by creating long-term mutually beneficial buyer-seller relationship (Wilson, 1995). Wilson (1995) emphasized that the anticipation of performance level have risen, making the development of an effectual relationship even more difficult. Many scholars have supported to the buyer-seller relationship marketing literature by proposing different

models of the relationship development process (Dwyer et al., 1987; Ford et al., 1998; Wilson, 1995).

There are 3 main models have been observed which are The relationship development model offered by Dwyer et al. (1987) dispute that buyer-seller relationship that unfold through five stages which classified as awareness, exploration, expansion, commitment, and dissolution by contradictory discrete and relational exchange using concepts from modern contract law. (Wilson, 1995) Conceptualized of the relationship development process as embracing five stages of partner search and selection, defining purpose, boundary definition, creating relationship value, and hybrid stability. While Ford et al. (1998) model specifically recognized that managing relationship is not about transiting it toward ideal state. In reality, it takes two parties to share different situations that happen in different times. They propose a four-stage buyer-seller relationship development model. The model composed from pre-relationship stage, exploratory stage, developing stage and stable stage. All models are somewhat different, but they provide information on how relationship develops over time, and show the benefits of moving buyers from one stage to another stage.

The *pre-relationship stage* is the first stage, and during this stage there are many ambiguity and little trust between buyers and seller. A two ways relationship is necessary to judge the benefits of forming relationship and to appraise the investment and adjustment required to make the relationship work. External marketing application like advertising is useful to generate awareness of the brand or service offerings of the firm (Dwyer et al., 1987). In *exploratory stage*, there is a high potential that a trial purchase will happen. At this stage this is where expectations for assuring future interaction of both parties are essential in determining the future tone and structure of the relationship. The result will show the capability and willingness of seller to deliver satisfaction to the buyer (Blau, 1964). Also, the attractiveness of the buyer will rise when the buyers accomplish the perceived exchange commitment in an exemplary manner (Thibaut & Kelly, 1959).

Mutual consideration and interaction are significant elements to drive the relationship into the expansion stage. Expansion relates to deepen relationship between the buyer and the seller and the constant expansion in benefits earned by exchange partners (Dwyer et al., 1987). In this *expansion stage* when incoherence of the two companies

about each other' strength and competency have been decreased and the business is growing in volume and in a positive way. *Stable stage* could happen after the delivery of a product and service has become normal. In this stage relationship can direct to founding of trust, standard operating procedures, and business exchange norms. There are many meaningful and interesting definition of trust stated as following:

      1. The belief that a party's word or promise is reliable and a party will fulfill his/her obligations in an exchange relationship (Schurr and Ozanne, 1985)

      2. A party's expectation that another party desires coordination, will fulfill obligations and will pull its weight in the relationship (Dwyer, Schurr and Oh, 1987)
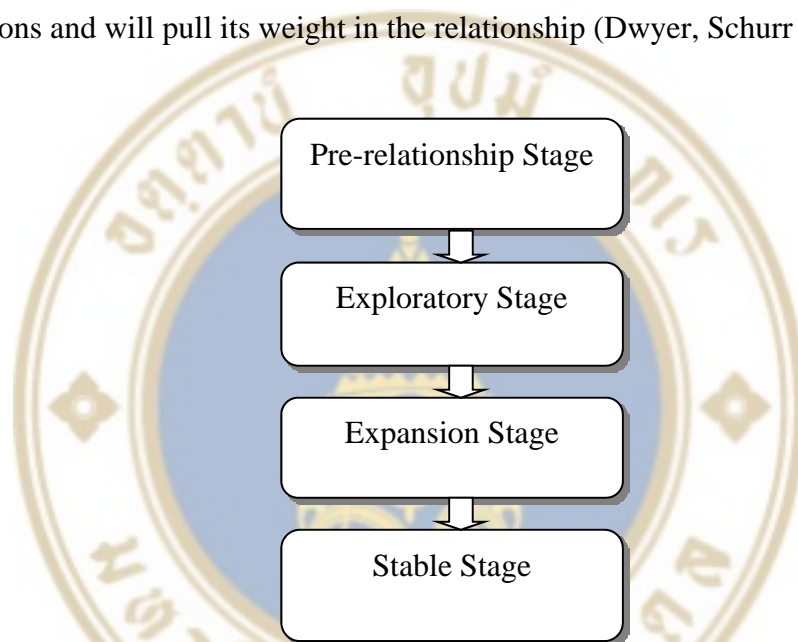

Figure 2.1 Client Relationship Marketing Practices at Different Stages of the Relationship Development Process Toward Achieving the Desired Outcomes of a Firm (Conceptual Framework). (Base on Dwyer et al., 1987; Ford et al., 1998; and Gronroos, 2000.

CHAPTER III
RESEARCH METHODOLOGY

3.1 Research Design

Qualitative research gives a great advantage (Guercini, 2014). Miles and Huberman (1994) support that properly gathered qualitative data provide a "focus on naturally occurring, ordinary events in natural settings, so that we have a strong handle on what 'real life' is like […] that confidence is buttressed by local groundedness, the fact that the data were collected in close prosimity to a specific situation, rather than through the mail or over the phone" (p. 10). The particular authors keep on describing the whole qualitative research method as "case bounding," in that:

The emphasis is on a specific case, a focused and bounded phenomenon embedded in its context […] Another feature of qualitative data is their richness and holism, with strong potential for revealing complexity; such data provide "thick descriptions" that are vivid, nested in real context, and have a ring of truth that has strong impact on the reader. Furthermore, the fact that such data are typically collected over a sustained period makes them powerful for studying any process (including history); we can go far beyond "snapshots" of "what?" or "how many?" to just how and why things happen as they do- and even assess causality as it actually plays out in a particular setting. And the inherent flexibility of qualitative studies (data collection times and methods can be varied as a study proceeds) give s further confidence that we've really understood what has been going on (Miles and Huberman, 1994, p. 10).

The research methodology was based on qualitative research using in depth interviews to connect the potential use of customer relationship marketing in hospitalities management. Qualitative method allow researcher to access in details and to gain internal experience from interviewees (Corbin & Strauss, 2008). Using case study seemed to be suitable because research was determined to the question of how associates establish long-term customer relationship with relationship marketing practices (Yin, 2003). The objective of qualitative research was to relate customer relationship with hotel's

performance by asking subjects about several issues related to customer's relationship. By using a case study, we aimed to uncovered detailed and useful contents of a firm's client relationship marketing practice that could not have been carried out by using survey alone (Yin, 2003).

The interview method was selected because researcher can explore associate's own feelings, opinions and familiarity (Denscombe, 2007; Lee & Lings, 2009a). It enables researcher to cooperate with interviewee (Harris & O'Malley, 2000), giving more specific questions and examining unexpected topics that arise during the data collection. A semi-structured approach was borrowed because interviewees to generate ideas and to be able to speak comprehensively on the issues asked by researchers (Denscombe, 2007). Open-ended questions were applied in the interview (see the Appendix), and topic guides were created in order to present the general structure of the questioning. This is for moving from general interview to become more specific in details for better understanding of the client relationship marketing in hotel performance. The hospitality industry was chosen to study for a firm's client relationship marketing because tourism and hotel is the main revenue stream for Thailand. In 2013, 15.98 million people had an overnight stay in Thailand's capital (McCarthy, 2014). This study focused on hotel industry in Thailand some are chained hotel like Westin and InterContinental which have certain style of management, and some hotel brand only pay a fee annually for using the brand like Ramada plaza hotel.

In-depth data was collected from three main sources which are:

1. Semi-structured interviews
2. Observations
3. Secondary data

Table 3.1 A list of interviewees from different department in each hotel

Position	Department	Hotels
Director of sales	Sales	Indigo Pearl, Phuket
Chief concierge	Concierge	InterContinental Bangkok
Espresso restaurant manager	Food and Beverage	InterContinental Bangkok
Spa manager	Fitness and Spa	InterContinental Bangkok
Chief concierge	Concierge	Westin Grande Sukhumvit
Assistant manager	Executive Floor	Westin Grande Sukhumvit
Food and Beverage manager	Food and Beverage	Westin Grande Sukhumvit

Table 3.1 A list of interviewees from different department in each hotel (cont.)

| Position	Department	Hotels
Front office manager	Front Office	Ramada Plaza Manam Riverside
Chief concierge	Concierge	Ramada Plaza Manam Riverside

Secondary data came from company's website, brochures, and newspaper articles and journals. The reactions of interviewees were inspected and recorded. This inspections were later examined with the secondary data collected in order to triangulate the data (Ghauri & Gronhaug, 2010; Lee & Lings, 2009b). This approach was developed to formulate validity (Ghauri & Gronhaug, 2010; Lee & Lings, 2009b) of this study of relationship marketing that affect hotel performance. Researcher tried to ensure that collection of information came in different directions, an example of asking the same questions of different key interviewees and validating the interviews against secondary data. Nine face-to-face semi-structured interviews of approximately an hour in length were conducted with hotel's managers from different department of sample hotels from both inside Bangkok and outside Bangkok such as Phuket. Each department has different responsibilities and different way to manage client relationship. Multiple interviewees were selected from each department in order to assure that client relationship marketing practices embarked upon at different departments was included in the data collection. Researcher used a personal contact in order to access key information from the hotel. Personal contact was applied as it would increase the chance of securing interviewees from the sample, and able to get insightful information. Researcher sent a formal letter, provided by university, to human resource department of **Westin Grande Sukhumvit hotel** (who was known personally), and explained the purpose of research that research are focus on client relationship in hospitality industry. Researcher would like to focus upon managerial use of management level and other staffs in different hotel department. Researcher is kindly asked for participation from interviewees within the hotel to give the useful information according to interview questions given for preparation.

All interviews were audio-recorded and later completely decipher. Also researcher took a note, and put it into easier format to reconstruct it in order to make

use of important information. Literatim quotations from interviewees were put into meaningful weight during data analysis.

A drawback of qualitative research could be the research does not consented to transparency or straightforward orderly fashion in tacking research problems in marketing studies (Gummersson, 2005). It does not equip researchers with a set of rules to be followed or a safety buffer against possible wanted steps on the road to acknowledge (Barker et al., 2001; Carson et al., 2001). By depending on the "power of words and images" it does not offer the steadiness of meaning like numbers, it is a rather "a conscious search for meaning and understanding" (Gummesson, 2005, p. 311) and a journey for in-depth perception and awareness of the problems (De Ruyter and Scholl, 1998). It offers the feasibility to tap into the sea of complex exchanges in marketing that can be:

[…] separated into bits and pieces, assigned to abstract dimensions, meanings, motivations, associations and emotions and finally integrated into one overall picture that can be used to guide the marketing policy of organizations (De Ruyter and Scholl, 1998, p.8)
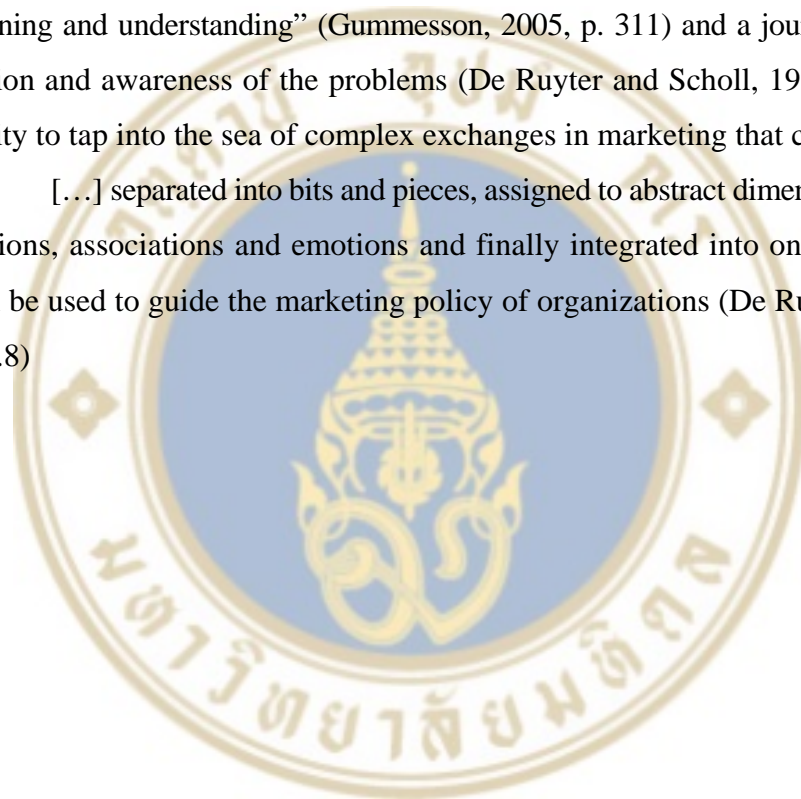
CHAPTER IV
FINDINGS

This study was fulfilled to identify practices used by hotelier or service providers at different stages of the relationship development process. In this research, there are varieties in position of interviewees from chief concierge, food and beverage managers, spa managers and sales managers. Interviewees came from different major chain hotels in Thailand such as InterContinental Bangkok, Westin Grande Sukhumvit, and Ramada Plaza Menam Riverside and some other individual personal such as Indigo Pearl, Phuket. Each interviewee gave an important point about building, maintaining, and activities that hotel use for client relationship practice in the hotels which will be clarify later on. According to previous study about client relationship practices for legal industry by Woo and Leelapanyalert (2014) showed 10 marketing practices for legal industry and some of them are similar and able to apply with hospitalities industry such as organizing social events. An example of social event in hotel industry is a spa workshop. It is an opportunities for communication between guests and spa receptionist, staffs and manager as they are attending workshop together. However, in this study researcher has found an additional strategy that could be suitable for hotel business and apply it to be more effective for a great benefit of both parties which are guests and hotels.

4.1 Strategies Use in Hotels for Building and Maintaining Client Relationship Practices

4.1.1 Silent service and extra mind

Service is the most important thing for both hotel staffs and management level need to focus on. Mainly hotel provides service to guest during their stay, and service is the product of the hotels besides the rooms and hotel amenities provide. Service

creates an impression to guest, and guest's satisfaction is intangible that we cannot really measure and prove that it is hundred percent accurate. Guest's feedback does not always show satisfaction although they give a good score at the end. A good service is a free advertising for word of mouth that many interviewees have mentioned about. If staffs have a good relationship with clients or guests, hotel will receive a positive effect. If there is a problem occurs between unsatisfied guest and hotel, but with good client relationship, it can help to prevent problem or can solve the problem as well. Guests seem to be opened to talk to hotel staffs that they have closer relationship with and speak frankly about what they dislike about hotel, and that is always better than getting a feedback from guests through complaint or put it on trip advisor.

One of the interviewee from concierge department of big chain hotel has pointed out an interesting point about silent service. For hotelier silent service is very challenging as one of interviewee mentioned that service provider should offer the service before the customer even ask for it. It is more touching, more challenging, more importance, and more effective toward customers. It might be easy to ask for throwing a question about what guest's need and want. However, silent service can help impress the guest can make them return during the stable stage when guests already familiar with hotel facilities, staffs ,and know their capabilities what they can do or cannot do when ask for special request. Together with trust among guest over hotel's staff, it makes guest return to hotel. Also it happens in this stable stage because guest knows that hotel's staff like concierge can satisfy their needs and special request. For example, a hotel's guests who always wear yellow shirt, every time he comes our doorman know where he wants to go. Door man just calls a taxi to send him to the office without asking him.

That is the way to maintain relationship with guests. It makes guest feel this one they can trust. Some hotel guests have preferred staffs or preferred driver or preferred person they can email directly and ask for any request. A statement about how silent service is important to encourage customer's return during stable stage of client relationship from chief concierge from Intercontinental Hotel Bangkok was "It makes guest feel this one they can trust, some hotel guests have preferred staffs or preferred driver, preferred person they can email directly and ask for any request" Mr. Thanarat Menbangphung a Chief Concierge, InterContinental Hotel Bangkok. This

view of creating trust is supported by Sharma and Patterson (1999) and Selnes (1998). Sharma and Patterson focused that clients who trust the capabilities of their service providers will be happy to continue the relationship.

Another interviewee also mentions about extra mind which is rare to find among hospitalities employees as well. From her experience in hospitality field for ten years, as a spa manager, she finds not more than 10 people that come with extra mind or a special ability to take care of hotel guests. Extra mind is happen when we do something extra to them and the guests are happy. Extra mind can be trained by the concept. It is not about the way they act, and it cannot be listed about what to do and not to do. It attached with a person's personality. An example of extra mind people is Russian girl that is working in Spa facilities of Intercontinental Bangkok. There are many benefits of having extra mind people in department or in the hotel help with client relationship in many ways. It can up sales to the department. Also, the department or hotel can get a good feedback to the media. Moreover, hotel can get to spread a good word of mouth by customers to other customers as well. Hotel can use is as a public relation for free of charge. This is a way to maintain relationship through free media that hotel earn by having staffs that have a good client relationship with customers. There is no doubt for hotel business that needs to build and maintain relationship with customer, since the hotel is forced by business nature of servicing hotel guests and clients.

This finding is consistent with (Liang, Wang & Dawes Farquhar, 2009) view of long lasting relationships with clients can offer firms with a unique and sustainable competitive advantage.

4.1.2 Interaction and quick response

Interaction and quick response with the guest is very important for hotel staffs. For example, if guests come out from spa treatment and they are asking for recommendation where to eat. Staffs of spa department should be able to answer that question and response quickly because if staffs say "no" satisfaction level will drop. Staffs should not think that is not their duty, otherwise it can shut down abilities and willingness to learn by limiting themselves to do only their duty, and it can effect to practicing relationship with guests. Guests have their own expectation that they can

get help from hotel's staffs whenever they need it during their stay away from home. It is very important to make sure that guests have a pleasant stay since before arrival to hotel until they are checking out from hotel. There is a concept that every hotel tries to achieve which is one-stop service at each department, which is very difficult to be success, and only one hotel that can do that is Oriental Mandarin Hotel because their people are all well trained. For example, if guests come to spa, spa should be able to response and answer ten questions that guest have.

"When you say it is good everywhere is good, you have to make it excellence"

Monthip Pittayatanakul

Spa manager, InterContinental Hotel Bangkok

Moreover, the interaction can start from concierge as they approach guests and ask about their stay, and ask is it the first time to stay here. There is a pattern, steps or certain questions that is written in standard of procedures (SOP) for asking guest, to interact and to acquire the knowledge and learn about the guests. For concierge, it is easier to contact guest and show impression beyond normal service that hotel provide to guests. It is important to make a relationship, and make guest feel like they have a friend near them. If it is possible for staffs either to introduce themselves to guests, or suggest that guests can call them by name. It will make them more familiar with staffs and seems friendlier. This tip can be used during the exploratory stage while staffs try to explore a new guest and build relationship for making a new guest to become repeated guest

Also, many interviewees mentioned about interaction with guest are a great opportunity for hotel staffs to start to build relationship or either to use the moment to maintain a good relationship with guest. Concierge has more chance to create an opportunity for themselves and for hotel to help increase revenue than other department in the hotel because when guests have problem or do not know what to do and where to go, they will come to concierge. For personal technique that staffs can use as a tip to build relationship with new guest are:

1. Providing city map
2. Giving information
3. Asking for period of stay

4. Set program such as The welcome, The farewell program by Westin

5. Greeting them with Thai style of "Wai" as many time as possible

"Concierge is the department that gives information to guests, but guests will not only believe us because guests also have Google, Trip advisor, and internet on hands. What we can service guest better than Google is something that tangible like reservation, smile, eye contact, greeting guest or call guests by name"

Mr. Prapanpong Ponggoukos-Kun

Chief concierge, The Westin Grande Sukhumvit

This finding is consists with (Buttle, 1996; Perrien & Richard, 1995) that service that service providers offer to customers are not easily copied by competitors.

4.1.3 Loyalty programs

Loyalty program is a good tool that mainly supports hotel staffs to build and maintain relationship. Hotel policy and owner support for management is important for hotel staffs and every department to satisfy and support guests. Mainly hotel revenue comes from selling the room to the individual, corporate sales, and agencies. However, we can cross-sell as well if there are guest who use function room for meeting or through MICE and events. Especially, in some department that has to rely on hotel's loyalty program to attract the guests to use hotel facilities such as food and beverage department. Interviewee of Espresso restaurant manager has informed that it is not something that the restaurant can do alone, and there are many restaurant outlets in the hotel to operate. Hotel business has to make all functions and facilities use up to its maximum capacities, and generate more revenue to the hotel.

There is a possibility that guests from events and function rooms can have lunch at hotel's restaurant. However, for restaurant operating in hotels, seats cannot be filled up with only hotel guest because they go out during the day. Hotels need to rely on local guest as well to take the brake even to start making money. That is the reason why hotel need a strategy to communicate to their target group by using loyalty program. For InterContinental hotel, what it has so called a "Preferred Dinning Card" that can be used for all IHG properties. Customers can buy a card for 6,999 Baht++. Customers

can get a card. Later they get some discount in Espresso restaurant, the main restaurant of hotel, and get voucher for complimentary dinner. It is a good way to build a relationship.

Moreover, loyalty program of IHG, Intercontinental Hotel Groups, have an office to help and assist for contacting with their members about promotions, up sales, get customer's feedback and promote monthly offers that restaurant have. That is a way to maintain a relationship with their customers, and need to cooperate together with other department as well. Nowadays, there is a high competition for buffet and restaurant in Thailand. Therefore, every hotel tries to get regular guests to come back. It is because staffs already acquainted about what they want, and restaurant staffs can serve them. This is always important.

"Maintaining a relationship is all about personalized service, and more important to me is the members"

Mr. Daniel Friestmuth

Espresso restaurant manager, Intercontinental Hotel Bangkok

Another way to maintain relationship with guests is through IHG reward. There are million members all over the world. If customers check-in to our hotel, and come to restaurant with this card, hotels will offer them a nice table because they are very important person too. This is the way hotel try to drive the revenue. Focusing on customers we already have on hands, and do not lose them to other brand new hotels. Restaurant outlet in hotel is another interesting place where hotel can practice client relationship. Even though it is a tough competition today, if compares it to hotel's restaurant outlet in Europe Thailand is still very successful. This finding is consistent with (Storbacka, Strandvik, & Gronroos, 1994) that it is more expensive to win a new customer than to grasp an existing customer.

4.1.4 Activities with guests

There can be a variety of activities that hotel can apply to manage and maintain relationship with their client and guests. It is very important to maintain relationship since it is easier as many interviewees suggest. Hotel staffs already know guest's preference, and it does not take time to learn about new guests. Maintaining relationship is very important especially in Thailand because of high competition. However, hotels staffs

use different way to handle different group of guests like returning guests, first time guests, hotel guests and external guests. Many interviewees mention about the way to treat guests in each groups are almost the same only slightly different in some department.

For spa department a hotel guest staffs will track for happy birthday and offer special promotion if knows their arrival. Spa staffs can call guests by name and send email to them and ask about their satisfaction about services. For external guest, spa membership is offered to guests. It will select the guests who are top spender to join for special event, and send them a New Year gift. Activities that spa department to keep relationship with the guest is having a workshop. Workshop is use to updates new treatment for guests. Some workshops are held for loyalty guests such as afternoon tea. Every hotel and each department has different activities to connect them with the guests. The more activities created from service provider, the stronger the relationship could be with the guests.

Loyalty guest makes revenue stable, and can help hotel at some certain level, but not hundred percent. It is important to maintain loyalty guest and to be able steal people in different market. Activities between service staffs and guests is resulting in take away guest from our competitors because a strong client relationship with the guest. One easy example could be the guest follows the concierge from Le Meridien to use the service at InterContinental hotel. It is because of the strong bond at certain level during expansion stage, staffs can help attract more guests to hotel. This finding is consist with (Buttle, 1996) that the longer the relationship between a company and customer, the more profitable the relationship for the firm.

4.2 Discussions

From the above findings researcher had found a new model that is suit with hospitalities operation for hotel industry. According to figure 2 of a new model there are three stages of client relationship for hotel industry has been discovered through in-depth interview with interviewees about when relationship start, how to build a relationship with first time guest and how to maintain relationship with their repeated guests. The activities of each department will be shown and discussed for better understanding.

For hotelier or service provider for departments involve included spa, concierge, food and beverage and sales have already started building a relationship prior to guest's arrival to the hotel in order to meet guest's enquiries when they are booking for room reservation, spa treatment, and reserve table for dinner. Staffs have to be ready to welcome and satisfy guest's need to make a good impression when use the hotel's services and facilities. By doing these and keep staffs well prepared is already a part of relationship before meeting a guest in person. At exploratory stage, as guests arrive to the hotel the responsibilities for exploring more about guests will depend mainly on staffs who are at front of the house include all level from operation level and manager level such as front office to take care guest upon check-in to cooperate each other to prevent and solve problem together. Staffs at each hotel's facilities will need to use their personal skill to notice, observe, and extra mind to serve and satisfy hotel's guest. If guest is first time guest, staffs has to pay high attention to new guest because staffs have to learn new things about many new guest to use that information to build and maintain relationship. An example of restaurant waiters have to observe and see what guest often drink, and apply it for better service when they come back by offering their drink and know their preferences without asking. At this stage sales department are not involved that much because all information that guest's has given to sales via reservation already communicated to each department already before arrival.

During expansion stage all of the departments need to be involved except sales to help expand the business by using relationship with their customers. For example restaurant's customers if they like the food and enjoy the service, they could either recommend friends and family to have dinner at restaurant or use service of banquet by having a seminar at restaurant. It is a good example from positive word of mouth that when guests have trust and have a certain level of relationship with hotel's staff. They tend to recommend to other people, and that is the way of expanding our business through expansion stage. At last stage of client relationship, stable stage, every department needs to help and maintain a good relationship with their guest both front of the house and back of the house staffs to keep them to become hotel's repeated guests. Not only these five departments from the hotels that researcher use as an example during in depth interview, but all department requires to be a part of building and maintain relationship

with either hotel guests both internal and external guest or first time guest and repeated guests.

The findings confirm that client relationship marketing practices between legal firm and hotel business is quite different although both are service related business. The conceptual framework proposed of three relationship stage is justified by giving a more unique view in details related to hotel business strategies than the four stage of relationship model (Woo & Leelapanyalert, 2014). Many activities are often applied to service and impress guests in order to build up a relationship with first time guest and maintain a relationship with their repeated guests. Also, this new finding can add on the extra benefit of being able to take away guests from their competitor as strong bond and relationship between hotel's concierge and guests.

From the finding researcher find it dissimilar to the previous conceptual framework (Dwyer et al., 1987) that has shown four stages of client relationship because it is service oriented business. Hotel requires a special care with sincerity to treat all guests prior to their arrival to hotel's venue. Communication and information flow between departments is very crucial to this business. Since the very first step as guests reserve the room through agents, website or sales person from hotel the relationship already begun. Guest's preference has to pass on to housekeeping to prepare the room, and daily communication through briefing is a good source of information to use in building and maintaining relationship between hotels and their guests. Therefore, the first stage of pre-relationship is taken away in this new model. On the guest's side they already have a certain level of trust about hotel's brand and hotel service standard as they book room. An issue of trust toward service business does not necessary occur at stable stage as the product or service has been delivered to customer, but can happen before purchasing as well.

In conclusion, all strategies and activities use to service guests can create a good opportunities for interacting with guests and lead to better result than competitor. It still requires cooperation between departments to achieve organization goal such as to be able to reach target level of guest's satisfaction. Therefore, communication method must be very effective and efficient for staffs to work well together from operation level up to managerial level. The data collected are summarized in Table 4.1 and Figure 4.2

Table 4.1 Activities use from each department in hotels for building and maintain relationship for first time guests and returning guests

Spa	Front office	Concierge	Food and beverage	Benefits of client relationship
- Workshop • Afternoon tea for loyalty guests. • New treatment updates for external guest and all guests • Hold an events every quarter for external guests	- Welcome card in fruit basket for first time guests - Specific fruit baskets by observation for repeated guests - Welcome letter by GM for repeated guests - Upgraded guests after 6-7 stays for first time guests - Offer impressive service upgrading room, turn down service, fruit basket, and flower	- Silent service for repeated guest - Find common interest to talk to guest for first time guests	- Send e-mail and letter for preferred dining member - Personal phone call for repeated guests.	- Positive WOM
- Call guests by name for all guests	- Call guests by name for all guests	- Call guests by name for all guests	- Loyalty program e. g Starwood Preferred Guest (SPG members) 6,500 Baht++ Preferred dinning card for IHG 6,999 Baht++	- Cost reduction
- Track for guest's birthday for repeated guests	- Use own personal pocket to buy souvenir for repeated guests	- Give useful information to guest especially first time guest	- Promotions and discounts for repeated guests or members	- Good Public Relations
- Offer special promotion for repeated guest (if know their arrival)	- Block the room that guests preferred for repeated guest	- Prepare city map for first time guest	- Restaurant promotions such as Beverage promotions, Sunday lucky draw for gift voucher	- Create trust
- Create spa membership for external guests	- Champaign and Wine for repeated guests	- Making reservation as guest's request for repeated guests	- Workshops and events eg. Wine tasting, Halloween lunch, Thanksgiving	- Help stable and increase revenue

Table 4.1 Activities use from each department in hotels for building and maintain relationship for first time guests and returning guests (cont.)

| Spa	Front office	Concierge	Food and beverage	Benefits of client relationship
- Extra mind for first time guest and repeated guests	- "Diamond Guest" for 100 room night stays offers shirt with guest's name on it for repeated guests	- Greeting guests in special occasion for repeated guests	- Outside event such as Marathon at Benjarisi Park	- Create returning guests
	- Upgrade guest to use service at club floor for repeated guests	- Personal pocket to buy gift for repeated guest	- Provide nice table for repeated guests	- Cross selling between departments
		- Apply hotel's program such as The Welcome, and Farewell Program for all guests	- Keep up to hotel standard with food quality, training staffs at each venue and outlet to service for all guests	- Increase employee's self-abilities
		- Use tangible ways to communicate with guests such as reservation, smiling face, nice and polite tone, eyes contacts for all guest, greeting Thai style by "Wai" for all guests	- "Well being complimentary" with elephant dolls available at Front office for all guests	- Good for long term business
		- "Star guest" program to maintain relationship with repeated guests	- Use observation skills to see what guests like and dislike for repeated guests	- Prevent negative result
		- Response to special request for all guests		
		- Offer special treat such as pick up limousine, upgrading room, cake for repeated guests		
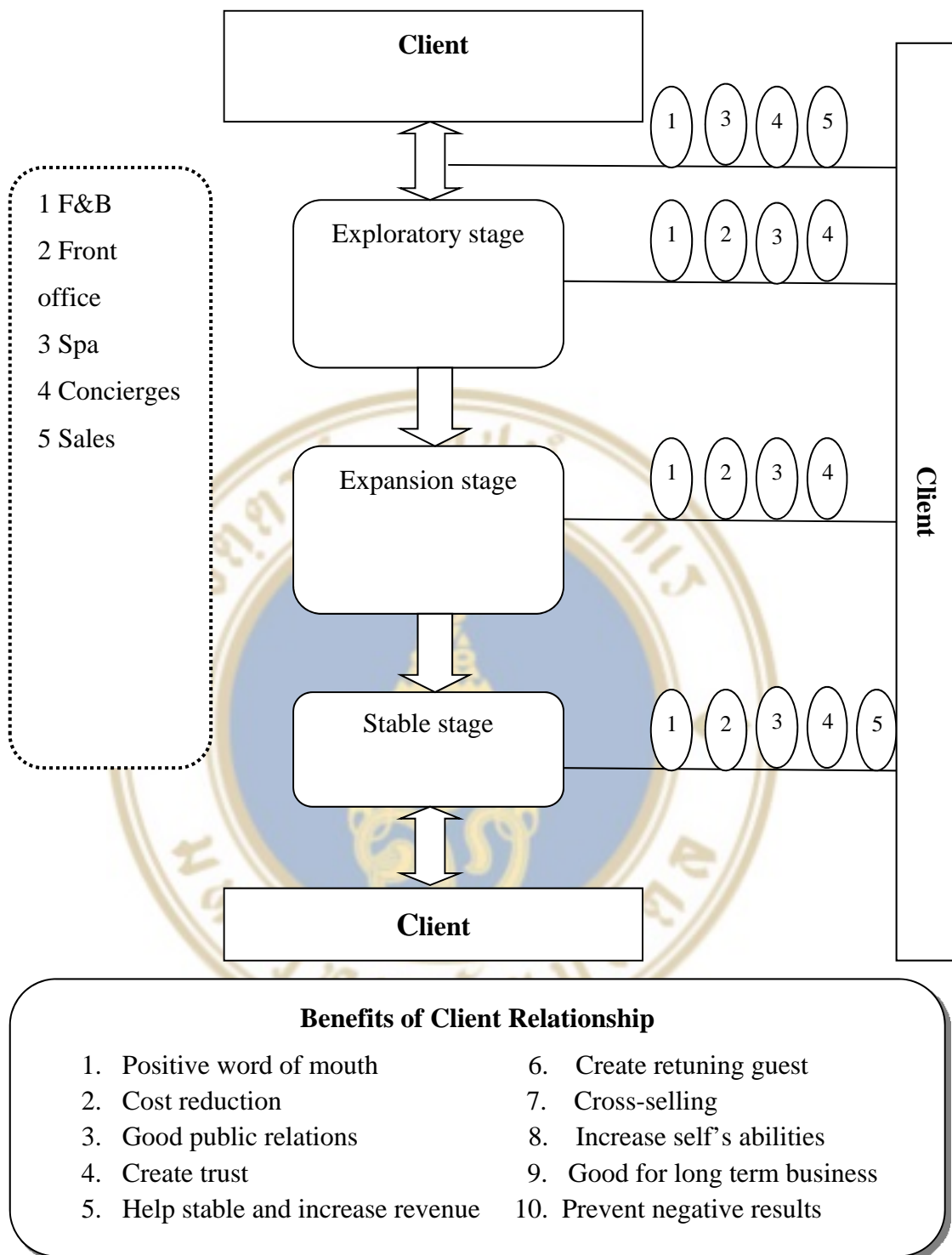
Figure 4.1 Client relationship model for hotel industry in Thailand based on Client Relationship Marketing Practices at Different Stages of the Relationship Development Process Toward Achieving the Desired Outcomes of a Firm (Conceptual Framework). (Base on Dwyer et al., 1987; Ford et al., 1998 and Gronroos, 2000).

CHAPTER V
CONCLUSION

According to research question in chapter one about how hospitality businesses use client relationship to maintain their customers. From in depth interview, the studies confirm that management level activities does support hotel's staffs and operations by creating varieties of activity, promotions and implement it in different department can help to maintain their customers such as workshop, call guests by name, promotions, and loyalty program. However, some interviewee mentioned that hotel support sometimes is not enough and would like hotel's operator to take it seriously about client relationship and support more. It is because client relationship can give benefit to hotel, guests, and staffs.

5.1 Theoretical Implication

In accordance with interviewee's statement, for client relationship for hotel industry there is no rule of thumb about what a suitable activity is, or how client relationship should be done and manage. Most of the staffs rely on their own experience and technique besides follow hotel standard of procedures. Personal technique must be applied because different guests have different needs, and there is no certain way to handle. All level of employees from management to operation levels should have abilities and skills to observe, read for guest's need. Hotel job is related to service, and provide best service possible to every guests. All guests get room amenities according to hotel's standard, and as well as the service. Staffs should service all guests equally even they pay for lower room rate or standard room. Service is not differentiated by room rate, but should keep up to the best services for any price that guest have paid. The world becomes more diversified since we are entering globalization world and we are all connected by advancement of technology.

Therefore, management levels should encourage a proper training to support their staff an example of on the job training is a significant one to focus on as well that supervisor or manager can advised them on site. Every day there is always a new thing for staffs to learn, new culture, new experience with different guests all over the world. The best way to learn it is through practice. Recommendation includes language course consider to be a major tools for hotel industry because hotelier has to communicate all the time with many different languages such as Thai, Chinese and English. Language could be the common barrier to build relationship both from manager level and staffs level. An example of Mr. Daniel restaurant manager at Espresso restaurant, it is difficult for him to talk to his preferred dinning card members over the phone because sometimes Thai guests are not comfortable to speak English with him when he calls to offer promotions. Also it is a barrier to maintain client relationship when a limousine driver has to communicate with guests and know what they want as Ms. Kalong, Chief Concierge of Ramada Plaza Menam Riverside mentioned. Communication is the key because it lets services provider to know guest's needs and wants in order to service them better and to help resolve the problem.

5.2 Managerial Implications

According to research topic with client relationship for hotel industry and from interviewee's point of view with their direct experience of staffs from operating and solving guest's problem, it has been proved that client relationship can help hotel industry in term of guest's satisfaction and bring many positive benefits that hotel's operator can get. There are several recommendations for hotel can be applied to make it more proficient and more professional in their service based business.

One recommendation would be communication within organization. There are many communication methods that can apply in hotel industry through daily briefing, email, Line, and supervisor or manager to walk around and supervise them on site. An effective communication should start within the department and among other department to help each other to build and maintain relationship since all departments have to work together. The way to communicate should be short, precise, and allow staffs who

have different background and knowledge to understand as much as they possibly can, and quick.

Moreover, culture different makes it difficult for doing international business success. Hotels have varieties of guest's nationality from all over the world. To understand guest thoroughly will be very difficult for hotel staffs especially Japanese customers. It is hard for them to speak frankly about the service, and the way to act when confronts Japanese customers. Both interviewees of Spa department and front office manager are having a hard time manage client relationship between Japanese customers and staffs. Japanese often says good but in reality staffs will get complaint later. Japanese do not give a straight forward feedback, but instead they put it on trip advisor. Sometimes hotel's staffs have to take care guests from Asian, Europe, Arab countries which have a different culture of eating, acting, and speaking. Understanding of intercultural will help drive the business smoother for staffs. All of the above recommendation requires strong support in term of investment from hotel's owner or management level to support staffs activities for having a good client relation with guest because it brings benefit to all people involve.

Furthermore, those strategies use in hotel service as outlined are very essential for hotel's business in strengthen client relationships. To encourage staff and practice more about silent service, offer loyalty program, quick response and activities with guests while they are using service at hotel will bring a competitive advantage over their competitors in the market. It can help reduce the complaint from the guest, if staffs try to do their best to satisfy the guests, and can make them become loyalty guests. Customer satisfaction and loyalty is the key factor for successful business and profitability. The more satisfied they are the more loyal the customers and the more enduring the relationship. The longer the relationship lasts the more profit the company will be able to gain higher market share (Zineldin, 2006).

5.3 Limitations and Future Research

Although inconsiderate research methods were adopted, the findings are not without limitations. Firstly, this in depth interview are mainly focus on hotel in Thailand, and the rank of service standard and level are not equal. Some are luxury, five stars hotel, but some are four stars hotel. Therefore, activities that each hotel uses

to retain customer are somewhat different. Secondly, researcher interviewed a broad range of departments available, and did not interview same departments in all hotels. That is the reason why the practice in each department is different, and it is hard to apply the same activities and strategies use for every department. Researcher is well aware of this limitation. Because consent for audio-recording was not granted by some of the interviewees, those interview conversations are not reported word for word. Some of data collection may have been lost in writing process. Extra care was taken to make sure the note was taken and rearrange is easier format because of inevitable limitation of human recall.

The conceptual framework is proposed as a basis to study client relationship within hotel industry. It is necessary that future research explore the validity of this conceptual framework. Future empirical testing of this model in hotel industry should be repeated before applying it to hotel industry in different department or countries. This study was conducted from different hotel's brands and manager's perspective; it would be useful to evaluate these strategies of client relationship practices outlined from the manager's perspective. The findings are productive in helping hotel management and support the existing ways of building and maintaining relationship, the effects of each strategy should also be evaluated. Future research is needed to develop a study to measure the effectiveness and quality of the client relationship.

In conclusion, this research makes a positive contribution to the area of how detailed client relationship practices are embarked upon each department in hotels at different stages of the relationship development process in hotel industry. The findings have disclosed important practices that used by hotel's staffs. Other hotels of similar size could benefit from these findings in defining their own client relationship practice. Moreover, a conceptual framework was suggested to highlight these practices by different departments at each relationship development stage. Client relationship marketing becomes significant in building, maintaining and enhancing long-term relationships.

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APPENDICES

Appendix A: Key Interview Questions

Introduction

1. How long have you been working for this hotel?

Part 1: To explore individual perception of client relationship marketing

2. In your opinion, is it important for hotel to practice client relationship marketing? How important is it why?

3. How important are building and maintaining relationship with your client?

Part 2: To understand client relationship marketing practices

4. How do you build relationship with your customers? Can you give some examples?

5. How do you maintain relationship with your customers? Can you please give some examples?

6. What kind of activities would you normally do to maintain relationships with your customers? Can you explain in details?

    Don't forget to find out at what stage it happens

7. What kind of activities would you normally do to maintain relationship with customers? Can you explain in details?

8. Who is involved in building and maintaining relationships with clients? Can you please give some examples?

    Tips: Find out why he or she said so

    Don't forget to ask for examples

9. Can you tell me about the scope of your roles and responsibilities in the firm?

    Try to extent the discussion in detail for each practice

    Don't forget to ask for examples

    Try to link each practice to different stage/ phases by interpreting (eg. Would you say it happens during the initial phase?")

10. Do you work with other departments to build relationship with guests/ customers?

    If yes, how do you work with them in order to achieve better results?

    Can you please give some examples?

11. Do you work with other department to maintain relationships with clients?

If yes, how do you work with them in order to achieve better results? Can you please give some examples?

12. Do you have any teams involved with maintaining relationships with clients? Can you explain in details?

13. Is there any support or encouragement from the hotel/ company to build and maintain relationships with clients? Why do you think the firm is doing that?

14. Is there any other information you would like to add to our discussion?

Appendix B: Interview

Interview 1

Mr. Thanarat Menbangphung (Chief concierge, Intercontinental Bangkok)

- How long have you been working for this hotel?

    Two and a half at InterContinental, but in this field for more than ten years.

- In your opinion, is it important for hotel to practice client relationship marketing? How important is it why?

    Maintaining relationship is "the key for business success"

- How important are building and maintaining relationship with your client?

    Client relationship is very important for both returning guests(maintain) and first time guest (build).The most you can maintain, the more you can gain returning guests. The new hotel (build) is more important. Existing hotel (Maintain) is more important. Main purpose is to keep returning guest and create more revenue in the future

- What is the benefits of having relationship?

    Tell you frankly, first time guests makes complain, returning guests will tell you in person. Service minded comes from instinct. It has been in practiced for long time, but new for the word "client relationship"

- How do you build relationship with your customers? Can you give some examples? Technique?

    Find common interest, keep updates with current affair, use some stories to make them feel involves. Eg. Indian people are vegetarian or similar to ice-breaking. Eg. Go together for evening chanting at Wat prathum.

- Can approach them anytime when it is possible?

    Guests follow staffs because of their strong relationship between guest and service provider Eg. Guest follow concierge from LeMeridian hotel. That's why

relationship for hotelier and guests is very important.There is no bible for client relationship.

- What are the activities for building relationship?

    Pick up limousine

- Activities to maintain relationship?

    DVD game from personal pocket buying a gift eg. Indian guest every special occasion I send them a wish. As a manager I can surprise them, impress them eg. Little cake, little gift, favorite fruit. Even when the first time I start to maintain it. Guests come back here because they already know the staffs at the hotel, they feel like home and have relationship with old staffs (This is how close we are). It's a big influence for guests to come back. Eg. Bell team some work for 35 or 37 years

    For returning guests let's others staffs be involved with guest. For new guests no problem can start to build a new relationship with them

- People who involve with building relationship with client?

    Door man, Bell man, airport representative because sometimes they want a specific driver. Another example guest sends a postcard to door man if not response, guest will ask about him.

- Can you tell me about the scope of your roles and responsibilities in the firm?

    I Have 32 staffs report directly to me.

    No pattern, no training, no theory, no certain direction everybody builds up their own relationship and own way to do. Many Arabic guests have a contact to door man, and may make an unusual request directly to doorman rather than con 1.

- Do you work with other departments to build relationship with guests?

    Everybody has chance to make relationship, everybody in the department can influence guest to come back. Even door man has an influence to the guest. Eg. There is a returning guest who always wears yellow. Every time they come our doorman know where they want to go (This is a part of maintaining). They know what guest's word. It is "Silent service". Staffs know what guests want without asking "Silent Service" more touching, more important, more influence, more effective, and more challenge. Learn from first lady butler from UK for Queen Elizabeth. The most difficult part is "Silent service" because it is easy for you to ask guests what do you want everybody can do by throwing a lot of question to them. It makes guest feel this

one they can trust, some hotel guests have preferred staffs or preferred driver, preferred person they can email directly and ask for any request.

Another example, a guy from Chevron and his wife is a dancer and like to dance, so I find a common interest if she wants to practice. I know studio, every time they want to come back they email me.

- Do you work with other department to maintain relationships with clients?

If yes, how do you work with them in order to achieve better results? Can you please give some examples?

Sales is also important because they might need to have strong connection with guest than reservation and front office because they just check in-out. For duty manager, they may have more chance to build up and maintain relationship with guests. For all complaining guest, once we deal with problem, later stage we become friend closer and closer. They feel we are reliable and trustable.

Concierge, club lounge is important because they are providing more exclusive to guest. So they have more time to get to know guest. Eg. 182 checking in 80% check in downstairs and another 20% upstairs. When they come they provide welcome drink, better service so they have more time. Same as concierge not many department in hotel, guest is willing to wait for our assistant. When they have problem they come to concierge. When they need to know something, they come to concierge.

- How do you work with other department to build relationship?

My personal way, and if I need something for guests I might need approval from my boss, if I want to provide special treat like limousine or small cake or upgrading room. I need to coordinate with front office, guest relation, room service, kitchen or even executive office because everything is about money.

Final result for business, we didn't give them for free just for special occasion. Eg. If they are here like hundred times why not we just provide them spa time. A hundred time how much they spent, each time they spent 30,000-60,000 baht. One night 60,000 baht only for room not food and beverage laundry, spa, limousine.

- When you coordinate, what you do to achieve better result

Are they always help? It comes from my personal practice. I will provide cake and say welcome back. When I need a cake I need to coordinate with guest relation to issue expression order for room service for bakery. They need to set up in

the room, and we need to make sure that it finish before they come because we need to surprise and impress them. Although, check in time is at 2 pm, and arrive at 11.00 we need to find a room at noon time and set up with cake to let them check in. So that they wow their second time is provide cake with personal letter.

Everybody needs to cooperate with each other. There suppose to be "initiator". In this case it would be me because the hotel provide 50, 100 times returning guest what we provide. But for special returning guests, special occasion as a manager or chief concierge I can do it with collaboration on other department.

- Is there any support or encouragement from the hotel/ company to build and maintain relationships with clients? Why do you think the firm is doing that?

From the hotel we have already, but not too obvious. If they had a bad experience, we have to make sure what they had experienced not going to happen this time and we might provide extra service such as upgraded room, welcome note from GM, special fruit or drink.

- How you maintain it with other department?

We don't have a proper way, only personal way. From the hotel you don't like send postcard every 3 months. It's all personal way not hotel policy. All managers have our own way to build up and maintain relationship with guests. Send email, whatapps, postcard, provide gift when they come.

- Any team involve in maintaining client relationship?

We have because everybody has common interest. For example, concierge ladies they might have more knowledge about fashionable things. Somebody like to go for yoga, some whatapps directly to my staffs for transfer money. When they have problem they don't complain for these guest. We have relationship already.

- What's another benefit you get from client relationship?

Lesser problems/ in long term for business when no complain we don't have to put in log book/ prevent negative result for hotel business. Every hotel and every service provider all over the world, I believe they have problems the way we solve the problem, it's indicate our professionalism and to build, maintain relationship and protect them to put on social media (trip advisor, log book it's effective enough)

- Is there any support from the hotel?

If hotel consider this, it will be very beneficial to hotel business. We have only loyalty program for 25-50 visits, but we should provide more than that. Eg we sent email, cards to guests. Even they are not here this year. We are service provider, they approach us first, but we rather approach them to maintain relationship.

- Is the loyalty program work well, or it not work well with your relationship

It works for returning guest for niche people (100 visit guest, not many guests). It is not many people that stay here for hundred time. They generate lot of income, but they should seek more target, how to bring it in, how to maintain it, and build up . After that they become loyalty guests, they will spread out by WOM to their family, colleague, organization and even social media. Example of this guests, they always put my picture on fb and said that chief concierge of intercom recommend me this one, and they have their own community who already get

- Add on

No theory or bible for client relationship. What we do is our personal way. It would be good if hotel focus on build up and roll out and implement on this direction. Individual hotel will be easier than chain hotel. Chain hotel will come out from head office because we are standardize, same way, same direction that's why I need my personal way to build relationship.

Interview 2

Mr. Daniel Freismuth (Restaurant manager, Intercontinental Bangkok)

- How long have you been working for this hotel?

   I have been working with hotel since 2011, but before that I was working in hotel business in Europe.

- Is it important to practice client relationship?

   Especially in Thailand is very important because more and more competition is on the market. It means that our regular customers are very important to us.

   For example here,At Intercontinental we have a very large food & beverage operation with many different restaurants. So I need to focus on the local market, I can't filled up my restaurant with hotel guests. All the 200 seats I need local customers to take break-even to start to make money, so this is why it's very important why we have some strategy how we communicate to our target group.

- The reason why it is important is because the competition restaurant in Thailand is a lot?

   Yes, It is important for every hospitalities every restaurant, every hotels live with their regular customers right. Everybody tries to get regular customers because they come back. You know what they want. You can serve them, this is a always important.

- The guests here how many percent it's local Thai people?

   It depends of course my restaurant we do breakfast, which is like only 1-2% is Thai because I get people from all over the world. But for lunch I would say approximately 70% Thai, but my restaurant relies really on my business. If we have big function group in the banquet, they maybe become for lunch at Espresso. This is mainly driven by MICE. For dinner I have to say around 95% are Thai local.

- How important are building and maintain relationship with your client?

   Yes of course, it's very very important when you first build relationship and attract it. For example we have what we call dining card "preferred dining" which you can use in all IHG property in Thailand. So you buy this card for 6,999++ Baht. You get a card for it and you get some discount in my restaurant, you get voucher for complimentary dinner. This is a good way to build a relationship.

But to maintain it is much more important because to get new customer is easier to keep them for years over years. It is a big competition because how we try to maintain it, that every guest and every customer has special request. Everybody somebody like to have extra big of Alaska king crab. Somebody likes his coffee in another cup. Somebody wants to have hot tea with whatever. This is what we try to remember as much as we can for every guest, speak them or read them by name. This is very important thing. When people feel welcome, so they feel I want to go there because they know me I'm a bit special there.

- How you build relationship besides give them what they ask?

How we build it especially the honestly, it is not a part of our job because we have 45,000 members of dinning card. So we have separate office for preferred dining, and these are the people who call customers for feedback and to up sales. This is handles by preferred dining office, again we try to personalized the product. This is what I can try in my restaurant. Everything else is up to the office because it is too big for one restaurant. So we need to have somebody to doing it for all.

- When you said personalized, you tell all staffs to do it or you have to order staffs to have service mind to make client relationship by themselves?

It is very important that everybody gets to know. We have daily briefing at 3o'clock where I can see especially this is the thing that important for my dinner time where I brief the team or my assistant brief the team. Customers already booking when they are arrived, and know I what is going on.

- How do you maintain relationship with your customers?

Again it's hrr…maintaining a relationship is all about personalized service, of course preferred dining set out every month a newsletter. We have in the hotel, I'm sorry we out of a stock. Next week it's coming again. Every 2 months we do small paper for all F&B outlets, so we can share promotions and whatever. So the people who stay they know what's going on and we give them a call sometimes when I see the customers been here not for long, I give them a call say how are you doing, and what's going on.

It depends on a customer many of them are not very comfortable with English language. Sometimes they don't want to speak English, this is why I have very

good Thai assistant manager who call our regular guest because sometimes afraid or don't want to talk in English.

- When you call are they come back?

    Yes

- What kind of activities you do to maintain the relationship with you customers? Do you have another activity to go out and hang out with them?

    No, actually business is business, and private is private, ok. Activities might be like every month do different promotion and then every month different topic. This month I have on Wednesday, The Wakyu Wednesday right where we focus on beef dishes. Next month is catch of the day, so every day we will have some display of fresh fishes and things like this. I don't go out with customers because private is private, business is business.

- So the hotel has activities so that you can tell the new activities that your restaurant have offer to your customer right? The new theme for this month.

    Exactly exactly!! so we set out newsletter, and we have our newspaper which is going around everywhere correct? This newsletter also every preferred dining customers get electronic not printed version, but electronic version. So usually people know what is happening.

- Who is involved in building and maintain relationship with clients?

    Building relationship there are many people involved. As we are such a big hotel, there are many people involve right? It starts from my waiters, waitresses, my hostesses as they try to up sales preferred dining membership. We have preferred dining department and we are doing good of course we have a very big sales office try to up sales this thing. So there are many people involve to try to build this.

- When you said your hostess tries to up sales preferred dining, it means the new guest?

    Yes, it is a new guest because a preferred dining card is for a period of one year. It means it has been renew every year. We have got a lot of information, and we have to call people again every year. Do you want another one, another year correct?

    But of course we try to get as much of new customers as we can.

- So the returning guests of preferred program, is it more than the new coming guests?

Yes, so we have like a basic crowd which already has their card because we are running this program I think around 7 years. So we have already our regular, and everybody got this card. But of course at the moment the market is changing always new people coming in. Also the crowd is change at the moment there are always opportunities for new customers. So honesty most of them stay the same, so we are around 4,000 members of course some leave maybe we lose some competition. Because competition is also very tough. It is big competition in the city, but we try the best.

- So you give the important to the member or new client?

More important to me is the members. Yes because if they are here for long time, it means they spend a lot of money with us. The focus is on our long term customers.

- So can you tell me the scope of your role and responsibilities in this hotel?

My responsibilities are I'm here the restaurant manager for Espresso restaurant we are the main restaurant in Intercontinental Bangkok. We generate approximately 25 % of the F&B revenue of the hotel. My responsibilities is try to enhance the buffet. I have in team at the moment 26 fixed staffs, and I have a pull of around 20-30 casual. I can take people as we a buffet restaurant. I work also with casual hmm of course observing revenue, try to push revenue is important thing. We have internal quality management. This is important for my senior management to get the right cost to be one of the best as we are the flagship at all region. This is what I'm doing.

- Do you work with other department to build relationship with the guests when you try to keep the old members to coming back?

As I am the biggest restaurant in the hotel. I'm also the main restaurant for the preferred dinning means here you get many benefits mean most of the people who have preferred dinning card want to join Espresso for sure. They don't want to go to Holiday Inn Sukhumvit 22 to get their voucher cake, but for sure they will come to Espresso to use their voucher. If I have some very special customers of course I talk to other outlets managers to inform them what their preferences are. What they want to eat.

Usually, Yes we are talking to each other, but not that much alright. If there is some useful information I share, but that's it.

- How do you work with other department for better result only by sharing information is there anything else?

I mean Of course we are like one big family of hotel. Especially for things like above my department, preferred dining office takes care because it is not my responsibility. I can't tell outlet manager somewhere else to do or not to do correct. It's not only our hotel, but all IHG property from Phuket to Chiangmai, Bangkok. This is not part of my job honestly. This is why some information I can share, I can tell that this is happening. Everything else is not my job.

- Can I say the restaurant itself doesn't have much relationship to customers as other departments do?

Actually, we have relationship with the customers because we are the only person who the people see. There may be a big office behind the wall, behind the seat, but we are the people who serve or deliver customer's service. So we are the people that the people actually see. If there are a complaint, people will not go to some office they see us we face the problem. If we get some good comment, we are the people who get it. The people come back because I believe we try to give a very good customer service. This is very important to me, and all my team talking to customers to build a relationship still on business level. But for other activities like newsletter all this thing is office handled.

- All your staff hostesses have to treat customer very well to impress? When they have problem, do they come to you directly or they make big complain or they tell you frankly?

It depends right. This is a part of my job to be here and talk to them to customers, and if there is a complaint my team is very well trained to let me or my assistant as soon as possible to know what's going on, and I can talk to customers. Sometimes customer face easy problems that can be solved, but they want to see action and manager. Some people want to see the manager because they think that they are important, some people really face a problem really I have to fix it. It depend on customers, but I also since I'm in Thailand sometimes I face problem, but people are afraid to speak to me. As my Thai is getting better and better I understand once I'm

next to it. Thai customers tell my Thai person, but if I ask is everything fine which is a language barrier.

- I am not sure if you realized, actually in Thailand when we go to restaurant and we are not happy. Every time we call the manager, they want to see manager?

Yeah they want to see the manager, they will need special treatment.

- So did you give them special treat even the problem is solved by staffs?

It depends on the problems, if somebody just upset because the oyster isn't big enough. The team gonna be awared and treat the table, but he is not going to get special thing because otherwise I have to run a business. Otherwise it doesn't make sense to somebody come and say this oyster is too small. What can I do, I can't make it bigger.

If customers complain my staffs are unfriendly or hygienic reason or whatever, of course they get special discount or a complimentary of a bottle of wine. Again it depends on every single complain. I'm the one to speak, and try to be diplomatic, but I don't give complimentary thing away because we have to run business. We have to make money.

- Are there any other teams that you need to cooperate with besides your staff?

Yes, preferred dining office of course. They are a part of making my regular customer, these are the people I'm talking important with. If I have something special, F&B manager will share with other outlet, my team and preferred dining.

- Is there any support from the hotel about how to build and maintain relationship?

Yes, of course from the hotel this is a program run by a hotel. This is not we do by ourselves. Of course for the hotel it is very very necessary, and we are successful in this program because we have so many food and beverage outlet. We need Thai customers every outlet, local Thai customer to be profitable. This is very important.

On the other side we are leading hotel company, we have a very interesting customer relationship cards called "IHG rewards" there are millions member all over the world, so if a person check in to our hotel or come to my restaurant with this card. They also get some special discount, we try to give them a very nice table since they are very important. This is how hotel try to drive revenue in my restaurant.

- So you give the important to IHG card, so the hotel support as you mention? Is there anything else you want to add on to this discussion?

Again I think customer relationship is very important especially in Thailand. The new competition is coming up, then we need to focus on people we have already. So we don't lose them to other brand new hotel. As you can see we try to maintain our hotel very well, but we can't be up to date like the hotel that just open, correct.

It's a tough competition, but it still very good if you compare to Europe you don't get that much people from local people in the hotel. We are still very successful. It's just a tough competition.

- So the competition is growing stronger than before? Recently, for how many years your feel that it's not good?

Especially the last 2 years competition has increase dramatically many new hotels opening and for us also many new stand alone restaurant. Everybody tries to beat the last year restaurant, everybody must grow. It is a part of business which is tough competition. 2013 was not a good year for the hotel, and yes of course it is a bit difficult like this year we have some issue in front of our hotel, and last year was a political issue which not help us. It is a tough challenge, but it's alright.

- As long as you have a relationship with your client?

We still do a good money.

- What if there is no preferred guest, what can you do to make relationship with them besides this member card?

Actually this is going to be a bit difficult honestly, because I am not really point how I can talk to customers. How I can contact the customers. On Sunday brunch when people come, I do the lucky draw, and I collect a business card then I get more and more telephone number, so I can send out newsletter. Again most of them are preferred dining members. I don't have many people in my restaurant that were not a part of this program. For example, if you go to the Italian restaurant, they have a different crowd. They have more western people, more people who stay in the hotel. For me I'm the restaurant that Thai people like it. Tourists don't come to Bangkok to enjoy international buffet. He is going out to try some street food, with other client is

pretty tough keep relationship because we have so many preferred dining people which keep us busy.

- So for preferred dining program is a good tools for you to keep client relationship?

For me it is the best. It is very very important. This is how I can keep contact with my people. This is how I can contact my customers. Thai people want discount. If I come for 2 I get 50%. If I come for 3 I get 33%, and if I come for 4 I get 25%. They know if I'm coming, I get discount guarantee which is important for my customers. For me it is very important, otherwise my restaurant will be empty. I have 90-95% who join me dinner are preferred dining member. If I would not have this people, I would not have many customers left. In the city, there is so many buffet restaurant everywhere. It's a very tough competition. For me the people I attract, they come because about the price. They want to get free all you can eat, they want to get prawn, Alaska king crab, but for as much as they can eat.

- How much for the lunch?

The lunch 1,000 net, and Sun-Thu 1,459 baht ++ and on Fri-Sat I do seafood night with 1,999++, and on Sunday I do nice brunch with lobster, oyster, carvier every import product that Thai people want. This is how I attract people to come to my restaurant, and they get special amenities.

Interview 3

Mrs. Jaturaporn Chabsritong (Director of Sales, Indigo Pearl Phuket)

- How long have you been working here?

    A year and a half.

    In competitive world you need to be smart. You have to work smarter and definitely need to be step ahead of your competitors. Customers are more sophisticated, more demanding. They overwhelm by too many options.

- How important are building and maintaining relationship with your client?

    I think your questions is similar to the number 2, but to answer this question I would so it is very tempted and too many options in the market, and we will need to find any possible way to keep customers come back to us. Maintaining relationship is one of the most important thing to keep business going, so yes definitely and maintaining is very important.

- How do you build the relationship with your client? Can you give some example?

    Ok I can. There are many things that we could do to attract guest. General manager to meet and greet on guest's arrival, and our staffs are trained to be very attentive, proactive, so it would let customer to ask because we always provide solution, assistant to the customers. So we are quite efficient in servicing our customers.

- So you just ask first?

    We anticipate what customer will need. We have their history, and we have their preferences from our record. So it is quite easy we can get what they need if they come around. Guest service counter and we approach them first without need to ask how can we help you. We don't wait until they walk into us. We go out from our counter, give them smile, shows them that we are willing to help. So they are comfortable , and that's is a good thing of being proactive.

- What kind of activities you normally do to maintain relationship with your customer can you explain it in details?

    Everything based on guest recognition. We need to show them our appreciation of their supports. So what we do, we have guest portfolio we keep in our system. So we send them greeting anniversary, birthday, and we send them a welcome

card and things like that. So that is how we show them of their recognition of having them as customer.

- What you show them is it regular guest or new client that come to hotel?

    We tend to do both, but normally we give priority to our repeated guest because they give us more support, and they bring us business and money. The program like repeated program, fruit basket, cake and Champaign. First time guest they will get fruit basket from the first day.

- Do you think is it easy to build relationship with new guest and returning guest. Which one is easier for you?

    A guest that keep coming back to us is a little bit more challenging, but to build the relationship with guest who visit us for the first time difficult as well to make sure they are happy all the way through their stay. So we have the best practice for those. We trained our staffs. Nothing really go wrong everybody handle to give the best service.

- Who is involved in building and maintaining relationship with you client?

    I think everybody involve in maintaining guests happiness from managerial level to staffs. Everybody is involved in maintaining relationship about customer. Everybody has important role to play. Of course one person cannot do alone. But as a sales in my roles, sale is the frontline and we have more interaction with guests. So basically we having an important role we reflect Indigo, so we need to build strong image of our company. We have to follow the guidance and be very professional in performing our job.

- What do you think when you keep maintaining client relation, what is the benefit for your department or the hotel?

    Of course, if we have a guest coming back to you. It is my mission now and I achieved my achievement for having guests coming back to me and guest talk to each other, bring family, and talk about how good Indigo is.

    Definitely we need to make best impression for them. At the end of the day it is important that more than one person speak about Indigo.

- So it is mean the revenue to the hotel and hotel can get to promote themselves without using advertising budget is it?

We have to do a little bit of everything, advertising definitely important, but we believe in more public relation, story to tell. Experience of customers and the host service and guest's experience. Everything important one thing cannot work on its own. So we have to see what is best for us.

- Can you give some example of public relation, PR what is the benefit from having relationship?

Social media, blogger is very important. We see strong impact for having blogger media to visit us. We show them special about Indigo. We hosted their stay, we show them around. So they write story about Indigo. It is get published internationally, that is make our job is very easy.

- Can you tell me the scope of your work and your responsibility in this hotel?

My role is sales. My main mission is to bring in business in as well as I mention customer relationship. I have manager working with me. Our job is to make sure the aiming is to bring business in and have customer return again and again. We always be in their radar.

- How many of returning guest come back to your hotel? How many percent? Is it 50:50?

I do not have on top of my head right now, but I would say about 15% ranking from 2 times, 3 times up to about 6-7 times.

- Do you work with other department to build relationship with guests?

We will work closely with other department especially reservation and front office. For reservation, we need to make sure they response to customer enquiries and within 24 hours standard and less than 24 hours 6 or 8 hours. We need to show them that we care.

Also some of it very important, we need to communicate, we have a sequence to talk to each other, and we need to provide them as much as we can. For example, the time of arrival so that general manager can come to on their arrival to greet the guests. So the information is very important.

Also we have guest's preferences, so we tell them about allergy everything important to help us to provide them the best service. We help operation team to work efficiently, and at the end of the day give all guest the best possible service.

- So what and how do you do to achieve better result by cooperating with other department? Do you set a standard or the method?

Every morning we have morning briefing. We communicate to every department. Front office will call any issue from last night or anything that happen for today. That is guest discuss in the meeting, so the general manager and every department aware what is going on, any complain any issue at all.

Anybody can brainstorm, throw idea them we can prepare and find solutions

- Do you have any team involve in maintaining relationship with client, team member, sales staffs that involve with maintaining relationship?

Again quite similar to what I answer already. Anybody from top to toe to form clear guidance. We have best policies to follow. Everybody has to talk the same page, to be efficient and to produce best possible result to keep our guest happy.

- You think is their any support from hotel or the encouragement from hotel to build and maintain relationship?

Of course, we are the teamwork. General manager is the big boss in the company as well as the owner everybody has a clear vision to be the best hotel in the world, independence luxury resort in the world. We want to provide the most unique experiences to guest.

In order to achieve this mission we need to work as a team. We get support from the owner to investment, to upgrade our product to support us financially. We have a board meeting. We have each of head department to meet with owner and raise their issue about anything at all. Our owner, our general manager they give really good support as far as I know.

- Why do you think the owner doing that? To keep up with high standard or to impress the guests or maintain revenue? Why they support staffs?

Of course he is the owner, this is his business. Of course they do for their dream, but of course financially, they need a good profit as well. He comes from wealthy family, a good background very conceptual hotel. He wants the hotel to be

very special. He wants people to talk about it, so anything he can do to achieve this dream definitely he will do it.

- Lastly, anything you want to add on to this discussion?

   I said it all. In summary, guest is still the king for us and we need to develop, strengthen our strategy and to find different way, different tactics as I mentioned. Customer are very sophisticated now. They are clever and smart. We need to be up to date, the technology on-line sales, advance sales we need to keep up with those. We need to open our eyes up, to keep on improving our service including guest's experience to stay on top of everything to be successful.