# University of New Hampshire University of New Hampshire Scholars' Repository

Honors Theses and Capstones

Student Scholarship

Spring 2014

# It's Not the Serve, But the Return

Marnee J. Dupont University of New Hampshire - Main Campus, mjy553@wildcats.unh.edu

Follow this and additional works at: https://scholars.unh.edu/honors Part of the <u>Hospitality Administration and Management Commons</u>

#### **Recommended** Citation

Dupont, Marnee J., "It's Not the Serve, But the Return" (2014). *Honors Theses and Capstones*. 165. https://scholars.unh.edu/honors/165

This Senior Honors Thesis is brought to you for free and open access by the Student Scholarship at University of New Hampshire Scholars' Repository. It has been accepted for inclusion in Honors Theses and Capstones by an authorized administrator of University of New Hampshire Scholars' Repository. For more information, please contact nicole.hentz@unh.edu. **Honors** Thesis

IT'S NOT THE SERVE, BUT THE RETURN

By: MARNEE DUPONT

Spring Semester, 2014

Faculty Sponsors: DR. VALENTINI KALARGYROU

PROFESSOR CARL LINDBLADE

PETER T. PAUL COLLEGE OF BUSINESS AND ECONOMICS UNIVERSITY OF NEW HAMPSHIRE

# **TABLE OF CONTENTS**

| I.   | ACKNOWLE                                       | EDGEMENTS   | 5                           |
|------|--|---|-----------------------------|
| II.  | INTRODUCTION5                                  |   |                             |
| III. | LITERATUR                                      | RE REVIEW   | 6                           |
|      | a. History of Lodging                          |   |                             |
|      | b. History of Restaurants                      |   |                             |
|      | c. Characteristics of the Hospitality Industry |   |                             |
|      | d. How   | to Avoid Unpleasant Guest Experiences   | 12                          |
|      | e. Socia                                       | al Media Presence   | 17                          |
|      | i.   | . Facebook  | 18                          |
|      | ii.  | . Instagram   | 22                          |
|      | iii.   | . Twitter   | 25                          |
|      | f. TripA                                       | Advisor   | 27                          |
|      |  | . Analyzing Hotel Reviews   | .30                         |
|      | Ι.   |   | inine o                     |
|      | i.<br>ii.                                      | . Analyzing Hotel responses   |                             |
|      |  |   | 34                          |
|      | ii.<br>iii.                                    |   | 34<br>39                    |
| IV.  | ii.<br>iii.                                    | Analyzing Restaurant Reviews  | 34<br>39                    |
| IV.  | ii.<br>iii.<br>iv.<br><b>METHODOL</b>          | Analyzing Restaurant Reviews  | 34<br>39<br>42              |
| IV.  | ii.<br>iii.<br>iv.<br><b>METHODOL</b>          | Analyzing Restaurant Reviews<br>Analyzing Restaurant Responses<br>LOGY<br>ey Results  | 34<br>39<br>42<br><b>43</b> |
| IV.  | ii.<br>iii.<br>iv.<br>METHODOL<br>a. Surve     | Analyzing Restaurant Reviews<br>Analyzing Restaurant Responses<br>LOGY<br>ey Results<br>Lodging Experience  | 34<br>42<br><b>43</b><br>43 |
| IV.  | ii.<br>iii.<br>iv.<br>METHODOL<br>a. Surve     | <ul> <li>Analyzing Restaurant Reviews</li> <li>Analyzing Restaurant Responses</li> <li>LOGY</li> <li>ey Results</li> <li>Lodging Experience</li> <li>Restaurant Experience</li> </ul> | 34<br>42<br>43<br>43<br>53  |

| V. | CONCLUSION | 62 |  |
|----|------------|----|--|
|    |            |    |  |
|    | REFERENCES |    |  |

# Tables

Table 1. Hotel Traveler RatingsTable 2. Restaurant Recommended Rating

## I. ACKNOWLEDGEMENTS

This research paper was made possible by the support from the University of New Hampshire faculty, my family, and my friends. I would like to particularly recognize my advisors:

I'd like to extend my appreciation to Dr. Kalargyrou for guiding me with your knowledge and advice. Your encouragement in my academic career since freshman year of college has been a great support to me throughout this research project.

Secondly, I'd like to thank Professor Carl Lindblade for his guidance throughout not only this research project, but also many other Honors courses over the years. Your intriguing assignments have given me a thirst to learn and I am very grateful you took on this project with me.

Lastly, I would like to extend gratitude to the Department of Hospitality Management at the Peter T. Paul College of Business and Economics and the University Honors Program for giving me the opportunity to perform this project. You have taught me how to push my academic abilities, and your support has allowed me to complete the biggest research project I have ever conducted.

#### **II. INTRODUCTION**

With the hospitality industry thriving, there are millions of interactions with guests everyday. While the industry strives for everything to go smoothly, that can't always be the case due to the many different facets of service. Inevitably mistakes happen that often leave guests dissatisfied. This research paper will delve into just how important the recovery of a failed service is to retaining a repeat guest and the appropriate ways to do so. It will discuss the history of the lodging and restaurant industries, how to

avoid unpleasant guest experiences, and how to effectively use social media tactics along with travel review websites to their advantage.

## III. LITERATURE REVIEW

## A. History of Lodging

Since the beginning of mankind, hospitality lodging has been very present in society. From people offering shelter to passerby's walking for at least one day in between their next destination, to the Romans building mansions to house government business travellers, this was just the beginning of such a prominent industry. Inns slowly but surely began to pop up throughout Europe offering shelter and refuge for pilgrims and crusaders during their travels. The domesticated start of the hotel industry began in the 1400's when French law required hotels to have a register along with other rules (Levy-Bonvin, 2003). While slowly developing across Europe, it was the nineteenth century that brought rapid change.

The Industrial Revolution, starting in the 1760's, paved the way for the construction of hotels everywhere. Located in Washington, D.C. the Union Public Hotel was the first building to be called a hotel in America in 1793 (Levy-Bonvin, 2003). It was New York where hotels were first established in city centers. Hotels across America soon became pioneers for all things lodging. From the first use of central heating in 1846, to the first passenger elevator in 1859, and to the first electric lights in 1881, the lodging industry was expanding at a rapid pace (Levy-Bonvin, 2003).

It was the 1900's that brought prosperity to the hotel industry. The idea of luxury and prestige swooped the industry. While the Great Depression brought down the hotel industry between 1929-1936, where the lowest average occupancy rate ever was recorded

at 51%, there was another great boom in the 1950's that brought the industry back to life with casino hotels, highway hotels, and airport hotels (Levy-Bonvin, 2003). The third boom for the hotel industry was in the 1980's with improved creative marketing and hotels modifying their services to their type of clientele. There were now hotels for conferences, ski resorts, health hotels, marina hotels, and airport hotels ranging from economic to luxury. The first hotel management systems came about as well offering more competition in the hotel industry. The 1990's brought hard ship for the industry as well as being followed by the tragedy of September 11, 2001. While hotels typically have a 10-year cycle, with the accelerated improvements of technology and the economy improving, the hotel industry is reviving to survive as they always have through the different trends and cultures of society.

#### **B.** History of Restaurants

Just as the lodging industry, restaurants have been an institution in every country and culture since ancient times. From trading food for other goods to eventually selling them for profit, this idea goes back to the earliest civilization. With the growth of cities came the growth of restaurants. The earliest forms of restaurants were the roadside inns, which were previously discussed, who served travelers. There were no menus or options, just the chef's choice for the day. According to Meally, these travelers also came across roadside carts where vendors sold precooked and cheap food, which was the original start of the fast food segment. While people continued throughout Medieval times to dine at inns, monasteries, and hostels, it was the 18<sup>th</sup> century that brought us the concept of the "restaurant" that we know today. Olver states that the word restaurant is derived from the French word "restaurer", which means to restore and referred to serving meat consommés

that were meant to restore sick people's strength (2000). In 1765, a Mr. Boulanger opened a shop in France and wrote on his sign "Boulanger sells restoratives fit for the gods" and created what's believe to be the first restaurant in the modern term. The original French restaurants were highly regulated but the French Revolution brought fewer regulations and the middle class market that could afford these meals, was established. It became common for places that served alcohol to also serve simple dishes, creating the tavern style restaurant. These were being built through out many countries such as Germany, Austria, Greece, and Spain, all of which added their own flare to the meals. It was in 1782 that the Grand Taverne de Londres opened, introducing the idea of listing the courses available on a menu at fixed hours (Olvery, 2000). French chefs immediately adopted the entrepreneurial mindset and got to work on creating menus for the public that outlined dishes all individually portioned, priced, and prepared to order (Olvery, 2000).

Restaurants were brought to America in the very late 18<sup>th</sup> century. These were often based in colonial taverns, inns, and fine hotels. Since being allies with France for the revolution, many of the cooking styles were brought over and Jean Baptiste Gilbert Payplat opened the first French-style eating-house in Boston in 1794. He called his new establishment Jillien's Restarator. He soon became known as the Prince of Soups (Olvery, 2000). This new concept of restaurants grew slowly though, ultimately relying on the growth in population and changes in transportation and tourism travel. For the first half of the 1800's, taverns, oyster cellars, and coffee houses were in abundance. Luxurious foods served included steak, green turtle, and oysters. While game was abundant, fresh meat went bad quickly, and a standard of heavy, poor quality food was

established. Many people came to eat with the attitude of get in and get out, often eating in communal dining rooms. According to Olvery (2000), the 1830's brought about the "American Plan", an all inclusive concept, where the hotel industry required travelers to pay room and board regardless of if they ate or not. The population was growing and people were moving west, establishing cities made up of people living in tents, so nearly everyone ate at restaurants. The "eating house" was now being referred to as "restaurant" and the cuisine was becoming much more diverse, yet oysters remained the favorite for any type of meal.

The spread of depression brought on by the 1870's caused many restaurants to fail, but it also raised the opportunity to have cheaper restaurants. For example, American Plan hotels who would usually serve limitless amounts of food with a room reservation, were now shutting down their dining rooms all together. This caused an expansion in customers for outside restaurants (Whitaker, 2010). This brought about lunch counters, lunch wagons, and ethnic cafes. With the ease of the depression, the 1900's brought the modern era of restaurants. New York City, Philadelphia, Chicago, San Francisco, and Boston are among the biggest restaurant cities, where high end and inexpensive, quick service establishments thrive. People of all classes, male and female, now have the opportunity to dine as they please. Yet there were growing concerns about food safety and cleanliness. The cities mandated restaurant inspections and many businesses installed white tile on floors and walls to show off their cleanliness (Whitaker, 2010). In addition, the idea of dining for entertainment also grew, with live music and banquets becoming regular. While the industry was growing, there was a major setback in the 1920's from the implementation of National Prohibition and the Great Depression.

Restaurants were no longer allowed to serve liquor and had to find ways to make up lost profit. Restaurant owners formed professional associations to raise industry standards, counter organized labor, and lobby for their interests, and shockingly enough restaurant patrons actually increased due to the cheap prices (Whitaker, 2010).

The mid-20<sup>th</sup> century brought the rise of automobiles, suburbia, and the establishment of drive-ins, fast food chains/franchises, and a bright future. Americans were gaining wealth, trying new exotic cuisines, and traveling more. The idea of convenience was the new craze, stemming from road trips with quick pit stops. The first turnpike had a sit down restaurant. Dining was such a significant part of the lifestyle, that in 1976, Whitaker noted that one out of three meals were being consumed outside of the home (2010). All liquor laws were being relaxed, credit cards were on the rise, more working mothers were stopping to pick up food on the way home, and the youth culture had found these new restaurants cool places to spend their time. The later part of the 20<sup>th</sup> century brought stricter ordinance to flourishing fast food restaurants. They were put in place to protect consumers from false claims on menus that misrepresented the terms "fresh" and "homemade". With this uproar, came the implementation of salad bars to counter the negative effects.

The 21<sup>st</sup> century has continued to come up with innovative new ideas and technologies to run the restaurant industry. Yet one of the main affects of dining out has been the increase in obesity, which has caused public health agencies to call on restaurants to reform their menus. Restaurants often have large portions and high caloric dishes with extra fat and sodium. It's become quite clear though, that unfortunately it is cheaper to buy a meal at McDonald's than it is to cook a healthy meal at home.

Accompany that with the convenience of it, we have quite the epidemic on our hands. Restaurants have acknowledged the concern though, and many have modified their menus to include healthier options as well as more menu labels to show calories, heart healthy options, vegetarian options, etc. Another major trend occurring at the moment is the concern for where our food is actually coming from. This "farm to table" and "plow to chow" movement really puts a focus on eating local, organic foods verse the highly processed ones.

## C. Characteristics of the Hospitality Industry

Accompanied with the knowledge of the history of the hospitality industry, it is important to recognize the biggest factor to their success, besides the quality of food, drink, and accommodations, which is service. The hospitality industry seeks to provide guests with memorable experiences, which lead to referrals and repeat visits. There are many characteristics of the hospitality industry that are unique to other businesses. They have the elements of inseparability, simultaneity, perishability, intangibility, heterogeneity, cost structure, and are labor intensive. While these can pose some difficulties in running a business in this industry, they are what make the hospitality industry a crucial part of society.

Inseparability means that the customers must be present and participate in the delivery process of service (Okumus, Altinay, and Chathoth, 2010). There is a certain skill, attitude, and cooperation between the employee and customer that will result in a good or bad experience. This makes it difficult to standardize results. This unique difference can be compared to a manufacturing company, where the good is made at one location and bought by a consumer at a different location. Nobody needs to be present in

order for the consumer to make the decision and conduct the action of consuming that product. Simultaneity refers to how services and goods are created and consumed concurrently which can prevent employing active quality control mechanisms (Okumus et al., 2010). Standards can be put in place, but there will always be variation. Perishability is also unique to hospitality because if a service is not sold, its value is lost forever. For example, if a hotel room is not sold one night, the hotel will never be able to regain that lost revenue. If there are vacant cabins on a seven day cruise when leaving the dock, that room is not bringing any revenue to the lodging operations, the food and beverage departments, shopping centers, spa, etc. The intangibility characteristic refers to the parts of customer service that are critical to guest satisfaction. While the tangible goods such as the hotel room or restaurant meal are important, it is the intangible interactions and experience that sets service apart. Heterogeneity encompasses the variations in service delivery from customer to customer, employee to employee, and time to time (Okumus et al., 2010). Every person and situation is different so it is very difficult to standardize employee customer interaction. Cost structure influences managerial and resource allocation decisions (Okumus et al., 2010). Depending on what type of hotel it is (luxury, extended stay, economic, motel, etc.) or restaurant (fine dining, quick service, café, deli, etc.) you will need to strategically know how to maintain cash flow and what expense to put it towards. Labor intensive is probably the most important characteristic to the hospitality industry, because personal interactions with guests play a crucial role in the experience that the customer has. The front line employees are the face of the brand and product, and are the hospitality industry's biggest asset.

#### **D.** How to Avoid Unpleasant Guest Experiences

With these unique characteristics, many of which make standardization difficult to achieve, it is important for every aspect of the hospitality industry to put their best efforts into first and foremost avoiding unpleasant guest experiences. This can be accomplished through employee training, providing a clean, safe environment, following all safety and fire codes, understanding customer expectations, and matching the price point with the amenities so guests feel they have received a "value". All of these must be adhered to in order to prevent unnecessary mishaps and ultimately gain guest loyalty.

Employee training is important for many reasons. Training is present oriented and is focused on the job at hand. Some benefits of good training would be fewer organization conflicts, reduced business costs, happier employees, improved levels of service, a healthier work climate, reduced employee turnover, and improved relationships (Woods, Johnson, and Scarini, 2012). There are many different training techniques that may be utilized. There is basic skill training and on the job training, which is the preferred method in hospitality. This would involve job rotation/cross training and coaching which is a the hands on method. In addition, lectures, role-playing, and stimulation or vestibule training are great training techniques. Apprenticeship training is a hybrid of in class instruction and on the job training, which can also be very effective. Diversity training is also important to hospitality training due to the many different nationalities in employees and customer segments. Further, training must be on-going to remain effective.

The American Society for Training and Development recommend that organizations spend 4% of their total payroll cost on training (Woods et al., 2012). Unfortunately, hospitality companies generally spend far less than that recommendation.

Rather than being viewed as an expense, training should be seen as an investment in the organization and it's people. Many companies, such as Marriott, offer development programs that are hands on discipline specific training opportunities that cultivate skills and growth in the industry. Marriott's Voyage Leadership Development Program includes the immersion in the operations of a hotel, participation in a unique virtual portal that contains program curriculum materials and connects participants around the globe, and networking opportunities to gain knowledge from senior leaders (The Voyage Global Leadership Development Program, 2014). This encompasses on the job training, lectures, stimulation, and diversity training. With proper training programs like this and your competent employees on hand, negative situations are preventable.

Providing a safe and clean environment for employees and customers is also crucial to deterring an unsatisfying experience. There are numerous hazards presented in the hospitality industry that should be prevented with caution. Slips, trips, and falls are a major cause for concern, particularly in food service segments. To prevent this from happening, businesses must keep the entire environment in a clean, sanitary, and orderly condition. Specifically, pushing chairs and drawers in when not in use, cleaning up spills immediately, securing floor runners, mats and rugs to the floor, having sturdy handrails in place where necessary, and keeping entrances, exits, and parking lots clear of ice, snow, and water (Missouri Employers Mutual, 2014). Any broken tiles or bunched rugs require immediate attention. Trashcans should never be overflowing, floors, aisles, and passageways should always be kept clear, and warning cones or signs on wet floors need to be in place. Some other aspects to pay attention to would apply more to office jobs, as in the front desk. It's important to keep the areas with surge protectors clean and clear,

do not use multiple extension chords, and keep chords against the wall not in a walking path. Adequate lighting should be provided in all areas of the facility (Missouri Employers Mutual, 2014). The Occupational Safety and Health Administration (OSHA) provides many opportunities for businesses to ensure that the proper safety codes and practices are in place. OSHA provides consultation services that help employers find potential hazards and learn how to improve their occupational safety and health management. They also give training and education grants to various non-profit groups to develop programs that help small businesses establish safety and health programs. In addition, OSHA's Training Institute and Training Education Centers provide basic and advanced courses in safety and health. If a company implements these essential safety factors, OSHA has the Safety and Health Achievements Recognition Program that recognizes exemplary employers who take special pride in providing safe and healthy work environments for the employees and customers to meet a specific program criteria (Missouri Employers Mutual, 2014). Not only could unsafe conditions in a business cause an unpleasant experience, but also serious injuries could occur and lawsuits may ensue. So abiding by all laws, codes, and conducts are vital to the return of guests and success of all businesses.

While the style of every restaurant and hotel varies, so do the customers expectations. Customer expectations are beliefs about service delivery that serve as standards or preference points against which performance is judged, and they need to be known in order to escape having a dissatisfied customer. Quality of service entails consistent delivery of products and guests services that are up to par with these expectations (Wonglorsaichon and Wiriyakitjar, 2013). As a result of matching customer

expectations, sales, guest retention, and the attraction of new customers increases. This is why understanding what your guests' expectations are and how to prepare for them is the first step in improving the quality of service. To evaluate the quality of service, Wonglorsaichon et al. uses the Gap Model, that introduces five dimensions of service quality which are: tangibles, reliability, responsiveness, assurance, and empathy (2013). Tangibles are the physical facilities, equipment, and appearance of personnel. Reliability is the ability to perform the promised service dependably and accurately. Responsiveness is the willingness to help customers and provide prompt service. Assurance is the knowledge and courtesy of employees and their ability to inspire trust and confidence. Empathy is the caring, individualized attention the firm provides to its customers (Wonglorsaichon et al., 2013). When trying to understand customer expectations and how to meet them, these five dimensions always need to be considered.

Guest expectations differ from person to person and interaction to interaction. Expectations are mainly the desires, wants, or needs of customers. They can be established from many different sources, such as word of mouth, communications, promotion, price, personal needs, past experiences, and the reputation of the business (Wonglorsaichon et al., 2013). Age, gender, and income levels also play a role in their established expectations. Businesses should never aim to please a customer's idea of adequate service; rather to achieve the consumers desired level of service.

Hospitality businesses should appropriately match their price point with the amenities that they are offering also in order to ward off negative experiences. When pricing items, Pizam states that the price charged is rationalized as a means of returning an amount that reflects a fair return for the time, effort, and risk involved (2005). As in

all businesses, it is necessary to mark the price above cost to make a profit, yet the amount of that mark-up depends on a two factors. One is whether or not the item or service is a commodity and the second being whether it is demand driven or market driven (Prizam, 2005). The safest route would be the lowest price that will achieve a profit, and the riskiest would be placing the highest price the market or customer will be willing to spend. As prices increase, so do customer expectations. With a high price must come excellent quality, presentation, décor, and service among many other factors that will allow one to charge a higher price. When you mix pricing with having properly trained staff, a safe facility, and quality service that match guest expectations, you will have successfully avoided many dreaded incidents that will cause you to lose business.

While many precautions are taken in order to render nothing but the best service, mistakes are inevitable. The unique characteristics of the hospitality industry of inseparability, simultaneity, perishability, intangibility, heterogeneity, cost structure, and labor-intensive factor, play a significant role, particularly the fact that it is labor intensive, can bring inevitable human errors. The price of an unremedied service failure is high. Not only will you lose return business, but also your reputation will be tarnished and spread by the disappointed guest. A customer experience begins when the customer comes in contact with anything associated with the business/brand. Everything from the beginning to each direct and indirect interaction is an opportunity to exceed expectations. An end should never actually occur, since they will be life long returning customers. Thus, it is important to combat a service failure with great service recovery. There are many ways to do so.

#### **E. Social Media Presence**

As we move further into the 21<sup>st</sup> century, fewer and fewer people are picking up the phone to call for recommendations, reservations, or to send invitations. Instead they are opening their laptops or one of the apps on their cellphone. Having a dramatic effect on how hospitality companies do business. Between making reservations through online booking agents, to marketing through Twitter, Facebook, and Instagram, comes the beginning of a new age of technology. Hospitality companies' presence on social media sites is a further tactic for creating guest loyalty. These forms of electronic word of mouth, are important to success because consumers trust the messages, comments, and experiences that are broadcast more than the older ways of marketing that are seen as solely selling tactics. Hearing real life stories about involvement with these restaurants or hotels, allows consumers to compare all of the companies advertising techniques and make an educated decision where they will do business through many different channels and how the lodging and restaurant industry use them as key tools for continued business.

## i. Facebook

Olenski states that, approximately one-fifth of leisure travellers worldwide use social media platforms for inspiration within different categories of their travel planning (2014). Facebook came in first for which social media platform travellers use most. It is the most visited website and is the website where Americans spend the most time (Kwok, 2012). 2009 was the year hotels truly took to Facebook as a marketing tool. When users look at an attractive Facebook page, the amount of direct referrals to hotel websites increases. A study by PhoCusWright, a travel research firm, found that the conversion rate on direct referrals from traveler review sites to hotel supplier websites ranged from

4% to 6% in 2009, while conversion from Facebook to hotel websites was 8% (Blank, 2011). This is why it is crucial to have a well-exhibited Facebook page.

In order to achieve bookings, there are six factors that hotels and resorts need to capitalize on according to Doug O'Reilly and Oliver Sohn of Seventh Art Media. One is to set goals for the Facebook page and accordingly plan the content and people they want to attract and instill the proper processes to tap into those customers specific needs (O'Reilly, 2011). The second factor is to not make an attempt at changing visitors to the pages behavior (O'Reilly, 2011). Deals eventually come to an end and the deal seekers aren't the lasting viewers. Which brings us to the third key factor that Facebook should be used for amplification, not engagement. Facebook pages should be used for brand impressions, because the number of "comments" plateaus and become somewhat irrelevant with viewers not reading past the first couple, but the "likes" rise, which may lead to conversations elsewhere on Facebook that can be capitalized on (O'Reilly, 2011). This is also why it is essential to respond to any feedback or comments made on the Facebook page. Reputation management is a key to guest loyalty, as customer reviews are the trusted source these days. So in order to retain a guest and receive new ones, any negative reviews need responses as soon as possible. The fourth factor is to post the correct content that will actually be shared by page viewers. The fifth factor states how important it is to track views and the contribution to business your Facebook page brings (O'Reilly, 2011). The final factor that can achieve a great Facebook page is to use it strategically and specifically. It should be a channel that amplifies engagements that happen elsewhere (O'Reilly, 2011). For example, Jon Sallinen, General Manager of The Red Jacket Mountain View Resort in North Conway, New Hampshire, stated that the

resorts Facebook page is used primarily as a launching point to other engagements. Their Facebook has booking links directly on it as well as links to their YouTube channel where they are actively putting up videos of different staff members talking about the great aspects of the resort, giving updates, and to show the various activities that go on every week from Wii tournaments to horse wagon rides, scavenger hunts, and much more at this family friendly resort.

One brand that uses Facebook particularly well is the Four Seasons. According to Samantha Shankman of Skift, a travel intelligence company that offers news, information, data and services to professionals in the travel industry and professional travelers, the Four Seasons had the Best Facebook Page By Brand, Best Facebook Promotion By Brand, and the Best Facebook Promotion By Property (Jackson Hole, Wyoming) in the 2013 search for The Best Hotel Social Media Campaigns conducted by Hotels Magazine (2013). The Four Seasons nabbed the Best Facebook Page By Brand award by refreshing the tone used with a more conversational and personal approach dubbed "the voice of the traveler". It shares inspirational content and highlights one-ofa-kind experiences. The Four Seasons put a lot of focus on their social media presence by having a corporate social media marketing team of four and a social media monitoring/guest relations team of two, while also having more than 80 property-level social media marketers (Shankman, 2013). They also received the Best Facebook Promotion by Brand award for their global promotion "Ignite the Spark" which included an interactive Facebook application that invited all Facebook users to create their own personalized "countdown to romance" widget by filling in the details of a forthcoming romantic getaway, with the option of selecting their partner's Facebook profile

(Shankman, 2013). The Four Seasons also made their presence known on Facebook and won the Best Facebook Promotion by Property award, for their Jackson Hole, Wyoming property implementing the "Stealth Stache" contest to promote their new gastropub, The Handle Bar. Consumers were challenged to capture and submit photos of their own Stealth Stache for a chance to win a vacation for two to Four Seasons Jackson Hole (Shankman, 2013). The Four Seasons has 222,403 likes on Facebook, not a lot in comparison to Hilton hotels 1,163,844 likes for example, but they have utilized it more appropriately and have used it to their advantage so much that Skift has given them the highest Hotel Social Ranking score of 788, which takes into account all social media platforms. As you can see, Facebook plays a crucial role in Hotel marketing, brand presence, and reputation management.

Facebook can also be used to a great advantage in restaurants. While measuring the results gained by social media is a bit more difficult to assess in the financial sense, other benefits include raising brand awareness, improving reputation, and ultimately benefitting the bottom line in the long run. With Facebook essentially being a dialogue between consumers, this word-of-mouth advertising works perfectly for the restaurant industry. The photos and timeline establish restaurants' identities and allows for quick, personal responses to customers. Facebook also allows for tags, so a smart way to utilize a company Facebook page is to tag customers in photos, which will show up on their newsfeed and their friend's news feeds, spreading the word exponentially. Apps such as menu apps and event apps also allow for further engagement from page viewers. Milestones and awards can be shared on the page and in just a glance viewers can see just how popular the restaurant is.

In order for restaurants to use Facebook successfully they need to post inspiring content, images, and news regularly. It is important though to keep the deals and specials posted to a bit of a minimum because Facebook is really about engaging, socializing, and building relationships. With that said, Cover Photos should be used to showcase valuable items such as that week's special, seasonal offerings, the live entertainment for the week, or whatever your restaurant finds relevant. The Facebook page should also include a menu tab as well as a reservation via Facebook tab. Another useful technique would be to add an email sign-up tab to grow their email list and reach potential buyers and sellers through this marketing channel as well.

One renowned company that utilizes Facebook is McDonald's. They have over 29 million fans on Facebook alone. Their page is used to announce in store competitions, new products, and to post images of consumers enjoying their meals. While most think of the company as a quick service, junk food joint, McDonald's Facebook page focuses instead on the quality of their food by posting pictures of suppliers picking apples in the countryside. They cleverly try to use Facebook to back up their television advertising of a healthy, happy brand, and it's clearly working as it is the world's largest chain of hamburger fast food restaurants serving around 70 million customers daily in 119 countries (McDonald's Corporation, 2014).

In the survey I conducted, when asking what type of social media does one use consistently, a whopping 89% of respondents said they used Facebook. It is evident that a proper Facebook presence is crucial to the success of any business in the hospitality company.

#### *ii. Instagram*

One form of social media that some businesses may not be fully committed to is Instagram. Yet this app and website appeals to consumers by using the easiest tool to get customers engaged; photographs. What makes this social media site so valuable is how easy it makes it to extend a brand in a visual way. Instagram launched in October of 2010 and by September 2013 they already had 150 million active users. They reached this user milestone faster than every other social media site (besides Google+) (Herman, 2014). The top 50 brands on Instagram have an average of 722,000 followers and these brands are posting on average 5.5 times a week; you are subsequently losing business right then and there by not utilizing this social media site (Herman, 2014). Instagram engagement is 15 times higher than Facebook engagement and the top ten brands receive 83% of all that engagement while only accounting for 33% of all posts (Herman, 2014). Not only, should Instagram be used on its own, but another plus is that it is so easily linked to other social media sites like Facebook and Twitter, as well as company websites.

With Instagram users continuing to grow exponentially, it is important for businesses to know how to use this visual marketing tool effectively with their social media strategy. It is first important to set your profile as Public in order to get followers. If it is private, new comers will not be able to see past photos and will not be enticed to follow your company. People also want instant results, so waiting for you to approve them as followers will not bring many. In order to also bring more followers, use the same username as you do with Twitter. As I said earlier, they are very much linked together so it is important to cross-polinate the social media sites. Next, it is important to use a recognizable profile picture, one that you preferably use on all of your social media

sites so people know and trust that they are following the right business. It is also important to complete the biography section on Instagram because people want to know who you are and what you do. This is the only place on Instagram where a clickable link (i.e. website link, blog, traffic tracking link) can be included so it needs to be taken advantage of for the ease of followers. Once the account is set up, it is important to recognize a good posting schedule. If you post too little, you will be forgotten about and seen as lazy. But if you post too many times in a row, it will feel like spam and comments and likes will come to an abrupt halt. Each post needs to be fresh and exciting in order to produce engagement. With these comments, it is crucial to take the time to respond to them with their username mentioned (i.e. @username) so they get notified of the response, in order to grow a loyal audience. When posting, a key ingredient to exposure is using hashtags. This will dramatically increase the reach of your posts, yet just like the etiquette of how many pictures to post, you don't want to use too many as it will be overwhelming and irrelevant. Another way to draw attention is to be active and engaging on others profiles. By commenting and liking (in only a genuine fashion, not spamming) on others photos it will spread your profile and help grow your Instagram audience.

Hotels and restaurants around the world have already caught onto the Instagram craze. Starwood Hotels has a network of guests that share approximately 40,000 images of their properties each month (Miller, 2013). A prominent hotel in Sydney, Australia, The 1888 Hotel, uses Instagram in clever ways, such as having a "selfie space" which is a guide to the city's most Instagram-friendly spots as well as screens in the lobby that display the hotel's Instagram feed. They entice users by rewarding guests who post the best shots of the premises every month (Miller, 2013). Rubio's Fresh Mexican Grill is a

restaurant chain with more than 190 properties renowned on the West Coast for their Fish Tacos. They once utilized Instagram by encouraging customers to share photos with the hashtag #ILoveRubios for a chance to win gift cards. This resulted in 94 pages of entries spurring a ton of engagement and essentially free publicity. It's a known fact that people love eating food, talking about food, and showing off food. So it is a no brainer for restaurants to have an Instagram that shows off their beautiful, tasty creations as well as to incentivize customers to share their meals with others and increase hype for the brand. It has been said many times, "If you didn't Instagram it, did it really happen?"

### iii. Twitter

The next most chirped about social media site is the famous blue bird, Twitter. The hospitality industry is constantly coming up with creative ways of utilizing this marketing and guest service channel. With over 230 million monthly active users, this is one site that cannot be overlooked (Craig, 2013).

In order to successfully engage with and gain followers, Twitter business profiles need to have a good bio. With only 160 characters, it is important to choose key words that will describe the hotel or restaurant and to say something that will make you stand out. Cultivating the proper followers is also crucial to an effective Twitter account. It is not always about the numbers, and to follow randomly with no genuine engagement will not bring in the followers you are looking for. To engage users it is important to be active, resourceful, and likeable by sharing and commenting on relevant content and including links and @ mentions. Hastags, just like with Instagram, will also allow companies to find relevant topics that they want to follow and contribute to, ultimately

expanding their exposure. But again, do not over clutter with hashtags as it will take away from your message.

It's important to keep twitter very interactive and conversational. With this in mind, it must be noted that people mostly use Twitter to talk about what they are doing in real time. This allows for so many opportunities to connect with guests and customers in a relevant way. By taking the time to listen to what they have to say on Twitter allows businesses to personalize guest experiences. While listening is the first step, it is then equally as important to act on what is being said. Whether it is answering a question that a tweeter posted or to remedy a situation that was brought up, this social media site is where customer service needs to shine. Twitter is an easy place to vent, and by monitoring your profile and acting appropriately, problems can get resolved before anything escalates or reputation is tarnished, perhaps even turning an upset guest into an advocate (Craig, 2013).

When it comes to Twitter etiquette, there are no real rules, but is important to keep in mind, just like with the other social media sites, how often you are tweeting and if that information is relevant. While regular users may vent and go on rants, this is not the place for a business to do so. This is a forum that should be used solely to spread interesting information to your followers that will entice them to look into your hotel or restaurant as a destination. This is why Twitter works particularly well as a concierge service. It is easy to share information on local events, the shopping in the area, restaurants, and different activities that will be going on. Twitter is also a great place to maximize promotions and compelling offers. While businesses don't want to clog feeds

with relentless selling, many followers look to brands social networks for the deals and discounts, so words like exclusive, free, sale, and win generate clicks (Craig, 2013).

One hotel company that has taken advantage of Twitter is Loews Hotel, who is now letting users book hotel rooms through their profile. They have made it as simple as having followers tweet @Loews hotels and use the hashtag #bookloews and an online agent will respond to the tweet to get the reservation process started. The Millenial generation is becoming some of the primary consumers of the hospitality industry as they grow up, and they are often more comfortable using social media than traditional phone or travel agents. The booming sales of mobile devices with apps, posts a great opportunity that Loews realized needed to be capitalized on. Hyatt Hotels has also taken note of the Twitter craze by implementing a Twitter concierge where guests can send requests via Twitter to a customer service agent that is on call 24 hours a day. They must respond to messages within 15 minutes. When the 160 characters aren't enough, the customer service agents follow up with an email or phone call to get the situation settled (Levere, 2011). Bjorn Hanson, divisional dean of the Preston Robert Tisch Center for Hospitality, Tourism and Sports Management at NYU, states that high-tech concierge services represent an effort by hotel companies "to differentiate themselves, to add a service that usually ranks among the highest for guest satisfaction and to achieve higher rates" (Levere, 2011). This is just the beginning of how Twitter will be utilized in the hospitality industry.

#### **F. TRIPADVISOR**

TripAdvisor has become a go-to website for many when it comes to researching potential vacation and dining hot spots. "TripAdvisor is the world's largest travel site,

enabling travelers to plan and have the perfect trip. TripAdvisor offers trusted advice from real travelers and a wide variety of travel choices and planning features with seamless links to booking tools. TripAdvisor branded sites make up the largest travel community in the world, reaching more than 260 million unique monthly visitors in 2013, and more than 150 million reviews and opinions covering more than 3.7 million accommodations, restaurants, and attractions. The sites operate in 37 countries worldwide, including China under daodao.com. TripAdvisor also includes TripAdvisor for Business, a dedicated division that provides the tourism industry access to millions of monthly TripAdvisor visitors" (Fact Sheet, 2013). The site also boasts more than 19 million candid traveler photos and has more than 90 new contributions posted every minute.

As a business being critiqued very publicly on TripAdvisor, it can be loved or loathed; yet it cannot be ignored. With having your hotel or restaurant advertised on TripAdvisor, it is largely out of your control what gets posted because of the usergenerated content atmosphere. That is why with this website more than any other, it is crucial to give appropriate responses to most of the reviews posted. Responding to reviews shows that you're listening and that you truly care about the guests' experience. By posting a response, you have an opportunity to set expectations for future guests. A Forrester survey commissioned by TripAdvisor found that 79% of 2,100 travellers indicated that a management response to a negative review reassures them, so it is important to take advantage of the final word (Craig, 2011). Identifying which reviews to respond to is also important though. Certainly anything that is damaging to the companies reputation or that needs an apology or clarification needs to be addressed. But

sometimes a review is completely irrational and offensive, in which case a response may call unnecessary attention to it, and a business should trust that the people reviewing the content can often read between the lines and make an educated decision based off the other reviews. It is also important to respond to the positive reviews, yet it is unnecessary to respond to all of them, as it can seem repetitive and not genuine. Jamie McPhee, Director of Guest Relations for Wequassett Resort and Golf Club, acknowledges that the culture today is all about personalization and a specific response will leave a bigger impression rather than a general one. She notes that it is crucial to not post a novel that rambles, but to rather contact them directly to get specifics as to what happened and to work to regain their trust, behind and beyond the keyboard.

When identifying which reviews to respond to on TripAvisor, management must read them very careful and try to understand the guests point of view. After doing so, the response needs to be worded very carefully. It is important to thank the reviewer for their feedback, then to apologize and take responsibility if anything went wrong, and to state how you will follow-up on that. Travellers will not write off your hotel because a negative review is posted, they simply want to be reassured that the same instance won't happen to them, so it is important to be transparent (Craig, 2011). Jon Sallinen, General Manager of the Red Jacket Mountain View Resort notes how important it is to acknowledge when something went wrong and to not combat it with an excuse. With unique usernames that are not often the same as the name that reservations are made under, it can often be difficult for hotels to identify which guest is posting the review, but every effort should be made to contact the reviewer directly or management should at least ask the past guest to contact them to further resolve any past issues.

Mr. Sallinen also believes it is key to not promise any compensation over the Internet, because that will ultimately entice more people to write fake bad reviews. TripAdvisor has a zero tolerance policy for fraud and has sophisticated tools for detecting it, but also depends on its community to help keep content accurate (Craig, 2011). One tool that TripAdvisor has is the "Report as Inappropriate" button in the Management Center. Yet often times, Mr. Sallinen believes that it is not travellers who abuse TripAdvisor, it is actually the owner/operators of the businesses. They may make fake accounts to write reviews from or even pay people to write fake reviews in favor of their business. These fake reviews don't make for a level playing field and can be detrimental to a successful guest experience in the end. Some penalties for playing the system may include a drop in the companies' popularity index ranking and a red badge warning travellers that your reviews are suspicious (Craig, 2011).

#### *i. Analyzing Hotel Reviews*

In analyzing TripAdvisor reviews, I chose to focus on Luxury, Independent hotels because word of mouth is one of their main marketing tools, thus electronic word of mouth is crucial to their success as well. I chose to compare Wequassett Resort and Golf Club, The Cliff House Resort and Spa, and The Bowery Hotel.

Wequassett Resort and Golf Club is a Four Star, Four Diamond resort on the elbow of Cape Cod, featuring 120 lavish guest rooms and suites, four acclaimed restaurants, two pools, two beaches, boating and water sports, a state of the art Children's Center, four Har Tru tennis courts, and 18-holes of exclusive championship golf. Wequassett means "crescent on the water" which represents the sand-spit curves of the Cove that is in the crescent shape. The property opened in 1925, essentially taking in

"summer boarders", yet the current owners took over in 1977 and expanded and upgraded the inn to its luxury resort status (Resort History, 2014).

The Cliff House Resort and Spa in Ogunquit, Maine, has been run and owned by the Weare Family since 1872. Its 166 seaside rooms with balconies, fine and casual oceanside dining, four pools, spa, fitness center, amphitheater, and executive meeting rooms are located on 70 oceanfront acres (History, 2014). Elsie Jane Weare was the founder of The Cliff House and developed this simple formula for success: clean rooms, fine food, fresh air, personal hospitality- all in an incomparable scenic location and the resort continues to be run by this with each new generation (History, 2014).

The Bowery Hotel is a boutique property in New York City that is hip while conveying nostalgia through industrial design and rich velvet textures. 135 rooms boast views of East Village from floor-to-ceiling windows and some terrace suites have outdoor hot tubs, while all have modern comforts such as free Wi-Fi, iPod docks, flatscreen televisions, and 400-thread count bedding (The Bowery Hotel, 2014). The 10,000 square foot space is perfect for events such as weddings. 24 hour room service, Gemma Restaurant, complimentary bicycles, full business center, valet parking, spa service, and a fitness room are just a few of the amenities offered at this haute hotel (The Bowery Hotel, 2014).

One of the first icons users see on TripAdvisor is the Traveler Rating result. This is the overall rating that a past guest has given the property that can be designated as terrible, poor, average, very good, or excellent. The tables below show the varied results for all three hotels:

# **Table 1. Hotel Traveler Ratings**

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 255             | 69.1%               |
| Very Good        | 57              | 15.4%               |
| Average          | 30              | 8.1%                |
| Poor             | 15              | 4.1%                |
| Terrible         | 12              | 3.3%                |
| Total            | 369             | 100%                |

# Wequassett Resort and Golf Club- Harwich, Massachusetts (4 stars) (April 7, 2014)

## The Cliff House Resort and Spa- Ogunquit, Maine (3 stars) (April 7, 2014)

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 166             | 25.3%               |
| Very Good        | 126             | 19.3%               |
| Average          | 120             | 18.3%               |
| Poor             | 120             | 18.3%               |
| Terrible         | 123             | 18.8%               |
| Total            | 655             | 100%                |

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 245             | 70.6%               |
| Very Good        | 75              | 21.6%               |
| Average          | 14              | 4%                  |
| Poor             | 4               | 1.2%                |
| Terrible         | 9               | 2.6%                |
| Total            | 347             | 100%                |

The Bowery Hotel- New York City, New York (4 stars) (April 7, 2014)

All of these hotels are of similar caliber, being luxury, independent properties with scenic views and unique amenities. The number of reviews was diverse for each property. Wequassett Resort and Golf Club had 369 reviews, The Cliff House Resort and Spa had 655 reviews, and The Bowery Hotel had 347 reviews. The fluctuation can be attributed to the history of the property, its presence on social media, and the type of client market it is geared towards. Because the number of ratings varied greatly, I will compare using the percentages of votes.

The Bowery Hotel beat out Wequassett Resort and Golf Club by a hair, with 70.6% verse 69.1% of reviewers testifying that the resorts were "excellent". The Bowery Hotel was credited for its fantastic location, trendy yet old English style décor, and hip ambience. Wequassett Resort and Golf Club was recognized for its amazing accommodations, breathtaking views and gardens, and impeccable personalized service. The Cliff House Resort and Spa received 25.3% "excellent" reviews citing the beautiful views and location, lavish spa, and friendly staff.

In regards to the rest of the ratings, all of the properties had the second highest results for "very good". Wequassett Resort and Golf Club and The Bowery Hotel continued to decline in reviews under the categories "average", "poor", and "terrible" all with significantly less than 10% of reviewers rating them as such. In contrast, about 18.3% of The Cliff House reviewers rated the property as "average", 18.3% rated it "poor", and 18.8% rated it "terrible". This disparity across the board shows how inconsistent the property is. Only 6% of reviews separate those who think the resort is excellent verse those who think it is terrible. The shortcomings stated of The Cliff House Resort and Spa were the outdated décor and rooms, poor cleanliness, and bad value.

#### *ii. Analyzing Hotel Responses*

There are multiple reasons as to why a guest would feel the need to write a review on TripAdvisor about an experience they've had. But regardless of reason, it is the response by that property that will help improve guest loyalty. Wequassett Resort and Golf Club's Director of Quality Assurance, Josette C. Willis, takes the time to write a personalized response to every review written. Regardless of the nature of the review, she greets the reviewer by name (if it can be detected from the username), thanks them for their feedback, and acknowledges the situation with humility. In response to an "excellent" review on October 15, 2013, Josette replied:

• "Dear Chris;

Thank you for choosing the resort as part of your New England tour and birthday celebration for your wife. We are delighted the resort was your favorite hotel on the trip! We appreciate your taking a moment to comment on your stay and we have shared your thoughtful feedback with our team, in particular Robbie, who we have thanked for her outstanding service.

Thank you again for sharing your experience, we look forward to welcoming you back to the resort in the near future.

Best regards, Josette C. Willis Director of Quality Assurance"

The response shows genuine satisfaction that the guest was well taken care of while

subtly asking for continued business in the future. A reviewer that rated the resort as

"very good but not excellent" based on what he felt was lacking in the value category,

was written to on September 16, 2013:

• "Thank you for your balanced feedback regarding your stay at the resort last month. We are delighted that you enjoyed many aspects of your stay, especially the service.

We appreciate your suggestions, as it is feedback like yours that assists us in continually improving the guest experience. We look forward to welcoming you back to the resort for a future visit.

Best regards, Josette C. Willis Director of Quality Assurance"

This response acknowledges the shortcoming and promises to utilize the feedback to improve future guest experiences, which is exactly what users of TripAdvisor want to see so they are reassured that the same occurrence won't happen to them. Perhaps the most important type of review to combat is the bad ones in terms of gaining guest loyalty. When a patron and his party was denied access to the outside bar after stating they had been told there would be service, Josette responded: • "Thank you for taking a moment to share your recent experience at the resort. We appreciate your comments and truly regret that you did not receive the high level of service that the resort routinely provides its guests.

We were also concerned to learn about your perception of the treatment from a member of our staff, as this is not a common occurrence by our team and is certainly not in keeping with our company's operating philosophy.

We hope to have the opportunity to personally apologize for these shortcomings along with having the chance to regain your confidence in the resort. Should you wish to discuss this concern further, I would be more than happy to speak with you if you wouldn't mind e-mailing jcwillis@wequassett.com, or contacting me directly at 508-430-3024, at your earliest convenience.

Sincerely,

Josette C. Willis Director of Quality Assurance"

While it is never easy to hear harsh criticism, Josette approached it by first listening to the customers concerns, taking responsibility and apologizing, and by going as far as wanting to personally apologize through more direct contact in order to regain their confidence. Wequassett Resort and Golf Club utilizes a procedure called L.E.A.D.- listen, empathize, ask/act, dazzle when an unpleasant situation arises on property. With this they make every effort to resolve any problem before it leaves the resort, but with an inevitable negative review bound to occur, Wequassett reacts appropriately in owning the issue and offering assistance to amend the situation off-property. They have guests who have continued to return for 20 years, and a return guest rate of about 35%, while also gaining 65% new guests every year.

The Bowery Hotel has taken a completely opposite approach to responding to reviews on TripAdvisor. They haven't responded at all. This is a very tricky technique, particularly for a relatively new and up and coming hotel that opened in 2007. Yet only 7.8% of reviewers rated the property as either "average", "poor", and "terrible" which are the guests that need to be convinced to return. Being a relatively small percentage, it is not as big of a concern for The Bowery Hotel. One thing that is saving them would be their social media presence. They have 5,560 likes on Facebook, 5,890 Twitter followers, and 3,219 followers on Instagram (as of April 9, 2014). By interacting with guests through these websites The Bowery Hotel has tapped into their target market of a younger audience and are utilizing the tools they feel are appropriate to creating guest loyalty.

The Cliff House Resort and Spa has the most reviews out of all three properties and does a fantastic job with making the effort to respond to almost every one of them yet they are of a different nature than Wequassett Resort and Golf Clubs. The responder's username is FDM09. This is not advised as it comes across as simply a computer is responding, not so much an actual person. A sample of the responses to "excellent" reviews include:

- "Thank you for your lovely review. We hope you will enjoy more nights at the Cliff House in the near future."
- "Thank you for sharing your experience and letting us and others know that the efforts of staff and management and our many amenities are noticed and appreciated."
- "Thank you so much for taking your time to post a positive review. I am delighted that you enjoyed your stay and hope that others may decide to experience the Cliff House after reading your review."

It is important to make many of the responses short and sweet, yet these can come across as a bit rushed and generic. It would benefit the property to implement more personalized messages. The last one could also be interpreted as a bit desperate, giving off the impression of "I hope others will take your word for it and not the other peoples". The Cliff House Resort and Spa should try to come across as a bit more genuine. It is great that they respond to the negative reviews as well. Some of the responses to "terrible"

ratings are:

• "Comments good and bad help us to improve and we thank you for sharing yours with us. I sense frustration and disappointment with regards to this stay and only wish that I had more first hand knowledge.

The Cliff House has been in the present owner's family for 141 years and has a long and proud history, which is reflected throughout the hotel in furnishings, artwork and décor. While some guests may not appreciate our history, there are more who embrace it.

Most guests enjoy our spa.

We do have a computer system at the front desk."

 "We are sorry to learn of your disappointment with your recent stay at the Cliff House. It sounds as if a spa room was booked with a view looking down the coast towards the beaches of Ogunquit, Wells and Kennebunk. If a guest stays for one or two nights and reserves a spa room, a coastal view room would be assigned. The view does include the parking lot when standing and looking out from the guest room or balcony. When sitting and enjoying the balcony, the coastline with expanses of the Atlantic Ocean is all that is seen. While some guests do not enjoy a coastal view, many guests request this view.

All 166 of our guest rooms have a view of the ocean. If a guest does not like a view, we suggest that they call the front desk and asked to be moved. Whenever possible we would accommodate a move.

Our breakfast buffet is very popular with guests and non-guests alike.

We have complimentary coffee in all of guest rooms and near the front desk in the early morning before our dining room or coffee barista opens."

• "We always hope that guests bring any problem(s) that they are experiencing to the us during their stay so that we can make it more enjoyable. It is difficult to address problems with showerheads, windows that do not open and a dusty bed after the fact. We immediately address and resolve any problems that are brought to our attention. We want all guests to have a pleasant experience during their stay."

The Cliff House Resort and Spa does a decent job empathizing with these guests,

although they do not apologize or truly take responsibility for what happened. They are

very matter of fact and simply state what a TripAdvisor user could find on their website. It almost could be perceived as accusing the reviewer of not knowing what they are talking about and that does not come across as comforting to potential future guests. Being defensive is offensive to readers. I also found many spelling errors throughout responses, which can give the impression that it was rushed and not truly cared about. While the reviews are very inconsistent and that may be due to need refurbishments or service errors that need to be addressed, the tone of all these responses, the lack of personalization, and the poor username will play a huge part in retaining guests and gaining new guests.

#### iii. Analyzing Restaurant Reviews

When analyzing TripAdvisor reviews for restaurants, I looked at establishments from similar locations as the previous hotels that are all upscale, independent eateries of the same price range. These restaurants utilize word of mouth as a huge form of marketing as well, so electronic word of mouth has a huge impact on their success. I chose to look at the Impudent Oyster, Roost Café and Bistro, and Freemans Restaurant.

The Impudent Oyster, located in charming downtown Chatham, Massachusetts is known for its inventive seafood dishes. It is a rather cozy restaurant set in an old church. Known for its large portions, classy style with a great bar scene, and exceptional staff, the Impudent Oyster has been referred to as the Chatham "gem".

The Roost Café and Bistro is located in Ogunquit, Maine and has a warm, welcoming atmosphere. They bring regional and international cuisine to life by using classic cooking techniques with contemporary flavors that creates an eclectic flair. Opening the first fine dining restaurant in March 1992, the owners Aldo and Rob have

39

more than 20 years of service experience and pride themselves on both customer service and quality food (Roost Café and Bistro, 2014).

Freemans Restaurant opened in 2004 at the end of an unused alley in the East Village of New York. The atmosphere is a rugged clandestine colonial American tavern, with simple, rustic cuisine inspired by old world traditions. From wild game, sustainable seafood, and local produce to their exclusive wine and whiskey selections, Freemans Restaurant continues to use innovation to make a name for themselves (Freemans Restaurant, 2014).

TripAdvisor uses a Recommended Rating for restaurants. Similar to the Traveler Rating for hotels, this overall rating that a past guest has given the property can be designated as terrible, poor, average, very good, or excellent. The tables below show the varied results for all three restaurants:

### **Table 2. Restaurant Recommended Rating**

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 291             | 56.6%               |
| Very Good        | 135             | 26.3%               |
| Average          | 50              | 9.7%                |
| Poor             | 21              | 4.1%                |
| Terrible         | 17              | 3.3%                |
| Total            | 514             | 100%                |

#### Impudent Oyster- Chatham, MA (\$\$\$) (April 7, 2014)

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 127             | 60.5%               |
| Very Good        | 34              | 16.2%               |
| Average          | 27              | 12.9%               |
| Poor             | 11              | 5.2%                |
| Terrible         | 11              | 5.2%                |
| Total            | 210             | 100%                |

Roost Café and Bistro- Ogunquit, Maine (\$\$\$) (April 7, 2014)

# Freemans Restaurant- New York City, NY (\$\$\$) (April 7, 2014)

| Traveller Rating | Number of Votes | Percentage of Votes |
|------------------|-----------------|---------------------|
| Excellent        | 87              | 41.5%               |
| Very Good        | 86              | 40.9%               |
| Average          | 19              | 9%                  |
| Poor             | 9               | 4.3%                |
| Terrible         | 9               | 4.3%                |
| Total            | 210             | 100%                |

56.6% of reviewers for The Impudent Oyster rated them as "excellent" with their signature dish Portuguese mussels getting many compliments as well as the cozy, quaint atmosphere and local, fresh seafood. 60.5% of reviewers rated Roost Café and Bistro as

"excellent" due to the value, friendly Owners and staff, and location. 41.5% of reviewers rated Freemans Restaurant as "excellent" for its quirky charm, unique dishes, and good drinks. All three restaurants received the majority of their reviews as "excellent".

All three restaurants received "very good" as the next highest rating, with 26.3% of reviewers for the Impudent Oyster, 16.2% of reviewers for Roost Café and Bistro, and 40.9% for Freemans Restaurant. This shows that the Impudent Oyster and Roost Café and Bistro, regularly go above and beyond to gain that "excellent" factor, while Freemans Restaurant is simply consistent between being "very good" and "excellent". Improved customer service could be a huge help in dazzling the guests to persuade them to give more "excellent" reviews.

The "poor" and "terrible" ratings for the three restaurants are all 5% or below. With such a small percentage, these could be considered as outliers yet they need to be read and taken into account in order to improve overall satisfaction. It is particularly helpful to look for specific disappointments that could be changed such as a particular dish that did not taste good or a bad server that had a poor attitude that needs to be adjusted or trained more.

#### iv. Analyzing Restaurant Responses

Just as with hotels, it is important to guest loyalty and satisfaction, for restaurants to respond to TripAdvisor reviews to show genuine care for giving great experiences. Interestingly enough, the Impudent Oyster, the Roost Café and Bistro, and Freemans Restaurant have not responded to any of their reviewer postings. This is surprising due to their status as small, independent restaurants that could use the extra marketing techniques to get their business recognized more. This is evident by the mere 210

42

reviews posted for Roost Café and Bistro and Freemans Restaurant. By responding to the reviews, they could build a much larger presence on the site that could draw more users. Another downfall that could be limiting the success of these restaurants is their other social media site action. The Impudent Oyster has 833 likes on Facebook, yet does not have an Instagram or a Twitter. Roost Café and Bistro have 1,122 likes on Facebook but also does not have an Instagram or a Twitter. By linking their TripAvisor page to their company website and these social media sites, they would have much more exposure. Freemans restaurant is much more active of the social media scene with 3,926 likes on Facebook, 2,005 Twitter followers, and 301 followers on Instagram. Being a trendier, hip restaurant they are capitalizing on marketing to their young target market, and should utilize this more by connecting them with TripAdvisor. Overall, the restaurants are lucky they receive a majority of positive reviews, otherwise there lack of concern in what guests are saying would be very off putting to new users considering eating at their establishment.

## IV. METHODOLOGY

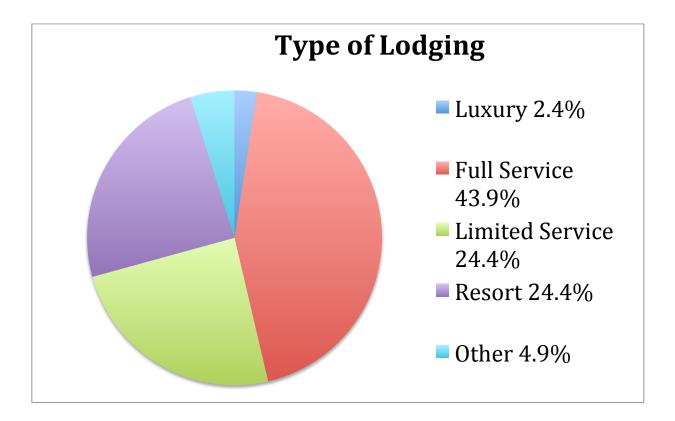
## **A. Survey Results**

In researching ways that hotels can achieve guest satisfaction and loyalty, I created a survey looking into hotel, restaurant, and social media preferences. Garnering 40 responses, I will use percentages to analyze the outcomes to my questions.

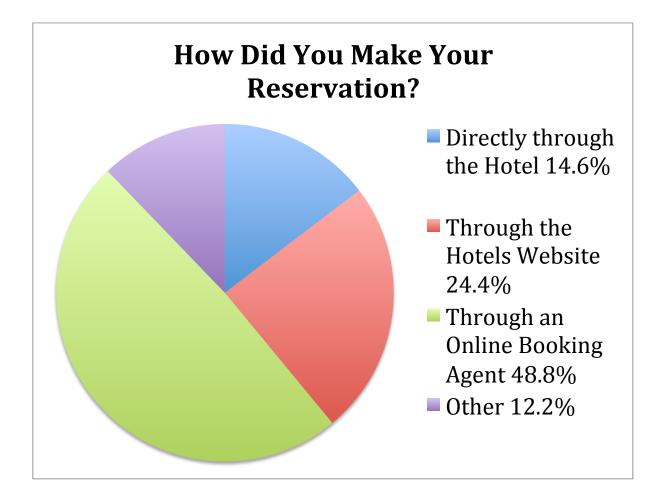
#### *i. Lodging Experience*

I asked surveyors to think back to a time when they stayed at a lodging establishment and to reflect on their stay through a series of questions. When asked what type of lodging surveyors stayed at the results were:

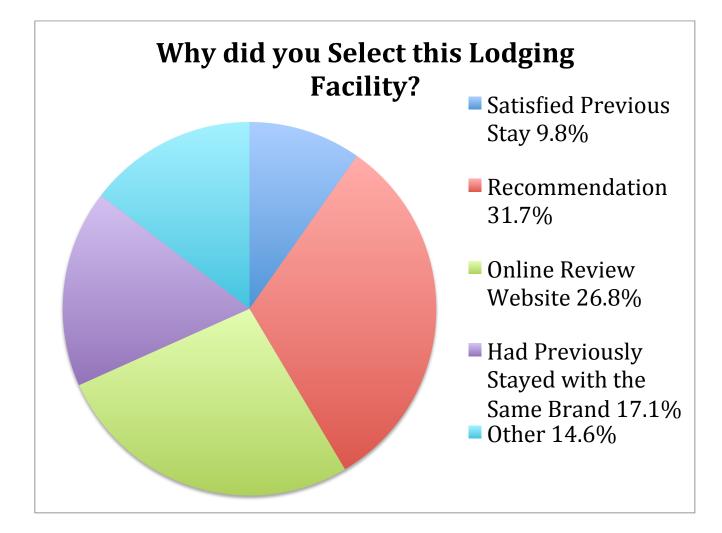
43



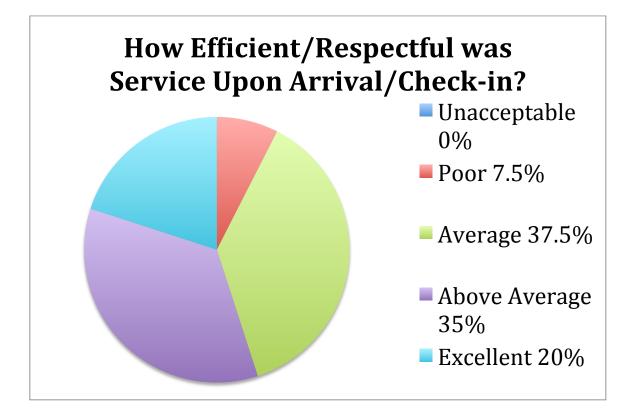
A 44% majority of people stayed at a Full Service hotel, demonstrating perhaps our cultures need for convenience and amenities. The smallest percentage having stayed at a luxury hotel is likely due to the surveyors' age being a majority between 18-25. Millennials do not have the income yet to afford a luxury stay. I then asked how reservations were made and received a response of:



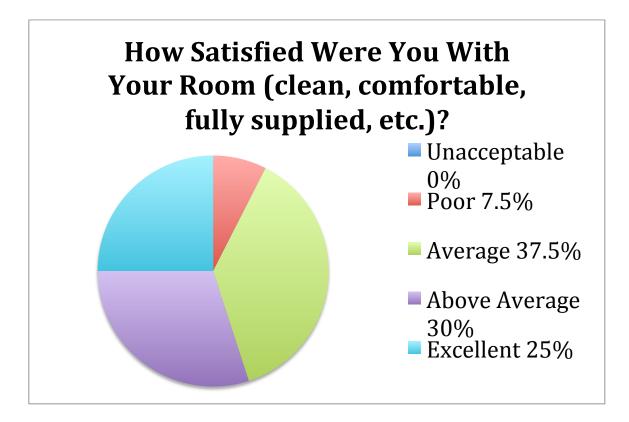
Nearly half of respondents used Online Booking Agents, solidifying convenience of the Internet in our culture and the necessity for hotels to utilize them. With nearly 25% booking through the hotels' website, proves how important it is to have your reservation page easy to use and navigate. I received interesting results to the question, "Why did you select this lodging facility?":



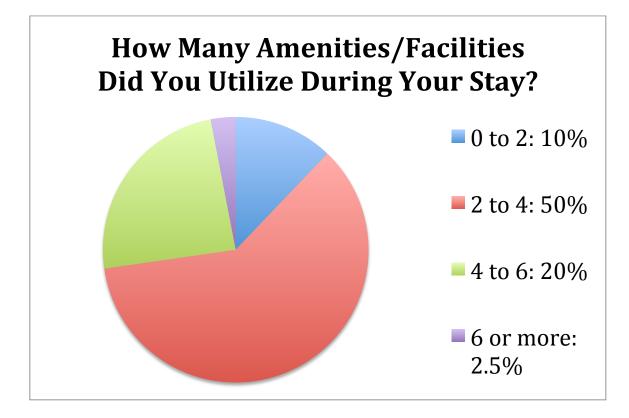
Word of mouth interactions prove to be the main reason for choosing where to lodge with 58.5% of surveyors using recommendations and online review websites. While traditional word of mouth has always been important to success, electronic word of mouth has recently come to light as a very successful marketing tool. This proves how crucial it is to monitor your businesses presence on travel review websites, such as TripAdvisor. In asking how efficient/respectful service upon arrival/check-in was, respondents noted:



With over 90% of surveyors believing they had an adequate, if not great check-in experience, this proves the care that hotels take in providing good customer service and the importance still, in the digital age of personal contact and interaction. Check-in plays a large part in the guests' first impression of the hotel and its establishment; if they are not satisfied with it the rest of their stay could subsequently be effected negatively. A large part of guest satisfaction is how they feel about their accommodations:



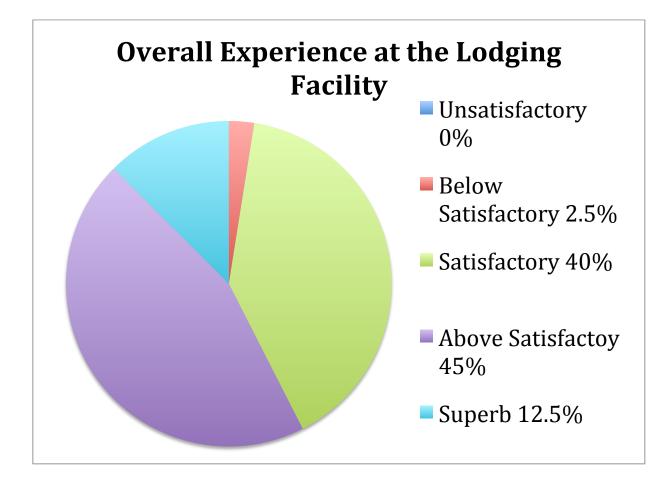
This aspect of the stay is one of the first things that people report about after checking out of a hotel. These statistics were aligned very well with check-in satisfaction showing that companies who have a great front desk staff also employ a good housekeeping team to ensure guest satisfaction with their room. Accommodations aside, when inquiring about the amenities and facilities that were utilized, respondents stated:



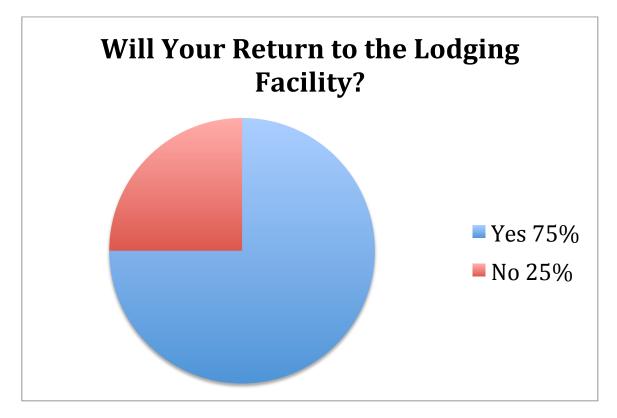
A majority of surveyors used two to four amenities and facilities, with Internet, food and beverage, and recreation being the most utilized. Amenities will differentiate one hotel from another and their presence will have an impact on how a guest will perceive their stay. When inquiring about how well employees responded to guest needs, my survey resulted in:



Guest perception of how well they are catered to is crucial to their satisfaction and their loyalty to the business. It could be the most beautiful property in the world, but without the proper staff etiquette an experience could be ruined. 57.5% of surveyors believed that the staff where they stayed went above and beyond to tend to their needs, surpassing those who felt less valued at 42.5%. When looking at the overall guest experience, including service, accommodations, and amenities/facilities, surveyors responded:



This proves that it is not just one element of the hotel, but the combination of many that will result in a satisfied guest. 97.5% of respondents were at least satisfied or even blown away by their stay. Attention to detail will go a long way with a guest. This is reflected in the responses to "Will you return to this lodging facility?":

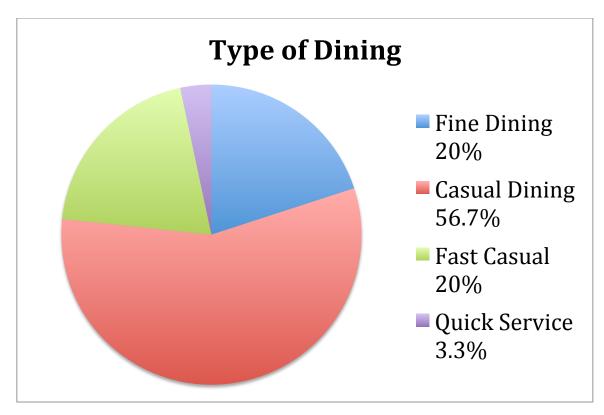


What affected this result the most, was the fact that many people simply will not be at the same destination again for a while, if ever. It is not that they did not enjoy their experience; it is just not realistic to visit again in a reasonable fashion. Additionally, 75% of respondents said that they would recommend the hotel to anyone visiting that area, proving that guests are likely to leave and tell many about your establishment also confirming that word of mouth is a large form of marketing.

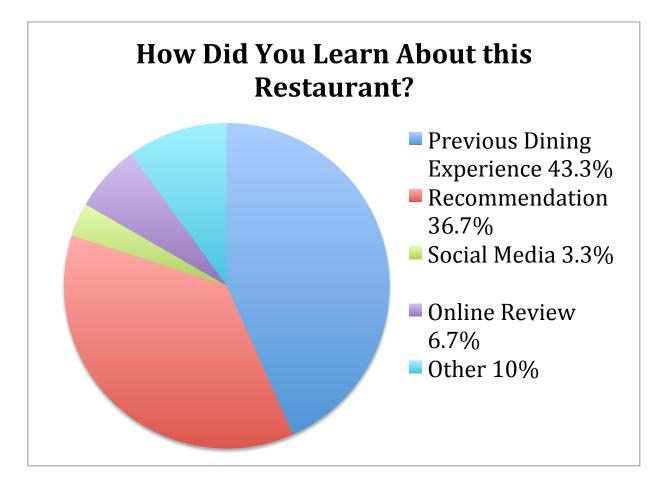
I also inquired about a past lodging experience where surveyors encountered a problem. Out of guests who had problems with for example a broken television, no towels, or a smelly room but were quickly remedied by maintenance, a switch of rooms, or other accommodations, 75% would return to the property. This result shows that while the hotel dropped the ball on a promised service, they made an extended effort to fix the problem and regained the guest's trust and loyalty.

# *ii. Restaurant Experience*

In surveying people about their restaurant experiences, I asked them to think back to a time when they dined out and to reflect on how they felt about the event. Asking about what type of restaurant they ate at resulted in:



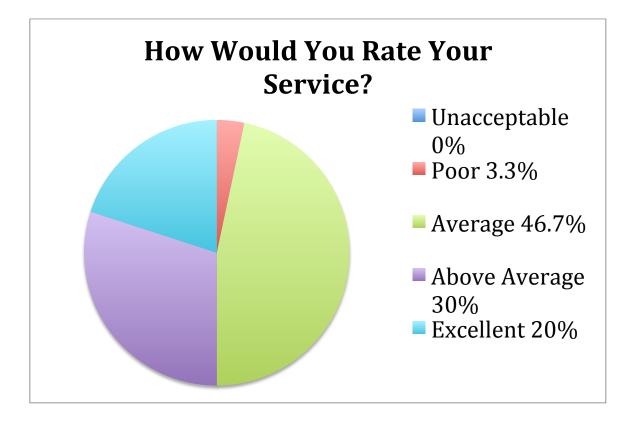
A majority of surveyors ate at Casual Dining establishments such as Chili's, Olive Garden, or Outback Steakhouse. Many Casual Dining establishments are chain restaurants, with many convenient locations to attend. Only 3.3% chose to reflect on a fast food experience, leading us to believe that this isn't entirely considered a "dining" experience since it is quick and on the go usually. When inquiring about how these diners learned about the restaurant, the result was:



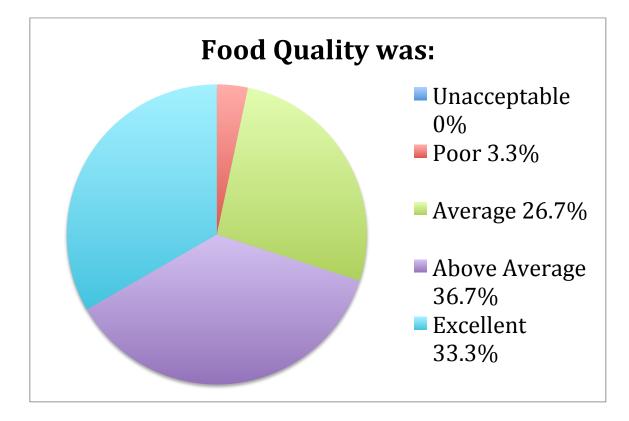
43.3% of surveyors have returned to a restaurant, justifying that they had a great previous experience that created loyal customers. With 36.7% of diners trying a restaurant due to a recommendation, it is once again justified that the word of mouth technique is the quickest, cheapest, and easiest form of marketing. Not only does this mean you have created a loyal customer, but you have now gained new guests that can be made into repeat customers. Interestingly, online review websites, such as Yelp and TripAdvisor were only used by 6.7% of respondents, showcasing that the dining industry hasn't caught on to electronic word of mouth as much as lodging has quite yet. I also questioned how long it took to be seated and learned:



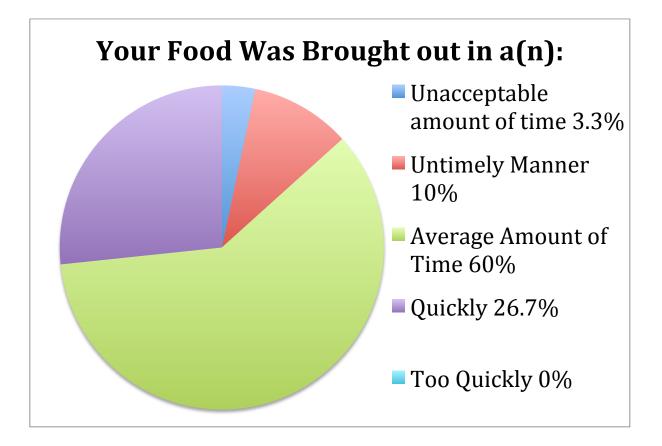
Having to wait a long time to be seated can cloud guests' judgment on the rest of their experience. They would usually be very hungry by that point and could perceive the food as ultimately taking a long time to come out or for the food to be of lesser quality, which is why it is important for this first impression to be treated carefully. 96.7% felt that being seated within 20 minutes was satisfactory, giving restaurants a decent amount of leeway when trying to accommodate. When rating service, respondents reported:



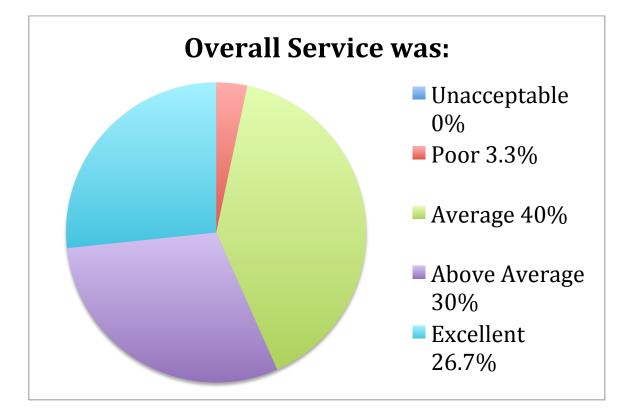
A 46.7% majority of those surveyed thought their service was average in terms of friendliness, efficiency, helpfulness, and promptness. 50% of patrons had the pleasure of experiencing a service that went above and beyond in some fashion. Service is highly dependent on the training and nature of the server. The server plays a significant role in guest satisfaction and how they view the restaurants reputation because it is such an interactive environment. Food could be excellent, but if there is an inferior server, that fact may overshadow. With food quality, surveyors thought:



70% of respondents thoroughly enjoyed their meals having at least an above average culinary experience. Food quality is crucial because that is the product that is being sold. It sets the foundation of the restaurants reputation. Signature dishes keeps guests returning as well as a varied menu that keeps people coming back to try new items. Consistency in food quality is key to retaining guests for the future also. Responders also reported that food was brought out in a(n):



Only 13.3% of surveyors believed their meal came out too slowly with 76.7% happy with how long it took to receive their food. The length of time it takes to receive food will affect guest impressions on overall service, so it is important for restaurants to have an efficient delivery system. Respondents reviewed overall service as:

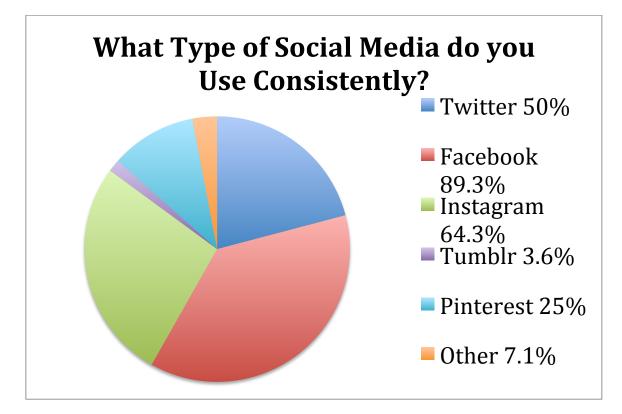


Taking into account food quality, efficiency of service, and quality of service 40% had an average experience, 30% had an above average experience, and 26.7% had an excellent experience. This suggests that while a 36.7% majority rated food quality as above average, it is not enough for a guest to report that they had an excellent experience. Service was rated at just average according to 46.7% of respondents, as well as timeliness of service being reported as average by 60% of surveyors, and these two qualities swayed a majority of 40% of diners to report they had an adequate experience. Average is not bad for a restaurant, but good is the enemy of great and if a business wants to set themselves apart and thrive, restaurants need to aim to score high in all categories of service. Restaurants are given a second chance more easily though, with 90% of diners saying they would return to the establishment.

When inquiring about a problem encountered during a dining experience, it was shown that 70% of diners would return if a food problem was remedied, yet if there was a problem with service, only 55% of people would return. As stated earlier, the quality of food is not always the most important aspect of retaining guests; the service quality and efforts to fix a problem are just as important.

# iii. Social Media Use

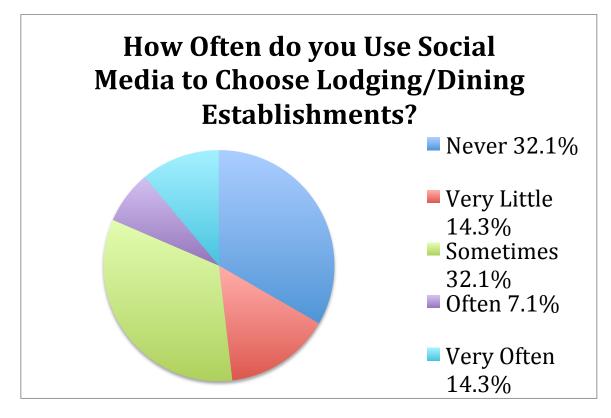
I looked into the social media and Internet habits of the surveyors as well to see how it affects their travel and leisure plans. The uses of social media reported:



As stated earlier in this paper, Facebook is the most visited site, with 89.3% of respondents actively using it. Instagram and Twitter are used by 64.3% and 50% respectively. With all of these websites having the capability to be linked together, the

market that would be targeted is exponential. In terms of how often surveyors use social

media to choose a lodging or dining establishment:



A 64% majority of surveyors either sometimes use these social media sites or they never use them. For this survey, these results are not surprising because as stated previously most choose where to dine based on a previous experience or a recommendation in deciding where to lodge based on of recommendations or online review websites. It is still important to have a presence on social media though because it broadcasts your company to many different outlets and spreads the word about your business quickly and efficiently.

# iv. Limitations

Limitations to this research include the characteristics of the respondents, as well as the number of responses collected. 64% of surveyors were between the ages of 18 and

25, limiting booking experiences. Collection of data was largely on the University of New Hampshire campus. 89% of surveyors reported they were white. This is the result of the demographics of the University of New Hampshire survey population. 71.4% of respondents were female, with 28.6% being male creating a somewhat biased majority female point of view. The number of responses I received also posed a limitation. While the survey was distributed through many different channels including direct email, Facebook, Twitter, Instagram, and word of mouth, only 40 people responded. I also received an additional 40 partially completed responses that I had to forgo for consistency purposes.

#### V. CONCLUSION

To conclude, there are many ways that hotels can achieve guest satisfaction and loyalty. Taking active measures to avoid unpleasant guest experiences and having the skilled customer service representatives to create great lifetime memories for customers is the first way to retain a guest. Yet when unfortunate problems do arise, it is crucial to take the appropriate steps to resolving them in order to regain confidence in your company, while they are still on property. If an unfortunate occurrence leaves the property without guest resolution, in this day and age, it is likely going to be broadcast on social media and travel review websites, read by many. Not only do these sites market the company, but they also allow for further interaction between customers and management permitting for many more opportunities for recovery, engagement, and personalzed customer service. A relationship with a guest should never end due to a lapse in service. Companies always have to remember it is not the serve, but the return that will gain guest satisfaction and ultimately loyal customers.

62

## References

- AH&LA History. American Hotel and Lodging Association. Retrieved from http://www.ahla.com/content.aspx?id=26519
- Blank, Christine. (March 23, 2011). *Facebook Leads to Hotel Room Revenue*. Retrieved from http://www.hotelnewsnow.com/Article/5225/Facebook-leads-to-hotel-room-revenue
- Craig, Daniel. November 25, 2011. *How To Manage TripAdvisor Reviews*. Retrieved from http://eds.b.ebscohost.com.libproxy.unh.edu/ehost/detail?sid=c02100cf-a881-468b-a5cd-7de061b1a052%40sessionmgr110&vid=4&hid=109&bdata=JnNpdGU9ZWhvc3QtbGl2 ZQ%3d%3d#db=buh&AN=69709553
- Craig, Daniel Edward. November 12, 2013. *Nine Best Practices for Hotels on Twitter*. Retrieved from <a href="http://www.hospitalitynet.org/news/4062905.html">http://www.hospitalitynet.org/news/4062905.html</a>
- Expedia, Inc. SWOT Analysis. July 30 2013. MarketLine
- Fact Sheet. 2013. Retrieved from http://www.tripadvisor.com/PressCenter-c4-Fact\_Sheet.html
- Freemans Restaurant. 2014. Retrieved from http://freemansrestaurant.com/Menu.html
- Herman, Jenn. December 23, 2013. *Instagram Best Practices*. Retrieved from http://maximizesocialbusiness.com/instagram-best-practices-10548/
- Herman, Jenn. February 26, 2014. *All the Instagram Stats You Need to Know*. Retrieved from http://maximizesocialbusiness.com/instagram-stats-need-know-12772/
- History. 2014. Retrieved from http://www.cliffhousemaine.com/about/history.cfm
- Kwok, Linchi and Bei Yu. (September 24, 2012). Spreading Social Media Messages on Facebook: An Analysis of restaurant Business-to-Consumer Communications. Retrieved from http://cqx.sagepub.com.libproxy.unh.edu/content/54/1/84.full.pdf+html
- Lee, Hee, Basak Denizci Guillet, and Rob Law. August 1, 2012. An Examination of the Relationship Between Online Travel Agents and Hotels: A Case Study of Choice Hotels International and Expedia.com. Retrieved from http://cqx.sagepub.com/content/54/1/95.full.pdf+html
- Levere, Jane. June 27, 2011. The Virtual Hotel Concierge. Retrieved from http://www.nytimes.com/2011/06/28/business/28concierge.html? r=0

- Levy-Bonvin, Jacques. 2003. *Hotels: A Brief History*. Retrieved from <u>http://www.hospitalitynet.org/news/4017990.html</u>
- Martin, Grant. November 18, 2013. You Can Now Book Hotels Through Twitter. Retrieved from <u>http://www.forbes.com/sites/grantmartin/2013/11/18/you-can-now-book-hotels-through-twitter/</u>
- McDonald's Corporation. 2014. *Corporate FAQ*. McDonald's Publication. Retrieved from http://www.aboutmcdonalds.com/mcd/our\_company.html
- Meally, Lorrie. *The History of the Restaurant Part One*. Retrieved from <u>http://restaurants.about.com/od/resources/a/A-History-Of-The-Restaurant-Part-One.htm</u>
- Miller, Debbie. December 22, 2013. *Instagram Direct to Market Your Hotel*. Retrieved from <u>http://socialhospitality.com/2013/12/using-instagram-direct-to-market-your-hotel-</u> <u>2/#sthash.XmgPXLbh.dpbs</u>
- Missouri Employers Mutual. 2014. *Staff Safety in the Hospitality Industry Tutorial*. WorkSAFE. Retrieved from <u>http://www.worksafecenter.com/safety/tutorial/hospitality/home.page</u>
- Okumus, Fevzi, Levent Altinay, and Prakash Chathoth. 2010. *Strategic Management for Hospitality and Tourism*. Amsterdam: Butterworth-Heinemann.
- Olenski, Steve. (February 7, 2014). *The Impact of Social Media in the Travel Marketing Industry*. Retrieved from <u>http://www.forbes.com/sites/steveolenski/2014/02/07/the-</u> impact-of-social-media-in-the-travel-marketing-industry/
- Olver, Lynn. 2000. *The Food Timeline*. Retrieved from http://www.foodtimeline.org/restaurants.html
- O'Reilly, Doug and Oliver Sohn. January 2011. Introduction: Hospitality Brands and Facebook-Identifying the Opportunities. Seven Art Media. Retrieved from http://ww1.prweb.com/prfiles/2011/02/02/4547554/HOSPITALITYBRANDSANDFAC EBOOK.pdf
- Pizam, Abraham. 2005. International Encyclopedia of Hospitality Management. Boston, MA: Elsevier.

R. Woods, M. Johanson, M. Scarini . 2012. *Managing Hospitality Human Resources*. Lansing, Michigan: American Hotel and Lodging Educational Institute.

Resort History. 2014. Retrieved from http://www.wequassett.com

- *Roost Café and Bistro*. 2014. Retrieved from <u>http://www.roostcafeandbistro.com/about-roost-</u>cafe-bistro/restaurant-and-staff/
- Shankman, Samantha. October 21 2011. The Best Hotel Social Media Campaigns of 2013. Skift. Retrieved from <u>http://skift.com/2013/10/21/the-best-hotel-social-media-campaigns-of-</u>2013/
- The Bowery Hotel. 2014. Retrieved from http://www.theboweryhotel.com/index.php
- *The Voyage Global Leadership Development Program.* 2014. Marriott Careers. Retrieved from http://www.marriott.com/careers/paths/entry-level-jobs/hospitality-training-programs.mi
- Wardell, Levi. April 8, 2013. 23 Examples of How Hotels Use Instagram. Retrieved from http://www.interactivestrategies.com/blog/23-examples-how-hotels-use-instagram
- Whitaker, Jan. 2010. *Restaurant-ing Through History*. Retrieved from <u>http://restaurant-ingthroughhistory.com</u>
- Wonglorsaichon P, Wiriyakitjar R. 2013. *Hotel Customer Expectations of Service: A Provincial Analysis of Family Business in Chiangmai, Thailand*. Retrieved from <u>http://www.scitechnol.com/hotel-customer-expectations-of-service-a-provincial-analysis-of-family-business-in-chiangmai-thailand-n3q9.php?article\_id=1293</u>