

PRACTICAL ASPECTS OF THE USE OF CUSTOMER-ORIENTED APPROACH IN HOTEL BUSINESS

©2018 MAZUR V. S.

UDC 338.482

Mazur V. S. Practical Aspects of the Use of Customer-Oriented Approach in Hotel Business

The meaning of the system of the customer-oriented approach in management of hotel business, which allows getting additional income owing to a deep understanding and an effective customer satisfaction, has been researched in the article. Different authors' approaches to the understanding and definition of the concept of the customer-oriented approach have been analyzed. The stages of the development of the customer-oriented approach have been suggested. The matrix of SWOT-analysis has been developed using the hotel "Halychyna" as the example, its data have been analyzed and the practical recommendations have been made. The comparative analysis of competitors – hotels of economic classes has been made. Service consumers of the researched hotel have been surveyed; an analysis of the level of the customer-oriented approach of the hotel "Halychyna" according to seven main blocks has been made; the coefficient of the level of the customer-orientedness of the company has been calculated; the level of customer loyalty has been evaluated. Defining the level of customer satisfaction, the issues for the analysis of the level of customer loyalty have been considered. Using the data of the analysis, recommendations were developed to increase the level of competition-oriented processes in order to improve the quality of service.

Keywords: customer-orientedness, competition, loyalty, changes, customers, income, attraction of clients, hotel services.

Tbl.: 6. **Bibl.:** 8.

Mazur Volodymyr S. – PhD (Economics), Associate Professor, Associate Professor of the Department of International Tourism and Hotel Business, Ternopil National Economic University (11 Lvivska Str., Ternopil, 46020, Ukraine). **ORCID:** 0000-0002-2980-7954. **Researcher ID:** H-4600-2017

E-mail: mazur_volodymyr@ukr.net

УДК 338.482

УДК 338.482

Мазур В. С. Практичні аспекти застосування клієнтоорієнтованого підходу в готельному бізнесі

У статті розглянуто значення системи клієнтоорієнтованого підходу в управлінні готельним бізнесом, що дозволяє отримувати додатковий прибуток за рахунок глибокого розуміння й ефективного задоволення потреб клієнтів. Проаналізовано підходи різних авторів до розуміння і визначення поняття клієнтоорієнтованості. Запропоновано етапи розробки клієнтоорієнтованого підходу. На прикладі готелю «Галичина» складено матрицю SWOT-аналізу, дані якого проаналізовано та зроблено практичні рекомендації. Проведено порівняльний аналіз конкурентів – готелів економ-класу. Також проведено опитування споживачів послуг досліджуваного готелю; аналіз рівня клієнтоорієнтованості готелю «Галичина» за сьома основними блоками; розраховано коефіцієнт рівня клієнтоорієнтованості компанії; оцінено рівень клієнтської лояльності. Питання для аналізу рівня лояльності клієнтів розглянуто при визначенні рівня задоволеності. На основі даних аналізу розроблено рекомендації з підвищення рівня конкурентоорієнтованих процесів з покращення якості обслуговування.

Ключові слова: клієнтоорієнтованість, конкуренція, лояльність, зміни, клієнти, прибуток, залучення клієнтів, готельні послуги.

Табл.: 6. **Бібл.:** 8.

Мазур Володимир Степанович – кандидат економічних наук, доцент, доцент кафедри міжнародного туризму і готельного бізнесу, Тернопільський національний економічний університет (вул. Львівська, 11, Тернопіль, 46020, Україна). **ORCID:** 0000-0002-2980-7954.

Researcher ID: H-4600-2017

E-mail: mazur_volodymyr@ukr.net

Мазур В. С. Практические аспекты применения

клиентоориентированного подхода в гостиничном бизнесе

В статье рассмотрено значение системы клиентоориентированного подхода в управлении гостиничным бизнесом, что позволяет получать дополнительную прибыль за счет глубокого понимания и эффективного удовлетворения потребностей клиентов. Проанализированы подходы разных авторов к пониманию и определению понятия клиентоориентированности. Предложены этапы разработки клиентоориентированного подхода. На примере гостиницы «Галичина» составлена матрица SWOT-анализа, данные которого проанализированы и предложены практические рекомендации. Проведен сравнительный анализ конкурентов – гостиниц эконом-класса. Также проведен опрос потребителей услуг исследуемого отеля; анализ уровня клиентоориентированности гостиницы «Галичина» по семи основным блокам; рассчитан коэффициент уровня клиентоориентированности компании; оценен уровень клиентской лояльности. Вопросы для анализа уровня лояльности клиентов рассмотрены при определении уровня удовлетворенности. На основе данных анализа разработаны рекомендации по повышению уровня конкурентоориентированных процессов по улучшению качества обслуживания.

Ключевые слова: клиентоориентированность, конкуренция, лояльность, изменения, клиенты, прибыль, привлечение клиентов, гостиничные услуги.

Табл.: 6. **Библ.:** 8.

Мазур Владимир Степанович – кандидат экономических наук, доцент, доцент кафедры международного туризма и гостиничного бизнеса, Тернопольский национальный экономический университет (ул. Львовская, 11, Тернополь, 46020, Украина). **ORCID:** 0000-0002-2980-7954.

Researcher ID: H-4600-2017

E-mail: mazur_volodymyr@ukr.net

Customer orientation in hotel business provides for the ability of an organization to get additional income owing to a deep understanding and effective satisfaction of customers' needs. The customer-oriented strategy of a company is based on customer loyalty.

Investigations show that income depends on the company's reputation and the quality of its customer service. It should be taken into consideration that in the course of applying the customer-oriented approach in hotel business employees will see all its advantages: de-

velopment of internal conditions, which will ensure the production of goods and services according to customer requirements, and construction of an effective system of interaction with customers.

Among the most well-known studies of the customer-oriented approach are works by D. Aaker, D. Akimov, F. Buttle, L. Berry, V. Busarkin, C. Gronroos, E. Gummesson, F. Dwyer, R. Johnson, Ph. Kotler, V. Loshkov, A. Payne, R. Rudnev, E. Sasser, D. Tiunov, D. Ford, V. Tsybaliuk, A. Tsygar, P. Cherkashyn, and S. Chernyshev.

The *aim* of the article is the development of practical recommendations on applying the customer-oriented approach, analysis of customer services, perfection of the competitive strategy, which, in turn, will allow improving the status of the enterprise under study in the market for hotel services.

In spite of its popularity in the sphere of management, the term “customer orientation” is not clearly defined. There are many different opinions expressed by scholars, businessmen, and experts who investigated this concept.

V. Busarkina and V. Loshkov consider this concept as a characteristic feature of a company and define it as the ability of an organization to get an additional income owing to a deep understanding and maximum customer satisfaction [1].

Other scholars describe the customer-oriented approach as an instrument to manage interrelations with clients aimed at receiving a constant income in a long-term period and based on three categories: key competence, target clients, and equality of positions [2].

Therefore, having analyzed definitions of customer orientation by different authors, R. Rudnev concluded that it is a strategic approach to the development of an organization, which provides for increasing its competitiveness and growing profitability, which determines mobilization of its all resources to identify and attract clients, get the most profitable ones among them and owing to the increase in the quality of service to satisfy customer needs [3, p. 56].

There can be singled out the following stages of the development of the customer-oriented approach:

1) building a system of interaction with customers. The stage envisages defining the goals of customer orientation of a company;

2) creating internal conditions, which can help a company produce goods and services according to customer requirements. The conditions include

- ✦ establishing a budget;
- ✦ training employees;
- ✦ providing necessary instruments and equipment.

3) organizing the monitoring of efficiency of the customer-oriented approach by formulating criteria of the functioning of the system to indicate the degree of customer satisfaction.

In modern literature there often used the term “industry of tourism and hospitality”. Nowadays, we understand that these concepts cannot be considered separately because tourists are, first of all, customers, who have huge needs that depend on different types of factors, and industry of hospitality is a complex sphere, in which owing to employees’ efforts different needs of different customers are satisfied.

If we compare the importance of hospitality in different tourist services, it is obvious that it is more important in forming hotel services than in forming, for

example, excursions. Thus, taking into consideration this fact, it is possible to conclude that hotel facilities perform basic functions in the hospitality industry, since they form and then propose a full range of hotel services, in the formation and promotion of which the majority of sectors in the hospitality industry take part [4, p. 273].

Hotel “Halychyna” was built in 1980s near the forest and park zone “Zahrebellya”. At that time the hotel was called “Moscow”, and in 1990s it was renamed into “Halychyna”.

Hotel “Halychyna” is the most favorite place for guests visiting Ternopil. This is due to its location in a picturesque place of the town on the bank of a lake, convenient transport communications that allow reaching any part of the city in a matter of minutes, proximity to the city center, and comfortable hotel rooms.

Hotel “Halychyna” is twelve-storied building. There are 92 modern hotel rooms of various categories, including single and double rooms of standard and economy class, rooms of lux and semilux categories, and suites of rooms. Hotel accommodations have cable TV, Wi-Fi, telephone with intercity and international connection. There are three conference halls with modern equipment for 12 up to 40 people. Conference service is available.

Technological innovations are used in the hotel: reservation online 24/7, by telephone, WAP- reservation, service “mobile client”, and other comfortable ways of room reservation.

The hotel renders basic and additional services. The basic hotel services are providing temporary accommodation and catering. Among additional services there are a guarded parking lot, transfer to international airport in Lviv, excursion service, auto rental, laundering and dry cleaning of clothes, luggage room, interpreting services, the Internet, continental breakfast and the “alarm clock” service. Pets are permitted by prior arrangement.

For a successful use of SWOT-analysis, it is important not only to reveal threats and opportunities, strengths and weaknesses but try to evaluate the importance of accounting in the strategy the behavior of each of the identified aspects.

For this purpose, let us built a matrix of SWOT-analysis of Hotel “Halychyna” (*Tbl. 1*).

Having analyzed the data of the SWOT-analysis of Hotel “Halychyna”, we can make the conclusions that, mainly, the threats are external and the company management cannot influence them, but, by conducting a constant monitoring of the external environment, the hotel can adapt to them making advantage of its own strengths. It is also possible to solidify positions in the competition by developing strengths through using the opportunities, e. g., raising the level of staff qualification by the provision of training opportunities, carrying out activities to perfect advertising.

Therefore, the revealed strengths and weaknesses of the hotel allow to identify the aspects that are in the

SWOT-analysis of Hotel "Halychyna"

Strengths	Opportunities
1. Using IT in the hotel. 2. There are hotel rooms of economy class. The hotel provides an opportunity of having a rest at low prices	1. Comfortable location, market possibilities, nearby environment. 2. Adequate financing. 3. Active using of the Internet resources. 4. Widening the advertising opportunities. 5. Improving the staff qualification
Weaknesses	Threats
1. Limited range of services. 2. Presence of employees who are not specialists in the sphere of hotel business. 3. The inactive advertising policy (absence of advertisement except the Internet promotion). 4. Insufficient material and technical equipment (old furniture, absence of strong boxes)	1. Increasing competitive pressure. 2. Changing needs and tastes of customers. 3. Absence of financing

Source: developed by the author.

advantageous position and should be supported at a corresponding level, and those the modernization of which will accelerate the improvement of the hotel and allow to avoid losing its image.

The author has analyzed the nearby environment of Hotel "Halychyna". To make a comparative analysis of Hotel "Halychyna", the following research methods were used: analysis of the data about hotels placed in information systems; comparative analysis of the availability and range of services, prices for rooms, staff qualification, etc.

Nowadays, the hotels "Ternopil" and "Globus" are among the competitors of Hotel "Halychyna" in Ternopil market.

Having made the comparative analysis of the above mentioned competitors of Hotel "Halychyna", we presented the results in *Tbl. 2*.

The comparative analysis of the competitors of Hotel "Halychyna" made it possible to reveal its strengths and weaknesses and analyze the competitive advantages. The analysis showed that the hotel works in a highly competitive environment.

Compared to its competitors, Hotel "Halychyna" wins in terms of the following parameters:

1. Cost of accommodation. The charges in the hotel are from 460 hrn up to 940 hrn, which allows customers with a different income level to use services of the hotel;
2. Convenient and quick reservation of services of the hotel.

Hotel "Halychyna" falls behind its competitors in the following:

1. The furnishing of rooms in the hotel. Old furniture, absence of strong boxes to store guests' personal belongings.
2. A small range of additional services comprising only transfer and excursion service.

3. The hotel staff do not know foreign languages.

4. The passive advertising policy, no advertising except for that in the Internet.

Therefore, the hotel management should take measures as to developing a strategy that will allow enhancing the given factors of competitiveness, which, in turn, will enable improving the status of the enterprise in the market for hotel services.

The hotel tries to satisfy customer requirements in terms of cost, environmental friendliness, comfort, and security of accommodation services.

An investigation was made to analyze the hotel services. The type of research is analytical one. The research method is a survey.

In the course of the survey, 23 people were interviewed to analyze the target audience of Hotel "Halychyna". The author studied the feedback of the customers concerning services of the hotel using an online survey (*Tbl. 3*).

The data received in the course of the investigation gave the possibility to identify the main customers of Hotel "Halychyna". Basically, these are clients with an average level of income and that above average. As a rule, this category of customers is people who appreciate comfort and quality of services provided. Except for the basic services, they need additional ones, inextricably linked to their habitual life style.

The majority of customers of the hotel are men. They comprise 65%. Half of the hotel clients are people of middle age – 50%.

To assess the level of client orientation of the hotel, a study was conducted based on the Jacques Horowitz method [5, p. 189]. This method involves interviewing the management and employees of a company. Respondents are offered to evaluate 60 formulated features of the company's work on a scale from 1 to 5. The questionnaire, which consists of 7 blocks of statements, is presented in *Tbl. 4*.

Comparative analysis of the hotels of economy class in Ternopil

Parameters of the comparative analysis	Hotels		
	Hotel "Halychyna"	Hotel "Ternopil"	Hotel "Globus"
Launch date	1980	1985	2013
The number of rooms	98	75	51
Charge per night, hrn.	Min – 460 hrn		
Max – 940 hrn	Min – 690 hrn		
Max – 1400 hrn	Min – 200 hrn		
Max – 1500 hrn			
Possibility of online reservation	+	+	+
Web-site	-	-	+
Possibility of reservation by telephone	+	+	+
Payment for hotel reservation	-	-	-
Hotel room conveniences and services	<p>Rooms: Standard single and double rooms; Semilux; Lux</p> <p>Standard single or double room: Tea/coffee service, bathroom with a shower cabinet or bathtub, TV, cable television, telephone, toilet, toiletries, an iron, laundry service, service "alarm clock", a free shoe-polish.</p> <p>Lux room: Coffee/tea service, bathroom with a shower cabinet or bathtub, TV, cable television, telephone, toilet, a sofa, an air conditioner, a hair dryer, an iron, laundry service, service "alarm clock", a free shoe-polish</p>	<p>Rooms: Standard single and double rooms; Semilux; Lux.</p> <p>Standard single and double room: Bathroom with a shower cabinet, TV, cable television, telephone, toilet, toiletries, an iron, a free shoe-polish.</p> <p>Lux room: Mini-bar, bathroom with a bathtub, an air-conditioner, TV, cable television, telephone, toilet, toiletries, kitchen room, an iron, laundry service, a sofa, a hair dryer, a free shoe-polish</p>	<p>Rooms: Standard economy; Standard; Standard superior; Semilux; Lux; Family lux; VIP-Lux.</p> <p>Standard economy: TV, cable television, telephone, an air conditioner, a hair dryer, toilet, heating, bathroom with a shower cabinet.</p> <p>Lux room: TV, cable television, telephone, an air conditioner, a hair dryer, toilet, heating, bathroom with a shower cabinet. Room service: food to room</p>
Possibility to access the Internet, WiFi in the room/ lobby	WiFi in the hall	Free WiFi in the room	Free WiFi in the room
Service of transferring to the airport/railway/bus station	+	-	-
Additional services	A strong box at the reception, luggage storage, transfer, excursion service	Billiards, sauna, a strong box at the reception, an ATM, banking services, currency exchange, event catering	Sauna with a bathtub, massage, an indoor pool, a strong box at the reception, a hot tub, car wash
Catering facilities in the hotel	Lobby bar Café bar	Restaurant	Restaurant
Conference hall	+	+	+
Sport and recreation centre	-	Fitness centre	Gym
Parking area near the hotel	Paid guarded parking lot	Paid guarded parking lot	Free parking
Way of payment	Cash, non-cash payment, credit cards	Cash, non-cash payment, credit cards	Cash, non-cash payment, credit cards
Advertisement and promotion of the hotel	Advertisement only in the Internet	Advertisement only in the Internet	Advertisement only in the Internet

Table 3

Research results

Sex	Number of people	Proportion
Male	15	65%
Female	8	35%
Category of guests		
Category	Number	
Individual travelers	9	
Business travellers	4	
Groups of friends	1	
Families with grown-up children	1	
Young couples	2	
Tourist groups	2	
The degree of customer satisfaction with the quality of accommodating		
Criterion	Satisfactory	Unsatisfactory
Speed of accommodating	75%	25%
Room comfort	80%	20%
Cleanness of the rooms	88%	12%
Technical equipment of the rooms	65%	35%
The degree of customer satisfaction with the hotel staff and the service quality		
Criterion	Satisfactory	Unsatisfactory
Consideration of the staff	90%	10%
Friendly treatment	100%	0%
Speed of servicing	95%	5%
The degree of customer satisfaction with the security of the hotel		
Criterion	Satisfactory	Unsatisfactory
Fire safety	50%	50%
Health and property safety	70%	30%

Source: developed by the author.

10 employees of Hotel “Halychyna” working in different departments were interviewed. The result of the survey is presented in *Tbl. 5*, where total scores from each block of the questionnaire are shown.

The coefficient of the level of consumer orientation of the company is calculated in the following way:

$$\text{Coefficient} = \text{Total score}/350.$$

Therefore, the coefficient of the level of customer orientation for Hotel “Halychyna” is $175/350 = 0.5$

The interpretation of the results within the given method is as follows:

- ✦ less than 0.4 – the company has a low level of customer orientation;
- ✦ 0.4–0.75 – the company has an average level of customer orientation;
- ✦ 0.75 and higher – the company has a high level of customer orientation.

Therefore, as the calculation shows, Hotel “Halychyna” has an average level of customer orientation. The detailed analysis of the investigation allows to make the following conclusions:

All possible is done to provide high-quality service in Hotel “Halychyna.” All hotel employees have an idea of the key elements in the activity aimed at customer satisfaction. The hotel staff know their tasks as to providing more complete customer satisfaction and are aware of their responsibility. The company management pay attention to studying customer complaints and use all possible measures to solve problems as soon as possible. It is necessary to emphasize that the frontline staff, who have direct contact with clients, are authorized to solve problems with customers as they arise.

Speaking about the role of managers of Hotel “Halychyna” in the process of forming service culture, we should say that the managers respect their subordinates as well as customers.

However, some factors show that we cannot consider this hotel as an enterprise with a high level of customer orientation. First, it concerns the staff training. The hotel’s management do not train subordinates methods to improve the customer service quality. Starting their

Table 4

The results of analyzing the level of the customer orientation of Hotel "Halychyna", Ternopil

1. Formation of an idea about consumer psychology					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
Customer satisfaction is a driving force of the company's strategy		+			
The company's staff know that the client has the final say, right or wrong		+			
The concept of customer service providing for different levels of service quality was developed and communicated to the staff			+		
A fairly serious approach to customer complaints is practiced, and all possible measures are taken to solve problems that arise		+			
Every effort is made to support activities aimed at receiving customer feedback				+	
The staff regularly play the role of clients			+		
Priority is given to the quality of servicing rather the existing customers than the potential ones	+				
Collecting information is made regularly to have a complete idea about customer expectations					+
All possible is done to provide high-quality customer service		+			
The staff are aware that even in a department within the structure of the company there are customers whose needs are to be satisfied			+		
Total score for Block 1	32				
2. The role of a manager in forming service culture					
Read each statement and determine how it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
A manager always respects the customers		+			
A manager respects the subordinates, as well as the customers, in the expectation that the staff subordinate to him will show the same respect to customers		+			
Customer satisfaction is of primary importance for a manager and he is proud of his commitment to this policy		+			
In offices of our managers, their readiness to fully meet the needs of customers has a visual form (slogans, posters)					+
One of the main tasks of a manager's job is to train his subordinates methods to improve the customer service quality and encourage efforts of his subordinates in this direction				+	
A manager shows an example of high quality servicing			+		
The company management think that the most important result of their activity is rather ensuring customer satisfaction than maintaining its economic indicators at a proper level			+		

The company management, keeping in touch with customers, always explain the frontline staff the necessity of some processes		+			
The company management see their task in supporting the frontline staff in the provision of better servicing		+			
The company management do not consider their needs as priorities, putting at the forefront customer servicing			+		
Total score for Block 2	32				
3. Involving the staff in this process and granting them appropriate authority					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
We are rather stingy on promises, but we do for the customer more than we have promised			+		
We are active in collecting ideas related to the quality of service and generated by the frontline staff, who keep regular contact with customers				+	
We regularly implement our projects as well as initiatives aimed at increasing the service quality				+	
The frontline staff are authorized to find new ways to solve problems with customers		+			
The frontline staff are authorized to solve problems with customers as they arise		+			
We trust our frontline staff because we are sure they make correct decisions		+			
The frontline staff has all instruments necessary for providing the most qualitative service		+			
The frontline staff reports to their clients			+		
We allow our frontline staff to make mistakes but not to repeat them				+	
The frontline staff are being well trained, receiving skills related to customer service					+
Total score for Block 3	29				
4. Using an incentive system to increase the level of customer orientation of the company					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
We clearly define key elements in the activity aimed at customer satisfaction		+			
The size of remuneration received by the frontline staff depends on the degree of customer satisfaction				+	
Customer orientation is considered as an important factor in stimulating managers				+	
We recognize employees who demonstrate the highest possible quality of customer service				+	
We provide financial incentives for employees who demonstrate the highest possible quality of customer service (bonuses and other payments)				+	
The system of team stimuli is used in cases when team work of the staff is required to provide high-quality customer service				+	

We strongly welcome and encourage the promotion of new ideas related to improving the quality of customer service				+	
Within the company, we distribute the information about employees who have been most successful in servicing customers				+	
We make publicly available thankful customer feedback (putting up their letters, etc.)				+	
The frontline staff who have achieved success in servicing customers are an example to follow for their co-workers				+	
Total score for Block 4	22				
5. Carrying out communication activity and promoting customer culture					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
We use customer feedback to improve the quality of our service					+
The results of studying the degree of customer satisfaction are widely publicized					+
All employees of the company have an idea of the key elements in the activity aimed at customer satisfaction		+			
Our clients' visits are encouraged: during the visits, their opinion about the degree of their satisfaction with our services/products is discussed				+	
During meetings of the company, the management pay attention to issues of working with clients				+	
Information about clients is distributed within a certain department of the company and spread out to other departments				+	
The data received as the result of customer feedback is the subject to be widely publicized and studied					+
In the training of new specialists much attention is paid to covering the needs and expectations of customers				+	
We are proud of the way we work with customer complaints			+		
The company management use all means to emphasize their commitment to the policy of providing high-quality customer service				+	
Total score for Block 5	20				
6. The need to prioritize assessing the efficiency of customer-oriented processes					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
We regularly assess the degree of customer satisfaction				+	
We contribute a lot of time to assessing customer satisfaction					+

We receive quite detailed information concerning customer satisfaction, which gives us the possibility to use necessary measures				+	
The results of analyzing the degree of customer satisfaction are used to increase the staff motivation					+
We interview our lost customers to analyze the reasons for their not using our service and products any more					+
We compare the results of analyzing the degree of customer satisfaction with those of similar companies					+
We keep track of customer complaints				+	
We assess the degree of customer loyalty					+
We assess the degree of customer satisfaction provided by our company's departments for internal customers				+	
We regularly assess the degree of satisfaction of our employees				+	
Total score for Block 6	15				
7. Commitment of the company to service standards that have resulted from the measures on improving the quality of service, continuous improvement of service quality					
Read each statement and decide if it corresponds to the state of affairs in your company In my company ...	Agree completely 5 points	Agree 4 points	It is difficult to say 3 points	Do not agree 2 points	Strongly disagree 1 point
We are regularly interested in activities aimed at increasing the customer value of the company's offers				+	
We regularly invest costs to cut expenses related to interaction with our clients		+			
We are aware of the obstacles to improving the degree of customer satisfaction				+	
We have well defined goals as to increasing the degree of customer satisfaction				+	
We set ambitious goals as to increasing customer satisfaction					+
The top management, based on the previously set goals, regularly analyze the measures to increase customer satisfaction				+	
Managers are responsible for providing a higher degree of customer satisfaction		+			
The staff know their tasks as to providing a higher degree of customer satisfaction		+			
In case of customer's need, a top manager investigates the reasons of the arising of this need					+
We spread our positive experience in increasing the degree of customer satisfaction					
Total score for Block 7	23				

Results of interviewing the employees of Hotel "Halychyna", Ternopil

Block	Results
1. Formation of an idea about consumer psychology	32
2. The role of a manager in forming service culture	32
3. Involving the staff in this process and granting them appropriate authority.	29
4. Using an incentive system to increase the level of customer orientation of the company	22
5. Carrying out communication activity and promoting consumer culture.	20
6. The need to prioritize assessing the efficiency of customer-oriented processes.	15
7. Commitment of the company to service standards that have resulted from the measures on improving the quality of service, continuous improvement of service quality	25
Total score	175

Source: developed by the author.

work, new frontline employees are not provided proper training that could help the employee gain skills related to customer service. The incentive system is not developed enough. Customer orientation is not considered as an important factor in stimulating managers, i. e., the remuneration received by the staff does not depend on the degree of customer satisfaction. It should be mentioned that the hotel management does not pay enough attention to collecting information to form a more clear idea about customer expectations. Customer feedback is not used in the company and the degree of customer satisfaction is not assessed to increase the quality of services provided. The degree of employee satisfaction is not assessed.

To assess the level of customer loyalty for Hotel "Halychyna", there was used the NPS method developed by Frederick Reichheld, which is based on a single question put to a customer that allows to forecast possibilities of a repeated purchase as well as its recommendation [6, p. 65].

The question to analyze the level of customer loyalty was suggested while determining the degree of satisfaction (Tbl. 6). The question is "Evaluate the services of the hotel using the scale from 0 up to 10 points. Will you recommend it to your friends, acquaintances?"

According to the answers of the customers, they were classified as follows:

Table 6

Results of interviewing customers of Hotel "Halychyna"

Classification of respondents	Number of responses	Percentage
"Critics" (who gave from 1 to 6 points)	3	13%
"Neutrals" (who gave from 7 to 8 points)	13	57%
"Promoters" (who gave from 9 to 10 points)	7	30%

Source: developed by the author.

- ✦ "Critics" (those who gave from 1 to 6 points) are not satisfied with the hotel, they will not recommend it. Perhaps they are in search of an alternative.
- ✦ "Neutrals" (those who gave from 7 to 8 points) – passive clients of the hotel, who are satisfied in general but do not have desire to recommend it to others.
- ✦ "Promoters" (those who gave from 9 to 10 points) – the clients who are loyal to the hotel and are ready to recommend it to their acquaintances (so called "advocates").

Let us calculate the NPS index by subtracting the percentage of respondents attributed to "Critics" from the percentage of those referred to as "Promoters":

$$\text{NPS} = \% \text{ of "Promoters"} - \% \text{ of "Critics"}$$

$$\text{NPS} = 7\% - 3\% = 4\%$$

The index of loyalty is always shown as an integral value and in this case is equal to 4.

Therefore, the analysis showed that the level of customer loyalty is below average. However, it was found that 57% of the customers have neutral position, which allows developing a strategy for changing their behavior in favor of the hotel and increase in the level of their loyalty. The administration of the hotel has a possibility of developing a strategy aimed at increasing the level of customer loyalty, for example, working out and implementing a program to increase the level of loyalty.

The work on improving the level of customer orientation should be started yet at the stage of selection of new employees. It is necessary to use maximal similarity of corporate interests and cultural values with interests and values of candidates [7, p. 38].

As it is described above, customer service, first of all, depends on "not advertised service" – servicing each other among members of an organization. We would recommend the hotel management to assess the level of customer orientation of the whole staff of the company but not its individual candidates whose duty is to establish relationships with customers.

Each employee should understand what benefit he will receive together with the enterprise using the customer-oriented approach. Indicators are always convincing. We mean research that shows the dependence of the company's income on its reputation and the quality of its customer service. It should be taken into account that in some time employees will see all advantages of the client-oriented approach through the example of their own companies.

Using the above recommendations for improving customer service along with high customer-oriented staff will lead to an increase in customer satisfaction. The company will expand the customer base by retaining the old customers and attracting new loyal ones. Based on the analysis of the level of customer orientation of Hotel Galychyna, recommendations have been developed to increase the efficiency of customer-oriented processes for improving the service quality:

1. Improving the service quality:

- ✦ discussing the issues concerning the degree of customer satisfaction and revealing needs and expectations of customers;
- ✦ forming the idea of the hotel employees about the key elements in the activity aimed at customer satisfaction;
- ✦ forming clear objectives related to increasing the degree of customer satisfaction;
- ✦ analyzing possible obstacles to increasing the degree of customer satisfaction;
- ✦ carrying out regular analysis of measures aimed at providing customer satisfaction.

2. Involving the staff in the process of forming service culture:

- ✦ an active collection of ideas concerning the quality of customer service provided by the frontline staff, who keep regular contact with clients;
- ✦ implementing projects and initiatives aimed at increasing the quality of customer service.

3. Training the staff in skills of working with clients to increase the level of service and provide more complete customer satisfaction.

4. Developing an incentive system to increase the level of customer orientation of the company:

- ✦ recognition and material stimulation of employees, which supports the highest possible quality of customer service (bonuses and other payments);
- ✦ distribution of information about employees who achieved good results in servicing customers within the organization as an example to follow for their co-workers.

5. Improving the automated systems for managing the hotel including computer products, CRM-programs, which allow maintaining the database of customers, their desires, specifics and keeping records of the dynamics of using services of the hotel by customers as well as of the visitors participating in any loyalty programs [8, p. 31].

6. Developing a program for assessing the efficiency of customer-oriented processes:

- ✦ applying the instrument of customer feedback to increase the service quality;
- ✦ conducting customer surveys and assessing the level of customer satisfaction with the service quality in the hotel to increase the level of service and get recommendations and propositions from the customers;
- ✦ carrying out a survey of lost customers to analyze the reasons why they stopped using services of the hotel;
- ✦ comparing the results of analyzing the degree of customer satisfaction with those of similar companies and competitors.

Having conducted SWOT-analysis, analysis of the competitive environment, analysis of the level of customer satisfaction, the level of customer loyalty, as well as studying the opinions and wishes of customers, we can make the following recommendations:

1. Improving the level of professionalism of the staff:

- ✦ conducting various types of trainings and master classes to increase the quality of customer service;
- ✦ training new employees at starting their work and the staff in the process of work;
- ✦ organizing the study of foreign languages for the staff.

2. Enhancing the advertising policy:

- ✦ expanding the range of the advertising devices used;
- ✦ distributing information about the hotel in social networks.

3. Improving the furnishing of the rooms:

- ✦ installing strong boxes to store guests' personal belongings;
- ✦ installing mini bars in hotel rooms;
- ✦ changing old furniture and windows;
- ✦ providing WiFi in hotel rooms.

4. Promotional actions for customers:

- ✦ 10% discount on booking hotel accommodations online and using mobile apps;
- ✦ 10% discount on payment for accommodations (each seventh night);
- ✦ 10% discount and a gift from the hotel 15 days before and after the client's birthday.

CONCLUSIONS

To create a unique service, one should know his customers, understand their needs and anticipate their likely desires. This will result in growing the loyalty of the customers who already use services of the company and help to attract new ones and, correspondingly, will increase the income of the enterprise.

The key role is played by the staff of the hotel, since the totality of characteristics reflecting the level of cus-

customer orientation of the staff, their behavior, provision of services in compliance with international standards, and their understanding of the importance of applying the customer-oriented approach helps a company to prosper and increase its profitability.

The level of customer loyalty is below average. Based on the results of the study, the hotel management has a possibility to develop a strategy aimed at increasing the level of customer loyalty, which implies, for example, creating and implementing a corresponding program.

The most effective influence on increasing the level of customer orientation of the staff has a personal example of managers. For this reason, the hotel management should demonstrate the highest level of customer orientation. ■

LITERATURE

1. Лощков В. Клиентоориентированность, в чем суть? URL: http://www.rosbo.ru/articles.php?cat_id=2

2. Рыжковский Б. Когда клиент голосует деньгами? *Управление компанией*. 2005. № 7. URL: <http://www.advertology.ru/article27313.htm>

3. Руднев Р. В. Клиентоориентированный подход в работе современной строительной компании // Рекламный рынок России: проблемы и перспективы : Международная научно-практическая конференция (20 апреля 2010 г.) : материалы и доклады / под общ. ред. проф. Е. В. Сибирской. Орёл : Орёл ГИЭТ, 2010. С. 49–54.

4. Mazur V. S. Hospitality industry is the effective instrument of travel business development. *Журнал європейської економіки*. 2015. Том 14. № 3. С. 273–286.

5. SWOT-аналіз // Вікіпедія – вільна енциклопедія. URL: <https://uk.wikipedia.org/wiki/SWOT-аналіз>

6. Коновалова Е. Г. Формирование лояльных клиентов – фактор устойчивого развития предприятия. *Вестник*

Полоцкого государственного университета. Экономические и юридические науки. 2013. № 6. С. 65–68.

7. Клепнева К. В. Підбір клієнтоорієнтованого персоналу. *Економіка і наука. Серія : Економіка*. 2014. № 4. С. 38–46.

8. Золотова С. И. Подробности из жизни CRM-приложений. *PC Week*. 2009. № 25. С. 31–34.

REFERENCES

Klepneva, K. V. "Pidbir kliiientooriietovanoho personalu" [Selection of client-oriented personnel]. *Ekonomika i nauka. Seriiia : Ekonomika*, no. 4 (2014): 38-46.

Konovalova, Ye. G. "Formirovaniye loyalnykh kliyentov - faktor ustoychivogo razvitiya predpriyatiya" [Formation of loyal customers is a factor of sustainable development of the enterprise]. *Vestnik Polotskogo gosudarstvennogo universiteta. Ekonomicheskiye i yuridicheskiye nauki*, no. 6 (2013): 65-68.

Loshkov, V. "Kliyantoorientirovannost, v chem sut?" [Client-oriented, what is the essence?]. http://www.rosbo.ru/articles.php?cat_id=2

Mazur, V. S. "Hospitality industry is the effective instrument of travel business development". *Zhurnal yevropeiskoi ekonomiky*. Vol. 14, no. 3 (2015): 273-286.

Rudnev, R. V. "Kliyantooriyentirovannyy podkhod v rabote sovremennoy stroitelnoy kompanii" [Client-oriented approach in the work of a modern construction company]. *Reklamnyy rynok Rossii: problemy i perspektivy*. Orel: Orel GIET, 2010. 49-54.

Ryzhkovskiy, B. "Kogda kliyent golosuyet dengami?" [When does the customer vote in money?]. *Upravleniye kompaniyey*. 2005. <http://www.advertology.ru/article27313.htm>

"SWOT-analiz" [SWOT analysis]. *Vikipediia – vilna entsyklopediia*. <https://uk.wikipedia.org/wiki/SWOT-аналіз>

Zolotova, S. I. "Podrobnosti iz zhizni CRM-prilozheniy" [Details from the life of CRM-applications]. *PC Week*, no. 25 (2009): 31-34.