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Standards, training, and guests' perceptions in luxury hotels

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Abstract

Very few hotels are able to consider themselves to be truly luxury. These hotels hold a certain mystique that invites their guests to continually return, no matter what the cost is. While luxury is providing something exclusive that is not found everywhere, it is also becoming more about the experience (Allcock, 2007). Today, luxury hotels are aiming for ultra-luxury, and to do this, service and people factors make a huge difference (Tungate, 2009). The luxury concept includes being exclusive, sophisticated, and indulging your guests (Allcock, 2007). It is crucial that the design and service follow these concepts (Gunter, 2005). These hotels are expected to provide their guests with the best of everything (Sheehan, 2007). Maintaining this level of service is done through understanding guests' expectations, setting service standards to meet these expectations, training the staff to follow these service standards, guiding the guests' experiences, and identifying and closing service gaps.

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STANDARDS, TRAINING, AND GUESTS' PERCEPTIONS IN LUXURY HOTELS

By

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Introduction

Very few hotels are able to consider themselves to be truly luxury. These hotels hold a certain mystique that invites their guests to continually return, no matter what the cost is. While luxury is providing something exclusive that is not found everywhere, it is also becoming more about the experience (Allcock, 2007). Today, luxury hotels are aiming for ultra-luxury, and to do this, service and people factors make a huge difference (Tungate, 2009). The luxury concept includes being exclusive, sophisticated, and indulging your guests (Allcock, 2007). It is crucial that the design and service follow these concepts (Gunter, 2005). These hotels are expected to provide their guests with the best of everything (Sheehan, 2007). Maintaining this level of service is done through understanding guests' expectations, setting service standards to meet these expectations, training the staff to follow these service standards, guiding the guests' experiences, and identifying and closing service gaps.

It is important for these hotels to provide this exceptional service in order to be successful and maintain their status as a luxury hotel. To do this, luxury hotels must be able to know and understand what their guests are expecting from them. This includes not only understanding what can impact these expectations, but also knowing how to manage these expectations. Understanding what impacts these expectations helps these luxury hotels plan and predict for changes in these expectations. Managing expectations helps insure that guests experience the best service and leave with lifelong memories. It is important that the service the luxury hotels provide their guests meets or exceeds the expectations, by not doing so, the guest will leave dissatisfied (Nykiel, 2007).

The service standards provide the staff with guidelines as to what they should be doing for their guests. Service standards should be set, implemented, and evaluated with the guests in mind. These standards also help give the guests an idea as to what they should be expecting from these luxury

hotels. These standards show that the service provided at luxury hotels should be personalized towards the guests' wants and needs (Gunter, 2005). The level of service and the service standards are based upon what the guests want and what they need (Blank, 2008).

Through training, the staff is able to learn and understand the service standards. Training methods must be created that provide employees with the greatest opportunity to learn. Training is also very expensive, and for that reason, methods to calculate the return on investment from training must be created. Luxury hotels look to have a positive return on investment from training because that shows that the training programs should continue. A negative return on investment shows that the management at luxury hotels needs to reevaluate the training and create new methods to make it beneficial to the employees.

Once training is complete, employees will be better equipped to guide their guests' experiences and insuring that their guests' expectations are met. It is important that staff can guide, not control, the guests' experiences (Scoviak, 2007). By guiding the experience, the staff is able to provide exceptional service without bombarding the guests (Tungate, 2009). Luxury hotels should be able to manage their guests' experience so that they are having a memorable experience.

Finally, the management and staff at luxury hotels should be able to identify where there are performance or service gaps. Identifying these gaps show where the hotel has failed to live up to the guests' expectations. Once the gaps are identified, efforts can be made to better understand what the guests are expecting and to eliminate the gaps.

This research shows the processes for all of these aspects of luxury hotels. It is important that the management at luxury hotels understand how to do manage expectations, service standards, training, experiences, and service gaps so that they are able to provide a more memorable experience for their guests. Management at non-luxury hotels can also use this research to identify methods to

improve the quality of service at their hotels. Figure One shows how these processes are linked

together. It is useful for students to provide them with a better understanding of luxury hotels and the

responsibility that the staff holds to provide their guests with lifelong memories.

This study takes research that has been previously done on each topic and shows how each is

connected to providing guests at luxury hotels with the greatest possible experience. The study also

demonstrates parallels and oppositions between the guidelines provided by various articles and texts

and how luxury hotels actually do things. These parallels and oppositions are demonstrated through

structured interviews with industry professionals at luxury hotels.

Figure 1: Conceptual Model of this Study
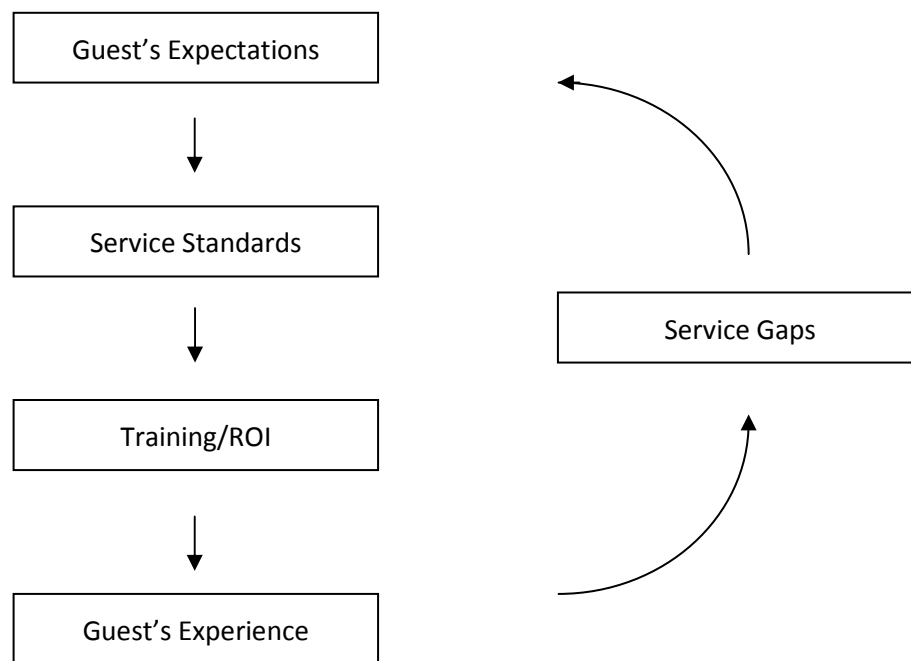
Literature Review

Guest Expectations

INVESTIGATING GUEST EXPECTATIONS

Guests at luxury hotels tend to form lists of expectations. Some of these expectations are more

important than others, but it is important that the managers and staff understand these expectations

(Williams, 2002, p. 51). There are three levels of expectations: essential, expected, and optional.

Essential expectations are the expectations that must be met in order to maintain a business. The expected expectations are just beyond the essential expectations, but they are necessary in order to provide guests with good service. The optional expectations are the extras and the unexpected services that the luxury hotels provide (Wuest, 2001).

Research done to understand what guests of luxury hotels expect is generally qualitative research. Qualitative research methods focus on gathering opinions and benchmarks (Nykiel, 2007). These methods include interviews, focus groups, surveys, and observations (Nykiel, 2007). This research is important to help managers understand how and why guests choose particular things (Williams, 2002).

It is common for these hotels to survey their guests to gain a better understanding of what they find to be important (Verespej, 1994). Surveys should be done not only after each stay, but also annually to see how these expectations have changed and to make sure that the expectations are being met (Blank, 2008). Surveys can show a variety of things, including that guests want more individualized and personalized spaces and services (Scoviak, 2007). Luxury hotels can also create initial expectations through marketing and word of mouth communications (Ford & Heaton, 2000). Understanding what guests expect is the first step to providing them with the best possible experience.

IMPACTS ON EXPECTATIONS

Once luxury hotels understand what their guests expect, it is important to understand how those expectations are impacted. Guests' expectations can be impacted and changed by a variety of things. Guests of luxury hotels have high lifestyles. This lifestyle becomes the base of what they expect (Blank, 2008). For first time guests, their expectations are created by someone else. These expectations may come from advertisements, similar experiences, their imagination, and what they hear from others

(Ford & Heaton, 2000). Repeat guests get their expectations from previous visits, and each visit will have an impact on what they expect the next time (Ford & Heaton, 2000).

Guests' expectations can also be impacted by social and cultural aspects. By understanding various cultures, managers at luxury hotels can have a better understanding of why their guests expect what they expect (Lashley, 2008). Expectations are also impacted by the greater amount of information that guests have access to; guests have the ability to access any kind of information, anytime and anywhere (Nykiel, 2007). Understanding what can impact guests' expectations will give luxury hotels a better understanding of their guests. This allows these hotels to better predict how expectations will change in the future.

Setting the Service Standards

Setting the service standards should come after the guests' expectations are understood. The AAA Diamond Rating Standards also provide luxury hotels with a base of what standards should be set, especially if these hotels are aiming to achieve a specific rating.

AAA DIAMOND RATING STANDARDS

According to Michael Petrone in a letter to professionals at the beginning of the *Approval Requirements and Diamond Rating Guidelines: Lodging*, there are two objectives in providing this booklet to professionals. The first objective is to make sure that the AAA Diamond Rating program is consistently meeting the needs of all AAA travelers. The second objective is to be able to provide industry professionals a reference to help them meet their goals to attain a specific AAA Diamond Rating (American Automobile Association, 2008).

The first AAA inspections of hotels occurred in 1937. In 1963, AAA began issuing ratings of "Good" and "Outstanding" to hotels. Finally, in 1977, the Diamond rating system was introduced (American Automobile Association, 2008). These guidelines were last revised and updated in December

of 2008 (Diamond Ratings - For AAA Approved Lodgings). Today, AAA evaluates and rates over 32,000 lodging properties (Ricca, 2008).

There are three parts to the AAA evaluation process. These three parts include: approval requirements, objective diamond rating guidelines, and subjective elements (American Automobile Association, 2008). The AAA Approval Requirements must be met before a property is evaluated for a diamond rating. These requirements are based on two things: what AAA members are looking for when they travel, and things that hotel operators and managers typically already do (American Automobile Association, 2008). The Approval Requirements incorporate five different categories, including: cleanliness, management style, exterior, guest rooms, and bathrooms (American Automobile Association, 2008). If the property passes inspection in these areas, it will be eligible for the objective rating guidelines.

Once the hotel has passed the Approval Requirements, it will move into the evaluation of objective rating guidelines stage. There are three parts to the evaluation and diamond rating process. These are: interview, tour, and summary (American Automobile Association, 2008). During the interview, the AAA inspector will gather information that can be used in future AAA travel publications. The tour of the property will then include evaluations in six categories: cleanliness, management, exterior and public areas, guestrooms, bathrooms, and service (American Automobile Association, 2008). Service aspects of the hotel will only be evaluated if the physical aspects meet the Four and Five Diamond requirements (American Automobile Association, 2008). Following the tour, the inspector will provide the property with a rating or a recommendation for a rating. The inspector also provides a written summary of the visit (American Automobile Association, 2008).

The AAA Diamond Ratings provide travelers with a guide for what they can expect from various hotels. One Diamond hotels will provide guests with the very basic accommodation. These hotels

typically target travelers will limited budgets. Two Diamond hotels will provide guests with just slightly more than the basic accommodations. These hotels tend to be more moderately priced. Three Diamond hotels offer a higher quality and they will target guests with greater needs. Four Diamond hotels offer upscale accommodations and provide guests with a greater quality of décor and services. Finally, Five Diamond hotels provides guests with extraordinary features, including a more personalized experience (American Automobile Association, 2008). Starting with the Three Diamond hotels, the environment and the guests' experiences become more important (Ricca, 2008). At the Four and Five Diamond level, it is the service that creates a difference between the two ratings (Ricca, 2008).

If a hotel meets the Four or Five Diamond objective rating requirements, it will then move on to part three of the evaluation process, the subjective service elements. This evaluation is done sometime after the initial inspection by an anonymous inspector (American Automobile Association, 2008). Less than 3.5% of AAA's rated properties receive the Four Diamond rating, and less than 0.33% receive the Five Diamond rating (American Automobile Association, 2008). If the hotel meets the Five Diamond service requirements, the AAA Five Diamond Committee will meet and review the hotel's evaluation. This committee then decides whether or not the hotel will be awarded with the Five Diamond Rating (American Automobile Association, 2008). The service evaluations cover twelve service areas that include over three hundred guest interactions (American Automobile Association, 2008). A list of service areas, as found on pages 30-36 in the *Approval Requirements and Diamond Rating Guidelines: Lodging* booklet are listed below:

1. Reservation services

2. Arrival services

3. Check-in

4. Check-in bell services

5. Evening housekeeping

6. Wake up call

7. Room service (ordering and delivery)

8. Check-out bell service

9. Check-out

10. Departure services

11. Concierge

12. Miscellaneous

It is the service score that creates the main difference between the Four and Five Diamond properties. If a hotel meets the Five Diamond physical requirements, but not the Five Diamond service requirements, it will only be awarded the Four Diamond rating. Providing personalized service is the key to providing a Five Diamond rating level of service (Petrone, 2006).

These guidelines and ratings provide industry professionals and guests a basic understanding of what is luxury. For industry professionals, it is the understanding of what needs to be done in order to achieve a luxury status. For guests, it is a reference point to help them understand where to stay to meet their needs and desires.

Training and Calculating the Return on Investment

Training is an important process in luxury hotels. Through training, managers at luxury hotels can insure that their employees know and understand the service standards and tasks necessary to successfully complete their jobs. It is important that managers at luxury hotels understand the hiring process, the training process including training costs, and how to calculate the return on investment from training.

HIRING PROCESS

Training in luxury hotels starts with the hiring process. These hotels need to practice smart hiring that includes a detailed, up-to-date job description (Muller, 2009). This job description needs to define the job and include the necessary skills and knowledge needed to complete the job (Muller, 2009). Selection methods should include reference checks, structured interviews, drug tests, and unstructured interviews (Cook, 2004). Each selection method should be reliable and valid (Cook, 2004).

William Atkinson states that you need a comprehensive screening process that includes not only multiple interviews, but also a written screening tool (Atkinson, 2004). Interviews should include structured interviews. In a structured interview, the interviewer has preplanned questions and a rating scale to help make judgments. Structured interviews at times may not allow follow up questions or allow the interviewee to ask questions (Cook, 2004). The judgments that come from structured interviews can be measured objectively (Muller, 2009). Written screening tools may also be useful. These can be in the form of personality tests. Personality tests can help determine a wide variety of things, including whether or not the applicant has a personality that will fit with the job and the company, how well the applicant may be able to perform the job, how the applicant will behave in the work environment, and whether or not there may be issues that will disrupt work (Cook, 2004).

There are important selection criteria that should be included when hiring new employees. Hiring managers should consider the length of previous employment, previous promotions, and technical skills (Falcone, 2002). Length of employment is important to consider because long term employees provide one of the greatest returns on investment for human resources (Falcone, 2002). Understanding information about previous employments and technical skills can give the interviewer insight on the interviewee's goals or previous training.

Training

TRAINING DESIGN MODEL

Once the right people are hired, training needs to be completed. There are a variety of reasons to have a training program, and this should be determined before training begins. There are seven steps in designing a training program. These include completing a needs assessment, creating a training plan, creating lesson plans, training the trainer, implementing the training, evaluating the training, and coaching and counseling (Jaszay & Dunk, 2003). This training model is generally used for formal training. Formal training has a structure and is generally more effective, while informal training is not planned. Informal training is best when the trainer is a natural teacher (Jaszay & Dunk, 2003).

Needs assessment involves determining issues that need work and the best solutions to eliminate these issues. However, it is important to note that not all issues can be resolved by training (Jaszay & Dunk, 2003). Needs assessments may uncover issues such as low guest satisfaction, high turnover, low morale among employees, low productivity, or the inability to operate equipment properly (Jaszay & Dunk, 2003). Through training, these issues can be fixed. Training can increase job satisfaction, motivation, productivity, creativity, and learning abilities (Muller, 2009). There are three types of needs assessments that should be considered. These are individual needs, organizational needs, and position needs (Jaszay & Dunk, 2003).

From the needs assessment, a training plan can be determined. A training plan is a written plan for training topics and a schedule for the training program (Jaszay & Dunk, 2003). The training plan should also include training goals, what training method will be used, and how training will be evaluated (Muller, 2009). Training goals should be measurable and written. They should also detail how trainees will demonstrate their understanding of the training topics and identify what will be considered acceptable performance (Muller, 2009).

Once the training plan is completed, lesson plans for the training session can be created. Lesson plans should include the necessary materials, activities, and instructions that should be used to achieve the training goals (Jaszay & Dunk, 2003). Training the trainer is the next step in designing a training model. Not everyone is a natural teacher; some have to be trained to do so. Training the trainer is teaching someone how to train employees (Jaszay & Dunk, 2003). This may not be necessary for every training program; however, it is crucial to have someone who knows how to train.

Implementing and evaluating training are the next steps in the training model. To successfully implement a training program, it needs to have a detailed plan and be practiced in advanced. Trainers need to be flexible in case the plan needs to be modified during the implementation of it (Jaszay & Dunk, 2003). Once the program has been successfully implemented, training evaluation needs to be completed to see whether or not the training was successful and the issue has been resolved or made better (Jaszay & Dunk, 2003). Training evaluation can be done through either internal or external evaluations. Internal evaluations come from people who were actually involved with the program, while external evaluations come from people who were not involved with the program and have little knowledge of the training program. External evaluations tend to be more objective (Berger, 1992). Training evaluations can help identify the impact of training. This can be done through asking guests about the employees' performance (Phillips J. J., 1997). The impact of training can also be identified by testing two groups of employees. One group will complete the training program and be tested, and one group will be tested without going through the program (Phillips J. J., 1997). Determining the impact of training will help determine how successful the training program was.

The final step in the training model is coaching and counseling. This is done through continuous training to insure that the service standards are maintained. Essentially, this is supervision over the employees (Jaszay & Dunk, 2003).

TRAINING COSTS

The costs of hiring and training employees can be extensive. The cost per hire can be calculated by dividing the total costs associated with recruitment by the number of full time employees hired in a given period (Falcone, 2002). Designing a training program is typically a onetime expense and can be determined by considering the cost of the office supplies and materials necessary and multiplying the hours spent creating the program by the pay rate (Jaszay & Dunk, 2003). The cost of the actual training program can be determined by looking at the trainer's wages, the trainee's wages, the trainer's loss in productivity, and the cost of training materials (Jaszay & Dunk, 2003). Training costs can also be determined by looking at the cost per trainee. This can be calculated by dividing the total cost of the training program by the number of trainees per year (Jaszay & Dunk, 2003).

Training programs can be considered a capital expenditure for these luxury hotels. Capital expenditures are major investments that are typically made to reduce costs or to bring in more profit (Berman & Knight, 2008). When making capital expenditures, three things should be considered: future value, present value, and the required rate of return (Berman & Knight, 2008). Future value is the amount that this expenditure is worth in the future, while the present value is how much the expenditure is worth right now (Berman & Knight, 2008). Finally, the required rate of return needs to be considered. This is the amount of return needed before the investment is made (Berman & Knight, 2008). Another factor that should be considered in this is the opportunity costs. Opportunity costs are what the hotel is giving up in order to spend the money on a training program (Berman & Knight, 2008). These are important considerations when deciding on how much money can be spent on a training program.

CALCULATING THE RETURN ON INVESTMENT FROM TRAINING

The return on investment from training is the next thing that needs to be calculated. This is difficult to calculate because it is hard to find actual evidence of a return on investment from a training

program (Phillips, Phillips, Stone, & Burkett, 2007). It is often debated whether or not the return on investment from training can be calculated because it is not calculated in the typical monetary terms (Phillips, Phillips, Stone, & Burkett, 2007). This debate is furthered by the fact that training results typically cannot be measured with quantitative methods (Berman & Knight, 2008).

However difficult it is to calculate, it is necessary to calculate the return on investment from training. It is necessary to be able to show some sort of return on investment so that there is not a reduction in funds reserved for training (Phillips, Phillips, Stone, & Burkett, 2007). This calculation gives a value and a reason for these large expenses (Phillips, Phillips, Stone, & Burkett, 2007). It is possible to calculate the return on investment from training by subtracting the program costs from the program benefits and dividing that by the program costs. This number is then multiplied by one hundred. However, this calculation fails to consider the time value of money (Berman & Knight, 2008). Another calculation divides the net program benefits by the program costs and multiplies that number by one hundred (Phillips, Phillips, Stone, & Burkett, 2007). Some variation of this calculation will be needed as long as there is a need to account for training expenses (Phillips, Phillips, Stone, & Burkett, 2007).

There are a variety of benefits from calculating the return on investment from training. The training return on investment can show whether or not the training program contributed to the company. The calculation can show which programs are the most beneficial. It can also help those creating the training program focus on the results and goals, essentially improving the effectiveness of the training program (Phillips, Phillips, Stone, & Burkett, 2007). These benefits show how important it is for the return on investment from training is calculated.

Guests' Experiences

Training will then help the staff when managing the guests' experiences. The staff at luxury hotels needs to be able to manage their guests' experiences to make sure that they have the best

possible experience. There are three dimensions of an experience: the influence over the environment, customer participation, and the social interaction (Gupta & Vajic, 2000). The guests' experiences can also be seen as equaling the service product plus the service setting plus the service delivery system (Ford & Heaton, 2000).

There is no set beginning to the experience. It may begin when the guest first hears about the hotel or when the guest first arrives at the hotel (Wuest, 2001). The experience also never ends. Once the guest leaves the hotel, it can be continued through follow-up surveys, conflict resolutions, or incentive programs (Wuest, 2001). While the guest is at the hotel, the staff should not control the experience. Instead, they should guide it (Scoviak, 2007).

Building relationships with the guests also helps manage and guide the experiences. This way, the staff is better able to understand what their guests need and want. Using information data systems can help keep track of preferences so that the staff can build a better relationship with the guest (Blank, 2008).

The use of a total quality management philosophy also helps manage the guests' experiences. Total quality management empowers employees so that they can create expectations and find ways to go beyond the guests' expectations (Walker, 2006). Total quality management is an ongoing process that focuses on preventing errors (Walker, 2006). Total quality management can help increase satisfaction among guests (Walker, 2006).

Service Gaps in Luxury Hotels

Service gaps are a good way to evaluate the service experience. The service gap is the gap between what the guests expect and what actually happens (O'Neill, 2001). The expectations in the service gap come from marketing, word of mouth communications, and personal experiences (O'Neill,

2001). The perceptions in the service gap can be affected by tangible and intangible service aspects and personal things (O'Neill, 2001).

The service gap can also be seen as customer satisfaction equaling customer expectations plus or minus the perceived value received (Nykiel, 2007). When the service fails to meet expectations, there is a service failure (Duffy, 2000). When there is a service failure, there needs to be a service recovery or a response to the failure. At times, this can turn into an opportunity for the hotel (Duffy, 2000). It is important to resolve this service failure because unhappy guests may tell over ten people about that negative experience. It costs five times more to attract new customers than it is to keep the old customers (Nykiel, 2007).

Methodology

Methodology for this research used qualitative research methods. Through the use of structured interviews data was obtained to answer six core questions:

1. What makes luxury hotels luxurious?

2. What are the service standards for luxury hotels?

3. How do hotels determine the return on investment from training?

4. How do hotels determine whether or not the training was successful?

5. How do luxury hotels understand and manage guest expectations?

6. How do luxury hotels manage and guide guest experiences?

This research was done in the form of three different phases over the course of three years. Phase One identified the service standards of luxury hotels and how they were set. Phase Two identified how the return on investment from training was calculated or measured in luxury hotels. Phase Three

investigated how luxury hotels investigated and understood their guests' expectations and how these hotels managed their guests' experiences.

Each year, letters explaining this study and requesting an appointment to meet with managers of luxury hotels were sent to the general managers of fifteen luxury hotels. A total of eight hotels were used for this study. Hotels were selected on the basis of their AAA Diamond Rating. Hotels that were Four or Five Diamond were selected for this study. A list of hotels used is included below.

Hotel	Location	AAA Rating	Number of Rooms	Affiliation
Hotel 1	Illinois	5 Diamond	346	Affiliated
Hotel 2	Illinois	5 Diamond	339	Affiliated
Hotel 3	Illinois	4 Diamond	198	Affiliated
Hotel 4	Wisconsin	5 Diamond	240	Independent
Hotel 5	Michigan	4 Diamond	682	Independent
Hotel 6	Michigan	4 Diamond	152	Independent
Hotel 7	Michigan	4 Diamond	308	Affiliated
Hotel 8	Texas	4 Diamond	491	Affiliated

Figure 2: Participating Hotels

A total of twenty-five interviews were completed. The interviews lasted about one hour and included open-ended questions. These questions focused on a wide variety of aspects of the luxury hotel industry, including:

1.   Investigating expectations

2.   Impacts on expectations

3.   Setting service standards

4.   Implementing service standards

5.   Supervising standards

6.   Training methods

7.   New hire training

8.   Training frequency

9.   Training topics

10.   Training costs

11.   Training evaluation

12.   Return on investment from training

13.   Guests' experiences

14.   Service gaps

Interviewees included a wide range of managers at these luxury hotels, including general managers, rooms' executives, human resources managers, front office managers, and guest service managers. To preserve the anonymity of these individuals and the hotels they work for, names and the names of the hotels that have employed them have been kept confidential.

Data was collected through these structured interviews. Interviews were done face-to-face, over the phone, and via email.

Data analysis was done through finding commonalities among the responses and comparing the responses of each interviewee with the others. Responses were also compared to information that came out of the literature review. Parallels and oppositions among the results were also investigated.

Results

Guest Expectations

INVESTIGATING EXPECTATIONS

Investigating what guests of luxury hotels expect is the first thing that needs to be done when planning for success. There are a variety of methods used to investigate what guests expect. Most of these methods are qualitative methods; however, according to the General Manager of one Four Diamond hotel, the investigation of guests' expectations is not done through traditional research, for example hypotheses are not created for the research. Figure Three shows how four of the participating hotels investigate guests' expectations.

Hotel	Hotel 5	Hotel 6	Hotel 7	Hotel 8
Methods of Investigating Expectations	Talk directly with the guests and use comment cards. Review group resumes for groups that are staying at the hotel.	Talk directly with the guests, as well as surveying the guests. Using the media such as various newspapers and industry publications is also useful.	Talking with the guests and building relationships with them.	Use feedback received from surveys and guests.

Figure 3: Methods of Investigating Guests' Expectations

The most common method of investigating guests' expectations is through directly engaging with the guest. The Guest Services Manager of Hotel Eight explains that social networking sites, such as Twitter and Facebook, can also be used to investigate what guests are expecting. The Parking Manager at Hotel Five explains that communication is also crucial when it comes to investigating and understanding what guests of luxury hotels are expecting. Through communication, the staff at these luxury hotels are not only able to communicate between departments, but also with the guests to see what their opinions are.

IMPACTS ON EXPECTATIONS

Each guest is different and has different experiences and backgrounds. While it is important to understand what the guests at these hotels are expecting, it is also important to understand what impacts these expectations. Understanding what can have an impact on guests' expectations help managers at luxury hotels plan and predict for changing expectations. Major impacts on these expectations include personal experiences, the economy, and experiences of friends and family. The General Manager of Hotel Seven also includes public relations and general perceptions into that list. The General Manager of Hotel Six explains that the media impacts expectations through Business and Lifestyle sections of newspapers. This manager explains that these reports help luxury hotels be proactive in planning for what guests are expecting. Often, these sections of newspapers report on trends and different amenities being offered at hotels. These reports allow luxury hotels plan for the future.

Because so many different things can impact guests' expectations, it is important that the hotel staff can find a way to manage these expectations, not just for first time guests, but also for repeat guests. Managing the expectations for repeat guests may be a little easier than it is for first time guests. The General Manager of Hotel Six explains that it is important to get it right every time and provide guests with a personalized experience that will make them want to come back for more. This General Manager explains that this is done by knowing your guests' personal preferences. The staff at Hotel Seven use an information data system to keep track of their guests' preferences, allowing them to better manage what their guests are expecting. This information data system keeps track of every piece of information possible about their guests. Through this system, the managers and staff will have information on the guest's previous stay and whether or not there were any issues and how they were resolved. The Parking Manager at Hotel Five stresses the importance of communication between departments and the staff and guests. This hotel, as do many others, use group resumes to have a

better understanding of what different groups expect from the hotel when they visit. These resumes are distributed to each department of the hotel, and employees are able to read resumes to know what their departments need to do during the guests' stay.

Managing the expectations of first time guests may not be as simple as it is for repeat guests. In this, the Guest Services Manager at Hotel Eight explains the importance of the hotel's reputation. It is important that the hotel is able to establish a reputation of being able to provide its guests with exceptional, consistent service. The staff at Hotel Seven tries to pre-call all of their first time guests before they arrive. By doing this, they are able to gain a better understanding of why the guest is visiting and the guest is able to learn more information about the hotel. It is also important to manage what other people are saying about the hotel according to the General Manager of Hotel Six. To do this, it is crucial that the staff gives their guests and the people in the community a reason to recommend the hotel.

Service Standards

Once luxury hotels know and understand what their guests expect, service standards need to be set to meet these expectations. Service standards provide the staff at luxury hotels with guidelines as to what they should be doing to provide exceptional service to their guests. These standards also help the guests understand what they can expect when they visit these hotels. The Learning Manager at Hotel One explains that there are two types of standards that need to be considered, core standards and culture standards. Core standards tend to be position specific standards, such as how to carry a room service tray or how many times the phone can ring before it must be answered. Culture standards focus with how the core standards are delivered. These standards tend to deal more with personalities, such as smiling a lot or being friendly and outgoing.

Setting the Service Standards

Setting the service standards is a process that tends to take place over time. The interviewees detailed a wide variety of processes that can take place when it comes to setting these standards. Figure Four shows how some of the participating hotels set the service standards.

Hotel	Hotel 1	Hotel 2	Hotel 3
Setting Service Standards	Standards set based on the guests' feedback.	Standards set by corporate using a combination of AAA and Mobil Standards.	Standards are set by corporate, considered to be brand standards.
Hotel	Hotel 4	Hotel 5	Hotel 6
Setting Service Standards	Standards come from a combination of AAA and Mobil standards.	Individuals from different departments and levels of management set the standards.	Standards come from combination of AAA and Mobil standards. Considered to be the best financial position for the hotel.

Figure 4: Setting Service Standards

The most common method of setting the service standards in luxury hotels is using the AAA and Mobil Travel service standards. Brand standards or corporate standards are common sets of standards because they help guests understand that they can expect the same thing when staying at any hotel in that chain.

Implementing Service Standards

Once the service standards are set, it is important that these standards are implemented throughout the hotel. The interviewees agreed that the best method to implement these service standards is through training. The Human Resources Department at Hotel Five has put together training sessions that focus solely on the service standards of the hotel. During each training session, employees are given more information on the standards at the hotel, ideas on how to wow the guests, and stories

of employees who have wowed guests in the past. The Human Resources Manager at this hotel explains

that these training sessions help create employee buy in for the standards.

EVALUATING SERVICE STANDARDS

It is important to evaluate the service standards to not only make sure that they are being

followed, but also to make sure that they continue to focus on the guests' needs. The Rooms' Executive

of Hotel Two explains that evaluation of the standards can come in the form of feedback from the guest.

This feedback can be given verbally, through email, surveys, or letters to hotel management. This

Rooms' Executive explains that this feedback helps managers see the guests' perspectives.

Service standards can also be evaluated by an outside company. The Front Office Manager at

Hotel Six explains that that hotel has a company come in and complete mystery shop audits. The Chief

Concierge at this hotel explains that these mystery shop reports help management see where there are

inconsistencies and where things went wrong. These reports also indicate areas in which the service

standards were followed.

Through regular evaluations of the service standards, problem areas can be identified. The

Learning Manager at Hotel One explains that by tracking these evaluations, managers can see frequently

missed standards, figure out why these standards are frequently missed, and then come up with

solutions to make sure that these standards are met every time.

Training and Calculating the Return on Investment

TRAINING METHODS

Training is crucial in luxury hotels. Through training, employees learn what is necessary for doing

their jobs and delighting the guests. By going through training, employees become knowledgeable about

what the service standards are in these luxury hotels. All participants agreed that new employees go

through a new hire orientation and new hire training. This training process varies in each hotel, but each

program works towards the same goal; to make employees a productive part of the hotel. Figure Five

details the new hire training processes for some of the participating hotels.

Hotel	Hotel 1	Hotel 2	Hotel 3
New Hire Training	New hire orienation with Human Resources, followed by training with a Standards Coach.	New hire orientatin with Human Resources, and then work with departmental trainer.	Two day orientation followed by a one month buddy system. Guest complaint training will occur after about two months.
Hotel	Hotel 4	Hotel 5	Hotel 6
New Hire Training	Go through training programs on the computer, and then spend time with a trainer.	Go through orientation with Human Resources, department training, and training on the service standards.	Orientation with Human Resources and then hands on training while shadowing other employees.

Figure 5: New Hire Training Processes

TRAINING FREQUENCY

Once new hire training ends, management at these hotels need to determine how often

employees will go through more training. The Human Resources Manager at Hotel Five explains that

training should be on-going. There may be a need to train on new policies, new systems, or to motivate

employees. The Training Manager at Hotel Three says that while training is constant, employees will go

through a re-orientation every four years to provide employees with a refresher on various standards

and policies. The Chief Concierge at Hotel Six says that the staff there is learning something new every

day.

At Hotel One, management has annual reviews to determine what topics need to have follow-

up training. While this hotel has annual reviews, the Learning Manager here claims that the staff is

always being trained on all matters.

TRAINING COSTS

The cost of training is extensive. As mentioned previously, it can be considered a capital expenditure. The Training Manager at Hotel Three states that new hire training can cost up to $600-$700 per person. The Human Resources Manager at Hotel Five explains the break-down of this per person cost comes from the hourly wages of both the trainee and the trainer during the training period and until the new employee is productive, as well as the cost to provide uniforms to the new employee. Hotel Five budgets around $10,000 a year on training; while Hotel Three budgets around $70,500 on training per year.

TRAINING TOPICS

An important part of creating a training program is determining what topics to cover. At Hotel Six, training topics can range from sexual harassment issues to how to open a door for a guest. Training at Hotel One focuses on more than just the standards, training can be on CPR, alcohol issues, or harassment among other topics. The Human Resources Manager at Hotel Five explains that training topics may just be reminders to for the staff, or training sessions may focus on correcting various issues. All participants agreed that training can be based on anything.

TRAINING EVALUATION AND RETURN ON INVESTMENT

Evaluating training is important to see whether or not it has been successful. There are several ways in which a hotel can evaluate its training programs. Figure Six identifies methods used by some hotels to evaluate training programs.

Hotel	Hotel 3	Hotel 4	Hotel 5	Hotel 6
Methods to Evaluate Training	Evaluate training through employee surveys, guest comments, mystery shopper reports, and safety reports.	Evaluate training through an audit system that shows how the staff is doing.	Evaluate training through employee reviews, employee quizzes, comment cards, and mystery shop reports.	Evaluate training through guest feedback and mystery shop reports.

Figure 6: Methods to Evaluate Training

Another important method of evaluating training is calculating the return on investment from training. Because training is a capital expense, it is important that managers are able to see a positive return on investment from training. There is a number of ways that this return on investment can be calculated or measured. The Human Resources Manager at Hotel Five explains that there are no exact numbers in this measurement. The main method used by this hotel is looking at whether or not guests return to the hotel. The Training Manager of Hotel Three explains that the return on investment from training is calculated by seeing a decrease in the number of complaints made by guests, seeing an increase in spending by guests, seeing an increase in productivity, and a decrease in performance gaps. Other methods of measuring the return on investment from training include an improvement in the guests' experiences, an increase in revenue and productivity, and a decrease in costs for providing service according to the General Manager of Hotel Six.

Guests' Experiences

Understanding guests' expectations, setting service standards, and training all focuses on the guests' experience. During this experience, guests should be wowed and delighted. There is no set beginning or end to this experience. The General Manager of Hotel Six considers the beginning to be when the guest first hears about that hotel. The General Manager of Hotel Seven considers the beginning to be when the guest is making their reservation or viewing the website.

Just like there is no set beginning to the experience, there is no set end to the guests' experience. The Guest Services Manager at Hotel Eight believes that there is no end to this experience because the staff at these hotels aim to create memories, and these memories last a lifetime. The General Manager of Hotel Six explains that because memories last a lifetime, there will only be an end to the experience if the guest forgets about the experience.

While the guest is at the hotel, the staff should work to guide the experience to help insure that the guest is having a memorable time. Figure Seven shows ways that some participating hotels are able to guide their guests' experiences.

Hotel	Hotel 5	Hotel 6	Hotel 7	Hotel 8
Guiding the Guests' Experiences	Ask the guest questions.	Empowered to do whatever necessary to give guest great experience. Make it a goal to get it right the first time.	Personal interaction with the guests.	Offer suggestions of places to eat and things to do.

Figure 7: Ways to Guide the Guests' Experiences

Service Gaps

Identifying service gaps help these hotels understand where they failed to meet their guests' expectations. Identification of service gaps can also identify where the staff has failed to understand their guests' expectations. Figure Eight shows methods that some participating hotels use when identifying service gaps at the hotel.

Hotel	Hotel 5	Hotel 6	Hotel 7	Hotel 8
Methods to Identify Service Gaps	Log books and communications between departments and guests.	Active observation, log books, surveys, and mystery shop reports.	Studying information databases and guests' profiles.	Log books and engaging with the guest.

Figure 8: Identifying Service Gaps

Conclusion

Luxury hotels focus on providing their guests with the best possible experience. This means they must focus on the optional level of expectations or providing the unexpected, such as a personalized welcome amenity in your room when you check-in. In doing so, luxury hotels are going one step further in understanding what their guests expect. They are understanding the guests themselves and what

delights them. For example, the Executive Assistant Housekeeper at Hotel Four gave the example that the housekeepers at this hotel will arrange a child's dolls to give her a little surprise when she returns to the room.

In order to understand the guests' expectations, luxury hotels often do not use traditional research methods. While the research these hotels conduct is qualitative in nature, they do not start with a hypothesis or a set methodology. This research often tends to be more informal and will use methods such as surveys, comment cards, and talking directly with the guests. The use of these more informal methods helps keep the costs of this research down, as opposed to using methods such as in-depth interviews or focus groups as suggested by Ronald Nykiel in his book, *A Handbook of Marketing Research Methodologies for Hospitality and Tourism*. Luxury hotels do survey their guests, as suggested by Christine Blank in her article "Surprise Guests by Predicting Their Needs," however these surveys are typically sent out after a guest's stay and not on an annual basis.

Robert Ford and Cherrill Heaton state in their book, *Managing the Guest Experience in Hospitality*, that initial expectations are typically provided through the luxury hotels marketing tactics; however, this is not always the case. As several interviewees stated expectations come from a variety of sources. The most common sources of expectations are usually personal experiences or stories heard from others. While marketing may play a role in providing guests with their initial expectations, guests are more likely to trust what they are hearing from people they know and what they have experienced themselves.

Other impacts on expectations come from the guests lifestyles. Christine Blank states in her article that these guests live high lifestyles, and this tends to be true. The General Manager of Hotel Six agrees with this by explaining that no matter what the reason may be that the guests are traveling, these guests are very similar in that they are sophisticated and they are well traveled. In all possible

situations, whether the guest visits every week or has never been at that hotel, it is important that these

hotels get it right the first time. Not only does this reaffirm expectations for repeat guests, but it helps

create and manage the expectations for the first time guests.

Because guests' expectations are impacted in so many ways, it is important that luxury hotels

not only understand these impacts, but that they also manage the expectations. By managing guests'

expectations, luxury hotels can be confident that their guests will leave delighted and satisfied. While it

may sound difficult to do, one of the best ways to do this is to manage what people say. This back to the

concept of getting it right the first time. Luxury hotels need to give people a reason to tell positive

stories about them. Ed Watkins explains in his article, "How Guests Choose Hotels," that guests have

better access to information today courtesy of the Internet. In reality, this is true. Guests can go online

and read reviews about a hotel, making it crucial that luxury hotels give their guests a reason to tell

positive stories.

While many authors state that expectations generally either come from advertisements and

personal experiences, the interviewees tended to agree that the expectations came from and were

impacted by what other people were saying and the economy. One General Manager strongly believes

that personal experiences impact these expectations; however, for the first time guests the expectations

are likely to come from what they hear from other people, whether it be through word-of-mouth

communications or an article in the newspaper. The economy impacts the expectations of all guests

because they are looking for a greater value. These reasons make it crucial that luxury hotels are able to

plan and predict what will impact their guests' expectations so they can be managed.

Understanding what guests expect is important when it comes to setting the service standards

for luxury hotels. While the American Automobile Association provides guidelines for what is necessary

to achieve a specific diamond rating, it is really what the guests want that set these standards. Three

general service standards stand out throughout the interviews: provide personalized service, anticipate guests' needs, and pay close attention to detail.

Providing personalized service can be as simple as knowing the guest's name or as complicated as knowing the guest's entire family. Providing this type is crucial for the success of luxury hotels. To do this, it helps when the staff is able to build relationships with the guests. Using information database systems can help the staff build these relationships. As mentioned, these databases can keep track of any and all information an employee is able to pick up on about the guest.

The staff at Hotel One have a meeting each morning to cover the day's VIP arrivals. In this meeting they discuss why each guest is considered a VIP, whether the guest is the head of a company, celebrating a birthday, or traveling with children, what welcome amenity each guest will receive, and if there are any specific information the staff needs to know about that guest. Information databases can help the staff at this hotel with this information. The welcome amenities are often personalized towards each guest, for example including milk and cookies for a family. Another example would be welcoming a guest with a fruit basket of that guest's favorite fruit.

Anticipating guests' needs was the next most important service standard. As with personalizing service, this can be as simple as providing directions before the guest asks. Anticipating a guest's needs is all about doing something before he or she has to ask, or even providing the guest with something he or she did not think they wanted. Many luxury hotels try to baby proof rooms before a family's arrival. The staff at Hotel One does this by providing a crib and corner guards for table edges and wall corners.

Information databases are also useful for following this standard. For example, Hotel One has regular guest that enjoys playing the piano, and they have one suite with a piano. If the guest is visiting at a time when the suite is not available, they will take a piano from their banquet rooms and place it in

his suite before he arrives. In this situation, not only does the staff understand their guest, but they are acting in a way to insure that the guest is surprised and delighted.

The final important standard is paying attention to detail. This combines providing personalized service and anticipating needs. In paying attention to detail, the staff needs to closely observe their guests and what they do. Paying attention to the details will help the staff anticipate their guests' needs. For example, a Concierge may notice that one of their regular guests always asks for recommendations for a new restaurant each time he or she arrives. Before this guest's next visit, the Concierge will prepare a recommendation for the guest and leave it at the Front Desk to be given to him or her at check-in. Here, the Concierge is able to pick up on a pattern and use it to anticipate the guest's needs.

Paying attention to the details also applies to the little things as well. The Rooms' Executive at Hotel Two told the story of one of their executives that stayed with another property in this chain. A bowl of M&M's had been placed in the executive's room, and the executive ate all of the M&M's except for the red ones. The housekeeper noticed this, and the next day placed a bowl of M&M's in the executive's room, but the housekeeper had taken the time to remove all of the red M&M's. While whether or not the guest eats red M&M's may be a minor detail, it shows how closely the staff at luxury hotels observe their guests.

Training plays a huge role in luxury hotels. Management at luxury hotels can accomplish a variety of tasks through training. Service standards are implemented through training, whether they are new standards or teaching them to new employees. Training also provides an introduction to the hotel through new-hire orientation. Once new employees complete their new-hire orientation, training is used to teach them the skills that they will need in order to effectively complete their jobs. Training is also used to motivate employees or bring them up-to-date on new policies or systems. Finally, training can be used to solve any issues that may occur during the service delivery process.

Because training in luxury hotels has so many purposes, a lot of time and effort goes into planning various training programs or sessions. This makes training extremely expensive. It is important that hotels not only plan for this expense, but also make sure that they are getting a positive return on investment from it.

In their book, *Training Design for the Hospitality Industry*, Christine Jaszay and Paul Dunk explain that the cost per trainee can be calculated by the total cost of the training program by the number of trainees per year. While this may be an effective calculation, it is not always used in luxury hotels. The Human Resources Manager at Hotel Five explains that the cost to train one employee typically includes the trainee's wages, the trainer's wages, and the cost to uniform the new employee. As mentioned in several texts, it is also important to consider the productivity that is lost during training. During training time, luxury hotels are paying at least two people that are not helping in the daily hotel operations. Because of this, the hotel needs to schedule more people to have a successful day.

As previously mentioned, it is crucial that luxury hotels are able to calculate the return on investment from training. Authors and interviewees agree that this is a difficult calculation because there is not always hard evidence available. A number of actual calculations for the return on investment from training were included throughout the various texts, however, none of them seemed be used by managers in luxury hotels. These calculations tend to be more quantitative, while managers preferred to use more qualitative methods to calculate the return on investment from training. Luxury hotels look to show a positive return on investment through an increase in revenue, an increase in productivity, and an increase in guest satisfaction. Managers also look to see if performance gaps are filled and whether or not guests are returning. An example of this final measure was provided by the Human Resources Manager at Hotel Five. The hotel had a group stay there that likes to hold their convention at different hotels each year. For the first time in the group's history of holding this

convention, they decided to stay at the same hotel two years in a row. For Hotel Five, this showed them a positive return on their investment in training.

Understanding guests' expectations, setting service standards, and training all work towards one thing: the guest's experience. There is no set beginning or end for this experience, and there is debate over what point it does begin and it does end. While Robert Ford and Cherrill Heaton are able to define the guest's experience in one simple equation: the guest experience equals the service product plus the service setting plus the service delivery system, many interviewees believe that the experience encompasses much more than this. Some managers believe that the experience starts when the guest first hears about the hotel or when the guest is initially deciding where they would like to stay. These two moments are not included in Ford and Heaton's equation of the service experience. Because the experience may start when the guest first hears about the hotel, it makes it even more important that the hotel manages what people are saying.

Through the use of the service standards, training, and information databases employees at luxury hotels are able to guide the experience. The service standards and training help employees understand what they should be doing, while the information databases help the employees know who their guests are.

During the experience, the hotel is also likely to use a philosophy such as total quality management. In using this, every employee is taking a responsibility to help each other serve the guests. As one General Manager stressed, it is important to have a culture of excellence, where you are not only training for excellence, but also supporting excellence.

Through the guest's experience, managers at luxury hotels will learn whether or not they are wowing their guests. During the experience, managers need to be able to identify where there are service gaps and close those gaps. Service gaps will show how employees are doing in regards to

meeting guests' expectations. Large gaps will show that the guests' expectations are not being met, and smaller gaps will show that they are being met.

The lack of service gaps shows that luxury hotels are not only able to understand what their guests want, but that they are also able to delight their guests. Using service gaps is the ultimate form of service evaluation. While this is a more subjective measure, managers at these hotels are able to see what expectations they are meeting and what expectations they are not meeting.

Luxury hotels aim to wow and delight their guests. Their ability to do this gives them the freedom to charge high room rates and still have guests choose them over another hotel. The staff at these hotels put in a lot of work in order to provide this level of service, but for many of them, it is worth the effort to know that they have made someone's visit more enjoyable. While time and expectations will change, three things will remain the same: guests staying at these hotels want the staff to provide personalize service, anticipate their needs, and to pay close attention to detail. Throughout time, no matter what changes, luxury hotels will always need the ability to understand their guests' expectations, set service standards to meet those expectations, successfully train their employees, manage their guests' experiences, and identify and understand the service gaps. Without the ability to do these things, luxury hotels will not survive into the future.

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Appendix

Appendix A

November 28, 2007

Name
Hotel Name
Address

Dear [Name],

I am currently an honor student at Eastern Michigan University in the Hotel and Restaurant Management Program. As a part of the Undergraduate Research Symposium, I am working on a research project investigating service standards in hotels across the United States.

Since the start of my education in hospitality, I have wondered what makes luxury hotels luxurious. This led me to ask about the service standards of hotels. With the help of my faculty mentor, Dr. Susan Gregory, I hope to find out how these service standards are set, how hotels operate within those standards, and how hotels maintain their standards. Finally, I hope to find out what sets each hotel apart from another.

I would like to visit your hotel and spend a day with you, or a member of your executive committee, in the near future. My time at your hotel will provide me with valuable information, which will be included in my research. I would like to share the insights that I gain with participating hotels by giving them a copy of my final research. The results of my investigation will be presented on March 28, 2008 at the Undergraduate Research Symposium at Eastern Michigan University. I hope to take this study farther by having it published in a hospitality academic journals.

Sincerely,

Sarah Peterhans
speterha@emich.edu
630-244-6885

Appendix B
Phase One Questions

1. How were the service standards set?
2. What is your role in setting the service standards?
3. What is your role in the supervision service standards?
4. What is your role in implementing service standards?
5. What is your role in evaluating service standards?
6. How do you feel your staff sets this hotel apart from others in the area?
7. What kind of training does the Front Office go through on standards?
8. How often does the front office staff go through training?
9. What organizations evaluate the hotel?
10. How often does each organization visit the hotel?
11. How did you decide what diamond rating you wanted to be?
12. How do you feel about the AAA diamond rating system?
13. Do guests of the hotel have an impact on the service standards?
14. What are the service benchmarks for the Front Office?
15. How often are the standards for the front office updated?
16. How do you maintain consistency with the standards?
17. Do your guests have an impact on your service standards?
18. What service standards does your staff follow?
19. What kind of training does your staff receive?
20. How do you keep your staff updated on the standards?

Appendix C

October 5, 2008

Name
Hotel Name
Address

Dear [Name],

I met you last December when I was working my research project on the service standards in luxury hotels for the Undergraduate Symposium for Eastern Michigan University. This year I hope to continue my research and look at the return on investment from training.

As I worked on my project last year, I started to wonder how training came into play and how the return on investment of training is calculated. With the help of my faculty mentor, Dr. Susan Gregory, I hope to find out what kinds of training take place, how often training takes place, what topics are covered, and how training is measured. Finally, I hope that I can find out how the return on investment from training is calculated.

I hope that I will be able to meet you with you again. By meeting you with, I will be able to learn valuable information about training and the return on investment for training. I would like to add my insights to the research that I started last year. Once completed, I hope to be able to send a completed copy of my research.

Sincerely,

Sarah Peterhans
speterha@emich.edu
630-244-6885

Appendix D
Phase Two Questions

Mechanics
1. What kinds qualities do you look for in potential employees?
2. Do you utilize internal or external training sources?
3. What training methods do you use?
4. How long does training typically last?
5. How do you determine the length of training?
6. How often do employees go through training sessions?
7. How much does new hire training cost?
8. How much do you spend on training a year? How is that budgeted?
9. How often are training procedures updated?
10. How do you track the training?
11. How does training differ between departments?
12. What are the current trends in training practices?

Content
13. What kind training sessions take place at the hotel?
14. What kinds of topics are covered?
15. How do you decide what topics need to b covered?
16. Do guest comments have an effect on training issues?

Evaluation
17. What standards are used to review employees?
18. How often are employees reviewed?
19. How do you evaluate training?
20. How do you measure the results of training?
21. How do you calculate or measure the return on investment of training?

Appendix E

November 4, 2009

Name
Hotel Namel
Address

Dear [Name],

Last Fall, we emailed back and forth when I was collecting data for my research project on the return on investment from training in luxury hotels. As an Honor's Student in Hotel and Restaurant Management at Eastern Michigan University, I am continuing my line of research in luxury hotels, and investigating how the guests' expectations and experiences are managed at the three participating hotels.

The focus of my project last year, was on the training and training costs in luxury hotels. Phase Three of my research is to looking at the expectations and experiences of guests and how they are managed. With the help of my faculty mentor, Dr. Giri Jogaratnam, I hope to find out how the management team learns of their guests' expectations; what methods are used to manage guests' expectations; and finally, how the staff works to manage the guests' experiences.

[Name], I would like to meet with you to get your insights on this line of investigation. By meeting with you, I will be able to learn valuable information about guests' expectations and experiences. Once completed, I will not only present my findings at the 2010 Undergraduate Symposium and share them with participating hotels, but I also plan to write my Honors Thesis on all three phases of my research. Only the aggregate data will be reported. I have also enclosed a copy of my presentation from Phase Two of my research.

Sincerely,

Sarah Peterhans
Hotel and Restaurant Management Honor Student
Eastern Michigan University

Appendix F

February 24, 2010

Name
Hotel Name
Address

Dear [Name],

I am currently an honor student at Eastern Michigan University in the Hotel and Restaurant Management Program. As a part of the Undergraduate Research Symposium and my Honor's Senior Thesis project, I am investigating how luxury hotels manage guest expectations and guest experiences.

This is the third and final phase of my thesis. Phase One investigated the service standards in luxury hotels, focusing on what made them luxurious. Phase Two focused on how luxury hotels calculated the return on investment from training. It is my goal to have a better understanding of luxury hotels at the completion of this project. With the help of my faculty mentor, Dr. Giri Jogaratnam, I hope to find out how luxury hotels understand and manage guests' expectations and how luxury hotels manage guests' experiences.

I would like to meet with you, or a member of your executive committee, for about an hour in the near future. My time with you will provide me with valuable information, which will be included in my research. Once completed, I will not only present my findings at the Undergraduate Symposium on March 26, 2010 and share them with participating hotels, but I also plan to write my Honors Thesis on all three phases of my research. Only the aggregate data will be reported in both my presentation and thesis.

Sincerely,

Sarah Peterhans
speterha@emich.edu
630-244-6885

Appendix G

Phase Three Questions

1. What is the hotel's target market(s)?
2. In investigating what the guests expect, what research methods are used?
3. If there are multiple target markets, do these research methods vary based on which market is being looked at?
4. What methods are used, from the hotel's side, to provide expectations for first time guests?
5. What is done to minimize the risk for first time guests?
6. How do you manage these expectations, especially for repeat guests?
7. How do you predict and plan for changing expectations and trends in the industry?
8. What do you think has the most impact on how expectations change?
9. Are there ways that the hotel can change expectations?
10. Overall, how well do you think the hotel and its staff understands your guests' expectations?
11. What do you consider to be the beginning of the guest's experience?
12. Do you believe that there is an end to the experience?
13. How do you use information databases to guide your guests' experiences?
14. What are some other ways that your staff guides guests' experiences?
15. What methods are used to identify service gaps?
16. Has the hotel implemented any management philosophies or procedures like total quality management to help maintain positive guest experiences?

Appendix G