Hilton London Gatwick Airport: Individual Field Trip Report

1. Executive Summary

In this report, Hilton London Gatwick Airport is used as an example to analyses and explain service quality. The report explain service quality by defining how service is perceived by customers and identifying in what ways service quality are affected. Later, managerial implications are given to address on the good and bad areas. It is found that Hilton London Gatwick Airport (Hilton) implements many good decisions to cope with the changing need and requirements of the society, for instance, hotel refurbishment to renew facilities and design, daily meetings to review performances and being flexible to all circumstances. However, Hilton is not sensitive enough to keep pace with changes to surroundings. Besides academic sources, personal communications with boards of department heads from Hilton London Gatwick Airport is also used in the report.

2. Background of Hilton London Gatwick Airport

Hilton London Gatwick Airport (Hilton) is 4-star hotel opened in 1980s. It is located near Crawley, West Sussex, South Terminal of the Gatwick Airport (Hilton, 2019a). It primarily serves travelers from Gatwick Airports that have connected flights at nights or mornings and organize events for business entities. Gatwick Airport is the second busiest airport by total passenger traffic in the United Kingdom, after Heathrow Airport (ACI World, 2019) and it's the eighth-busiest airport in Europe. Hence, there is a high demand on rooms and relatively high occupancy rate in Hilton. Besides Hilton, there are also other airport hotels available such as Copthorne Hotel, Sofitel Hotel Gatwick and Premier Inn. Additionally, Hilton has not been fully refurbished since the opening, the decoration and facilities are out-of-date. In order to be more competitive, the company has decided to invest 40 million pounds to fully refurbish the hotel and it is expected to last for 2.5 years starting from late April 2019 (Hilton, 2019b).

3. Definition of Service Quality

Many stresses that service quality in service sectors is meeting customer needs and requirements (Hutchins, 1986; Crosby, 1980). Additionally, authors are referring service quality to the comparison of expectations and perceived service (Parasuraman al et, 1985b; Grönroos, 1984; Lewis and Booms, cited in Lewis, 1989). To develop service quality, Grönroos (1984) suggested that firms should firstly define how service is perceived by customers and then identify in what ways service quality is influenced. She stated that service is activity that involves with high degree of personal involvement. During the consumption process, customers will find many resources and activities to notice and evaluate. Therefore, experiences are expected to influence the post-consumption evaluation of the service quality ie. The perceived service quality.

Grönroos (1984) postulated two dimensions: the technical quality that tells what service the customer received as an outcome and the functional quality that explain how the service is delivered to the customers. These two dimensions come together to influence the corporate

image of a company. Later, Lehtinen and Lehtinen (1991) introduce another three dimensions, physical quality- the physical objects involved, corporate quality- the company image and interactive quality, which derive from the interactions between service providers and customers and within the customers. However, the mostly adapted determents are the ones proposed by Parasuraman et al (1985a). They identify the 10 dimensions that influence the perceived service quality, they are: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding customers and tangibles. Later, it was condensed into 5 dimension (Parasuraman et al, 1988) listed as below:

1. Tangibles

The equipment and the facilities involved, eg. whether the facilities are adequate, new

2. Reliability

The ability to perform promised service dependently and accurately, eg. does the employees deliver the promise efficiently?

3. Responsiveness

The willingness to help customers efficiently, eg. will the employees actively assist guests with their difficulties?

4. Assurance

The courtesy, knowledge and the ability to inspire and trust, eg. does staff serve with confidence?

5. Empathy

Caring and individualized attention provided by the company, eg. flowers on valentine’s day

These determents can act as reference when setting service standards and indicator to evaluate the services provided to the guests.

Fig. 1 – Quality Gaps Analysis Model (Parasuraman et al, 1985a)

Besides, the 5 determents of Parasuraman et al (1988), q The difference of the perceived service quality and the expectations are represented by the gaps shown in Fig.1. It shows the activities in an organization that influence the perceived service quality. If any gap exists during the service provision process, there will be difference between perceived service quality and expectations which is likely to disappoint guests and lower service quality. Ghobadian et al (1994) and Parasuraman et al (1985a) explain gap 1 exists due to the inaccurate perception of consumer expectations that lacks customer/ market focus. Gap 2 represent the inability of translating the customer expectations into service quality specification. Gap 3 represent the failure to provide high service quality through service delivery. Gap 4 is caused by the unrealistic expectation fashioned by the external communications of the environment while gap 5 exists due to the unresolved gaps of 1-4. If Hilton manage to close all the gaps, it should

guarantee a high service quality.

4. Good Decisions and Implementations

Fig. A - Lobby. The style of lobby design still in 80s.

Fig. B – Room. There are not enough lights in the room and the light is so dim.

4.1 Full Hotel Refurbishment

As an airport hotel, hotel guests come to get quick rest and get ready for their next flight or next destination. Efficiency is very important and the corporation of the facilities is required to achieve efficiency. For instance, imagine there is loads of guests with huge luggages that require to take the life but there is only one lift in the lobby, how can efficiency be achieved? Parasuraman et al (1985a) identified 10 key determents (reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding customers and tangibles) that service consumers used to evaluate service quality. Among these determents, most of them are experiencing the properties: access, courtesy, reliability, responsiveness, understanding/knowing the customer, and communication. It shows that tangibles is a significant criteria for customers to evaluate service quality and it also imply the association of service quality with facilities. Hilton has not been refurbishment since the opening in 1980s, the facilities are obsolete and dilapidated. The design and decoration are also old-fashioned and unaesthetic. Dobrin (2019) defined first impression is the subjective judgment in an instant period of time. He mentioned its exaggerated impact is related to the halo effect where the positive perception of one things or part of the items give rises to the similar qualities in related objects. With the full refurbishment, Hilton is able to give a positive impression to guests about the service and the facilities and hence, the service perception is likely to be positive.

4.2 Daily Meetings

Besides the refurbishment, boards of department directors conduct meetings to review comments and complaints internally and externally in a daily basis (Hilton, 2019b). Hilton will review the opinions from hotel guests through discussion of the incidents and the questionnaires received from the hotel guests. Also, Hilton arrange employees to review comments from TripAdvisor in order to understand the customers' needs and areas of improvement. In order to understand the changing needs and expectations of customers, these meetings are necessary. Hilton can use the feedbacks as an indicator to check whether their existing systems, regulation and standards are still applicable and suitable to the environment and customers. It helps to constantly update their standards so as to provide the best service to guests. Moreover, reviewing the comments and complaints allow Hilton to identify their flaws from customer perspectives and to make improvements and changes according to these feedbacks. If Hilton can understand what the customers need through this process, they are able to implement customer-oriented services that are likely to narrow or eliminate gap 1 mentioned in fig.1.

4.3 Flexible Arrangement

In different circumstances, Hilton will make flexible arrangements to suit the needs of guests. For instance, during Chinese New Year, Chinese cuisine are added to the menus of restaurants to favors the Chinese hotel guests. Halal food are also prepared for guests from Middle East. With the rise of healthy lifestyle, gluten free, vegan and vegetarian options are also available in Hilton restaurants. Flexibility in operation is important as it show the adaptability with different cultures and needs. In addition, taking care of the guests special needs create a warm feeling to the guests that they are noticed and service specially. This action fulfil the empathy dimension discussed above and it undoubtedly go beyond guest expectations and thus, enhance the service quality.

5. Areas of Improvement

5.1 Poor Management on Refurbishment

Even though the refurbishment is considered to be beneficial to Hilton, the refurbishment took a long time to be proposed. Hilton has not been fully refurbished since 1980s (about 40 years), and the last minor refurbishment was over 10 years (Hilton, 2019b). With the rapid development of the technology and changing society, the definition of modern and technological level could be completely different. As an international luxury brand, managers should notice that there is an urgent need for refurbishment, yet it took 40 years to be implemented. It may argue that refurbishment is a huge process that careful planning and huge investment are needed. However, Hilton as an airport hotel near Gatwick – the second busiest airport in UK, a hotel that serve in the capital in UK, and being the famous luxury international brand, there is no reasons to take 40 years to do a refurbishment. As mentioned above, facilities is associated with service qualify and likely to affect perceived service quality, better management should be dine in the future. For example, regularly evaluate the timeliness and the suitability of the facilities and building design. The managers can also propose refurbishment plan earlier that the boards or related stakeholders could have time to consider and raise funds for the projects.

5.2 Failure to Perform Promises

Hilton has once fail to deliver a morning call to air crew that staying in the hotel (Hilton, 2019b). As the air crew are not waken on time, the flight is then cancelled and Hilton has to provide rooms for the affected passengers for that flight. Even though it is something trivial and simple as a wakeup call that can lead to a loss of thousands pounds or even more. Hilton has failed to fulfill ‘reliability’ to the air crew who trusted the employees will deliver their promises on time. If Hilton fail to perform their promises, it is hard for the air crew or even the affected passenger to trust Hilton anymore as it performs below the expectations in this incidents. This is likely to reduce the service quality of Hilton. To avoid it from happening again, managers should have arranged a better working shift for employees to ensure employees are good to work. Stronger supervisions are needed to check and make sure everything is running smoothly. Moreover, trainings are needed to ensure employees are well-equipped and familiar with the tasks they are responsible to avoid missing tasks.

6. Conclusion

Hilton has implemented some goods plans such as refurbishments, daily meetings and flexible arrangement to enhance service quality, however Hilton is unresponsive to the changes in

surroundings. Technology development is rapid, many sectors and even competitors has started introduce technology in not only in tangible facilities, but also service. With the rapid changes of society and consumers' minds, service providers has to be sensitive to the changes in the surrounding and keep pace with time in order to provide service excellence. To conclude, Hilton should continue emphasis on maintaining and enhancing service quality according to the arise of recent environmental trends such as arise of recent environmental trends such as development of technology, competitive elements and the changing customer expectations.

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