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# EXPECTATIONS FOR SERVICES IN VIETNAM'S BOUTIQUE HOTELS



BACHELOR'S THESIS | ABSTRACT

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Tourism is growing fast and travelling is becoming trendy and considered to be lifestyle. Due to the availability of information nowadays, travelers are smarter and their demands are growing faster than ever before. People keep looking for new experience and memorable moments during their trip.

The thesis aims to study the services that are concerned by guests visiting boutique hotels in Vietnam. The services are divided into two types: basic and exceptional services. Also, this thesis points out the services that need to be improved or unavailable on the market.

The introduction gives the reader an overview of the thesis topic including the background, objective of the study, research question, the relevance of this research and the thesis structure. The theoretical framework of this thesis is built by representing the latest data and up-to-date literature. It provides a big picture of the tourism market in Vietnam, definitions of elements that contribute to the success of a boutique hotel in term of service and framework that supports to address problems of the service process and offers solutions.

The research methods chapter clarifies the research approach and the reasons behind it, introduces survey design, explains data collection process, and evaluates the limitation, reliability and validity of the data collected.

The research results pointed out certain services that are most concerned by guests and reveal services that needs to be improved or are unavailable on the market. The recommendations for boutique hotel managers and those who are going to conduct the study on similar topic are given after data analysis. Lastly, the author reveals the limitation of the study.

### KEYWORDS:

Services, boutique hotels, Vietnam, service design, service process, customer experience.

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## LIST OF ABBREVIATIONS (OR) SYMBOLS

# 1 INTRODUCTION

## 1.1 Background

Tourism industry is emerging at a rapid pace and travelling is still as important as ever before. People start to look for unique experience when they travel, and they want to experience everything in many different ways (Hotelogix, 2017). Boutique hotel concept seems to adapt very well to this trend. Being one-of-a-kind on the market makes it a unique selling point to any boutique hotel that follows the path. Offering ultra-personal services, great spirit and unique design are some of the main features of boutique hotel (Harrison, 2017). Speaking of services and unique services, there is a question that the author has been wondering: What are the travelers' expectations of services for boutique hotel in Vietnam? This question arises since there is a need to understand the global customers' experience to start running a boutique hotel business in Vietnam. Therefore, this Bachelor's thesis focuses on studying customers' expectation of services for a boutique hotel in Vietnam from the customers' viewpoint. In other words, it is useful for the author to study the basic and exceptional services required by guests, how to improve the poorly served services and offer unavailable services.

As the Vietnam tourism market has been increasing over years, the need to catch up with the on-going trends is essential. There have been more and more foreigner tourists visiting Vietnam recently; therefore, it is important to study their need in order to offer the right services to the right customer group. (Vietnam National Administration of Tourism, 2016). It is also forecasted that the number of travelers arrive in Vietnam keeps increasing over the next few years, the Vietnam tourism market is a very potential market for investors in both short and long-term run (Trading economics, 2017).

Boutique hotel is, however, still quite a new concept to the current market in Vietnam even though it is used very often by small hotels. Boutique hotels are small, but it does not necessarily mean that small hotels are boutique hotels. Together with the size, a boutique hotel must provide certain unique features such as services and designs. Services provided by boutique hotels are often very highly personalized and its purpose is to bring the customers' experience to a higher level as nowadays, customers are looking to be treated not only as a guest, instead, they are aware of their value and require more personalized services (Vallen & Vallen, 2012).

For the author's professional career, writing a thesis about boutique hotel and services is considerably beneficial for his career. It is a great opportunity to deepen his knowledge in hotel department, to boost research method skills and to grow in an international environment.

## 1.2 Objective

This thesis studies the customers' expectations for services in Vietnam's boutique hotels, finds out the poorly served and unavailable services. Based on the collected and analyzed data, suggestions to improve the services in Vietnam's boutique hotels are proposed.

Data is collected through customers' reviews of 25 boutique hotels in the five most attractive tourism cities in Vietnam, which are Hanoi, Da Nang, Hoi An, Nha Trang and Ho Chi Minh City.

## 1.3 Research question

The main research question of this thesis is: What are the customers' expectations of services for boutique hotels in Vietnam?

Besides the main research question, the survey of this thesis also aims to find out services that are poorly served and unavailable in boutique hotels in Vietnam.

## 1.4 Relevance of this research

Not only in hotel industry that customer service plays a crucial role in the heart of the business. It is obvious that travelers in this century have various choices when they travel, especially when their destination is a tourism city. Making the customers happy and fulfilling their needs is essential and helps preventing them from choosing the other competitors on the market. (Morgan, 2017)

Service and boutique hotel are closely related to each other. It is even the feature that differentiates a boutique hotel from a traditional hotel as one of the most important



missions of a boutique hotel is to deliver ultra-personalized, unique and five-star level service to their customers. (Harrison, 2017)

One of the most powerful tool to evaluate the quality of the services is through the customers. Hence, in this thesis, the author studies and researches the level of satisfaction of customers through their feedbacks on trustworthy forums, such as TripAdvisor.com and Booking.com.

### 1.5 Thesis structure

In this thesis, the author focuses on studying the customers' expectation in boutique hotel sector in Vietnam. The study is done from the customers' point of view to understand their requirements for a boutique hotel. The result of this thesis is important and relevant for the author's professional career as he plans to run a boutique hotel as a family business in the next few years. The knowledge and understanding gained during the process of writing this thesis is also crucially essential.

The first chapter aims to provide background information, the objective of the thesis, the research question and the relevance of the research. The main motivation of the author on this topic is also discussed in this chapter.

In the second chapter, the information about the Vietnam tourism market is discussed in details to point out the development of the market in recent years and its potential development in the future, as well as to give the reader an overall viewpoint of the whole tourism market in Vietnam. It also helps to clarify the reason why the author chose Vietnam as the destination to invest.

The third chapter is all about services and it focuses on services in hotel department. Theory about service is also used in this chapter to strengthen the persuasiveness level of this thesis. In depth, the definition of service and customer, and services in hotel industry is discussed in details.

In chapter four, Customer Experience Modelling and Service Design is discussed in order to complete the theoretical framework.

Together with the content of chapter two and three, these three chapters create a very solid foundation to support the research and the analyzation process.

The research method are presented in chapter five. Research is done by collecting data on trusted forums such as Booking.com and TripAdvisor. Details about research method, survey design, data collection, survey limitations, and data reliability and validity are revealed.

The sixth chapter is the presentation of research findings and data analysis.

The last chapter aims to answer the research questions and suggest ideas for people planning to conduct the study on the similar topic.

## 2 TOURISM MARKET

In this chapter, the author analyzes the current tourism market in Vietnam to figure out the market size, market value and the potential customer group. This chapter presents an overview of the current tourism market and its potential benefits as well as challenges.

### 2.1 Vietnam tourism market in general

#### 2.1.1 Tourism market size

Vietnam in the 21<sup>st</sup> century has been globally known as one of the most potential emerging market for tourism. With more than 10 million visitors arriving in Vietnam in the first ten months of 2017, compare to 8 million in 2014, Vietnam ranks 12<sup>th</sup> in the Asia Pacific region in tourism sector (Intelligence, 2016).



Figure 1. Vietnam tourist arrivals (Intelligence, 2016)

Despite the growth in number of tourist arrivals, Vietnam tourism is still facing certain challenges. Maintaining tourism attractions is one of the most challenging tasks of the Vietnamese authorities. In the recent years, there have been many cases recorded about damaged attractions caused by tourists, factories and even local people. The rapid development of Vietnam economy also brought to the country pollution and traffic problems. This is mainly because of the increasing of population, industrialization, lack of laws on protecting environment and urbanization. (Vietnam U.S. Commercial Service,

2011) Security is also a factor that prevent the tourists from choosing Vietnam as a travel destination. There have been cases about robberies and thefts of tourists happened in the tourism cities (Intelligence, 2016). However, Vietnam is still a beautiful country with various cultures, sights and sceneries that attract international tourists. If the government could manage to control and deal with the challenges that preventing the tourists to visit Vietnam, the scenario of Vietnamese tourism market would be considerably improved.

In recent years, the infrastructure system of Vietnam has been upgraded by the government to serve people as well as increase the competition level of the country on different aspects. Road, railway, seaport and especially airport infrastructure have received huge investment in recent years. As the volume of passengers and goods transported by air plane has been increasing rapidly (KPMG, 2016). This has shown the Vietnamese government's effort to develop the country as well as to attract more investment in the near future. In term of tourism, this is considered as a huge support from the government to the tourism department. This would ease the traffic jam, allow visitors to travel more easily in Vietnam; thus; create a better image of the country in the international tourism market.

#### 2.1.2 Market value

Vietnam has become more globally known as the destination for traveling in South-East Asia. As a country with various attractions, beach cities and the diversity in cuisine, Vietnam is surely an appealing choice for different types of travelers. (Pham, 2017)

Vietnam tourism market is expected to keep increasing in term of tourist arrivals, according to Trading Economics. In November 2017, Vietnam expects to welcome about 1,1 million tourists, compared to 926,600 tourists in November 2016.

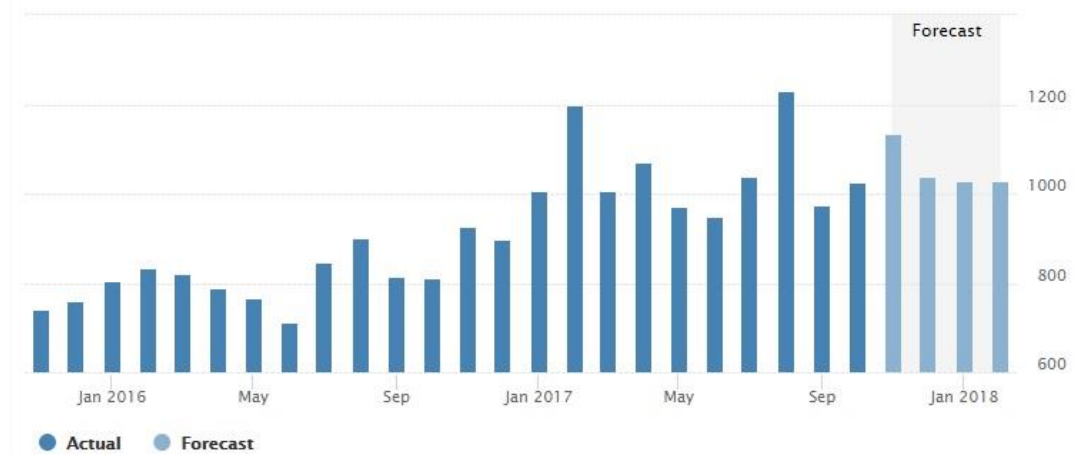


Figure 2. Tourist arrivals from November 2015 to October 2017 and forecast amount from November 2017 to February 2018. (Economics, 2017)

According to the index from Trading Economics, Vietnam attracts most tourists in February and August. This could be explained as Lunar New Year is usually celebrated in February, and it is also the most awaited celebration in Vietnam. In this time of the year, many traditional activities are held along the whole country and they really attract the international tourists who are willing to see and experience the traditions of Vietnam. August, or summer in general, is usually the great time to travel with family. Family with children usually choose this season to travel as the children do not have to go to school and many companies allow their employees summer vacation. (Steves, 2017)

According to Vietnam National Administration of Tourism, the amount of tourism receipts has shown steady growth in the last few years since 2010 to 2015, from 96 trillion VND in 2004 to 337,83 trillion VND in 2015.

## Vietnamese Tourism Receipts (2011-2015)

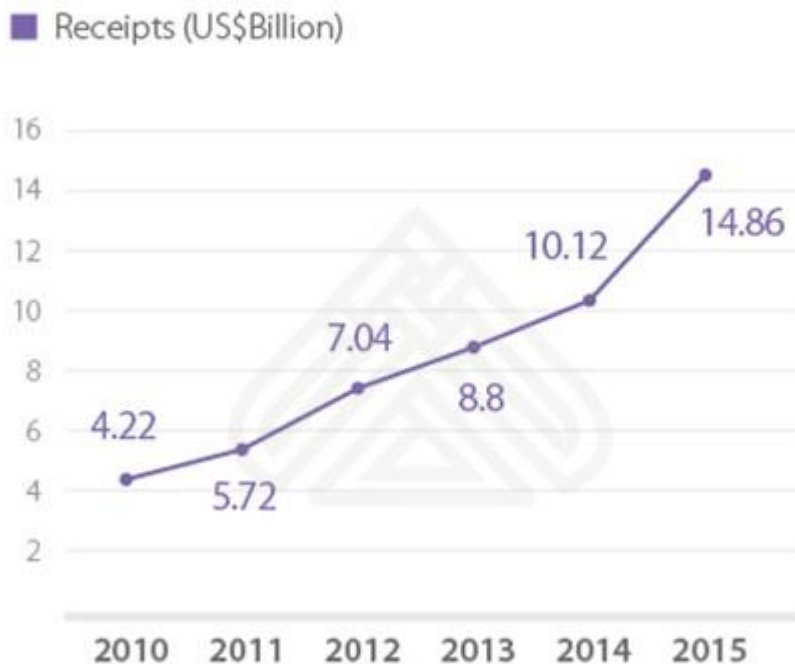


Figure 3. Vietnamese tourism receipts from 2011 to 2015. Last updated in 2016. (Pham, 2017)

Hanoi and Ho Chi Minh City are the most popular cities in term of attracting travelers. According to a research by CBRE Hotels, Ho Chi Minh City attracts 4,4 million visitors and Hanoi has 3 million visitors in 2014. This has made Hanoi to keep up with Bangkok in term of regional occupancy rates (Research, 2016).

Despite the massive increase in luxury hotel supply in Hanoi and Ho Chi Minh City, the demand for luxury hotels is still exceeding the supply. Hanoi has planned to construct around 1000 luxury hotels in the next year, while Ho Chi Minh City is about to start constructing several five-star hotels in 2017. To encourage and catch up the on-going trend, the Vietnamese government has started to focus more on the tourism industry and this movement is expected to allow more opportunities for foreign direct investment to the market (Pham, 2017). From 2016 to 2020, the Vietnamese government plans to spend VND30 trillion to develop the tourism infrastructure. The investment will be used to modernize the infrastructure system to support the tourism and attract foreign tourists to Vietnam. By the end of this year, 2017, Vietnam expects to welcome 13 million visitors (VietnamTourism, 2017).

### 2.1.3 Tourist groups

Due to the diversity of culture, cuisine and attractions, Vietnam is becoming a very appealing destination for a wide-range of international travelers. In the first 10 months of 2017, Vietnam welcomed 10.473.230 international arrivals, which is 28,1% higher than the same period of 2016 (VietnamTourism, 2017).

According to the latest report of Vietnam National Administration of Tourism, in the first 10 months of 2017, the majority of tourists arrived in Vietnam by air. There were nearly 9 million arrivals by air, 200.000 by sea and 1,4 million by road.

In term of tourist groups, there are five markets, standing for five continents, which are: Asia, Americas, Europe, Oceania and Africa. Asia is the biggest one in term of arrivals in Vietnam with 7.899.254 arrivals recorded in the first 10 months of 2017. The second biggest one is the European with 1.521.268 arrivals. Americans with 671.160 arrivals are ranked in the third place, the fourth place is Oceanians with 352.506 arrivals and Africa is the smallest market with 29.042 arrivals (VietnamTourism, 2017).

It is not surprising that Asia is the biggest market of Vietnam in term of tourism. Among the Asian countries, China is most noticeable market as there were 3,2 million arrivals to Vietnam in the first 10 months of 2017. Korea is the second biggest market when there were nearly 2 million arrivals recorded, which is 53.9% higher than the first 10 months of 2016. This presents the fact that Korea is emerging and becoming a very potential market for Vietnam's tourism. Based on the figure 4 below, it is obvious that the number of arrivals in Vietnam in the first 10 months of 2017 from Asian countries increases considerably compared to the first 10 months in 2016. Korea, China and Hong Kong are the three markets that are very promising.

	October 2017 (estimate) (Arrivals)	Accrued for 10 months of 2017(Arrivals)	October 2017 vs, September 2017 (%)	October 2017 vs, October 2016 (%)	10 months 2017 vs, 10 months 2016 (%)
<b>Total</b>	<b>1,024,899</b>	<b>10,473,230</b>	<b>105.0</b>	<b>124.7</b>	<b>128.1</b>
<b>By means of transportation</b>					
1. By air	863,501	8,877,100	103.9	129.2	131.0
2. By sea	14,810	204,707	148.4	72.4	91.9
3. By road	146,588	1,391,423	108.7	109.8	118.0
<b>By markets</b>					
<b>1. Asia</b>	<b>800,043</b>	<b>7,899,254</b>	<b>103.3</b>	<b>129.4</b>	<b>132.8</b>
Korea	219,733	1,934,082	102.9	178.6	153.9
China	309,480	3,245,681	109.3	128.5	145.6
Hong Kong	4,228	39,166	83.0	148.0	137.1
Taiwan	54,506	512,832	117.2	131.6	121.1
Philippines	10,342	107,741	94.8	113.3	119.6
Indonesia	6,206	67,078	101.5	114.5	118.1
Malaysia	40,229	375,047	102.4	125.5	117.2
Thailand	27,918	239,161	143.0	122.3	112.7
Laos	8,527	124,083	71.8	73.2	110.8
Cambodia	16,348	186,242	99.6	62.0	107.8
Singapore	22,131	215,284	99.5	115.6	107.8
Japan	59,896	658,228	74.6	106.6	107.7
Others	20,499	194,629	107.0	75.2	82.4

Figure 4. The latest index of arrivals in Vietnam by means of transportation and by Asian countries (Vietnam National Administration of Tourism, 2017)

The growth rate of European market seems to be lower than Asian market when the number of arrivals in 10 months of 2017 compared to its of 2016 increased only 18,1%; while this rate of the Asian market is 32,8%. However, with more than 1,5 million arrivals of 10 months of this year, Europe remain an important market to Vietnam. In term of European countries, Russia is the market with the highest number of arrivals as well as growth rate. In the 10 months of 2017, there have been 457.316 arrivals in Vietnam and the growth rate is at 38.3% (VietnamTourism, 2017). This-growth rate is a very positive signal for the Vietnam tourism as Russia is a attractive market in term of both economy and population. Focusing on Russian market in Vietnam has been the trend in Vietnam in recent years. Apart from Russia, England, France and Germany are the other potential groups in Vietnam tourism market with noticeable arrivals in Vietnam in 2017.



<b>3. Europe</b>	<b>126,638</b>	<b>1,521,268</b>	<b>109.5</b>	<b>108.3</b>	<b>118.1</b>
Russia	36,681	457,316	101.3	115.7	138.3
Spain	6,279	57,616	78.0	112.2	120.6
Sweden	1,987	35,586	163.0	109.2	117.5
Finland	825	14,278	156.3	129.9	115.2
Germany	15,021	158,714	122.0	107.8	113.7
Holland	5,181	60,116	120.0	104.7	112.7
Belgium	1,915	23,659	88.0	116.3	112.3
Italy	3,669	47,041	97.0	103.1	112.3
Denmark	2,279	29,467	149.4	113.0	112.2
England	20,666	233,740	110.5	107.9	111.8
France	15,578	208,790	117.9	96.7	106.7
Switzerland	2,467	26,464	175.0	105.2	105.3
Norway	1,252	20,402	139.3	94.5	104.8
Others	12,838	148,079	113.7	105.4	108.9

Figure 5. The latest index of arrivals from European countries in Vietnam (Vietnam National Administration of Tourism, 2017).

Even though the total number of arrivals and growth rate of arrivals from the American market is not as high as they are from Asian or European ones, the US itself is a large market to Vietnam with more than 500.000 arrivals recorded in 2017 (VietnamTourism, 2017).

According to Vietnam Economic News (2017), the official of the Ministry of Industry and Trade of Vietnam, an agreement of co-operation in tourism was signed in 2017 between the American Society of Travel Agents and Vietnam Society of Travel Agents. This agreement is important and expected to boost the tourism of both Vietnam and the US. The US is a very potential market and attracting the US visitors has been the long-term goal for many Vietnamese tourist companies. According to Mr. Nguyen Cong Hoang, the Deputy General Manager of Hanoi Red tours, the US is a huge market with many people traveling abroad. Their purchasing power is high. In 2016, the US visitors spent about USD145 billion. (Quynh, 2017)

The Oceania market is contributed mostly by Australia and New Zealand. Australians is the main player in this market with more than 300.000 arrivals in 2017, 14% higher than 2016. However, New Zealand is showing a higher growth rate, 17.6%. There have been more than 40.000 arrivals in Vietnam in 2017 (VietnamTourism, 2017). Alike New Zealand, the African market is showing an impressive growth rate of 28.5% from October

2016 to October 2017. However, the volume of this market remains low and currently, the Vietnam's tourism official has not had any specific policy or strategy focused on this market (VietnamTourism, 2017).

## 2.2 Boutique hotel market

### 2.2.1 Boutique hotel

The term “boutique hotel” first appeared in the hotel industry in 1984 by Steve Rubell when he compared his first hotel to a boutique monolithic department store. Later, Bill Kimpton was the first person to really attempt to develop a boutique hotel with a British theme and an own story to create the uniqueness for the property. According to Kimpton, travelers might have felt lonely along the road and offering personal service would help them feel better during their stay. It is also a place that he would love to stay himself. His first idea was to operate wine hour, when the customers and staff had a great chance to meet up together. Years later, he came up with an idea of adding a pet, so that their guests could have a friend during their stay at the hotel. He added a goldfish in every guest room. While Bill Kimpton tended to create unique experience for visitors, Ian Schrager, the co-owner of Morgans Hotel with Steve Rubell, seems to be more inclined about design. Together with Philippe Stark, they have brought to their visitors a totally new hotel experience with Morgans, Roylton and Paramount. At the time, the Paramount offered rooms at \$100 per night (Rosner, 2015)

Despite many attempts to define the term boutique hotel, the discussion seems to remain challenging as it is complicated to define, compartmentalize and standardize the term “boutique hotel”. The concept itself is meant to avoid any limits of standardization; hence, it would be more relevant to describe the term by using some common characteristics that most boutique hotels share (Balekjian & Sarheim, 2011).

The first and very common criteria that most boutique hotels follow is the small size. Many people working in the industry agree that a boutique hotel capability in term of rooms is from 10 to 100 rooms. It should not be under 10 rooms as then it is considered as an inn. Second, a boutique hotel should be an independent hotel or at least make the customers feel like it is an independent. Because boutique hotels try to bring a unique feeling to customers, they usually try hard to not feel like a corporate hotel. However, it

is still possible that a boutique hotel is a line of a luxury hotel association or a brand of a hotel label. Next, design plays an important role of boutique hotel. Usually, the design of boutique hotel is, of course, unique, using trendy materials and able to bring a warm feeling to their customers (Anhar, 2011). For example, the Alcove Library Hotel in Ho Chi Minh City has the theme of an ancient library, or the Little Hoian boutique hotel has the traditional design of Hoian city, bringing a warm atmosphere to guests and reflecting the spirit of the ancient Hoian city. About location, in general, there are two on-going trends currently. Boutique hotels either lie in city center or in resort destination. Being located right in the heart of the city center itself already create a unique vibe for the hotel. However, for boutique hotels located in resort destination, their goals are to bring a warm and cozy feeling to their guests while allowing them to enjoy the local nature. Each boutique hotel strives to be one-of-a-kind; hence, the spirit that they offer to their guests is unique as well. The only common factor is that every boutique hotel is full of spirit. It could be eccentric, humorous, rebellious or cozy feeling that every guest can easily feel right at the moment they step in. And finally, service certainly lies in the heart of the success of the boutique hotel business. Offering highly personal and even exceptional services is one of the most unique factors that separate boutique hotels and traditional hotels. Service in boutique hotel will be discussed in more detail in chapter 3. (Harrison, 2017)

## 3 SERVICES IN BOUTIQUE HOTEL

### 3.1 Understanding services

#### 3.1.1 Definition of services

Services vary from different forms and provided by different types of business. In general, there are business-to-customer, business-to-business, internal, public, not-for-profit and voluntary services. (Johnston, et al., 2012, p. 5) In this writing, business-to-customer services is chosen and discussed

Business-to-customer services are defined as services provided by a service provider to its customers. For example, travel services are provided by airlines and bus companies, hospitality services are provided by hotels and restaurants. The term “customer” has different meaning for each business. The customers of a hospital are victims while the customers of hotels are guests (Johnston, et al., 2012, p. 5).

The meaning of the term “service” is surely various as it is, nowadays, used to describe about 80% of economic activity in developed countries. Hence, there is no single, agreed and comprehensive definition for the term “service”. However, there are consensus to describe the term “service”. The most obvious factor that differentiate service and product is that product is tangible, and service is intangible. Service is a set of activities that the customer is involved and perform certain role in the process. Therefore, it is said that the focus of services is on the delivery process, experience and its strategy focus on the customers (Johnston, et al., 2012, p. 7). Unlike physical products, service is produced and consumed simultaneously. The experience comes to customers immediately and continuously. Because of this, all human involved in the service delivery process are playing a vital role. (Tsiotsou & Wirtz, 2015)

From the customer’s perspective, the service received is the experience they have during the process of the service. This experience later leads to outcomes such as ‘products’, benefits, emotions, judgement and intentions. Figure 6 presents the factors belonging to the operation process from the service provider’s perspective and the experience of the service provided from the customer’ perspective.

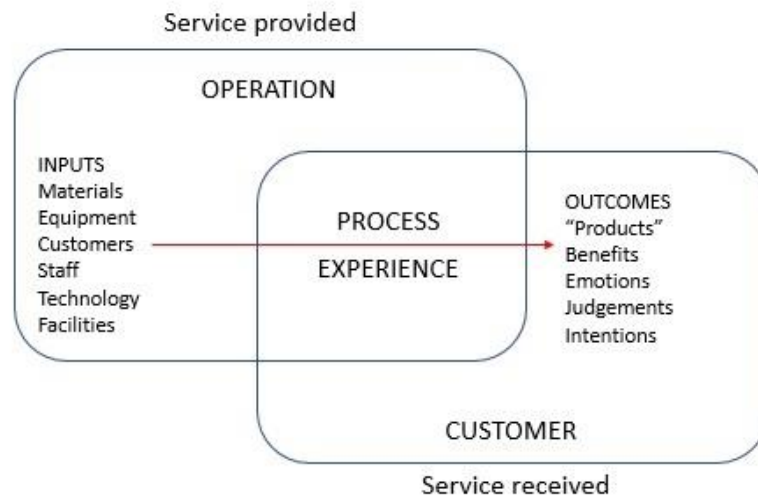


Figure 6. Service provided and received (Johnston, et al., 2012, p.7)

The service provided happens when the operation meets the customer as presented in Figure 6. From the viewpoint of the operation, service provided is a process where many resources are used and even customers are part of this process. In other words, it could be said that service is co-created with the customers (Johnston, et al., 2012, p. 7).

Service outcomes are the term that include 'products', benefits, emotions, judgements and intention, and used to describe the result of the service process and their experience. 'Product' means the functional output of the service provided. It is the food made by a restaurant, the refreshment and a good sleep for tourists after a long travel day offered by a hotel. Benefits are what the customer received or gained from the service. It can also be described as how well the requirements are met. The benefit of guests when booking a boutique hotel in the urban area is the warm atmosphere, highly personal service during the stay and probably all the attractions are in walk distance. During the process of experiencing a service, the customer might have different emotions. It could be love, surprise, anger, joy or sadness. The service of a well-managed boutique hotel could bring love and surprise emotion to their guests by offering them gifts on their arrival, a sweet goodbye letter on their departure. After experiencing the process and the benefits of the service provided, a conscious or unconscious assessment of the service will come up from the customer. Together with their emotions, the customer will then end up with the feeling of satisfaction or dissatisfaction about the service in general. Judgement will lead to intention consequently. If the satisfaction level of a customer about a boutique hotel is high, it is likely that they will recommend the hotel

to others or they will stay at the hotel if they visit the city again. However, even positive intentions cannot assure any actions in the future. (Johnston, et al., 2012, p. 8)

### 3.1.2 Key challenges of services

Services of business-to-consumer sector has its own and different challenges compared to other sectors such as business-to-business, internal or public services.

In general, the key challenge of business-to-consumer services is providing consistent services to every customer. Different customers have different requirements and expectations of the service provided. It is challenging to create a certain regulation that can effectively apply on all customers. Especially in hotel industry, where the needs of guests are various and changing day by day. According to Fuerstman, the changing in consumer demands is happening rapidly as consumers now have all the needed tools and access to information. Travelers are not simply lounging around anymore. Instead, they seek for interaction with the destination, they want to engage with the culture of their destination. They also value experiences and moments. In other words, they are more curious than ever before. (Powell, 2017).

Another challenge for service provider is to keep the atmosphere and experience fresh for every customer. This challenge arises from the fact that staff has to deal with many customers and follow the same path of service delivery; while it might be the first time the customer experiences the service from the service provider. Greeting may sound simple but in order to impress the customer with a positive attitude and truly welcome them requires the staff to be very professional in customer service. (Johnston, et al., 2012, p. 23)

## 3.2 Understanding customers

### 3.2.1 Who are customers?

In general, Investopedia defines customer as the person who purchase the products of a business. (Investopedia, n.d.). In term of service, customer acts as the recipient and the co-producer of the service. Therefore, in service, customers are all individuals and

organizations to whom and with whom an individual or organization provides service. (Johnston, et al., 2012, p. 69)

To explain this definition in greater detail, the author will take an example of a couple planning for their trip Vietnam. They first book plane ticket. In this relationship, this couple is the customer of the airline. They are also the customer of the airline booking agency. To pick up their customers, the airline has to use the services of the airport. Here, the airline is the customer of the airport. About the couple, as the man is busy with his thesis, the woman is the one who look for hotels, airplane tickets, places to visit and restaurants to eat in Vietnam. Then she will bring all the possibilities to the man. In a certain aspect, the man is now the customer of the woman. After discussing, they decided to book a boutique hotel in the urban area in Hanoi. Now, they are the customers of the hotel. As the hotel arranges a car to transport them from the airport, the hotel becomes the customer of the transportation company. Speaking of hotel services, the hotel usually includes internal and external services, which then leads to internal and external service provider. Thus, the hotel itself becomes both internal and external customers. Internal services in hotel are usually restaurant, bar, or spa; while external services are beverage suppliers, food supplier or transportation company. All in all, everyone is the customer of someone in this example. Customer can be individuals, units, or even organizations. Very often, service is a two-way flow process as participants in the service process are likely to be recipient and provider at the same time. (Johnston, et al., 2012, p. 69)

### 3.2.2 Customer types

Understanding the nature of customers and being aware of their differences surely benefit the service provider. According to Johnson et al. (2012, p. 135), customers are classified into 10 types based on their attitude and behavior as seen in figure 7 below. There are the allies, the hostages, the anarchists, the patients, the tolerants, the intolerants, the victims, the terrorists, the incompetents and the champions.

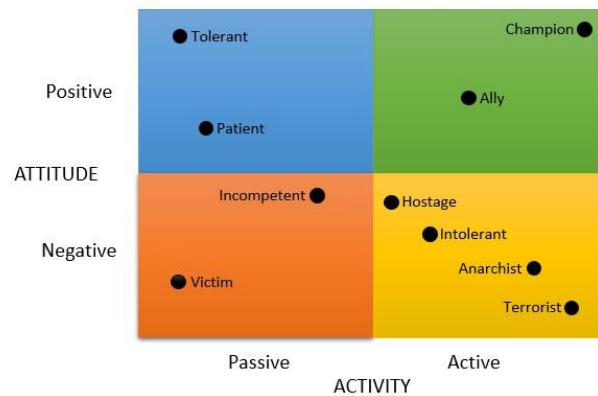


Figure 7. Customer types (Johnston, et al., 2012, p 75)

The ally is considered as valued customer and is the standard that service providers work hard to transform all the other types to, except the champion group. Allies tend to perceive the service with positive mindset and are willing to give feedback. It would be ideal that the allies are respected by other people as when the allies are satisfied, other people tend to think that the service must be good. (Johnston, et al., 2012, p. 75)

The hostage is the customers that usually stick with a certain service provider contractually. In other words, they use the service because they hardly have any alternatives. Thus, they may not experience the service with a positive attitude and if the service quality decreases, they easily become grumpy. (Johnston, et al., 2012, p. 75)

The anarchist customers tend to break the rules. They focus on getting what they want and go away as fast as possible. This rises the problem with other customers as they may think that the service provider is treating them unfairly. (Johnston, et al., 2012, p. 75)

Alike the hostage, the patient must use the service for some reasons. Hospital or school is great example. They tend to show a more positive attitude toward the service provider and follow the rules. However, they might turn into the hostage or anarchist if the service quality is low or there are too many rules. (Johnston, et al., 2012, p. 75)

The tolerant comes to the service provider with a very positive attitude, but they perform very passively and patiently. Thus, the staff sometimes ignore them by accident. (Johnston, et al., 2012, p. 76)



The intolerant customers are sensitive. They often cause stress and troubles with people around them, including staff and other customers. Without careful and proper service, they could potentially become terrorist. (Johnston, et al., 2012, p. 76)

The victim is the one who seems to get a bad day. When something goes wrong within the service process, they are the one who receive and suffer. Their behaviors vary in many situations. However, they tend to be very passive and suffer the accidents themselves. (Johnston, et al., 2012, p. 76)

The terrorist is the most dangerous customer. No matter how good the service was, if they dissatisfy, they are always ready to loudly announce it to everyone. (Johnston, et al., 2012, p. 76)

The incompetent should get high attention from staff of the service provider. This group requires a clear guidance of how the service process works; otherwise they would be confused and may not come back. (Johnston, et al., 2012, p. 76)

The champion is the golden customer group. They are willing to help the staff to deliver the service, actively participate in the service process with a very positive attitude. They also give very positive feedback to the service provider and spread their word of mouth, which is very useful for any businesses. (Johnston, et al., 2012, p. 76)

### 3.3 Services in hotel industry

#### 3.3.1 Services in boutique hotel

Customer demands are changing rapidly due to the availability of information recently. Travelers are smarter and more knowledgeable than ever. Thus, the definition of traveling is no more simply visiting attractions and taking photos. Travelers now are looking to be continuously stimulated. They want to experience the local life of their destinations and deepen their knowledge about the community there. In term of hotel, their expectations are also increasing. Not only a place to sleep, many are looking for values such as health care, gym, private bar, and unique experience during their stay. According to Walshe (2016), CEO of Viceroy Hotel Group, despite the change in demands and many other factors, the only thing that never change is value. Meaning that no matter at what price range, hotel guests are still looking for value. They surely do

not want to stay in a boring place or have no memories about their trip. They are absolutely looking for memorable experience, surprise and entertainment. However, keeping the guests' boredom level low and delivering unique service constantly is a real challenge, even for many luxury hotel brands. (Ting, 2016)

Services in boutique hotel is a complicated system as it requires the whole chain of the hotel to deliver great services. Meaning that from the cleaner to the receptionist, from the service manager to the hotel manager; everyone must ensure that their jobs are well-done. Managing this system is challenging. Guests are from different countries with different culture base, and each one has different characteristic, expectation and perception for the service. At the same time, the hotel has to manage other external service that they are the customer such as food, fruit and beverage supply to ensure that they deliver the best possible quality to their guests. In general, the service provided by the hotels includes many inputs and requires knowledge and experience in the industry and the involvement of guests plays an essential role to the success of boutique hotel service. (Johnston, et al., 2012, p. 8)

To deliver unique services in boutique hotels, there are some methods that are surely useful for the business. Measuring the customer mood and truly take care of them is the key to bring them positive mood. A small note after room service or a local gift when they leave is said to work effectively. Remember their name and their basic preference without asking is also a plus to improve their mood and improve their emotion. By offering a unique and personal service, it is more likely to satisfy the guests and eventually turn them into loyal customer. Learning from their feedback is also important. Negative feedback is a great source to improve the service. Punctuality is essential in hotel service. Late airport transportation when they leave is likely to destroy the whole impressive experience about the hotel. Even though every boutique hotel does their best to create unique experience for their guests, there are still certain standards and common etiquettes in the industry that the hotel should follow to keep their ultra-personal service professional and show a necessary level of respect to guests. Together with a professional attitude toward the job, maintaining a good sense of humor during the conversation with guests is a huge plus. This helps to bring a positive mood and create an energetic service image to the guests. After all, satisfying the guests by unique and highly personal services is the key to success in boutique hotel. It is a steady base for any business expansion later. (Balekjian & Sarheim, 2011)

### 3.3.2 Problems and learning from them

No matter how hard hoteliers work to deliver a superior service to their customers, there are always possibilities that risks happen in the process. Running the whole service system, managing various resources and inputs and ensuring that the service delivered is unique and superior is tough. When a problem happens, there are two types of consequences. They are operational and customer consequences. A receptionist spills his coffee cup on the computer could shut down the computer and this may cost the hotel a new computer. However, if a car driver shows up late at the airport could potentially damage the hotel brand from the customer's perspective. Thus, it is likely that operational consequences and customer consequences are connected. Despite the uncountable numbers of reasons that cause an issue in everyday operation, problems are classified into three main groups as seen in figure 8 below.

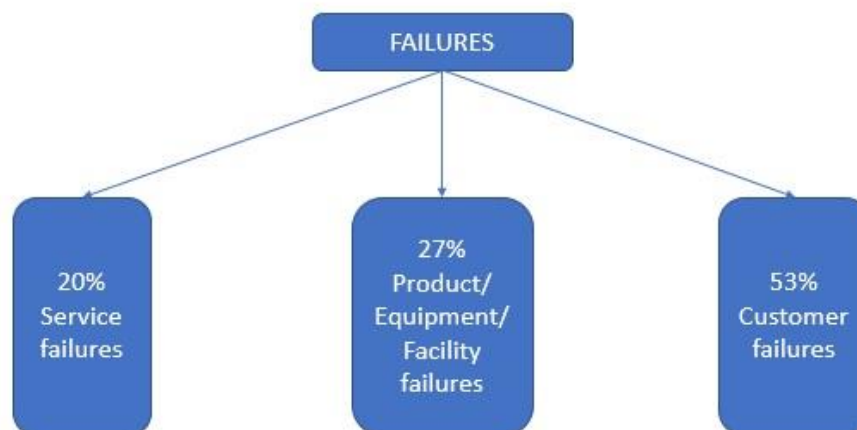


Figure 8. Types and proportions of failures in service organizations (Johnston, 1995, pp. 221-228)

Service failures are the failures that are caused by the hotel staff such as a cleaner shows up late at work that delay the guests' check-in or receptionist inserts wrong booking information to the hotel system. Facility failure is also a type of problems that happens often in hotel industry. Lack of hot water or leaking water from air conditioners are good example. However, as seen in figure 8, most failures are caused by customers. It is either "problem customers" or customers' mistakes. 'Problem customer' is customer that shows up with high level of aggressiveness or drunk customer; while mistakes from customers are usually simpler. In hotel industry, an often mistake is showing up too

earlier or too late for check-in, another is forgetting something in their room. (Johnston, et al., 2012, p. 346)

There is always something or some factors to blame. However, understanding why customers complain and learning to deal with such situations is more important and helpful for the business. According to a study, finance or free offer as a compensation is not standing in the first place of the list of reasons for complaining. Instead, customers complain because they want to have the problem sorted and raise awareness for other people that are going to use the service. Some complain as they need an explanation from the service provider or they want the service provider to adjust their attitude. Asking for financial compensation is also a reason to complain. Sometimes, people complain just to feel better. (Johnston, et al., 2012, p. 345)

Knowing why customers complain is essential, but not enough. Learning how to deal with is even more important. When a problem occurs, there are five key factors that any hoteliers should keep in mind. First, having said that acknowledgement is important. Accept the fact that the problem occurred and communicate sincerely with customers about the problem. During the conversation, show the empathy toward them as this sends a positive message to customers that the staff understand the problem from the customers' viewpoint. In most of the case, proactively apologizing is appreciated. After that, a follow-up activity could make the customers feel much better such as a hand writing letter saying that the hotel is truly sorry for letting the problem happen to them. In term of solving the problem, if a staff of the hotel get hold of the problem and clearly take responsibility, it would usually be appreciated by the customers. Customers tend to require a senior staff to take responsibility of the problem. During this process, there are two key activities to successfully deal with the problem: Showing attempts to fix the problem and providing compensation. (Johnston, et al., 2012, p. 348)

Preventing is better than solving. It is worth looking at some certain methods that could help to prevent the critical problems that may damage the hotel. According to Grenacher, CEO of Coresystems, on-time service delivery is important. Meaning that hoteliers must ensure that the problem is fixed within the promised period. If customer is told that the air conditioner will be fixed in two hours and it took three hours to be done, it is likely that customers will be dissatisfied. The staff must also ensure that the same problem will not happen again, at least to the same customers. Poorly trained customer service staff is potentially damaging the business. As discussed in 3.3.1, hotel's guests are a very wide range group of people, it is vitally important to ensure that service staff are all highly

educated and well-trained people. Maintaining the service is important. A good service is not only about premium quality, but also consistent. Hoteliers must ensure that they offer consistently high-quality service to their customers. (Grenacher, 2015)

## 4 SERVICE DESIGN

Recently, thanks to the advance of technology, people are having access to knowledge and data. Thus, they are becoming more intelligent as well as more demanding. In term of hotel services whose customers are mainly travelers, it is vital to understand that travelers' demands are changing rapidly. (Ting, 2016). To adapt to and fulfill their needs, it is a must to understand customers experience in order to create an effective service design that benefits the hotel. As a service provider, any hotels consider their service as the heart of their businesses and use it as a competitive advantage on the market. This chapter discusses a theoretical framework that support service designers to design a well-functioning service process, address the problems and solve them effectively.

### 4.1 Customer experience

#### 4.1.1 Definition

Defining experience is a challenging task. Customer experiences the service from the very first contact with the service provider. It could be their first email asking about available rooms that creates and starts the experience. Experience, in general, is a complex combination of every element involved in the service process. (Oracle, 2011)

Customer experience is created during the process of interacting and participating in with the service. It is direct and personal, and affected by various inputs and a series of touch points. The most challenging factor with experience is that it pops up and exist only in the customer's mind and it is extremely individual. Different people will have different experience on the same service provided at the exact same quality. Thus, it is impossible to design experience. Instead, many professionals focus on design the service to create positive experience. (Johnson, et al., 2012, p. 163)

Any business creates customer experience. So does hotel business. Every time guests contact to the hotel, step in the hotel, interact with hotel staff or use any services from the hotel, experience toward the hotel exists. It mostly depends on the service provider that the experience is good or bad, superior or awful. (Richardson, 2010)

Together with experience, it is worth considering emotions as an essential aspect. Understanding and being able to categorize emotions are critical for service designers. People's emotions are surely complicated and divided into many levels. There are more than 300 emotions named and they belong to seven separate groups: joy, love, surprise, fear, anger, shame and sadness. Emotions in each group are arranged by order from weak to strong. For example, joy includes emotions from satisfied to respected, happy and euphoric. Different emotions of different group and their rank are expressed clearly in figure 9, presenting a deeper look at people' emotions.

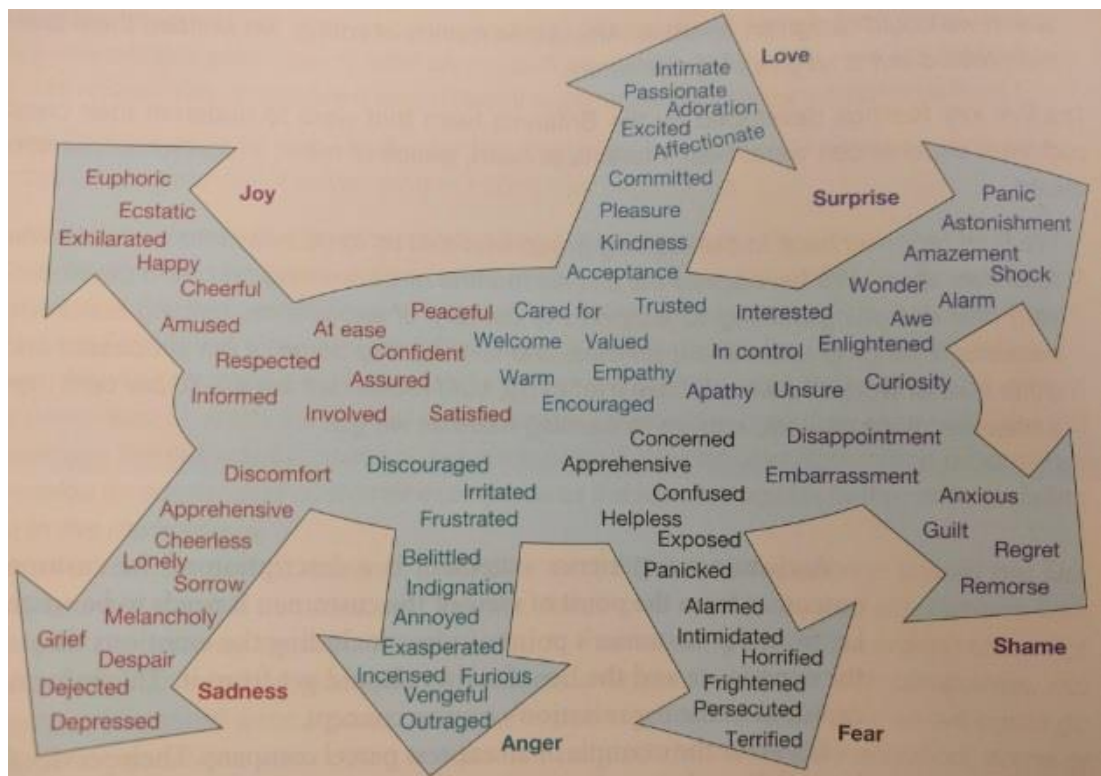


Figure 9. Weak to strong emotions (Johnson, et al., 2012, p. 166)

Emotions are powerful in term of controlling customers' experience and behavior. They are driven by our limbic system which release hormones to what people are going through or thinking of. Positive emotions are surprisingly beneficial for human beings as they stimulate our body to release endorphins, which helps people to improve their learning and memory ability and reduce stress. On the other hand, negative emotions result in mixed thinking. When the situation becomes worse, it can lead to aggressive attitude and behavior. (Johnson, et al., 2012, p. 166)

Studying emotions surely benefits the business and service designer due to three main reasons. First, most decisions are emotional. Many psychologists have proved that the

decision-making process of human being is much more emotional than many may think. Second, emotions are vital to the success of any service process. Positive emotions lead to positive experience, thus create a very good relationship toward the service provider. Lastly, as discussed, even though experience is unavoidable, individual and complicated, many service designers or businesses have not considered emotions as a goal for their service design. (Johnson, et al., 2012, p. 166)

#### 4.1.2 From customer experience to service design

As discussed, it is impossible design experiences as they are various and extremely individual. Despite many efforts from many professions, experiences cannot be fully controlled. However, from the viewpoint of a service provider, instead of attempting to control and design experiences, it is much simpler to design their service to adapt to the worst scenario, head to the ideal and create as positive emotions as possible. (Richardson, 2010)

Participating in the service process as a co-producer, customers must interact with various elements and touchpoints, some of which the service provider cannot even control. (Verhoef, et al., 2009, pp. 33-41). Hence, there is no exact framework or guidance that ensure exact and consistent outcomes in term of service process. Alternatively, it is better to create and prepare situations that encourage customers during the service process. (Forlizzi & Ford, 2000). Leaving a hand writing note with a bar of chocolate after room service would enhance customers' positive emotions and encourage them in co-producing a great service experience. In other words, even though experiences cannot be designed, services and situations that bring the positive feelings can be prepared and designed. (Patrício, et al., 2011, pp. 80-200).

### 4.2 Designing service process

#### 4.2.1 Main types of service process

The service process of a hotel toward their guests can be considered as end-to-end process. End-to-end process is defined as a combination of activities done by the hotel from the very beginning to the very end. In this context, the 'very beginning' can be the



first contact email from guests to check room availability, while the “very end” is possibly a follow-up thank you letter is sent to the guests after they had left the hotel. (Belaychuk, 2015)

This end-to-end process includes many different tasks and are done by people from different departments. Some tasks routine, some are standard but may not be done every day, while some are not standard and only done by guests’ order. Despite the variety of activities involved in, they are divided in three groups: runners, repeaters and strangers. (Johnson, et al., 2012, p. 195).

Runners are basic and standard activities involved in the process and done regularly. It is simple for service operators to expect the volume of work and therefore, effectively use their resources. (Johnson, et al., 2012, p. 195). In hotel industry, runners include room service, breakfast or swimming pool service. Very often room service is done daily, when guests are not present in the room. Breakfast is served daily as well. The volume of guests that will have breakfast is predictable.

Repeaters are slightly similar to runners. These are also standard activities but more complicated and their frequency is possibly lower. This is one of the main differences between traditional hotel and boutique hotel in term of services. Tradition hotel’s service department is designed to handle mostly standard and basic services. While boutique hotel has more jobs to do as repeaters require more resources to ensure the process to run smoothly.

Strangers, on the other hand, are the most difficult to manage. In boutique hotels, the variety of stranger activities are even greater as hoteliers tend to fulfill every requirement of their guests. According to a guest once stayed in Hanoi La Selva Hotel, the hotel manager organized a street food tour for their group to explore the city. During the tour, the manager walked them through highly recommended places and even remember their food preferences. Such activities are very difficult to predict as the demand is low and it is somehow irrelevant to hotel service. Due to low demand and the variety, defining and turn strangers to repeaters are challenging and possibly not economically beneficial. (Johnson, et al., 2012, p. 195)

The factors that make boutique hotels stand out from the crowd are usually the unique design and highly personal services. However, highly personal or high level of service should not be misunderstood as the added value of a boutique hotel. There are three types of value that its definition is essential. Customer value are the value that can be

recognized by customer and it is what they pay for. If the hotel manages to deliver high quality service, the staff's experiences are also improved. This is so called staff value. When the whole system run smoothly and effectively, it will bring benefits to the organization such as higher profit, satisfied customers or higher brand value. These concepts are essential for service designers as they help the designers to address to the exact problems or improve what need to be improved.

#### 4.2.2 Customer Experience Modeling

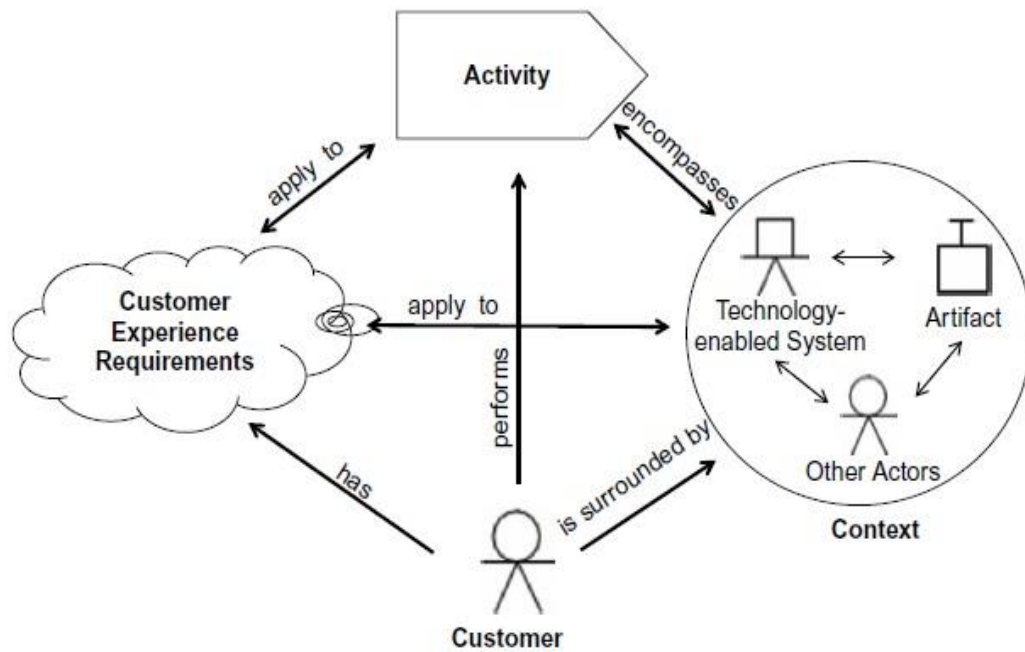
There are three framework that contribute to customer experience modeling. They support and systematize the customer experience so that service designers have a channel to communicate between team members. Model is also used as a tool to explain the insight interaction of elements which are very complicated. The customer experience model also assists to visualize the interaction of elements, which enable service designers to address exactly to problems and solutions. (Dubberly, et al., 2008, pp. 57-61). Three models that customer experience model employs are human activity modeling, customer experience requirements and multilevel service design.

Human activities modeling is an activity theory that include activities and tools used to support them. The model focuses on the activities and the environment of them, helping to address to the problems and study how customers complete certain activities. The reason for using this model is that it helps to study the customers without asking them for their opinions on a certain service. (Bettencourt, 2010). Also, customer needs are not presented by customer satisfaction studies. However, the human activities modeling itself does not include any tools to evaluate and support other elements that involved in the environment of customers' activities and the service. (Matthing, et al., 2004, pp. 479-498)

Customer experience requirements is used to fill the gap between customer experience and service design. It also acts as a tool to evaluate activity and its elements. By using customer experience requirements, service designers are able to visualize the interaction of the activity with the service provider that, eventually, results in customer's satisfaction. (Patrício, et al., 2009, pp. 209-227)

Lastly, multilevel service design is a hub that connect the model-based method. It supports the customer experience modeling to present three level of customer

experience: value constellation experience, service experience and service encounter experience. However, multilevel service design does not include factors such as actors, artifacts or customer experience requirements. Therefore, the customer experience modeling is completed by combining these three models and theory to provide a panoramic view of different factors that contribute to customer experience.








Notation	Description
 Artifact	Any artifact employed within an activity (Constantine, 2009)
 System Actor	Non-human system (software or hardware) interacting with the customer
 Actor	Activity participant interacting with the customer (or the customer himself)
	Perceived attributes of the interaction with a service provider that contributes to satisfaction and usage of the service (Patricio <i>et al.</i> , 2009)
 Activity	Collection of actions or tasks undertaken for some purpose (Constantine, 2009)

Figure 10. Customer Experience Modeling concepts and their relationships and Customer Experience Modeling notation (Patricio, et al., 2009)

By interviews and observations, a customer study is conducted. (Beyer & Holtzblatt, 1998). Afterward, the customer experience modeling systemizes the data using the three contributions. Human activity modeling provides the basis for customer experience. Customer experience requirements classify the experience based on the desired quality and multilevel service design offers a platform for service design. Data analysis is important as it provides categories for the whole model, including activities, artifacts, actors and customer experience requirements.

In the context of boutique hotel, customer is not the only actor in the model. In the context box, other actor is very often, a hotel service staff. Customer is surrounded by hotel service staff, hotel physical environment and infrastructure, and service provided as artifact. Activity, for example, is welcoming steps of the hotel. When a customer arrives at a boutique hotel, they are their own experience requirements or expectations in term of services in this context. Being at the hotel, customer is surrounded by hotel service staff, physical environment and the service provided by the hotel. The context box with hotel staff, service provided, and physical environment now encompasses with the activity, which is welcoming guest. The context box also applies to the customer experience requirements. Warm and cozy hotel design, positive and polite attitude from hotel staff, and professional welcoming service will be evaluated and compared with the guest's requirement. (Patrício, et al., 2011, pp. 80-200)

In short, the use of this model in service design is to allow the service design to have a panoramic view of the customer experience and the relationship between the elements that involved in. It helps to address to tlnthe problems, if there are, and provides the solutions for them.

#### 4.3 Managing and motivating customer service team

Delivering high quality services constantly is challenging. This requires the managers to be able to create positive and motivating atmosphere at workplace. (Martins, 2013). There are plenty of works by the organization to ensure their staff to be at the best status so that they can provide positive and high-quality services to customers. (Johnson, et al., 2012, p. 255)

Speaking of motivation, it can be understood as the willingness of people to behave in a certain way. One important factors to create motivation is when the needs are met and fulfilled. (MSG, 2017)

Besides the positive aspects of the workplace, employees are, at the same time, surrounded by pressures from different parties. The two main pressure sources are organization and customer.

Organizational pressures include the service designs and its resources, performance evaluation and reward and appraisal system. As discussed in 4.2.1, in boutique hotel, repeater and especially stranger activities are likely to appear, and because they are difficult to predict the volume of work, employees may face an increased workload in a certain period. For those who work directly with guests, the pressure of delivering constant service quality is high. Everyone has a bad day, but there is no day for bad service and attitude allowed. Reward and appraisal system can be a motivator and stress maker at the same time. (Johnson, et al., 2012, p. 255)

Pressures from customer are their expectation, mood, competency and the intensity of contact. Guests that choose boutique hotels often have higher expectation for the service than traditional hotel. They are also aware of what they pay for. Another problem is not everyone shows up at the hotel with a positive and comfortable attitude, even when they are on a holiday. Serving many customers in a short period can cause stress as well. (Johnson, et al., 2012, p. 255)

There are several methods to keep the motivation of service provider staff. Some managers might say strict and disciplined regulation works, while some claim that easy-going attitude is more effective. However, there are certain guideline that can be applied to most situations to motivate the staff. By applying the suitable method to the customer service team, the spirit of the team will be always positive, and they will energy to perform their tasks well. According to the customer experience impact report of Oracle, a company providing leading-edge capabilities, platform, infrastructure and data as a service, 86% of consumers are willing to pay extra for a better customer experience. (Oracle, 2011).

Communication is considered as one of the key factors that helps to motivate the customer service team. It is essential for the service staff to have a channel to communicate with the management department. This will provide a better insight for

management as it is the service staff that are in touch with the customers of the business. (Martins, 2013)

Customer service trainings are important for the service team to update the information, deepen their knowledge in the industry and sharpen their skills to provide a better service to customers. (Martins, 2013). Many companies are doing this as a trip. Besides the training, they can also enjoy the trip to relax and develop the team spirit. Teambuilding activities are a great tool to connect people and boost their motivation. (Lewis, 2015).

Competition in workplace, when applied properly, also contribute to the performance of the team. (Lewis, 2015). However, friendly competition is the key. As human are competitive, friendly competition at workplace is a great tool to motivate people to work more effectively. (Martins, 2013)

Encourage the positive performance of staff surely helps them to feel motivated. Sometimes, it is a very simple act such as telling them that they are doing a good job. It is simple but in many cases, many managers often skip it. (Martins, F. 2013) According to Glassdoor, a career platform, 81% out of more than 2000 people replied that it is the appreciation that motivate them to perform better. A compliment at the right time to prove that their good jobs are recorded is therefore, critical. (Markidan, 2015)

Personal growth is a great tool to encourage people to contribute more to the job and keep developing their skills. Allowing them to go for trainings, courses and seminars to broaden their network and improve their professional career. (Lewis, 2015)

Lastly, even though it is a challenging task, it is totally worth paying attention to manage the workload. Expect the number of guests coming to the hotel, proactively ask them for their preference in term of extra services, and allow them some breaks during the low time could make them feel cared for and motivate them to keep providing high-quality and exceptional service. (Martins, 2013)

## 5 RESEARCH METHOD

### 5.1 Research approach

Collecting case study evidence was the selected approach for this study (Jin, 2009). As the goal of the study is to understand the guests' expectations of services for a boutique hotel in Vietnam, it is relevant to collect data from those who traveled to and experienced the services of boutique hotels in Vietnam.

Quantitative method was selected as research method. This method provides numeric data that allows the author to analyze to create visible statistic. For non-numeric data, suggestions about new services or services that need to be improved can be pointed out. (Saunders, et al., 2007, p. 75).

Quantitative method was selected because of several reasons. To be able to answer the research question, this survey must be done on several boutique hotels and in different cities in Vietnam. Hence, the author decided to conduct the survey on 25 boutique hotels in 5 tourism cities in Vietnam. For this purpose, quantitative method suits the most. Moreover, to study the expectations of guests for services in boutique hotels, it is relevant to choose quantitative method as this method allows the author to conduct the survey on a wide scale of boutique hotels' guests. Lastly, quantitative method is a time-saving method because the survey is conducted on 127 reviews in total.

### 5.2 Survey design

The first part of the survey includes basic information of the guests such as nationality, age group and people they were traveling with.

The second part is about basic services. These two are included to find out what are the basic services that guests consider or pay attention to during their stay in a boutique hotel. According to the responses, basic services include room service, airport transport, greeting, breakfast and staff attitude. If the basic services satisfied the guests, question 5 would answer how well should the service be performed to satisfy the guests. A scale from 1 to 5 is used to estimate the importance of the service. 1 being as long as the action happens, 2 being crudely done, 3 being average, 4 being very well done and 5



being superior quality. This scale from 1 to 5 also applies for question 7. Room service in this context means the housekeeping activities. Very often, breakfast is served in the hotel's restaurant because many Vietnamese traditional dishes are made to order food and they should be served hot. Regarding airport transport service, it is a very popular service offered by many hotels in Vietnam. Due to the complicated of the traffic system, it is a very helpful service for tourists travelling with family or those who arrive in Vietnam for the first time.

The next part is about exceptional services. These services were or were not expected by the guests before their arrivals. However, when they received them, they were able to recognize and evaluate them. Exceptional services in this study include greeting, personal gift, remembering guests' personal preference, personal guidance and helps for their trip, and personal recommendation from local staff. Each person has their own way to describe the exceptional services they received. Thus, the author had to classify and divide them into five groups. Greeting in exceptional service usually mean how they welcomed the guests, not only about saying "Good morning". Guests are warmly welcomed with all the present of the service staff, offered refreshment, fresh fruits and chocolate. Personal gifts are surprising gifts that guests did not expect to receive. Some boutique hotels managed to know that their guests are coming for a special celebration, so they prepared a gift for them. Remembering guests' personal preference includes remembering guests' name with or without asking them, and remembering their food and beverage preference. Personal guidance and helps for guests' trip means that guests receive informative guidance of the hotel, city, culture, customs and warning about potential threats in the area. Personal recommendation from local staff means that guests are advised about recommended and highly rate restaurants, attractions and activities to enjoy from the local. The recommendation, of course, depends on the demand and preference of the guests. It is the staff's task to realize the preferences and recommend the right one.

The next part is unavailable or poorly served services that perceived by guests during their stay. This data was collected and inserted by keywords and will be explained in detail later in the analysis.

The final part is aimed to evaluate the overall satisfaction of guests. Very often, if they were satisfied with the services received, they tend to recommend it to other people.

### 5.3 Data collection

The survey is created on the platform of Webropol, with multiple responses allowed because the author collected the data himself. In each hotel, the most informative and relevant reviews are collected and inserted to the survey. There were averagely 5 reviews chosen from each hotel and there were 25 hotels in 5 tourism cities in Vietnam from the north to the south. It is expected to collect at least 125 responses for the survey. The 5 chosen cities were Hanoi, Danang, Hoi An, Nha Trang and Ho Chi Minh City. Here is the list of the chosen hotels and the link direct the reader to its booking website.

Hanoi:

- Hanoi E Central Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293924-d4137737-Reviews-Hanoi\\_E\\_Central\\_Hotel-Hanoi.html](https://www.tripadvisor.com/Hotel_Review-g293924-d4137737-Reviews-Hanoi_E_Central_Hotel-Hanoi.html)
- Conifer Boutique Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293924-d1728680-Reviews-Conifer\\_Boutique\\_Hotel-Hanoi.html](https://www.tripadvisor.com/Hotel_Review-g293924-d1728680-Reviews-Conifer_Boutique_Hotel-Hanoi.html)
- Hanoi La Selva Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293924-d4748027-Reviews-Hanoi\\_La\\_Selva\\_Hotel-Hanoi.html](https://www.tripadvisor.com/Hotel_Review-g293924-d4748027-Reviews-Hanoi_La_Selva_Hotel-Hanoi.html)
- Hanoi Old Quarter Hotel [https://www.tripadvisor.co.uk/Hotel\\_Review-g293924-d1099674-Reviews-or10-Hanoi\\_Old\\_Quarter\\_Hotel-Hanoi.html](https://www.tripadvisor.co.uk/Hotel_Review-g293924-d1099674-Reviews-or10-Hanoi_Old_Quarter_Hotel-Hanoi.html)
- Hanoi Trendy Hotel & Spa [https://www.tripadvisor.co.uk/Hotel\\_Review-g293924-d10815710-Reviews-Hanoi\\_Trendy\\_Hotel\\_Spa-Hanoi.html](https://www.tripadvisor.co.uk/Hotel_Review-g293924-d10815710-Reviews-Hanoi_Trendy_Hotel_Spa-Hanoi.html)

Da Nang:

- Fusion Maia Da Nang. [https://www.tripadvisor.com/Hotel\\_Review-g298085-d1823746-Reviews-Fusion\\_Maia\\_Da\\_Nang-Da\\_Nang\\_Quang\\_Nam\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g298085-d1823746-Reviews-Fusion_Maia_Da_Nang-Da_Nang_Quang_Nam_Province.html)
- The Blossom Resort Danang. [https://www.tripadvisor.com/Hotel\\_Review-g298085-d8132659-Reviews-The\\_Blossom\\_Resort\\_Danang-Da\\_Nang\\_Quang\\_Nam\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g298085-d8132659-Reviews-The_Blossom_Resort_Danang-Da_Nang_Quang_Nam_Province.html)
- Mercure Danang French Village Bana Hills Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g298085-d10181933-Reviews-Mercure\\_Danang\\_French\\_Village\\_Bana\\_Hills\\_Hotel-Da\\_Nang\\_Quang\\_Nam\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g298085-d10181933-Reviews-Mercure_Danang_French_Village_Bana_Hills_Hotel-Da_Nang_Quang_Nam_Province.html)

- Mai Boutique Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g298085-d10307727-Reviews-or15-Mai Boutique Hotel-Da Nang Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298085-d10307727-Reviews-or15-Mai_Boutique_Hotel-Da_Nang_Quang_Nam_Province.html)
- Moc Lan Boutique Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g298085-d12681841-Reviews-Moc Lan Boutique Hotel-Da Nang Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298085-d12681841-Reviews-Moc_Lan_Boutique_Hotel-Da_Nang_Quang_Nam_Province.html)

#### Hoi An:

- Little Hoian Boutique Hotel & Spa. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d3591197-Reviews-Little Hoian Boutique Hotel Spa-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d3591197-Reviews-Little_Hoian_Boutique_Hotel_Spa-Hoi_An_Quang_Nam_Province.html)
- The Hoi An Orchid Garden Villas. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d1462903-Reviews-The Hoi An Orchid Garden Villas-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d1462903-Reviews-The_Hoi_An_Orchid_Garden_Villas-Hoi_An_Quang_Nam_Province.html)
- Hoi An Ancient House Village Resort and Spa. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d5413070-Reviews-Hoi An Ancient House Village Resort and Spa-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d5413070-Reviews-Hoi_An_Ancient_House_Village_Resort_and_Spa-Hoi_An_Quang_Nam_Province.html)
- VaiA Boutique Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d3914114-Reviews-VaiA Boutique Hotel-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d3914114-Reviews-VaiA_Boutique_Hotel-Hoi_An_Quang_Nam_Province.html)
- Cozy Hoi An Boutique Villas. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d8773680-Reviews-Cozy Hoi An Boutique Villas-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d8773680-Reviews-Cozy_Hoi_An_Boutique_Villas-Hoi_An_Quang_Nam_Province.html)
- Hai Au Boutique hotel and spa. [https://www.tripadvisor.com/Hotel\\_Review-g298082-d666600-Reviews-Hai Au Boutique hotel and spa-Hoi An Quang Nam Province.html](https://www.tripadvisor.com/Hotel_Review-g298082-d666600-Reviews-Hai_Au_Boutique_hotel_and_spa-Hoi_An_Quang_Nam_Province.html)

#### Nha Trang:

- Six Senses Ninh Van Bay. [https://www.tripadvisor.com/Hotel\\_Review-g293928-d559946-Reviews-Six Senses Ninh Van Bay-Nha Trang Khanh Hoa Province.html](https://www.tripadvisor.com/Hotel_Review-g293928-d559946-Reviews-Six_Senses_Ninh_Van_Bay-Nha_Trang_Khanh_Hoa_Province.html)
- L'Alyana Villas Ninh Van Bay. [https://www.tripadvisor.com/Hotel\\_Review-g293928-d2141273-Reviews-L Alyana Villas Ninh Van Bay-Nha Trang Khanh Hoa Province.html](https://www.tripadvisor.com/Hotel_Review-g293928-d2141273-Reviews-L_Alyana_Villas_Ninh_Van_Bay-Nha_Trang_Khanh_Hoa_Province.html)

- La Paloma Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293928-d1421128-Reviews-La\\_Paloma\\_Hotel-Nha\\_Trang\\_Khanh\\_Hoa\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g293928-d1421128-Reviews-La_Paloma_Hotel-Nha_Trang_Khanh_Hoa_Province.html)
- SeaSing Boutique Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293928-d8128467-Reviews-SeaSing\\_Boutique\\_Hotel-Nha\\_Trang\\_Khanh\\_Hoa\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g293928-d8128467-Reviews-SeaSing_Boutique_Hotel-Nha_Trang_Khanh_Hoa_Province.html)
- Some Days of Silence Resort & Spa. [https://www.tripadvisor.com/Hotel\\_Review-g293928-d909612-Reviews-Some\\_Days\\_of\\_Silence\\_Resort\\_Spa-Nha\\_Trang\\_Khanh\\_Hoa\\_Province.html](https://www.tripadvisor.com/Hotel_Review-g293928-d909612-Reviews-Some_Days_of_Silence_Resort_Spa-Nha_Trang_Khanh_Hoa_Province.html)

#### Ho Chi Minh City:

- CCentral Hotel Bui Vien. [https://www.tripadvisor.com/Hotel\\_Review-g293925-d592744-Reviews-CCentral\\_Hotel\\_Bui\\_Vien-Ho\\_Chi\\_Minh\\_City.html](https://www.tripadvisor.com/Hotel_Review-g293925-d592744-Reviews-CCentral_Hotel_Bui_Vien-Ho_Chi_Minh_City.html)
- Villa Song Saigon. [https://www.tripadvisor.com/Hotel\\_Review-g293925-d1554688-Reviews-or5-Villa\\_Song\\_Saigon-Ho\\_Chi\\_Minh\\_City.html](https://www.tripadvisor.com/Hotel_Review-g293925-d1554688-Reviews-or5-Villa_Song_Saigon-Ho_Chi_Minh_City.html)
- The Alcove Library Hotel. [https://www.tripadvisor.com/Hotel\\_Review-g293925-d3314346-Reviews-or5-The\\_Alcove\\_Library\\_Hotel-Ho\\_Chi\\_Minh\\_City.html](https://www.tripadvisor.com/Hotel_Review-g293925-d3314346-Reviews-or5-The_Alcove_Library_Hotel-Ho_Chi_Minh_City.html)
- River Cottage. [https://www.tripadvisor.com/Hotel\\_Review-g293925-d12318274-Reviews-River\\_Cottage-Ho\\_Chi\\_Minh\\_City.html](https://www.tripadvisor.com/Hotel_Review-g293925-d12318274-Reviews-River_Cottage-Ho_Chi_Minh_City.html)

Each chosen hotel has hundreds of reviews, which is a positive factor as it provides a wide range of customers' reviews. However, reviews are chosen with certain criterias that support the purpose of this survey. Only reviews that focus on services of the hotel is considered by the author. Other reviews about design, location or hotel facility are not selected because they do not contribute to the purpose of this study. The priority is given for reviews that are written recently. Reviews with complaints about services that were written months ago would potentially decrease the validity of the data of this survey. Regarding the personal information of the reviewers, it is not a criteria for choosing the review. Nationalities, ages and people the reviewers were travelling with are collected only to present the population of those involved in this survey.

The answer options in each question are selected based on the reviews. Before designing this survey, the author read all the reviews and sorted out beforehand. The most popular and relevant factors are selected and put into the survey.

In order to evaluate and match the reviews with the value of scale from 1 to 5 in the survey, the author bases mostly on how the reviews were written, words selection of the writers and their attitude toward the perceived services. It was not as challenging as

expected because the majority of reviewers are English speakers or able to express their opinions very clearly.

During the process of data collection, answering the question 8 is the most tricky task as the author has to use the same keyword for services that needs improvement. It is necessary to note the keywords used to avoid any difficulties later. For example, there were some complaints about the variety of beverage in hotel bar. The keyword used for this was "beverage variety in hotel bar". If the author types different words for the same problem, it would be confusing and complicated to organize the results later.

Data was collected in about 10 days. Name of the reviewers were available but were not included in this survey as it is irrelevant to the purpose of the study.

#### 5.4 Survey limitations, data reliability and validity

The questions and answer options could be confusing for readers as this survey was conducted by the author himself. However, the explanation about the survey questions and answer options were given in part 5.2 of this writing.

The reviews were selected by the author; thus, bias selectivity may be a weakness of this research. The number of reviews is large, which made choices a more complicated process. (Jin, 2009). However, as the data is the review of guests who traveled and experienced the listed hotels, the reliability of data is high, considering the fact that most reviews on TripAdvisor are personal and subjective opinion.

## 6 DATA ANALYSIS

### 6.1 Research findings

The result of the survey is presented and analyzed in the order of the questions in the survey.

Question 1: What is the nationality?

Table 1. Question 1. Nationality

	N	Percent
United States	21	16.8%
United Kingdom	20	16%
Australia	18	14.4%
Western Europe	22	17.6%
Nordic	7	5.6%
Eastern Europe	14	11.2%
South Asia	15	12%
Others	8	6.4%

There are no noticeably differences between the nationality of guests visiting boutique hotel in Vietnam. 16.8% were from the United States (21 out of 125), 16% were from the United Kingdom (20 out of 125), 14.4% were from Australia (18 out of 125), 17.6% were from Western European countries (22 out of 125), 5.6% were from Nordic countries (7 out of 125), 11.2% were from Eastern European countries (14 out of 125), 12% were from South Asia (15 out of 125) and 6.4% were from other countries (8 out of 125). There were 2 people that did not reveal their home country in their profile.

Question 2: What are their age range?

Table 2. Question 2. Age range

	N	Percent
Under 18	1	0.79%
18-25	23	18.11%
26-35	44	34.65%
36-45	26	20.47%
46-60	22	17.32%
Over 60	9	7.09%
Other	2	1.57%

There was only one reviewer that is under 18 years old, represent for 0,79%. 18.11% were from 18 to 25 years old (23 out of 127), 34.65% were from 26 to 35 years old (44 out of 127), 20.47% were from 36-45 years old (26 out of 127), 17.32% were from 46 to 60 years old (22 out of 127), 7.09% were over 60 (9 out of 127) and 1.57% did not reveal their age.

Question 3. With whom were they traveling with?

Table 3. Question 3. Whom the customer travel with

	N	Percent
Family	39	30.71%
Friends	24	18.9%
Couple	41	32.28%
Solo	12	9.45%
Other	11	8.66%

32.28% were traveling as a couple (41 out of 127), 30.71% were traveling with family (39 out of 127), 18.9% were traveling with friends (24 out of 127), 9.45% were traveling solo (12 out of 127) and 8.66% of them did not reveal.

Question 4. What basic services are concerned by guests?

Table 4. Question 4. Basic services

	N	Percent
Room cleanliness	106	83.46%
Airport transport	47	37.01%
Greeting steps	87	68.5%
Breakfast	79	62.2%
Staff attitude	97	76.38%

Room cleanliness is the most concern for guests with 83.46% of them responded that they concerned room service (106 out of 127). Staff attitude is at the second place with 76.38% (97 out of 127). Greeting steps with 68.5% is at the third place (87 out of 127). 62.2% (79 out of 127) concerned breakfast and 37.01% (47 out of 127) concerned airport transport.

Question 5. How well should the basic services be performed to satisfy the guests?

Table 5. Question 5. How well should the basic services be

	1	2	3	4	5	Total
Room cleanliness	3	6	49	54	5	117
	2.57%	5.13%	41.88%	46.15%	4.27%	
Airport transport	23	14	33	8	1	79
	29.11%	17.72%	41.77%	10.13%	1.27%	
Greeting	7	21	22	48	18	116
	6.03%	18.1%	18.97%	41.38%	15.52%	
Breakfast	5	15	24	46	8	98
	5.1%	15.31%	24.49%	46.94%	8.16%	
Staff attitude	2	11	24	44	40	121
	1.65%	9.09%	19.84%	36.36%	33.06%	

The scale from 1 to 5 is: 1. As long as the action happens. 2. Crudely done 3. Average/ Standard quality 4. Very well done 5. Superior quality

Room cleanliness: 3 people mentioned room service, but they were satisfied in general, despite some mistakes in cleaning process. 6 were aware that the cleaning service did



not meet the standard, but they did not mind. 49 out of 117 people replied that the cleaning service was at standard quality and they satisfied with that. 54 out of 117 required the cleaning process to be very well done, while 5 out of 117 were satisfied with superior quality of room service.

Airport transport: 23 out of 79 replied that they received the transport service and that was satisfied enough. 14 of them were satisfied with unprofessional transport service. 33 of them were only satisfied if the service meets the standard quality. They demanded the transport to be punctual. 8 out of 127 required for higher quality with professional attitude and manner from driver. Only 1 of them required the transport service to be luxury with luxury car brand and professional driver in term of service and manner.

Greeting: 7 out of 116 do not seem to care about the greeting, 21 out 127 were satisfied with simple greeting steps, while 22 of them recognized and required standard welcoming steps. 48 were satisfied when they received warm welcoming and refreshment when they arrived. 18 of them demanded high-quality with good manner of welcoming steps.

Breakfast: 5 out of 98 responded that they simply had breakfast, 15 responded that they had breakfast, but they do not mind the quality of food. 24 required breakfast to meet standard quality, 46 required breakfast to offer variety of food and made to order food. 8 demanded to have luxury breakfast.

Staff attitude: 40 out of 121 responded that they were satisfied with very high quality and professional staff attitude. 44 said that they were treated kindly and the staff was helpful for them. 24 were satisfied with standard staff attitude, 11 did not seem to notice the staff attitude, while 2 were satisfied as long as there was someone when they were there.

Question 6: What exceptional services were appreciated by guests?

Table 6. Question 6. Exceptional services

	N	Percent
Greeting steps	54	46.96%
Personal gift	57	49.57%
Remember guests' personal preference	63	54.78%
Personal guidance and helps for their trip	88	76.52%
Personal recommendation from local staff	39	33.91%

There were 115 out of 127 guests recognized and reviewed about the exceptional services.

46.96% appreciated greeting steps, 49.57% were impressed by the personal gift they received. 54.78% appreciated that staff remembered their personal preferences. Personal guidance was appreciated by most reviewers when traveling to Vietnam with 76.52%. Personal recommendation from local staff was recognized and appreciated by 33.91%.

Question 7. How good should the exceptional be to satisfy the guests?

Table 7. Question 7: How good should the exceptional service be

	1	2	3	4	5	Total
Greeting steps	0	2	9	28	17	56
	0%	3.57%	16.07%	50%	30.36%	
Personal gifts	1	5	9	30	12	57
	1.76%	8.77%	15.79%	52.63%	21.05%	
Remember guests' personal preference	0	4	9	46	4	63
	0%	6.35%	14.28%	73.02%	6.35%	
Personal guidance and helps for their trip	0	2	18	57	11	88
	0%	2.27%	20.46%	64.77%	12.5%	
Personal recommendation from local staff	0	0	13	21	5	39
	0%	0%	33.33%	53.85%	12.82%	

Greeting steps: 28 out of 56 people said that they considered greeting as exceptional service because it was very well done by the customer service team. 17 were satisfied as the service provided were exceeding their expectation. 9 people reviewed they considered the welcoming of the hotels satisfied them at the standard quality.

Personal gift: 30 out of 57 reviewers said that the gift they received was well prepared and delivered at the right moment. 12 considered it as superior service as the hotel really cared about them. 9 reviews showed that normal gift was enough to surprise them. While 6 did not care about the gift, they were just very surprised because they received gift on their birthday or honeymoon.

Remember guests' personal preference: 4 reviewers said that it is totally acceptable for staff to miss-spell their name, as long as they attempted to remember. 9 said that they were very satisfied as staff remember their preference. 46 claimed that the staff did a very good job on remembering their own preference after a very short time. 4 were surprised with the way staff remembered their preference in very good detail.

Personal guidance and helps: 57 out of 88 reviewers agreed that the personal help of the staff gave them useful information and was given very carefully and professionally. 11 out of 88 were satisfied as the staff delivered a superior and highly personal guide to them. 18 was satisfied with the standard guidance from staff.

Personal recommendation from local staff: 21 out of 39 appreciated because the staff recommended them the places that really suited their characteristics. 5 were highly

satisfied with the ultra-personal service they received from the local staff. 13 were satisfied with the personal recommendation they received.

Question 8: What are the services that has not been served or poorly served?

Among the positive opinions, there are negative reviews from guests. Here is the list of services that needs improvement:

- Breakfast: Variety of food was low. Guests also demand made to order food. Some guests expected breakfast to be freshly cooked.
- Beverage variety of hotel bar: Some guests did not really enjoy the hotel bar despite the good vibe and the exciting environment.
- Noise isolation: There were considerably number of comments about noise isolation of their room either it was caused by the busy streets or the people next door.
- Staff attitude: There were certain situations that staff did not maintain good and positive attitude toward their customers. The most common problem was that guests did not get the right room they booked, and they were not satisfied with the compensation offered by the service staff.
- Room service: This might be a little confusing. Some guests visiting expensive hotels with price range at over €150, they expect the room service to be at a higher level than standard service. Some guests requested for scented candles and some specific fragrant in their room. And of course, there were cases that guests were dissatisfied because the room service was not done properly; hence, did not meet the standard quality.

Here is the list of services that were not available:

- Entertainment: Some guests complained that there was a lack of entertainment infrastructure inside the hotel. Some guests suggested that the hotel should equip a billiard table or football table so that guests could entertain indoor.
- Security: There were complaints from some families saying that they asked for baby sitter service, but it was not available. Some required for more appearance of security man around the hotel area as they did not truly feel safe.

Question 9: Does guests recommend the hotel?

Table 8. Question 9. Guests' recommendation

	N	Percent
Yes	87	68.5%
No	17	13.39%
Not mentioned	23	18.11%

68.5% (87 out of 127) reviewers said that they would recommend the hotel to other people. 13.39% (17 out of 127) seem to be dissatisfied by saying that they would not recommend it. While 18.11% (23 out of 127) did not mention this section.

Question 10: Will they come back to the hotel?

Table 9. Question 10. Guests to come back

	N	Percent
Yes	65	51.18%
No	13	10.24%
Not mentioned	49	38.58%

Up to 51.18% (65 out of 127) said that they will stay at that hotel again if they happen to visit the city one more time. 10.24% replied that they would not come back to the hotel. However, 38.58% did not mention this sector.

## 6.2 Data analysis

The collected data provides numeric data of guests traveling to Vietnam, their age range, partner if they were not traveling solo, the basic and exceptional services that they concerned and evaluate. Moreover, the survey also provides the services that has not satisfied the guests and services that they demanded but were unavailable. The last two questions, from a certain aspect, reflect their satisfaction toward the experience they received during their stay.

The first three questions of the survey cannot represent for the boutique hotel market in Vietnam as the criteria to choose a review is based on how informative it is. This survey did not aim to study the market of boutique hotel in Vietnam.

About basic services, the second most concerned factor is room cleanliness. 46.15% of customers claimed that they required the cleaning service to be very well done while 41.88% of them would satisfy if the service meet the standard. This result allows boutique hotel managers to understand that even though boutique hotel is differentiated due to its design and ultra-personal services, visitors still pay their attention to the cleaning service. It is understandable as the cleanliness of rooms affect directly to their experience during their stay and it certainly is an important element in the service delivery process.

Airport transportation is the least concerned service in boutique hotels. As cities, especially tourism cities in Vietnam are large cities, there are multiple means of transportation for guests to choose from. As noticed during the survey conducting process, most of the guests that chose a boutique hotel were traveling on a holiday trip. This is probably the reason why their requirements for airport transport is not high. 29.11% of them agreed that they were satisfied as long as they were picked up. Traffic system in Vietnam is complicated, most tourists that first arrive in Vietnam may be overwhelmed with it, so maybe they sympathized for their driver if they showed up late. However, it is not to be ignored that 41.77% of visitors still require transportation service to meet the standard. According to the research, for most of the cases, it must be at least punctual and served with a helpful attitude. The demand for luxury airport transportation is low, but it exists, especially for guests going to stay at high-end boutique hotel.

The concern for greeting steps is similar to room service. However, up to 41.38% of guests require this service to be done at a fairly high level. This can be explained as they are aware of the service industry and they know what they are paying for. This raises a notice to boutique hotel managers to keep their greeting service quality high and improving it. In boutique hotel concept, as discussed, service plays an important role and the attitude of service contributes greatly to the service delivery. Being able to deliver a great first impression does benefit the service process later and affects positively to the hotel brand image.

Breakfast in boutique hotel is required to be delivered at a higher level than standard. Very often, breakfast in boutique hotel is served as a buffet, and made to order food for some certain dishes are offered. As the demand for high quality is noticeably high, it puts

a pressure on hotel managers to ensure the quality and that the variety of breakfast is maintained and developed to earn the satisfaction of visitors.

Staff attitude is the single factor addressed the most by the guests. The majority of guests claimed that they either require 'very helpful and warm' attitude to 'professional and truly caring' attitude from the hotel service staff. The positive factor is that boutique hotels have been able to deliver such high-quality service. However, it is also a pressure for the hotel staff to keep improving their skills as customers' demand tend to increase over time.

Exceptional services, on the other hand, seem to be more difficult to be recognized by guests. Greeting steps at guests' arrival is recognized as exceptional services by only 46.96% guests. Even though they appreciated this service and 50% of them claimed that the greeting steps at exception level were done very well, there are still many works to do to improve this process to impress the guests even stronger.

Alike greeting steps, personal gifts play an important role to impress and create memory for guests about their stay. According to the survey, this task was performed very well by boutique hotels in Vietnam.

Remembering guests' name and their preferences is very likely to impress the guests as many staff in boutique hotels in Vietnam did this task without even asking the customers. It is worth maintaining this service as it contributes positively to the service process.

Personal guidance is recognized the most in term of exceptional services. Cities in Vietnam are large, many are mega cities. Life and street there is busy all day and night. Hence, guidance from hotel staff about cultural differences, lifestyle, security and help for planning other trips are highly appreciated by guests and they really value it as an extra they received from the hotels.

Personal recommendation from local staff are also appreciated because of the variety of restaurants, activities and attractions in tourism and mega cities. This is a difficult task as staff must be well trained and has deep and wide knowledge about the city. This service staff contribute to the level of personal service and create great value for both guests and the hotel; hence, it is worth motivating them and providing them courses and trainings to strengthen their skills and update their knowledge.

The last two questions, as mentioned, cannot address exactly to the level of satisfaction of guests. If they received the services they value, it is likely that they would recommend

the hotel to their connections. However, there are possibilities that different people value different services. Another factor is that most boutique hotel are travelers, the possibilities for one to come back to visit a tourism city are low. Even if they come back, it is likely that they will seek for another experience each time they travel. The results of these two questions are to expect the guests' loyalty. However, as only 65 out of 127 reviewers claimed that they will come back to the hotel, while there are 49 of them did not even mention this, so the results seem to be irrelevant to set a clear expectation.



## 7 CONCLUSION

Through the survey, the research question of this thesis can be answered in three sections.

The research question is: 'What is the guests' expectation of services in boutique hotels in Vietnam?'. To answer this question properly, the author divided 'service' into two types: basic services and exceptional services. The basic services in the context of this writing include room cleanliness, airport transport, greeting steps, breakfast and staff attitude. Room cleanliness is the most concerned service by 106 reviewers out of 127 reviews collected. The second most concerned element is staff attitude. The exceptional services include greeting steps, personal gift, remember guests' personal preference, personal guidance and help, and personal recommendation from local staff. The most appreciated and recognized service is personal guidance and help during their stay by 76.52% of 127 reviewers. Remembering guests' personal preference is at the second place in term of being appreciated and recognized. Those are the activities that are valued by most guests

Activities that are mostly valued by guests should be maintained and developed in quality. Besides that, unavailable services that have been demanded by guests should be considered to include in the list of service offered by the boutique hotels. Entertainment activities should be focused and developed. Offering infrastructure such as billiard table or football table should be considered. However, if this addition is against the concept and atmosphere that the boutique hotel aims to, there would be a need to conduct another survey for the exact hotel.

This study is useful for hotel manager of boutique hotels that are looking for methods to improve their customer service and adding the value to the current service process. There are some services that boutique hotels should deliver at high quality; therefore, the service process should be improved and updated after certain period. The challenge of applying new services or improving existing ones is the hotel managers must consider the effect of that to the concept of the hotel.

The limitation of this study is the gap between improved or new services and the method to apply to the current service process. The findings in term of nationality, age range and

with whom they were traveling with cannot be applied to expect the volume and characteristic of the market.

If there are people conducting the study on similar topic, it is worth studying the habits of customers in the boutique hotels, the customer market for boutique hotels in Vietnam or a certain country that benefits the thesis conductor.

After all, the thesis writing process has been an excellent method to enhance the author's personal knowledge in hotel industry, especially services in boutique hotels. It could be a baseline to enter new business career life in hotel industry.

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## **Boutique hotel survey**

### ***Guests' information***

1. What is the nationality?
  - United States
  - United Kingdom
  - Australia
  - Western Europe
  - Nordic
  - Eastern Europe
  - South Asia
  - Others
2. What are their Age range?
  - Under 18
  - 18-25
  - 26-35
  - 36-45
  - 46-60
  - Over 60
  - Other
3. With whom are they traveling with?
  - Family
  - Friends
  - Couple
  - Solo
  - Other

### ***Basic services***

4. What basic services are concerned by guests?
  - Room cleanliness
  - Airport transport
  - Greeting steps
  - Breakfast
  - Staff attitude



5. How good should the basic services be to satisfy the guests?

- Scale from 1. As long as the action happens to 5. Luxurious
  - Room cleanliness
  - Airport transport
  - Greeting
  - Breakfast
  - Staff attitude

***Exceptional services***

6. What exceptional services are appreciated by guests?

- Greeting steps
- Personal gift
- Remember guests' personal preference
- Personal guidance and helps for their trip
- Personal recommendation from local staff

7. How good should the exceptional services be to satisfy the guests?

Scale from 1. As long as the action happens to 5. Luxurious

- Greeting steps
- Personal steps
- Remember guests' personal preference
- Personal guidance and helps for their trip
- Personal recommendation from local staff

***Unavailable or poorly served services***

8. What are the services that has not been served or poorly served?

- Open question

***Overall satisfaction***

9. Does this guest recommend the hotel?

- Yes
- No
- Not mentioned

10. Will they come back to the hotel?

- Yes
- No

- Not mentioned