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## EVALUATION OF HOTEL SERVICE- PERFORMANCE PROCESS IN BULGARIA

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### **Abstract:**

The paper analyses the hotel service-performance process in Bulgarian hotels, which is based on the results of the research about tourists' opinion on basic moments in service process. One of the most important characteristics of hotel industry is the leading role of the human factor in service-performance process. It cannot be accomplished without the participation of the customer and without the participation of the staff. This makes the evaluation of service process strongly subjective. Because of this, customer needs satisfaction is a big challenge for the hotel management. Under the present conditions of an increased competition, satisfying customers means offering service- performance process, which not only meets, but also exceeds guests' expectations. This can be achieved by a preliminary study of their requirements and expectations.

*Key words:* hotel industry, hotel service operations, service-performance process, satisfaction from service process.

### **INTRODUCTION**

The present-day development of hotel industry in Bulgaria is characterized by imposing the global trend towards a considerable quantitative excess of supply over demand. As a consequence of this, hotel industry has been developing under conditions of a strongly competitive business environment. The statistical data show that for the last five years (the period 2002-2007) the material basis of hotel industry in Bulgaria has been developing extremely dynamically. For the period specified, the number of hotels has increased by more than 52%, and the number of beds in them – by 43%<sup>2</sup>.

One of the main characteristics of the Bulgarian hotel industry is the high standard of material elements. In the overall category structure of the hotels, those of middle and high class (3, 4 and 5 stars) dominate. Their share constitutes more than the

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<sup>2</sup> НСИ, Туризм, 2006

half of the total number of hotels in Bulgaria (about 51 %) with a trend to increase<sup>3</sup>. The similar level of the material parameters means that the competition among the separate economic units is carried out mostly with regard to service-performance process. The characteristics pointed out, have turned hotel service process into one of the most discussed issues in the Bulgarian tourist branch in the recent years. With regard to this we consider that the issue, related to the problems of service-performance process in Bulgarian hotels is a question of present interest and namely concerns the Bulgarian tourist business.

**The purpose** of the author in the present paper is *to draw the attention towards the role of hotel service-performance process for the formation of a competitive supply, adequately orientated towards the needs of the tourist demand.*

In modern society tourists are known for their greater experience, which leads to increase in their expectations related to servicing. Data from sociological research show that 82% of customers do not repeat their visit to the hotel, where they did not like the service-performance process.<sup>4</sup> This fact requires that the modern hotel companies, wanting to keep and expand their businesses, to develop continuously and to elaborate every element of their service operations in relation to the changes in the guests' system of values.

### **SPECIAL FEATURES OF HOTEL SERVICE DELIVERY**

Service delivery in hotel industry can be regarded as a combination of activities and technological processes, which provide for tourists the necessary conditions for the purchase and the consumption of the hotel product. Dumoulin и Flipo<sup>5</sup> view service delivery as a process of rendering services with a given duration and at a certain place, carried out by human and material resources in favor of the customer. In this process people and matter are set in motion to produce intangible values. Chase and Hayes<sup>6</sup> consider service delivery as a system, which basic elements are the staff, the customers and the material environment. The process of “production”, rendering and consumption of hotel services is carried out during their interaction.

Jones and Lockwood<sup>7</sup> consider hotel service delivery as a combination of operations. They point out three main elements of service operations: customers, staff and physical environment (buildings, equipment and financial resources). These three components are correlated and must be in a harmonious balance. The role of the physical environment is to satisfy customers' needs through the skills of the staff. According to the authors, many of the problems in hotel service delivery derive from the lack of balance between the three elements.

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<sup>3</sup> There again

<sup>4</sup> Балащова, Е., Гостиничный бизнес, „Вершина”, 2005, с.23

<sup>5</sup> Dumoulin, Chr., Flipo, J.P., Entreprises de services – sept facteur clés de réussite, Les Editions d'organisation, P., 1991, p. 20

<sup>6</sup> Go, Fr., Pine, R., Globalization strategy in the hotel industry, London, 1995, p. 238

<sup>7</sup> Lockwood, A., Jones, P., The Management of Hotel Operations, Cassel. 1998, p.28-30

Shostack develops further the idea and according to her, the process of service delivery can be detailed into logical sequence of operations aiming to facilitate its analysis and control.<sup>8</sup> She divides operations into two major types:

- 1) front-office operations, that are visible to customer and are carried out with or without his participation. With these operations a direct contact between the guest and the servicing staff takes place;
- 2) back-office operations, which remain hidden from the eyes of the customers, and as a rule, with them lacks the direct contact between the guest and the servicing staff.

The direct interaction between customer and employee turns out to be a critical moment in the service-performance, because the direct contact determinates to a great extent the whole perception and the final assessment of the guest concerning his stay in the hotel.

In specialized literature authors are unanimous that service-performance process is complex. Complexity is determined by a number of factors, but the determining one is the high degree of presence of human element in the process. This special feature can be examined bilaterally. On one hand this is the key role of the customer in the process of hotel operations. Without the physical presence of the customer, it is impossible to put into practice hotel industry<sup>9</sup>.

What is more – the guest is not only a consumer of services - he takes part at first hand in the process of their rendering. Thus he can change the operation of the service-performance process to a great extent. On the other hand, the process of hotel service delivery cannot be carried out without the participation of staff and mostly of employees in direct contact. They influence on the way the service-performance process is carried out with their professional skills and personal qualities. Thus the customer perceives the servicing staff as part of the hotel product.

The key role of human factor in service-performance process makes the medium of interaction strongly insecure and it turns quality into a variable and subjective value and reduces the opportunities for control. This makes hotel-keepers face a big challenge – to organize service delivery in such a way, so as to bring about the ensuring of economic results for the organization and maximal satisfaction of customers.

## **ANALYSIS OF HOTEL SERVICE-PERFORMANCE PROCESS IN BULGARIA**

The active participation of the human factor in the process of rendering hotel services is the reason for the strong subjectivism when evaluating the quality of

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<sup>8</sup> Shostack, G. L., Service Positioning Trough Structural Change, Journal of Marketing, 1987, Vol. 51, p 35

<sup>9</sup> Chase, R.B., Where does the customer fit in a service operation, Harvard Business Review, 1978, November-December, p. 138

servicing. The customer, being a target of service delivery and a participant in it at the same time perceives subjectively the quality of the services rendered.

The staff, taking an active part in the service process has subjective perception as well. Because of this, satisfying customers' needs is one of the biggest challenges for hotel management. In the present conditions of an increased competition, customers' satisfaction means to offer services, which not only meet, but also exceed guests' expectations. This can be achieved by a preliminary study of their requirements and expectations.

In 2006 the research team from "D.A. Tsenov" Academy of Economics - Svishtov launched a research on the tourists' opinion about hotel service delivery<sup>10</sup>. 446 tourists had been inquired in the period June - September 2006. In order to make significant conclusions about the hotel service process in Bulgaria, it is necessary to analyse the responses received by the survey of the inquiry.

For the purpose of the analysis we shall be grounded on the model, called „Guest cycle”. The term “guest cycle” was introduced for the first time by Michael Kasavanna in 1978.<sup>11</sup> With it structurally we mark the combination of all interrelations and interactions between the guest and the employees, related to the stay of the guest in the hotel.

The model „guest cycle” comprises four stages: **pre-arrival** → **arrival and accommodation** → **stay** → **departure**. During each stage different operations and procedures on rendering basic and additional services to the guest are carried out. These operations form the technological process of servicing tourists in the hotel. Thus, for example, during the first stage - “pre-arrival” – two main operations are carried out: information and reservation, during the second stage: reception, registration and accommodation of the guest, during the third: rendering basic and additional services and during the last stage: payment and seeing the guest off. Subsequently the model “guest cycle” has been developed further, adding to it a fifth stage – **evaluation/follow up**.

It is not linked directly to hotel operations, because it is carried out after the departure of the guest from the hotel. At this stage the customer mentally evaluates all aspects of his stay. The higher the level of guest satisfaction, the greater the possibility to visit the hotel for a second time.

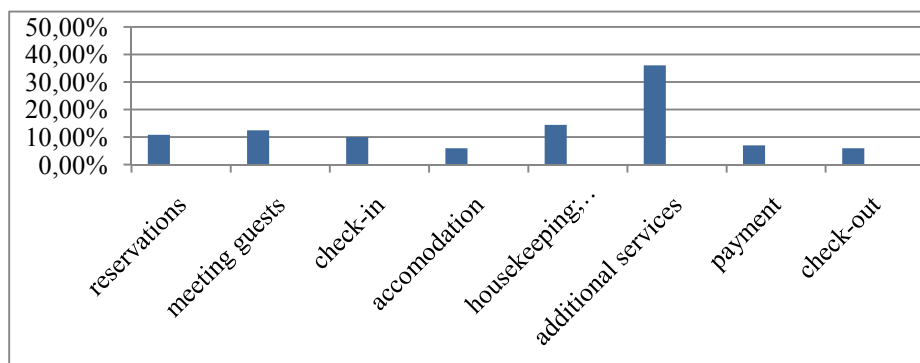
With the questionnaire, the tourists interviewed must first point out the weakest moment in hotel service-performance process according to them.

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<sup>10</sup> Минков, В. и кол., Съвременни предизвикателства пред хотелиерското обслужване у нас, Академично издателство „Ценов” – Свищов, 2007 г., с. 6

<sup>11</sup> Jones C., Paul V., Accommodation Management, BT Batsford Limited, 1995, p. 236

**Fig. 1:** Weak stages of hotel service-performance process



Source: Минков, В. и кол., Съвременни предизвикателства пред хотелиерското обслужване у нас, Академично издателство „Ценов” - Свищов, 2007г.

On figure 1 the weakest moment in servicing in Bulgarian hotels is substantially outlined with the rendering of additional services – 36.1%. Tourists point out housekeeping and room service as another weak moment. Both types of operations are part of the third stage of the guest cycle – the stay. It is important to point out that the moments shown as the weakest in service process do not concern the direct contact of the guest with the servicing staff. The next question in the questionnaire, which tourists answer – “which of the chosen groups of additional services, rendered in hotels in the country you appreciate most?” allows deepening of the analysis.

**Table 1:** Additional services preferred by guests in Bulgarian hotels

Rang	Type of the additional service	Number of tourists who pointed out	Percentage from the overall number of those inquired (%)
1	Creation of comfort in the hotel room	259	58,1
2	Creation of better conditions for the guest's living standard	208	46,6
3	Ensuring medical services	159	35,7
4	Communication services	154	34,5
5	Sports equipment	149	33,4
6	Parking lot	144	32,3
7	Availability of a cash machine	116	26,0
8	Animation services	65	14,6
9	Currency exchange	51	11,4
10	Medication	36	8,1
11	POS terminal	36	8,1
12	Trade sites	28	6,3

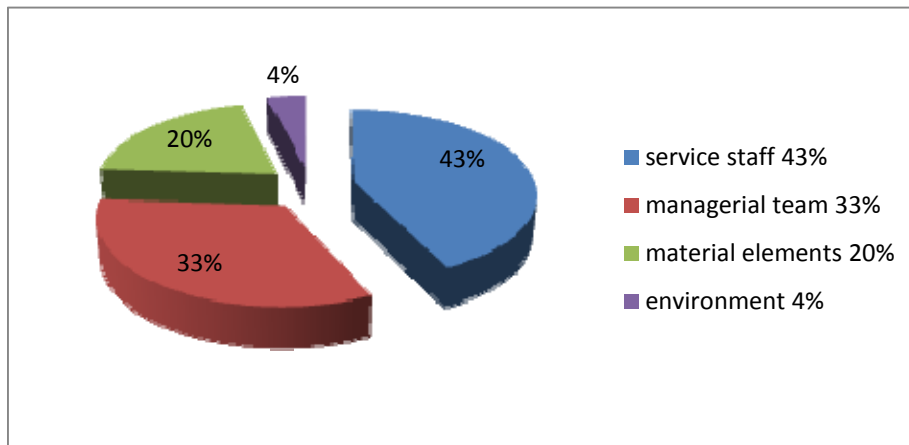
Source: Минков, В. и кол., Съвременни предизвикателства пред хотелиерското обслужване у нас, Академично издателство „Ценов” - Свищов, 2007г.

From table 1 one can see that most appreciated by guests are the additional services, related to the maintenance of the hotel room, its furnishing and equipment. This result shows the guests' needs of a comfortable environment for sleep and rest. Relatively high is the percentage of guests, who appreciate the rendering of medical services, which is related to the tourists' wish for safety and security during their stay in the hotel. It is a fact that during the time of the active season, especially in the seaside resorts, medical servicing is difficult. Communication services are traditionally looked for by tourists.

The trend to offer free access to Internet is permanently applied in European hotels, whilst in Bulgarian hotels it is different – this service is chargeable in most cases. From the data in the table one can see that the quality of sport services rendered in hotels, regardless of their category, increases more and more. The availability of good opportunities for sport and wellness is highly appreciated by guests in the Bulgarian hotels as well.

Another aspect of the analysis of hotel service delivery is the tourists' opinion on which element they consider determinative for the quality of service process. The team which carried out the inquiry defined four basic elements of the quality of hotel service-performance process: managerial team, servicing staff, material elements and environment.

**Fig. 2:** Determinative element for the quality of hotel service-performance process



Source: Минков, В. и кол., Съвременни предизвикателства пред хотелиерското обслужване у нас, Академично издателство „Ценов“ - Свищов, 2007г.

The results show that for the tourists inquired, most important element in hotel service process is the quality of the servicing staff – 43%. In hotel industry the working environment is highly risky and stressful, because the staff works in the presence of the guest, together with the guest and in favor of the guest. In this respect, the requirements for the professional and personal qualities of the staff in direct contact are very high, which imposes the necessity of a good motivation, particularly having in mind the shortage of qualified personnel. According to professionals from practice, there are serious problems concerning the qualification and the motivation of personnel in the hotel business in Bulgaria. This is due mainly to the provision of personnel in the recent years and to the increased share of high-category hotels as well.

Second by importance is put the managerial team – pointed out by 33% The modern hotel management is a system of managerial activities, orientated towards a right choice recruitment, selection and tuition of staff. Managerial skills are extremely important in order to motivate employees to do their best to achieve their own and company interests as well.

One fourth of those inquired point out the leading role of the material environment for the quality of hotel service-performance process. Material elements are the pre-condition, without which one cannot carry out the hotel service process. The higher requirements towards the environment are due to the fact that the “standard of hotel industry should be higher than that of the permanent residence of the mass tourist”<sup>12</sup>.

A positive trend in the Bulgarian hotel industry is the implementation of modern technological solutions – 48% of the hotels dispose of a photo cell for automatic opening and closing the entrance doors of the hotel; 7.4% have electronic locking devices of hotel rooms; 47.3% have systems for cutting the power in the room when going out; 18.9% dispose of solar collectors<sup>13</sup>. The material elements bring about successful customer service by their original concept and design as well. The material environment is one of the main elements, which takes part in the formation of a specific atmosphere, which distinguishes one site from the other and which is in the basis of competitiveness of each hotel.

A relatively low percentage of tourists (less than 5%) perceive environment as determinative for the quality of hotel service delivery. This result should in no case underestimate the influence, which the factors of the environment have on the service process. Thus, for example, the introduction of new technologies elaborates not only the material basis, but also certain features of the service operations such as speed, quality, security, completeness.

An important indicator for guest satisfaction from hotel service-performance process is the second visit to the hotel. Out of 446 inquired, 335 i.e. (75%) have given a positive answer.

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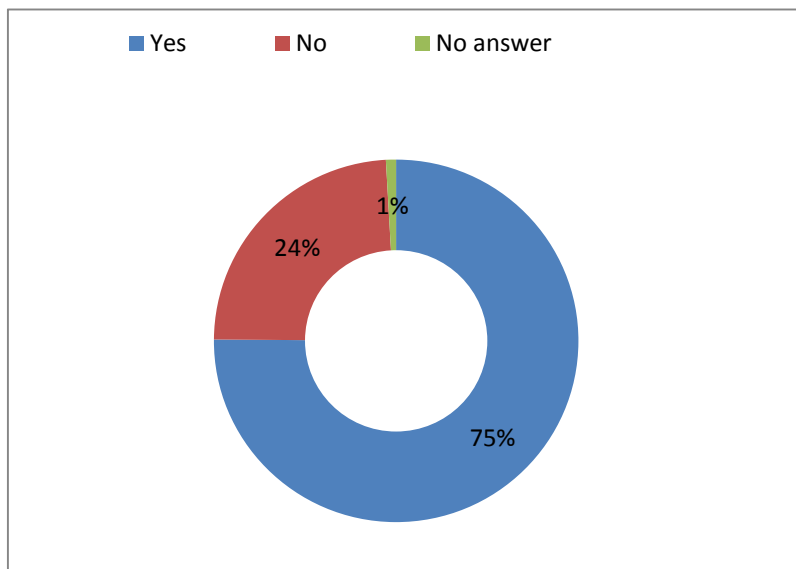
<sup>12</sup> Дъбева, Т., Хотелиерство и ресторантьорство, Университетско издателство ИУ-Варна, 1998 г., с.15

<sup>13</sup> Иванова, П., Особености в съвременното развитие на хотелиерството в България/ Икономическа мисъл, бр.3, 2007 г., с.79

The data from figure 3 show that two thirds of tourists have been satisfied to a sufficient degree with their first stay in the hotel, to undertake a second visit. For a given hotel, the establishment and keeping loyal customers is a necessary and determining precondition for a successful business in a long-term. According to specialists, keeping already won customers requires considerably less resources and efforts, than attracting new ones. Theory, as well as practice unanimously claims that servicing is an extremely important factor in this respect and more and more hoteliers use it as means of creation of loyal customers.

Less than one fourth of the inquired have pointed out that they do not visit hotels for a second time. In the research carried out, the question for the reasons for the lack of a second visit has not been raised, and this is a substantial moment for the purpose of the analysis. One can suggest that the reasons for the lack of a second visit are different and not always related to the lack of satisfaction from hotel servicing. Thus, for example, a considerable part of tourists prefer diversity and surprise to safety and familiarity.

**Fig. 3:** Second visit to hotels



Source: Минков, В. и кол., Съвременни предизвикателства пред хотелиерското обслужване у нас, Академично издателство „Ценов“ - Свищов, 2007г.



## CONCLUSIONS AND RECOMMENDATIONS

On the basis of the results of the research carried out and according to author's evaluation, the following **conclusions** related to service-performance process in Bulgarian hotels could be made:

- It is necessary to improve the completeness of hotel offering, because according to consumers, the weakest moments of service delivery in Bulgarian hotels are related to the rendering of additional services;
- A potential opportunity for raising customer satisfaction is the improvement of the comfort in the hotel room and the creation of better conditions for guests;
- Medical service in the hotels /which is not well organized/ is of great importance for guests in hotels;
- The role of the staff in hotel service process is a priority, because guests attach great importance to quality of service.

According to the short research and the conclusions pointed out, the evaluation of service process in Bulgarian hotels is positive, but there is a necessity of its further development and elaboration of some of its elements. In order to meet to a maximal extent and even to exceed customers' requirements, it is advisable to make efforts in the following directions:

*First:* Looking for new solutions for maintenance and development of the material and technical basis of hotels with regard to offering better opportunities for satisfaction of guests' requirements. Improving the comfort of hotel room does not necessarily mean a more expensive furniture and equipment. An opportunity along these lines is the creation of a specific atmosphere through non-standard interior design;

*Second:* Elaborating standards for quality service process as part of the centralized system for categorization of hotels;

*Third:* Improving improve the service standard through implementation and use of modern systems for information supply of hotel industry;

*Fourth:* It is important to work actively on the implementation of written standards for hotel service-performance process. It is necessary to consider carefully the range of the standards, and not to turn them into a burden for the servicing staff.

*Fifth:* Implementing and broadening the application of the method "secret customer"<sup>14</sup> aiming at maintenance of the defined standards of service process, reducing expenses, raising quality of services, modernization of the criteria and increasing the turnover and companies' revenue;

*Sixth:* The hotel management should take into consideration the role of staff for improving quality of service-performance process.

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<sup>14</sup> The "secret customer" method has been applied in Bulgaria for a couple of years in companies from different economic sectors. In the hotel industry it is suitable for hotel chains as well as for independent hotels. With chains it is traced whether the specified standards are observed in all units of the chain, and with independent hotels the implementation of the method gives an opportunity to create and to establish standards for servicing. According to data from consulting companies functioning in this field, the effect for the companies applying the method is up to 20% cutting costs and between 7 and 12% increase in the number of customers – author's note.

## CONCLUSION

Finally, we can point out that in the conditions of dynamic development of the hotel superstructure in Bulgaria, the role of service-performance process when choosing a hotel, increases more and more. In order to be successful, hotel service process should be adaptive, to be successful. This means that it should be flexible and adaptable to the expected changes in tourists' needs and thus to bring about the increase of their satisfaction. Quick adaptability is an important precondition for competitiveness of the modern conditions for development of the hotel business.

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