



FACULTY/COLLEGE	College of Business and Economics
SCHOOL	School of Tourism and Hospitality
DEPARTMENT	Hospitality
CAMPUS(ES)	ABP
MODULE NAME	Service Leadership
MODULE CODE	SLS01A1
SEMESTER	
ASSESSMENT OPPORTUNITY, MONTH AND YEAR	Supplementary Summative Assessment Opportunity

ASSESSMENT DATE	TBA	SESSION	TBA
ASSESSOR(S)	Dr A Deen		
MODERATOR(S)	Mr S Urwin		
DURATION	2 hours (120min)	TOTAL MARKS	100

NUMBER OF PAGES OF QUESTION PAPER (Including cover page)	7
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INFORMATION/INSTRUCTIONS:

- Non-programmable calculators are permitted – only one per candidate
- Question papers must be handed in.
- This is a closed book assessment.
- Read the questions carefully and answer only what is asked.
- Number your answers clearly.
- Write neatly and legibly.
- Structure your answers by using appropriate headings and sub-headings.
- The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

QUESTION 1**[31]**

1.1 Discuss the two types of customers (2) one would typically find in a hospitality operation and give examples of who these customers are (2) (4)

- ✓ *External customers: customers who buy products and service, they are the people who always think about when we refer to customer service. They are the people who from us, call on the phone and do business with us and they come to the stores e.g. hotel guests.*
- ✓ *Internal customers: people in the business with whom marketers work daily or on a regular basis. They are the employees who works directly with external customers and who ultimately determine the success of the business e.g. waiters, chefs, sales person.*

1.2 What are the benefits of taking good care of your customers? (3)

Any three of the following or other relevant points:

- ✓ *When customer approach a company, they expect to have a positive experience*
- ✓ *The work of staff is more personally fulfilling*
- ✓ *The business gain a unique competitive advantage*
- ✓ *The business becomes aware of the challenges that customers provide and develops solution to meet these challenges, thereby keeping the customers*
- ✓ *Solve problems creatively and in an effective and efficient manner*
- ✓ *The employees who provides customer service feel more positive about the role they play in the creation of positive exchange between customer and the organisation.*
- ✓ *Work environment are more pleasant and productive because the value of internal customers is stressed through policies, procedures and culture.*
- ✓ *Business build up a more positive reputation in the market.*
- ✓ *Profit goals are accomplished in a more successful way because business focuses are geared to meeting the needs of customers.*

1.3 Explain why it is important for a hospitality business to develop a strong relationship with its regular customers. (4)

- ✓ *It is critical for profitability*
- ✓ *Good word of mouth marketing, customer perceive you as sincere, professional, caring and positive*
- ✓ *Estimates are that it cost 6-30 times more to get new customers than to retain current customers*
- ✓ *If you keep losing customers, you need to replace them*
- ✓ *Repeat customers turn to spend more than new customers*
- ✓ *Referrals among repeat customers are greater than non-customers*

1.4 Discuss the most common reasons why customers do not return to a restaurant? (4)

- ✓ *They felt your pricing was too high or unfair.*
- ✓ *They had an unresolved complaint.*
- ✓ *They took a competitor's offer.*
- ✓ *They left because they felt you did not care about them.*

1.5 Explain the effect that physical evidence can have on customer experience, using the example of eating at a restaurant of your choice. (8)

Student to discuss focusing on the following point:

- ✓ ***Physical evidence influences customer experience and behavior***
*The design of the environment and the service given establish the identity of the organization. The physical elements combine to **provide** a message about the organization, they attract attention to the organization and they develop an effect that convinces the customers to buy.*
- ✓ ***It creates an image, position the organization and serves as a point of differentiation***

The combination of physical evidence elements establishes a specific image of the organization and thus position the organization in the minds of the customers as to what to expect. This positioning, if viewed as desirable by consumers, will make the organization stand out from competitors and thus give it a competitive advantage.

✓ **It forms part of the value proposition**

It communicates the experience that the organization aims to deliver. Many hotels, casinos and airlines establish various themes, or focal areas, and build their offerings around that theme which is brought through in their physical evidence. Gold Reef City for example has the Gold Rush as its theme and all the physical evidence is geared towards communicating their value proposition.

✓ **It facilitates the service encounter and enhances productivity**

Physical evidence is used to facilitate the purchasing process by providing the necessary equipment, resources, or infrastructure to ensure that the product or service can be sold or experienced.

- 1.6 There are four (4) main design considerations that need to be taken into account when dealing with high customer-contact and low customer-contact businesses. Explain these design considerations. (8)

Student to explain the following points with their own examples:

✓ **Facility location**

In a low customer-contact situation, there is no need for an organization to be located close to its customer as they do not have to visit the organization's facility. In high customer contact situations, the customer forms part of the process and thus the facility should be located where it is convenient for customers. A convenient location is one of the main sources of competitive advantage over competitors.

✓ **Facility layout**

A high customer-contact business should pay careful attention to the layout of the facility to ensure that it is customer friendly and that the servicescape communicates the intended image of the organization. In low customer-contact organizations, layout should focus on being user friendly for the employees and facilitate the efficient running of the business operations.

✓ **Product design**

In high customer-contact operations, specifically for service businesses, customers are more closely involved in the entire process. They have opportunities to make more requests and demands, and tend to receive a more individualized service. To service these requirements additional effort is required. For low customer-contact situations, fewer opportunities exist to request additional attributes, which simplifies the service and accompanying customer service component.

✓ **Process design**

High customer-contact environments entail many different contact situations and moments of truth. Processes need to be designed to facilitate the service encounters to ensure that the appropriate service is developed. Airlines and hotels have a high number of potential touchpoints and therefore have to develop a highly complex process to deliver the required level of service. Conversely, in low customer-contact situations, there is minimal, or no physical contact and therefore fewer contact points or moments of truth have to be planned for and managed.

QUESTION 2

- 2.1 In order to improve the quality of a service there are certain measures that need to be in place. Discuss any two (2) of these measures (4)

Student to discuss any two of the following points:

✓ **Make a great first impression**

Smiling, being friendly, keeping eye contact, being dressed in line with expectations and looking neat and presentable.

✓ **Project a positive attitude**

Focusing on life's simple things such as showing you are interested, helpful, caring, trustworthy, reassuring and reliable. Customers tend to connect with someone who is respectful and open-minded.

✓ **Communicate effectively**

Focus and listen so that you can respond properly to customer's request and questions. Think before you speak and speak clearly using proper grammar and facial expressions that convey concern or solutions. Also listen more than you speak.

✓ **Build and maintain relationship**

Build a rapport relationship with customers as these relationship may last for a long time to come. Ask a number of questions to ensure that you understand the needs of customers so that you can find the best solutions. Remember customer's names and faces and make each customer feel valued.

✓ **Answer your phone**

Never live your phone unanswered as it frustrate customers. Make sure that the phones are answered at all times by either employing someone specifically to answer the phones.

✓ **Do not make promises unless you can keep them**

When making a promise to a customer, keep it! Do not make a promise and fail to keep it. Customers prefers to stay with companies that they can rely on.

✓ **Deal with complaints**

Do not run away from complaints, embrace them and deal with them in a positive way.

✓ **Take the extra step**

For example, respond to a customer's query about the location of an item by showing them where it is and not just describing where to find.

✓ **Throw in something extra**

Whether be it a free a meal, voucher, additional information on how to use a products or a free smile, people love to receive more than they thought they were going to receive. Provide hospitality examples.

2.2 The SERVQUAL concept is formulated around five (5) dimensions. Name these dimensions (5) and give a brief explanation (5) as well as an example (5) of each of these dimensions. (15)

✓ **Tangibles**

✓ **Reliability**

✓ **Responsiveness**

✓ **Assurance**

✓ **Empathy**

✓ **Tangibles**

Refers to appearance of physical surrounding facilities, equipment, personnel and materials associated with service e.g. communication materials. First impression matter. Explain any of the 4 items in the scale and relate to hospitality.

✓ **Reliability**

Ability to perform the promised service dependably and accurately or to do what you say you are going to do when you said you are going to do it. Show interest in solving customer's problems. Do things right the first time. Record are error-free. Explain in hospitality context.

✓ **Responsiveness**

Responding to customers' every need and want, face –to-face, email, telephonic. Respond with in reasonable amount of time. Queries, complaints, requests, reservations, quotes. Regularly monitor feedback sites and email addresses. Relate to hospitality context.

✓ **Assurance**

Knowledge and courtesy of employees and their ability to convey trust and confidence. Be an experts of the service you are delivering. Raise customer awareness of your competencies and expertise. Display certificates and awards. Advertise on website and newspapers if business is rewarded for doing something right. Relate to hospitality industry.

✓ **Empathy**

Understanding another person's conditions from their perspective. Put yourself in their shoes. Pay individual attention to customer e.g. travelling with children, feeling ill or upset. Form a personal connection with customers. Listen to customer and anticipate their needs. Be sincere and have their best interest at heart. Relate to hospitality industry.

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QUESTION 3

A new Asian restaurant has opened its doors in Sandton City. You are the restaurant manager of this establishment and would like to ensure that all the guests in the restaurant experience the restaurant's passion for excellent service, as this is one of the things that your restaurant prides itself on. As the restaurant manager you are about to brief your employee on this matter. You had prepared a detailed presentation that you would address to your employees. Discuss in detail what you would include and discuss in your presentation under the following headings:

3.1 Key actions for service recovery strategy (10x½=5)

- ✓ **Apology:** A first person apology rather than a corporate apology, and one which also acknowledge that a failure has occurred.
- ✓ **Urgent reinstatement:** Speed of action coupled with a gallant attempt to put things right even if it is not possible to correct the situation.
- ✓ **Empathy:** A sincere expression of feeling for the customer's right
- ✓ **Symbolic atonement:** A form of compensation that might include not charging for the service or offering future services free or at a discounted price.
- ✓ **Follow up:** An after recovery call to ascertain whether the consumer is satisfied with the recovery process.

3.2 Handling customer complaints (10)

- ✓ **Remain calm and patient**
Avoid being excited and do not take the complainant personally
- ✓ **Use positive body language**
Body language is the message you convey to the customer physically, therefore you should avoid negative body language such as folding your arms or refusing to look the customer in the eye
- ✓ **Be firm**
You may sometimes need to be firm but not be rude and arrogant. In tense situation, customer often demands unreasonable actions, therefore be polite but firm.
- ✓ **Be proactive**
One of the best way of difusing the situation is to be proactive. If you see a customer is unhappy approach him or her and ask what is wrong, do not wait for the customer to approach you.

✓ **Be presentable**

Nothing put a customer off more than an untidy, unkempt service provider. If you are neat and presentable, it will contribute to the positive image that you convey and underscore your position as a professional.

✓ **Listen**

It is essential that you understand what the problem is. The customer might be too excited and fail to express his or her problem in a clear logical way, therefore you need to be patient and most importantly, listen.

✓ **Apologise**

There is nothing that deflates an angry person more than an apology

✓ **Follow up**

Following up on a complainant is a great way of building a good customer relation for the future.

✓ **Do not be defensive**

Give the customer enough time and the opportunity to express his or herself and to air her grievance without being defensive. Try to build a bridge with the customer.

✓ **Take action**

If there really is a problem, take immediate actions to rectify the problem.

✓ **Escalate the matter**

If you cannot solve the problem, transfer the matter to someone who can and make sure that you explain everything clear to the person whom you taking the matter to so that the customer do not need to explain again.

[15]

QUESTION 4

[35]

- 4.1 *The term moment of truth means any contact that a customer has with an organisation, no matter how remote, and which allows the customer to form an impression as to the quality of the service delivered by the organisation. As a hotel manager/marketer you need to understand this concept so that your business can gain consistent service delivery across all customer contact points.*

Discuss by means of examples the three (3) components of the moment of truth (9)

✓ **The service context**

It is the environment where the encounter occurs. In this context the organisation need to understand the mental and physical aspects that may influence service delivery during the service encounter. The effect of the service context apply and affect both the service provider and the customer. E.g. a busiest time at a restaurant during the day can affect both the waiter and the guest by noise and the waiter being tired etc.

✓ **Service frame of reference**

Refer to the mental framework of the participants in the service encounter that shape their evaluations and perception about the service delivered. Different elements helps to shape the framework for the customers and for the service providers. The customer's frame of references would be influenced by their beliefs, attitude, expectations and their previous experiences. The service provider's frame of references would be influenced by company policies, and instructions.

✓ **Congruence**

This is the congruence between the frame of reference and the service context. This means that there should be some alignment or overlaps between the context, the employee's frame of reference and the customer's frame of reference. If there is some alignment there is good chance of customer gaining positive results.

- 4.2 You have been invited as a guest lecturer to present to a group of hotel marketers and hospitality student under the topic: customer expectations, perceptions and satisfaction. Your presentation should cover the following heading which you must discuss in detail and with examples where necessary.

4.2.1 How can customer expectations be exceeded by a hospitality business? (12)

✓ **Be aware of who your customers are**

Gain an understanding of your customer base by finding out why they purchased from you and what they enjoy and do not enjoy about your offering.

✓ **Find out what your customer expect**

Find out what it is that makes your customers to keep coming back for more, and also question what is it that they would like you to do more or less of, or even to add to, in your current offering.

✓ **Indicate to your customers what they can expect from your business**

Explain to your consumers your promises to them as consumers

✓ **Meet customers' expectations**

Ensure that when you promise the customer a specific level of service you are able to meet and deliver as promise.

✓ **Be consistent in your offering**

Always make sure that the offering is consistent, so that customers will be assured that when they return the service experience will be positive again

✓ **Use a method of communication that consumers are happy to use**

If your consumer for example does not like SMS communication, do not use that. Rather employ method consumers will be happy using, for examples telephone calls or emails

4.2.2 Four (4) Factors that could influence guests' perception of service (8)

✓ **Service encounter**

These is any event where the customer and the service provider comes together. Service encounter includes impressions about the overall quality of the delivered service, general conduct of staff and their particular knowledge and skills and quality and responsiveness of after sales. Since customer uses their service encounter to evaluate the service, service provider should always seek to make each encounter favourable to the customer.

✓ **Evidence of service**

Helps to overcome uncertainty and doubts that service creates in the mind of consumers. If service providers are able to provide evidence of service it will create a positive perception since consumers have something confirming the completion of the service process and does eliminating any doubts.

✓ **Image**

An organisation image has the ability to influence consumer perceptions in both positive and negative manner. If a company has a positive image, it will make consumers more susceptible to positive word- of- mouth communication, which in turn also creates positive customer perception. However the inverse is also true.

✓ **Price**

Because of the intangibility of the service, price is often seen to influence consumer perceptions of service. Consumers often associate higher price with high quality service. Generally a high price indicates a high quality service and a low price indicates a low quality service.

4.2.3 How does a hotel benefit from customer satisfaction (6)

Student to discuss the following and any relevant point:

- ✓ Positive impact on sales and profitability
- ✓ Positive word of mouth
- ✓ Repeat purchase/loyalty to the organisation
- ✓ Protection against competition
- ✓ Healthier working environment
- ✓ Customer feedback