

UNIVERSITI SAINS MALAYSIA

Peperiksaan Semester Kedua  
Sidang Akademik 2004/2005

Mac 2005

**JTP 340 – PEMASARAN PERKHIDMATAN**

Masa : 3 jam

---

Sila pastikan bahawa kertas peperiksaan ini mengandungi **SEPULUH** muka surat yang bercetak sebelum anda memulakan peperiksaan ini.

Jawab TIGA soalan. Jawab SOALAN NO.1 dan SOALAN NO. 2 yang diwajibkan dan pilih SATU soalan yang lain.

Setiap jawapan perlu dijawab di atas muka surat baru.

Sila pastikan bahawa anda telah menulis angka giliran dengan betul. Tuliskan angka giliran di setiap kertas jawapan anda.

Baca arahan dengan teliti sebelum anda menjawab soalan.

**SOALAN SATU (1) dan (2) ADALAH SOALAN WAJIB.****Soalan 1**

Anda dilantik sebagai pegawai perunding luaran untuk memberikan cadangan kepada pihak pengurus atasan Hotel Primula tentang perkara-perkara di bawah; (Sila rujuk kes *PRIMULA PARKROYAL HOTEL: MARKETING A BUSINESS AND RESORT HOTEL IN MALAYSIA*- Joechen Wirtz & Alaih Hanim M.Salleh.) **Sila lihat lampiran**

- (a) Apakah strategi “positioning” yang perlu dilakukan oleh pengurus atasan Hotel Primula bagi membezakan hotel ini dengan hotel-hotel yang lain di Terengganu? Jelaskan dengan menggunakan contoh. (15 markah)
- (b) Apakah sasaran utama ataupun *target market* Hotel Primula pada tahun hadapan bagi *peak* dan *off peak* season? Jelaskan. (20 markah)
- (c) Bagaimanakah Hotel Primula dapat menaikkan keuntungannya melalui *room revenue* untuk semua musim (*peak and off peak season*). Berikan 3 cadangan dengan menggunakan contoh bagi setiap satunya. (15 markah)

**Soalan 2**

Encik Kaya, 63 tahun adalah pengurus urusan syarikat Harapan Gemilang Malaysia Corporation. Dia mempunyai hubungan perbankan yang baik dengan Bank Sunshine Worldwide. Lina, adalah eksekutif kanan di bank tersebut yang menjaga akaun Encik Kaya. Lina telah dipertanggungjawabkan untuk memastikan Encik Kaya sentiasa berpuashati dengan perkhidmatan bank yang diberikan kepadanya. Sebagai Eksekutif kanan yang telah bekerja lebih dari 10 tahun di Sunshine Worldwide Bank, Lina mempunyai hubungan yang baik dengan semua pelanggan terutamanya Encik Kaya. Encik Kaya mempunyai pelbagai jenis akaun di Sunshine Worldwide Bank. Jumlah simpanan Encik Kaya dianggarkan RM 800,000.00. Disebabkan terlalu sibuk dengan kerjayanya, Encik Kaya amat mempercayai Lina dan selalunya memberikan arahan melalui talipon untuk mengeluarkan (mendebitkan) akaunnya atas urusan perniagaan. Segala-galanya berjalan dengan baik, sehinggalah Michael mengambil alih kerja Lina selama dua bulan (Lina cuti bersalin). Michael telah melakukan satu kesilapan yang besar dengan mendebitkan akaun yang silap ( sepatutnya akaun A tetapi didebitkan akaun B) berjumlah RM 100,000.00 kepada pembekal Encik Kaya. Encik Kaya begitu marah dan ingin mengeluarkan semua simpanannya daripada Bank Sunshine Worldwide. Dia telah membuat aduan kepada anda, pengurus bank Sunshine Worldwide.

Sebagai seorang pengurus Sunshine Worldwide Bank, apakah 10 langkah efektif untuk menangani masalah Encik Kaya?

(25 markah)

**Soalan 3**

Di dalam Pemasaran Perkhidmatan terdapat pelbagai jenis organisasi yang didefinisikan sebagai organisasi perkhidmatan. Antaranya organisasi yang menawarkan campuran barangan dan perkhidmatan ataupun organisasi yang menawarkan perkhidmatan sahaja (*pure service*). Pilih SATU organisasi yang menawarkan perkhidmatan SAHAJA (*pure service*).

- (a) Terangkan dan berikan contoh perkhidmatan utamanya.
- (b) Terangkan 5 jenis perkhidmatan sampingan yang diberikan oleh organisasi perkhidmatan tersebut.
- (c) Lukiskan dalam bentuk gambarajah *flower of service*.

(25 markah)

**Soalan 4**

Terangkan konsep pengurusan hasil (*yield management*) di dalam dunia Pemasaran Perkhidmatan. Bagaimanakah ia dapat digunakan di dalam mana-mana TIGA bentuk firma seperti berikut?

- (a) Firma perunding
- (b) Restoran
- (c) Lapangan golf (*golf course*)
- (d) Bank

(25 markah)

## CASE 4

# PRIMULA PARKROYAL HOTEL: MARKETING A BUSINESS AND RESORT HOTEL IN MALAYSIA<sup>1</sup>

◆ Jochen Wirtz<sup>2</sup> ◆  
◆ Aliah Hanim M. Salleh<sup>3</sup> ◆

*Primula Parkroyal Hotel (PPR), located on the east coast of Peninsular Malaysia, was under a major reshuffle of its board of directors, following change of ownership under a new state government in 2000.*

savings measures with the overall objective of improving PPR's profitability.

## Management Take-over and Refurbishment

In August 2000, Mok Pin Chuan, PPR's new General Manager who was appointed in May 1999, worked on Primula's 2001 marketing plan. As input into this marketing plan, he needed to re-examine PPR's key target segments and its positioning. Uppermost in his mind was to reinstate the hotel's image as the premier quality hotel in Kuala Terengganu, increasing its occupancy rates and revenue and adopting cost

The hotel was located on a beach off the South China Sea in Kuala Terengganu, the capital of Terengganu, a north-eastern state of peninsular Malaysia. Terengganu is an oil-rich state with a population of about 850,000, comprising mostly Malay Muslims. PPR was one of the first four-star hotels to be built along the eastern coast of peninsular Malaysia in the 1980s. However, under the previous ownership of a

<sup>1</sup> © 2001 by Jochen Wirtz and Aliah Hanim M. Salleh.

This case was prepared as the basis for class discussion rather than to illustrate effective or ineffective handling of an administrative situation. PPR considered some data in the case as confidential, which was therefore disguised.

The authors acknowledge the generous support in terms of time, information and feedback on earlier drafts of this case provided by Mr Mok Pin Chuan, General Manager of Primula Parkroyal Hotel. The authors also thank Jasmine Ow Min Cheng for her research assistance in gathering much of the data and assisting with the write-up.

<sup>2</sup> Jochen Wirtz is Associate Professor of Marketing, NUS Business School, National University of Singapore.

<sup>3</sup> Aliah Hanim M. Salleh is Associate Professor of Marketing, Faculty of Business Management, Universiti Kebangsaan Malaysia.

state government agency, it had incurred millions of ringgit (RM)<sup>4</sup> in accumulated losses and the state government's aim was to turn the hotel into a profit-making concern and help it to boost the state's tourism industry.

The owner of the hotel was "Lembaga Tabung Amanah Warisan Negeri Terengganu" (LTAWNT). LTAWNT is an investment arm of the state government led by Parti Islam, which won the general election in December 1999. In 1996, LTAWNT's representative, PTB Resorts Sdn Bhd, engaged the Southern Pacific Hotels Corporation (SPHC) to manage the hotel. SPHC won a "12-plus five-year contract", after successfully outbidding several other large hotel management operating companies from the Asia-Pacific region. PPR's General Manager at that time, Mr Rodney Hawker, asserted that the unique factors favouring SPHC's interest in PPR were Terengganu's unspoilt beaches, waterfalls, lakes and untapped potential as an attractive tourist destination in Malaysia. This was seen relative to Penang and Langkawi, both of which were expected to reach saturation as tourist destinations. PPR was also the only hotel in Kuala Terengganu, which enjoyed both a resort image (with its beach location) as well as a business image, being so close to town.

In managing the strategic change of the hotel, SPHC focused on the following key priorities: upgrading the quality of the hotel's physical facilities, re-marketing the hotel, training staff and changing the work culture. Under the terms of a profit-sharing agreement, Permodalan Terengganu Berhad (PTB), the Terengganu government's investment arm and the new owner of PPR, financed an initial RM11 million to be used by SPHC for physically upgrading and refurbishing the hotel. Recognis-

ing the need to motivate its staff to deliver quality services, rebuilding a new staff canteen was the first renovation work undertaken. Other works included renovating 72 guestrooms in the double-storey wing with access to the beach and refurbishing 150 deluxe rooms in the hotel's 11-storey tower block. A new tea lounge was also opened adjoining the reception area and a coffee house facing the beach. The entire swimming pool area was also re-landscaped, befitting a world-class business resort hotel.

However, in 1998, the hotel went through a difficult period during the economy meltdown. PPR posted a negative gross operating profit (GOP) of RM0.9 million for 1998. In 1999, changes in senior management and drastic measures were introduced to ensure the survival of the hotel. The efforts paid off and the hotel posted a small GOP of RM0.55 million for the year 2000.

In April 2000, Bass Hotels & Resorts (BHR) acquired SPHC. BHR is the world's largest global hotel company that owns, operates and franchises more than 3,000 hotels and 490,000 guestrooms in some 100 countries and territories. With the ownership of brands like Inter-Continental, Crowne Plaza, Holiday Inn Hotels & Resorts, Holiday Inn Express and Staybridge Suites by Holiday Inn and Centras, BHR plays hosts to more than 150 million guests every year. With the acquisition of Inter-Continental, BHR manages 59 Parkroyals and Centras in Asia-Pacific, which Richard Hartman, MD for Asia Pacific and his team were trying to re-flag into BHR brands and integrate the disparate corporate cultures, owners and staff. There were also negotiations going on with the respective owners to rebrand the Parkroyals and Centras to either Inter-Continental, Crowne Plaza or Holiday Inn. -

<sup>4</sup> Ringgit is Malaysia's currency. The exchange rate was US\$1 = RM3.80 in April 2001.

## Hotel Competition Room Sales and Customer Segments

Exhibit 1 compares physical facilities, services, room rates and occupancy rates across competing hotels in Kuala Terengganu. Since rooms can be sold at steep discounts, SPHC used both occupancy rates and average room rates to measure the yield of hotel rooms.

As of 2001, there were seven competing hotels in Kuala Terengganu. Of the total rooms market of 408,070 available rooms per year, PPR's business plan projected that for 2001, the hotel would be able to maintain its market leader position with 25.3 per cent share of rooms sold and 31.4 per cent share of revenue market. This was followed by the Grand Continental, a new competitor (with 16.1 per cent and 14.9 per cent of room and revenue market share, respectively), Permai Park Inn (12.1 per cent and 9.2 per cent, respectively) and Seri Malaysia (13.0 per cent and 9.0 per cent, respectively). In terms of average room rates, PPR projected that in 2001 it would be ranking third with an average rate of RM126.18, after Glenmarie Kenyir with RM159.26 and Sutra Beach Resort with RM129.86.

Room market segments targeted for 2001 comprised the corporate segment (26.2 per cent), individuals (19 per cent), government (9.4 per cent), conference (25.4 per cent) and sports and miscellaneous groups (6.6 per cent) (see Exhibit 2). Out of RM10.8 million in total operating revenue planned for 2001, RM6.24 million was expected to come from room revenues (see Exhibit 2). It was expected that 76.8 per cent of room revenues would be net contribution, which compared to an actual net contribution of 79.5 per cent for the time till December 2000 (see Exhibit 3). PPR's beach location fronting the South China Sea made it vulnerable to seasonal fluctuations of demand. During the peak holi-

day periods of June, July and August, the occupancy rate was expected to reach 62 to 63 per cent, (with average room rates of RM143), but demand could go as low as 31 to 34 per cent (with average room rates dipping to RM125) in the off-peak monsoon season of December, January and February.

## Hotel Operations

PPR's business was organised into the following three departments, which operated as separate profit centres: Room Division, Food and Beverage Department and Telephone Department. Furthermore, PPR had the following five cost centres: Sales and Marketing, the Kitchen, General Administration, Property Maintenance and Energy.

### Front Office Operations

Encik Radi managed the hotel's Front Office operations. This office was responsible for managing room reservations and determining room pricing, and for arranging every activity their guests engaged in throughout their stay. Its functions also included managing the reception counter and room services, porter and concierge services and recreational support. Encik Radi was fully aware that personal interactions with his "front office" staff were the key drivers of guest satisfaction. He strongly felt that his staff needed to be trained to continually improve service levels.

Another key area of concern was to manage room capacity more effectively. In particular, the occupancy rate had to be increased throughout the year, but especially so during the low seasons (the monsoon months). Also, since Malaysians currently occupied 83 per cent of the hotel's room nights, Encik Radi believed that more efforts should be made to attract Malaysian tour groups, rather than tying

**Exhibit 1 Comparative Characteristics of Primula Parkroyal versus Competitors' Percentage**

	Sutra Beach Resort	Seri Malaysia	Permai Park Inn	Primula Parkroyal	Grand Continental	Glenmarie Kenyir Hotels & Resorts
Location	38 km from town centre; beach front	In town	5 km from town centre	3 km from town centre; beach front	2 km from town centre, no direct access to beach	65 km from Kuala Trengganu's Sultan Mahmud airport, beside Lake Kenyir
No. of Rooms	120 chalets/rooms	137 rooms	130 rooms	150 deluxe rooms, 27 suites and 72 Garden Wing rooms	192 deluxe, family and suite rooms	130 deluxe chalets, seven executive suites, one presidential villa, 12 standard rooms
Affiliation/owner	SPR Management	Gateway Inn Management	Park Plaza International Hotel	Bass Hotels and Resorts (BHR)/ Lembaga Tabung Warisan Amanah Negeri Terengganu	Grand Continental Group	DRB Hicom
Market Segment Mix	Private, Government, Groups	Groups, Private, Government	Corporate, Government, Travel Agents/ Tour Groups	Corporate, Government, Travel Agents/ Tour Groups	Corporate, Government, Travel Agents/ Tour Groups	Leisure, Travel Agents, Tour Groups, Incentive Groups, Corporate Meeting Groups
Service Positioning	Three-star resort, mid priced	Two-star "value-for-money" budget hotel chain	Three-star town hotel "bed and breakfast" image	Four-star beach cum business resort	Three-star mid price business hotel	Four-star up market resort hotel
Occupancy Rate (2001 est.)	40 per cent	55 per cent	50 per cent	49 per cent	47 per cent	31.4 per cent
Rooms Sold (2001 est.)	16,790	30,113	23,908	44,805	32,937	14,899

**Exhibit 1 (continued)**

	Sutra Beach Resort	Seri Malaysia	Permai Park Inn	Primula Parkroyal	Grand Continental	Glenmarie Kenyir Hotels & Resorts
Avg Room Rate (RM – 2001 est.)	129.86	80.00	92.00	126.18	112.00	159.26
F&B Outlets/Conference Facilities	<ul style="list-style-type: none"> <li>• Merang Restaurant</li> <li>• R-U Tapai Lounge</li> <li>• Conference Hall (350 pax)</li> <li>• Karaoke Lounge</li> </ul>	<ul style="list-style-type: none"> <li>• Sekayu Café (A-la carte menu except Friday and Sunday)</li> <li>• Meeting rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Café-in-the-Park</li> <li>• Conference Hall (250 pax)</li> <li>• Meeting rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Rhusila Coffee House</li> <li>• One Ballroom</li> <li>• Seven Meeting Rooms</li> <li>• Pelangi Restaurant</li> </ul>	<ul style="list-style-type: none"> <li>• Jala Mas Coffee House</li> <li>• Two Ballrooms</li> <li>• Six secondary meeting rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Tembat Restaurant</li> <li>• Gawi Poolside Restaurant</li> <li>• Lobby Lounge</li> <li>• Peluang Room Karaoke Lounge</li> <li>• Banquet/Conference Hall (220 pax)</li> </ul>
Physical Facilities and Services	<ul style="list-style-type: none"> <li>• Tennis Court</li> <li>• Souvenir Shop</li> <li>• Swimming Pool</li> </ul>	<ul style="list-style-type: none"> <li>• Shopping Arcade</li> <li>• Tea/Coffee-making facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Retail Stores</li> <li>• Tea/Coffee-making facilities</li> <li>• Swimming pool</li> </ul>	<ul style="list-style-type: none"> <li>• Business Centre</li> <li>• Swimming Pool</li> <li>• Tennis and Volleyball</li> <li>• Laundry</li> <li>• Iron and ironing board</li> <li>• Tea/Coffee-making facilities in rooms</li> </ul>	<ul style="list-style-type: none"> <li>• Swimming pool</li> <li>• Gift shop</li> <li>• Iron and ironing board</li> <li>• Tea/Coffee-making facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Golf course</li> <li>• The Lake Store-Souvenir Shop</li> <li>• Indoor Gymnasium</li> <li>• Tennis and Squash courts</li> <li>• Outdoor sea sports facilities</li> <li>• Lake Tours</li> <li>• Individually controlled air-con</li> <li>• Tea/Coffee-making facilities in rooms</li> <li>• IDD telephone</li> </ul>

Source: Primula Parkroyal's internal reports and authors' observations during site visits.



**Exhibit 2 Summary of Room Revenues for January – December 2001 (Planned)**

2001 Budget				
No. of Rooms Available			90,885	
No. of Rooms Occupied			47,532	
Occupancy (percentage)			52.3	
Average Tariff (RM)			131.24	
Customer Segment	Rooms Occupied		Average Tariff	Room Revenue
		%	RM	RM
Commercial:				
• Corporate	7,329	15.4	148.33	1,087,110
• Corporate Conference	3,271	6.9	123.67	404,524
• Others	2,321	4.9	150.32	348,892
Total Commercial	12,921	27.2	142.44	1,840,526
Private:				
• Rack	236	0.5	235.00	55,460
• FITs <sup>a</sup>	9,040	19.0	147.51	1,333,490
• Other Discounts	5,608	11.8	122.32	685,970
Total Private	14,884	31.3	139.40	2,074,920
Others				
• Govt – FITs Govt.	4,090	8.6	134.56	550,350
• Conference	12,070	25.4	110.36	1,332,045
• Sports	875	1.8	110.25	107,493
• Embassies and Others	387	0.8	183.67	71,080
• Tour Groups	2,305	4.8	113.66	261,986
Total Others	19,727	41.5	117.75	2,322,954
Total	47,532	100.0	131.24	6,238,400

<sup>a</sup> F.I.T. stands for frequent independent travellers.

Source: Primula Parkroyal's internal reports.

up high promotional expenses in an attempt to bring in more foreign tourists.

### **Human Resources Development**

Encik Ahmad Shaari, the manager of the Human Resources Department (HRD), aimed at instilling a stronger customer oriented culture among the staff and to continuously improve service quality and standards and at the same time, to improve productivity. Consistent with the hotel's aim of increasing profitability through cost reduction, Encik Ahmad continued to freeze new appointments and replacements with the aim of reducing staffing costs (ie., salaries, wages and staff related

benefits), which stood at 39.2 per cent of the hotel's revenue. PPR's staff strength was reduced from some 350 in 1996 to 212 by March 2001. To achieve dramatic improvements in productivity and improve service quality, morale, skills and work ethics, as well as processes and practices had to be improved.

To upgrade skills and advance career development, training programmes were conducted at three levels. At the preliminary stage, knowledge on the hotel's service offerings and training targeted at instilling service orientation and a stronger work ethic were conducted. Next, customer-complaints handling and related skills training were improved. Lastly, for middle

**Exhibit 3 Income and Loss For Rooms Division Up to December 2000  
(Profit Centre)**

P&L	RM	Percentage
Rooms Income:	4,659,523	100.0
Expenses:		
• Salaries and Wages	437,500	9.4
• Overtime	6,520	0.1
• Employee Benefit	204,011	4.4
Subtotal	648,031	13.9
Other Expenses		
• Guest Supplies	146,243	3.1
• Telephone and Fax	17,849	0.4
• Replacements	33,725	0.7
• Cleaning Supplies	31,669	0.7
• Miscellaneous	79,336	1.7
Subtotal	308,822	6.6
Total Expense	956,853	20.5
Net Contribution	3,702,670	79.5

management and above, specific courses such as those on management accounting and industrial relations were conducted.

#### ***Food and Beverage Department***

With 75 staff reporting to him, Encik Ahmad Zahid, the F&B manager was responsible for the kitchen, four F&B outlets, conference facilities and banquet services. In general, F&B contributed about 30 to 35 per cent of a hotel's operating revenue. By introducing buffets for breakfast, lunch, tea, dinner and supper, PPR managed to attract non-hotel guests; this pushed PPR's F&B contribution to almost 50 per cent of total revenue.

Encik Ahmad Zahid continued to upgrade service quality, reposition jobs by promoting several staff to supervisory levels, enrich jobs by deploying staff for both room service and reception duty and cut manpower and energy costs by merging the coffee house and bar operations and by

finding ways to save electricity, fuel and general maintenance.

Mok pondered over the formulation of the 2001 business plan. The need to improve PPR's profitability amid increased competition in Kuala Trengganu made it crucial for PPR to re-examine its key target market segments and its positioning and to develop strategies to smoothen the severe seasonal demand fluctuations. As further cost-cutting measures had to be pushed through, marketing and communications expenditure had to be minimised and any marketing initiatives had to be designed in the most cost-effective manner.