Chapter 6: Discussion and Conclusion

6.1 Introduction

Findings of the study

The findings that have been derived from the research study are included in this section. The findings so stated are based on the information that was carefully gathered through the questionnaires and interviews.

Findings as per Objectives and Hypothesis

6.1.1) Objective no 1 To study and understand the reasons for the growth and development of Branded and Non Branded Budget Hotels

Hypothesis no 1) The expansion in middle class population has created an impetus for the growth and development of Branded and Non Branded Budget Hotels

The study revealed that there is a strong association between the expansion in middle class Population and the growth and development of Branded and Non Branded Budget Hotels, the study specifies that following factors which are responsible for the growth and development of Branded and Non Branded Budget Hotels

a) Preference of no frills hotel by mid-level business executives
b) Increase in new middle class population
c) Rise in domestic travelling
d) Value for money provided by these hotels
e) Branded and Non Branded Budget Hotels have created a choice between Luxury hotels & substandard hotels
f) Branded and Non Branded Budget Hotels have proved to be cost effective for corporates and business houses
g) Branded and Non Branded Budget Hotels have demonstrated comfortability and affordability
h) Brand Loyalty have been created by Branded Budget Hotels
i) Branded and Non Branded Budget Hotels have become affordable in terms of Investments and Operating Costs
6.1.2) **Objective no 2** To Compare and Analyze the Customer Relationship Marketing Strategies adopted by Branded and Non Branded Budget Hotels

**Hypothesis no 2)** Formal Customer Relationship Management exists in Branded Budget Hotels as compared to Non Branded Budget Hotels

The study revealed that there is a positive correlation between Formal Customer Relationship Marketing Strategies and Branded Budget Hotels due to the following factors

a) Majority of the Branded Budget Hotels were implementing Formal Relationship Marketing strategies in their hotels, whereas very few of Non-Branded Budget Hotels were giving importance to Formal Relationship Marketing strategies in their hotels.

b) Almost all the Branded Budget Hotels were emphasizing on forming long term relationship with customers for business development which was not found in most of the Non Branded Budget Hotels

c) Loyalty Programs and Business Relationship Management Strategies were not found in majority of Non-Branded Budget Hotels in comparison to this many of these strategies were existing in Branded Budget Hotels

d) This study reveals that Majority of the Branded Budget Hotels were aware of the Formal Customer Relationship Marketing Strategies for customer retention in comparison to this less than half of the Non Branded Budget Hotels did not emphasize on Customer Relationship Marketing Strategies for customer retention

6.1.3) **Objective no 3** To Compare and Find out the satisfaction level of Customers visiting Branded and Non Branded Budget Hotels

**Hypothesis no 3)** Customers visiting Branded Budget Hotels have high satisfaction level as compared to Customers visiting Non Branded Budget Hotels
The study revealed that there is a significant positive correlation between customer satisfaction level and Customers visiting branded budget hotels because they had high satisfaction level the level of satisfaction were measured on various important parameters and it was found out that

The customers of branded budget hotels were more satisfied as compared to customers of non-branded budget hotels with the following factors

Cleanliness of the rooms
Comfort ability of beds
Willingness of the staff to serve
Check in and Check out procedure
Hospitality and expertise of the staff
Quality of food and service

6.1.4) **Objective no 4** To study and compare the HR Practices at Branded Budget Hotels and Non Branded Budget Hotels

**Hypothesis no 4**) Good Human Resource practices are followed in branded budget hotels as compared to non-branded budget hotels

After analysing the HR Practices followed in Branded and Non Branded Budget Hotels it was found that Majority of Branded Budget hotels were following good HR Practices than Non-Branded Budget Hotels these are based on following findings

The Management of majority of Branded Budget hotels gave lot of Importance to the following factors towards their employees in relation to the job

Working conditions of the employees
Employee and Employer Relationship
Incentives and benefits given to the employees
Counselling of the employees and Implementing of Stress Reduction Program

Concern for employee turnover

Flexible work Timings

Better working Conditions and Employee Feed Back System

Implementation of Training and Development Programs

Conduction of Exit Interviews

Recruitment policies

LTA benefits

Formal Induction

Career path design

Leave policy

Maternity /Paternity Leave

Training and Development

Staff welfare policies

6.2) Suggestions

Based on the findings of this study the researcher suggest some suggestions for effective functioning of branded and non-branded budget hotels

These suggestions are only advisory in nature. These suggestions were also discussed with some of the hoteliers and senior managers from the hotel industry the suggestions may be help full for the industry and other stake holders for business enhancement

6.2.1) It was found that many non-branded budget hotels were functioning without separate Marketing and HR department because administration department was taking care of HR and Marketing, since it is difficult for non-branded budget hotels to establish
separate Marketing and HR department due to their own constraints it is suggested that senior managers of these hotels must give assistance for Marketing and HR activities

6.3.2) Non-branded budget hotels with good infrastructure must think of affiliating their hotels with some brands in future because today’s customers are becoming more brand conscious since brands specifies standards and quality.

6.3.3) It was found during this study that lot of non-branded budget hotels were located at strategic locations of Pune, these hotels were constructed couple of years back it is suggested that these hotels should go in for renovation and refurbication for creating good ambience in order to attract new segment of customers

6.3.4) Hotels are continually seeking new ways to acquire, retain and increase business, since the cost of losing customer is rising. Especially Non-branded budget hotels need to put in place competitive Marketing strategies to improve their competitiveness and thus retain customers. Some of the branded budget and many of the non-branded budget hotels must implement Structured CRM policy these hotels should make use of (IT) Information technology and software in their day to day working to ensure efficiency and develop CRM Policies by creating data bank of their customers for continuous business developments

6.3.5) The target segment of budget category of hotels are mostly mid-level business class as well as leisure customers these segment of customers expect value for money so they expect value added services from these hotels branded budget and mainly non-branded budget hotels must emphasis on providing value added services which could be related to free pick up and drop from airports or railway stations, these hotels must provide their customers with vehicles for comfortable commuting at different places during their stay, also customers should be provided with mini bar in the rooms and other facility related to food and beverage

6.3.6) Non-branded budget hotels should focus on providing more standardised service which would help them to get more customers from corporate tie ups and design effective websites for business development since these hotels don’t have any targets to achieve it is recommended that target should be given to the employees of these hotels

6.3.7) Many of these budget hotels must work on improving service quality in order to retain the customers, and to achieve this Employees must be made aware of and be trained through Standard Operating Procedure (SOPs) for the job assigned to them. It is
imperative to make employees aware and adhere to Standard Operating Procedures and (P&P’s) Policies and Procedures should exist for all regular activities of the hotel and should specify the standard time period in which the staffs is expected to perform various tasks such as making check in check outs, service of food and beverages

Branded budget hotels must adhere to their service standards because the customers are brand loyal they carry the same experience of your hotel and expects the same kind of quality and services in other hotel at different places of the same brands

6.3.8) Like Luxury hotels have a procedure of getting “customer feedback” form filled by their customer at the end of their stay, branded and non-branded budget hotels must also incorporate this procedure. This will help them in knowing their short comings and improving up on them. Guest feedbacks must be taken passively and seriously

6.3.9) In order to survive tough competition budget hotels must put a lot of emphasize on improving quality of food, and services provided by them non-branded budget hotels lack in such professionalism since the taste and choice of the customers are continuously changing these hotels must adapt themselves to these changes to retain and attract customers in their hotels.

6.3.10) Branded and many of the Non- branded budget hotels should implement Structured and Effective HR Practices such as Recruitment policies, leave policy’s, and Proper carrier path designs

6.3.11) Some of the Branded and many of the Non- branded budget hotels must formulate formal Induction program for making the new entrants comfortable with the organization they can also implement system of giving welcome call to the employees a day before he joins the organization as it gives a great feeling to the employee at the time of joining any organisation at the same time he should be given a cordial send-off through proper exit interview so that he carries this experience else where

6.3.12) Employees of Branded and Non- branded budget hotels Employees must also be given thorough training in their concerned departments they should also be given cross training as to make them aware of the working of various other departments and how other departments are interlinked in the hotels

6.3.13) Large numbers of non- branded budget and some of the branded budget hotels must design effective plans for stress reduction since working conditions of hotels are very stressful
6.3.14) The Management of Non-branded budget hotels are advised to practise employee counselling and Implement employee feedback system to know the views of their employees in a better way

6.3.15) HR department should ensure that in these hotels employees must adhere to a dress code and be trained on how to dress and maintain their appearance and grooming standards as this plays a very vital role in the hospitality industry HR Department should monitor adherence to the dress code and appearance guidelines

6.3.16) Unlike in Luxurious hotels there should be an employee reward or recognition program like employee of the month or star of the month to encourage employees who are efficient. This will motivate employees to work hard and excel in their work.

6.3.17) Managers of these hotels especially branded budget hotels cannot meet their customers’ needs unless they know what their customers want. Food such as low-carbohydrate diets and long term food trends such as evolving concern for nutritious food consumption, must be understood and, if applicable must be incorporated in their menus. Many industry observers believe that diet and health concerns will play an increasingly significant role in the process by which hotels plan menus and develop recipe.

6.3.18) Employees of branded budget hotels must highlight Internal Branding activities, these activities consists of activities and process that help inform and inspire employees about the brands, customer satisfaction will not be achieved unless everyone in the organization lives the brand.

6.3) Conclusion:
Branded and Non-Branded Budget hotels have been redefined on account of new concept, innovations and strategies, today with the changing mind set of the customers, budget hotels today have taken a U-turn with renulate contrast, Branded and Non-Branded Budget hotels have sprung up as a competitive hospitality units, these segment of hotels should demonstrate Professionalism because a high growth is projected in these category of hotels in the future, Budget hotels are the next big thing in Indian Hospitality Industry therefore the quality of service and customer satisfaction is an important factor which will determine their success, and To achieve customer satisfaction the following factors must be taken care by these Hotels.
*Implementation of structured Customer Relationship Marketing Strategies
*Formation of Good HR Practices
*Achieving customer satisfaction through committed and consistent services

These factors play a very vital role for achieving success in any organization, especially in Branded and Non-Branded Budget category of hotels where the expectation of the customer is very high, hence after going through the survey and findings of this study it could be concluded that budget hotels must formulate Structured and Formal Customer Relation Marketing and HR Strategies in their hotels to get a competitive edge.