HOTELS AND THEIR CLASSIFICATIONS

5-STAR HOTELS:
These class of hotels are extremely luxurious properties. Their properties display an original design, elegant room decor, exceptional dining, and meticulous grounds. The hotel offers the highest degree of personal service and room service 24/7 and comfort. Such hotels have state-of-the-art facilities (Swimming pool, Golf and Tennis course, Spa, Fitness centre/Gym, Car hire, Cinema, Tour packages, Conference facilities, Foreign exchange arrangements, Laundry, and concierge services etc.

4-STAR HOTELS:
These are also superior properties that distinguish themselves by high level of service and hospitality. A well-integrated design, styled room decor, great restaurant facilities, and landscaped grounds are all present. The facilities should include beautifully furnished rooms, at least 2 restaurants, room service, a bar, valet parking, internet facilities, swimming pool, a fitness center and a concierge.

3-STAR HOTELS:
The property grounds, décor, and quality of furnishings are a noticeable upgrade in terms of style and class. These hotels offer nice, spacious rooms and decorative lobbies. On-site restaurants may be average in size but will offer breakfast, lunch and dinner. Other services include a Valet and room service, a small fitness center, spa and a pool are often available. The rooms will usually have a TV, and internet facilities.

2-STAR HOTELS:
These hotels are generally part of a chain that offers consistent quality and limited amenities. They are small or medium in size and rooms will have a phone and TV. While you might not have the convenience of room service, there should be a small restaurant on site.

ONE-STAR HOTEL: This is a small hotel managed and operated by the owner. These properties meet a budget-traveler’s basic needs for comfort and convenience. They tend to be located near major attractions or thoroughfares and provide clean guest rooms.

IDENTIFYING INNOVATION AS KEY TO HIGHER HOTEL PATRONAGE

According to Schumpeter, innovation is the creation of new possibilities for additional valued added, taking into account not only the typical product as to its innovation of manufacturing but also market, organizational, and resource input innovation.

Organizations that do not innovate effectively may be destroyed by those who do. In a paper on ‘Service Innovation and Customer Choices in Hospitality Industry’, Victorino and Verma (2006), it was stated that a hotel cannot truly thrive if it does not invest in innovation and the major reasons were given as:

FIRST, from a customer’s perspective, the hospitality market is perpetually inundated by many similar, often easily substitutable service offerings. This can cause difficulties for hotel managers as they attempt to differentiate an individual hotel from its competitors. The main solution to this is to provide new and innovative features to customers as opposed to the usual run of the mill products and services.

SECONDLY, the hospitality industry is rapidly changing due to acceleration in information technology. Managers will need to make proactive changes which focus even more intensely on customer preferences, quality and technological interfaces in order to stay competitive in such a dynamic environment.

THIRDLY, travelers today do not exhibit, as in past decades, a truly brand loyalty behavior. Travelers are choosing to patronize hotels that offer the best value proposition under existing budgetary constraints. Hence, in order to add value to the guest’s experience, hotel managers and marketers must meet the challenge of determining which services are preferred by the hotel guests.
**Recommendations to Increase Patronage in a Hotel**

The hospitality industry has become very competitive hence it is imperative for the hotels work up new ways to increase their guest patronage. The following suggestions are a sure-fire way to keep the guests coming:

**Tastefully Furnished Rooms with Quality Furniture and Fixtures.**

This applies for every hotel whether 1,2,3,4 or 5-Star. Hotels should consider hiring the services of professional interior designers to transform the rooms and suites into world class standards.

**Devise and Implement a Marketing Plan That Suits the Hotel.**

There is always an intense need for aggressive marketing and promotional events at hotels as a result of intense competition. Advertising is the fastest marketing channel hotels can exploit, i.e. modes of hotel marketing include print, radio and cable advertising, as well as direct and web-based promotions.

**Develop the Visual Appeal of the Hotel.**

A hospitality property that is well-maintained and exhibits decent exterior painting and a manicured landscaped and orderly grounds, will capture the attention of drive-by traffic.

**Visible Signs Attract Attention.**

The strategic placement of signs for the hotel that bear design and distinction will act as beacons to lure in prospective guests, a good and appropriate display of signage, which meets the approval of local ordinances, can have a favorable effect on hotel occupancy.

**Re-Orientation and Training of Hotel Staff** would go a long way in improving the quality of service. Innovative Incentives should be implemented to encourage staff performance at hotels.

**Review Affiliations That are Relevant to the Hotel.**

A hotel franchise, travel and rating guides, along with agencies or services that represent tourism, are instrumental towards increasing the hotels’ rate of occupancy. While the majority of such affiliations incorporate additional costs to the hotel, a notable occupancy increase can measurably outweigh this expense.

**Consider Amenities That Will Make Our Hotels Competitive.**

Such offerings can be observed through electronics, spa tubs, food service, lounges, fitness facilities, personal services and standard recreational features. For areas that present a number of hotels to choose from, properties equipped with enticing amenities would probably increase hotel occupancy.

**Building Your Hotel Brand.**

- Branding is not about getting the target market to choose you over the competition, but it is about getting your prospects to see you as the only one that provides a solution to their problem.
- Your brand is the sum total of your customer’s experiences and perceptions, some of which one can influence, and some that one cannot.
- A strong brand is invaluable as the battle for customers intensifies day by day. It’s important to spend time investing in researching, defining, and building your brand.
- A strong brand integrates multiple components, all of them necessary, including customer interactions, employee communications, corporate philosophy and advertising/marketing efforts. Your brand extends to your employees, customers, the media and even the general public as the above story illustrates. If these components don’t consistently reinforce your brand, customers will become dissatisfied.
- The negative impact of their perception, should they voice their opinions to other potential customers or even the media, could have a ripple effect on your business. This can erode your brand equity and create misperceptions about your company in the market that in turn could lead prospective customers, employees and investors to pass on your organization.

**Brand building strategies include:**

- Have something unique, deliver consistently and remain relevant to your customers. Note that a strong corporate culture and an original vision are essential to a consistent brand message.
- Go to where your customers are; if they’re online, you must go online. i.e. a great and attractive website, more advertisements online.
- Listen to customer feedback and act on it. Hotels have the opportunity to be experience-based and information rich, to capture guests’ likes and dislikes and to be able to micro-brand within the brand.
- Creativity is required in tough times as that is when most hotel brands become obsolete and fold up. Building a stronger brand in the good times gives you the opportunity to fare better in tough economic times, because people stick with what they trust especially in those times.
- Surprise and delight customers on a regular basis, all the better and note that personalization and localization are important to today’s consumers.
- Collect information about the guest’s experience. Using it in ways that are meaningful for guests is a key component to building a strong brand but you must be consistent to your brand’s core values while doing so.
- Brands need to have a platform that’s flexible enough to accommodate consumers and provide the information they seek. Hotels must measure customer engagement, constantly ask how they are doing and offer powerful, brand-building, rewards programs.

Sources: www.about.com/branding;
www.coylehospitality.com
BUSINESS UPDATE

VISION AND INTENT OF THE PROPOSED ODU'A MUSEUM AND HALL OF FAME

A historical and tourist centre, ODU'A HALL OF FAME, is being set up at the pent house on 24th floor of Cocoa House Building where artifacts, historical materials and stories of Odu’a past heroes will be showcased. Students and tourists who visit the hall will also have the opportunity to view Ibadan via a giant telescope to be mounted.

Odu’a Investment Company Limited has deemed it fit to give honour to individuals of noteworthy achievement in the South Western States of Nigeria by putting up a Hall of Fame at her Corporate Headquarters that will serve as a centre of attraction. It is an avenue to honour illustrious sons and daughters of Oduduwa who have distinguished themselves in their field of endeavours.

To complement the Hall of Fame, a section would be dedicated as Odu’a Museum where objects of historical or artistic values relating to the Yorubas would be exhibited.

Museum artifacts to be kept in the Hall will be gathered from the six ODU’A States of Oyo, Ogun, Osun, Ondo, Ekiti and Lagos.

To complement the Hall of Fame, a section would be dedicated as Odu’a Museum where objects of historical or artistic values relating to the Yorubas would be exhibited.

The Museum/Hall of Fame project world over is a consistent ongoing process; it is never complete in terms of content update. It always has the creative capacity for regular appraisal.

The project, when completed, will be the first of its kind in Ibadan and South West in general. It is expected to boost the tourism drive of the south west.

...Continued from page 1

The success of franchise lies in the understanding of ownership, internal and external customer and workforce related and top legislative matters, insight on marketing and promotion. With the development of globalization, multicultural issues are increasing becoming big challenges to the industry operators as bringing the far corners of the world together is part and parcel of what the hospitality sector does.

Higher Education: Tremendous changes are taking place in hospitality industry which poses several challenges for transformation of the whole educational process including educational curricula, learning materials, instructional practices and education stakeholders. Education systems and institutions must take the challenges of the knowledge economy seriously. This will entail a comprehensive restructuring of the entire learning process.

CHALLENGES CONFRONTING THE HOSPITALITY INDUSTRY

Increased competition: Hotels everywhere indicate that their community is overbuilt; there are too many available hospitality rooms relative to the guests desiring to rent them. The resulting competition, which often involves price cutting in efforts to provide greater value to guest, reduces still further the profits generated. A steep fall in occupancy ratio in the wake of the global slowdown and tight competition among hospitality operators in a shrinking market have brought down hospitality room rents drastically across the country.

Dependence upon the Nation’s Economy: When the nation’s economy is good, business travel generally increases. Hospitality occupancy rates and rack rates increases result in higher profit levels. The reverse is also true: business travel slows when the economy slows down. Then, occupancy and rack rates decreases. When discounts are offered to increase occupancy rates, the resulting effect is lower revenues and profit decreases.

Increased Guest Sophistication: Consumers have become more sophisticated and, as a result, have the types of products and services that they desire. Amenities, including business centers, exercise and recreational facilities, and guest-room innovations, increase costs but, if not carefully selected, may not appeal to many guests being served by a specific property.

Technological Issues: The challenges of keeping up with the fast pace of technology is difficult and expensive. Guests can now use the internet’s interactive reservation systems, and hospitality companies are sometimes criticized for the (alleged) large number of keyboard clicks required to make a reservation. The number of reservations made via the internet continues to increase.
MACRO_ECONOMIC INDICATORS

Monthly Average Exchange

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SOURCE: NBS, CBN, MPC, BUSINESSDAY

INFLATION RATE

STOCK MARKET

SOURCE: NBS, CBN, MPC, BUSINESSDAY