

INTERNAL MARKETING IN THE HOTEL INDUSTRY

Scientific paper

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Abstract

Purpose –The purpose of this paper is to prove that workers, who are satisfied with the attitude of management towards them reflected in regular information provided regarding future plans, tend to display their job satisfaction by working as part of a successful team.

Design –In order to distinguishing between the various types of marketing, this paper explores internal marketing in the hotel industry that focuses on employees who need to know all about the types of services that are provided by the hotel and which are being developed within the framework of strategic development plans.

Methodology –For the purpose of this paper, scientific research methods have been applied to a sample of 265 questionnaires filled out by the participants of seminars organized for production and service staff (professions: cook, pastry cook, waiter, barman, reception clerk, sales officer, hotel housekeeper) in four destinations in Croatia (Rovinj, Dubrovnik, Mali Lošinj and Vodice) in the period from 4 October to 10 November 2012.

Approach –The task of such an approach was to confirm the perception that hoteliers in Croatia are failing to centre sufficient attention on the postulates of internal marketing, as indicated by the survey results presented below.

Findings–Research results reveal lack of awareness about importance of communication between managers and workers, especially when it comes to providing information about future business plans.

Originality –The originality of this research consist in fact that internal marketing has a significant impact on how employees understand their work tasks and the enterprise's objectives. This paper provides valuable information about attitudes of hotel personnel in Croatia concerning the information provided to them, and the training on a regular basis.

Keywords hotel industry, production and service staff, internal marketing

INTRODUCTION

It is the task of hotel managers to design a hotel product that will be so appealing that it will be able attract customers who will ultimately consume it. This fact speaks in favour of the premise that vital elements of the overall hotel offering involve conducting tourism market research and identifying that segment of tourism demand in which the hotel offering should be able to attract attention, arouse interest, trigger desire and move to action.

As the first element of the marketing mix, the hotel product comprises all tangible and intangible services rendered to guests in the hotel. Hotel services are a set of a number of individual services which meet the needs of hotel guests for accommodation, food and beverages, and other services that are provided and for which payment is collected in the manner customary in the hotel industry.

The influence of new social values on demand is of crucial importance to workers in the hotel industry, because different types of guests exhibit different lifestyles and choose to spend their leisure time in different ways. Considering that hotel workers seek guests from all parts of the world, they are advised to focus their attention on the most important changes occurring on the markets of countries from which their guests originate.

New tourism programmes and hotel offerings should seek to substitute mass markets with target segments, and a single product with a number of competitive products, because the new approach to modern marketing argues in favour of a more subtle approach that enables modern tourists to experience emotional fulfilment in the services provided. By providing a growing number of alternative tourism packages for discerning guests, such an offering will present a basis for increasing financial effects and enhancing guest satisfaction as well.

An increasingly explicit and obvious trend in the hotel industry is the departure from value not visible to guests and the focus of hotel marketers on creating value that is; this is an opportunity to create value that guests will be able to see and feel during their stay in the hotel. Accordingly, hotel marketers need to focus on those service areas in which creativity is evident and manifested through personal contacts and personal experiences between staff and guests. This is what guests see and feel, and what employees see, from the hotel porter to the room attendant, and from the front desk clerk to the waiting staff. Consequently, this is the most important opportunity that exists in the context of creating value that guests can see and feel.

To accomplish these goals which could dramatically improve a hotel's performance, certain preconditions must be met. One of the most important preconditions is training and professional development, in which knowledge, skills, and motivation are the crucial factors that enable employees to successfully perform their jobs.¹ This is what makes restructuring the human factor within organizations the new trend in the hotel industry, in which internal marketing – employee-focused marketing – is the most important factor. Internal marketing is what a hotel has at its disposal to achieve the highest guest satisfaction.

1. PRECONDITIONS TO THE SUCCESS OF A HOTEL PRODUCT

The broader aspect of tourism needs has made it necessary for sweeping changes to be made within the hotel industry, and hotel enterprises are increasingly reorganizing and restructuring their:

1. organizational and managerial structures
2. human resources and
3. applied technology.

¹ Rue, W.L., Byars, L.L., *Supervision – Key Link to Productivity*, Irwin Homewood. Boston, 1993., p. 34.

The “ticket” of a hotel enterprise to the modern world of business is a flexible organizational structure, on the one hand, open to influences from the environment and capable of ensuring lifelong learning and the creative application of new knowledge, and, on the other hand, the hotel enterprise’s own influence on the business and social environment, together with the enhancement of its competitive ability on the tourism market.

In such a situation, it is the manager who must possess the wisdom to recognize facts and changes and be capable of bravely leading the organization in an environment that is constantly developing and growing. The manager of a hotel enterprise is in charge of creating the enterprise’s vision and fostering such a climate within the enterprise that will be conducive to enhancing the effective work of all employees.² Modern managers in the hotel industry are required to be designers, build a shared vision, help employees see the entire system and work together, shape the horizontal organizational structure, initiate changes and provide people with opportunities to shape the future. Accordingly, there are at least three vital roles of modern managers in the hotel industry:

1. creating a shared vision
2. (re)designing organizational structures and
3. being of service to employees.

In addition, in the modern hotel industry, the trends listed below call for rethinking the organizational culture of a hotel enterprise:³

- The first trend is the growing competitiveness of the hotel industry’s environment in all market areas and geographical areas.
- The second trend refers to growing demand on the part of guests.
- The third trend is the growth of sophisticated, diverse and powerful information and communication technology.

Modern managers are becoming guides, coaches and advisors, and in this context, they focus on the following components of the quality management process:⁴

1. the importance of introducing and applying standards in business operations
2. the need for high-quality teams
3. the value of empowerment.

The organizational culture of modern hotel enterprises needs to be able to adjust rapidly to emerging changes in business operations, as this is the only way to survive on the market. The most successful enterprises show an obvious shift towards project-based organization, a reduction in the number of hierarchical layers and management levels and the creation of new forms of inter-organizational integration.⁵

² Greger, K.R., Withiam, G., “The View from the Helm: Hotel, Execs Examine the Industry”, *The Cornell Hotel & Restaurant Administration Quarterly*, br. 4/10, 1991, p. 18.

³ Nebel, E.C., Rutherford, D., Schaffer, J.D., “Reengineering Hotel Organization”, *The Cornell Hotel & Restaurant Administration Quarterly*, br. 5/10, 1999., p. 88.

⁴ Heymann, K., Quality Management: A Ten-Point Model, *The Cornell Hotel & Restaurant Administration Quarterly*, br. 5/10, 1998., p. 51.

⁵ Ansoff, I., *Implanting Corporate Strategy*, Prentice Hall, New York, 1990., p. 174.

Previous experience bears witness to the fact that many hotel products have a short lifecycle, primarily because of the failure to take future trends into serious consideration in the planning stage. The success of a hotel offering depends foremost upon the reputation of a hotel, while building a reputation and a consistent level of quality is the result of proper planning that anticipates the future trends of tourism demand. As the lifecycle of a hotel product becomes shorter, it will have an adverse effect on the performance of the hotel. Hence, today, certain principles that were previously neglected must be adhered to prior to planning and defining a hotel product.

In conditions of growing international tourism competition, the question arises of how to improve the development of a new hotel product. Is it necessary to improve the existing product or does a new idea in service provision need to be created? This process involves a number of factors:

1. the inventiveness of managers and the service production staff
2. teamwork within the hotel , and
3. the involvement of guests in new product development.

In the modern hotel industry, new ideas and incentives are often generated within the hotels themselves, based on their own knowledge and experience. Increasingly, hotels are dedicating more attention, time and efforts to building more regular and closer contacts with guests. Another vital factor that provides a hotel with an advantage is teamwork as a means of accelerating the product development process. Hoteliers who spend more time on planning, and who involve their marketers and service production staff in the planning process, spend less time in developing a new product and are able to launch the product on the market sooner.

What will be of decisive influence on the selection of a specific destination, hotel or other hospitality facility in the future is an open question. Justifiably, it is deemed that this will be people, as the critical factor in deciding to stay in a destination or hospitality facility. The very nature of business in the hotel industry sets very high requirements for personnel, who are required to possess:

1. broad general culture
2. a variety of professional and special knowledge
3. communication and organization skills.

Personnel and the knowledge, capabilities and work experience they possess are the most important segment of the hotel trade, in terms of both quality and quantity. How a business is organized and how it performs depends upon its employees; they are a determinant factor of development, regardless of the level and form of business operations. Increasingly developed forms of internal marketing – employee-focused marketing – are evident within the modern hotel industry. This contemporary approach involves a variety of practices focused on enhancing employee satisfaction, which then has a favourable effect on guest satisfaction. Although there are numerous technological advancements that help to accelerate the process of providing services, guests continue to look for “old-fashioned” hospitality.

The most important components of quality management that focus on service production personnel in the hotel industry involve strengthening personal accountability, giving recognition to co-workers, and expanding the area of individual decision-making on the part of the worker. Activating the creativity of employees, who cooperate with one another in the process of preparing and providing hotel services, is neglected in many hotels despite the fact that the same type of logic which applies in other industries is also applied in the hotel industry. Namely, a hotel's workers are the people who know the most about the process of preparing and providing services.

Previous studies have established a high degree of emotional connection between the staff that come into direct contact with guests and the guests themselves. The reason for this strong connection between staff and guests can be explained through a number of factors, the most important being:⁶

1. the physical closeness of staff and guests in service provision and consumption
2. the time the staff and guests spend together
3. the feedback that the staff receive directly from the guests
4. the amount of information that the guests provide and
5. the fact that hotel employees understand that satisfied guests are essential if they are to keep their jobs.

In the hotel industry, as a service industry, the staff are responsible for successfully carrying out the production and service process; they are responsible for resolving problems and dealing with guests when the service provided fails to meet the expected standards. Hence, it is extremely important that employees are also satisfied, so that they can convey their satisfaction onto the guests,⁷ because a hotel can either win or lose at the moment of contact between the staff and guests.

This is why there is a growing recognition for the need to humanize jobs and to give the staff more and more responsibilities and in this way enhance their job satisfaction. Namely, low employee satisfaction in the hotel is closely linked to the lack of motivation and the frustration of operators, and very often it is also connected to a sense of lack of freedom in taking action to satisfy guests. It can also be caused by a lack of cohesion within the team in which an individual works.⁸

It is a matter of record that a hotel's management must make money for the hotel's owners, but it is also known that this can only be the result of the efforts of satisfied staff. Satisfied guests can be produced only by satisfied employees who are performance-focused.⁹ To this end, employees have to be informed about all the organization's objectives, because if their jobs coincide with those objectives, they will be able to decide for themselves what is important and then prioritize among the

⁶ Chung, B.C., "Collecting and Using Employee Feedback – Effective Way to Understand Customer's Needs", *Cornell Hotel and Restaurant Administration Quarterly*. Vol. 38, No. 5, October 1997, p. 51.

⁷ Kandampully, J., *Services Management – The New Paradigm in Hospitality*, Hospitality Press, Queensland, 2002, p. 33.

⁸ Owen, D., Teare, R., *Driving top-line profitability through the management of human resources*, u: The International Hospitality Business, Kotas, R., et al., Cassell. London, 1996, p. 187.

⁹ Collins, E.G.C., Devanna M.A., *Izazovi menadžmenta u XXI. stoljeću (prijevod)*, Mate, Zagreb, 2002, p. 188.

various tasks that contribute to the success of the organization. In a nutshell, hotels must embrace a completely new marketing philosophy. It is necessary to accomplish at least three very important objectives:

1. attract new guests
2. achieve the satisfaction of existing guests
3. achieve employee satisfaction.

The last of these three represents a new role for a hotel's marketers. In achieving employee satisfaction, hotel marketers enhance the pride of the hotel's staff, and keep them informed of the hotel's policies. The staff are satisfied because they are capable of serving their guests and ensuring guest satisfaction. This is a new paradigm in the hotel industry. Hotel marketing is becoming increasingly sophisticated and no longer focuses only on selling, but is now centred on achieving employee satisfaction as well as guest satisfaction.

This process is known as internal marketing or marketing to employees. It implies changes in hotel marketing, which no longer focus exclusively on the existing elements of the marketing mix, but rather focus on guest satisfaction and employee satisfaction. Some authors¹⁰ have observed that the infrequent contacts guests have with hotel staff are more important now than ever before. Guests will have less contact with the staff, but these contacts will become more and more important to them. Another vital segment involves the elimination of barriers among hotel departments, some of which tend to overemphasize their priorities, leading to conflicts between departments, as a result of which, services may suffer. Enabling the employees of one department to learn about the business processes of another department can help in this. All employees need to be involved in this training that is organized between different but complementary departments, the entire organization must be imbued with the notion of service quality, and employees must experience satisfaction, as the result of the internal quality of services.¹¹

2. INTERNAL MARKETING AS A PRECONDITION TO GAINING COMPETITIVE ADVANTAGE ON THE MARKET

Strategic thinking in creating new individual services in the hotel industry or in creating an entire hotel product must be based on the prior presentation of these new services to a hotel's employees. Once the employees have completely embraced the idea of the purpose of the new service, it is realistic to expect that they will be able to convey their satisfaction to the guests, the ultimate consumers of the services. Otherwise, if employees *a priori* do not accept these services as being beneficial to guests, the presentation and sales of these services by the employees is likely to be a failure.

¹⁰ Iverson, K.M., *Introduction to hospitality management*, Van Nostrand Reinhold, New York, 1989, p. 58

¹¹ Schroeder, R.G., *Operations Management – Contemporary Concepts and Cases*, Irwin McGraw Hill, Boston, 2000, p. 84.

If hoteliers want to create subjective value for users that is greater than that created by their competitors, in addition to devising a strategy for competing for users on the external market, they must also develop a winning strategy for their internal market. As can be deduced from its name, the internal market is the market that exists within an enterprise and it comprises all the employees of a hotel.¹²Enterprises that apply internal marketing can gain a number of competitive advantages. The attributes that such enterprises have are:

1. successful communication with employees
2. employee satisfaction and loyalty
3. increased productivity
4. the accomplishment of objectives
5. improved guest relations and public relations.

Generally speaking, successful communication and relations with employees primarily depend upon the climate within the enterprise. Feelings of trust, openness, impartiality, support, security and safety can only be developed in an enterprise that possesses:

1. a clear mission, vision and development objectives
2. a sound organizational climate
3. a well-developed organizational culture.

Analogue to the notion of two markets (external and internal), the hotel industry, as a service industry, recognizes two types of clients:

- a) external clients (the guests of hospitality facilities) and
- b) internal clients (the employees of a hospitality facility).

Successful hoteliers spend the same amount of time in carrying out marketing activities that target each of these two groups of clients. This fact is the result of the awareness of successful hoteliers, that the success of selling services to external clients is based on the successful presentation of services to internal clients.

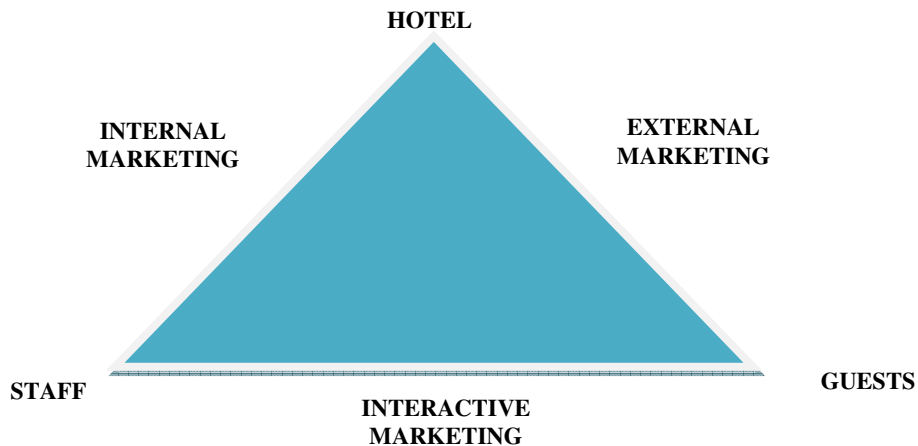
This means that for a hotel to be successful in its future marketing and sales activities, it must today strike a balance between the marketing and sales activities that target both groups of clients (internal and external).

While external marketing consists of the usual work that an enterprise does in preparing, pricing, distributing and advertising its services to customers, internal marketing involves the work an enterprise carries out to educate and motivate its loyal customers, as well as its front-line employees and other employees who provide additional services to ensure that their joint efforts can achieve customer satisfaction.¹³In addition to these two types of marketing, there is also interactive marketing, which represents the skill of the staff to connect with customers.

¹² Ozretić Došen, Đ., *Osnove marketinga usluga*, Mikrorad d.o.o., Zagreb, 2010, p. 99.

¹³ Kotler, P., *Upravljanje marketingom – analiza, planiranje, primjena i kontrola (prijevod)*, Informator, Zagreb, 1994, p. 579.

Figure 1: Three types of marketing in the hotel industry



Source: After: Kotler, P., *Upravljanje marketingom – analiza, planiranje, primjena i kontrola*, Informator, Zagreb, 1994, p. 579.

Internal marketing is a philosophy for managing personnel and a systematic way of developing and enhancing a service culture,¹⁴ and it is put into operation with the aim of motivating, coordinating and integrating employees in implementing global marketing strategies.¹⁵

The process of internal marketing, which must precede external marketing,¹⁶ in the hotel industry is identical to the process of external marketing, and it comprises the same principles and concepts that are used in conventional external marketing (Figure 2). The process involves the following three steps:¹⁷

1. developing a service culture (a culture that supports the provision of quality services through prescribed policies, procedures, reward systems, etc.)
2. conveying and merging marketing concepts and principles onto Human Resource Management
3. disseminating all relevant marketing information to employees.

Figure 2 demonstrates that the elements of the marketing mix (the 4Ps – product, price, place, promotion) in external marketing are identical to the 4Ps of internal marketing. The internal product must be sold internally, to employees. Typically, when marketing strategies – new strategies, in particular – are implemented, employees must undergo change. They must work more, they must change their work habits and their behaviour, and they must improve their knowledge, skills and competencies. All this has a price,

¹⁴ Hsu, C.H.C., Powers, T., *Marketing Hospitality*, 3rd edition, John Wiley & Sons, Inc., 2002, p. 35.

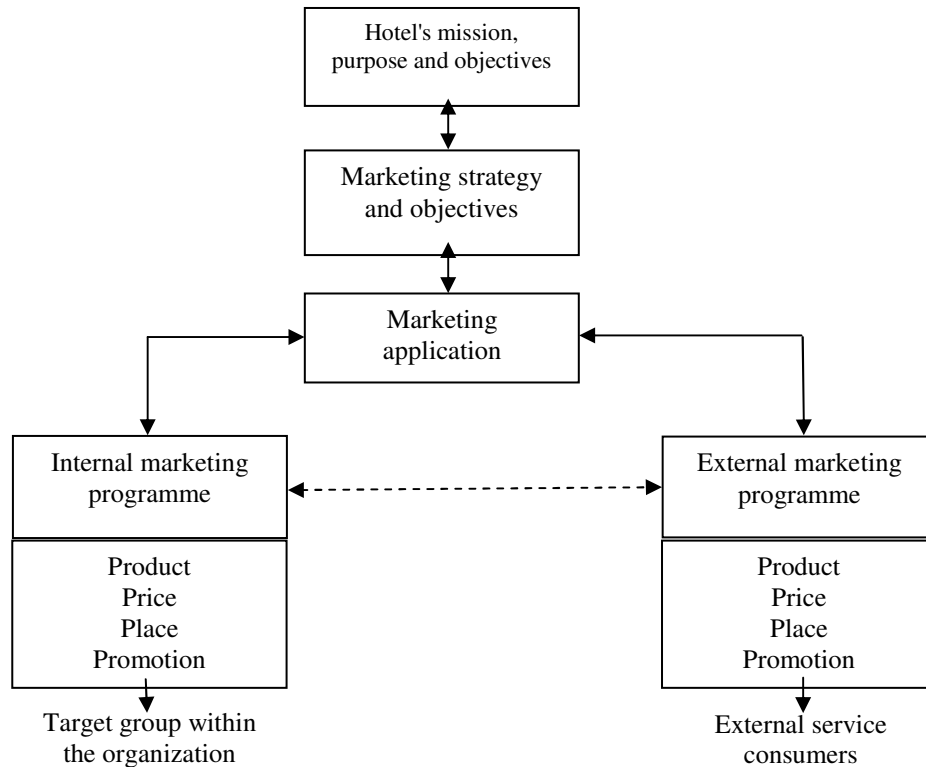
¹⁵ Ferrell, O.C., Hartline, M.D., *Marketing Strategy*, 4th edition, South-Western CENGAGE Learning, Mason, 2008, p. 324.

¹⁶ Kotler, P., Armstrong, G., *Principles of Marketing*, 7th edition, Prentice-Hall International, Inc., 1996, p. 665.

¹⁷ Kotler, P., Bowen, J.T., Makens, J.C., *Marketing for Hospitality and Tourism*, Pearson, Dubuque, 2010, p. 270.

because an internal marketing programme costs money. These programmes are carried out in a specific area (place) and are internally promoted through a variety of forms (meetings, video presentations, newsletters, etc.).

Figure2: **Process of internal marketing in a hotel**



Source: After: Ferrell, O.C., Hartline, M.D., *Marketing Strategy*, 4th edition, South-Western CENGAGE Learning, Mason, 2008, p. 327.

There is much debate concerning priority in satisfying the most important segments: owners, guests and employees. It would seem that employee satisfaction should have priority over guest satisfaction,¹⁸ the reason for this being that satisfied employees who love their job and are proud of what they do in the hotel will provide guests with satisfactory service. In turn, this will lead to repeat visits, increased consumption, higher profits and satisfied owners (stakeholders). This means that internal marketing is one of the three most important determinants of the successful financial performance of an enterprise,¹⁹ while the rank list of satisfaction is as follows:

¹⁸ Kotler, P., Bowen, J.T., Makens, J.C., *Marketing for Hospitality and Tourism*, Pearson, Dubuque, 2010, p. 40.

¹⁹ Kotler, P., Bowen, J.T., Makens, J.C., *Marketing for Hospitality and Tourism*, Pearson, Dubuque, 2010, p. 268.

1. satisfied personnel
2. satisfied guests
3. satisfied owners.

It is apparent that prior to implementing a guest-satisfaction programme, hoteliers should implement an employee-satisfaction programme,²⁰ and the services that employees provide to a hotel's guests should be made appealing and acceptable to the employees.²¹

When viewed as a process aimed at providing quality service, internal marketing is about "selling" the benefits of an enterprise's policy to those who must implement the enterprise's marketing strategy, that is, to the staff.²² A properly implemented internal marketing concept and strategy is capable of motivating employees to work as a team to ensure that services provided to guests are of the highest quality.²³

Namely, anyone who comes into direct contact with a guest is like a part of an enterprise's sales force.²⁴ Essentially, internal marketing sees employees as buyers to whom guest-oriented jobs are sold. For this undertaking, the management must select those employees who are willing to provide the best level of service to guests,²⁵ provide the appropriate training for them, and make their jobs interesting and fulfilling. The effects of this will be employee satisfaction, guest satisfaction and enterprise satisfaction. Unfortunately, many service organizations do not have this way of thinking, and as a result fail to develop the orientation needed to create personnel who perfectly understand their guests.

Underlying internal marketing are the ideas that employees in an enterprise treat their down-stream colleagues in the business process as consumers and that marketing thinking and action is applied to an organization's internal market. This concept can be called the internal consumer concept (the consumer of a service provided by someone upstream in the service preparation and provision chain). These two chains in preparing and providing services can be applied to two primary areas of service preparation and provision:

- a) the preparation and provision of accommodation services: marketing – sales - booking – check in – the guest's stay – check out – services account.
- b) the preparation and provision of food-and-beverage services: procurement – food and beverage preparation – serving food and beverages – services account.

²⁰ Berkowitz, E.N., Kerin, R.A., Hartley, S.W., Rudelius, W., *Marketing*, 5th edition, McGraw Hill, Irwin, 1997, p. 354.

²¹ Hsu, C.H.C., Powers, T., *Marketing Hospitality*, 3rd edition, John Wiley & Sons, Inc., 2002, p. 35.

²² Morgan, M., *Marketing for Leisure and Tourism*, Prentice Hall, Wiltshire, 1996, p. 15

²³ Kotler, P., Armstrong, G., *Principles of Marketing*, 7th edition, Prentice-Hall International, Inc., 1996, p. 658.

²⁴ Etzel, M.J., Walker, B.J., Stanton, W.J., *Marketing*, 13th edition, McGraw Hill, Irwin, 2007, p. 300.

²⁵ Reid, R.D., Bojanic, D.C., *Hospitality Marketing Management*, John Wiley & Sons, Inc., New York, 2001, p. 43.

This service preparation and provision chain is made up of an array of different people of diverse professions, and each of them is a consumer of a service provided by someone that comes before them in the chain. Good and timely communication within a hospitality facility is essential for this concept to be successful. Communicating with employees, especially with those employees who come into direct contact with guests, may be improved by applying the postulates of internal marketing. This will help employees to be better informed and become loyal members of an enterprise. Encouraging employees to communicate with the management and express their views and opinions will also help to further improve this process.²⁶

In consideration of the above stated, the decision to launch a survey among hotel workers, the results of which are presented in the following chapter, is justified.

3. RESEARCH RESULTS

As stated in the abstract, for the needs of this paper, research was carried out on a sample of 265 questionnaires that were answered by the participants of seminars organized for production and service staff (professions: cook, pastry cook, waiter, barman, reception clerk, sales officer, hotel housekeeper). Organized by the Association of Employers in Croatian Hospitality (UPUHH), the seminars were held in four destinations in Croatia (Rovinj, Dubrovnik, Mali Lošinj and Vodice) in the period from 4 October to 10 November 2012.

The aim of the survey was to study the attitudes of personnel concerning the information provided to them, on a regular basis, regarding future business plans, as well as their attitudes concerning the training provided to help build team spirit in the hospitality facilities in which the respondents work.

Out of the total number of respondents (265), only 39 (or 14.72%) are very satisfied and extremely satisfied with the information provided to them concerning future business plans. These numbers support the fact that hoteliers in Croatia are insufficiently aware of the importance of communicating with workers when it comes to providing information about future business plans.

Concerning the satisfaction of employees with the information provided about future business plans, Table 1 indicates that hotel housekeepers are the most satisfied (30.5% are very satisfied and extremely satisfied). On the other hand, reception clerks are the most dissatisfied, because as many as 51 (or 73.91%) are dissatisfied or partially satisfied with the information provided concerning future business plans.

²⁶ Previšić, J., Ozretić Došen, Đ., *Međunarodni marketing*, Masmedia, Zagreb, 1999, p. 835.

Table 1: Satisfaction of employees with information provided concerning future business plans

Job	The management keeps me informed on a regular basis about future business plans.					TOTAL	%
	Dissatisfied	Partially satisfied	Satisfied	Very satisfied	Extremely satisfied		
Reception clerk	22	29	12	2	4	69	26.04
Hotel housekeeper	3	15	23	15	3	59	22.26
Waiter	13	35	26	8	3	85	32.08
Cook	8	18	14	2	1	43	16.23
Pastry cook	4	1	3	1	0	9	3.40
TOTAL	50	98	78	28	11	265	100.0
	18.87%	36.98%	29.43%	10.57%	4.15%	100.0%	

Source: Processed results of survey conducted during seminars for production and service staff

The data in Table 2 indicate that the greatest number of dissatisfied and partially satisfied employees are those holding jobs as reception clerks and waiting staff (ranked first and second, respectively), while the smallest number of dissatisfied and partially satisfied are those employed as pastry cooks and hotel housekeepers (ranked fourth and fifth, respectively).

According to the number of respondents who are dissatisfied or partially satisfied, cooks are ranked in third place.

On the other hand, hotel housekeepers are very satisfied and extremely satisfied (ranked first as *very satisfied* and second as *extremely satisfied*).

Table 2: Ranking of employee satisfaction

Job	The management keeps me informed on a regular basis about future business plans.				
	Dissatisfied	Partially satisfied	Satisfied	Very satisfied	Extremely satisfied
Reception clerk	1	2	4	3	1
Waiter	2	1	1	2	3
Cook	3	3	3	4	4
Pastry cook	4	5	5	5	5
Hotel housekeeper	5	4	2	1	2

Source: Processed results of survey conducted during seminars for production and service staff

1 = greatest number of respondents

5 = smallest number of respondents

According to the data presented in Table 3, it is evident that men account for 26.04% of the total sample, and women, for 73.69%. Only seven of the male respondents (or 17.9%) were very satisfied or extremely satisfied with the information provided concerning future business plans, while fully 57.9% were dissatisfied or partially satisfied.

Where female respondents are concerned, the situation is slightly better: 32 female respondents (or 16.3%) were very satisfied or extremely satisfied, while 53.6% were dissatisfied or partially satisfied.

Hence it can be concluded that even according to the structure of respondents by gender, the majority of respondents are dissatisfied or only partially satisfied with the way they are kept informed about future business plans.

Table 3: Satisfaction with information provided concerning future business plans, by gender of respondents

Gender	The management keeps me informed on a regular basis about future business plans					TOTAL	%
	Dissatisfied	Partially satisfied	Satisfied	Very satisfied	Extremely satisfied		
Male	17	23	22	4	3	69	26.04
Female	33	75	56	24	8	196	73.96
TOTAL	50	98	78	28	11	265	100.0
	18.87%	36.98%	29.43%	10.57%	4.15%	100.0%	

Source: Processed results of survey conducted during seminars for production and service staff

Table 4 shows that 48.85% of respondents reported that training for personnel is never organized and 36.64% reported that training is sometimes organized. Only 14.50% of respondents reported that training for personnel is always organized, which is very unsatisfactory.

Table 4: Training for personnel in the respondents' hotel enterprises

Job	Training for personnel is held in the department in which I work.			TOTAL	%
	Never	Sometimes	Always		
Reception clerk	44	22	3	69	26.34
Hotel housekeeper	13	28	18	59	22.52
Waiter	36	33	12	81	30.92
Cook	30	12	2	44	16.79
Pastry cook	5	1	3	9	3.44
TOTAL	128	96	38	262	100.00
	48.85%	36.64%	14.50%	100.00%	

Source: Processed results of survey conducted during seminars for production and service staff

The structure of respondents by gender (Table 5) leads to the conclusion that, where male respondents are concerned, training for personnel is always provided for 18.4% of respondents; sometimes, for 21.9%; and never, for 59.7% of respondents.

In the female population surveyed, training is always provided for 16.1%; sometimes, for 39.9%; and never, for 44%.

Viewed globally, these survey results are very discouraging for the hotel enterprises in which the respondents work, because they reflect the enterprises' poor approach to providing training for employees that hold the most important jobs in a hotel.

Table 5: Training for personnel by gender

Gender	Training for personnel is held in the department in which I work.			TOTAL	%
	Never	Sometimes	Always		
Male	41	21	7	69	26.34
Female	87	75	31	193	73.66
TOTAL	128	96	38	262	100.0
	48.85%	36.64%	14.50%	100.0%	

Source: Processed results of survey conducted during seminars for production and service staff

CONCLUSION

In the dynamic and turbulent business environment, enterprises struggle daily to win and maintain a market position and to gain competitive advantage. In addition to well-designed and innovative products or services, investment in human resources (employees) is one of the crucial factors in this struggle. Knowing the best way to lead, motivate and guide employees and to achieve the best results to the satisfaction of all involved is becoming an enterprise's major competitive advantage.

Most people associate the term *marketing* with the successful presentation of products and services to end consumers and use it as a synonym for the successful sales of products and services to end users or consumers. However, it is necessary to distinguish concepts and thinking, as well as methods and tools that can make an enterprise's products and services appealing and acceptable foremost to its employees who are responsible for providing these products and services to end consumers.

Today, hoteliers spend most of their time planning marketing activities aimed at the consumers of their services on the external market. Do they ask themselves whether similar activities, adjusted to the internal market (within the enterprise), should be applied to their employees? Who should develop and implement such activities? Which characteristics should such a person possess and in which department should he or she be employed? Are enterprises in Croatia capable of recognizing the importance of well-thought out and carefully developed communication within their organizations?

Real empirical knowledge of the inadequate application of internal marketing postulates in the Croatian hotel industry has led to a survey of the attitudes of production and service staff regarding the information provided to them concerning the business plans of the hospitality facilities in which they are employees, and concerning training for personnel as a model for improving additional skills, knowledge and competencies.

The survey has confirmed the assumption that the performance of hoteliers in Croatia could be improved through the application of internal marketing. The staff that come into contact with guests, thus creating a “moment of truth”, are of crucial importance in this philosophy. Internal marketing has a significant impact on how employees understand their work tasks and the enterprise’s objectives; it helps employees to understand the enterprise’s strategy, as well as the changes taking place in business operations. When properly developed and implemented, internal marketing creates the preconditions an enterprise needs to gain greater competitive advantage, while satisfied and motivated employees can contribute substantially to achieving the strategic objectives of the enterprise.

In the Croatian hotel industry, barriers still exist, hindering the implementation of internal marketing. These barriers are reflected in the fact that hoteliers do not possess a defined purpose or objectives for internal marketing; they lack the required knowledge and skills, as well as the people capable of undertaking internal marketing. Consequently, enterprises fail to provide their employees with adequate information concerning future marketing activities and they fail to organize training programmes for their personnel to help them provide better services of higher quality to increasingly discerning and demanding guests.

Internal marketing is not the job of an enterprise’s human resource department. Instead it should be the job of those responsible for the enterprise’s marketing and sales activities. Their ability to convey future services and products to the enterprise’s employees will determine the successful sales of these services and products in the future. It is understood that prior to this the enterprise’s human resource management department must select the appropriate employees to whom the enterprise’s marketing and sales managers will convey ideas concerning new products.

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