# CUSTOMER VALUE ON SAFETY AND SECURITY ISSUES IN ACCOMMODATION SERVICES

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**Abstract**
Purpose – The purpose of the study is to investigate the customer value of safety and security issues in accommodation services as a socially constructed customer experience.
Design –The study investigates safety and security within a framework of service marketing and management and considers safety and security as a service in an accommodation service offering.
Methodology – This study is conceptual in nature. The study is based on literature on accommodation, safety and security, servicescape and customer value.
Approach –The study aims at capturing safety and security issues in accommodation services as a customer's social construction that is at least partially something that can not be captured by service providers.
Findings – The findings of the study show that safety and security is still a cornerstone of perceived hospitality in accommodation services. The meaning of perceived safety and security is specifically meaningful in accommodation concepts where technology has substituted employees on-site.
Originality of the research – The study contributes to develop safety and security issues as a service that is a part of perceived hospitality and has a positive image. Customer perceived safety and security should be on focus while designing accommodation services, and customer journeys and customer touch points in a customer value chain.
**Keywords** Safety and security, customer value, service, accommodation, hospitality

## INTRODUCTION

This study is about safety and security in accommodation services, specifically about the customer value on safety and security as a part of a holistic accommodation experience.

Marketers talk about customer value and value propositions as a cornerstone in attracting customers in a service competition (e.g. Smith and Colgate, 2007). Moreover, some marketing scholars argue that value is co-created between a service provider and a customer, and some marketing scholars argue that a customer creates his value and a service provider can only facilitate the customer value creating processes (Grönroos and Voima, 2013). In any case, the value of safety and security management in events, hotels, restaurants or airports can not be undermined.

Safety and security means being free from fear (Virta, 2013). However, people do not often realize the value of safety and security unless something happens and they feel unsafe. Consequently, after an attack, a crime, or an accident service providers shape up and increase the actions to prevent negative (scary) incidents to reoccur. However, safety and security measures like surveillance systems, closed circuit TV, alarms, warnings, metal detectors, and guards may have a negative impact on the sense of hospitality and thus, paradoxically deteriorate the holistic hospitality experience. This study investigates

the meaning of creating an image of an accommodation enterprise as a safe place (safetyscape) to overnight without jeopardizing a sense of hospitality in the customer experience.

In this study safety and security are considered as a service that is being investigated within a framework of service marketing and management (Grönroos 1978; 2017). Speaking about services within the framework of service marketing and management means that every business is service business since customers do not buy products but the service (value) it provides them. Hence, business customers do not buy e.g. surveillance cameras but the security (service) it provides them and to their customers.

The study is based on three streams of literature namely accommodation services, customer value and safety and security. These streams of literature are used in the study in order to investigate the customer's holistic experience on hospitality and safety and security as a part of it.

Figure 1: **The content of the study as an intersection of three streams of literature**



The paper is structured as follows. First safety and security are discussed as they have been studied in hospitality management literature, and in studies related to physical environments (servicescape). Thereafter, customer value and accommodation services as a field of service/hospitality industry are discussed, and these discussions are concluded in a discussion of customer social construction of safety and security in accommodation services. Finally, the conclusions of the study are presented.

## 1. SAFETY AND SECURITY AS A SERVICE

Safety and security is a multidisciplinary field of research that has commonly been related to and been investigated in criminology, politics and military services (Virta, 2013). Hence, safety and security management has been a separate stream of literature as well as a separate field of business management. In this study the definition of safety and security is based on criminology and it is defined as a state of being safe and secure, specifically free from fear, danger, risk, or anxiety (modified from Virta 2013, 399). Safety and security has often been defined through its juxtaposition, as a construct with unsafe and insecurity. Unsafe and insecurity is a threat that can be imaginary or real, posed for individuals by other people, groups, larger and impersonal entities, the market,

the establishment, or a society (Virta, 2013, 399). Intriguingly, safety and security refers also to the threat of "strangers" (social paradox), the threat caused by the action of others. There is a paradox that by hosting "a stranger" or being "a stranger" to others can cause the feeling of insecurity. As a matter of fact, sharing the same service environment (social servicescape) leads to indirect or direct interactions between customers or guests. The presence of other customers can enhance or deteriorate the "focal" customer's service experience on safety and security. Social density can impact positively or negatively on customer's perception of safety and security (Albrecht, 2016). Crowded or empty places can be perceived safe or unsafe, and other customers can impact positively e.g. enhancing satisfaction and loyalty, and positive WOM behavior, or then negatively by producing emotional discomfort, and customer unwillingness to stay in the service environment (Uhrich and Tombs, 2014).

Due the fragmented nature of safety and security services, the planning and implementation of safety and security issues (securitization) occurs commonly in safety and security networks (Virta 2013). Hence, safety and security issues have often been outsourced activities while in customer experience management the interest is in the customer holistic and subjective experience. Moreover, in many cases technology has substituted safety and security employees (e.g guards) and safety and security is managed with technology-based safety and security measures. Hence, managing safety and security within an accommodation service is managing service experience that is provided within a network of service providers and with the help of technology (safety and security measures). However, the customer perceives the service as a holistic experience without knowing the network of actors that contribute to one service offering (hospitality). Hence, service providers need to pay attention to customers' value chains while designing customer journeys and touch points in safety and security services. (e.g. Tax, McCutcheon and Wilkinson, 2013; Patricio, Gustafsson and Fisk, 2018.)

## 1.1. Safety and security in hospitality management studies

According to Chan and Lam (2013) safety and security research within hospitality management studies stated to appear in 1990's. Safety and security standards are commonly described to include physical-safety attributes and organizational systems and plans to ensure safe operations (Enz and Taylor, 2002). Service provider perspective is being studied by investigating the safety and security measures that constitute the management thoughts about the safety and security of a hotel. Moreover, management investment on safety and security, limitations of a budget and "the return on investment" have been the research topics that follow the business logic of a lodging industry. However, the management thoughts and customer perceptions of the perceived safety and security are not always the same (Chan and Lam, 2013). Safety and security measures can jeopardize the feeling of hospitality, and the main thing is to balance hospitality and security, or rather improve the feeling of hospitality through safety and security measures.

### 1.2. Safetyscape for accommodation services

Hotel environment is difficult to make completely secure and safe place since in many cases a hotel is like a public place where everyone can enter and walk around (e.g. Groenenboom and Jones 2003). Everything that happens in a public place like on the streets can happen in a hotel, unless safety and security measures of a hotel are able to prevent crimes, thefts, attacks etc. inside the hotel environment. Safety and security in accommodation services is about making the guests or customers feel safe, and to create a safe and secure servicescape within the hotel environment. A servicescape is a well-known concept and a framework within service marketing and management literature (Bitner, 1992). There exist frameworks that focus on a special context of service environment like a dinescape in a restaurant or a sportsscape in a sports event (Mari and Poggesi, 2013, 181). A special framework for safe and secure service environment could be labelled "safetyscape" (Höykinpuro and Pöyhönen, 2016). Common for safety and security and servicescape studies is that positive or negative perceptions of the environment are perceived through signs, symbols and artefacts (e.g. guards, surveillance cameras, metal detectors, warning signs), ambient conditions (e.g. smell, darkness/lightness, noise), spatial layout and functionality (e.g. corridors, escape routes, windows, doors) and social density and social interaction (e.g. empty or crowded places, dysfunctional customers etc). Anyway, perceived insecurity is a subjective feeling of insecurity. According to Koistinen and Järvinen (2016) one customer can feel secure in an unsafe environment whereas another customer may perceive several threats in a fairly secured environment. As stated earlier in this paper, unsafe and insecurity is a threat that can be imaginary (Virta, 2013).

### 2. CUSTOMER VALUE IN ACCOMMODATION SERVICES

The concept of customer value (perceived value) has widely replaced the concept of service quality (customer perceived service quality) in service marketing and management studies (Oh and Kim, 2016). Customer value as a concept aims to develop the concept of service quality by taking into consideration also customer benefit and sacrifice for the service (Heinonen, 2004). Service quality is initially based on customer evaluations between his expectations and perceptions of the service. Perceived service quality (Grönroos, 1983) is a concept that is still widely used in evaluating customer experiences within hotel industry (e.g. Kurtulmusoglu and Pakdil, 2017, Oh and Kim, 2016, Peng, Zhao and Mattila, 2015; Knutson, Stevens, Wullaert, Patton and Yokoyama 1991; Wong, Dean, White, 1999). This study follows the frameworks within service marketing and management, hence the concept of customer value is used in the study.

It is marketers' interest to understand customer value and customer value creating processes. Different customers use products and services differently and can value different things in the same service. Service providers or suppliers provide resources as inputs in customer value creation processes and thus they become value facilitators in customer value creation processes (Grönroos, 2008).

Accommodation service in this study means a kind of service concept that provides rather limited services and has the focus on the core service (lodging), and core service quality attributes without any auxiliary services.

According to studies customers commonly value location, safety and security and cleanliness in choosing a hotel (Amblee, 2015). Moreover, hotel rating has an impact on customer expectation of the quality of an accommodation service. An accommodation as a service can be delivered in different ways and with different service designs. In a five-star hotel the accommodation service is delivered in a different way than in a budget hotel, or in a self-service hotel where customers book a room in Internet, enter the hotel with a code without checking-in and leave the hotel without checking-out. Hence, in budget or self-service hotels the service is limited to the core service (lodging) without any enabling (e.g reception) and/or enhanced (e.g. restaurant) services. Customer value in such accommodation concepts is based rather on outcome quality than on process quality. The outcome quality of such hotel concepts is argued to consist of cleanliness, location and safety and security and easiness of checking-in and out (e.g. Ren, Qiu, Wang and Lin, 2015).

### 2.1. Safety and security as a core service in an accommodation service

As a matter of fact safety used to be the main reason to host a "stranger" by offering him a place where to overnight. In the early days it was an imperative to save a stranger from sleeping on the streets and protect him from wild animals and robberies (King, 1995). However, Maslow (1987) argues that in modern society adults are largely satisfied with their safety needs. A society ordinary makes its members safe enough from wild animals, extremes of temperature, criminal assault, murder, chaos etc. (Datta, 2013). In any case, there are risks for different kind of perceptions of insecurity during a stay in a hotel e.g. financial insecurity (e.g. burglary, thefts), and physical insecurity (e.g. violence, unsafe co-customers, accidents). According to studies (e.g. Finkelstein and Lynch, 2001) customers value the feeling of "being at home" (domesticity) and the feeling of "being away from home" (escape, luxury) at the same time while they evaluate their accommodation experiences. Since customers often have a feeling like "being at home" they often lower their guard on the assumption that the hotel environment is secure (e.g. Feickert, Verma, Plaschka and Dev, 2006). Moreover, hotels are a kind of places where there are large crowds of people and thus, they are exposed to mass-casualty attacks. These "soft-targets" are exposed to attacks since the safety and security measures in such places are anyway weaker than in military and governmental buildings. (Chan and Lam, 2013). Anyway, going back to Maslow's Hierarcy of Needs (1943), safety is one of the basic human needs at the bottom of the pyramid. Hence, despite the hotel rating an accommodation service is expected to provide the customer a sense of being safe.

### 2.2. Customers as value creators in accommodation

Customer as a value creator means that a customer is a subject who creates his own value and not an object to whom the value is being created by others. The popularity of self-service hotels where there are no service personnel on-site to serve and guide customers may appear weird since accommodation services are part of hospitality industry. Human interaction (a host serving a guest) has been a cornerstone in many definitions of

hospitality. However, customer value can also be situational and in some cases a customer values nothing but a clean and safe place to overnight a few hours. Moreover, according to Zeitham (1988) customers value low prices and the quality one gets for the paid price. Hence, a low price for overnighting in a clean and safe place for a couple of hours to catch e.g. an early flight fulfills customer value expectations and perceptions.

Grönroos (2008, 303) defines customer value in a following way:

Value for customers means that after they have been assisted by a self-service process (cooking a meal or withdrawing cash from an ATM) or a full-service process (eating out at a restaurant or withdrawing cash over the counter in bank) they are or feel better off than before.

In many services, specifically in technology-based and/or self-services customers are also resources in service production, and customers are called co-producers of service. When customers withdraw cash from an ATM or book a room in Internet they are as a matter of fact doing the job that used be done, or could be done by a service employee. According to studies customers, however, value flexibility, easiness, and accessibility of services and feel better of when acting as co-producers of service. Booking a room in Internet is easy and fast, entering a hotel with a code with no need to check-in, and checking-out by just leaving the hotel is easy, flexible and accessible for customers. However, in a case of an incident of insecurity e.g. a fire, flood, attack, violence or theft a customer is unlikely to takeover a role of a security manager or a guard.

Accommodation service, however, is also a kind substitute for an everyday practice (sleeping). Hence, customers can compare an accommodation experience with an experience of sleeping at home e.g. "it was even worse than sleeping at home", or "it was anyway better than sleeping on a mattress on the floor in a fellow's apartment" (since there were at least clean, white sheets and the person did not feel to disturb anyone's privacy (Höykinpuro, 2015).

### 2.3. Customer social construction of safety and security in accommodation services

Many studies on safety and security issues in hotels have been quantitative in nature (e.g. Chan and Lam, 2013; Rittichainuwat and Chakraborty, 2012), and based on questionnaires and statistical analysis of the results. However, different customers can perceive safe or unsafe in the same physical service environment (Koistinen and Järvinen, 2016). Moreover, perception of unsafety and insecurity can be imaginary, not real (Virta, 2013). Hence, there can be multiple realities about safety and security issues in a physical service environment, and the perceptions are constructed through social processes (Burr, 2003; Gergen, 2012). These social processes and social interaction recognizes the fundamental role of communication, past experiences, attitudes, beliefs etc. Hence, safety and security of a hotel or a motel can be socially constructed through (e)Word-of-Mouth, customers' past experiences, customer expectations, company images, reputation etc. As a matter of fact, there is a growing body of literature in service marketing and management that counts on social constructionism (Tronvall, Brown, Gremler and Edvardsson, 2011). In the study the research phenomenon of customer value

on safety and security issues in accommodation services is understood as a socially constructed, and in studying such a socially constructed research phenomenon qualitative research methods are needed. Knowledge is generated through experiences, and there is a need to listen to customer stories and voices about their experiences. Figure 2 illustrates the social construction of the research phenomenon. First customer values are subjective, and context dependent. Second, customers can perceive safety and security in a physical environment differently. Moreover, perceived unsafe and insecurity is not always real; but imaginary. Third, accommodation service as a safetyscape is situational e.g co-customers are different in each service encounter.

Figure 2: **Customer value of safety and security issues in accommodation services**
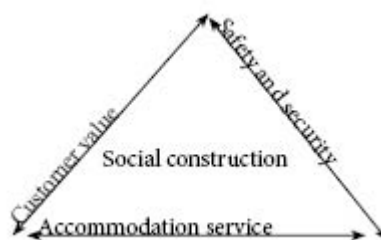


In the study, customer value on safety and security is presented as a customer' s social construction. However, empirical studies are needed to investigate further the research phenomenon. Storytelling and narrative research approach supports the epistemological viewpoint of the study (Riessman, 2003). A story is a customer's social construction of happenings and events. A story is a lived experience that has somehow been meaningful so that there is a story to tell with an orientation, a beginning, a middle and with an ending and conclusions (Hopkinson and Hogarth-Scott, 2001). Ropo and Höykinpuro (2017) stated in their study that organizational places and spaces are meaningful, hence they stimulate storytelling. Likewise, accommodation places and spaces are meaningful experiences to customers, and they, at least in some cases, stimulate storytelling, specifically in a case of feeling insecure and unsafe. The future studies on the topic could be positioned in the field of service design and innovation to add an understanding how to design customer perceived safe and secure environments for accommodation services.


**CONCLUSION**

This study is based on three core concepts: customer value, accommodation service and safety and security. Although safety and security is one of the cornerstones for hosting a guest, a stranger, there are not many studies that investigate customer value as a customer's social construction of safety and security in accommodation services. From service providers' point of view safety and security is about to prevent and to recover, and investigating in safety and security measures. It is, however, challenging to study customer value on safety and security in accommodation services. Customer value is subjective and context dependent, feeling of insecure can be imagined, and there are many other issues that are at least partly uncontrollable and unmanageable by service

providers of accommodation services. For instance, customers past experiences on scary situations, odd looking co-customers, rumours, (e)Word-of-Mouth, and image-heritage of the company or an area of the city (location).

The findings of the study encourage researchers and practitioners to have safety and security on focus in designing accommodation services and mapping customer journeys and touch points (Patricio et al., 2018; Lemon and Verhoef, 2016). Moreover, the findings of the study challenge service providers to design safety and security issues in a way that customers perceive safety and security as a part of hospitality. Safety and security could be perceived as a service that does not jeopardize a sense of hospitality, even if everyone who enters a hotel is being controlled for the sake of safe and secure service environment (safetyscape).

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