SERVICE QUALITY MANAGEMENT AS A KEY FOR DELIVERING THE BEST TOURIST EXPERIENCE

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Abstract. *A differentiated tourist experience is critical for business success. The quality of the company's customer experience is ultimately determined by the way tourists feel about their last interaction. Our paper presents some key principles that help tourism companies in offering great customer experience, focusing on the idea that Total Quality Management represents the solution for service excellence in the hospitality industry. Tourism companies that consistently deliver positive customer experiences across all touch points maintain customer loyalty, build stronger brands, and are better able to avoid competition on price alone. They therefore grow faster and earn healthier profits than companies that don't keep their customers happy.*

1. Introduction

In today's stormy economy, it is more important than ever to make good decisions when it comes to serving your customers. A differentiated customer experience is critical for business success. Tourism companies that consistently deliver positive customer experiences across all touchpoints Marketers in the hospitality industry have to face interesting challenges to offer great tourist experience and develop long-term customer relationships. Quality is not an automatic guarantee of success; it's a necessary but insufficient condition of customer retention and loyalty. Value is critical to maintaining long-term relationships because it includes the concept of quality but is broader in scope. As a guiding principle of marketing strategy value is useful because it includes the concept of quality but is broader in scope. Value represents a customer's subjective evaluation of benefits determine the worth of a firm's product/service offering relative to other product/service offerings. Good value depends on a holistic assessment of the quality of the core product, supplemental products, and experiential attributes. The overall perception of value is driven by customer needs, expectations, and the sacrifices required in obtaining the benefits provided by each tourism company. Taking into consideration all these factors, firms that act in the hospitality industry can enhance value by increasing core, supplemental or experiential quality and/ or reducing monetary or non-monetary costs. Also, this

effort has to be based on a through understanding of tourists' needs and wants, as well as an appreciation for how the firm's customers define value.

Research indicates that great service is the top reason customers keep giving their business to companies *and* the top reason they recommend those companies to others. 80 percent of customers say that they have stopped doing business with a company because of a bad service experience – and that they will never do business with such a company ever again. For these reasons and others, it is critical to ensure that the company delivers great service experiences. And, because the overwhelming majority of all of the company's customer interactions take place in the context of pre- and post-sales service, the overall quality of the company's customer experience will be largely defined by the quality of the interactions customers have with the service organization (http://www.rightnow.com/strategy-eight-steps.php).

2. Conceptualizations of the tourist experience

In order to differentiate themselves, many companies from the hospitality industry are moving beyond services into experiences. Thus Pizza Hut offers more than a meal; it will host your child's birthday party, complete with a candle lit cake and amusements. Walt Disney with their Disney Parks is the recognized expert in offering experiences. The workers are called „actors", you the visitor are the „guests" and the theme park becomes the „stage".

Companies have to understand that the customer should be placed in the centre of all specific marketing operations. The brand message should reflect the focus on the customer. The products' and services' quality should be placed in the core of the organizations' commercial strategy. The offered products and services must represent exactly the solutions that customers expect. The touch points (or contact points) with the customers must be well mastered in order to convince them to accept the proposed solutions. Companies must be capable to look beyond customer's behaviour or product and service acquisition.

Specialists consider that there are 6 laws of customer experience that explain how customer experience opperates: 1) Every interaction creates a personal reaction; 2) People are instinctively self-centered; 3) Customer familiarity breeds alignment; 4) Unengaged employees don't create engaged customers; 5) Employees do what is measured, incented, and celebrated; 6) You can't fake it. Experiences are totally in the eyes of the beholder. The same exact experience can be good for one person and bad for another. As a matter of fact, it can be good for someone at one point in time and then bad for that same person at another point in time. That's why we often say „experiences designed for everyone satisfy noone". Companies need to take into consideration that *experiences need to be designed for individuals.* While it may not be possible to individualize every interaction, focusing on narrow segments is critical. Also, *customer segments must be prioritized.* Since you need to design for specific types of people, experiences will be optimized for a set of customers. That will require companies to have a very clear picture of their important (and not so important)

customers. And *employees need to be empowered.* Since every situation can be somewhat different, the needs of customers can vary across interactions. That's why front-line employees need to have the latitude to accommodate the needs of key customers.

By understanding these fundamental truths about how people and organizations behave, companies can make smarter decisions about what they do, and how they do it. Going against any of these laws will likely cause poor results. But if you conform to these laws, then you're better positioned to deliver great experiences to your customers. Here are some thoughts about how to apply the 6 laws:

- *Treat them as sacred.* While it may be possible to find isolated exceptions to all of these laws, they accurately describe the basic behavior of people and organizations. So don't spend your time rationalizing why they don't apply to you. Instead, figure out how to capitalize on the laws;
- *Make sure you're not breaking them.* Look at these laws regularly, especially when you are starting a new initiative. And ask yourself: *Is this effort breaking any of the 6 laws of customer experience?* If the answer is yes, don't go ahead. Find some other approach that conforms to these laws;
- *Share them with others.* The 6 laws will have the largest impact when they are widely understood across your organization. So share this document with as many people as possible (Temkin, 2008).

Tourist experience encompasses all aspects of the end-user's interaction with the tourism company, its services, and its products. Interactions refer to multiple channels, touch points etc. A good tourist experience can offer the following advantages for the company: increased sales, increased tourist satisfaction, product/service differentiation, valuable competitive advantage, improved brand perception, increased market share.

In order to completely satisfy services consumers' needs, it is necessary to acquire marketing abilities and to understand the customers, to identify their wishes and needs, and to build their confidence and loyalty while moving to performance. If the consumer is satisfied with the provided service in relation with his expectations, he will become loyal to the service provider, who applied, in this case, adequate marketing strategies (improving service quality; improving service differentiation confronted to competition services/offer, distribution, and image differentiation; increase service productivity; motivate the personnel to better serve the clients etc). Customer satisfaction is the key to customer loyalty (customer retention). Fully satisfied customers are more likely to become loyal customers, even advocates for the firm and its products and services. Although firms put enormous amounts of money and effort into loyalty initiatives, they often are not successful in building true customer loyalty. The main ways in which firms can manage customer satisfaction and reach customer loyalty refer to: understand what can go wrong; focus on controllable issues; manage customer's expectations; offer satisfaction guarantees; make it easy for the customers to complain; create relationship programs; make customer satisfaction measurement an ongoing priority.

According to a paper from Ben-Gurion University of the Negev, Israel (Uriely, 2005) *the contemporary conceptualizations of the tourist experience* is corresponding to the so-called „postmodernist" theorizing in the social sciences, being identified *four conceptual developments*: a turn from differentiation to de-differentiation of everyday life and tourist experiences; a shift from generalizing to pluralizing conceptualizations; a transformed focus from the toured objects to the tourist subjective negotiation of meanings; a movement from contradictory and decisive statements to relative and complementary interpretations.

The two most important things for delivering the best customer experience are: a great product, that emotionally connects with the tourists and fulfills a basic need or desire; and a deep understanding of the customer, an understanding that allows the firm to anticipate what they need better and sooner than they know themselves.

It's very important to understand the consumer behavior, how customers buy products, what products are purchased together and what is the meaning of a satisfied *consumer experience* – which can be defined as the cognitions and feelings the consumer experiences during the use of a product or service; managers' goal must be the converting of merely satisfied customers into completely satisfied customers: only the completely satisfied customers should be considered loyal.

To improve the customer experience, specialists advises focusing on projects that are doable and critical. There are two things to keep in mind before embarking on a project. In order to improve customer experience, the following key initiatives are necessary: a) *Act on feedback:* Companies that fail to respond to customer feedback are throwing away the chance to increase the number of satisfied and loyal customers. Changes need to be deployed throughout the company and communicated to employees and customers; b) *Design processes from the outside in*: Organizations need to identify which processes matter most to customers rather than designing them with the objective of improving operational efficiencies; c) *Act as one organization to ensure consistency*: Companies need to ensure that information received from a customer at one interaction is not forgotten in the next channel; d) *Be open:* Opening channels or extending hours are one way, but it can mean more, like building communities. Organizations should be transparent and clear, open-minded and inclusive; e) *Personalize products and experiences*: Personalization can be complex, and complexity can mean costs for the company. Companies need to beware of just evaluating the costs of personalization against the sales benefits and to factor in the longer-term value of improving the customer experience when building a business case; f) *Alter attitudes and company behavior:* Employee actions are often the most powerful actions in a customer experience. There are three ways to alter employee behavior: recruit the right employees; ensure standards with policies, procedures and governance structures; and create training programs that incent and can modify employee behavior; g) *Design the complete customer experience:* Organizations need to plan and design the customer experience, rather than letting it „just happen" (Rațiu and Purcărea, 2008).

Specialists believe that experiences are a distinct offering from services. Experiences must provide a memorable offering that will remain with one for a long time, but in order to achieve this, the tourist must be drawn into the offering such that they feel a sensation. And to feel the sensation, the guest must actively participate. This requires highly skilled actors who can dynamically personalize each event according to the needs, the response and the behavioral traits of the guests.

Tourists will choose from the multitude of offers present on the tourism market, the one that maximize the value in relation with the costs involved in searching the products, and with the limited mobility, knowledge and income they possess. As a consequence, customers will appreciate if the offer will reach the expected value level, which will influence the satisfaction and the probability to buy in the future.

Prestigious authors consider that customer relationship management represents the most important dimension of the company strategy. In this respect, Robert S. Kaplan and David P. Norton have analyzed the four essential processes in customer management: client selection, acquisition, retention and growth. This is because the relation has to maintain on the long term the contact with the tourists, due to a proactive approach which strategically integrates the four processes – considering every process individually – maximizing in this way the tourist's value, and the value creation, in general. Many companies make the mistake of considering sale as just a transaction and this is causing lose of contact with customers, without knowing exactly if these still are firm's clients.

For example, to develop loyal guests, managers must give guest value during their hotel stay. The best way to do that is to give outstanding service. One of the key preoccupations that hotels must make in developing a cadre of loyal, satisfied customers is to create value for these customers. The matter of creating value for guests is complicated by the fact that different guests see value in different light depending on their purpose of travel.

A study of the best practices in the US lodging industry shows that many of the innovative firms featured in the mentioned research share a common commitment to guest service. These champions have excelled in enhancing service to the tourist through various initiatives: creating a service culture; building an empowered service-delivery system; facilitating a „customer listening" orientation; and developing responsive service guarantees.

Specialists consider that „*experience economy" is the main underpinning for customer experience management and also a new stage of economic offering*. Pine and Gilmore have identified four types of experiences, calling them "the four realms of an experience": entertainment, educational, esthetic, escapist. When offering experiences it is possible that different customers will be looking for different experiences, even when the base services may be the same. Getting it wrong and offering the wrong experience is likely to be disastrous. Similarly the depth of required of experience will vary depending not just on the personal characteristics of the customer (guest), but also on the depth of the relationship and the place where it takes place.

How can companies from the tourism sector systematically deliver and manage outstanding customer experiences each and every day, at every customer touch point in every channel? Tourists gain their experience of your business in three ways: communications, people, products and services. Today, there is a fast-growing movement among organizations interested in improving their customer-centricity through a better understanding of customer interactions, or touch points. Called „Customer Touch point Management" (CTM), the goal of this new movement is to improve customer experiences, and as a result, improve customer relationships. By improving customer relationships, service organizations improve market share, sales, and both customer and employee loyalty and advocacy. A touch point is all of the communication, human and physical interactions that customers experience during their relationship lifecycle with the service organization. Touch points are important because customers form perceptions of the organization and brand based on their cumulative experiences. CTM-oriented organizations know that they can best enhance relationships with customers by improving touch points across the entire enterprise.

Companies are now talking about customer centricity rather than CRM and are receptive to the idea of creating alignment across the business to ensure consistency in the customer experience, which means developing all the non-IT capabilities as well as the obvious CRM ones. What customer-centricity means is how the whole organization behaves towards customers, not just the touch points, the decision points, but how the whole business is organized and optimized around the needs of the customer. A customer centric approach should be incorporated into the overall CRM plan and vision that a company has. Customer-centricity should go hand-in-hand with a product focus by promoting the product by all means but show genuine care for the customer's sensibilities and feelings. Setting standards establishes performance expectations. Employees need to understand what the standards are in order to perform consistently. Without standards, the quality of touch points is left to the individual employee. In other words, without established standards, the quality of a customer experience can be in the hands of the worst firm's employee.

The quality of the company's customer experience is ultimately determined by the way tourists feel after their last interaction. If the customer is unhappy, the company's customer experience is bad. If the customer doesn't have a feeling one way or the other, the company's customer experience is mediocre. If the customer feels good, the company's customer experience is satisfactory. But if the customer feels delighted, the company's customer experience is a substantial competitive advantage. Research indicates that customers' feelings about their interactions with companies are actually driven by several specific factors: time, competency, personalization, and care. Awareness of these factors is very useful in any effort to quantifiably improve the company's traveler experience. If you can respond to customers more quickly, if you can ensure your ability get them the right information at any given point of interaction, if you can make that information personal wherever necessary, and if you can do more things that let customers know you're genuinely concerned about them,

then you can differentiate your company's customer experience – and reap all the business benefits associated with those improvements (http://www.rightnow.com/ strategy-eight-steps.php).

3. Service Quality Management, a real pillar of the tourism products competitiveness

Driven by today's new business environment that includes advanced telecommunications, accelerated business globalization, increased automation, and rapid technology innovations, emphasis in the tourism industry – as part of the service sector - has evolved from a traditional labor-based business to sources of innovations, collaboration, and value co-creation (Spohrer and Riechen, 2006).

Quality has become the decisive competitive instrument in tourism facing today the need to be ever more quality conscious to continue to attract tourists in a global competitive marketplace where tourist destinations and the providers of tourist services are increasingly confronted with significant changes in guest expectations and requirements.

Within competing in a global market place the quality of the tourist experience is arguably just as important for competitive edge as price, the tourists' satisfaction level from staying at a destination depending not only on their experience of specific tourist services, but also on more intangible factors (hospitality, safety and security, cleanliness etc.). The final product that the tourists experience in most destinations represents a complex fusion of their exposure to many different phenomena in the destination, this relationship being interlinked because the tourists influence too the aspects which influence the tourist experience.

Quality Management for the competitiveness of tourism products and destinations is today a must, quality (of the offer, of the service delivery and of the environment, too) being considered vital to create an adequate tourism destination. The specific operational processes involved in the tourist sector can benefit by implementing advanced operations and *quality management techniques*. Tourism is seen as one of the best conceptual model for the economic development in the long run, despite its many restrictions (wild seasonal fluctuations of demand activation, relatively limited duration of tourist activities, large starting expenditure for building infrastructure etc.). As we know, one of the most significant elements in the overall competitive strategy of an organization is the operational strategy, the specific involved decisions having a direct impact on the efficiency of the operations and *the quality of the services granted*. It is worth to mention that eleven years ago, a representative of the European Commission argued that quality is „a determining factor of the competitiveness of tourism, and of its sustainable expansion" and we also have to take in account that „*quality in the tourism product* cannot be achieved without the skill and motivation of those employed in tourism, hence the importance of life-long learning and of the social dialogue", and within this framework it was underlining as follows (Crauser, 1998):

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- an optimal level of coherence must be achieved between labels, standards, symbols and *other systems of quality classification* used across the European Union and that is in the interest of tourists as well as of consumers;
- appropriate solutions in terms of *integrated quality management* are demanded in order to solve the problems of concentration and seasonality of tourism in certain areas and at certain times of the year, being necessary to looking for the right answers both, at the level of the organization of the tourist supply (through visitor flow management, the promotion of new tourist products and alternative forms of tourism) and at the level of staggering the demand (directly linked to school and professional holiday systems);
- is worth sharing the experience gained in *integrated quality management* at business, sectoral and destination level in order: to identify good practice, to analyze the success factors and to identify the working methods to be applied by operators and public authorities;
- as regarding the strategic guidelines for action: in order to contribute to growth, to employment and to the sustainable and balanced development of the European Union, has to be recognized *integrated quality management* as an essential element in a strategy for actions aiming at the competitiveness of European tourism.

The respective representative concluded that *developing an integrated quality management strategy* requires "close co-operation between all the actors in the public and private sectors, as well as between all sectors of activities and at all levels of responsibility: local, regional, national, European and international organizations".

Within the actual global crisis competition between destinations offerings increases, while trying to ensure a wide variety of services, through many separate delivery channels using *common quality standards* with the view to grant that quality is maintained across all tourism specific services by a process of general continuous improvement at the level of the integrated services providers. Not forgetting, of course, that the actual crisis is happening in period of full discussion about sustainable tourism policy that necessarily requires "the support and promotion of environmentally compatible tourism management systems, feasibility studies for the transformation of the sector, as well as the implementation of demonstration projects and development of international cooperation programs" (following the presentation in the World Conference in Lanzarote in 1995, the concept of "sustainability": has only been applied to tourism industry during the last decade; was undertaken again at the International Conference on Sustainable Tourism in Rimini in 2001; reconfirmed in 2002 in Johannesburg; the step by step change in the outlook resulted in application of "good practices" capable of involving local policies, transport, urban planning, cultural activities, use of water, consumption, waste production and disposal). As tourism is more sensitive to environmental degradation than other economic activities (the environment being its primary resource), there are opinions pledging for an

appropriate interaction between environmental protection and tourism planning and development (given to the trans-boundary characteristics and possible negative supra-regional effects of tourism industry), underlining in this respect *the necessity of basing total quality management „on a platform* for developing and promoting optimum efficiency of resource utilization, facility development and environmental management systems to achieve agreed benchmarks by ensuring a coherent sustainable tourism policy" (Orhon, Gökckus, et al, 2007).

The continuous process of ensuring the constant improvement of quality (of a tourist destination as a whole or of the individual attractions and services within it), presupposes setting objectives, developing a strategy, making improvements and checking results. In this process is very important measuring, monitoring and benchmarking the quality performance of the tourist destination and services ("QUALITEST" Manual, Enterprise DG Publication, 2003), these processes having to be implemented thanks to the support of the commitment of destination and stakeholders to a continuous process of quality management so as to avoid the loss of image, the falling income and the initiation of potentially expensive damage limitation exercises.

„*QUALITEST" Manual* (a tool designed for evaluating the quality performance of tourist destinations and their related services, a tourist destination being understood as an area which is separately identified and promoted to tourists as a place to visit, and within which the tourism product is coordinated by one or more identifiable authorities or organizations) *underlines ten good reasons for a quality approach*: quality gives the edge over competitors; quality performance makes destinations and services easier to market, both to operators and tourists; a quality product results in customer loyalty; better quality means more profit; quality management leads to a stable tourism industry and protects jobs; quality improve-ments in a destination provide a better quality of life for local residents; quality management improves access to finance; effective monitoring of progress avoids repeating costly mistakes; careful data collection provides the tool for making the right management decisions; monitoring progress in quality improvement provides the understanding that encourages proactive management.

This tool of „QUALITEST" Manual, developed using the life cycle of a typical holiday experience, focuses on the service points that occur throughout this lifecycle, and incorporates them into the indicators, being relevant for any type of tourist destination and its associated tourism and transport services (individual destinations adapting the surveys and indicators in the tool, depending on their own specific circumstances and if there is a need to develop a broader insight into an issue of particular interest, these individual destinations should supplement the indicators; see figure 1).
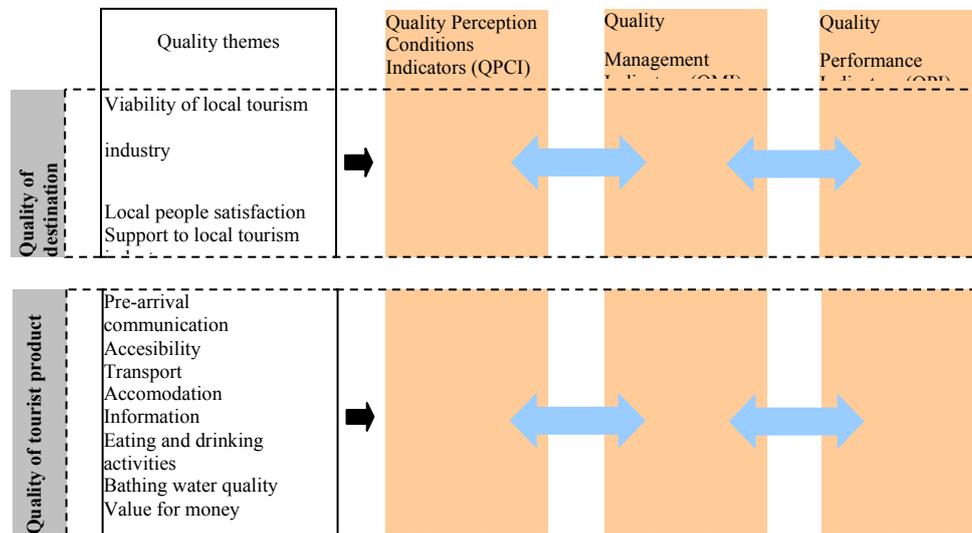
Figure 1. **The diagram displaying the QUALITEST tool**
(„QUALITEST" Manual, Enterprise DG Publication, 2003)

To satisfy the need of the success of a destination was developed the concept of the *Integrated Quality Management* (IQM) *of destinations* (combining four key elements: tourist satisfaction, local tourism industry satisfaction, local people's quality of life, environmental quality). IQM approach presupposes five stages: identifying the partners; deciding on actions, by drawing up the strategy and the policies that it requires; implement actions; measure effects, by using a set of indicators; evaluate and adjust. In order to be able to monitor the overall levels of tourism quality in the destination, the IQM concept is complemented by the QUALITEST tool which proposes indicators within the four key elements of IQM that a tourist destination needs (fitting into stage 4 of the IQM approach). Using the QUALITEST tool is a strategic step for a destination, involving an investment of time and resources, the needed investment to work within in a destination depending largely on the destination's level of ambition, and how much work has already been done, this investment bringing a good return on investment.

According to the Manual, QUALITEST:
- consists of 16 quality themes divided into two main groups (Quality of the destination; Quality of the tourist product), each quality theme giving rise to a set of three interlinked indicators (reflecting the integrated approach to quality management that is essential in tourist destinations): Quality Perception Condition Indicators (QPCI), Quality Management Indicators (QMI) and Quality Performance Indicators (QPI);
- is a tool to facilitate the Quality Performance Evaluation (QPE) of tourist destinations, QPE being a process to facilitate management decisions

regarding a destination's quality performance by: *measuring* and completing QPCI, QMI and QPI; *monitoring* the results over time; *benchmarking* results against those from similar destinations.

4. Essentials of Total Quality Management in Tourism

Total Quality Management – TQM (whose roots go back to the teachings of Drucker, Juran, Deming, Ishikaum, Crosby, Feigenbaum) is: an integrated system of principles, methods, and best practices that provide a framework for organizations to strive for excellence in everything they do; a collection of principles, techniques, processes, and best practices that over time have been proven effective. Most all world-class organizations exhibit the majority of behaviors that are typically identified with TQM. As we know no two organizations have the same TQM implementation and there is no recipe for organization success, however, there are a number of *great TQM models* (any organization that wants to improve its performance would be well served by selecting one of these models and conducting a self-assessment) that organizations can use (the Deming Application Prize, the Malcolm Baldrige Criteria for Performance Excellence, the European Foundation for Quality Management, and the ISO quality management standards etc.). *The simplest model of TQM* consists of the five elements: 1. Customer focus; 2. Planning process; 3. Process management; 4. Process Improvement; 5. Total participation. All of TQM model's elements work together to achieve results (see figure 2).
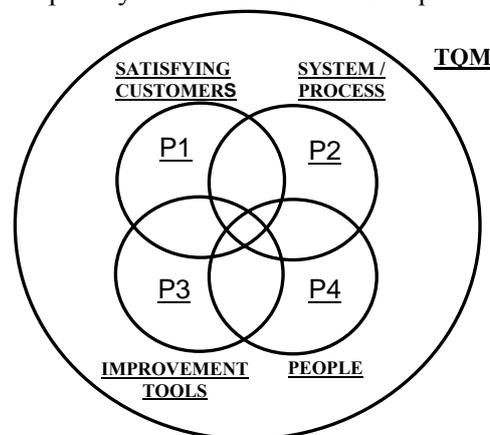

Source: Total Quality Management, http://www.tqe.com/tqm.html
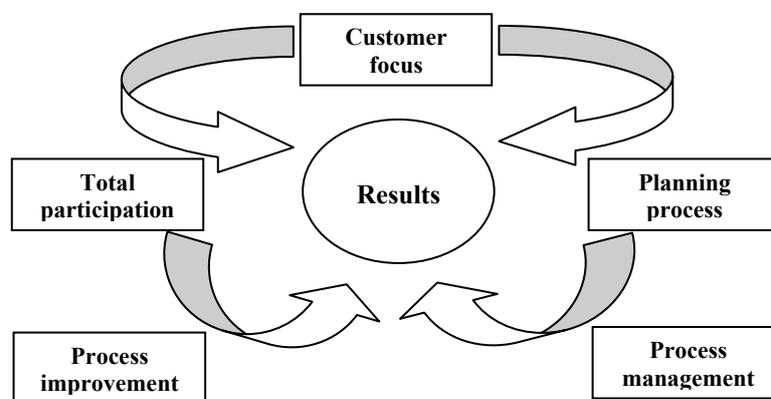
Figure 2. Model TQM

Excellence has became an imperative, in order to expand business, enter new markets, and set realistic, competitive long-term objectives, management's effort being

directed towards discovering what makes a company excellent. It was argued that to achieve excellence, companies must develop a corporate culture of treating people as their most important asset and provide a consistent level of high quality products and services in every market in which they operate. It is this environment that has supported the wide acceptance of Total Quality Management (TQM) which involves three spheres of changes in an organization: people, technology and structure. In this framework, for a more complete approach to TQM (starting from the 3-cornerstone model of Oakland, 1989) it was proposed a 4-pillar model (see figure 3), that brings the customer's requirement into the system, the additional pillar (satisfying customers) being vital because it explicitly addresses customers requirements.

Source: Total Quality Management Excellence Model,
http://www.hkbu.edu.hk/~samho/tqm/tqmex/model.htm

Figure 3. The four pillars of TQM

To reach service excellence, companies in the hospitality industry have to believe that potential tourist, not the product is the „hero". Thus, products and services are not enough and creativity builds value**.** Specialists have identified four types of experiences, calling them „the four realms of an experience": entertainment, educational, esthetic, escapist (Fernström, 2005). When offering experiences it is possible that different customers will be looking for different experiences, even when the base services may be the same. Getting it wrong and offering the wrong experience is likely to be disastrous. Similarly the depth of required of experience will vary depending not just on the personal characteristics of the customer (guest), but also on the depth of the relationship and the place where it takes place.

Before approaching Total Quality Management as „the key to excellence in tourism", let us clarify the followings (Januszewska and Viaene, 2006):
- − first just to remember some of *the significant Quality Definitions* (given by quality „gurus" or by organizations): „a product or a service possesses quality if it helps somebody and enjoys a good and sustainable market" (Deming, 1993); „fitness for use" − „product performance that results in

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customer satisfaction and freedom from deficiencies, which avoids customer dissatisfaction" (Juran,1990); "the totality of features and characteristics of a product or services that bears on itself ability to satisfy given needs" (American Society for Quality Control, 1987);

− second, to make distinction between the two kind of Q*uality Dimensions*: *Intangibles* (Reliability – dependant, accurate, consistent service/Responsibility – promptness, willingness, speed, flexibility/Assurance – knowledge, courtesy, trust, confidence/Empathy - caring, individualized attention); *Tangibles* (Physical facilities, equipment, staff appearance – functional and symbolic meaning);

− third, to understand the Q*uality Management* (all the activities that are intended to bring about the desired level of quality; not be confused with the quality audit, meaning the procedural controls that ensure participants are adequately following the required procedures) within its various aspects (see figure 4) and *the Quality Policy and Strategy* (Policy: vision; TQM; Strategy: allocation of people and resources in line with targets, collaboration; TQM in the chain: Quality Design - R&D, Product and process development, House of Quality – HoQ, Quality Control/Avoiding to much variation: raw materials, production, distribution, Quality Improvement/Changing & stimulating: learning, organization, plan-do-study-act; Quality Assurance Guarantee (through systems and certified by an external organization).
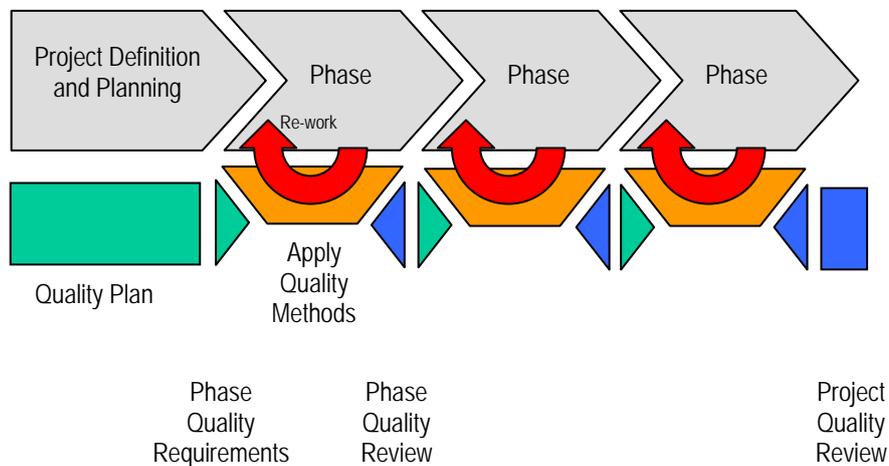

Source: Quality Management, http://www.epmbook.com/quality.htm

Figure 4. A summary of the various aspects of Quality Management

TQM can fail sometimes fails, Oren Harari, an University of San Francisco business professor, documenting that continuous improvement at satisfying customer (not a particular set of procedures or roles but a more realistic way to make sense of what an institution does) can displace the goals of TQM, Harari argued that are ten reasons why TQM does not always works when: focuses people's attention on internal processes rather than on external results; focuses on minimum standards; develops its own bureaucracy; delegates its pursuit to quality experts rather than to real people in the trenches; does not demand radical organizational reform; does not demand changes in management compensation; does not demand entirely new relationships with outside partners; appeals to egotism; drains entrepreneurship and innovation from an institutions culture; has only an analytically detached mechanical path. According to Karl Koch, have been developed various tools on *Total Quality Management* – TQM (*Total* = the inclusion of all areas of the business and all staff: principle of „staff briefing"; *Quality* = the consistent gearing of all activities to the quality requirements of internal and external customers/guests: principle of „guest-led action"; *Management* = the responsibility and initiative of the top management as regards systematic quality development and assurance: principle of „management responsibility"; another principle involved by TQM is that of „process orientation", each step being linked to the one before and after it) in order to satisfy more demanding and fast-changing customer wishes (Koch, 2004). *Quality development* (active cultivation of the standard of service and its constant improvement) is an important aspect of TQM and, there is also a quality development wheel, quality standards being raised by means of the permanent cycle of planning – implementation – reviewing – correction as shown in figure 5. The other two aspects of TQM are *quality target* (the self-set high standard of service to satisfy the wishes of particular guest segments and of staff) and, *quality assurance* (the conscious monitoring of the standard of service as well as reactions if anomalies gradually creep in).
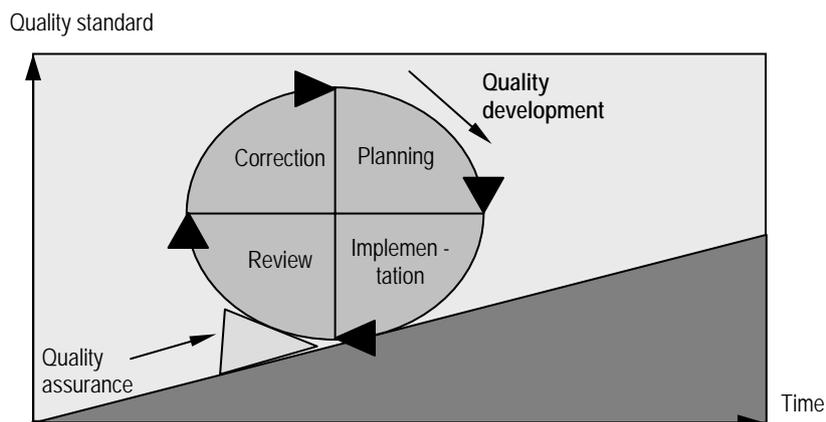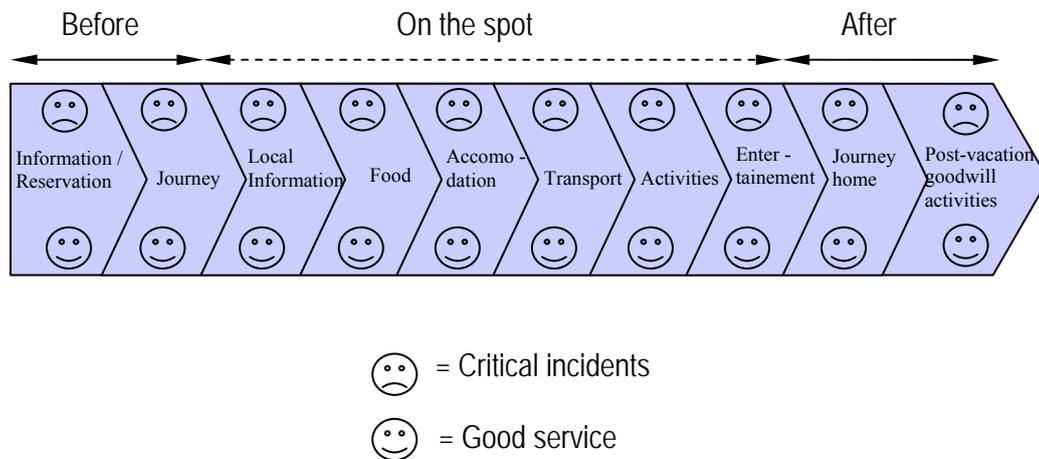

Source: Karl Koch, Quality Offensive in Swiss Tourism, World Tourism Organization, Vilnius, Lithuania, 2004.

Figure 5. The quality development wheel

Tourism services (all linked like a chain, a guest experiencing the whole service package as a chain in which one service is linked to the next and, each individual service leaving its mark on and influencing the holiday experience) are always the product of a whole package of individual services from a guest's point of view. Koch underlines that service chains (see figure 6) are a useful tool for tracking down potential "critical incidents" (defects of varying degrees in a service chain which result in failure to satisfy guest expectations and hence trigger dissatisfaction; guests tend to remember them and do not hesitate to talk about them) and deriving "good service" (set out in the form of quality standards and the necessary measures derived from them) from them in the shape of in-house quality standards.

Koch has approached the "Quality Seal of Approval for Swiss Tourism", a program aimed at raising quality awareness in all destinations and individual hotels, *through which were developed practical tools* (systematically implemented for promoting in-house quality of service: Service chains, Quality profile, Complaints, Action Plan for the year ahead) *to help destination and tourism managers to tackle quality management* (this program being divided into several levels: promotion of quality awareness through "quality viruses", promotion of management quality through quality management systems, establishment of Total Quality Management).

Source: Karl Koch, Quality Offensive in Swiss Tourism, World Tourism Organization, Vilnius, Lithuania, 2004.

Figure 6. Service chain with critical incidents and good service

Renata Januszewska and Jacques Viaene (cited before) argued that TQM: is a management view that strives for creation of a customer-focused culture; is a philosophy anchored in the belief that long-term success depends on a uniform and firm-wide commitment to quality including all firm's activities; is an important

element of business strategy that is directed toward market-share gain and customer retention. They also have underlined other definitions of TQM: Conform to specifications: ongoing change in a firm's offering means that „specs" need to be constantly changing; Do it right: quality is about efficient „solutions" and continuous improvement, anticipation of customers' requirements; Do the right thing: being responsive and flexible are key issues here: „conformance to requirements"; Delight the customer: quality going beyond expectations: „A manager does things Right". They also have underlined other definitions of TQM: Conform to specifications: ongoing change in a firm's offering means that „specs" need to be constantly changing; Do it right: quality is about efficient „solutions" and continuous improvement, anticipation of customers' requirements; Do the right thing: being responsive and flexible are key issues here: „conformance to requirements"; Delight the customer: quality going beyond expectations: „A manager does things Right". According to them the basics of TQM are 1.Customer focus; 2. Strategic planning & leadership; 3. Continuous Improvement; 4. Empowerment & teamwork.

Renata Januszewska and Jacques Viaene approached further within this framework *the Total Quality System Model*, showing that to cross-examine these 4 points the manager must deal with three separate systems (see figure 7): Social System, Technical System and Management System. *1. Social System*: culture of organization, greatest impact on teamwork, motivation, creativity, risk taking, it includes: reward structure, symbols of power, relationships, privileges, skills, styles, politics, power, norms, value. *2. Technical System*: tools, machinery, practice of quality science, quantitative aspects of quality, here important 3 aspects: suppliers/input, work processes/value adding, Consumers/output. *3. Management System*: integrator of 4 aspects, respectively: Strategy management – to establish mission, vision, guiding principles to go for the same direction; Process management - to assure that all key processes are working in harmony, it is often cross-functional; Project management - to establish a system to plan, organize, implement, control with aim of successful completion of the project; Individual activity management - to provide method of implementing continuous improvement to all employees.

As a commitment to the strategic imperative of continuous improvement, quality (the quality of tourism service being transversal for a company and from a tourist/customer point of view being an undeniable support in price-value comparison) is an important competitiveness factor and Quality Management (having as main objective to improve the quality of the tourism experience through meeting tourists' needs, improving the competitiveness of the tourism business, offering quality business environment, meeting employees' needs) is encompassing a broad range of activity, from companywide total quality efforts to perceptions of service quality by the customers experiencing service (Eraqi, 2008), tourism enterprises: seeking ways to forge and to maintain an ongoing relationship with their customers by adopting a clear Quality Management System, while Quality Management practices are seen as a way

for improving output quality, encouraging innovation, reducing waste and obtaining kinds of efficiency gains; need to identify and communicate as many differentiating factors as possible, tourism quality system providing a framework within which actions aimed at quality enhancement can be undertaken and performance measures can be improved; are developing their own quality systems for monitoring, benchmarking and measuring aspects of tourism service quality.
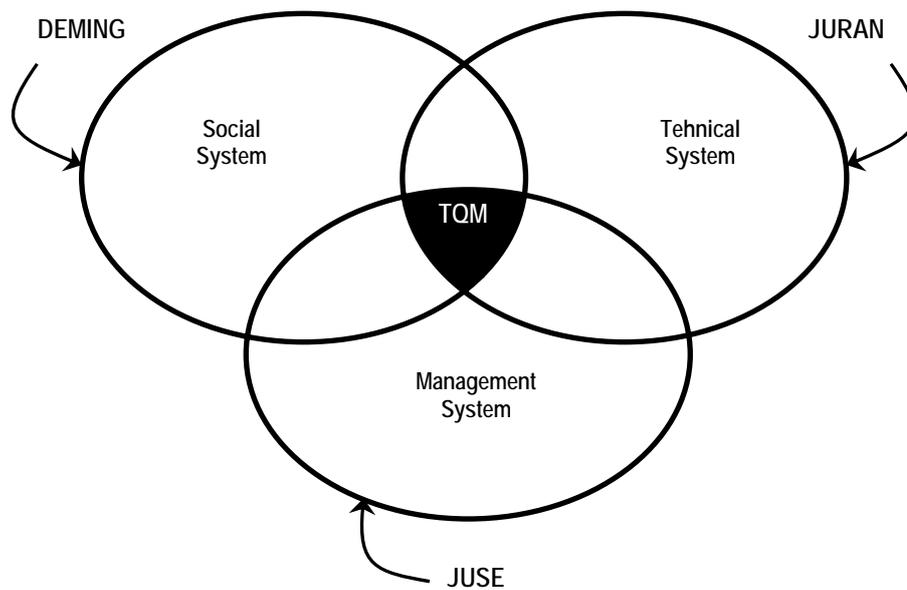
Source: R. Januszewska and J. Viaene, Total quality management – the key to excellence in tourism, Training Program 4, Sicily, Italy, Gent University, COTOUR, 2006

Figure 7. Implementing TQM – System Model

According to Eraqi, a quality culture is difficult to achieve without a context or framework and excellence within a tourism business presupposes: an organizational atmosphere that supports efforts to improve quality and enhances the nature of communications between employees and tourists/customers; improvements in level and trends, customer satisfaction, return business, employee satisfaction, partner appreciation and cooperation; taking into account all current and future company stakeholders needs; a good understanding of the Critical Success Factors for the successful implementation of Total Quality Management Systems (top management commitment, quality culture, strategic quality management, design quality manage-ment, process management, supplier quality management, education and training, empowerment and involvement, information and analysis, continuous improvement for tourism products/services and activities and customer satisfaction), these factors

acting as a guide for tourism organizations contemplating a TQM initiative must being considered as a whole requirement; understanding the fact that private sector initiative towards tourism quality improvement is the core issue, the main responsibility of tourism quality (with the exception of public infrastructure and services) resting in the hands of the private sector.

In applying Quality Management System it is necessary to consider the followings: quality culture differs from traditional management culture; the internal marketing for workers plays an important role and to avoid any risks in applying this program staff must learn how to be able to provide the desired outputs; to apply the program in the right way and deal with the resulting problems are needed consultants support; teams must be ready to develop the products and should have the authority to control and evaluate tasks included in the program and present suitable suggestions to develop the program; the implementation strategy may be done in sequential steps). A factor affecting the receptiveness of it staff to customers and thus, the quality of tourist services it provide is considered to be the internal culture of a tourist organization, the following elements being considered important: leadership, participation, promotion, measures, plan, communications, and finance.

5. Conclusions

Within the actual global crisis competition between destinations offerings increases, while trying to ensure a wide variety of services, through many separate delivery channels using *common quality standards* with the view to grant that quality is maintained across all tourism specific services by a process of general continuous improvement at the level of the integrated services providers.

It becomes obvious that companies that wish to be successful – but also those which want to survive – need a new way of thinking: final success belongs to those which will *put the customer in the centre of their activity, and will offer him a superior value*. The *6 laws* of customer experience mentioned in our article (every interaction creates a personal reaction; people are instinctively self-centered; customer familiarity breeds alignment; unengaged employees don't create engaged customers; employees do what is measured, incented, and celebrated; you can't fake it.) are not meant to constrain behaviors. They are meant to empower highly effective customer experience efforts. By understanding these fundamental truths about how people and organizations behave, companies can make smarter decisions about what they do, and how they do it. Going against any of these laws will likely cause poor results. But if you conform to these laws, then you're better positioned to deliver great experiences to your customers (Temkin, 2008). The 6 laws will have the largest impact when they are widely understood across the tourism organization.

The continuous process of ensuring the constant improvement of quality (of a tourist destination as a whole or of the individual attractions and services within it),

presupposes setting objectives, developing a strategy, making improvements and checking results. In this process is very important measuring, monitoring and benchmarking the quality performance of the tourist destination and services, these processes having to be implemented thanks to the support of the commitment of destination and stakeholders to a continuous process of quality management so as to avoid the loss of image, the falling income and the initiation of potentially expensive damage limitation exercises.

Total Quality Management can be considered „the key to excellence in tourism". TQM is a philosophy that focuses on the needs of the customer, both internal and external, realigns the organization from detection to prevention and aims to improve continuously via the use of statistical monitoring. To obtain profits is the aim of any enterprise, clients satisfaction being desired because it increases the benefits. Companies that have a memory (so customers don't have to tell their story repeatedly) and really provide ongoing value to a tourist understand that tourists are truly the most valuable entity of any business. Those companies treat their guests as not only their only source of revenue, but as a scarce, valuable resource. When companies work this way we are much more likely to see really terrific tourist experiences.

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