

9

What Does Luxury Service Mean Today?

Introduction

Ask any student or person in the street to give you a word they associate with luxury and it is very likely they will say 'service' (or high price or exclusivity). We take for granted the fact that luxury and service are two concepts that go hand in hand. Yet we rarely unpick this word and explore what it means, particularly today. That is what I will seek to do in this chapter.

Perhaps there are two kinds of service in tourism, hospitality and events as there are in many other service industries. These are:

- Physical actions carried out by staff employed by organisations that provide consumers with a tangible product or a beneficial impact, such as carrying their bags upstairs to their room in a hotel.
- Systems operated by organisations which allow consumers to take actions themselves to enhance their consumption experience, such as the ability to check-in on line for a flight and choose their own seat as part of this process.

Traditionally the focus of the luxury market would have been on the former with the idea that the luxury customer was paying to have others do things for them rather than having to do them for themselves. I will argue that at all levels of the market the supply side providers have been seeking to move the balance of the service they deliver from the former type to the latter, largely to reduce costs.

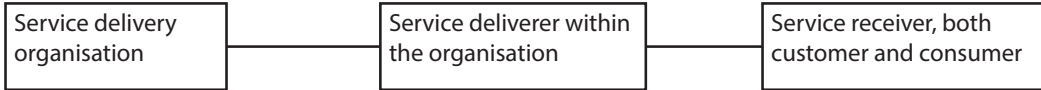
Attempts have been made to mitigate this trend in the luxury sector but I would still argue that service based on physical inputs from staff has declined in recent years even in the luxury sector, for a number of reasons.

We will also be looking at the rise of non-trained, 'non-professional' providers in the accommodation sector, such as Airbnb, and see how they are changing the meaning of luxury in hospitality.

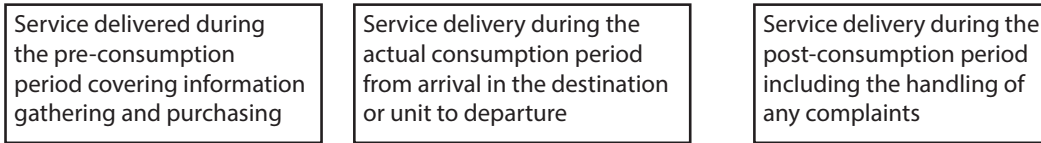
Before the chapter ends we will also explore styles of service delivered by staff to see how and why these may also be changing or may need to change.

Figure 9.1 seeks to identify five different dimensions of the concept of service in tourism, hospitality and events. An attempt will then be made to explore each of these in relation to the luxury market.

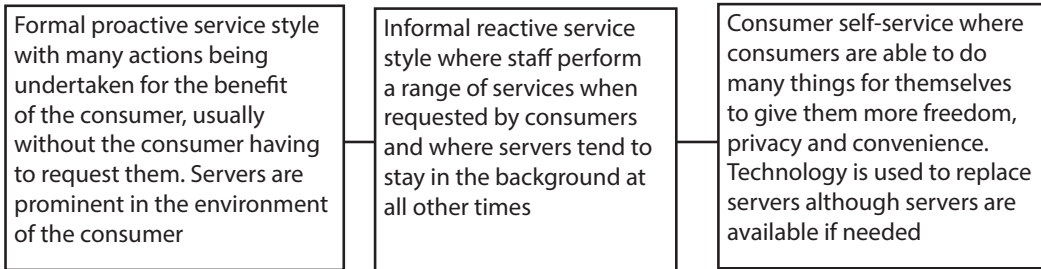
The first dimension



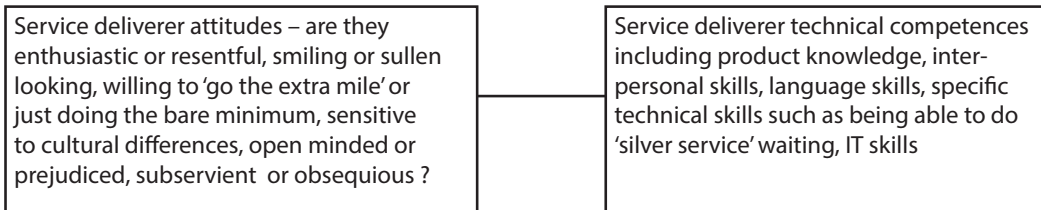
The second dimension



The third dimension



The fourth dimension



The fifth dimension

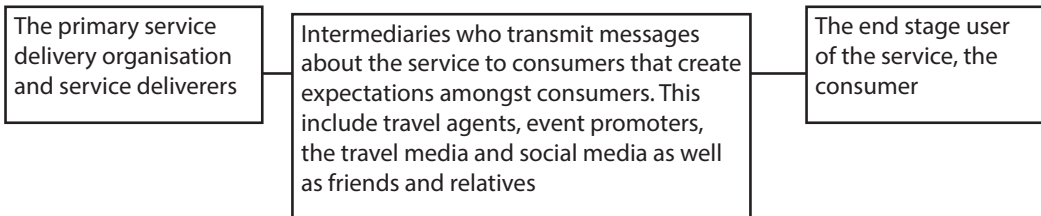


Figure 9.1: Five dimensions of service in tourism, hospitality and events

■ First dimension

In the first dimension, we see two important relationships. One between the service supplying organisation and its employees who perform the actual face-to-face service for the guest. Increasingly, perhaps, senior managers are divorced in space and time from the act of service delivery itself. This creates the opportunity for gaps between company policies and systems, and the service that is actually delivered. This is particularly important in the luxury field where companies often market themselves on the basis of a set of service standards that they promise the guest they will deliver. Any gap here may be the result of everything from poor recruitment and training to inadequate on-site management.

The second relationship is that between the service delivery and the customer and/or consumer. This is at the heart of the luxury experience where the guest expects high levels of technically skilled service to be delivered by people whose smile never leaves their face. Whether this is the reality of the consumer experience depends on training, but also on how motivated employees are and even the local culture.

■ Second dimension

The second dimension recognises the importance of the periods before and after the actual consumption of the luxury experience. During the pre-consumption phase the key to high end service is how easy it is to gather information and make a booking. Increasingly this may be much more a matter of the consumer interacting with an online booking system rather than dealing with a human travel agent, so then it is the convenience and reliability of the system that is the key to consumer satisfaction rather than a smiling travel agent. It is fair to assume that the higher the price to be paid, the more convenient the purchase process should be, but this is not always the case. Some luxury travellers still prefer a real life travel agent to handle the information gathering and booking for them.

During the actual consumption phase the emphasis has to be on seamless service delivery with any problems resolved quickly if they occur. As reviews on TripAdvisor regularly show, expectations from luxury consumers are understandably high and they often will complain strongly about things that seem to others relatively minor issues. Luxury means paying for perfection and being satisfied with nothing less.

Post-consumption service is also important, but not only in terms of handling any complaints quickly. It also means recognising the consumer and thanking them for their custom, as well as seeking to make them aware of other experiences they may be interested in purchasing. If one spends \$10,000 on a cruise, perhaps one has a right to expect at least a birthday card from the cruise company! We