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Assignment 2

1 — Strategic Service Vision (The Ritz-Carlton)

Chosen organisation: The Ritz-Carlton Hotel Company

Strategic service vision (customers & employees)

The Ritz-Carlton's strategic service vision is famously captured in its motto: "We are Ladies and Gentlemen serving Ladies and Gentlemen." That phrase, together with the Ritz-Carlton Gold Standards (12 service values, Three Steps of Service, and other protocols), defines an organizational promise of dignified, anticipatory, highly personalized luxury service. The vision is expressed operationally through intensive training, standardized service rituals (greeting by name, anticipation of needs, fond farewell), and strong cultural artifacts that make the brand identity explicit to every employee.

For customers, the vision promises consistent luxury, attention to detail, and individualized experiences. Guests expect not only physical comfort (high-quality rooms, amenities) but also emotional comforts: staff who know preferences, remember names, and resolve problems immediately. Ritz-Carlton supports this through documented service scripts and systems that capture guest preferences so that personalization becomes repeatable across properties.

For employees, the vision is framed as respect and empowerment: staff are treated as "Ladies and Gentlemen" (professionals) and are given authority to act on the spot—most famously, an empowerment policy that allows

employees to spend (within set limits) to solve guest problems without managerial approval. This, combined with mandatory training hours and ongoing coaching, builds capability, ownership and morale. Employees therefore know what “excellent service” looks like and are trusted to deliver it.

How the vision improves performance and achieves goals

1. Consistency and brand equity. The clear vision and codified Gold Standards create repeatable behaviours across properties; consistency in guest experience builds trust and allows Ritz-Carlton to charge a premium in luxury segments. Consistent delivery leads to higher RevPAR (revenue per available room) and stronger brand equity.
2. Employee engagement → better service → loyalty. Empowered and well-trained employees take initiative (fixing problems immediately, personalising stays). Employee ownership lowers response time to guest issues, increases guest satisfaction scores and drives repeat bookings and word-of-mouth referrals—critical in luxury hospitality where relationships matter.
3. Operational resilience and empowered problem-solving. Allowing frontline staff to resolve issues without delays reduces escalation overhead and improves recovery from service failures—turning potentially damaging experiences into loyalty-building moments. Faster resolution preserves guest relationships and protects the brand.
4. Talent attraction and internal culture. Positioning employees as professionals with discretion and dignity attracts hospitality talent who seek meaningful work. High retention among trained staff reduces hiring/training costs and maintains knowledge continuity—helpful for preserving service quality across locations.

Summary (why it works)

The Ritz-Carlton’s strategic service vision aligns a luxury customer promise with an employee-centric culture: clear expectations, intensive capability building, and real empowerment. That alignment converts

service design into measurable commercial advantage—higher guest satisfaction, stronger loyalty, and the ability to command premium pricing while maintaining operational speed and resilience.

References (selected)

Ritz-Carlton Leadership Center — Foundations & Gold Standards; Ritz-Carlton Gold Standards PDF; EHL Hospitality Insights on Ritz-Carlton training; Forbes/Ritz-Carlton Leadership Center article.

2 — Operations Strategy & Competitive Advantage (Marriott International)

Chosen organisation: Marriott International, Inc.

Overview of operations strategy

Marriott's operations strategy integrates: an asset-light business model (management & franchise focus), powerful global distribution and loyalty (Marriott Bonvoy), standardized brand quality systems, extensive use of technology (mobile check-in, digital keys, centralized revenue management), and shared services that drive cost efficiencies. These elements shape how Marriott manages quality, speed, flexibility and cost across thousands of properties worldwide.

How Marriott manages each operations dimension and the competitive advantage produced

1. Quality — standardized brand systems & owner partnerships

Marriott maintains detailed brand standards and centralized quality programs (brand audits, training, and performance metrics) for each of its ~30 brands. Franchise and managed properties implement

these standards, ensuring consistent guest experience across varied geographies. Consistency builds trust and premium pricing (RevPAR premiums) for owners and guests. Centralized support also helps owners reach higher margins, strengthening Marriott's appeal as a management/franchise partner.

2. Speed — technology & centralized operations

Marriott invests in technology (mobile app, mobile check-in/checkout, mobile key, centralized reservations) that speeds guest interactions and reduces friction. Faster check-in and digital services improve guest satisfaction while reducing front-desk congestion and labour cost per transaction. Centralized revenue management systems also allow bids/price adjustments quickly, reacting to market changes—speed that translates to higher occupancy and rate management.

3. Flexibility — brand portfolio & asset-light scaling

Marriott's multi-brand architecture (luxury to select-service and extended stay) and asset-light growth model let the company enter new segments and markets rapidly. Owners can convert or rebrand properties into Marriott flags; the company can scale without the capital burden of ownership. This flexibility enables Marriott to tailor offerings to local demand and expand into diverse markets faster than asset-heavy competitors.

4. Cost — shared services, scale & favorable economics

Scale provides Marriott bargaining power (OTA commissions, supplier contracts, credit card rates) and enables shared services (central reservations, marketing, loyalty program maintenance), lowering per-property operating costs for owners and improving margins. The asset-light model minimizes capital expenditure, yielding higher returns on invested capital and freeing cash for strategic investments (technology, loyalty). Those cost advantages strengthen Marriott's value proposition to owners and shareholders.

How these elements create a competitive advantage

- Network & switching costs: Marriott Bonvoy's large membership base creates switching costs—members prefer booking within the Marriott ecosystem because of earned benefits, reducing price-sensitive churn and increasing direct bookings. That network effect feeds back to owners (higher occupancy from loyalty channels).
- Scale & data advantage: Centralized technology and revenue management produce data-driven pricing and personalized offers—improving RevPAR and marketing ROI versus smaller competitors.
- Owner economics & supply pipeline: The asset-light model makes Marriott an attractive partner—rapid expansion and development pipeline mean more global distribution for owners, strengthening Marriott's market share and giving it leverage over competitors when negotiating distribution and procurement.

Summary (why Marriott wins operationally)

Marriott's operations strategy combines brand standardization (quality), digital and centralized systems (speed), a multi-brand, asset-light structure (flexibility), and scale economies (cost). These coordinated elements feed each other—loyalty and technology drive demand, scale lowers costs, and the asset-light model enables rapid market coverage—building sustainable competitive advantages in distribution power, pricing ability, and owner attractiveness.

References (selected)

Marriott corporate investor materials and brand/developer pages (Annual Reports; "Power of Marriott"/how-we-work pages); Marriott development/managed-by pages on revenue management and loyalty; third-party analyses of the asset-light model and Bonvoy loyalty program.