

## **A Marketing approach on how continuous processes improvement can contribute to hotel business Organic Growth**

Ioana-Simona IVASCIUC<sup>1</sup>, Gheorghe EPURAN<sup>2</sup>

**Abstract:** *Generating sustainable growth and profits is like finding a unicorn for most managers. Organic growth should be considered as an alternative for long-term growth in the hotel business. Designing the service process to deliver what customers expect from the hotel offer is a crucial component of encounter marketing. Hotels need to embrace the changes and ensure that their internal processes are aligned not just to current trends, but also to the expected future changes. Keeping up with global changes and trends of any kind, evaluating their impact on your business, continuous improving of the services using PDCA cycle, Six Sigma or Lean principles, are the keys to long-term organic growth.*

**Key-words:** *organic growth, hotel processes, continuous improvement, PDCA cycle, Six Sigma or Lean principles*

### **1. Introduction**

Today running a business successfully is a difficult task. Many issues impacting performance are outside the control of a manager's influence. We are now in a slow-growth world and the hospitality industry is also part of it. In a slow-to-no growth economy, merging two slow growing firms equals a larger slow growing firm. Plus it's expensive, takes time, diverts resources and creates a whole bunch of internal issues. In addition, some experts have claimed that even with favourable strategic financial and operations assessments, mergers have less than a 50% chance of success. Mergers & acquisitions options and cost cutting are always viable, but organic growth should be considered (Epuran, Dovleac, Ivasciuc and Tescasiu, 2015).

Although managing the service process is the responsibility of operations management, marketing managers need to understand the principles of service processes. Customer satisfaction is dependent upon the hospitality operation delivering. The key marketing role of managing demand is made significantly

---

<sup>1</sup> Transilvania University of Braşov, simona.ivasciuc@unitbv.ro

<sup>2</sup> Transilvania University of Braşov, epuran.gheorghe@unitbv.ro

easier when the service process consistently delivers the experience and quality customers expect. However, when the service process fails to deliver, marketing the hospitality property and the hospitality brand becomes much more difficult (Bowie, and Buttle 2004, 245).

## **2. Literature Review**

### **2.1. What is organic growth?**

Most business enterprises are faced with the challenge of growing their respective businesses. At the most basic level, business growth can be divided into two broad categories: organic and inorganic. Organic growth is achieved when a firm grows from within. Assumed to be less costly, poses fewer cultural and adaptation problems and usually less visible in the event of failure, most companies generally used the organic growth model (Berg, 2011). Organic growth represents an opportunity to leverage a company's core competencies to expand both revenue and profits. In organic growth companies focus on bringing innovation in the form of new products and services, identifying opportunities for existing offerings in new markets, or generating more revenue from existing offerings from current customers (Atkinson, 2007).

In *Smart Growth*, Edward D. Hess challenges the commonly held beliefs that businesses must grow or die, growth is always good. Smart growth replace the axiom of growth "grow or die" with "improve to remain competitive". The primary objective of smart growth strategy is to build an enduring business using authentic growth and managing all the risks created by growth. Smart Growth companies do make acquisition but those acquisitions are driven by strategic reasons (Hess, 2010).

In my previous article "Organic Growth Marketing Strategies in Hospitality Industry" (Ivasciuc, 2014), in the tradition of grounded theory (Strauss and Corbin, 1998) which attempts to build or discover theory from data, I presented a conceptual model of the factors that influence organic growth in hospitality industry. These factors are: people and culture, a growing business culture, performance measurement, exceptional customer experience, and process focused initiatives.

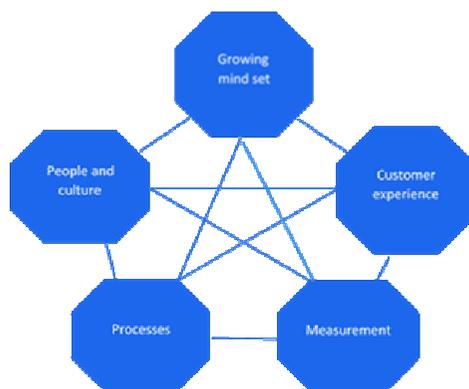


Fig. 1. *Organic growth principles in hospitality industry,*

Source: Ivasciuc, 2014

All hospitality companies can become more skilled at growing organically with the business models they already have using marketing strategies based on these five factors.

Continuous organic growth requires operational excellence and a long-term orientation. “*The right process will produce the right results*” is one of the Toyota Way management principle (Liker, 2004) which can be adapted to organic growth in the hotel industry.

## 2.2. Definition of the term “Processes”

The word “process” evolved from Latin word “procedere”, which originally means “move” or “go ahead”. This form of the word was followed by the noun “processus” which is translated as “process” and means: a series of actions, phases or events, development (in any direction or form) and transformation (inputs to outputs) of anything that took under consideration.

According to [www.businessdictionary.com](http://www.businessdictionary.com), a process represents a series of logically related activities or tasks (such as planning, production, or sales) performed together to produce a defined set of results. Searching on [www.oxforddictionaries.com](http://www.oxforddictionaries.com), we can see that process is defined as “a series of actions or steps taken in order to achieve a particular end”.

ISO 8402:1994 norm defines the process as a “group of mutually independent resources and action which transform input elements into output elements”.

But what does a process really mean? It has an established, step-by-step way of doing things, and a well-articulated set of internal and external documents and tools supporting it.

### 2.3. Business Processes in a Hotel

Regardless of many possible types of business processes, and much diversity of process structures, all business processes in hotel can be divided into three types:

- *Management processes:* hotel management, planning, developing, marketing, quality management, environment management, social responsibility management, security/ safety at work management
- *Core processes:* producing food and beverages, serving meals and beverages, reception and accommodation of guests
- *Support processes:* human resources management, financial management, infrastructure management, information management, purchase, sale (Drljaca, 2012)

It is important to identify the important processes from a customer perspective, and design these processes so that they contribute to customer satisfaction and customer retention.

### 3. Importance of Processes for Organic Growth

Big or small hotel businesses are looking at ways to keep costs low and to become more efficient just to stay afloat in this very challenging economy. Cutting costs in labour has been a popular topic in all industries during times of economic downturn. This is a particularly slippery slope in the hotel industry where services may be compromised through cutting costs.

The need for the hotel industry to streamline operations without compromising the quality of services is a pressing issue. The development of processes is particularly important if you are in the early stages of establishing a business, or when you are trying to rebuild or grow a business that has been underperforming. Organic growth means building a sustainable business from inside and processes should be considered as an important part of this strategy.

Business growth has three process arenas that contribute to its sustainability: strategic, tactical, and operational processes (see Figure 2 – The processes triangle). A flow of data and a system of integrated metrics link these three areas to create consistent gains in growth. Let any one of the three arenas languish in performance, and growth will become erratic—perhaps even out of control.

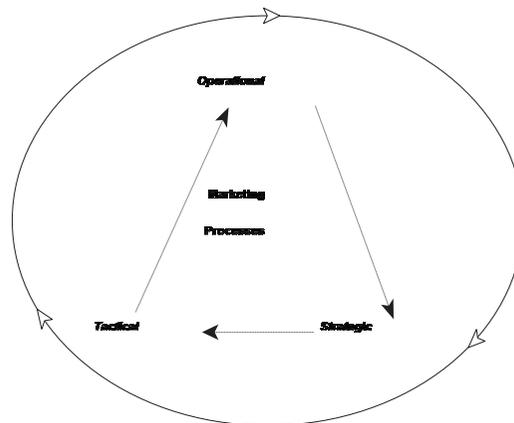


Fig. 2. *The process triangle*

Source: Creveling, C. M. *et al*, 2006

In “The innovator’s toolkit, 50 + techniques for predictable and sustainable organic growth” David Silverstein, Philip Samuel and Neil DeCarlo (Silverstein *et al*, 2008) consider that “even if you have a sound innovation strategy, a promising portfolio of projects and the right people to execute those projects, without a process for organic growth you’ll have chaos if you try to innovate on a wide scale. Only one approach works for making innovation an everyday event in an organization: having the right people solve the right problems through an effective process.”

Although many hotel managers agree that establishing good processes is a priority, they usually tend to postpone this to a future, indefinite time. Their process will never evolve. Without clearly defining their process, their business can't grow to its full potential. There are two reasons why process is so important.

The first is efficiency. It doesn't make sense to have to reinvent steps each time through, it is a waste of time. Having documentation that can be used as a tool saves time, energy and resources.

The second reason is scalability. Having a process and training the people to execute on it will add more value to clients. Clients know in advance what they get and that it will be done right.

#### **4. Using PDCA, six Sigma or lean to continuous improve Hotel processes and create Organic Growth**

In spite of economic conditions, hospitality firms must be able to cut costs and still provide a quality product. A proven, effective way to do this in other industries has been to adopt the principles of PDCA, Six Sigma or Lean.

The literature suggests that PDCA, Six Sigma and Lean can be successful amongst many departments within a hotel. Despite evidence of success, in hospitality, organizations do not fully implement the continuous improvement of processes into all aspects of the operation. This calls to question why the continuous improvement of processes is not more prevalent in hospitality. In “Lean and Six Sigma in Hospitality Organizations: Benefits, Challenges, and Implementation”, Justin M. Lancaster (Lancaster, 2011) explains why Lean and Six Sigma aren't very popular in the hospitality industry:

- Often times, the strongest people in an organization are tasked to lead the Six Sigma cause. The extensive training and additional responsibilities that these employees are overloaded with may compromise the ability to do their original jobs.
- Managers in the hospitality industry are not necessarily adept or see the need to analyse statistics and root causes to problems.
- The requirement of a commitment and buy in at all levels of the organization. Participation at all levels is important. In many cases, process redesigns and kaizens can streamline a process where less manpower is needed which may result in layoffs.
- They might be turned off due to the lengthy amount of time to implement fully. It may take numerous years to fully implement Lean and Six Sigma company-wide.
- The high turnover rate of employees in the hospitality organizations could also be considered a pitfall to successful implementation. Hotels, especially smaller seasonal lodges are constantly combating the problem of retaining quality employees. The extra cost to train new employees on Lean and Six Sigma principles may be a burden leadership may not want to take on.
- The measurement tools used in the programs may not be perceived as useful in the service industry.

Despite this opinion, the PDCA cycle, Six Sigma and Lean provide the toolkit for process improvements. It is up to marketing to redesign the processes to produce output that better suits the current or the future customer, and to establish the business profitability.

#### **4.1. The PDCA cycle**

The PDCA cycle theory is co-founded by Walter A. Shewhart and William Edwards Deming, who are American quality experts. When Edward Deming constructed the plan-do-check-act cycle (PDCA) in the 1950's, the fundamental principles centred on the concept of quality. Although many decades have passed since the birth of this conceptual model, the principles that served as the foundation of the PDCA are still pretty relevant in today's environments, and when used can offer many benefits to

businesses. Though Deming's theory was originally designed for the manufacturing industries in US, it also seems relevant for all other sectors. It is one of the most effective methods to improve the quality management activities, especially as it has been widely applied in quality continuous improvement.

The PDCA and its variant Plan-Do-Study Act (PDSA) is a cyclic process that involves: determining the nature of the problem, identifying the possible changes and the methodology to implement the change, implementing the change, assessing the impact of change by establishing functional or causal relationships between changes within processes, especially behaviours and capabilities, and outcomes, and make the necessary modifications, before starting over again.

The four phases of PDCA cycle are: the Planning phase, the Do phase, the Check phase and the Action phase. These four phases form a loop, and continue the cycle, so that they make the target to continual improvement. In "The Plan-Do-Check-Act Cycle of Value Addition" article, Gidey E, Jilcha K, Beshah B and Kitaw D visualize and evaluate the value addition process as a continuous process using the four stages of PDCA cycle and identify the core functions that the literature dropped out from consideration in the value addition process.

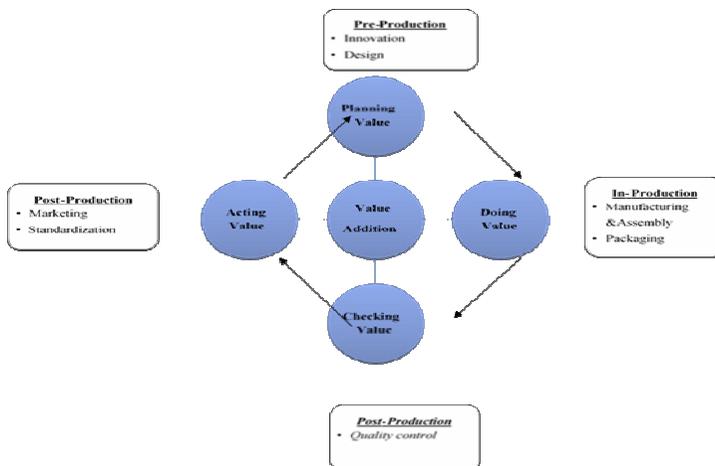


Fig. 3. *The PDCA cycle for value addition in manufacturing,*

Source: Gidey E *et al*, 2004

In the hotel industry, manufacturing, assembly and packaging will be replaced with core hotel processes such as: producing food and beverages, the process of serving meals and beverages, the process of reception and accommodation of guests.

The hotel management has to follow the PDCA cycle to continuously improve their services so that they can retain the present clientele and attract new customers. The full commitment of management is important but employees are also important.

The management needs to plan (strategic planning) and that plan is executed by the employees on duty. According to the assumption that the management needs to take into account the whole system and not only one unit, likewise the whole system e.g. reception, F&B, housekeeping, all departments needs to coordinate to deliver satisfactory standard services.

In order to be successful, the continuous improvement should focus on customer. This is very important in terms of defining hotel marketing strategies. Achieving high levels of customer satisfaction is essential for future revenue and profitability. Satisfied customers will continue to buy from you and may recommend the company to others. Here is what a marketing manager should do in each of the PDCA phase of hotel processes improvement in order to create value to the customer:

- Plan phase – planning value: create a customer-centric culture, rigorous selection process that strengthens the organization with first class sale and service professionals; train their employees at regular basis, by guiding fundamental values of the company, its products, processes and optimal control

- Do phase – doing value: take care of the guests, build strong relationships with them, create service packages that better respond to clients' request

- Check phase – checking value: resolve clients' problems, be responsive in a timely manner to their requests, carry out regular surveys of customer satisfaction and analyse the results, look for areas of weakness where satisfaction levels are low

- Act phase – acting value: measure and reward the customer-centred behaviour on sales and service in order to strengthen the high standards and to exceed customer expectations, carry out continuous improvement in weak areas by running training programs, deploying customer service technology or modifying processes, run a continuous public relations program to improve awareness of company and its reputation.

## **4.2. Six Sigma**

Six Sigma is an internationally recognized approach that helps associates develop innovative, customer-focused solutions and quickly disseminate those innovations across the entire organization. Six Sigma it's a quality improvement methodology that provides a framework for a company to train its employees in key performance areas, shape strategy, align its services with customer needs, and to measure and improve the effectiveness of business processes.

It was first outlined by Motorola in 1985 as a statistical modelling of manufacturing processes. A "sigma rating" relates to the percentage of defect-free products. A sigma rating of 4.5 (3.4 defects per 1 million) was initially touted as a realistic benchmark, with 6 sigma representing the Holy Grail. Six Sigma was popularised by the CEO of General Electric, Jack Welch in 1995, and by 1998 he claimed that it had led to \$750 million in cost savings. By the late 1990s, two thirds

of Fortune 500 companies had incorporated the Six Sigma projects, and by 2000, the discipline had spawned its own training and consultancy programs.

Six Sigma differs from traditional quality improvement programs in its focus on input variables. While traditional process improvement methods depend upon measuring outputs and establishing control plans to shield customers from organizational defects, a Six Sigma program demands that problems be addressed at the input root cause level, thereby eliminating the need for unnecessary inspection and eliminating the added costs for rework (Patterson, 2014). DMAIC - Design-Measure-Analyse (the data) - Improve – Control, as seen in Figure 4, is a basis for Six Sigma and was inspired by PDCA. The difference here is that after one has designed an activity (or PLANNED it) then there is a period of data collection followed by statistical analysis of the results that allow for improvements to be made.

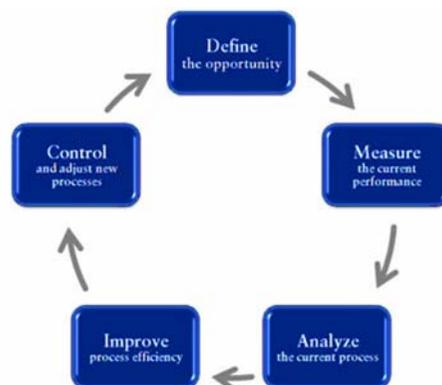


Fig. 4. The DMAIC steps in Six Sigma

Here is how a hotel marketing specialists can apply the DMAIC process to marketing to grow revenue:

- *Define*: The role of marketing is to create predictable streams of revenue growth by enabling the organization to profitably identify and secure new customers, and to keep and grow the value of these customers. Therefore, a key ingredient in this step is for marketing to establish goals and deliverables designed to achieve these three outcomes. This will require most organizations to broaden the role of marketing beyond sales support and/or marketing communications. To fully realize these three outcomes, marketing will need to provide a broader more strategic role. As a result, the various marketing functions will need to be integrated to create a comprehensive and integrated work flow process.

- *Measure*: There is no escaping the fact that to be successful in measurement marketing will need data. Without data, performance cannot be measured and improvements cannot be made. Marketing needs to have access to data about its efforts and expenditures. Marketing will need to have a collaborative relationship

with finance, sales, and customer service because these organizations are often the keepers of critical data related to performance and outcomes

- *Analyse*: Simply measuring performance will not make it improve. Performance improvement results from deriving insight through the analysis of the data. By analysing the data and understanding what it means, marketing can determine the degree of impact it has on the organization, and redesign processes that will improve performance. Creating a dashboard of key business initiatives can help process the data and make it easier to visualize both the impact and opportunities for improvement. Analysing marketing performance and processes has an impact beyond the marketing organization. The analysis may yield information that will impact sales, product development, customer service, accounting, and IT.

- *Improve*: The main purpose of applying Six Sigma is to determine how to improve performance and processes. Data analysis should result in valuable insights that generate possibilities for improvement. These possibilities for improvement can include enhancements in tools, systems, processes, and skills. A performance-driven marketing organization welcomes opportunities for improvement.

- *Change and Control*: Because marketing prides itself on its creativity, it has often sacrificed control. But the time has come for marketing to document its processes and best practices and to apply these consistently. The lack of standards control will result in less than optimal marketing execution. An emerging role, marketing operations, provides the organization with a function and people responsible for ensuring that the knowledge gained through process improvement is documented and implemented. (Creveling et al. 2006, 63)

The Six Sigma program at Starwood Hotels & Resorts Worldwide, Inc. is unique to the hospitality industry. Starwood Hotels & Resorts Worldwide, Inc. is one of the leading hotel and leisure companies in the world with more than 725 properties in 80 countries and 120,000 employees at its owned and managed properties. With internationally renowned brands, Starwood is a fully integrated owner, operator and franchiser of hotels and resorts including: St. Regis, The Luxury Collection, Westin, Four Points by WelcomHotels, Sheraton, W brands, as well as Starwood Vacation Ownership, Inc., one of the premier developers and operators of high quality vacation interval ownership resorts. ([www.starwoodhotels.com](http://www.starwoodhotels.com)).

Six Sigma has helped increase their financial performance by improving the quality and consistency of their guests' experiences as well as those of their internal customers. It provides the framework and tools they need to create and maintain superior standards at all properties while dramatically improving the bottom line. The Six Sigma organization reports to divisional leadership and is aligned with the division's goals and priorities.

### 4.3. Lean

Lean is a quality management program originating in the Toyota Corporation. Today businesses around the world are attempting to implement Toyota's radical system for speeding up processes, reducing waste, and improving quality. Lean's main philosophy is to concentrate time and effort on identifying and refining steps in an operation that the customer deems valuable, and to eliminate wasteful or unnecessary steps in a process (Lee *et al*, 2008). The program relies heavily on the observation of processes by management, as well as the importance of clean and efficient work spaces.

Much of Toyota's success comes from its standards on quality and continuous improvement. The 4P model (see Figure 5 - a "4P" model of the Toyota Way) of the Toyota Way describes this journey starting with the Philosophy of basing decisions on a long-term approach. The Process is then critical to determine how you identify problems, standardize tasks, level out workload, and stop when there is a quality problem. People and Partners respecting and developing each other to provide growth and live the philosophy. And finally the 4<sup>th</sup> P – Problem Solving providing for continual learning, to make decisions slowly by consensus, thoroughly considering all options; implementing rapidly.

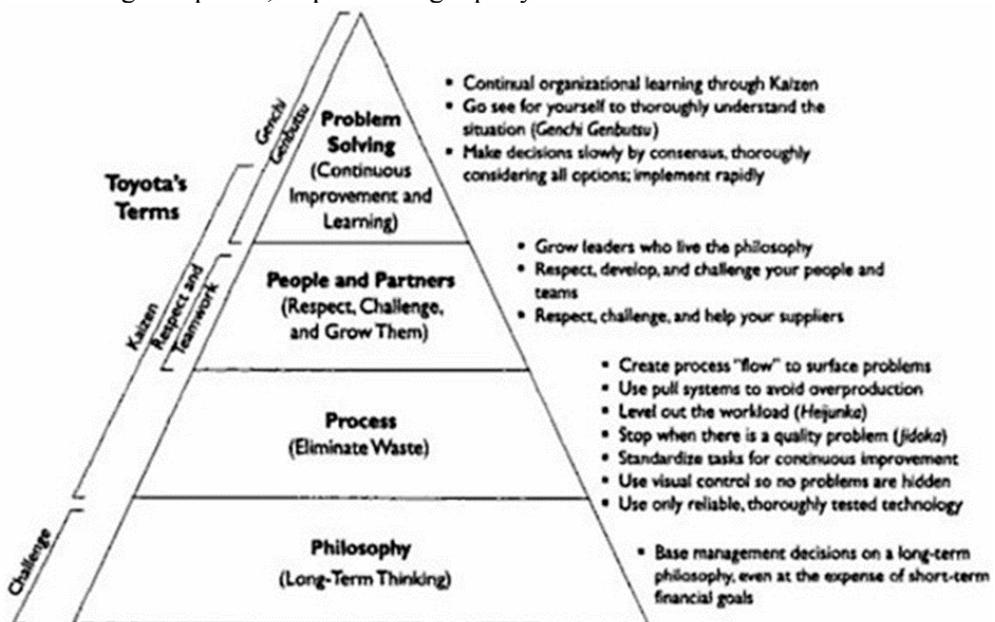


Fig. 5. A "4P" model of the Toyota Way,

Source: Liker J. K., 2004

In this paper we focus on the second P –“Processes”, as a factor of creating organic growth in the hotel business. Jeffrey K. Liker (Liker, 2004) explains the Process principles. Each idea can be interpreted from hotel marketing point of view:

Process principles	Use of principles from hotel marketing point of view
<b><i>Create continuous process flow to bring problems to surface</i></b>	
<ul style="list-style-type: none"> <li>- redesigning work processes to achieve high value-added continuous flow. Strive to cut back to zero the amount of time that any work projects is sitting idle or waiting for someone to work on it</li> </ul>	<ul style="list-style-type: none"> <li>-Continuous flow is that it features stability, continuity, balance, and doesn't waste time. This attributes can be use in promoting hotel business</li> </ul>
<ul style="list-style-type: none"> <li>- create flow to move material and information fast as well as to link processes and people together so that the problems surface right away</li> </ul>	<ul style="list-style-type: none"> <li>-solve problems immediately and increase client satisfaction because they surface right away</li> </ul>
<ul style="list-style-type: none"> <li>- make flow evident throughout your organizational culture. It is the key to a true continuous improvement processes and to developing people</li> </ul>	<ul style="list-style-type: none"> <li>-solve the customer's problem completely by ensuring that all the goods and services work, and work together</li> <li>-involve all employees in continuous process flow even if sometimes this means multi-function worker</li> </ul>
<b><i>Use "pull" systems to avoid overproduction</i></b>	
<ul style="list-style-type: none"> <li>- provide your down line customers in the production process with what they want, when they want it, and in the amount they want. Material replenishment initiated by consumption is the basic principle of just-in-time</li> </ul>	<ul style="list-style-type: none"> <li>- use of pull strategy make customers use the brand as part of their purchase decision</li> <li>- differentiate hotel products and services based on emotional feelings.</li> <li>- encourage customer demand through things like advertising and promotions, such as free samples, coupons and competitions,</li> <li>- provide what's wanted where it's wanted exactly when it's wanted.</li> </ul>
<b><i>Level out the workload (Keijunka) (Work like the tortoise, not the hare)</i></b>	
<ul style="list-style-type: none"> <li>- eliminating waste is just one third of the equation for making lean successful. Eliminating overburden to people and equipment and eliminating unevenness in the production schedule are just as important-yet generally not understood at companies attempting to implement lean principles.</li> </ul>	<ul style="list-style-type: none"> <li>▪ maintain optimal effort from employees whether demand goes up or down (peak-season/ low-season, week days/ week-end days).</li> <li>▪ create special offers for different days/ months of the year</li> </ul>
<ul style="list-style-type: none"> <li>- work to level out the work load of all manufacturing and services processes as an alternative to the stop/start approach of working on projects in batches that is typical at most companies</li> </ul>	

<b><i>Build a culture of stopping to fix problems, to get quality right the first time</i></b>	
- Quality for the customers drives your value proposition	- create a culture of fixing problems: detected right away as they occur, and immediately rectified. It can reduce the incidence of customer complaints
- use all the modern quality assurance methods available	
- build into your equipment the capability of detecting problems and stopping itself. Develop a visual system to alert team or project leaders that a machine or process needs assistance. Jidoka (machine with human intelligence) is the foundation of “building in” quality	
<b><i>Standardized tasks are the foundation for continuous improvement and employee empowerment</i></b>	
- use stable, repeatable methods everywhere to maintain the predictability, regular timing, and regular output of your processes. It is the foundation for flow and pull	<ul style="list-style-type: none"> <li>▪ By standardizing the process will become more predictable and poor quality services will be less probable to appear</li> <li>▪ continuously innovate</li> </ul>
- capture the accumulated learning about a process up to a point of time by standardizing today’s best practices. Allow creative and individual expression to improve upon the standard; then incorporate it into the new standard so that when a person moves on you can hand off the learning to the next person	
<b><i>Use visual control so no problems are hidden</i></b>	
- use simple visual indicators to help people determine immediately whether they are in standard condition or deviating from it	-Visual controls designed to quickly communicate information to people, indicating whether a condition is acceptable/not acceptable and, equally as quickly, provide some direction of action on behalf of people, will increase the reaction speed of each hotel employee. The problem will be quickly solved and the client won’t suffer from the incident.
- design simple visual system at the place where work is done, to support flow and pull	
<b><i>Use only reliable, thoroughly tested technology to serve your people and processes</i></b>	
- use technology to support people, not to replace people. Often it is best to work out a process manually before adding technology to support the process	<ul style="list-style-type: none"> <li>▪ technology gives hotel owners the tools to most effectively serve guests and increase revenue</li> <li>▪ improved customer service (online reservation system, computerized front desk technology, in-room technology, data security and privacy)</li> <li>▪ efficient internal operations and control over financial data</li> </ul>
- The technology is often unreliable and difficult to standardize and therefore endangers “flow”. A proven process that works generally takes precedence over new and untested technology	

- conduct actual tests before adopting new technology in business processes, manufacturing systems, or products	
- reject or modify technologies that conflict with your culture or that might disrupt stability, reliability and predictability	
- encourage your people to consider new technologies when looking into new approaches to work	

Table 1. *Uses of Toyota Way process principles from hotel marketing point of view*,  
Source: Developed by author

Yukai Resort in the famous Gero Onsen Hot spring area of Japan is part of a traditional Japanese hotel chain which performs lean hotel operations in order to offer great value to their customers, reduce cost and remain competitive in the fierce hospitality industry.

The standard hotel rate in the Gero Onsen Hot spring area is 15,000 yen or approximately US \$180.00 per person/per night which includes dinner, breakfast and entrance to the hot spring. At Yukai Resort, the price for the same offering is 7,500 yen (US \$91.00) - every day of the year; regardless of high/low season.

The secret of this Japanese resort is Lean management and the multi-function worker. Put simply, all resort duties are shared by all personnel. This has allowed the resort to operate with minimal staff and reduce costs overall while maintaining high quality.

For instance: The receptionists, in their free time will go to areas needing assistance; perhaps the kitchen or laundry. Dinner and breakfast are buffet style, which reduces staffing requirements.

Staff is also active in lean management or lean kaizen efforts. The manager leads Kaizen circles weekly and monthly.

Employee engagement is the key. This style of operation is extremely advantageous to both management and personnel. Cost minimization is an obvious benefit. For staff, this system allows them to gain experience in all aspects of hotel operations and gives them an opportunity to have direct input in improvement activities. It's not only empowering and motivating but also excellent in terms of career development. (<http://www.process-improvement-japan.com/index.html>)

## 5. Conclusion

Organic growth in a hotel business can occur by chance and can be attained by luck—but not on a sustainable basis. Processes enable sustainable performance. Processes serve as the road map that defines not only the direction in which to

travel, but also the specific path, such that outcomes are repeatable and predictable. If you want to increase the probability of continued, measurable growth, value-adding tasks must be well-planned, and that, of course, requires strategic thinking and action.

The relationship between the continuous quality improvement processes and the marketing process is one that goes in both directions. That is, the marketing process impacts the process of continuous quality improvement and the continuous quality improvement process impacts the marketing process. In the process of marketing, hotels find out what their customers want, what the customers like about the product/ service as it currently is, what the customers would like to see changed. Both of these things are important pieces of information for the people who are in charge of continuous quality improvement. One thing that they need to consider is the ways in which their hotel is or is not satisfying customers. They will want to try to make sure to correct the problems that are reported to them by the marketing people.

At the same time, the marketing people need to learn from the people who are doing continuous quality improvement. The marketing people need to know what improvements are being made to the product. When they find out how the product is being improved, they can market that to the customers. They can make the customers aware of the ways in which the product is being improved. This will hopefully attract more customers.

Thus, the process of continuous quality improvement and the process of marketing have a two-way relationship in which each helps the other.

The integration of continuously improving processes into an organization provides marketing with a unique opportunity and a challenge to change its traditional role within the organization. No longer just a vehicle for corporate communications, and not only a repository for customer information, the role of marketing can evolve to capture the voice of the market, interpret that voice and use that information. Each organization's competitive value proposition is an important asset to actively manage organic growth. The PDCA, Six Sigma and Lean principles provides the toolkit for process improvements. It is up to marketing to drive those process improvements toward value enhancements leading to increased market share and profitability.

## 6. References

- Atkinson, T. 2007. *One Size doesn't Fit All: The Distinct Leadership Capabilities for Organic, Alliance, and M&A Growth*. FORUM Transforming performance.
- Berg, J. 2011. *Three Growth Models*. Estin & Co.

- Bowie, D., and F. Buttle. 2004. *Hospitality Marketing. An introduction*. Elsevier Butterworth-Heinemann.
- Creveling, C. M., L. Hambleton, and B. McCarthy. 2006. *Six Sigma for Marketing Processes. An Overview for Marketing Executives, Leaders, and Managers*. Prentice Hall, Boston, United States of America.
- Drljaca, M. 2012. "Methodology of business process development in a hotel." In Proceedings of First International Conference *Creating customer value in Tourism and Hospitality Industry*, p. 752-763.
- Epuran, G., L. Dovleac, I.S. Ivasciuc, and B. Tescaşiu. 2015. "Sustainability and Organic Growth Marketing: an Exploratory Approach on Valorisation of Durable Development Principles in Tourism." *Amfiteatru Economic*, 17(40) : 927-937.
- Gidey, E., K. Jilcha, B. Beshah, and D. Kitaw. "The Plan-Do-Check-Act Cycle of Value Addition", *Industrial Engineering & Management, OMICS Publishing Group*, available online at <http://dx.doi.org/10.4172/2169-0316.1000124>
- Hess, E. D. 2010. *Building an enduring business by managing the risks of growth*. Columbia Business School Publishing.
- Hess, E.D., and R.K. Kazanjian. 2006. *The search for organic growth*. Cambridge University Press.
- ISO 8402:1994 norm. Quality management and quality assurance
- Ivasciuc, I.S. 2014. "Organic Growth Marketing Strategies in Hospitality Industry", *International Journal of Economic Practices and Theories*, Vol. 4, No. 5, 2014, Special issue on Marketing and Business Development, e-ISSN 2247-7225.
- Lancaster, J. M. 2011. *Lean and Six Sigma in Hospitality Organizations: Benefits, Challenges, and Implementation*. Las Vegas: University of Nevada.
- Lee, S. M., D.L., Olson, S. Lee, T. Hwang, and M.S. Shin. 2008. "Entrepreneurial applications of the lean approach to service industries". *Service Industries Journal*, 28(7), 973-987. doi:10.1080/02642060701846853
- Liker, J. K. 2004. *The Toyota Way-14 management principles from the world's greatest manufacturer*. USA: McGraw-Hill.
- Patterson, L. 2014. *Applying Six Sigma to Marketing to Grow Revenue*. Available at: <http://www.refresher.com/alrpsixsigma.html>. Accessed on 18<sup>th</sup> of November 2014.
- Silverstein, D., P. Samuel, and N. DeCarlo, N. 2008. *The innovator's toolkit, 50+ techniques for predictable and sustainable organic growth*. Business Plus [www.businessdictionary.com](http://www.businessdictionary.com). Accessed on 11<sup>th</sup> of September 2015
- [www.oxforddictionaries.com](http://www.oxforddictionaries.com). Accessed on 11<sup>th</sup> of September 2015
- [www.process-improvement-japan.com/index.html](http://www.process-improvement-japan.com/index.html). Accessed on 21<sup>st</sup> of September 2015
- [www.starwoodhotels.com](http://www.starwoodhotels.com). Accessed on 21<sup>st</sup>