COMPANY IMAGE MANAGEMENT

Stanisław Urban

Wrocław University of Economics, Faculty of Engineering and Economics, Wrocław, Poland

Corresponding author:
Stanisław Urban
Wrocław University of Economics
Faculty of Engineering and Economics
Komandorska 118/120, 53-345 Wrocław, Poland
phone: +48 71 3680508
e-mail: stanislaw.urban@ue.wroc.pl

Received: 28 June 2010
Accepted: 3 September 2010

Abstract
In the market economy, the company image is of particular importance. It can be shaped intentionally through marketing activities. This paper presents an example of a big hotel and catering company, which competently makes practical use of company image management. The management board of the company regularly conducts questionnaire surveys among the guests of the hotel and uses the results of these surveys for purposes of company image management. Image management brings measurable effects because it strengthens competitiveness of the company.

Keywords
company image, image management, company competitiveness, questionnaire survey.

Introduction

In practical marketing management, more and more attention is paid to the problem of company image. In many cases, the company image becomes the most important marketing instrument. Hence, it is very important to skillfully develop and build the company image.

This paper presents the theory of the company image based on the literature. The significance of the image was presented on the example of a hotel and catering company. In this study, there were used questionnaire surveys concerning the problem of the company image, conducted among the customers of the hotel.

The concept of image and its creation

Colloquially, an image means a portrait, a picture, or a likeness. According to psychologists, it is a reflection of the elements of the reality observed earlier, which is done in the consciousness [1]. It is not a true copy of an imagined object and, considering the fact that the perception process is both of subjective and objective nature, the image can be freely shaped. By providing an individual with selected pieces of information and impressions concerning a specific object, it is possible to influence the image being created by this individual so that it determines the behaviour of the individual in relation to this object [2].

In the management theory, the significance of the image is associated with the transfer of contents. If a company is a sender of information, its receiver is a widely understood environment and the purpose is to create a positive image of the sender – this process leads to creation of the company image and the state obtained in this way is the company image [3].

In terms of marketing, an image is closely connected with one of the main marketing instruments – promotion. It is often said that creation of the company image is a result of public relations activities. This view is presented by Ph. Kotler [4].

The image of a company is its image among the people, who are in contact with it, i.e. customers, controllers, clerks, employees and others. The image is what people think about the company.

The identity of a company has a different meaning than the image. The identity of a company is the sum of the elements, which identify the company
and distinguish it from other companies. The identity is something objective because it is composed of various elements, which identify an organization, e.g. a trademark, company colours, standards of behaviour, etc. So, the identity is a set of specific stimuli, while the image is a manner, in which they are perceived [5].

On the one hand, a company creates its identity in order to shape its image in the environment, and on the other hand, such activities are adjusted as a result of the influence of other factors, which causes that different images are formed in individual recipients [4].

The factors affecting the company image

Creating a positive company image is one of the main goals of public relations. The achievement of this goal is the reason why certain companies, while having a similar offer of products or services, are perceived much better than others, and thus they stand out above the competition, while other companies remain unnoticed. A proper image has a favourable influence on the quality of relations with the closer and wider environment, contributing to the growth of confidence in a company. From the marketing point of view, it gives the possibility of positioning the products, allows diversify them, and is conducive to their individualization and, at the same time, it is a factor reducing the risk when making purchase decisions [3].

The image is modified along with a change in opinions and likings, and hence it is not a static and durable concept. Many factors determine the manner of perceiving an organization and the judgments made by the environment. An ethical attitude of a company and its technical and economic competences can be given as examples. The public opinion leaders and social organizations also have a considerable influence on the image.

Sometimes, the rumours heard (from acquaintances or mass media) and own experience resulting from contacts with a given company and its employees are the decisive factors. The standard of customer service and elements such as a logo, company colours, location, architecture, and interior decorations in the company’s premises are also important.

Companies are usually evaluated through the prism of their products and services (their quality, prices, etc.) as well as the promotion being conducted (e.g. advertising).

The company image also depends on the current economic situation.

The entire image of a company consists of the following components [6]:
- image among employees,
- market image,
- image existing in the public opinion.

The image should be built in a continuous manner, with the use of all available means of communication. A message must be expressed by symbols, printed and audiovisual media, atmosphere and events [4].

The quality of the company image, which is created by the current and prospect customers and important groups from the environment, is decisive for the value of the image.

In turn, this quality determines their behaviour in relation to the company. The quality of the company image can be gradated: from the awareness of its existence, through perception of good quality of activities of a company and its reliability, broad positive associations, to different degrees of loyalty.

The first stage in creating the image of a company is to obtain the awareness of its existence. This means the ability of individual people to recognize the name or symbol of the company and to associate it with a specific kind of activity or a specific market offer. The influence of the recognizability of a company on its value is unquestionable. In the group of customers, the knowledge of a form is sometimes an incentive for making a purchase, and if such a decision is recognized as a right one, this is the first stage on the way to loyalty. The opportunities that can be used by a company when conducting advertising campaigns, public relations, or active approach to image management have an influence on the importance of the awareness of company existence.

The awareness of company existence is an important foothold for other relations or associations, for example when promoting specific services or taking lobbying actions [3].

Another factor affecting the value of the company image is the value of the perceived quality of: services, products, customer service, style or reliability. The value of the perceived quality affects the process of creating the company’s value, which stimulates demand for products or services of the company, allows positioning the brands and obtaining higher prices and greater interest from intermediate links in the sales chain. So it has a direct influence on the level of company’s profits and the possibilities of generating them in the future and, in consequence, on the company’s value [3].

Positive associations connected with the image are also important when creating the image. They provide a basis for reminding of information and
processing it by the entities from the company's environment.

The most important factor affecting the image of a company is the loyalty of its recipients. Loyalty is an inclination of a specific entity or person to maintain commercial relationships with a given company – it is a strategic asset of a company deciding about its value. Marketing activity of a company has an influence on obtaining a specific degree of loyalty in relation to the company. This influence is gradated and hence the influence on the awareness of company's existence should be considered first, mainly through advertising activities and public relations, and then - the influence on the perceived quality and reliability of such association.

Company image management is understood as shaping an opinion about a company and its offer, i.e. products and services, in an intentional manner.

**Questionnaire surveys concerning the company image**

The quality of services has a significant influence on the company image. In order to improve the quality of hotel and catering services, it is worth monitoring and evaluating the customer satisfaction level in a systematic way. So, the information on satisfaction of the guests with the services offered to them should be collected and analysed. High customer satisfaction shapes high customer loyalty. A good way of gaining the information on the company image and its conformity with customer expectations may be a hotel questionnaire, which is usually available in hotel rooms or at a reception desk.

In this case, the measurements were performed with the use of a survey method on the basis of the prepared questionnaire, which was earlier submitted to pilot studies. The surveys were carried out in a big hotel and catering company, located in a town being the seat of the district administration, which at the same time is an important power industry centre.

The purpose of the survey was to verify the customer preferences as to the services provided by the hotel and catering facility and to study the influence of the hotel image and service quality on the choices made by the customers. The surveys were performed in 2008 on a group of respondents selected in a non-random manner. The surveys covered the hotel guests, who enjoyed the services of the hotel in the summer season. The respondents participating in the survey stayed in the hotel for at least one night. Considering the profile of the hotel activity, which focuses on professional organization of conferences, training courses and symposiums, the holiday period is treated as a low season.

The method of non-random selection of the respondent sample was used. The sample was differentiated, to a high degree, as to gender, age and education of respondents. The number of respondents was 120. The questionnaires were anonymous and included 13 questions. The answers to these questions are presented below.

A substantial part of the guests (82.5%) staying at the hotel during the survey came there for business purposes. Only 17.5% of the guests stayed at the hotel privately. In the training season (October-May), the percentage of people staying in the hotel for business purposes may be even higher.

In answer to the question “Did you like the meals prepared in our restaurant?” 94.2% of the respondents assessed it as very good, while 57.5% – as good. 4.2% of the respondents assessed it as poor, and 7.5% had no opinion on this issue. In other words, the service in our hotel was assessed very positively.

In answer to the question: “Were the furnishings of the conference rooms met your standards?”, 85.8% of the respondents stated that the furnishings of the conference rooms met their standards. 11.7% of the respondents were of different opinion. The respondents suggested that there was a lack of air-conditioning. Hot summer produced the need of staying in air-conditioned rooms. It should be noticed that the conference rooms in the examined hotel are air-conditioned, however, it might happen that the air-conditioning was not turned on or some people regarded it as insufficient.

In answer to the question: “How do you assess the service in our hotel?” 30.8% of the respondents assessed it as very good, while 57.5% – as good. 4.2% of the respondents assessed it as poor, and 7.5% had no opinion on this issue. In other words, the service was assessed very positively.

In answer to the question: “Did you like the meals prepared in our restaurant?”, 81.7% of the respondents said “Yes”, while 18.3% of them were dissatisfied. However, caution must be taken in this respect, because it is difficult to satisfy each customer in such a sensitive issue as taste.

Question: “Was adequate cleanliness maintained when serving the meals?” 94.2% of the respondents had a positive opinion, while 5.8% expressed a negative opinion. It is difficult to guess the reasons of the negative opinions. Unquestionably, with respect
to the cleanliness, a hotel cannot afford any negligence. This issue is of fundamental significance for a good image of a hotel. So it is an important signal that cannot be ignored, and actions should be taken immediately to eliminate such negligence.

In answer to the question: “How do you assess our waiter service?”, 24.2% of respondents assessed it as very good, 60.0% – as good, and 6.7% – as poor. 9.1% of respondents had no opinion on this issue. So, it is evident that the hotel service is at a high level and it satisfies customers. However, even a little percentage of negative opinions indicates that the waiter service should be further improved.

In answer to the question concerning the assessment of the menu in the hotel’s restaurant, 78.3% of respondents expressed a positive opinion, while 21.7% had a negative opinion. When giving an answer to the aforementioned question, the respondents had the possibility to expand their answers. If the respondents gave a positive opinion about the composition of dishes in the menu of the hotel restaurant, they could express their suggestions as to enriching the menu. The guests suggested that the menu should include more dishes in general, and also proposed to introduce more fish dishes, Mediterranean cuisine, and more vegetable salads. They also noticed a lack of traditional Polish cuisine. In case of negative opinions, there recurred the opinions that the dishes simply taste bad or that a respondent had quite different taste. Some respondents were of the opinion that breakfasts are too meagre.

In answer to the question: “What form of recreation did you use most frequently?”, 15.8% of the respondents mentioned the swimming pool, 10.8% – sauna, 5.8% – gym, 7.5% – tennis courts, 9.2 – other forms of entertainment, while 50.8% of the respondents did not mention any form of recreation.

As it appears from the structure of the answers, the swimming pool was used most willingly, often together with relaxation in the sauna. Besides, the respondents willingly used the gym and tennis courts. As other forms of entertainment, the respondents indicated: water sports, billiards, and the time spent in the nightclub. More than half of the guests did not use any form of entertainment proposed by the hotel. This could be caused by a lack of time. Despite the summer season, the guests participated intensively in conferences and lectures. Hence, they were reluctant to use any active form of recreation.

In answer to the question: “Are you willing to visit our facility again?”, 77.5% of the respondents said “Yes”, while 22.5% of them said “No”. So, a decisive majority of the respondents expressed willingness to visit the hotel again. Such opinions suggest that the hotel earned another loyal customer due to its image.

The respondents were customers of the hotel – 49% women, and 51% men. 59% of the respondents had a higher education, while the others had secondary education. The most of the respondents were young people. 61% of the respondents were at the age of 26–45 years, 11% – at the age of 18–25, and 7% of the respondents were older than 55 years. All the respondents lived in towns, of whom 80% lived in towns with the population over 50 000 residents.

Conclusion

This paper presents a problem of creation of a positive image among customers by a hotel. The hotel has an attractive offer for its guests, especially for business customers interested in organization of conferences and training courses, but it can try to make it even more attractive.

From the results of the conducted surveys concerning consumers’ opinions about the offer and services of the hotel, it is possible to form own opinion about a positive image of the hotel. Customer satisfaction and confidence is the key to company’s success. A satisfied customer is much more valuable than a good advertisement in the press or television. The benefits resulting from the references of regular customers are invaluable. Therefore, all efforts should be used to serve the customers in the best possible way, because bad opinions get around faster than good ones. A satisfied customer is loyal and generally comes back, and even is ready to pay a little more to use services of a reliable company.

If the recreation offer were enriched, the interest of the guest staying at the hotel for business purposes would be aroused. A massage parlour or a café with a library corner would also be a good idea. The personnel having direct contact with guests is also important. Attention should be paid to the fact whether the candidates for employees have a higher education. When selecting the personnel, economic and hotel management educational background should be particularly preferred. Opportunities for the employees to obtain supplementary education should be created. The hotel should also provide financial support to receptionists and waiters for foreign language courses.

Another issue crowning the activities in the scope of image creation is adequate promotion of all achievements worked out by the hotel so far. The hotel should take care to show up often. Inviting the press, radio and TV journalists will surely yield fruits.
The hotel regularly conducts questionnaire surveys, thanks to which the management is controlling the situation on the current basis. Immediate responses to the guests’ comments on the quality of hotel services eliminate deficiencies in company’s operation. On the other hand, positive opinions motivate for further good work. Creation of a positive image and good reputation in the environment brings the company and its employees huge benefits.

The image is not something permanent, it cannot be possessed endlessly, and it requires continuous work and control of the performed activities. It is a dynamic phenomenon, which can change at any moment – as quickly as market and customer’s taste change. Therefore, the company image should be shaped to meet the expectations of service recipients in the best possible way.

References