

# SUMMER 2022 GRADUATION THESIS





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## A BUSINESS PLAN FOR THE VILLA SÔNG SAIGON IN 2023

**The Feasible Solutions With The Purpose Of Attracting More Potential Customers Through Guest's Service Experience.**

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## ABSTRACT

VSS is a beautiful riverside boutique hotel with 23 luxurious rooms and suites in the Thao Dien Ward, Thu Duc City, along the Saigon Riverbank. VSS had a through renovation and upgraded in December 2013 to showcase its distinct charm. As a result, this hotel is considered an "objet d'art" in the heart of a vibrant city. Additionally, inspired by French colonial architecture with natural surroundings. This riverside boutique hotel is a unique blend of originality and romance in its unique way.

A typical hotel's amenities are available at VSS, tastefully decorated rooms with air conditioning, cable TVs, Nespresso machines, and cozy linens. In addition, VSS will also include a complimentary breakfast set menu, WiFi in public areas, parking-lot and more. International and local cuisine is also offered in BSV restaurant, which has an outdoor riverfront LD Bar where patrons can relax and enjoy a variety choice of drinks while taking in views of the Saigon River.

There are some reasons why we sincerely decided to choose VSS for this Thesis:

- ❖ Firstly, we would like to have the opportunity to cooperate with the business owner in order to find out several feasible solutions to VSS which improve their current services and boost the VSS's revenue growth in 2023. In addition, we also have the interests of both sides such as enhancing financial-related interests and becoming a valuable chance for us to bring those theories we studied at school into reality effectively.
- ❖ Futhermore, this is also a brand-new topic as besides Mr. Arif, we are the first pioneer group to research about the development plan for VSS in 2023.
- ❖ Last but not least, our group will focus on creating a stimulus for VSS business which aims to attract the tourist market share of Thao Dien Ward, Thu Duc City, Vietnam.



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## ABBREVIATION

<b>VSS</b>	Villa Sông Saigon
<b>BSV</b>	Bistro Song Vie
<b>HCMC</b>	Hồ Chí Minh City
<b>F&amp;B</b>	Food And Beverage
<b>LT</b>	Lady Triệu
<b>HK</b>	Housekeeping
<b>GM</b>	General Manager
<b>TA</b>	Travel Agency
<b>OTA</b>	Online Travel Agency
<b>SWOT</b>	Strength, Weakness, Opportunity, Threat
<b>ITE</b>	International Tourism Event
<b>FIT</b>	Free Independent Traveller
<b>SUP</b>	Standup Paddle Board
<b>WOM</b>	Word of Mouth
<b>VIP</b>	Very Important Person
<b>IT</b>	Information Technology
<b>FO</b>	Front Office
<b>MGN</b>	Manager



## CHAPTER 1.

### THE OVERVIEW OF THE TOURISM & HOTEL INDUSTRY

#### 1.1. The reality of domestic and international of Hotel & Tourism industry

##### 1.1.1. International Hotel & Tourism reality

To begin with, the positive outcomes have been brought about by the fact several nations have started to operate tourism activities since the second half of last year. According to vietnamplus.vn, Europe is the top region for welcoming people from abroad following the change from the "Zero COVID" policy with a high vaccination rate. The World Tourism Organization (UNWTO) reported that 2020 was the worst year for the global tourism industry, with a 73% decrease in international arrivals. Northeast Asia, Southeast Asia, Oceania, North Africa, and South Asia are the most impacted areas. Global tourism has been rocked by lengthy lockdowns and travel restrictions designed to stop the Covid-19 pandemic from spreading.

In 2021, vaccination rates have risen due to the Covid-19 immunization efforts, and travel restrictions are also gradually being relaxed. As a result, the tourism industry recovered slightly in the year's second half of the year. However, in December 2021, the appearance and spread of the Omicron variant in early December 2021 continued to cause the tourism industry to suffer according to UNWTO.

The Russia-Ukraine conflict, however, immediately caused another shock to the global tourism sector at the start of 2022. The tourism industry, which the pandemic has severely impacted, may be unable to recover due to this conflict. More than 30 nations have halted travel to Russia, and that country has reciprocated. The world's tourism business is still steadily recovering, even if it has not yet reached its pre-pandemic levels, regardless of the challenges that still exist due to the Covid-19 pandemic and the Russia-Ukraine conflict situation.

World Tourism Organization (UNWTO), the international tourist arrivals globally have more than doubled - about 130% in January this year compared to last year. Europe and America are the two regions witnessing the most substantial growth of the "smokeless industry." Although the statistics in January are evidence of the recovery trend of the tourism industry starting in 2021, UNWTO highlights that the recent wave of Covid-19 spread caused by the Omicron



variant inhibited the industry's growth. In January, the number of international tourists was still 67% lower than pre-pandemic levels.

In addition, the Covid-19 Pandemic has had an unprecedented negative impact on the hospitality industry. (According to a report published by the American Hotel and Lodging Association), US hotels lost nearly \$83.7 billion (\$51.2) in room revenue in 2020 (2021) compared to 2019; the number of people losing their jobs in 2020 (2021) is predicted to be close to 630,000 (546,000). In addition, about half of the hotel market, which accounts for 72% of hotel rooms in the US, is still in recession and stagnation. These figures demonstrate that the hotel sector still has a long way to go before it recovers, especially because many hotels are forced to close their doors when occupancy falls to 35 percent or below. In actuality, less than 20% of rooms will be occupied, according to individual hotels and sizable running groups.

Many nations and regions have implemented incentive programs to resurrect the travel and tourism sector. Travel-related businesses also work hard to invent and produce tourism products that may satisfy traveller's needs. A positive signal for a recovery, according to a report published in November 2021 by the World Travel and Tourism Council (WTTC) and the website Trimp.com, about 70% of visitors in developed countries. Such as the US, UK, Canada, and Japan plan to spend more on tourism in 2022 than in the past five years. Although obstacles to the global tourism industry are still piling up, the recent adaptation efforts of countries have brought optimistic signals, which are expected to contribute to "thawing the ice." " helping to restore the world economy to the enormous impacts of the Covid-19 pandemic and other "headwinds."

### **1.1.2. Domestic Tourism & Hotel reality**

The Covid-19 pandemic has affected the entire economy (La et al., 2020). Tourism accommodation is the most affected segment. In 2021, almost all hotels will not have guests, except for some isolation facilities. The average occupancy rate for the whole year is estimated at only 5%. Up to 80% of workers at accommodation establishments have to quit their jobs and change other occupations to earn a living, leading to the risk of a shortage of human resources when the tourism industry recovers. According to baothanhhoa.vn, by the end of 2021, over 35% of businesses have applied for the revocation of their business licenses, leaving only 2,000 companies having foreign travel business licenses nationally, many of which will have to cease



operations temporarily. The tourism industry in Vietnam generates 46% of its revenue from the tourist lodging sector. Still, this sector is forced to close 90% of its hotels and receives almost no visitors outside of those that pickup tourists from a distance. Most of the industry's human resources have lost their employment, and the remaining few are now working part-time or switching to another.

Eight hundred thousand direct employees and 2.5 million workers in the tourism sector have been adversely affected by the Covid-19 pandemic. Of the individuals who lost their jobs, tour guides, staff members, and tour guides were the most brutal hit working in tourist lodging facilities, tourist destinations, travel agencies, transportation companies, cruise ships, and other tourism firms, according to baochinphu.vn website.

Until the first six months of 2022, the total number of international guests to Vietnam reached 413 thousand; domestic guests reached 60.8 million (an increase of 1.9 times compared to the same period in 2021 and an increase of 1.3 times compared to the same period in 2019, the time before the Covid-19 pandemic). The target of welcoming domestic tourists in 2022 has been completed in the first six months of the year. Total revenue from tourists reached 265 trillion VND.

Figure 1-1. International visitors to Vietnam in 6 months 2022



(Source: General Statistics Office)

An optimistic signal that international visitors to Vietnam are on the rise is encouraging. According to the General Statistics Office, Vietnam received 172,900 foreign tourists in May, jumping 70.6 percent from the previous month and 12.8 times more than during the same time



last year. Generally, in the first six months of 2022, international visitors to our country reached 602.000 arrivals, 6.8 times higher than the same period last year but still down 92.9% compared to the same period in 2019 - the year there was no pandemic of Covid-19.

According to data from an economy.vn, in terms of search volume for accommodation in Vietnam, the increase from the beginning of April 2022 to the middle of May 2022 has increased more than four times. Specifically, as of April 1, 2022, the search volume increased by 103% compared to the same period in 2021, and by mid-May reached an increase of 450% and continued to remain at a high level. The impressive source of returning visitors greatly supports the recovery of tourism businesses after the pandemic. Although petrol prices influence service prices, the demand is vital, so customers can still absorb them during the peak season. This year's new trend is that tourists choose independent trips rather than using intermediaries like travel agencies, but revenue from direct suppliers certainly increases. In particular, according to the latest report of the World Economic Forum, the development capacity index of Vietnam's Tourism Industry in 2021 ranked 52nd, up eight places compared to 2019, among the three countries with the highest level of tourism improvement in the world. Vietnam was nominated in 61 categories at the World Travel Awards.

Additionally, after a time of rapid and coordinated deployment of pandemic prevention strategies, safe and adaptable adaptation, and efficient control of the Covid-19 outbreak in Vietnam, the epidemic prevention and control has brought about several advantages. Favorable outcomes Since March 15, 2022, fewer new cases have been reported nationwide. There have also been less severe disease transmissions and deaths linked to Covid-19, and many people have received the Covid-19 vaccine. In light of this, a study from the Ministry of Health specifies that beginning on April 27, 2022, travellers entering Vietnam will no longer need to declare any medical conditions. On May 15, 2022, the Ministry of Health released Official Letter 1265/ BYT-DP about preventing and controlling Covid-19 for visitors. As a result, no isolation or repeat testing is required for foreign tourists entering Vietnam.

Forecasting the resilience of the hotel industry in Vietnam in 2022, Ms. Vo Thi Khanh Trang, deputy director of Savills Vietnam Research, said: "The post-pandemic outlook for the hotel industry remains promising. Additionally, with the participation of famous international



operating brands. Ho Chi Minh City will add 2,500 more hotel rooms by the end of 2023, with well-known hotel chains including Fusion, Hilton, and InterContinental providing 70% of them.

## **1.2. The reality in Thao Dien Ward, Thu Duc City**

Thao Dien Ward - known as the Western Quarter in Thu Duc City (District 2) - is where many European and American business people came to work and settled in Vietnam for a long time. It may be argued that most foreign residents here are primarily high-income people from the upper class. Most foreigners choose Thao Dien Ward as their place to live, because they are attracted by the beauty of the green garden villas, quiet and private residence area. In particular, foreigners who wish to settle in Vietnam that frequently move to expat communities and stay there for an long-time period since they can establish lasting relationships with their neighbours from there. Due to the similarities in culture and customs, people may more easily understand and empathize with them and share interests, opinions, and habits.

In the Thao Dien Ward, it can be seen that the environmental space and utility are also their community cohesion of the expatriates. Anyone who also wants to come there because of the lush, tree-lined avenues, up-scale stores serving to tourists, and homes with expansive gardens and swimming pools on Xuan Thuy, Le Van Mien, and Nguyen Van Huong, also take pleasure in the natural surroundings and fresh living space by the Saigon River.

In order to suit the locals' demands, Thao Dien Ward also offers a ton of international schools, sports teams, and leisure activities. Foreigners visiting Thao Dien can enjoy all of their favourite cuisines there and a wide range of international culinary traditions. Additionally, this location boasts complete amenities, light-filled, roomy living quarters, and to allow kids to play and engage in more outdoor activities.

To conclude, with the assurance of an ideal place, the entire Thao Dien stays apart from the busy in city center, it takes about 10 minutes by car to District 1. Foreigners who work in Vietnam may be interested in this place. Regarding space and quality of life, Thao Dien is the first choice for most foreign visitors, experts, and businesspeople. Furthermore, it would be impossible to ignore the future potential of having this people as a guest for VSS.





## CHAPTER 2.

# ANALYSIS & EVALUATION OF VILLA SÔNG SAIGON'S BUSINESS OPERATION

### 2.1. Introduction

To begin with, VSS located at 197/2 Nguyen Van Huong, Thao Dien Ward, Thu Duc City and next to the left of the serene Saigon River. The boutique hotel pursues an artistic luxury concept – there could never be two rooms are the same among the unique 23 rooms and suites. Highly honored by the world, it has its name mentioned as one of the best boutique hotels in HCMC, Vietnam.

VSS focuses and offers spotless, luxury and convenient accommodations for all segments of guests, from families to couples and even business people. Apart from rooms, the additional services covered including the BSV restaurant, conference halls, the gym, pools, recreation activities by the riverside and others tours are also covered.

The villa is wrapped with greenery and a tranquil river. Having observed the gradual growth in plans of condominiums and high-end real-estates yet there had been no high-tier hotel, the owner saw a potential of great success for a unit that offers resort & accommodation service as VSS in the center of a vibrant and luxury urban area.

VSS underwent quite a lot of major eras of transformation. In 2007, the establishment was a spa with the Japanese concept. In 2008, it was operated as a hotel under the legal entity of Thao Dien Village. From November 2011, VSS was separated from Thao Dien Village and took to stop for renovation. The official grand opening took place in December 2013, after a huge upgrade from 13 to 23 rooms to showcase and capture the graceful beauty that was once under oblivion for a long time. As VSS's slogan goes: "A Timeless River Sanctuary".

**Vision:** A top company to lead and develop the personnel effectively.

**Mission:** Creating a wonderful and long-lasting experience in domains of real estate and tourism in our region as well as worldwide.

**The Core Values of VSS include:**



- Caring: Care about our colleagues and serve them dearly
- Innovative: Creativity in every situation, challenge as well as opportunity
- Professional: Professionalism with Style
- Humble: Stay humble towards our achievements
- Truthful: Integrity in every path we took

**The line of investors include:**

- Landowner: Vietnamese
- Investors: Villa Song Saigon Company
- Owner: Singaporean
- In charge of Management: Mr. Arif – General Manager

Up to now, VSS's General Manager as well as the In-charge of Operation is Mr. Arif Gunawan. As a professional in Tourism & Luxury Hotel Management with 25 years of experience, Mr. Arif received the best education and training from Indonesia, France, Australia and the USA – he is fluent in 5 different languages, besides passive Vietnamese. Apart from this, he has a Ph.D in Philosophy, a MBA in Business Administration and a MBA in Business Law. Mr. Arif is recognized as an accomplished business strategist and a multi-functional expert with extraordinary skill of inspiring and leading. He is also skilled in different aspects of project development and operational administration, as he was in charge of the greatest position for some of the best luxury chains and collections of hotels worldwide.

In general, VSS consists of areas listed below:

- The main building has 23 guest rooms, covering all viewpoints including river view, lake view, garden view.
- The indoor and outdoor areas of restaurant & bar outlets
- The swimming pool: 30m long
- The gym area
- The coffee shop at Nguyen Van Huong street
- The outdoor parking lot for guests



Under the concept of French Colonial Design and inspired by the environment around, the designers aspired to create a classical and sophisticated building yet still embraces the beauty of nature. Some of the design’s highlights include its perfect symmetry, the brilliant steepness of each roof, the great numbers of doors and windows, and a tall double door leading to the outdoor area for every room.

Regarding the rooms, each of them is a true work of art, from the settings to color combinations, from the surface area to facility and concepts that discern itself from one another. Each room is a unique collection of artworks.

**2.2. VSS Services (define USPs: Unique Selling Points – 7 in One)**

*Table 2-1. Unique Selling Points at VSS*

Unique Selling Point	Rooms	Restaurant	Event Venue	Meeting Rooms	River boat tours	Sport & Recreation	Hotel Master class
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*(Source: Group author’s design)*

**2.2.1. Rooms**

With two tiers of rooms, including rooms and suites, the stay would be convenient for each segment of guests – single guest, couples or families. Apart from it, there are 03 selections of connecting rooms for families or 02 couples. Upon requests, Villa Suite could be booked alongside with Sanctuary Room (Room 207) that are connected through the shared balcony. VSS offers a full range of views to provide its guests with a broad selection of accommodation experience: Garden view, Pool view and River view. According to the statistics from guests’ survey, the River view rooms were reported to be the most sought-after over the years.

The list below is VSS’s room types, accompanied with several benefits:



Table 2-2. Types of rooms at VSS

	Writer's Room	Villa Room	Sanctuary Room	Sanctuary River Room	Art Suite	Villa Suite	Sanctuary Suite	Imperial Suite
Category	Single bedroom for solo traveller	Cozy and comfortable room for 2 people	Peaceful room with balcony for 2 people	Peaceful room with no balcony for 2-3 people	Doomed rood parlour with river view	Blissful luxury room with balcony	Romantic & classic room with balcony	Largest & the most luxurious room in VSS
Surface Area	21 to 30 sqm	26 to 41 sqm	32 to 48 sqm	32 to 48 sqm	61 sqm	71 sqm	75 sqm	105 sqm
View	Garden view room	Garden / Pool view room	Garden / Pool view room	River view	River view	River view	River view	Pool view
Convenience	<ul style="list-style-type: none"> <li>- Each room is equipped with a single bed</li> <li>- TV cable with a LCD screen provided</li> <li>- Free Wifi access</li> </ul>	<ul style="list-style-type: none"> <li>- Each room is equipped with limited quantity of double beds</li> <li>- TV cable with a LCD screen provided</li> <li>- TV cable with a LCD screen provided</li> </ul>	<ul style="list-style-type: none"> <li>- Each room is equipped with a single bed</li> <li>- TV cable with a LCD screen provided</li> <li>- Free Wifi access</li> </ul>	<ul style="list-style-type: none"> <li>- Each room is equipped with limited quantity of double beds</li> <li>- Apple TV with cable &amp; LCD screen provided</li> </ul>	<ul style="list-style-type: none"> <li>- Apple TV with cable &amp; LCD screen provided</li> <li>- Nespresso coffee machine available</li> <li>- Free Wifi access</li> </ul>	<ul style="list-style-type: none"> <li>- Free of charge minibar &amp; a bottle of House Wine once arrived.</li> <li>- Free of charge a la carte breakfast available from 06:00am to 11:30am</li> </ul>	<ul style="list-style-type: none"> <li>- Free of charge minibar &amp; a bottle of House Wine once arrived.</li> <li>- This suite has the largest balcony and bathroom.</li> </ul>	<ul style="list-style-type: none"> <li>- Two different balconies, one overlooks the pool and the other faces Saigon river.</li> <li>- Separated living room</li> </ul>



	<ul style="list-style-type: none"> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>- Free Wifi access</li> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>- Nespresso coffee machine available</li> <li>- Free Wifi access</li> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>	<ul style="list-style-type: none"> <li>- Access to pools, gym and all other conveniences in the hotel.</li> <li>- TV LCD screen 42 inch with access to Apple TV</li> <li>- Nespresso coffee machine available</li> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> <li>- Nespresso coffee machine available</li> <li>- Free Wifi access</li> <li>- Luxurious sanitary kit</li> </ul>	<ul style="list-style-type: none"> <li>- Free of charge a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> <li>- TV LCD screen 42 inch with access to Apple TV</li> <li>- Nespresso coffee machine available</li> <li>- Free Wifi access</li> <li>- Luxurious sanitary kit</li> </ul>	<ul style="list-style-type: none"> <li>- TV LCD screen 42 inch with access to Apple TV</li> <li>- Nespresso coffee machine available</li> <li>- Free of charge minibar &amp; a bottle of House Wine once arrived.</li> <li>- Free of charge minibar; a la carte breakfast available from 06:00am to 11:30am</li> <li>- Access to pools, gym and all other conveniences in the hotel.</li> </ul>
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(Source: Group author's design)



2.2.2. Riverside Restaurant – Bistro Song Vie

BSV is an all-day dining restaurant for all in-house as well as outside guests, with contemporary European and Asian cuisine and prominent selections of wine and spirits. Apart from this, the Lady Trieu Bar serves cocktail menus and signature Vietnamese drinks.

Operation hours:

- Breakfast: 06:00 am - 11:00 am
- Lunch: 11:30 am - 03:00 pm
- Bar Snack: 03:00 pm - 06:00 pm
- Dinner: 06:00 pm - 10:00 pm

Table 2-3. The capacity of BSV Restaurant

Area	Size	Capacity					
		Banquet (round table)	Reception (long table)	Theater	Classroom	Hollow Square	U-shape
½ door	5m x 8m x 2m	42 pax	40 pax	40 pax	32 pax	26 pax	20 pax
Indoor	10m x 7m x 2m	68 pax	80 pax	100 pax	84 pax	52 pax	40 pax
Garden outdoor		120 pax	120 pax				
Riverside outdoor		40 pax	40 pax				

(The Capacity of BSV Restaurant)



*Figure 2-1. The capacity of BSV Restaurant*



*(Source: Group author's design)*

### **2.2.3. Event Venues**

Utilizing the garden area in front of the white mansion, combined with the indoor area of the BSV restaurant to hold an event would be a wonderful choice. With the striking advantage of a private and multi-functional venue, VSS could hold a banquet for weddings, meetings, dinners, birthdays, exhibitions, celebration, etc. Furthermore, bearing the classic romantic French ambiance, VSS is also a sought-after among domestic filmmakers.

*Figure 2-2. VSS's Event Venues*



*(Source: Unique Luxury Boutique Hotel by Saigon River - VSS, 2022)*



### 2.2.4. Meeting Room

Customer segmentations at VSS stem from business guests and professional guests. As a result, a flexible, convenient, and private meeting room is indispensable to meet guests' expectations.

The indoor area of the BSV restaurant is cleverly utilized for meeting and dining functions, adequately equipped with flipcharts, papers & pens, LCD screen and projectors. The boardroom and meeting room with the capacity of 10 people are equipped with TV for presentations.

*Figure 2-3. VSS's Meeting Room*



*(Source: Unique Luxury Boutique Hotel by Saigon River – VSS, 2022)*

### 2.2.5. River Boat Tour

VSS is making the best out of its advantageous geographic characters and a beautiful coastline to hold travelling tours for its guests. Transporting overland has become a pain for most travellers in Vietnam. As a result, travelling through waterways could be a signature and exciting experience.

*Figure 2-4. VSS's River Boat Tour*



*(Source: Unique Luxury Boutique Hotel by Saigon River – VSS, 2022)*





### 2.2.6. Sports & Recreation

VSS offers high quality gym equipment and other conveniences at the gym so that the guests would not miss a single day in their training plan and active lifestyle during their stay with VSS. Aside from the gym, the 30m long swimming pool in a broad garden is covered with a refreshing green, allowing the guests to experience all benefits from such mineral source of water.

Not only offer gyms and pools service, VSS's focus also gravitates to making the most of the advantages out of the riverside to develop distinguished sports & entertaining activities to attract guests. VSS looks to emphasize activities regarding boat tours along the river available for outside guests. The boat tour's safety is strictly guaranteed for the guests, creating a perfect and truly memorable experience.

*Figure 2-5. VSS's Sport & Recreation*



*(Source: Unique Luxury Boutique Hotel by Saigon River - VSS, 2022)*

### 2.2.7. Master Classes

The indoor area of the BSV restaurant is once again utilized to hold drawing sessions for the guests to keep themselves a piece of souvenir. Apart from that, Mr. Arif is a true expert in inspiring every soul for guest who stay in VSS. The Master Classes have been held with intriguing topics such as wine tasting, cooking and drawing class, etc. These things have a vivid impression on the guests that stayed with VSS.



Figure 2-6. VSS’s Master Classes



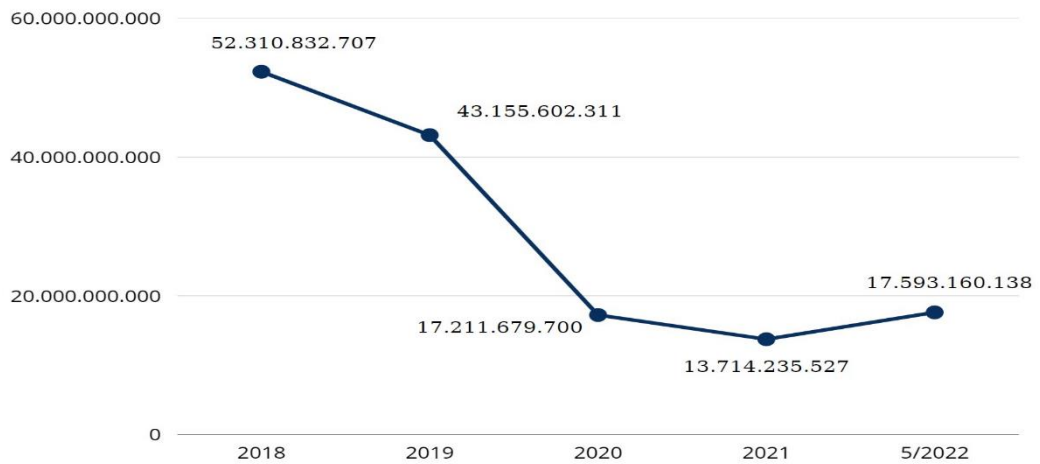
(Source: Unique Luxury Boutique Hotel by Saigon River – VSS, 2022)

### 2.3. The overall business operation status of VSS from 2018 to May 2022

According to the financial statement provided by the VSS, the revenue is generated from 03 business units including Rooms, Restaurant – Bar, and Event – Banquet from 2018 to May 2022.

Figure 2-7. Total Revenue of VSS from 2018 to 05/2022

#### VSS's Total Revenue from 2018 to May 2022(in VND)



(Source: Group author’s design)

It is evident that from 2018 to the end of 2019, the hotel's revenue remained higher than 40 billion VND each year. This number suggests that entertaining activities and accommodation services had not yet undergone the Covid-19 pandemic. During this period, VSS had its name



in the Top 5 best hotels in South East Asia, evaluated by strict criteria of the prominent Condé Nast Readers, voted by customers.

However, in early 2020 when the pandemic burst out worldwide and spread to Vietnam, strict rules regarding international and domestic transportation limitations were imposed. The repercussions on tourism and resort service were conspicuous. Throughout 2020, establishments were to be closed under pressure caused by the pandemic. VSS observed no more than business guests and those with long-term contracts (from 01 to 03 months). The total revenue surpassed 20 billion VND, primarily generated from rooms and the BSV Restaurant.

In 2021, the pandemic situation had not yet witnessed its downfall when new Covid-19 variants were discovered to be even more dangerous. Specifically, from May to October 2021, all activities such as weddings, celebrations, and other events were nearly paralyzed, as none was allowed to take place in some areas heavily affected by the virus such as HCMC. The total revenue was below 14 billion VND.

In early 2022, the pandemic was controlled, the distribution of vaccines worldwide registered a high proportion, and the strict rules regarding transportation were removed; all were prepared to head toward a new everyday life after the pandemic. Due to this, the travelling trends among guests gravitate to the criterion such as physical and mental wellness, which somehow changed the whole tourism industry in general and luxury resorts & hotels in particular. However, it only took five months in 2022 to gain 17 billion VND of total revenue, which surpassed the total of 2020.

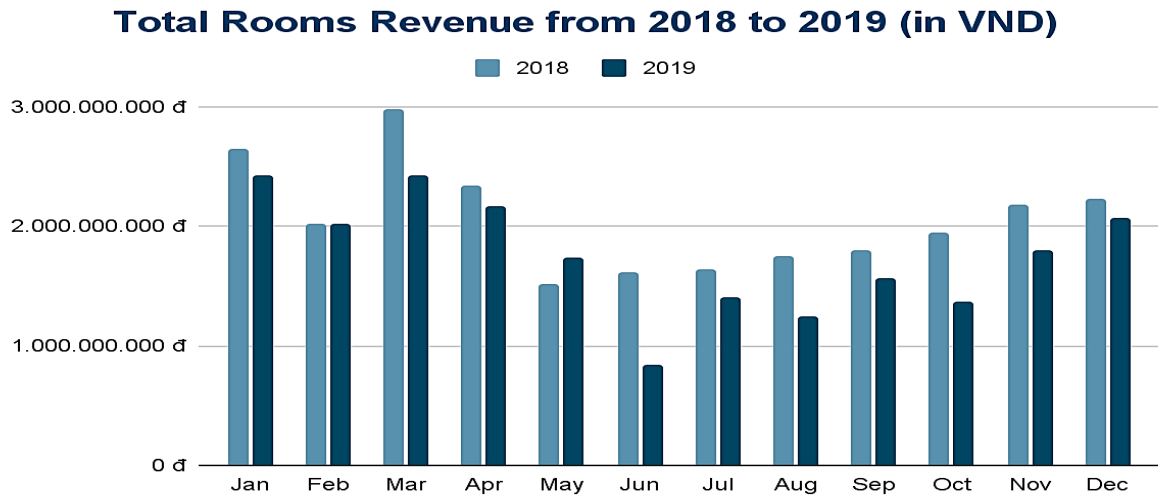
To illustrate each hotel department's business status and revenue, we would look closer at the data provided by VSS in 3 periods: before, during, and after the pandemic.

**2.3.1. The business operation status of VSS before Covid-19 pandemic (2018 - 2019)**

In general, the revenue during this period was 48% generated from room service, while Food & Beverage service accounted for 52%. This could be regarded as the golden era of the Vietnamese tourism industry in general and of VSS in particular.



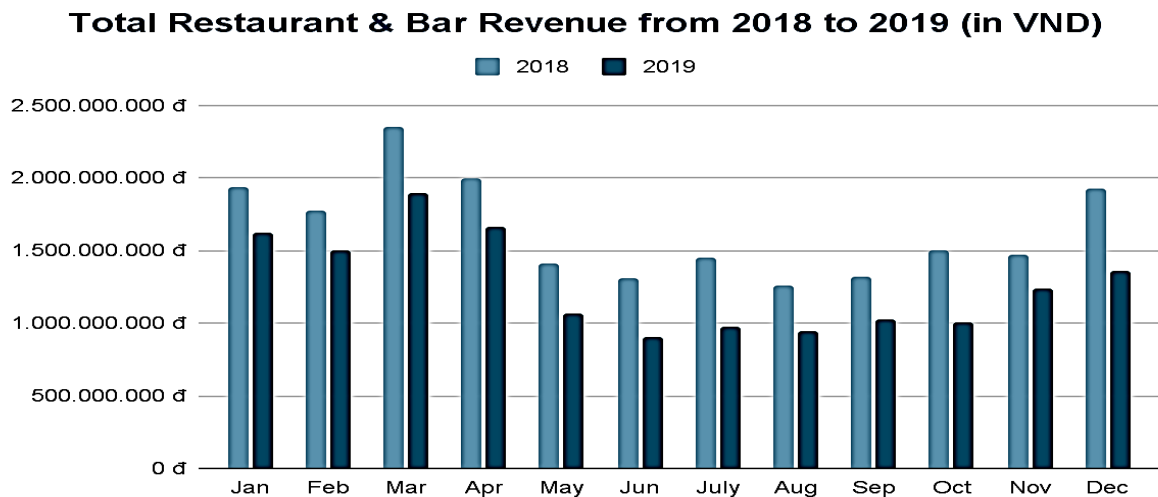
Figure 2-8. VSS's Total Rooms Revenue from 2018 to 2019



(Source: Group author's design)

It can be seen that the room service revenue registered more than 2 billion VND for the months with special holidays, including January, February, March, April, November & December. The remaining months observed no discernable ups and downs, the revenue fluctuated between 1.5 billion to 1.9 billion VND.

Figure 2-9. VSS's Total Restaurant & Bar Revenue from 2018 to 2019



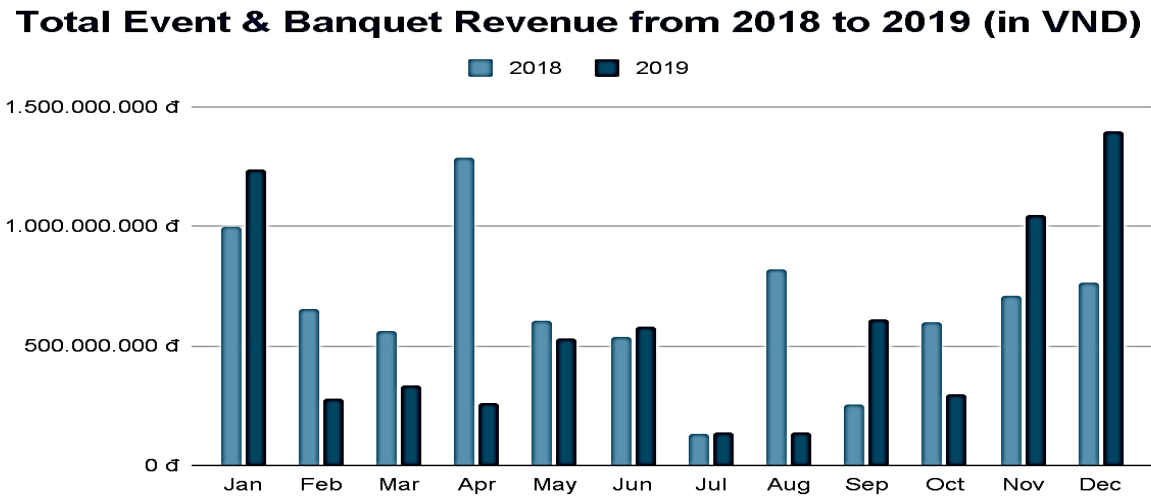
(Source: Group author's design)

The BSV Restaurant and the LT Bar registered a stable amount of revenue, fluctuating from 1.2 billion VND to 1.3 billion VND each month. Outside guests were also welcome to relish the



dining experience with outstanding cuisine and the refreshing outdoor (Alfresco) ambiance by the Saigon riverside. Clearly seen from the statistics, the profit generated from F&B service showed no inferiority compared to room service.

Figure 2-10. VSS’s Total Event & Banquets Revenue from 2018 to 2019



(Source: Group author’s design)

Event & Banquet during this era witnessed a moderately high revenue. To be specific, Event & Banquet is only one of VSS’s business focuses, yet the total revenue was not inferior to any domains – the number fluctuated from 500 million VND to 1 billion VND each month, contributing 15% to the hotel total revenue. During the busy months including February, March, May, August, October, November, and December in 2018, the numbers surpassed 500 million VND. The significant peak was observed in January and April of 1 billion VND. Other months, including May, June and September, registered less than 500 million VND of revenue.

Meanwhile, the year 2019 saw a contrary trend. May, June and September were recorded to be the high seasons with over 500 million VND of revenue. During January, November and December, the demand for resorts and entertaining activities rocketed leading to the major number surpassing 1 billion VND.

From the financial statement above, it could be clearly recognized that the manager team performed extraordinarily well regarding the operation of these departments. The organizing of rooms for check-ins and check-outs was smooth and neat, causing almost no obstructions or missing of guests’ information. The clever way VSS utilized and operated its multi-functional



facilities – for instance, the BSV restaurant could be used as a meeting room or an event venue, in order to diversify VSS’s products and services to offer. The organization of interiors as well as the facilities in guest rooms was made the most out of to meet and even go beyond the guest’s special requests.

The quantity of human resources during this era was 60 general associates; on some high seasons when the demand took a steep rise, the hotel would hire about 10-15 casual associates. Most of the general associates during this period underwent a strict and difficult process of recruitment – they were required to have decent experience and certain skills in their domain. This is the reason behind several compliments from the guests dedicated to the professional and attentive associates.

Nevertheless, the services and special offers during this era received a mere investment, not to mention actually operated. The hotel had their own persuasion as well as a distinguished path of marketing and promotions. The branding of VSS has been positioned luxury and high-end products and services, which means the strategic customers would not come to the hotel for advertisement in any forms or any promotions from the establishments. There should be no surprise in the way VSS seemed to lack new promotions or new services.

Apart from the revenue coming from in-house guests, the sales from outside guests that paid for the service registered a proportion of 65%. The pools and spa are mostly available for in-house guests only, due to the character of serenity and privacy that VSS pursues, which also explains the brand’s negligence to this segment.

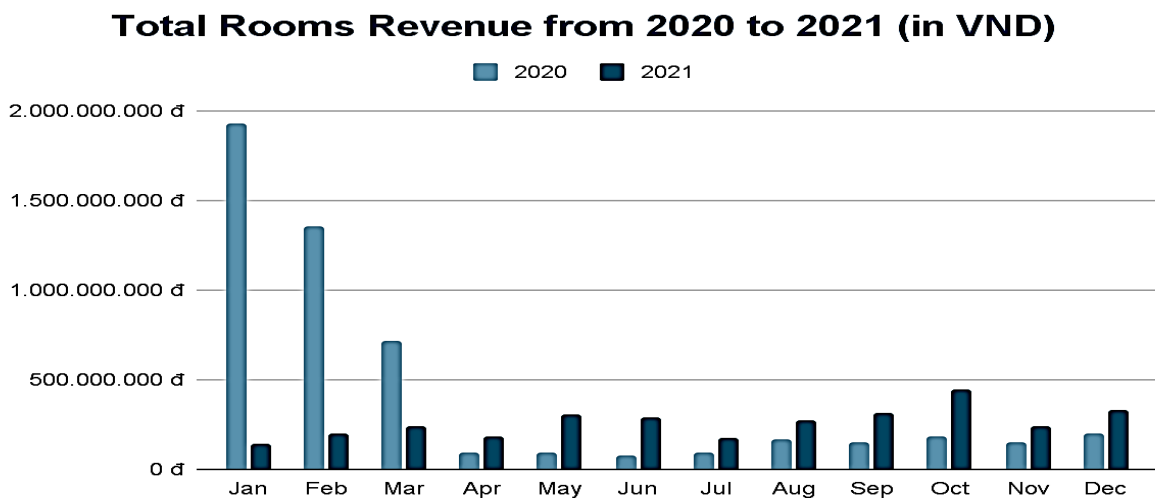
The customer service – guest relations policy has not received adequate attention during this era, due to the humble capacity of 23 guest rooms. VSS customer segments were not diverse or particularly large in quantity compared with other major names with more than 100 rooms. Furthermore, it would take a huge amount of investment in terms of capital and human resources to perfect the guest relation program. Due to these shortcomings, the post-stay customer service only remained at a humble level – if the guest had any problems or dissatisfaction, the associate in charge would offer the solution based on their personal experience and opinion.



### 2.3.2. The business operation status of VSS during Covid-19 pandemic (2020-2021)

During the gloomiest days of the pandemic, most establishments were forced to close under the pressure from the government’s attempt to curb the pandemic, and VSS was no exception – the repercussions on this hotel brand was quite significant. Nevertheless, the hotel was not completely shut down - only some departments of the hotel were closed such as spa and travelling tours. Its focus gravitated to the restaurant operation and some other entertaining activities such as pools serving mostly Thao Dien residents. During this era, the marginal contribution of 20% to the total revenue, while the F&B service accounted for approximately 80%. No matter how difficult the situation was, the effort and performance of VSS could be considered positive – they managed to make the most out of their business regardless of the Covid-19 era.

Figure 2-11. VSS’s Total Rooms Revenue from 2020 to 2021



(Source: Group author’s design)

In general, the revenue registered during these years witnessed a gradual downfall throughout each month. To illustrate, the revenue generated from room service in 2020 was recorded to be higher than that of 2021. The statistic could easily exemplify this point – the first 3 months of 2020 recorded the bottom of 700 million VND each month, while that of July 2021 met the bottom point with merely 160 million VND.

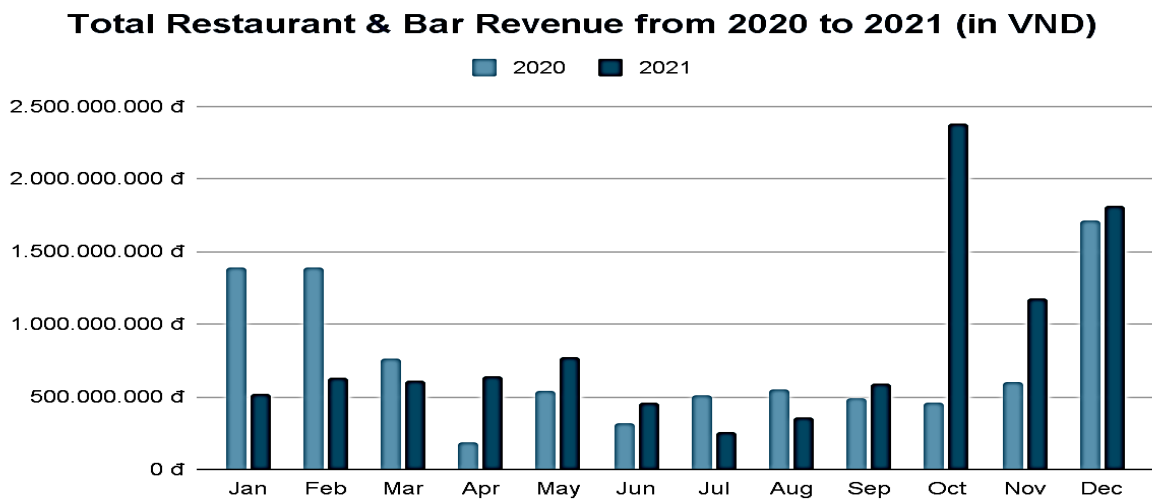
To clarify, the revenue generated from room service reached its peak in January 2020, totaling 2 billion VND. Similarly, room service revenue peaked at 500 million VND during October of



2021. In which, from April to the final month of that year, revenue steadily declined and remained below 200 million VND. Due to the massive ramifications for the tourism industry brought by the Covid-19 pandemic, the amount of domestic and foreign tourists moved, and therefore decreasing overall revenue from room service.

In contrast, the period between May and October of 2021 saw a minor increase in room service revenue. However, this growth is still unstable due to the rampaging Covid-19 pandemic as well as the implementation of Directive 16 on Prevention of the Epidemic across the city. Nevertheless, at the end of the year the business situation is starting to recuperate with the current revenue rising and amassing 500 million VND compared to the same period the previous year.

Figure 2-12. VSS’s Total Restaurant & Bar Revenue from 2020 to 2021



(Source: Group author’s design)

About the BSV restaurant and the bar. In general, while the Covid-19 outbreak is still complicated, F&B service revenue in 2020-2021 saw significant fluctuations. Specifically, revenue reached its highest in October of 2021 and was at its lowest in April 2020.

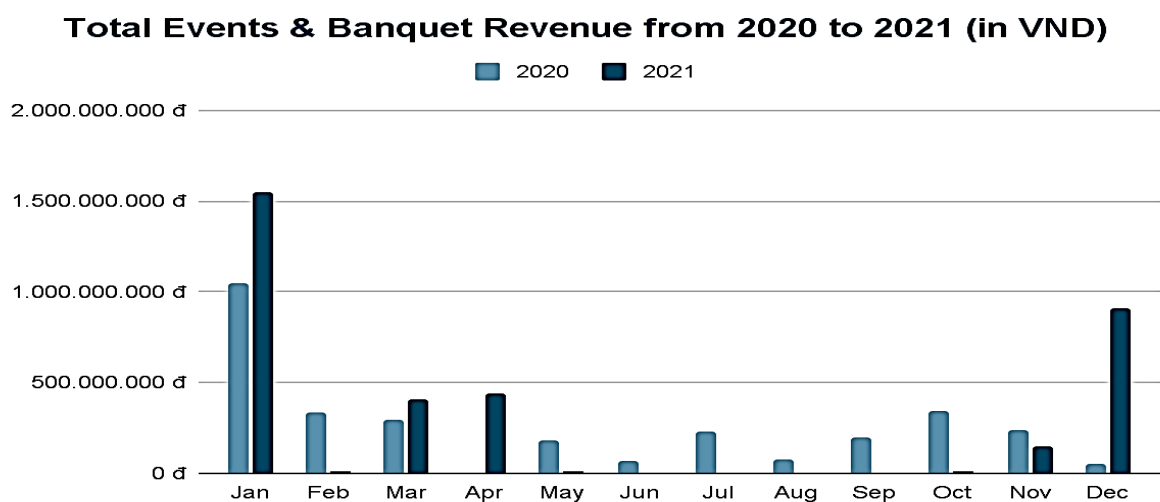
Observations point out that in 2020, the revenue in the first 2 months hovered firmly at about 1.5 billion VND, given that the Covid-19 pandemic has yet to break out, and then plummeted down to 190 million VND in April. Despite this, in the period from May to November, revenue saw slight changes, but remained around the 500 million VND before skyrocketing to 1.7 billion VND thanks to effective containment of the pandemic in Vietnam.





In 2021, from the beginning of January to May, the revenue was maintained at around 800 million VND. However, in the most stressful period when the entire business carries out social distancing, revenue in June, July, August and September crashed, slumping from 250 million to 500 million VND compared to the same period in 2020. In addition, when Vietnam put the Covid-19 vaccines into operation and the pandemic situation is looking favorable, the government resumed some activities, causing F&B revenue in the last 3 months of the year soared, attaining around 2 billion VND, reaching its summit of 2.4 billion VND in October.

*Figure 2-13. VSS's Total Events & Banquet Revenue from 2020 to 2021*



*(Source: Group author's design)*

Regarding Events & Banquet, analyses show that revenue have been tendency to sharply decrease over the months of the year. Additionally, revenue climaxed in January 2021, and this is also the case for January 2020.

In 2020, banquet revenue peaked at over 1 billion VND in early January and suddenly dropped to 300 million VND in the next 2 months, owing to the emergence of Covid-19. When the pandemic becomes more serious, which is the month of April, all VSS revenue goes null. The remaining months of the year saw slight increases of around 200-350 million VND, however these bumps are negligible.

In 2021, revenue peaked at 1.5 billion VND in the opening month of the year before plummeting heavily, attaining only 10 million VND the very next month, only to quickly recover, reaching



about 500 million VND in March and April. However, when the entire city enforced Directive 16 on Social Distancing in the interval from May to October, the hotel generated virtually no revenue. When the pandemic was successfully put under control and the government allowed continuation for various activities, revenue received an enormous boost from 150 million to 950 million VND in the last 2 months of the year compared to the same period last year.

From the table above, we can see the adjustments in the hotel's management and operation resulting in flexibility and adequacy in the trying times of the pandemic to respond well to the 3 main business activities mentioned above. When the number of guests decline, or even without any guests, heavy revenue cuts force the hotel to plan the disposal of unnecessary employees. At this point, the hotel owner had to change strategies immediately to promptly adapt to stressful epidemic situations. Instead of providing services to international guests, they shifted their focus to guests that plan to stay long-term (overseas Vietnamese, people working in Vietnam or coming to Saigon for work-related reasons. Now, young employees are no longer bound by their families and will voluntarily accept living at VSS for a long time, all the while being prioritized for continued work.

In order to adapt to the epidemic, VSS implemented special promotions to attract domestic guests, especially in the Thao Dien Ward, Thu Duc City and HCMC with favorable prices, leading to many positive feedbacks from customers.

*Figure 2-14. VSS's Promtions during Covid-19 pandemic*



*Source: Unique Luxury Boutique Hotel by Saigon River - VSS, 2022*

*Design By GM - Mr. Arif*



Figure 2-15. VSS's Promtions during Covid-19 pandemic



(Source: Unique Luxury Boutique Hotel by Saigon River - VSS, 2022

Design By GM - Mr.Arif)

The number of employees and departments operating in the pandemic period: Due to the effects of the pandemic, the Directive of the government and lack of guests, some staff were laid off and so there were only about 18-20 employees responsible for the operation of the hotel. Employee who are single and even the general manager will have rooms in the hotel arranged for them, not only providing job support but also satisfying the Directive of the government on employee healthcare during seriously the pandemic. All departments have been cut down considerably but every department has at least 1-2 people remaining to take care of the work.

Customer service: Before the Covid-19 pandemic the customer service was not a focal point, but in 2020-2021, more investments have been made in this field. Notably, when the pandemic situation was still complicated, international guests dwindled, and so the VSS gravitated towards domestic and long-term guests such as overseas from Vietnamese, people from Hanoi who came for work-related reasons).

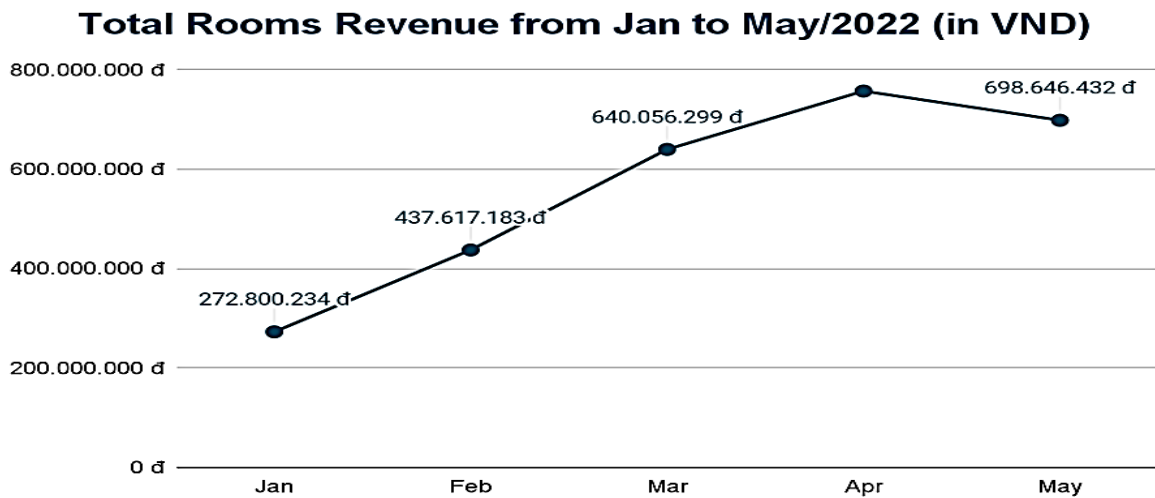
### **2.3.3. The business operation status of VSS after Covid-19 pandemic (from Jan to May 2022)**

In the first 5 months of the year, international flights in and out of Vietnam are still restricted due to government policies such as: providing test results and declaring international movement on the Ministry of Health systems. Such policies influence the thought process and decision making of tourists planning to go to Vietnam in this period. Therefore, revenue from room



service during this period only accounted for 16%, and F&B service accounted for nearly 84% of the total revenue. This is said to be a period of strong post Covid-19 recovery for the hotel's F&B service, when VSS mainly deploys strategies aimed at domestic customers, including people living around Thao Dien Ward.

Figure 2-16. VSS's Total Rooms Revenue from Jan to May 2022

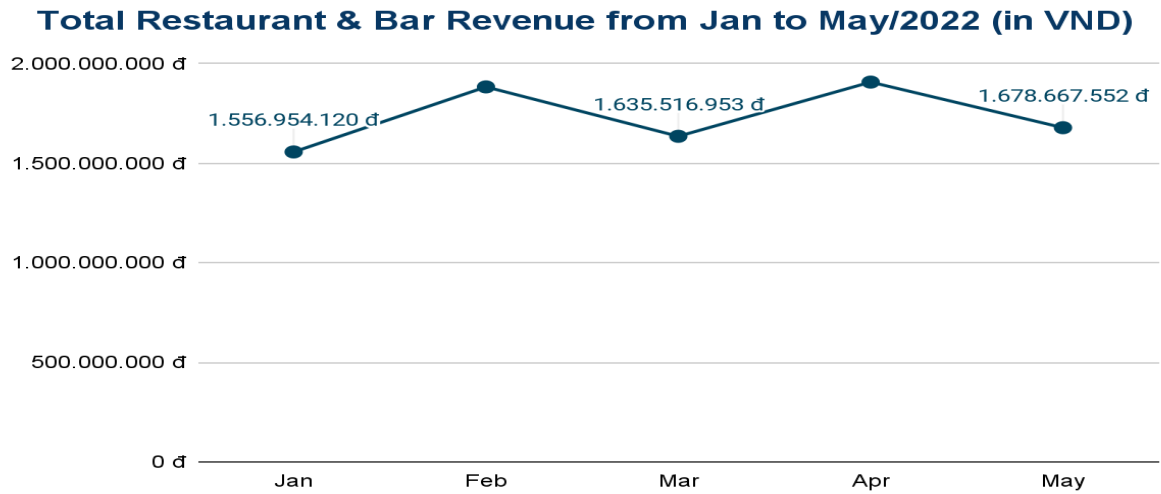


(Source: Group author's design)

When the pandemic was no longer too severe along with the "living with the pandemic" policy, people in HCMC were able to move freely and business establishments in the entertainment, tourism and accommodation industries were also reopened. However, VSS's room occupied cannot reach over 90% because HCMC in particular and Vietnam in general is still not fully open to international visitors, and VSS's guest group is mainly business people or business travelers from foreign countries to Vietnam. From the chart, it can be seen that room revenue tends to rise, ranging from over 200 million VND to nearly 700 million VND per month. These numbers are quite modest when comparing it to the same period in 2018 and 2019 when the pandemic has not yet broken out.



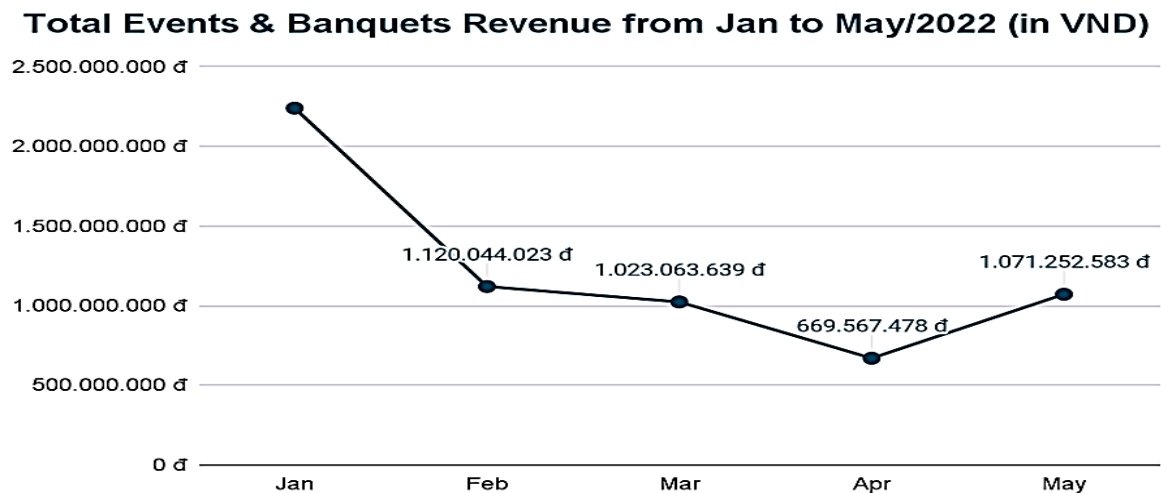
Figure 2-17. VSS's Total Restaurant & Bar Revenue from Jan to May 2022



(Source: Group Author's design)

**Bistro Song Vie Restaurant and Lady Triệu Bar** have achieved relatively stable monthly revenue during this period, ranging from 1.5 billion VND to over 1.6 billion VND. This figure, when compared to the years before the epidemic, shows a significant surge. Furthermore, within only the first 5 months of the year, the accumulated revenue for this business segment has reached more than 8.6 billion VND. This revenue is reached more than ½ the revenue of 2019. It shows that this business segment is developing very well in the upcoming high seasons, even the end of the year.

Figure 2-18. VSS's Total Events & Banquet Revenue from Jan to May 2022



(Source: Group author's design)



Events and Banquets revenue in this period also recorded quite high levels. Specifically, in January, revenue reached approximately 2.3 billion VND and the restaurant had 8 wedding ceremonies organized. On the other hand, year-end parties are usually held in the second month of the year with quite impressive revenue when exceeding 1.1 billion VND. In the remaining three months, revenue fluctuates below 1.1 billion VND. This number is also very positive, slightly reduced but mostly negligible (due to it being in low season). This proves that the demand of customers for event organizing, weddings and celebrations are starting to increase again. They are more interested in high-class services, quiet space without the hustle and bustle like other event venues and a diverse set of servings. Those are the criteria for VSS to always hold a certain position in the hearts of customers when they have a need to organize events.

In summary, from the above financial charts, it can be seen that in general, VSS's management and operation process in the post-Covid-19 period was quite effective. In order to adapt to the "new normal life" situation, VSS is trying to perfect and improve customer satisfaction to return to the high of revenue similar to what was achieved in 2018. Notably, in the first 5 months of 2022, the 3 main service segments generated revenue exceeding 17.5 billion VND.

The number of employees in this period only amounts to 20-30 associates. There is still a shortage of staff in the post-pandemic recovery period, due to the heavy impact of the Covid-19 pandemic. Other departments have many shortcomings due to the number of employees not meeting the hotel's needs, so they need to integrate and recover quickly with the latest trend that is the human resources department.

In addition, other special services are also deployed to help VSS increase brand awareness in the "new normal life" such as organizing fairs for households (in the Thao Dien Ward) with high-quality products & homemade products, allowing trades to happen at VSS. The VSS has also regularly held markets on 1 day of the month (usually on Thursday). There are also packages to sign in the pool and enjoy cocktails at a reasonable price.

The number of FIT using additional services such as restaurants and swimming pools during this period accounted for nearly 65% of the VSS total revenue. This is easily understandable as the VSS is very active in promoting its products and services to customers through typical forms of communication such as actively posting and advertising products on the online platform.



Events and weddings have begun to attract more and more attention from customers. Therefore, FIT can become strategic customers of VSS in the future.

The guest service policy this year has not been implemented much as the business is still struggling to find ways to develop new business strategies to attract customers to use services at VSS. Currently, VSS's revenue is still quite low, the business still wants to focus on how to make up for the loss in recent years as well as increase profits to improve the operation for the sake of innovating the hotel's operations. Adapting to new customer needs is the most important work that must be done right now.

## **2.4. Competitor Analysis**

### **2.4.1. Indirect Competitors**

Differences and uniqueness build the brand VSS lying in the heart of Thao Dien Ward, Thu Duc city with a distinguished grace, leaving the establishment with no potential direct competitors. In this study, we only investigate closely the indirect competitors. These competitors bear the completely different concept, price range, types of service, etc. But it is becoming alternative choice for international as well as domestic visitors when they desire to stay next to Saigon river. These competitors are all considered attractive alternatives to stay.



Table 2-4. VSS’s Competitors Analysis

	<b>Mia Saigon</b>	<b>Saigon Domaine Luxury Residences</b>	<b>An Lam Retreats Saigon River</b>
<b>Location</b>	2-4 No.10 street, An Phu Ward, Thu Duc City (HCMC)	1057 Binh Quoi, N.o 28 Ward, Binh Thanh District, HCMC	21/4 Trung street, Vinh Phu Ward, Thuan An City, Binh Duong Province
<b>Telephone – Email</b>	028 6287 4222	028 3556 6163	027 4378 5555
<b>Position</b>	Located at 2-4 No.10 street, An Phu Ward, Thu Duc City (HCMC), in the vicinity of Landmark 81 (5km away) and Vietnamese History Museum (8km). The nearest airport in the area is Tan Son Nhat international airport, which is 18km away.	Located at 1057 Binh Quoi, N.o 28 Ward, Binh Thanh District, HCMC. Saigon Domaine Luxury Residences offers free pick-up and bullet train to Bach Dang port in the District 1 in the heart of Ho Chi Minh city which is 15 minutes away from the hotel. The nearest airport in the area is Tan Son Nhat international airport, which is 30 minutes driving away.	Located at 21/4 Trung street, Vinh Phu Ward, Thuan An City, Binh Duong rovince, An Lam Saigon River is 15 km from the center of Ho Chi Minh city, and 32 km away from the synonymous Cu Chi Tunnels. The nearest airport in the area is Tan Son Nhat international airport, which is 30 minutes driving away.





<p><b>General Information</b></p>	<p>Mia Saigon offers 6 room types, including Deluxe room, Mia Suite, Grand Suite, Presidential Suite, Presidential Mia Suite, Presidential Family Suite.</p> <p>The elegant architecture stems from the inspiration of the Indochine concept accented with the cozy and lavish gold quartz, the noble and luxurious emerald, the graceful and gorgeous red ruby, as well as the deep and gentle blue sapphire. The Kitchen by the River restaurant with the graceful and contemporary design, combined with the new concept of open kitchen makes every moment worth it – relish the cuisine and enjoy the picturesque scenery of vivid purple dusk or the serene river bathed with swathes of moonlight.</p>	<p>The hotel offers 6 room types to fit each customer segment – 1 Bedroom Suite, 2 Bedrooms Suite, 3 Bedrooms Suite, 4 Bedrooms Suite, Penthouse Suite, President Suite.</p> <p>Each room has a different room, but all are adequately equipped and decently adorned with all amenities to meet every need. The highlight to be mentioned is that Penthouse Suite and President Suite have access to the terrace, offering a mesmerizing view of the city.</p>	<p>An Lam Retreat offers 38 spacious mansions and suites in the heart of an evergreen garden, with a contemporary design that embraces the signature grace of the local heritages.</p> <p>This resort also possesses an exclusive European and Vietnamese cuisine restaurant, a tropical spa and outdoor pool, offering a serene retreat to run away from the hustle and bustle of the city life.</p>
<p><b>Room Rate</b></p>	<ul style="list-style-type: none"> <li>- Direct booking: Deluxe Room (\$142), Suites (\$212)</li> <li>- Booking website: Deluxe Room (\$243 - \$295), Suites (\$352 - \$426)</li> <li>- Agoda website: Deluxe Room (\$173 - \$252), Suites (\$313 - \$352)</li> </ul>	<ul style="list-style-type: none"> <li>- Direct booking: Bedrooms Suites (\$90 - \$125)</li> <li>- Booking website: Bedrooms Suites (\$95 - \$226)</li> <li>- Agoda website: Bedrooms Suites (\$86 - \$173)</li> </ul>	<ul style="list-style-type: none"> <li>- Direct booking: Suites (\$208 - \$608), Villas (\$435-\$870)</li> <li>- Booking website: Suites (\$217 - \$565), Villas (\$521-\$786)</li> <li>- Agoda website: Suites (\$191 - \$447), Villas (\$408 -\$521)</li> </ul>



<p><b>Tourist Attractions nearby</b></p>	<ul style="list-style-type: none"> <li>- Notre-Dame Cathedral (6.7km)</li> <li>- Opera House (6.5km)</li> <li>- Vietnamese History Museum (5.7km)</li> <li>- Vincom Shopping Center Thu Duc (4.7km)</li> <li>- Landmark 81 (3.7km)</li> <li>- Vincom Shopping Center Thao Dien (1.5km)</li> </ul>	<ul style="list-style-type: none"> <li>- Van Thanh Park (4.5km)</li> <li>- Saigon river (4.5km)</li> <li>- The General Consulate (4.8km)</li> <li>- Vincom Complex of Landmark 81 (5.5km)</li> <li>- Ngoc Hoang Pagoda (Phuoc Hai temple) (6.1km)</li> <li>- Thanh Long Garden (6.7km)</li> <li>- Vietnamese History Museum (6.8km)</li> <li>- Saigon Botanical Garden (6.8km)</li> <li>- Diamond Plaza (7.2km)</li> </ul>	<ul style="list-style-type: none"> <li>- Thich Quang Duc Statue (8.9km)</li> <li>- Nguyen Van Binh Street of Books (10km)</li> <li>- International Hanh Phuc Aeon Binh Duong Hospital Song Be Saigon (8.4km)</li> <li>- Thu Duc market (4.2km)</li> <li>- Vincom Plaza Di An (8.1km)</li> </ul>
<p><b>Signature Services</b></p>	<p>Hotel conveniences:</p> <ul style="list-style-type: none"> <li>- Bus to the city center</li> <li>- 24/ 24 available</li> <li>- Kitchen by the River &amp; L’âme restaurants with unique experience</li> <li>- Outdoor seawater pool with the length of 25m, largest of HCMC</li> <li>- Gin on 8 Bar on the terrace with lavish ambiance</li> </ul>	<p>Hotel conveniences:</p> <ul style="list-style-type: none"> <li>- Pet-friendly</li> <li>- For business guests: Conference hall &amp; Event venue with a surface area of 80 sqm.</li> </ul>	<p>Hotel conveniences:</p> <ul style="list-style-type: none"> <li>- Pick-up service by private vehicles (cars or cruises up to guests’ selection)</li> <li>- An outdoor pool in each villa</li> <li>- Free access to Wifi</li> <li>- 24/24 available (reception)</li> </ul>



<p><b>Guest 's Impression</b></p>	<p>Mia Saigon has almost become a household name among the bustling HCMC – it is such a serene and graceful nest with elegant architecture and mesmerizing river view. The associates appear with proper training and of 5-star tier. The best thing ever, must be the comfy bed with squishy cushions.</p>	<p>Large and perfectly neat rooms, with beyond adequate amenities. Lovely pools and breakfast venue – Saigon Domaine Luxury Residences is an ideal place for families with huge demand for a true home rather than a hotel room. Heading to District 1 on the boat or by cars with reasonable prices. Breakfast on a lifebuoy is such an experience – and the buffet is really good.</p>	<p>Luxurious, spacious and surprisingly neat mansions. An Lam put extreme effort in protecting the environment by generating mineral water in-house to avoid using plastic bottles. It is delightful to know that An Lam is gravitating to sustainable development. All the staff, from managers to restaurants &amp; spa associates were super attentive.</p>
<p><b>Advantages &amp; Disadvantages</b></p>	<p>- Merits: Extra-charge for children from 0-6 years old policy: Free of charge for 1 child to share a bed with their parents. Canoe picking up from District 1 to the hotel available – an exciting experience without the painful traffic jam to save your time, since each turn takes only 10-15 minutes. - Shortcomings: The hotel has no routes for wheelchairs. Check-out guests are not helped to carry the luggage. Limited selections of breakfast.</p>	<p>- Merits: Extra-charge for children from 0-6 years old policy: Free of charge for 1 child to share a bed with their parents. Pet-friendly. - Shortcomings: Old-fashioned rooms, the amenities not already set up, old facilities, disadvantageous location (far from the city center, right between 2 rehabilitation centers)</p>	<p>- Merits: Cano picking up from District 1 to the hotel available – an exciting experience without the painful traffic jam to save your time, since each turn takes only 20-25 minutes. Staff appear with great attitude from the moment they welcome guests onboard until they bid farewell. - Shortcomings: Simple &amp; bland breakfast. The rooms are still heavy of wood scent, the air conditioner makes too much noise. Pursuing the tropical concept led to an unprecedented repercussion – lots of mosquitoes, which is extremely dangerous for children.</p>



<p><b>Marketing Strategies</b></p>	<p>-<u>Pricing Policy</u>: pricing list, discounts, distribution, signature products informed to travel agents</p> <p>-<u>Distribution Policy</u>: channels to distribute products &amp; service in the area</p> <p>-<u>Promotion Policy</u>: advertising &amp; public relations: funding major events, promotions on special occasions, incentives</p>	<p>-Marketing strategies to attract customers: pricing of service &amp; products, promoting</p> <ul style="list-style-type: none"> <li>- Promotions &amp; discounts available</li> <li>- Invest in advertising, public communication via press and the Internet</li> </ul>	<p>- <u>Pricing Policy</u>: At the earliest days, An Lam positioned itself as one of the best luxury boutique resorts all over Vietnam, which led to a relatively high price among others. The price ranges from \$208 to \$521 for a night.</p> <ul style="list-style-type: none"> <li>- Distribution Channels: 2 major channels including:           <ul style="list-style-type: none"> <li><u>Direct channel</u>: Guests may call the hotline or come to the reception to book a stay.</li> <li><u>Indirect channel</u>: via intermediates such as travel agents, travel tours or internet booking sites. This channel shows the most efficiency and has been considered the main channel of the resort.</li> </ul> </li> <li>- <u>Promotion policy</u>:           <ul style="list-style-type: none"> <li>Discount: Direct discount or additional service to make guests' experience more diverse</li> <li>Advertising: Website An Lam Retreats is professionally designed with decent information and images as well as visuals to illustrate specific information.</li> <li>Public communications: hiring KOL, KOC to build a brand image</li> </ul> </li> </ul>
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(Source: Group author's design)



### 2.4.2. SWOT Analysis

To each establishment with business focus gravitates to hotels and accommodations after operating, a business strategy is of utmost importance to embrace new opportunities of a potential market, to adapt to changes of the society and develop its potentials to the fullest. A business plan would offer 2 advantages. Firstly, it is to keep up with the business's motivation. Secondly, it is to grab opportunity to gain a position against its competitors in this market. The more specific the business plan is, the higher chance to be operated and the better outcome it may generate, creating a truly competitive advantage against others.

Nevertheless, to create strategies, establishments need to go through some certain analysis to be realistic about the company's ability. The first of two steps must be analyzing the external and internal environment of the business.

#### *2.4.2.1. External Environment Analysis (Opportunities & Threats)*

According to the research, every external factor that the business may not be able to control but these factors may affect the business performance, business strategists may define the potential opportunities and threats. External factors include macro-environment and micro-environment.

- **Macro-environment**

This macro environment includes political, economic, sociocultural, technological, and natural factors listed below.

**The Politic factor:** The political, legal, and social environment is stable and safe. On January 11, 2022, the National Assembly passed Resolution 43/2022/QH15 on fiscal and monetary policies to support the program of socio-economic recovery and development with some outstanding contents such as reducing value-added tax (VAT) from 10% to 8% in 2022. The Law on Environmental Protection in 2020 was approved in the 10th session, the XIV National Assembly, for the first time defining a residential community as a subject of environmental protection. The overall goal of the Law is to protect the environment and protect people's health.

**The Economic factor:** Thao Dien Ward is gravitating toward an economic, financial, and administrative center of the city with a series of shopping centers, commercial areas, buildings, and offices. The economic conditions and material life of people are developing day by day. Specifically, the workforce in HCMC has an average income of 8.9 million VND/month, an



increase of 36.5%, corresponding to a jump of 2.4 million VND/month compared to the previous quarter. And the provinces where workers have the highest income in the country in the first quarter of 2022 are HCMC, Binh Duong, and Dong Nai, respectively. Binh Duong and Dong Nai are two provinces adjacent to HCMC; they also provide a prominent source of visitors for the accommodation service industry, making it a priceless opportunity for businesses. In 2022, in the spirit of the Government's Resolution 128 of "Safely adapting, flexibly and effectively controlling the Covid-19 pandemic", the whole society and the tourism industry accept to live with the epidemic context but will proactively and safely adapt, which means that socio-economic activities will take place.

**The Sociocultural factor:** Thao Dien Ward is the ideal residence for high-income segments, young elite workers with a high-class lifestyle, and especially businessman or experts from abroad (expats). According to the HCMC, Real Estate Association (HoREA), preliminary statistics have pointed out that a number of projects in Thao Dien Ward have sold 30% of the apartments to foreign organizations and individuals. After nearly two years of being restricted from travelling and gathering, the people's needs and levels of entertainment and relaxation are still very high, yet they are considering, calculating, and demanding more and more information to decide to travel. Some statistics from the Ministry of Culture, Sports and Tourism depicted that safety is the very first concern of tourists when travelling, surpassing finance with 58% of respondents concerned about safety entirely during the trip, and the remaining 52% are concerned with finance. Therefore, the trend of guests is short-term resorts or staycations. When we compare the needs of foreigners with what VSS brings, the two seem to be suitable. More specifically, this group of expats pursues being close to nature, a quiet place where they can both rest and work. In addition, the concept of the restaurant is fine dining with an a la carte menu serving from Asian to European dishes, the decoration of the cuisine is also gorgeous and luxurious. That is also a strength of VSS when it is close to this group of potential customers.

**The Technology factor:** Technology creates a competitive advantage for businesses to make the serving process faster and smoother. A huge number of factors have a significant influence on the hotel business, such as information storage software - cloud computing (Cloud), flight tracking software, mobile devices, and social networks. This model is easy to sign up for, easy to cancel, and easy to use with no service provider intervention. Because of this popularity, many hotels have applied to managing information and booking data to make this process faster



and easier. In addition, the number of mobile devices launched into the market is observing an upward trend and the number of people accessing social networks is increasing. According to the latest report from market research company IDC, the number of smartphones sold in Vietnam in 2021 has increased by 11.9%, to 15.9 million devices. 70% of users will search for information and visuals of the hotel on the internet as well as on social networks. This is a factor that needs attention to attract the attention of customers.

**The Natural factor:** Located in an economically bustling area yet next to the serene Saigon River with a length of about 80 km flowing along the territory of HCMC, VSS has quite an attractive position. In addition, the hotel is covered by many trees including sycamore, bamboo, areca, coconut, ornamental banana trees, porcelain flowers, bougainvillea, and other green plants. That creates a harmonious balance for a resort dedicated to tourists and business travellers. Moreover, the artworks and designs at VSS are also environmentally friendly: some typical creations such as the walkway leading to the boat landing or the embankment next to the river made from wooden material that is biodegradable and safe for the environment. Along the riverside, there are balustrades built of transparent glass with a moderate height. That makes the restaurant airy and spacious and helps to raise the interaction level of customers using products and services to the highest level.

- **Micro-environment (the industry or characteristic business environment)**

**Competitors:** In the service industry, competition takes place very fiercely. To illustrate, the battles to win the customer's interest became extremely fierce. In our country, services account for the highest proportion of 40.95% of the structure of Vietnam's economy. Therefore, many new businesses or new accommodation establishments have sprung up and the number of competitors of VSS is nearly impossible to control. These days, the prospect of business recovery in the tourism sector becomes conspicuous when the number of businesses returning to operations increases. In the first 6 months of 2022, in terms of accommodation and catering services, there were 2,362 businesses that returned to operation, an increase of 63.5% over the same period.

**Customers:** This is an integral part as it is the major source of revenue for the hotel. The unstable economic situation due to the epidemic also reduces the possibility of paying only for the service, and perhaps the customer will ask for a lower price but demand better service.



Customers' behavior and trends are also rapidly changing due to factors such as epidemics. The epidemic makes customers worry about their health - as a result, they will prioritize safer and more environmentally friendly locations. In addition, tourists often go according to seasons such as holidays, Tet, summer vacations, etc. Therefore, the number of visitors is seasonal and difficult to grasp. In addition to the above difficulties, VSS still has many other potential opportunities to gain revenue from foreign tourists because this group loves to relax and experience. The hotel is located in the heart Thao Dien Ward - a familiar destination for foreigners living in HCMC every weekend and holiday. According to statistics and surveys, Thao Dien Ward currently has nearly 6,000 foreigners of 102 nationalities, with more than half being Europeans and Americans. This area attracts attention and gradually becomes an ideal living place for successful and knowledgeable business people to work and live in Vietnam.

**Suppliers:** Businesses need to have relationships with organizations that provide different sources of goods such as materials, equipment, labor, and finance. In the light of fierce competition between businesses, suppliers of facilities and equipment also offer a lot of prices to gain a price advantage in the market. Currently, the cooperative businesses that provide amenities, F&B, and laundry service for VSS are typically Q Industries, EcoWash, etc... In terms of human resources, the hotel is mainly self-employed, not approved, and not signed with other companies. Other suppliers are Human Resources Outsourcing, College, or Universities.

**Alternative products:** Hospitality businesses are often interested in providing a full range of products and services ranging from rooms to restaurants, catering services, and events in the hotel. However, in reality, there are many substitute products out there putting a strain on the hospitality establishment. The pressure from substitute products limits the profit potential of the hotel due to the controlled price. Specifically, for the accommodation sector including hotels and restaurants, the substitute products can be inns, motels, eateries, restaurants, and bars that evolve further to become Villa Royale Antiques & Tea. Room, Mad House... with unmatched quality because those businesses will specialize in their domains. In addition, for the services of organizing weddings, birthdays, and receptions today, there are also specialized services in this field. These products and services have a great ability to replace, posing a direct threat to VSS. Without paying attention to potential substitutes, VSS could fall behind other small marketers.





#### *2.4.2.2. Internal Environment Analysis (Strengths & Weaknesses)*

Each company will have an internal resource such as staff, financial position, and core values of that business that the business can control. These factors reflect internal forces and express the unique identity of each enterprise.

To recognize the strengths and weaknesses of the business, it is necessary to focus on analyzing the 5 factors in terms of human resources and organization, finance, marketing, research and development, production, and business.

**Personnel & Organization:** Scientific division of labor is reasonable to use and make the most of the enterprise's labor resources. The current number of VSS employees is 54 people - during the peak seasons, the hotel will recruit more interns, seasonal employees, or part-time staff to deliver the best service. The F&B service is currently the most revenue-generating department for the hotel with 80% of the total revenue, so the number of employees in this department is the largest.

**Finance:** VSS is an enterprise under the regime of a one-member limited liability company with its own capital from the beginning. The hotel's finances are independent, proactive, and have savings and provision for uncontrollable situations such as the Covid-19 pandemic. According to information from Mr. Arif, even during the stressful epidemic season, although the revenue has decreased, at least the hotel is not closed completely. Since then, the hotel has retained employees, arranged accommodation for single and unmarried employees in HCMC, and has a reserve to pay staff salaries and maintain the operation of the hotel. Observations pointed out that VSS has quite strong financial resources and the person in charge of operation also has a skillful and reasonable distribution for all cases.

**Marketing:** There are quite a few events organized to support the promotion of the hotel such as fairs, festivals, and filming locations. VSS is also promoted and sold on distribution channels and has a website and fan page, but the information is too limited and not prominent. In addition to promoting through communication channels, VSS also focuses on attracting guests to know and book directly at the hotel with preferential prices. Clearly, VSS has had success in marketing by the word of mouth method when the guests here are usually people who know the hotel owner and from there they will have their own community to introduce to each other. In addition, the hotel also offers a lot of promotion packages that are both convenient in choosing the right



products and services, and help the hotel maximize revenue and attract more customers such as resort packages for the day - "Daycation" or long-term "Affordable".

**Research & development:** The quality of R&D efforts can help VSS stay at the forefront of the industry. An organization's research and development capabilities are reflected in: the ability to improve techniques, apply new technologies to improve product quality, control costs, and develop new products. At VSS, the major in charge is Mr. Arif, he always researches and updates the situation quickly to come up with new strategies for immediate change. More specifically, during the time the whole city was under lockdown, he also launched many promotion packages during the day, and the restaurant was still operating to maximize revenue during the most difficult time. Research and development is a factor that ensures the competitiveness of enterprises and their products.

**Production & Business:** Provide quite complete basic products such as fully furnished rooms and facilities to serve other needs of guests such as gym, swimming pool, restaurants, meeting room... However, the price is expensive that higher than what the hotel brings. What customers remember the most and rely on to decide whether to return or not is the experience and feeling. Although VSS has performed well in terms of products, it has not shown its depth in service and has not had too many after-sales customer cares programs. The pricing of products and services of VSS is still quite high, so it has not attracted many domestic tourists, thereby showing that the hotel's customer segment is still narrow and not covered.



Table 2-5. VSS's SWOT Analysis

<p style="text-align: center;"><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>- The geographical location is very favorable.</li> <li>- The resort environment is both modernized and in harmony with nature.</li> <li>- Specialized architecture, although there are only 23 rooms, each room is different in both scale and design.</li> <li>- There are faultless service facilities that can serve all the needs of customers.</li> <li>- There is a restaurant with a diverse menu consisting of Asian dishes, European dishes and more.</li> <li>- Strong financial strength and proactivity.</li> </ul>	<p style="text-align: center;"><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>- The quality of human resources is still low, unable to provide satisfaction to customers</li> <li>- Product promotion campaigns and connections with customers are still poor. The systems providing information about the hotel on websites and fanpage are suboptimal.</li> <li>- Facilities do not support disabled guests, requiring assistance from others</li> </ul>
<p style="text-align: center;"><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>- Thao Dien ward is the ideal place for high-income individuals and the white collar workforce with luxurious lifestyles.</li> <li>- Thao Dien ward is planned to become a key economic, financial and administrative centre of Thu Duc City with a series of shopping centres, commercial areas, buildings and offices.</li> <li>- Economic conditions and material life are improving day by day.</li> <li>- The political, legal and social environment is stable and safe.</li> <li>- Tourism is still being focused on development.</li> </ul>	<p style="text-align: center;"><b>THREATS</b></p> <ul style="list-style-type: none"> <li>- The current economic and political situation across the world is unstable.</li> <li>- There are many new competitors.</li> <li>- The tourism industry is seasonal, the number of visitors is unstable.</li> <li>- Customer behaviour and trends change rapidly.</li> <li>- Diseases (especially Covid-19 pandemic) , natural disasters worldwide are unpredictable.</li> </ul>

(Source: Group author's design)

**What makes Villa Song Saigon truly stand out?**

**Product & Service:** Comprehensively providing what guests need, allowing pets to enter the hotel, master classes with rich content such as wine tasting, painting ...The monthly market



allows people from outside to bring food, clothes to sell, festivals are held on holidays such as Mid-Autumn Festival, Halloween...

**Villa's Concept:** Designed in French colonial style, each room is a masterpiece like no other room, the space is as close as in a family.

**Guest Experience:** Focusing on customer experience, not only customers who book rooms here but also customers who use other services. Visitors here can get the services they want and are served equally without discrimination. In addition, customers will have protected personal information.

**People:** GM - who has unique ideas, and gives directions for the hotel. Staff - friendly, hard-working. Guests - are people who can afford to experience the services at VSS.



## CHAPTER 3.

### ANALYSIS AND EVALUATION OF VILLA SÔNG SAIGON'S POTENTIAL CUSTOMERS

#### 3.1. Customer Persona

In order to identify the customer segment VSS serves, it will be separated into three major groups: Geographic, Demographics, and Psychologic to find out the potential customer that VSS can then exploit from there. We polled customers who have stayed at the hotel or are now staying there to identify the present market segment of VSS precisely.

##### 3.1.1. Sampling Method

###### 3.1.1.1. Define Sampling Techniques

A simple random probability sample was used for the survey. Each component of the population has an equal chance of being included in the sample when using single random sampling. There is an equal chance for every item in the population. This model's advantages include simplicity, suitable for simple studies, and lack of excessive calculation.

###### 3.1.1.2. Sampling Formula

The features of the population will be revealed by research with a larger sample size, but it will take longer and cost more money at every stage, including data collecting, testing, and analysis. The desired data reliability and the amount of error that the research can accept will determine the formula to use. For a study to be reliable, a minimum sample size must be determined using a formula. The multivariate regression method formula is applied:

$$N = 50 + 8 * m$$

**M: number of independent variables participating in the regression**

The minimal sample size required for multivariate regression analysis is determined using the formula  $n=50 + 8 * m$  (m: number of independent variables) (Tabachnick and Fidell, 1996). Not the number of independent questions, but the number of independent components, is indicated by the letter m. Therefore, the survey sample will be:

$$N = 50 + 8 * 5 = 90$$



3.1.1.3. Sample Size

The survey's participants will be drawn from various locations, including Thao Dien Ward, Thu Duc City, Dong Nai Province, Binh Duong Province, and nations outside Vietnam. And indeed, there is stratification in both the income and labour categories.

The survey is made using Google Form to help participants easily access and quickly understand the content of the survey. The layout of our survey is divided into two parts.

The research team briefly introduces the group in the opening section, which includes a comprehensive explanation of the study's objectives and the demographic questions. In the second section, we introduce five elements that determine satisfaction for all survey participants who responded on a Likert scale. We send the completed form to those at the end. Thank you for helping the research team get the data for statistical processing.

The sampling technique will involve:

- Sending an online survey form through social networking sites
- Conducting surveys in person at BSV restaurants
- Leaving the feedback of the service in the hotel lobby

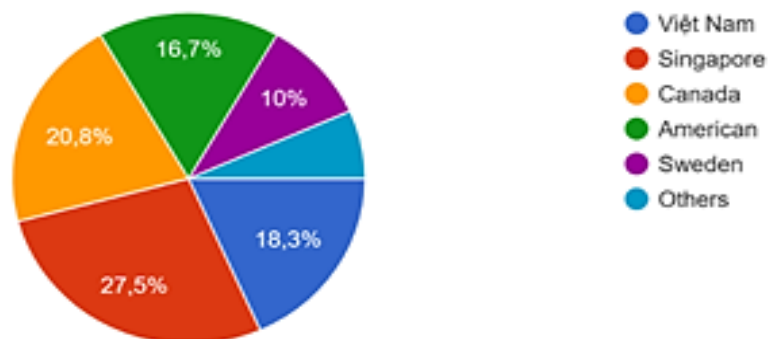
The survey team may collected data from people in various locations because it is simple, quick, and affordable to do so.

A sampling poll was conducted at the VSS on Tuesdays, Thursdays, Saturdays, and Sundays from June 20, 2022, to June 26, 2022. Samples were taken between 7:00 AM, 9:00 AM, 12:00 PM, 2:00 PM, 6:00 PM, and 9:00 .

3.1.2. Geographic Segment

- Countries: Vietnam, Singapore, Canada, America, Sweden.
- Region: Southeast Asia, America, Asian

Figure 3-1. Nationality statistics of customers at VSS



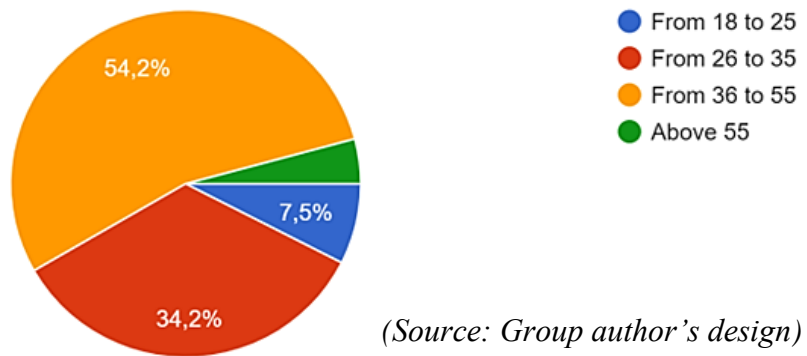
(Source: Group author's design)



### 3.1.3. Demographic Segment

**Ages:** Only the age of minors and older (who can be held responsible before the law) are taken, excluding children travelling with their parents or family. Ages include: 18-25, 26-35, 36-55, over 55. According to statistics, the age group over 55 accounts for 2.6% at least in the age groups, in this age group usually has the main need for relaxation and follows the family, and similar to the age group from 18 to 25 accounts for 9.2% usually. have a need to stay to experience VSS services, or go as a couple. Besides, the Age report shows that the age group 36-55 along with the 26-35 make up the majority of users because this age group usually focuses on entrepreneurs and has a stable job and VSS environment most suitable for this age group.

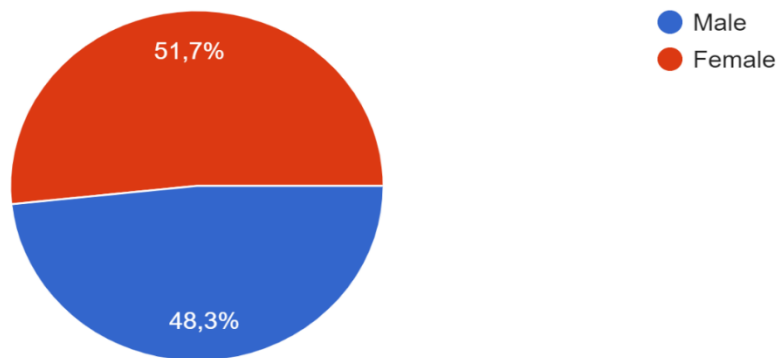
Figure 3-2. Age statistics of customers at VSS



(Source: Group author's design)

**Gender:** Male, Female

Figure 3-3. Statistics on gender of customers at VSS



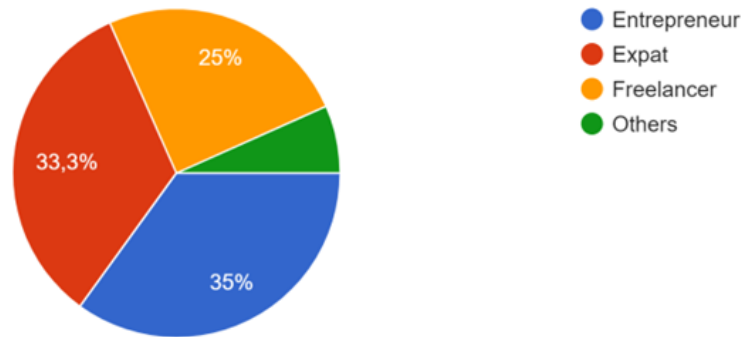
(Source: Group author's design)



**Jobs:** Entrepreneur, Expat, Freelancer, Other (Others).

Statistics show that businessmen often make up the largest business category, accounting for 35% of all businesses. Besides, the group of experts also accounted for a

Figure 3-4. Statistics on customer work at VSS

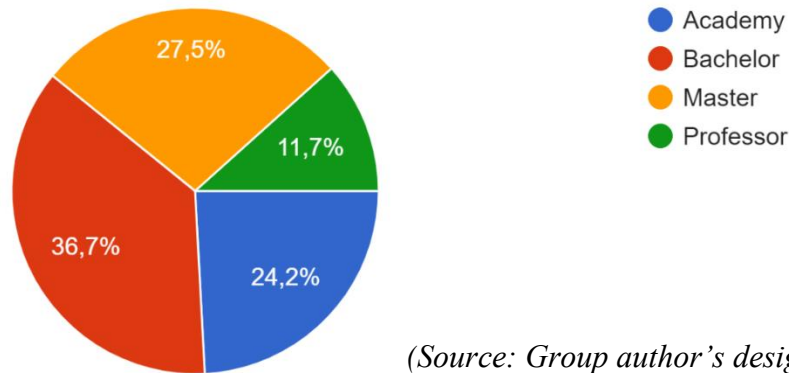


(Source: Group author's design)

high proportion with 33.3% of the professors and doctoral students who wanted to stay for research. Due to the nature of the work, which has no restrictions on the working location, the Freelancer group accounts for the same number with 25%, making VSS an appropriate choice for this work group.

**Education:** Academy, Bachelor, Master, Professor

Figure 3-5. Statistics on education level of customers at VSS



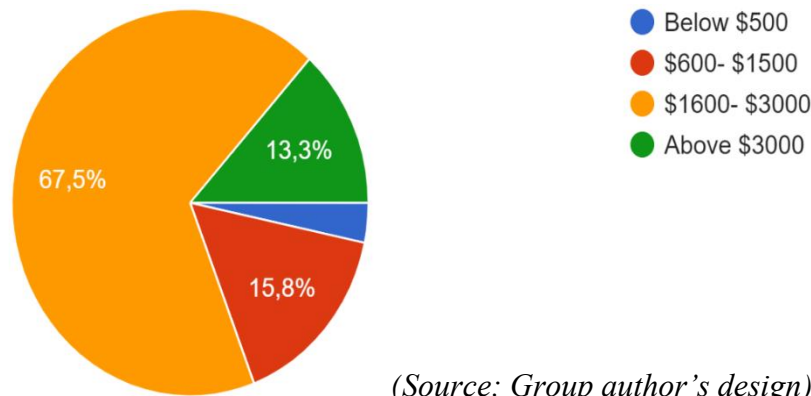
(Source: Group author's design)

**Average Income:** Average income ranges from less than \$500 to more than \$3000, with less than \$500 being the lowest range. Statistics show that 65.8% of the clients in VSS's main customer file fall into the category of customers with an average income of \$1,600–\$3000. The VSS's primary guest file is second in size to guest groups between \$1600 and \$1500. Additionally, 10.8% of clients had incomes of \$3000 or more. The final group of clients, who make an average annual income of less than \$500, has a low rate of 4.2% since. In part, they still have to pay a high price for VSS's services and frequently bring their family.





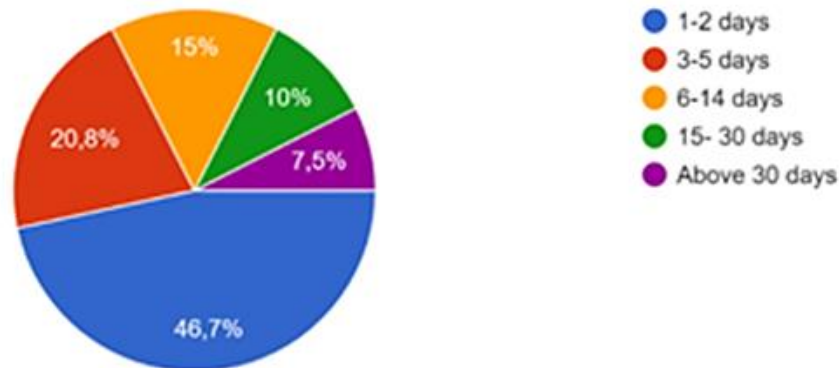
Figure 3-6. Statistics on average income of customers at VSS



(Source: Group author's design)

**Length of stay:** depends on the type of customers using the service. Customers who stay at a VSS extended periods of time (1 month or more), travellers who work together and stay for 2-3 weeks, and visitors who travel alone all have different lengths of stay. According to statistics, the group of customers who stay for 1-2 days has the highest percentage of 46.7% belonging to the customers segment who need to stay on holidays, weekends or customers who have staycation needs. The remaining 53.3% should be made up of business since the customer segment for VSS falls under the category of business clients. Customers from the neighbourhood or the HCMC region who have short-term business demands make up the majority of the group of guests staying between 3 and 14 days. The group of customers who stay longer than 30 days (15–30 days) falls under the category of those with long-term business needs or quarterly work.

Figure 3-7. Statistics of customer's stay at VSS



(Source: Group author's design)



### 3.1.4. Psychological Segment

- Personality Traits:

According to the results of the survey for customers who have been using the service at VSS, we found:

- Existing customers at VSS frequently pay close attention to how meticulously the hotel manages every part of its offerings, from goods to services.
- Customers care a lot about security and privacy a high priority.
- Exciting about activities, especially activities on the river.
- Life Style:

Due to the personality traits of business people, who put in a lot of work during the day. They frequently tend to be more interested in entertaining themselves and is more concerned with the factor of experience than the financial factor.

- Social class:

Through the premium price of VSS and the results of the survey, the customer class includes:

**Upper Class (13.3%):** Professional and business guests. This customer's monthly income will fluctuate by more than \$3000. Usually, they are business people that travel for work. They will stay at the hotel for a longer period of time than other guests.

**Middle Class (67.5%):** This is a large number of guests, and their average annual salary is between \$1600 and \$3000. They frequently travel in groups, with family, and with friends to VSS as a resort. And stays typically last two to three days.

The remaining is a segment of lone travellers (FITs), who are often clients making between \$500 and \$1500 per year. Additionally, they don't frequently visit the hotel.

### 3.1.5. Conclusion

To conclude, the critical segment groups that VSS has attracted over the periods can be determined through analysis and data collection results:



- **Before the Covid-19 pandemic (2018 – 2019):** the target market consisted of foreign businesses and expats living in Vietnam for a few weeks or months who wanted to alter their living situation.
- **During the Covid-19 pandemic (2020 – 2021):** Due to the government's decision to prevent sickness, domestic (local) customers to Thao Dien Ward and foreign visitors reside in HCMC.
- **After the Covid-19 epidemic (2022):** When international flights have not recovered 100%, the subjects in this period are primarily domestic tourists and a small number of incoming experts going as part of a job mixed with rest. But after the second half of 2022, VSS's customers will be redirected to mainly inbound, expat, business people, expanded to vacationers, and couples (based on the data of the first half of 2022, the number of flights in the first half of 2022 recovers, vacationers are the main source of income for businesses during this period). Vacationers are the primary source of income for companies during this time as the economy recovers; Saigonese couples also like to honeymoon in the city because they do not want to go too far.

### 3.2. Potential Customer

The Covid-19 pandemic had a significant impact on all hotel company operations. In order to respond to this epidemic, VSS will need to reposition future guests in order to implement marketing and operational initiatives to deliver the best possible service. Nearly 70% of hoteliers currently hold the view that local tourism will continue to play a significant role in the hotel industry's revival in 2022 and 2023. The desired outcome of VSS is to deepen existing consumers and be able to maintain them as devoted clients based on visitor data arriving. As a result, two groups of potential guests at the hotel will be divided:

- Leisure: Domestic tourists from surrounding areas and foreign tourists.
- Customers who come for business purposes.

#### 3.2.1. Leisure

##### *3.2.1.1. Domestic tourists from surrounding areas (HCMC, Binh Duong, Dong Nai)*

According to the most recent VSS orientation, expanding to other promising locations, such as nearby districts and neighbouring provinces like Binh Duong, Dong Nai, and Long An, in order to adapt to the post-pandemic period. Targeted customers include domestic clients, those with



middle - high incomes, primarily aged 25 to 36, business travellers, couples, and families. This group will be able to considerably boost sales for the company without merely relying on a specific niche.

Safety and appeal are the most important considerations when picking a vacation site. Nowadays, the vast majority of tourists favour environmentally friendly products. This particular consumer base is the one that both pays and expects their service experience to be worthwhile.

The purpose and tendency of this group of guests are usually to seek out nearby locations while still being able to satisfy the most fundamental leisure needs. The criteria of the chosen location also include:

- Being close to a business area.
- Having a lot of ecological features like a riverside.
- Plenty of trees.
- Lots of activities.

The VSS can arrange for activities including river transportation, kayaking, SUP, etc. None of the hotels in the region can offer these services.

The psychology of this group of customers indicates that they frequently travel in families, groups, and couples, very infrequently go alone, and frequently stay for only a few hours or only utilise the service during the day. Going alone is typically an option for customers who are travelling for business. Some other characteristics of this group include the need for privacy and discreet space while maintaining the hotel's cleanliness, shape, and minimalism. These customers value modernism, freshness, and keeping up with trends; they appreciate entertainment, exciting activities, and excellent customer service.

#### *3.2.1.2. Foreign tourists*

Since foreigners make up the majority of the customer segment, VSS has a potential location because it is convenient for guests to move around in the area. They can staycation, as well as experience food services at VSS without having to go too far. Before the Covid-19 pandemic, VSS's international customers often concentrated in close-by nations like Singapore or nations with lengthy connections like Canada, America, and Sweden. In 2023 VSS can also expand customer files from other countries in Europe and Asia.



Some psychological characteristics of European customers, as they lead a disciplined lifestyle, are pretty demanding in terms of accuracy and speed in all procedures. This particular type of visitor also values flexibility in the rules for accommodation modifications, reservations, and cancellations. The majority of Europeans practise Christianity. Hence they prefer lodging near a church so they can conveniently commute there on weekends. These nations have robust economies, which has an impact on tourists' lives and psychological well-being. As a result, this clientele frequently selects ecotourism destinations near the natural world.

Some psychological characteristics of Asian customers such as respecting the natural environment, preferring privacy, quietness, and family travel. To concentrate on their customer segment, service organisations in general and VSS in particular, need to have a solid understanding of the psychology of customers.

### **3.2.2. Customers who come for business purposes**

This particular customer does not have many requirements except their basic needs. They are specifically looking for a hotel that can offer them comfy tools and amenities for their professional and commercial needs.

Their purpose can be to meet partners, sign contracts. For those purposes, customers will give quiet areas, conference rooms, locations near the centre, and ease of commuting priority for these uses. Business people always need to send reports, check their mail, and schedule meetings online. Thus visitors need a reliable WiFi connection. They also require desks, printers, fax machines, and power outlets that can convert charges. Therefore, VSS must make additional changes to the utilities offered to customers most quickly and efficiently if it can focus on this customer segment.



## CHAPTER 4.

# ANALYSIS & EVALUATION OF VILLA SÔNG SAIGON’S MARKETING CAMPAIGN

### 4.1. STP Model

Segmentation is considered to be one of the most crucial factors in Marketing. Besides, hotels are extremely diverse in their ability to serve different customer segments. Instead of competing in the entire market, each hotel should apply a market segmentation strategy. This involves identifying certain parts or segments of the market that VSS can serve effectively.

#### 4.1.1. Segmenting

Table 4-1. VSS’s Customer Segmentation

Geographic	Demographic	Psychographic	Behavioral
Thao Dien ward belonged to the old district 2. After merging, Thao Dien is becoming a part of Thu Duc City.	A group of guests who would love to experience, travelling and working from the age of 18 or older. Gender: Male and Female. Marital status: Single and Married	Those who are interested in travelling, tend to spend their time experiencing and relaxing at specific services at the hotel by themselves or with friends and family.	Customers mainly focus on F&B and accommodation’s need, combined with additional services such as business benefits, entertainment, Spa and Gym.

(Source: Group author’s design)

#### 4.1.2. Targeting

The potential customers that VSS targets are Vietnamese (locals), foreigners who are working and travelling in Vietnam (especially in Thao Dien Ward, Thu Duc City) from the age of 18 or above. Additionally, customers prefer a peaceful, private place which is close to nature in order to work and relax comfortably.



Table 4-2. VSS’s Potential Customer

<b>Age</b>	Above the age of 18
<b>National</b>	Sweden, Singapore, Canada, American, Việt Nam
<b>Location</b>	Living, working and travelling in Vietnam
<b>Favorite parts</b>	Peaceful, close to the nature

(Source: Group author’s design)

### 4.1.3. Positioning

Figure 4-1. The Positioning Map of VSS : Location versus Price



(Source: Group author’s design)

## 4.2. Marketing Mix – 7P’s Model

Hotel Marketing is considered as a key factor leading to attracting bookings and optimizing revenue. In this report, we will apply the marketing mix-7s model of Philip Kotler to evaluate the effectiveness of all marketing activities at VSS, to develop a brand image, distribute through channels, set prices, manage revenue, and promote service and customer services. As a result,



from analyzing the pros and cons, we will develop several potential business development strategies for VSS.

*Figure 4-2. The 7Ps Marketing Mix*



*(Source: smartinsights.com)*

### 4.2.1. Products

Products and services that VSS currently provide to customers:

- Room products
- BSV Restaurant/ Bar Madam Trieu
- Spa (health care, beauty)
- Gym
- Master Classes
- Boat Tours
- Water Sports activities
- Events (Conferences, Birthdays, Weddings, etc)

#### 4.2.1.1. Advantages

##### ❖ Rooms

VSS has 23 rooms, especially no room that is the same due to the delicacy of layout arrangement. Each room has different views, such as Garden, Pool, and River views. Room products are equipped with LCD TVs, free WiFi and free minibar, a coffee maker, and a la carte breakfast served from 06:00 AM to 11:30 AM at BSV Restaurant. Besides, the guest can enjoy using the





swimming pool, gym, and all hotel facilities during the stay. More importantly, bathroom amenities are made of eco-friendly materials like paper and bamboo.

Figure 4-3. VSS's eco-friendly bathroom amenities



(Source: Tripadvisor.com)

❖ Restaurant – Bar

Table 4-3. The advantages of VSS's F&B Services

Bistro Song Vie Restaurant	Lady Trieu Bar
<p>Amazing space with elegant, modern design and cozy atmosphere, located next to the romantic Saigon River.</p> <p>It is the main catering place for small-scale conferences and weddings for customers who prefer privacy.</p>	<p>Enjoying unique cocktails with a liberal and romantic European atmosphere.</p> <p>Walk-in guests also will be served with unique dishes with capacity of up to 80 seats.</p>

(Source: Group author's design)



4.2.1.2. *Disadvantages*

Currently, the main products and services of the hotel have been diversified. However, the additional services are still limited to meet the needs of customers. For instance, the spa has not been reopened after the Covid-19 pandemic; Boat tours only operate in the inner HCMC, and have not been combined with surrounding provinces. VSS has not developed strongly in different departments except Room and F&B service.

**4.2.2. Price**

The current VSS's Pricing policy will be analyzed based on the following of five pricing strategies:

**Competition-Based Pricing:** Consider all prices offered by direct competitors in the market, offering better or lower prices than them to target directly to their customer segmentation. In other words, VSS sets a higher price based on the service quality that this hotel offers to customers without depending on the competitor's price. However, customers are still willing to pay a higher price to enjoy the hotel's services.

**Economy Pricing:** In this strategy, businesses minimize all costs related to Marketing and production to target those customers who prefer “cheaper price”. This is usually can be found in 2-3 star hotels, customers tend to care more about the price than the quality of service. However, VSS is a hotel with a wide vision and a desire to bring the best service quality towards customers who tend to have a high-class lifestyle. Therefore, the hotel does not apply this pricing strategy.

**Premium Pricing:** With premium pricing, businesses will set a higher price than their competitors. This pricing strategy requires that the product or service offered offers superior quality and experience compared to competitors in the market. This is the strategy that VSS is applying because this is a boutique art luxury brand hotel, which provides unique and high-class experiences.

**Value-Based Pricing:** is a strategy of setting prices primarily based on the consumer's perceived value of a product or service. Well-known brands that apply this pricing strategy including Hyatt, Marriott, Accor. For a new brand, value-based pricing can cause risks because it has not yet passed the test of time, nor has a specific status in the hearts of customers. Therefore, this is also



the reason that VSS does not apply this strategy because now VSS is a new brand and the customer segments are mainly loyal customers.

**Cost-Plus Pricing:** The hotel will calculate how much it costs to create a product or service, then offer a reasonable price that is both profitable for the hotel and in line with the value customers receive when spending money. Although there is a risk because competitors may charge lower prices and have similar services, VSS still applies this strategy. The first reason is that this is an easy way to create a fair price for both businesses and guests. The following reason is VSS believes in the values and trusts that customers can receive from those values.

To conclude, VSS has applied two main pricing strategies, Premium Pricing and Cost-Plus Pricing. Along with product diversification, VSS also offers a reasonable price range that is suitable for individuals, couples, or families. For instance, the price of the Writer Room is VND 3,811,500, the price of the Sanctuary Room price is VND 5,659,500, the price of the Art Suite is VND 8,893,500, the price of Sanctuary Suite is VND 10,972,500,... Besides, in order to attract and retain the number of guests, the hotel has built a price for long-term guests with only VND 14,000,000/Month, and the price does not even change on public holidays and Tet Holidays.

Table 4-4. VSS's Room Rate

Types of Room	Price	Remarks
Writer's Room	VND 3,811,500	Price for 1 night
Villa Room	VND 4,735,500	
Sanctuary Room	VND 5,659,500	
Sanctuary River Room	VND 6,237,000	
Villa Suite	VND 9,586,500	
Art Suite	VND 8,893,500	
Sanctuary Suite	VND 10,972,500	
Imperial Suite	VND 11,896,500	

(Source: Group author's design)



4.2.2.1. Advantages

Table 4-5. The advantage of Premium Pricing & Cost Plus Pricing

Premium Pricing	Cost-Plus Pricing
<p>VSS’s price is considered to be relatively high compared to other boutique hotels in Saigon based on the unique features of its service. However, visitors tend to pay for experiences out of curiosity. Besides, competitors also must be aware of the premium pricing strategy of the VSS business.</p>	<p>Only applied in the Covid-19 and post-covid period when the hotel wants to expand their customer segments. Therefore, the price offered during this time will attract more tourists to come to VSS.</p> <p>Although sometimes there is a low profit or non-profit situation, this pricing strategy will make customers who are curious to come to VSS.</p>

(Source: Group author’s design)

4.2.2.2. Disadvantages

Although the hotel still meets the needs of customers, most of them are satisfied with the price offered by the hotel compared to their income. However, few of them claim that it is costly. Due to the fact that VSS has no competitors. However, when customers want to choose the hotel next to the river, the high price also makes them concerned and do not choose VSS as their option. In addition, room rates are high but still do not correspond to customer expectations. If the pricing strategy does not change or no additional services are included , it is easy to lose loyal customers.

4.2.3. Place

Distribution policy is an important bridge between production and consumption. There are two main distribution channels: The first distribution channel of the hotel is guests who directly contact the hotel, most of which are regular guests. The hotel also uses the second distribution channel, which is the indirect form, meaning that tourists come to the hotel often through an intermediary agency, which can be travel agencies, commerce agencies, partner companies,

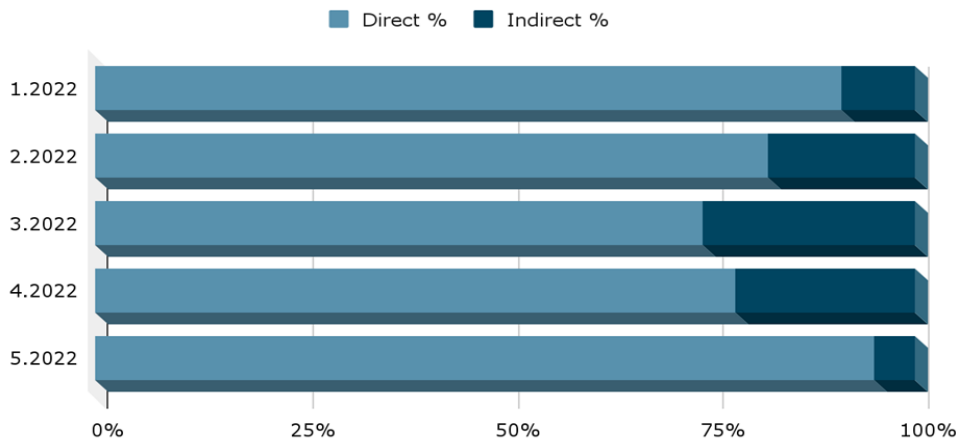


travel apps. Cooperation with distribution channels is really an important part for small accommodation businesses like VSS.

Currently, VSS is carrying out on both distribution channels with the statistical percentages from January 2022 to the present as follows:

Figure 4-4. VSS's Percentage of bookings from distribution channels

Direct % and Indirect %



(Source: Group Author's design)

#### 4.2.3.1. Direct Distribution Channel

**Direct Booking:** About this distribution channel, VSS has fulfilled all necessary information about room types on the hotel's main website, combined with booking tools to help customers quickly book a room. This is also the leading distribution channel of VSS. According to the financial report from January 2022, the percentage of customers VSS focuses on distributing the most is direct booking, from 74% to the highest 95% of the total distribution channel.

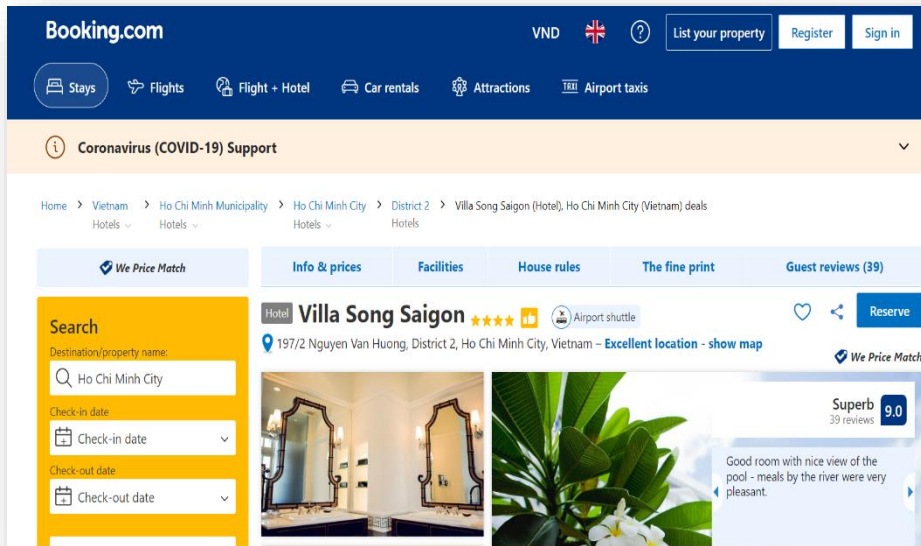
#### 4.2.3.2. Indirect Distribution Channel

**Travel Agency:** Several well-known Travel Agency companies: Vietnam Booking, Saigontourist, Vitravel Company, etc. In fact, VSS does not pay much attention to this department because of lack of revenue. Therefore, the operating process in this channel will be to agree on the commission level, set the price list, as well as the room structure and cooperate with VSS.



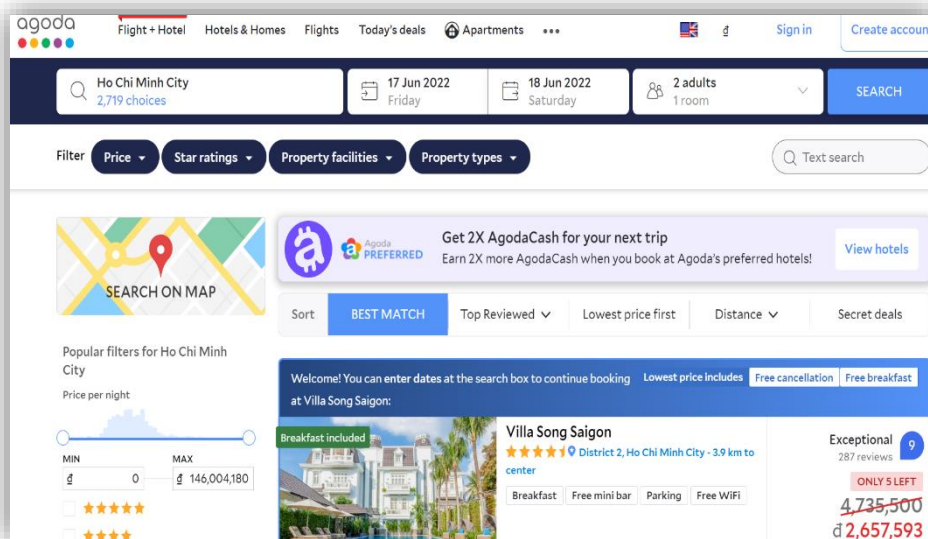
**Online Travel Agency:** It can be seen that the OTAs that VSS has been developing as well as selling rooms at: Agoda.com, Expedia.com, Booking.com... The OTA's operation process will be similar to TA's in order to make customers easy in the searching and booking process.

Figure 4-5. VSS on Online Travel Agency



(Source: Booking.com)

Figure 4-6. VSS on Online Travel Agency



(Source: Agoda.com)

**Corporate:** Unlike other business establishments, VSS also develops more in the corporate segment. Although this is not a quite profitable distribution channel, it creates a large number of long-term customers for long-term rental apartments and rooms. Besides, this indirect distribution channel mainly operates on social networks and tourism exhibitions open annually such as Vietnam International Tourism Fair 2020 ( International tourism is held annually by the



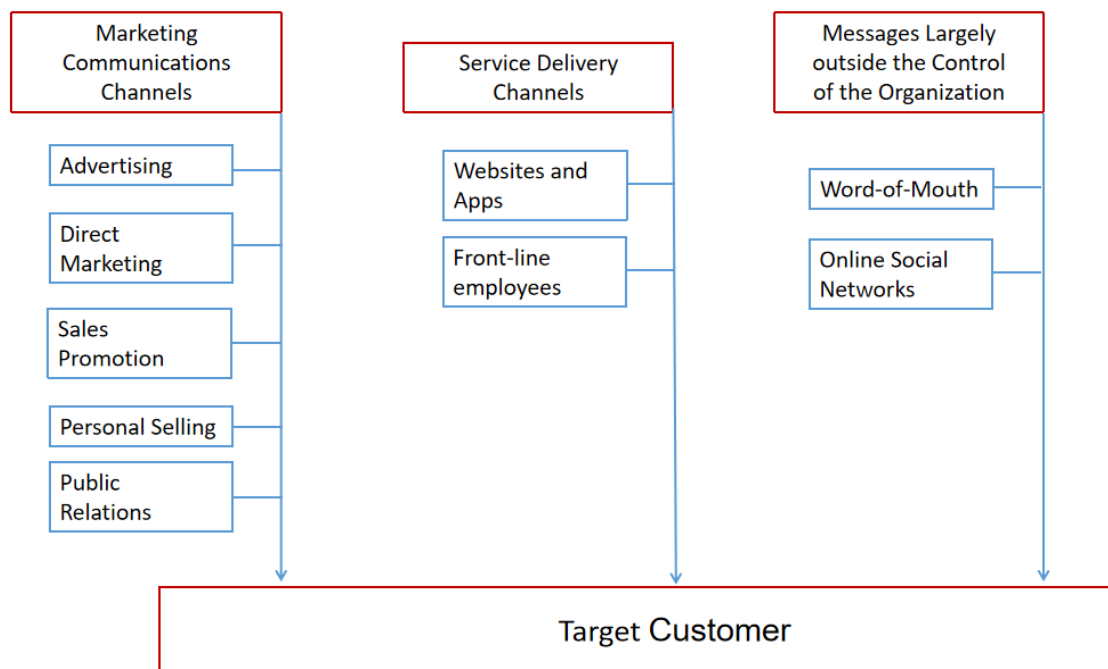
Travel Association in April every year), ITE - the largest and most prestigious international travel fair event in the Mekong sub-region. Several companies that hotels cooperated: Masteries Homes, Sim Real Estate group, etc.

#### 4.2.3.3. Disadvantages

VSS has built a close relationship with domestic and foreign travel and tourism companies. Participating in Vietnam International Tourism Exhibitions and Fairs to promote and distribute products to companies and agencies. Partly for the hotel to be able to attract more customers, create more close relationships with customers, the hotel needs to expand its association with more different companies with good agreements. The company still passively focuses on sources of customers who book directly via email, phone, website. There have not been many transitions into booking sources on OTAs, or investing in images as well as promotion packages for OTAs.

#### 4.2.4. Promotions

Figure 4-7. According to The Services Marketing Communications Mix. There are three main sources of messages that target customers will receive



(Source: Group Author's design)

Here are some forms of Marketing channel that VSS currently using:



#### *4.2.4.1. Marketing Communication Channel*

##### **Advertising**

Through exhibitions held yearly such as: Vietnam International Travel Fair VITM 2020 (organized annually by the Travel Association in April every year) ; ITE – the largest and most prestigious international tourism fair event in the Mekong sub-region; companies that the hotel has corporate with: Masteries Homes, Sim Real Estate group, etc and tour operators. In fact, VSS uses brochures, catalogues... presenting all the information about the hotel to promote the hotel to customers directly. The hotel also advertises through Travel Agency websites : Vietnam Booking, Saigontourist, Vietravel Company, etc and exhibitions about the tourism industry. Besides, the hotel also set up a separate website in English for advertising, easier access to foreign customers: Web: <https://villasong.com/>.

##### **Direct Marketing**

Direct Marketing in VSS includes tools like email and text messaging. These channels allow companies to send personalized messages to highly targeted micro-segments. The hotel also creates an impression on customers through the marketing staff making calls and sending letters on public holidays and New Year's to the hotel's loyal customers in order to make them feel more appreciated. Therefore, VSS has always maintained a stable number of loyal customers.

##### **Sales Promotion**

Promotion can be considered as a form of communication with an incentive. Typically used for short-term goals, such as accelerating purchase decisions or motivating customers to use. For example, guests of travel agents and loyal customers will be offered additional services such as a complimentary buffet breakfast at BSV restaurant, free use of a swimming pool and gym... To apply for short-term goals (Covid-19 pandemic period) and new everyday life (Post-Covid-19), VSS has implemented several promotions as follows:

- Daycation by the river: 1,234,000 (NET) include 1 room and pool access max 3 persons
- Office by the river: 1,234,000 (NET) include 1 room, 1 breakfast, 1 coffee or tea
- Suite in love: 5,678,000 (NET) include suite room, breakfast for couple and dine in BSV





*Figure 4-8. VSS's Suite In Love Promotion Package*



*(Source: VSS website)*

### **Personal Selling**

At VSS to promote a specific product, there are meetings between individuals, customers and sales staff (Sales & Marketing). Besides, VSS collaborates with distributors and agents to conduct personal selling efforts. Telemarketing, which involves calling potential clients. Because of the privacy and non-disruption of customers, telemarketing is often timed to reach customers when they are at home in the evenings or on weekends.

### **Public Relations**

Public relations (PR) includes actions by VSS (especially GM) initiatives to foster favorable interest in the hotel and its offerings. GM regularly participates in special events, trusted activities conducted by third parties. Specifically, Mr. Arief participated in regular interviews with The Saigon Times newspaper to share information about the business, personnel and unique services that the VSS wishes to serve to customers.

#### *4.2.4.2. Service Delivery Channels*

### **Company's Website**

Various communication tasks are carried out by VSS using their own website:

- Create interest and awareness among consumers
- Enable them to order high-quality content.
- Simple to use



In addition, the VSS’s website has the following flaws in terms of its restrictions.

- Preventing two-way email and chat room connection with customers
- It is not advised to use the product.

**Front-line Employees.**

Front desk staff can serve customers in person, by phone or by email. The first customer service agent by phone at VSS provides a full range of services to customers, including providing information, giving advice, making reservations, receiving payments, and solving problems. Currently in this position, the hotel has built a brand value that creates a personalized customer experience with the service.

*4.2.4.3. Messages Largely outside the Control of the Organization*

**Word-of-Mouth**

Recommendations from other customers are generally considered more reliable than promotional activities initiated by the hotel. Above all, this is a type of marketing with the least amount of money. For business customers of VSS (especially Expat working in Thao Dien Ward). In recent years, long-term apartment business (especially during the pandemic period) has partly shown the effort in encouraging the expats to share positive information about the hotel. Often develop referral bonus programs to incentivize existing customers to make a referral. This can make customers excited to promote VSS. Besides email, WOM is also spread by service reviews on third-party websites, social media, and online communities.

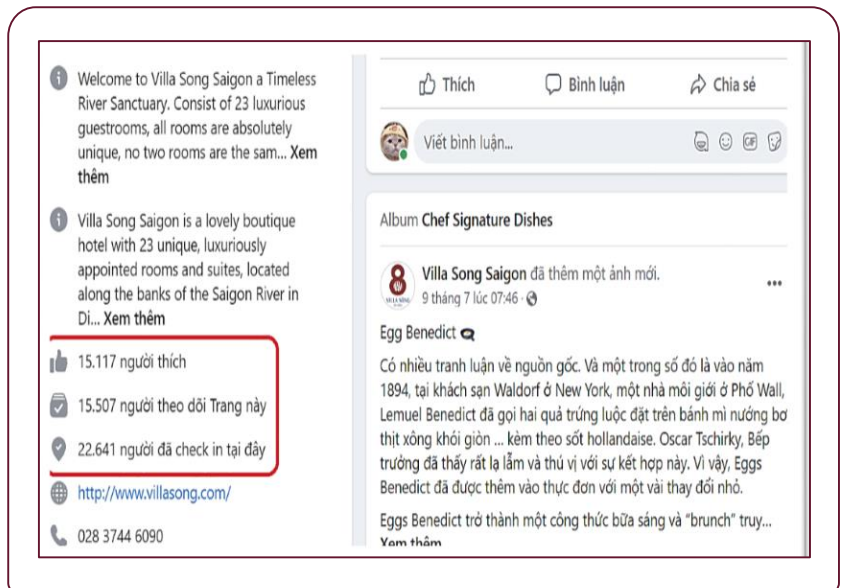
**Online Marketing (through Facebook & Instagram)**

Currently, short videos or shared images about travel experiences posted on Instagram, Facebook, Tiktok, Twitter, and Youtube receive huge views every day. Along with the safe travel keyword is attracting a lot of attention on social media, especially after the impact of the recent Covid-19 pandemic.

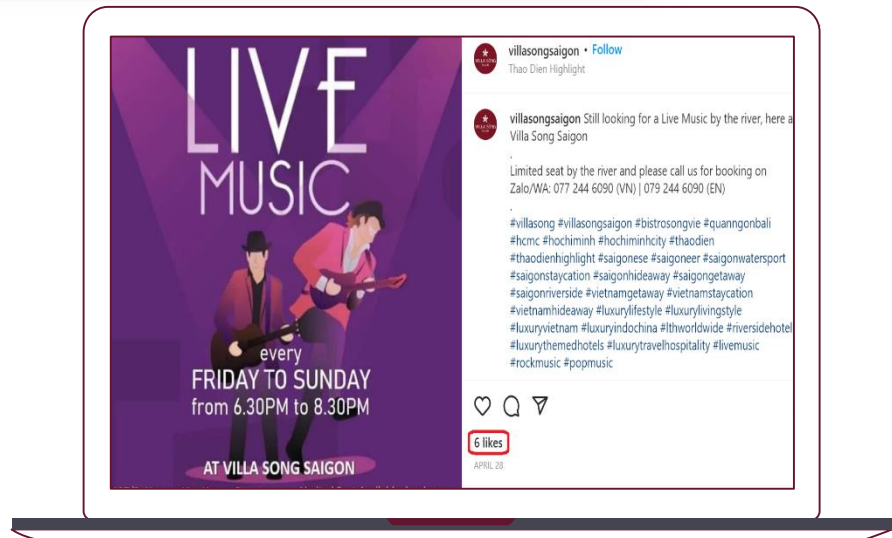
Currently, it can be seen that VSS's social media marketing to connect with customers has not really been promoted. More specifically, the two main platforms are Facebook and Instagram, although both fan pages have a relatively large number of followers. However, the interaction of guests on these posts is extremely low as well as the frequency of posting about hotel activities is still limited, has not attracted much attention from customers.



Figure 4-9. VSS's Social Media Sites



(Source: VSS Facebook & Instagram)



(Source: VSS Facebook & Instagram)



#### 4.2.4.4. Disadvantages

The hotel's website design is still limited, but there is two-way communication with customers via email and chat rooms, and it is not recommended to try products and receive customer feedback. In addition, content marketing on media sites has not been invested, although VSS followers are quite high, but interactions and awareness of promotions are very few. In addition, the frequency with which VSS launches many sales promotion programs to stimulate customer demand takes place over a long period of time, thus making the product lose its core value, customers will be dependent on waiting for the brand take the promotions. When the promotion of room rates discounted is launched, customer just ready to book the room. Furthermore, the visual designs of promotions are inconsistent, creating distrust for the hotel.

#### 4.2.5. Physical Evidence

Physical condition is a factor that shows the class and quality of the hotel. This element is a collection of real experiences in the service environment, bringing together all material elements created by humans and nature. All of these have an impact on the results of the service business.

Physical conditions include: Physical Evidence produced by humans and Physical Evidence produced by nature.

##### 4.2.5.1. Physical Evidence produced by human

VSS provides "tangible" evidence for customers to easily visualize accommodation services. Currently the hotel is located at 197/2 Nguyen Van Hung Street, Thao Dien Ward, Thu Duc City (HCMC). This is a perfectly convenient location for customers to locate quickly. VSS also has other physical evidence such as logos, websites and business cards.

Figure 4-10. Logo and Website of VSS



(Source: VSS Website)



Several elements created by an organization or enterprise (including all products and equipment in the service business). These factors can be mentioned as decoration, use of images, lighting, colors and different behind-the-scenes elements. This reflects the brand image, focusing on the people, the brand, and the emotions the brand wants to aim for in a uniform way. At VSS, the point of showing class starts from the entrance to the lobby. The road is designed with investment columns with tile roofs combined with the typical traditional style of Vietnamese people. And using the brand image of trees to create a cool, friendly space with customers.

*Figure 4-11. VSS's Lobby Area*



*(Source: Group author's design)*

In addition, the lobby of VSS is designed in a luxurious style and is more successful when making customers curious and excited about the brand. Features have been invested: statues and large flower pots create eye-catching for customers. In addition, the awards achieved by the hotel are also displayed in a separate space. An exclusive decoration is to display a lot of Vietnamese cultural paintings, cultural characteristics, and people's daily lives. Impressing foreign tourists to learn about the style of Vietnamese people, it also creates a sense of familiarity like domestic customers.



4.2.5.2. *Physical Evidence produced by nature*

In addition to the physical factors created by the business itself to enhance the image of the business establishment and the customer's experience, the physical factors of nature also contribute greatly to the direct impact on the guests. These factors are natural things such as rivers, mountains, sea, scenic spots, caves, etc. And in VSS, it is the Saigon River that will be a strong and important factor for the business.

Figure 4-12. *VSS's Boat Tours Area*



(Source: Group Author's design)

4.2.6. **People**

4.2.6.1. *Personnel Allocation*

To begin with, VSS has maintained quite good in the human resources department. Until June 2022, the number of company employees is 54 people. Due to the small-scale nature of the hotel, it is not necessary that VSS needs a lot of employees to run the business. However, it still ensures enough staff to distribute for each department.

Figure 4-13. *VSS's Total Employees*

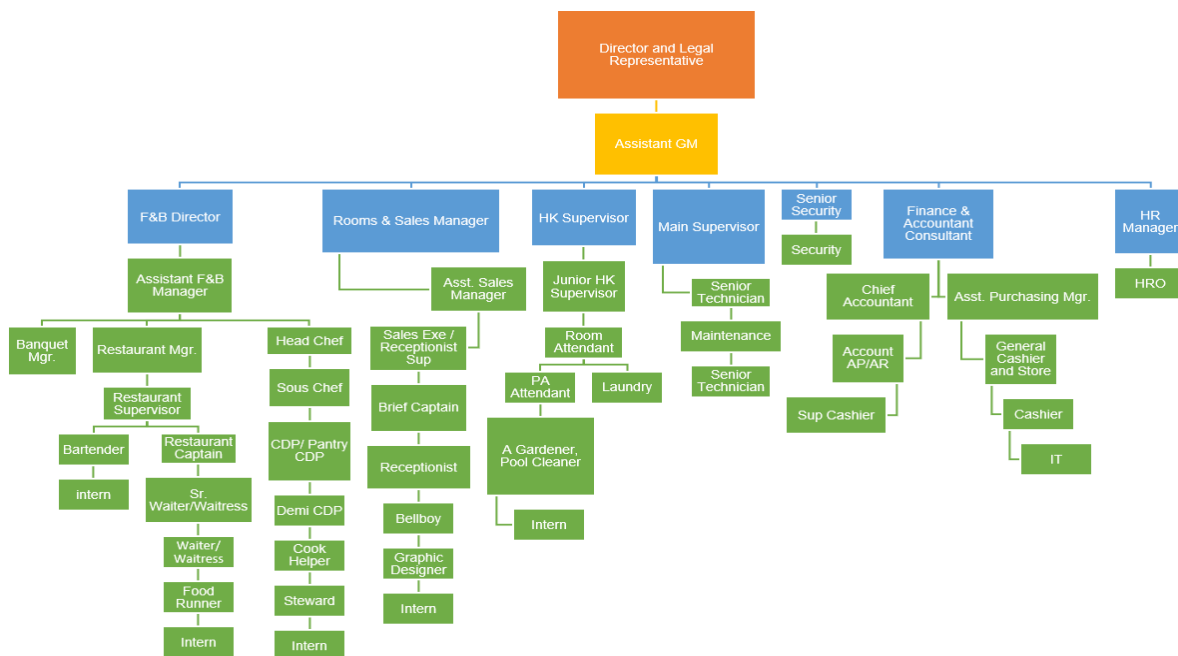
Personnel Allocation Structure:  
Human Resources has 2 employees, Finance & IT has 7 employees, Security has 3 employees, Maintenance has 3 employees, HK has 9 employees, Sales & FO has 6 employees and F&B has 24 employees.



(Source: Group author's design)



Figure 4-14. VSS's Organization Chart



(Source: Group author's design)

4.2.6.2. Recruitment

VSS sets a number of requirements for applicants. Candidates must have basic foreign language skills, at least can communicate in English, graduate from high school or higher, and have the will to progress. In particular, VSS also prioritises and expects candidates with a positive working attitude, willing to learn and a personality suitable to the nature of the service industry.

Figure 4-15. VSS's Recruitment Post

**Villa Sông Saigon Career**  
21 tháng 10, 2021 · 🌐

NV Kế Toán Kho (kiêm Thủ Quỹ).  
Mô Tả Công Việc:

- 📌 Kho:
  - Làm thủ tục xuất/nhập hàng hoá, nguyên vật liệu ra/vào kho.
  - Hạch toán vào phần mềm Smile
  - Phiếu xuất/nhập kho
  - Kiểm kê kho định kỳ hàng tháng.
- 📌 Thủ Quỹ:
  - Kiểm các loại chứng từ trước khi thu, chi.
  - Quản lý tiền mặt của Công ty.
  - Hạch toán vào phần mềm Smile
  - Và các công việc liên quan.

**Yêu Cầu Công Việc:**

- **Tốt nghiệp cao đẳng chuyên ngành kế toán.**
- Sử dụng thành thạo Microsoft, phần mềm Smile.

Làm việc từ Thứ Hai đến Thứ Sáu.  
Địa điểm: 197/2 Nguyễn Văn Hưởng, P. Thảo Điền, Tp. Thủ Đức (Q.2).  
Mức lương: thương lượng.  
Chế độ đầy đủ theo quy định nhà nước.

**Villa Sông Saigon Career đang ở Villa Song Saigon.**  
20 tháng 5, 2021 · Thành phố Hồ Chí Minh · 🌐

Bếp chính ( Âu, Á, Bánh, Lạnh) - CDP

- Công việc chuẩn bị
  - Giữ gìn, bảo quản các công cụ dụng cụ, máy móc thiết bị trong bếp.
  - Thực hiện việc kiểm tra hàng hóa thực phẩm tồn đọng.
  - Kiểm tra thực phẩm hàng ngày
  - Chuẩn bị nguyên liệu để chế biến món ăn.
- Tiêu chuẩn phục vụ
  - Kiểm tra và giám sát chất lượng món ăn phục vụ khách đảm bảo theo tiêu chuẩn thương hiệu.
- Vệ sinh an toàn thực phẩm. Kiểm tra việc lưu, hủy mẫu thực phẩm
- Chế biến món ăn
  - Trực tiếp chế biến món ăn.
  - Tuân thủ theo thực đơn

**Yêu cầu công việc**

- **Tốt nghiệp THPT trở lên**
- Kinh nghiệm trong lĩnh vực bếp
- Nhanh nhẹn, chăm chỉ, sạch sẽ, gọn gàng.

Đ/c: 197/2 Nguyễn Văn Hưởng, P. Thảo Điền, Tp. Thủ Đức (Q.2), Tp.HCM

(Source: VSS Facebook)

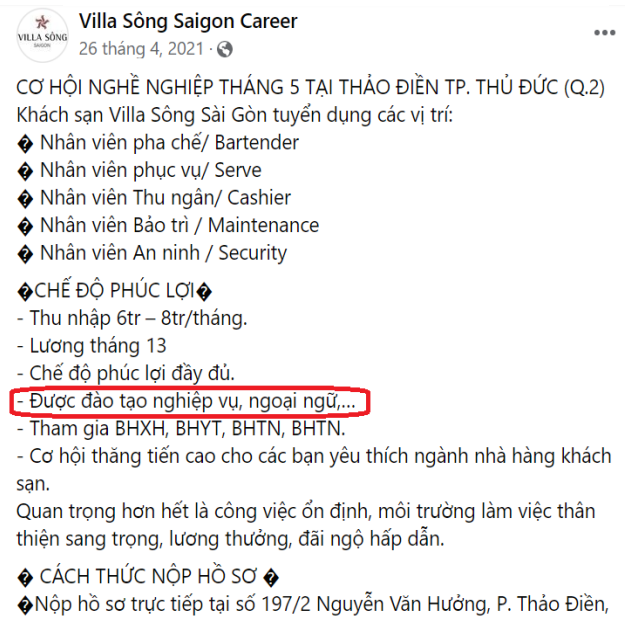




4.2.6.3. Training

VSS is now constantly improving its employee training program to match the trends of the hotel industry. Foreign language training takes place regularly both inside and outside working hours. Mr. Arief is the one who sets the direction for the hotel and directly trains the staff. Besides, in order to perfect and improve the skills of their staff, VSS integrates skills training right into the employee's working process and regularly checks their knowledge of service procedures monthly.

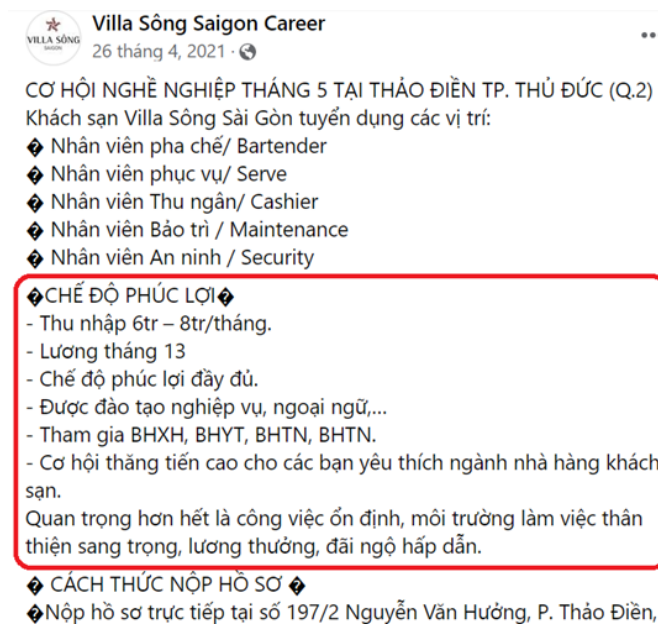
Figure 4-16. VSS's Recruitment Post



(Source: VSS Facebook)

4.2.6.4. Employees Motivation

Figure 4-17. VSS's Recruitment Post



(Source: VSS Facebook)



*4.2.6.5. Disadvantages*

The company has not yet provided promotion routes for employees. Or do not regularly open training classes, improve skills for employees. The benefits of salary and bonus have not been strongly promoted. Making low-level employees who are key to bringing satisfaction to customers tend not to stick with the company for a long time. Causing the company to often face shortage of employees when operating, or if recruiting new, it will cost money and time to re-train other new employees. Unable to follow the pace of work, new employees need a lot of time to follow the culture of the villa as well as the standards of the villa. During this time, loyalty customers will feel like the service and experience of the hotel goes down. Gradually lose potential customers.

**4.2.7. Process**

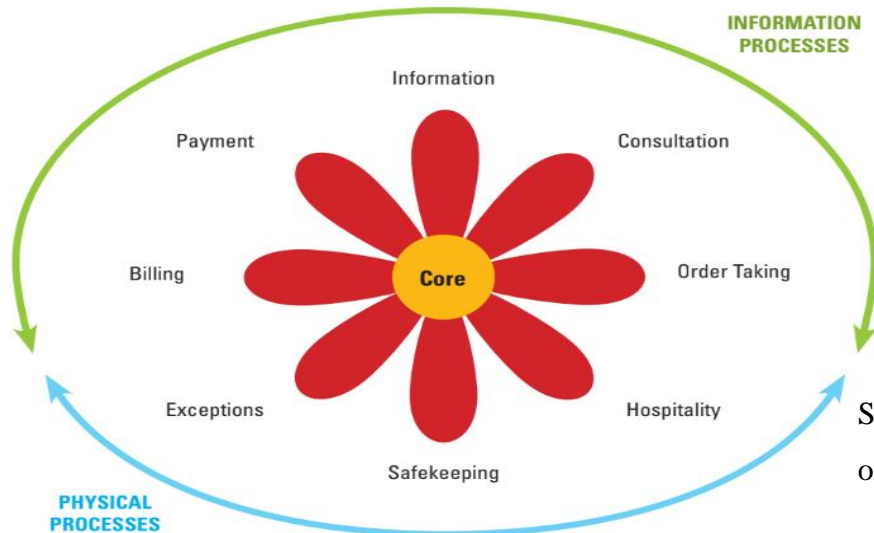
The Process of making products, serving customers well, and the supply process will help the hotel "please" customers. This is a decisive factor in whether or not a customer will return to the hotel next time. It is also the most obvious way to reflect the business results of the hotel. Therefore, every hotel wants to have the best service and support to its customers.

Additional services are extensively demonstrated through The Flower of Services model of Harvard Associate Professor Christopher Lovelock. The model takes the core product as a stigma and revolves around eight petals corresponding to 8 additional services. In the Process, there will be two main features: Information processes, Physical processes. VSS fully implements this Process in the common order from when a customer needs to when they finish using the service and make the payment. For example, the guest's check-in process starting from receptionist after welcoming and checking in, the receptionist at the lobby directly or cooperates with the bellman to bring customers up to check in, and carry luggage to the room quickly and accurately. Caching up and solving the customer complaints to achieve maximum satisfaction.

During the working process, the staff actively initiates conversations, inquires, and introduces customers to the hotel's services in order to create a moment of truth and motivate customers to use the service. In addition, during the customer's stay, the front desk staff receives and handles the overall tracking of the customer's expenses for payment and transfer. Not only welcoming guests but also caring for customers so that customers can feel the hotel's attention for them, making customers want to come back next time.



Figure 4-18. The flower of services model of Harvard University Associate Professor Christopher Lovelock



Source: According to Essentials of Service Marketing 3rd Edition

#### 4.2.7.1. Advantages

Regarding the customer service process, the hotel has been applying The Flower of Services model in order to bring the best service quality to guests. Therefore, VSS focuses on two main characteristics: Customer Focus, Experience Journey and Customer Lifecycle.

Table 4-6. The advantages of Customer Focus & Customer Journey and Life Cycle Customer

CUSTOMER FOCUS	CUSTOMER JOURNEY AND LIFE CYCLE CUSTOMER
<p>Actively taking feedback from customers after they check-out, encouraging customers to evaluate the VSS's service quality fairly.</p> <p>Therefore, adjusting the service process as well as developing appropriate strategies in the future.</p>	<p>Customer Relation Management programs focus on building products that will match customer needs and behaviours.</p> <p>VSS's loyal customers are said to be middle-aged people so these services that are related to health and spirit will be more attractive than other activities.</p>

(Source: Group Author's design)

Therefore, VSS has won several prestigious awards from Trip Advisor for many years in a row. More importantly, in 2016, more than 300,000 people travelling around the world voted for VSS. (VSS is honoured to be recognized among the Top Hotels in Southern Asia by the internationally



acclaimed Condé Nast Readers' Choice Awards 2016 – based on a readership survey of over 300,000 global travellers). The perfect cycles that VSS is trying to implement needs less time and less expensive in terms of costs in order to gain feedback from customers (because these cycles are just starting early so that it is not effective yet).

### **4.3. The evaluation of all VSS's disadvantages**

#### **4.3.1. External Causes**

Currently, due to the consequence of the Covid-19 pandemic, the tourism industry in Vietnam and the world in general is difficult to attract domestic and foreign tourists. Therefore, it also negatively affects the hotel industry.

#### **4.3.2. Internal Causes**

VSS Hotel has researched and identified the target market as a business, business, and business tourist from abroad. However, the hotel has not focused on inbound customers. The hotel has been expanding to exploit this potential guest market, but the results are still low because the marketing policy to attract this audience has not been implemented effectively.

The policy of promoting the hotel's images, products and services to consumers has not been promoted, mainly through the hotel's website.

The scale of the hotel is not significant compared to many competitors in the Thao Dien Ward and HCMC's hotels.

Regarding the quality of the hotel's products and services: the number of room types is limited, not diverse, not yet unique and characteristic, and the layout of the rooms still have many shortcomings, such as the lack of rooms for people for disabilities. Room size has not yet created a comfortable feeling for guests. The arrangement of furniture is not scientific - for some rooms with a small area but too many items, some techniques have not been used to make the room look larger such as using many mirrors or big windows. No floor elevator makes it difficult for people with disabilities or guests with heavy luggage to move to higher floors. The above factors will make customers consider when booking at VSS.

In conclusion:

- Facilities at the hotel have a lot of old used equipment that can affect the quality of products and services (the hotel is seven years old).



- The brand's Positioning is still too high, but the service quality is not commensurate with such a high price.
- Nothing too outstanding to make customers return in the future other than the advantage of being next to the Saigon River.

In conclusion, that's all the marketing analysis we do at VSS, through which we can confirm the strengths and weaknesses to offer a comprehensive solution for improvement and development in 2023.



## CHAPTER 5.

### STRATEGIC PLANS FOR VILLA SÔNG SAIGON IN 2023

#### 5.1. Setting up the goals for Villa Sông Saigon in 2023

##### 5.1.1. The standard to set the goal

These days, Vietnam's economic and human life development issues are speedy. When people's living standards have been improved, they will be more concerned with entertainment, relaxation, and other experience services. Moreover, in the post-covid-19 period, the government and the ministry of tourism have taken tourism stimulus programs, so that the number of tourists coming to HCMC for travel or business purposes has significantly increased. This is an opportunity for VSS to expand their target customer to reach more domestic customers.

Due to the economic development, cooperation between localities and countries in every industry increases rapidly, leading to foreign enterprise in Vietnam increasing as well. Currently, there is a massive number of foreigners living in Vietnam. When all borders and airplane routes are opened to welcome the tourists, this number will increase more quickly shortly. Their primary purpose is to come to Vietnam to learn about the country, work, and travel. This customer group is also the group that brings the highest revenue to the accommodation industry. Hence, VSS needs to promote all the aspects of business and develop the products to maximise service capacity.

From 2018 to now, all business circumstances, management, and service experience have achieved seemingly good results. Even though VSS was also affected in tough times due to the worldwide epidemic, the business results were not changed too much because of the highly qualified and well-oriented leadership team.

##### 5.1.2. Common goals for business development in 2023

The following general strategies and goals will be selected for VSS to implement in the business plan in 2023:

- Product Development (product diversification and differentiation)
- Market Development (penetration and brand positioning)
- Business Stabilization



5.1.3. Specific goals for business development in 2023

- Room occupancy will reach 63% in the first quarter of 2023
- Room occupancy will reach 60% in the second quarter of 2023
- Room occupancy will reach 54% in the third quarter of 2023
- Room occupancy will reach 65% in the fourth quarter of 2023
- VSS's revenue will reach VND 43,004,271,241 in 2023

Table 5-1. VSS's Average Rate of change in revenue from 2019 to 2022 (in VND)

	2019	2020	2021	2022 (First 5 months)
<b>Rooms</b>	21,089,645,940	5,223,622,753	3,140,889,363	2,806,616,043
<b>Restaurant</b>	15,207,391,044	8,911,432,129	10,224,712,685	8,662,764,403
<b>Events</b>	6,858,565,327	3,076,624,818	3,486,334,479	6,123,779,692
<b>Total</b>	43,155,602,311	17,211,679,700	13,714,235,527	17,593,160,138

(Source: Group author's design)

The above table shows VSS's revenue was relatively high in 2019 despite the Covid pandemic. By 2020 and 2021, when the pandemic situation becomes severe, revenue will decrease by 74-75% compared to 2019. Based on the current pandemic situation, the economy is also gradually under control and has good business status in 2019; VSS should aim to achieve at least 43 billion VND in 2023. The foundation for achieving this goal is that revenue in the first five months of 2022 will exceed 17 billion VND. Over the remaining half-year period, with many holiday periods, the number of guests staying will increase, and revenue can be estimated to be around 34 billion VND or more. This figure is a significant stepping stone toward VSS's recovery and rises in 2023.

VSS's target revenue for each quarter of 2023 is estimated below:



Table 5-2. VSS Revenue Forecast in 2023 (in VND)

	Quarter I	Quarter II	Quarter III	Quarter IV
<b>Total Revenue</b>	12,454,717,690	9,977,002,051	7,948,875,466	12,623,676,034

(Source: Group author’s design)

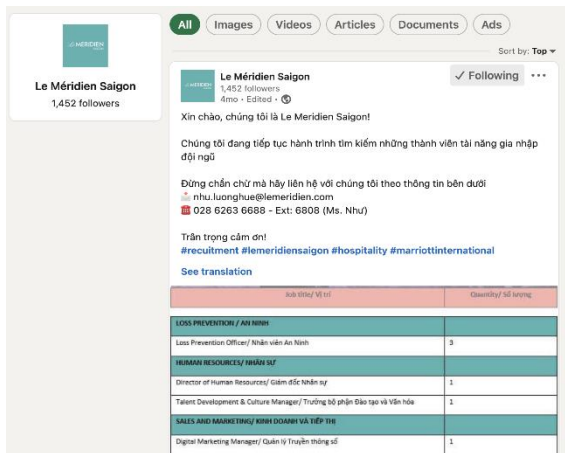
## 5.2. Solutions for strategy implementation

### 5.2.1. Solutions to stabilize the business

#### 5.2.1.1. Solutions for operation & human resources

##### a) Recruitment

Figure 5-1. Le Méridien Saigon’s LinkedIn



Establishing a VSS recruitment page on LinkedIn in order to recruit or find the best talent. LinkedIn has a significant number of individuals looking for career opportunities and businesses looking for employees.

(Source: Facebook)

Figure 5-2. Job Fair Day in FPT University (5/2022)

Participating in annual university recruitment fairs. As in the previous 5/2022, FPT University has launched a job fair. Besides, the Faculty of Tourism and Hospitality Management has also signed a memorandum of understanding with more than 20 large and small hotel partners across Vietnam to create opportunities for employers as well as students to find the most suitable jobs.

(Source: FPT University)

### Job Fair 2022: Ngày hội kết nối doanh nghiệp và sinh viên ĐH FPT

Thứ Năm, ngày 05 tháng 05 năm 2022

Sự kiện được mong đợi trong năm – Job Fair 2022 vì dịch bệnh Covid 19 sẽ diễn ra vào ngày 12/05/2022 tại Trường Đại học FPT TP. HCM (Lô E2a-7, Đường D1, Khu Công Nghệ Cao, P.Long Thạnh Mỹ, Tp.Thủ Đức, TP.HCM).

Sự kiện là cầu nối giữa sinh viên và doanh nghiệp, giúp các doanh nghiệp có thể tìm được nguồn nhân lực chất lượng cao, quảng bá thương hiệu cho doanh nghiệp; Sinh viên sẽ tìm hiểu thêm về các vị trí công việc tại doanh nghiệp, nắm bắt các cơ hội việc làm trong tương lai cũng như định hướng nghề nghiệp cho bản thân.

Tại đây, nhiều vị trí tuyển dụng hấp dẫn thuộc các lĩnh vực, ngành nghề hot hiện nay với sự quy tụ của 35 gian hàng doanh nghiệp lớn nhỏ. Sinh viên có cơ hội được phỏng vấn & ứng tuyển trực tiếp tại chỗ. Bên cạnh đó còn có những phần quà và học bổng giá trị từ doanh nghiệp dành cho các cá nhân xuất sắc.







Enhance the recruitment process to become more professional. Outline the specific tasks for each department and the qualifications required to work in that department. In addition, there are unique and specific requirements for recruitment standards:

- Human Resources staff must look for candidates who have graduated from college, university, and otherwise higher with fluency in English for positions that require high skills and experience in dealing with guest situations, such as Front Office Attendant or Server.
- Improve the recruitment page; recruitment websites should describe each position's job fully. Each hiring post should clearly state the terms of salary and bonus, in addition to social insurance, health insurance, and allowances. VSS should be consistent with recruitment content or posts related to recruitment issues as then candidates can visualize the job positions and create the business's credibility.
- The human resources department should also participate in exchanges and cooperation agreements with vocational schools, colleges, and universities to attract students to practice and practice. The hotel has abundant human resources, creating a driving force for the future development of the business.
- Using the "8C Recruitment Model" helps businesses choose the most suitable candidate in the recruitment process to ensure work efficiency when the candidate becomes an official employee of the enterprise.

## **b) Training**

More training on company culture, guidelines, and application of company procedures for employees to follow up more efficiently at work. Besides, planning long-term strategies for training and recruiting staff to prepare for seasons with high occupancy carefully.

- **Building Corporate Culture according to the Kaizen 5S Model**

Professor James L. Heskett (Professor of Business Logistics) states, "Corporate culture can account for 20-30% of an enterprise's performance." As a result, applying the primary content of the Kaizen management philosophy in the field of training at VSS helps the hotel achieve material values and brings sustainable development in the future.



Figure 5-3. The 5S method's working procedure



(Source: Resource, 2022)

The Japanese invented the 5S model, one of the quality management systems used in all Toyota factories. 5S is derived from five Japanese words beginning with the letter "S": Seiri, Seiton, Seiso, Seiketsu, and Shitsuke. When the Kaizen philosophy gained popularity, 5S was translated into different words, but all started with the letter S and did not change in basic meaning:

**Seiri (Sort):** Keep only valuable items for work, and remove unnecessary things.

**Seiton (Straighten):** Organize the remaining items as easy to find, easy to see, easy to get, and easy to return.

**Seiso (Shine):** Keep the workplace clean to improve the working environment and reduce accidents or risks. Avoid dust and damage to machinery and equipment.

**Seiketsu (Standardise):** The goal of S4 is to standardize and maintain the above 3S activities for a long time, methodically in the business, not as a temporary impromptu movement.

**Shitsuke (Sustain):** Educating, forming habits, and actively participating in 5S implementation for all enterprise members.

- **Advantages of applying the 5S model for VSS employees:**
  - Because of the 5S method's easy-to-understand, easy-to-remember, highly systematic nature, employees can apply it creatively in their daily lives, not only helping them eliminate daily clutter and work more efficiently but also helping them form many valuable habits right in their daily lives.



- Employees who follow this golden rule at work help to arrange and maintain a neat, clean, airy working environment, creating a new, more efficient, and precise order.
- For VSS, applying 5S to work management will aid in developing a collective of employees who work with principles and responsibility.
  - **Designing staff training programs for 3 main departments (Front Office, Housekeeping and F&B).**

Training is meticulously planned for each day, month, and quarter and then distributed to department managers for updates. Ensure periodic tests of staff quality are taken place regularly.

*Table 5-3. VSS's Training Process*

DEPARTMENT	TRAINING TOPIC
Front Office	<ul style="list-style-type: none"> <li>- Fire/Life safety</li> <li>- Morning shift FOA</li> <li>- Afternoon shift FOA</li> <li>- Night shift FOA</li> <li>- Sequence of Guest Greeting</li> <li>- Handling of internal and external calls</li> <li>- How to write the email and letter</li> <li>- How to check in a guest a reception</li> <li>- Payment method</li> <li>- How to check out a guest</li> <li>- How to call a Guest after Check out time</li> <li>- Bell Service</li> <li>- Boat Tour Information</li> <li>- Reservation checklist</li> <li>- Lost and Found</li> <li>- Advanced English</li> </ul>
Housekeeping	<ul style="list-style-type: none"> <li>- Fire/Life Safety</li> <li>- Bed making</li> <li>- In-room amenities &amp; room facilities</li> <li>- Cleaning of the bedroom</li> <li>- How to deep cleaning the toilet</li> <li>- Lost and breakage report</li> <li>- Handling guest complaint</li> <li>- Room status terminology</li> <li>- Housekeeping vocabulary</li> <li>- Setting 12/4 rule (12 feet away from guests - grooming; 4 feet away from guests - greeting)</li> </ul>
Food & Beverage	<ul style="list-style-type: none"> <li>- Fire/Life Safety</li> <li>- Sequence of service - Hostess tasks</li> <li>- Payment method</li> <li>- Wine/Beer/Spirit</li> <li>- Cocktails Class</li> <li>- How to arrange the lay out for MICE</li> <li>- How to handle a guest complaint</li> <li>- How to carry the tray</li> <li>- How to interact &amp; engage with guests with the professional english</li> </ul>

*(Source: Group author's design)*

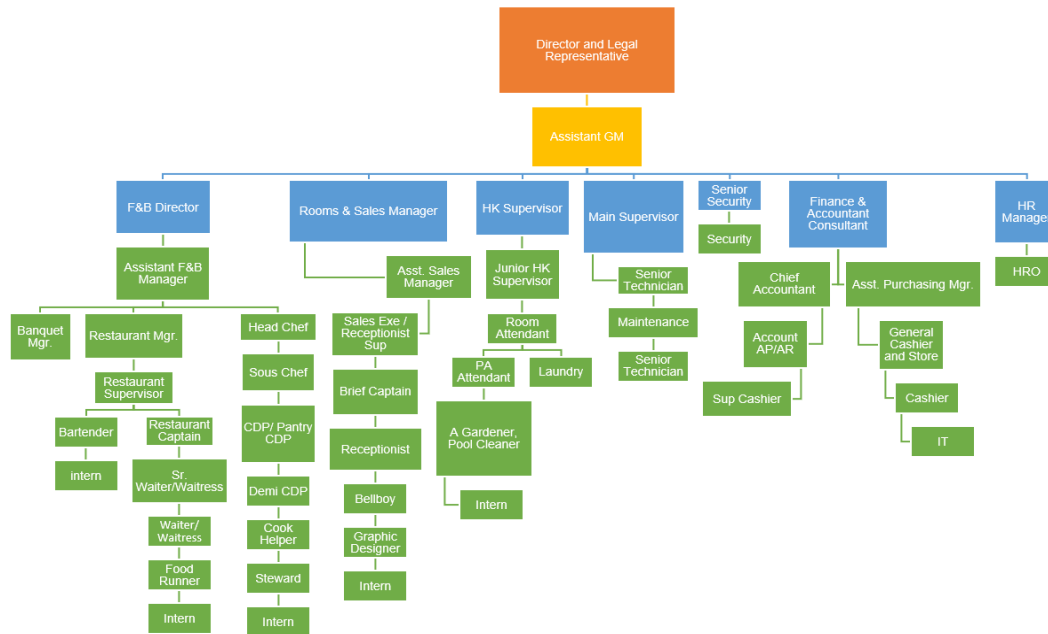


Furthermore, VSS must train a sales department to support the hotel's products and services, collect customer data, resolve customer complaints, and maintain good guest relationships. When a customer's problem is effectively resolved, providing value makes them feel at ease.

c) Employee & Organization Structure

- Current Personnel at VSS

Table 5-4. VSS's Current Organizational Chart



(Source: Group author's design)

- Personnel Expected Changes in 2023

*Table 5-5. VSS's Expected Personnel Change in 2023*

DEPARTMENT	POSITION	QUANTITY			
		1st quarter	2nd quarter	3rd quarter	4th quarter
	Director and Legal Representative	1	1	1	1
	Assistant GM				
Human Resource	Human Resource Manager	1	1	1	1
	Human Resource Officer	1	1	1	1
Finance	Finance and Accountant Consultant	1	1	1	1
	Chief Accountant	1	1	1	1
	Account AP/AR	1	1	1	1
	Supervisor Cashier	1	1	1	1
	Cashier	2	2	2	2
	IT	2	2	2	2
Security	Senior Security	1	1	1	1
	Staff	3	2	2	3
Maintenance	Supervisor	1	1	1	1
	Staff	3	2	2	3



<b>Housekeeping</b>	<b>Supervisor</b>	2	2	2	2
	<b>Staff</b>	9	6	5	10
	<b>Casual Labor</b>	3	2	2	3
<b>Sales</b>	<b>Manager</b>	1	1	1	1
	<b>Assistant MGN</b>	1	1	1	1
	<b>Receptionist Supervisor</b>	2	2	1	2
	<b>Staff</b>	3	2	2	3
	<b>Intern</b>	2	2	2	1
<b>F&amp;B</b>	<b>F&amp;B Director</b>	1	1	1	1
	<b>Restaurant MGN</b>	1	1	1	1
	<b>Supervisor</b>	3	3	3	3
	<b>Staff</b>	8	6	5	10
	<b>Casual labor</b>	4	2	3	5
<b>Kitchen</b>	<b>Chef</b>	4	3	3	5
	<b>Staff</b>	5	4	5	6
	<b>Casual labor</b>	3	2	3	4

(Source: Group author's design)



5.2.1.2. Solutions for Customer Services

Promote vigorously the loyalty customer programs to improve service satisfaction when the customer is enjoying the VSS services. The membership program was launched to deploy, improve and even update the VSS's official information.

More flexibility for returning guests - with preferential policies. Enhance gifts or extend services flexibility for patrons.

Continuously improve the website - add the chat Box function on the VSS's website so that guests can chat with robot administration and raise their problems more easily (24/7).

Implement email campaigns - inform the program of the month and promotions package via email to guests so guests can easily access and know about the programs happening.

**EXCLUSIVE OFFERS:**

- In a guest's birthday month (from Classic level and above), guests will gain a 10% discount at once for accompanying services such as Spa, F&B or Water Sports activities.

If the group has more than 10 people (book a table 48 hours in advance before coming to dine at BSV restaurant, LT bar)

- Obtaining the benefits according to the level:

Table 5-6. Details of Customer Benefits

	Classic	Silver	Gold	Platinum	Notes
Discount on the food and beverage items	5%	5%	8%	10%	Only applicable to food and beverage establishments at the VSS
Discount on the laundry items	-	10%	15%	20%	Only applicable to food and beverage establishments at the VSS
Late check-out	-	-	-	3:00 P.M	-

(Source: Group Author's design)

**Terms & Conditions:**



- Identity card or Passport need to be presented at that time to enjoy the Birthday Month

Condition for level	Classic	Silver	Gold	Platinum
Number of stays	Enroll new membership	Above 3 stays	Above 10 stays	Above 20 stays
Number of nights		Above 7 nights	Above 25 nights	Above 50 nights
Eligible amount		Above USD 2000	Above USD 7000	Above USD 15000

offer (offer can be applied 7 days before or after birthday).

- Accumulating nights of stay to upgrade the customer card, accumulated points will automatically expire after 2 years from the day assigned.

*Table 5-7. Conditions for membership level*

*(Source: Group Author’s design)*

### 5.2.2. Market Development Solutions

#### 5.2.2.1. Price Solutions

The "More Services for the Same Price" policy will be applied to attract guests staying at VSS and guests from outside who want to visit HCMC without having to travel from far away.

Reasons why VSS should remain the same price:

- When there are full rooms and the price does not increase, we can sell more services to guests (for example: Online booking at Web VSS will be increased by one cocktail at LT bar, or many promotional packages for other transport tours). Therefore, the profit will increase more than setting a high price, and guests do not tend to book → Can not sell additional services (Condiment Services).
- When the hotel has a certain number of guests, VSS will take advantage to sell more services to them. → Keeping the same room rate, adding available services to retain customers, and diversifying products for businesses not only attract many types of customers.
- Customers tend to be more interested in accompanying services and products than VSS sells those services and products individually. → For domestic customers: unchanged prices are entirely beneficial for customers.





#### *5.2.2.2. Distribution solution*

VSS need to make more connections with OTA and TA channels such as Agoda.com, Booking.com, etc... Even, providing either more pictures or detailed information about implementation services and service product packages. In addition, the widespread communication system that VSS can introduce and sell to guests about products and services through phone, email, and social networks. Also, being needed to smoothly combine both direct and indirect distribution methods.

In order to expand the market and attract new customer segmentation. First, VSS needs to add more services other than rooms such as dining and experience services. Specifically, VSS will have to promote and finger out more partners who bring guests regularly to use a ton of VSS services. For instance, signing contracts with travelling businesses such as Saigon Tourist, Vietravel, Mytour and other companies to sell a massive available number of rooms for them every year .

Besides, VSS can cooperate with other hotels in Thao Dien Ward area or other areas to matchmaking the guests to each other. In other words, other hotels in other areas can introduce VSS to their guests if they need to go on a business trip in HCMC and vice versa. Being connected with other hotels in the same area to introduce to guests in case of full occupancy and then receive the commissions for direct guests.

#### *5.2.2.3. Marketing solutions*

Encouraging collaboration with OTA channels such as Booking.com, Agoda.com, and Traveloka.com as well as domestic channels such as Mytour, Atadi, Momo, and others. That will extend the domestic guests as well as increase the brand awareness in our country.

Improving the hotel website, providing a feedback area for guests after booking directly from the website and implement the "Special Requirements" section for guests. In addition, design more posters, brochures for promotions, or seasonal packages.

The frequency of posting on social platforms should be given more attention. Businesses should spend time to invest in images as well as post articles related to events held at VSS on Facebook, Instagram. Guest will know that there are many choices of products of the business, to choose the right one for each customer's needs.



Increase the popularity of the brand image with Tik Toker, offer them to spend 2-3 weekends in the VIP room and experience using all the free services at VSS such as boating, SUP, etc. Also, let them record a video review on social media.

### 5.2.3. Product Development Solutions

#### 5.2.3.1. Solutions for Long-term Products

The Unique Selling Point products that VSS created for customers have been operating effectively and receiving many positive customer feedbacks. Besides, some comments are not very satisfied with the service they receive back when staying at the hotel. Therefore, we offer the following service solutions:

- River activities, kayaking, and SUP rowing classes with experts occur regularly and on fixed days of the week. Expand sales of tickets for retail customers to participate in activities.
- More robust development of existing boat tours and move to find travel partners to cooperate with 3rd parties, design attractive tours according to customers' requirements. Diversify travel service options.
- Before the pandemic, VSS self-operated spa businesses, had to pay salaries, train employees and pay attention to all kinds of documentaries about the transparency of services. The hotel had to spend a lot of money and even the business situation of the Spa at that time was not efficient. Therefore, we offer a solution to outsource unit to cooperate and share profits for both parties benefit. The spa businesses are offered as follows:
  - **L'apothiquaire Spa:** With classical and romantic French decoration, the famous spa address L'apothiquaire Spa provides a comprehensive full body treatment and facial care services.
  - **Hoa Bang Lang Spa:** Established in 2005, Spa provides a variety of services such as full body relaxation to help customers relax mentally, remove pressure and fatigue; facial care helps to improve skin, anti-aging; body care from fruits, and many other services.
  - F&B must be flexible in changing the menu, enhancing signature dishes suitable for the year's seasons. Besides, provide more Asian and European set menus to have more



experience for guests when dining at BSV. Besides, the promotions of each quarter will include F&B products to bring revenue to BSV Restaurants.

- The Business Offer promotion:
  - One night stay at VSS (Writer Room)
  - Complimentary use of swimming pool, gym
  - A la carte breakfast at BSV restaurant
  - Complimentary laundry 3 items per day
  - Complimentary early check-in from 10:00 am and late check-out until 4:00 pm (Subject to room availability)
  - Complimentary Meeting Room package for up to 10 people (Includes 1 projector, paper and pen)
  - Complimentary use of fax machines, printers

#### *5.2.3.2. Strategic solutions for each quarter*

##### **a. Quarter I (Jan, Feb, Mar/2023)**

##### **❖ LUNAR NEW YEAR PACKAGE**

As Vietnamese people, the Lunar New Year is the most important occasion of the year which is cherished by Vietnamese people whether living in Viet Nam or overseas. This is not only the time to wrap up the old year and welcome the new year, but also an opportunity for families to gather, reunite to wish each other a peaceful, healthy and lucky in the new year. With VSS, this is the most important thing to promote the cultural beauty of Tet holiday to international friends.

**Booking period:** Now to 31/12/2022

**Opening period:** From 16/01/2023 to 31/01/2023

**Operating Hours:** 9:00 AM-03:00 PM

**Only from:** VND 999,000++/pax

VND 1,599,000++/pax (including set lunch menu)

##### **PACKAGE BENEFITS:**

- Complimentary participate in calligraphy, take a photo with ao dai (Vietnamese traditional clothing), participate in Master Class on making red envelopes



- A choice of 3 Tet Set Lunch Menu (typical meal in Lunar New Year)
- Complimentary use of gym, swimming pool
- Complimentary one drink contained alcoholic or non-alcoholic drinks for 2 people at LT bar

**TERMS AND CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- Package must be booked at least 24 hours in advance
- Package apply only on valid days
- Required the deposit for groups of more than 10 people and cancellation policy applies

**❖ LADY OFFER**

Enjoy the time to treat yourself well, VSS bring a comfortable and relaxable space at the Spa and participate in making the Handmade candles at lessons with artisans from local in Saigon.

**Booking period:** From now to 28/02/2023

**Staying period:** From 01/03/2023 to 31/03/2023

**Only from:** VND 4,490,000++/night

**PACKAGE BENEFITS:**

- One night stay at Villa Room for 2 people
- A la carte breakfast for 2 people at BSV restaurant
- Complimentary use of gym, swimming pool
- Complimentary one drink contained alcoholic or non-alcoholic drinks for 2 people (a choice of bottle of champagne and juice drink)
- Complimentary participate Master Class on making handmade candle
- 20% discount for Spa Services

**TERMS & CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- Impractical apply for above 3 people at the same time
- Impractical in conjunction with other offers and discounts
- Package apply only on valid days



- Package must be booked at least 24 hours in advance

**b. Quarter II ( April, May, June/2023)**

**❖ THE SUMMER OUTING PACKAGE**

Let's enjoy our summer vacation in Saigon with our loved ones, whether they be family, friends, or our significant others. Take part in enjoyable and soothing activities along the Saigon River's banks.

**Booking period:** From now until 30/06/2023

**Staying period:** From 01/04/2023 to 30/06/2023

**Only from:** VND 8,990,000++/4 pax

**PACKAGE BENEFITS:**

- One night stay for 2 adults and 2 children (Under 12 years old)
- Complimentary room upgrade (Subject to room availability)
- A la carte breakfast for 4 people
- Complimentary use of gym, swimming pool
- 20% discount for water sports activities
- 20% discount for Spa services
- Use 4 times of Summer Outing package to get 50% discount for Boat Tour or get 1 free SUP for the next time

**TERMS & CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- Package applied on days when it is acceptable and it lasts for as long as the customer's stay and service usage
- Package must be booked at least 24 hours in advance
- Package of water activities require 24 hours's notice to confirm participation

**c. Quarter III (July, August, Sep/2023)**

**❖ TRANSPORTATION PACKAGES**

Experience a 4-seating car, limousine transfer service from Tan Son Nhat International & Domestic Airport. If guests want to visit famous destination in Saigon while staying at VSS by



private canoe of the hotel, let the driver team of VSS Hotel assist you in arranging transfers by private package. To create comfort and safety for you. Enjoy a comfortable journey to your chosen destinations!

**Airport Package**

**Booking period:** Before 48 hours arrival

**Automobiles Package:** Corporate with Green Leaf Company

*Table 5-8. Airport Transportation Tariff 2023*

<b>AIRPORT TRANSPORTATION TARIFF 2023</b>			
X		<b>Price for guest (VND)</b>	<b>Price for VSS (VND)</b>
<b>TOYOTA CAMRY</b>	5 Seats	699,000/trip	629,100/trip
<b>MERCEDES E CLASS</b>	5 Seats	999,000/trip	899,100/trip
<b>TOYOTA INNOVA</b>	7 Seats	499,000/trip	449,100/trip
<b>KIA SEDONA (Minivan)</b>	7 Seats	1,099,000/trip	989,100/trip
<b>MINI BUS (Ford Transit)</b>	16 Seats	699,000/trip	629,100/trip

*(Source: Group author’s design)*

**PACKAGE BENEFITS:**

- 10% discount on airport transfers by all types of vehicles for guests who book Suites and business guests of at least 2 people
- Complimentary water and cold towels

**TERMS & CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- 30% surcharge of Lunar New Year (from 09/02/2024 to 12/02/2024)
- Airport transfers are limited to the distance between VSS and Tan Son Nhat airport



- All requests to change information need to be confirmed 48 hours in advance
- Limits on usage time, number of passengers and luggage per vehicle type and per trip
- Package is applied for 2 way car rental
- Prices are valid from July 1/2023 to June 30/2024 and are subject to change without prior notice
- Rental quotes will be determined for each vehicle type by providing itineraries to VSS

**Boat Tour**

**Boat Tour Package:** Corporate with Water Bus Company

**Booking period:** Before 48 hours arrival

*Table 5-9. Boat Tour Transportation Tariff 2023*

BOAT TOUR TRANSPORTATION TARIFF 2023		
Destination	"Estimated Time per Way"	Price (VND)
Bạch Đằng ↔ VSS	15 mins	249,000
Thanh Đa ↔ VSS	13 mins	199,000
Hiệp Bình Chánh ↔ VSS	17 mins	279,000
Linh Đông ↔ VSS	37 mins	299,000

*(Source: Group author's design)*

**PACKAGE BENEFITS:**

- Complimentary 1 ticket for a group of 6 people (applicable for one way only)
- Complimentary children under 12 years old
- Complimentary waters and cold towels

**TERMS & CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- 30% surcharge in Lunar New Year (from 09/02/2024 to 12/02/2024)



- Available scheduled boat transfers for in-house guest
- Private boat transfers need to be booked in advance
- Arrived at the station at least five minutes before boarding time (irresponsible for any delays or cancellations if arriving late)
- Booking for 6 people, the canoe will be reserved for that group only. VSS's cancellation policy is as follows:
  - If cancelled within 48 hours of your scheduled time, free of charged a cancellation fee
  - If cancelled within 12-24 hours of your scheduled time, charged 50% fee will be applied upon cancellation
  - If cancelled within 12 hours of your scheduled time, non-refundable cancellation fee
- All transfers are required to be booked in advance (Subject to canoe availability)
- Prices apply for a one way and not apply for round trip
- Prices are valid from July 1, 2023 to June 30, 2024 and are subject to change without prior notice

## ❖ **HAPPY MID-AUTUMN FESTIVAL**

Celebrate the Mid-Autumn Festival meaningfully with the Premium MoonCake 2023 first launched at VSS. With a luxurious deep red colour as the main colour along with the moon flower symbolising the beautiful autumn. VSS wishes to pack the best of a year into each premium mooncake. Thereby wishing peace, prosperity and good health for you and your family.

VSS's scale is quite small. Therefore, there are not enough employees to operate the moon cake production line, so we recommend importing mooncakes from other mooncake manufacturers and suppliers that have a good reputation to control the quality of the cake sold. Suggested basis for providing mooncakes: Hoi An Mooncake.

Advantages for VSS from Hoi An Mooncake:

- Cake weight 180g/pc
- Ensure the food safety
- Premium but affordable price
- The minimalist and sophisticated design box that still retains the traditional and modern features





- Design and print business logo on boxes and bags
- Best deal for businesses

Table 5-10. Number of box and discount from Hoi An Mooncake

BOX	DISCOUNT
> 3-BOX	5%
> 5-BOX	10%
> 20-BOX	12%
> 50-BOX	15%
> 100-BOX	18%
> 200-BOX	20%

(Source: Group author's design)

**Only from:** VND 930,000 net/ box with 4 cakes of 180gr

**Flavors:**

- Bird's Nest - Green Beans
- Abalone with Wine Sauce
- Bamboo Charcoal with HongKong Sauce
- Lobster with HongKong Sauce
- Green Tea

**PACKAGE BENEFITS:**

- Early bird: before 15/08/2023: 15% discount - VND 790,000 NET/box with 4 cakes of 180gram



- Regular: before 29/08/2023: 10% discount - VND 837,000 NET/box with 4 cakes of 180gram

**TERMS & CONDITIONS:**

- Free delivery for orders of 20 boxes or more within a radius of 5km from VSS
- Impractical to cumulative and combined with other offers or promotions

**d. Quarter IV (Oct, Nov, Sep/2023)**

**❖ YEAR-END PARTY**

Say goodbye to the old year, welcome the new year with a grand year-end party, where colleagues and partners toast the achievements that the company has achieved. You just have to enjoy the memorable moments. The rest of party have our experienced team take care of every detail for your special event.

**Booking period:** From now to 29/1/2024

**Opening period:** 01/12/2023 to 05/02/2024

**Only from:** VND 1,111,000++/pax

**PACKAGE BENEFITS:**

- Complimentary a glass of mocktail when picking up guests
- Complimentary 1 backdrop or photo booth
- Complimentary Installation of projector and sound system
- Complimentary 10% discount for F&B service
- Complimentary 100% discount for set lunch menu for 2 people (for party host)
- Complimentary 1 night stay at VSS for 2 people (for party host)

**TERMS & CONDITIONS:**

- All prices is subject to 5% service charge and 8% VAT
- Booking minimum 50 pax
- Impractical in conjunction with other offers and discounts
- Impractical applicable on public holidays
- Package must be booked at least 7 days in advance



❖ THE DELIGHTFUL X'MAS EVENT

Every Christmas season, in harmony with the joyful atmosphere. VSS organizes a gala to welcome Christmas Eve. Outdoor space by the romantic Saigon River, bustling Christmas songs, attractive dishes. This is an opportunity for visitors to have a fun party, reunite with family, relatives and friends.

**Booking Period:** From 21/10/2023 to 24/12/2023

**Opening Period:** From 01/12/2023 to 31/12/2023

Table 5-11. Details of Christmas Package

	DAY	TIME	ACTIVITIES	PRICE
Sunday	03/12	18:00 - 21:30	<p>The opening event: Christmas Light Up in Lobby takes place throughout December (Each participant hangs wishes and decorations on the tree).</p> <p>Event “Xmas Happenings Music Weekends” with live acoustic guitar (from 6:30 PM - 8:30 PM) and serving set menu (Asian Menu &amp; Western Menu) at BSV.</p>	<p>In-house guests</p> <p><b>Only from:</b> VND 950,000++/pax</p>
	10/12			
	17/12			
Sunday	24/12	18:30 - 21:30	<p>Lady in Red party at BSV Restaurant &amp; LT Bar (dress code: red). For each lady who wears the correct dress code that will be given a Christmas cookie gift. Especially enjoy Christmas cocktails at special prices.</p>	Both in & out house guest
Sunday	31/12	18:30 - 21:30	Organize a Countdown Party, enjoy the set menu (Spring menu)	Both in & out house guest



			on the banks of the Saigon River, welcome the year 2024.	<b>Only from:</b> VND 1,231,000++/pax
<b>Santa Claus will deliver gifts to children (0-12 years old) from 17:30 to 19:00 on Christmas Day (24/12 and 25/12)</b>				

(Source: Group author’s design)

PACKAGE BENEFITS:

- Special welcome Christmas gift upon check-in
- Enjoy the famous acoustic band along with soaring tunes
- Complimentary glass of classic Cocktail for 2 people on December 24 and 25, 2023 (in-house guest only)

TERMS & CONDITIONS:

- All prices is subject to 5% service charge and 8% VAT
- Package must be booked at least 7 days in advance
- Impractical in conjunction with other offers and discounts

**5.3. Solutions for Finance**

**5.3.1. Room Occupancy Forecast in 2023**

We use the following formula for predicted occupancy for 2023:

Calculate for a period:  $H = (\text{Number of rooms sold during the period} / \text{Number of rooms that can be accommodated in the period}) \times 100$

- **Predicted occupancy for the quarters of 2023:**

*Table 5-12. VSS's Expected Room Occupancy in 2023*

Time	The 1st quarter (high season)	The 2nd quarter (shoulder season)	The 3rd quarter (low season)	The 4th quarter (high season)	Total
Expected Room Occupancy	$H = (2070 : 2070) \times 100 = 63\%$	$H = (1532 : 2093) \times 100 = 60\%$	$H = (1455 : 2116) \times 100 = 54\%$	$H = (1832 : 2116) \times 100 = 65\%$	60.5%

*(Source: Group author's design)*

### 5.3.2. Revenue Forecast in 2023

The formula for calculating predicted revenue is as follows:

Calculate for a period: Sales last year x (1+% increase estimate) = Revenue Forecast

- Revenue as of May 2022 is VND 17,593,160,138
- Detailed forecasted revenue for each quarter of 2023:

*Table 5-13. VSS's Sale Forecast in 2023*

Time	The 1st quarter (high season)	The 2nd quarter (shoulder season)	The 3rd quarter (low season)	The 4th quarter (high season)	Total
Sale Forecast	12,454,717,690 VND	9,977,002,051 VND	7,948,875,466 VND	12,623,676,034 VND	43,004,271,241 VND

*(Source: Group author's design)*

### 5.3.3. P&L Financial Statements Forecast in 2023



Table 5-14. VSS's P&amp;L Financial Statements Forecast in 2023 (in VND)

INCOME STATEMENTS				
<b>SALES</b>				
	Room		8,923,885,706	20.75%
	Restaurant & Bar		19,369,777,535	45.04%
	Events & Banquets		14,710,608,000	34.21%
<b>Total of Sales</b>			<b>43,004,271,241</b>	<b>100.00%</b>
<b>COST OF SALES</b>				
	Room	-	-	-
	Restaurant & Bar	7,427,621,534		17.27%
	Events & Banquets	1,691,462,397		3.93%
<b>Total Cost of Sales</b>			<b>9,119,083,931</b>	<b>21.21%</b>
<b>GROSS PROFIT FROM SALES</b>			<b>33,885,187,310</b>	
<b>EXPENSES</b>				
LABOR EXPENSES	Management	960,000,000		2.23%
	Staff	6,685,800,000		15.55%
	Employee Benefits	980,000,000		2.28%
<b>Total Labor Expenses</b>			<b>8,625,800,000</b>	<b>20.06%</b>
CONTROLLABLE EXPENSES	Room Expenses	1,410,909,987		3.28%
	F&B Expenses	239,653,587		0.56%
	Sale & Marketing	786,585,610		1.83%
	Utilities	2,379,540,000		5.53%
	IT & Telecom	213,768,000		0.50%



	General & Administrative Expenses	61,520,700		0.14%
	Repairs & Maintenance	202,422,000		0.47%
<b>Total Controllable Expense</b>			<b>5,294,399,884</b>	<b>12.31%</b>
NON-CONTROLLABLE EXPENSE	Rent	2,401,800,000		5.59%
	Property Insurance	110,000,000		0.26%
	Equipment Leases	181,200,000		0.42%
	Depreciation & Amortization	2,924,290,444		6.80%
<b>Total Non-controllable Expense</b>			<b>5,617,290,444</b>	<b>13.06%</b>
<b>Total Operating Expense</b>			<b>19,537,490,328</b>	<b>45.43%</b>
<b>OPERATING INCOME</b>			<b>14,347,696,982</b>	
	Interest Expense	-	-	-
<b>INCOME BEFORE TAX</b>			<b>14,347,696,982</b>	
	Income Taxes		2,869,539,396	6.67%
<b>NET INCOME</b>			<b>11,478,157,585</b>	<b>26.69%</b>

(Source: Group author's design)



## CHAPTER 6. CONCLUSION

The project of developing a business plan for VSS in 2023 with the purpose of enhancing the brand positioning of VSS. Furthermore, bringing more satisfaction to our potential customers and increasing guest experience effectively.

Firstly, regarding the opportunities in VSS's resort business market, the authors find that Vietnam's macroeconomic environment is growing steadily in terms of economy and politics. These days most people pay quite lot attention to travel and vacation experiences after the Covid-19 pandemic. Additionally, the policies that international visitors to Vietnam without having Covid test shows the potential growth of our project.

Secondly, the marketing campaigns which promote to raise brand awareness and attract potential customers are analyzed by the author team for the development of the VSS brand image on social media platforms. Moreover, it creates several competitive advantages compared to current competitors in HCMC in particular and Viet Nam in general.

Thirdly, by collecting information and considering several crucial factors. The author's project will bring out the expect revenue that VSS can achieve in 2023. Therefore, it is considered to become a viable project that is worth the investment.

Last but not least, through the content provided in this report, the authors team hoped the audience could understand clearly about the current business situation that VSS is facing as well as viable solutions to improve the service quality and brand image of VSS. If there is any content that needs to be improved, we are willing to receive positive feedback from our audience.





## APPENDIX

APPENDIX: Information on customers using services of Villa Song Saigon Hotel

Hi everyone,

We are a group of students majoring in Hospitality Management from FPT University.

Currently, we need some data about customers using the services of Villa Song Saigon Hotel to serve the research of the graduation thesis in 2022. Therefore, we hope you will support us. The team conducted the survey below in the most objective and honest way.

We promise that the information below will be kept strictly confidential and used for research purposes only.

Sincerely,

Wish you have a good day.

Golden Eagle Team

### **PART 1: PERSONAL DATA AND SCREENING QUESTIONS**

#### **Gender**

- Male
- Female

#### **National**

- Viet Nam
- Singapore
- Canada
- American
- Sweden
- Other

#### **Age**

- From 18 to 25
- From 26 to 35



- From 36 to 55
- Above 55

**Occupation**

- Entrepreneur
- Expat
- Freelancer
- Others

**Qualification**

- Academy
- Bachelor
- Master
- Professor

**Income**

- Below \$500
- \$600 - \$1500
- \$1600 - \$3000
- Above \$3000

**Travel Frequency**

- Rarely
- Sometimes
- Usually
- Always

**Transportation**

- Plane
- Cruise
- Coach
- Railway



- Other

**Duration of stay**

- 1-2 days
- 3-5 days
- 6-14 days
- 15-30 days
- Above 30 days

**PART 2: SURVEY ON SERVICE SATISFACTION OF VSS ACCORDING TO LIKERT SCALE 5 ( STRONGLY DISAGREE TO STRONGLY AGREE)**

**Tangible**

- VSS's facilities and equipment are modern and comfortable.
- The appearance and attire of the VSS's staff are eye-catching and easy to find.
- VSS's location is easy to find.
- The scenic environment of the VSS is clean.
- The quality of the VSS's food is rich and diverse.

**Reliability**

- VSS commits that the price does not fluctuate much during the peak season.
- VSS always implements the check-in and check-out process on time.
- VSS handles customer requests, complaints, and complaints quickly and efficiently.
- VSS always performs the service properly and fully as committed.

**Responsiveness**

- VSS's catering service serves food and drinks quickly and accurately.
- Staff are willing to respond to guests' requests.
- VSS is always ready to serve customers.
- The client is easy to reach out to and contact the hotel staff to ask for help.
- Check-in and check-out procedures are quickly, effectively.

**Assurance**



- Staff is friendly, polite and courteous.
- Staff knowledgeable about services.
- Ensures privacy, confidentiality.
- Ensures the safety of guests and valuables.
- Food and drink are served by the VSS to ensure food safety and hygiene.

**Empathy**

- VSS cares about each individual customer.
- VSS understands what the guests need.
- VSS creates satisfaction with kindness, cares for customers.
- VSS creates a feeling of comfort and satisfaction when staying here.
- VSS staff has a tendency to accept your offer of contributions.



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