**Business Research Design**

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# **Introduction**

The success of any business organization is highly dependent of the totality of benefits which is provided to customers in the form of product or services. The goal of each organization is to ensure that differentiate value proposition is being provided to customers and this goal can be achieved by using different research strategies for enhancement of overall value for customers. The underlying report has made reliance on business research findings of three Harvard Business Review articles, such that this knowledge might be applied in real world organization for improvement of customer value proposition, innovation and future of organization. The research studies have mainly highlighted the importance of customer value proposition and considered it crucial for assuring long run success of any business. The chosen organization is Adina Apartment Hotel in Australia, which provides contemporary apartment services to its customers. The insights obtained from three articles are considered relevant for bringing improvement in existing customer value proposition of Adina Apartment hotel.

The report has been structured in different segments with an aim of linking research knowledge of customer value proposition with Adina Hotel. Firstly, the introduction of company and its relevant industry is provided, which is being followed by discussion on business enhancement tools, encompassing; customers, innovation and future. Followed by this, each chosen research paper is discussed along with highlighting its relevance with the underlying issue of discussion. Additionally, the existing value proposition of Adina Hotels is discussed in addition to guidance for improved value proposition.

# **Industry and Company**

Adina Apartment Hotels operate in hospitality industry, which has basis in Australia and works under TFE brand of Hotels (TFE Hotel, 2019). The brand was considered as first Australian based apartment hotel chain in Europe and it has expanded to around 32 branches which operate in Australia, Europe and New Zealand, of which 20 hotels operate within Australia (Adina, 2019a). The main slogan of Adina Apartment Hotels is “my other address”, which shows that hotel is designed with the aim of providing home away from home. Adina is considered as highly comfortable and it provides space to its residents where they could live the way they like (Adina, 2019b). For instance, customers can do their laundries if they want, can cook food and do their dishes, just like their homes. In addition to this, it also offers an opportunity to its customers for availing the hotel services on demand. Based on this notion it can be said that Adina Apartment Hotels makes and effort to blend in-home experience of customers with hotel experience, whereby they might enjoy their stay to the desired level.

Regardless of this attractiveness for customers, it is important to assess the customer value proposition of hotel, with an aim of assessing the reasons for which its competitors are performing better than Adina. For instance, ibis Hotel has found to be more popular among customers than Adina, indicating that there might exist some discrepancy in customer value proposition of Adina Apartment Hotels, which should be addressed for assuring customer satisfaction and attractive future of business.

# **Business Enhancement: Customers, innovation and future**

Customers are considered as core stakeholders of business, whose demands and preferences are continual state of flux, requiring the businesses to respond to those changing needs (Selden and MacMillan, 2006). The ability of organization to offer timely response to the needs of customers is considered as crucial for assuring long run success of any business. Based on this notion, it can be mentioned that customers are fundamental drivers for change within a specific organization and customer centric innovations are the actual source of business enhancement. For instance, it has been highlighted by Christensen et al. (2016) that innovation is the core strategic priority for 84% of global executives. Given the inherent value of innovation in defining future of business, the executives are striving hard to seek ways through which their innovation does not fall short of expectations. The consideration to customers’ undone jobs is thus crucial in this regard, as it might enable the organization to undertake innovation strategy which is most suitable for future success of business (Edelman and Singer, 2015; Camillus, 2008). For instance, it has been noted that businesses maintain too much reliance on the percentage based preferences of customers, such as 90% customers want organic products. In order to innovate they simply innovate the products to make them aligned with preference of customers. Such innovation efforts are considered as hollow, as it might fail to create long run value for customers as well as for business (Govindarajan, 2016). Therefore, in order to ensure that innovation enhances future value and competence of business, there is need to deliver the value which could offer benefit in foreseeable future.

Moreover, the study of Johnson, Christensen and Kagermann (2008) has shown that customer value proposition serves as the core element for bringing change in fundamental model of business, which serves as basis of supporting long run innovation of organization. Based on this insight it can be mentioned that when a business drives innovation to solve problem in lives of customers and aim is to bring continual improvement in customers’ lives, then the success might be evident in long run (Van den Driest, Sthanunathan and Weed, 2016; Schoemaker and Tetlock, 2016). By seeing through the lens of business enhancement endeavor, it is addressable that there is inherent linkage between customers, innovation and future of business. Any innovation effort of company which does not substantially considers the preference of customers is most likely to face failure (Porter and Heppelmann, 2015). Therefore, the future competence of business is based on the extent to which innovation of business successfully addresses and solve the problems in customers’ lives. In the light of this connection, the customer value proposition holds integral position in defining competence of any specific organization, as it drives innovation and future growth of organization.

# **Article One and its Relevance**

The research of Edelman and Singer (2015) highlights that contemporary customers are highly empowered and in order to succeed businesses need to develop solutions which are tailored to unique preferences of customers. For instance, the customers undergo consideration and then move to evaluation of options available to them for making purchase. Followed by evaluation, they might either enter loyalty loop or might restart the process of consideration and evaluation (Edelman and Singer, 2015). The key for businesses is to address the preferences of customers by developing products which are well complied with customers’ journey, such that customer might not start new journey and enter into loyalty loop (Edelman and Singer, 2015).

The relevance of this research study with Adina Hotel’s aim to innovate and to develop valuable proposition for customers is based on the fact that this paper has highlighted the ways through which organization can proactively lead by assuring that they are creating compelling experience for customers in their journey (Edelman and Singer, 2015). The four keys for Adina Hotel to create successful customer journey are linked with making reliance on automation, personalization, active interaction with customers and long run innovation. Additionally, Adina Apartment Hotel can embark upon the proactive approach of customizing, such that journey of customers can be made engaging and once they enter into phase of consideration it become difficult for them to resist the entry in loyalty loop. In similar manner, by making identification of customers’ journey position, the interaction can be shaped to enhance the overall experience of customers (Edelman and Singer, 2015). Adina might also consider the journey innovation for customers, such that their previous interaction points are used to create features which can further enhance their experience. In this manner, the article has suggested ways through which customer centric innovations might be introduced by Adina by maintaining focus on enhancement of customers’ journey.

# **Article two and its Relevance**

Second chosen HBR article is about Customer Value Propositions in Business Markets by James, Narus and van Rossum (2006). The study focuses on the notion of delivering maximum value to the customers by recognizing the points which matter most for the customers. In order to derive benefits of CVP (customers value proposition), it is crucial for businesses to make it real, such that it might be separated from overly estimated marketing claim of the business (James, Narus and van Rossum, 2006). Based on this study, it is found that shortsightedness in presentation of value for customers can substantially lower the authenticity of brand, while focus is needed to be maintained on creating long run worth for customers.

The relevance of this study with improvement of value proposition of Adina Hotels might be justified by the notion that it provides detailed information about kinds of value proposition and thus might enable the company to choose most suitable alternative for creating maximum value for customers (James, Narus and van Rossum, 2006). For instance, the three alternatives are; all benefit approach, favorable point of difference and resonating focus. The first option is most widely used by business, yet provides limited and short-term benefits. It allows to list all the benefits provided to customers by the business and mere reliance on benefit assertion might lose wider vision of business future. The next alternative mentioned in study of James, Narus and van Rossum (2006) is to detail favorable point of difference which makes business offering differentiated from customers. However, it is considerable here that each point of difference might not hold maximum value for the customers. Finally, the resonating focus highlights that business needs to maintain emphasis on the only point of differences which could deliver maximum value to customers in long run (James, Narus and van Rossum, 2006).

By maintaining reliance on results of this study, Adina Apartment Hotel’s management might reconsider its customer value proposition. For instance, if the existing service offerings are only stating all benefits to customers, or communicate point of differences for customers, then it is time for them to reconsider their customer value proposition to make it more real and valuable for customers. Likewise, the aims of creating understanding about customers, innovating and then understanding the future of business can all be addressed well through research findings of this study. The development of lasting CVP for customers is mainly based on enhanced understanding of customers, which then allows to innovate the business for assuring long run success of business (James, Narus and van Rossum, 2006). Therefore, the relevance of this study is well understood to make difference in customer value proposition of Adina Hotel.

# **Article three and its Relevance**

The research of Dawar and Bendle (2018) about Marketing in the Age of Alexa has been considered worthy for innovating and improving customer value proposition in Adina Apartment Hotel. The research has highlighted that Artificial Intelligence is likely to replace the ways in which brands are engaged in communication with customers and the ways in which value is being generated for the customers (Dawar and Bendle, 2018). The development in artificial intelligence will open new endeavors for business organizations, such that marketing, sales, distribution and customer service management can all be automated with assistance of artificial intelligence platforms. The platforms can generate large amount of data about habits, buying patterns and interests of consumers which could change the way in which customers’ are served and relationship with customers is managed (Dawar and Bendle, 2018). The insight of this article is worthy for establishing innovative strategies of business, such that competence of company can be assured in tech-based environment.

The relevance of this research study of HBR with the desire to improve customer value proposition of Adina Apartment Hotel can be justified by the fact that along with all other industries, the hospitality sector is also expected to be influenced heavily by the development of artificial intelligence platforms. The key to success lies in satisfaction of customers, which will be driven by use of artificial platforms in future. For instance, it is stated by Dawar and Bendle (2018) that development in terms of artificial intelligence will have an impact on acquisition, satisfaction as well as retention of customers. All of these areas are crucial for Adina Hotels to assure it’s long run success and competence and thus insight about future use of Artificial Intelligence platforms can help the hotel to bring innovation in its technology infrastructure. The more reliance on artificial intelligence assistants can help Adina Hotels to acquire more dependable customers data which can then be used for creation of differentiate value for customers (Dawar and Bendle, 2018). Likewise, the attainment of customer satisfaction and retention will also become easy for Adina Hotel, which are crucial for realizing strategic goals of the organization (Dawar and Bendle, 2018).

# **Customer Value Proposition and Improved value proposition**

## **Existing Customer Value Proposition Analysis of Adina**

The customer value proposition is linked with the explanation of benefits of product or service offering to the customers, such that they might be encouraged to make purchase of particular offering. It is based on the ability of organization to recognize unaddressed jobs in the lives of people, and then to design value proposition around those jobs by using most suitable option. Based on these insights of value proposition, the analysis of Adina Apartment Hotels indicate that meanwhile organization is making reliance on ‘All Benefit’ as well as ‘Favorable point of difference’ approach to create value for its customers. Based on these options, Adina clearly explains the benefits which are being offered to its customers to provide them a home like place (James, Narus and van Rossum, 2006). Likewise, in order to create difference from regular hotels, the aspect of on-demand service is added along with provision of all facilities which can be availed by individuals at home (James, Narus and van Rossum, 2006). Moreover, the favorable point of difference also address the availability of fitness facilities and ability to earn points on each visit which could be used for purchasing of next visit voucher. However, it is considerable that these services might be availed easily by customers in any other hotel, which questions the effectiveness of customer value proposition of Adina. Further, it is addressable based on the research of James, Narus and van Rossum (2006) that Adina has tried to maintain point of difference through its existing customer value proposition, yet by making comparison of Adina’s services with its competitors, it can be mentioned that functionality of services might be perceived same by customers. On the other hand, for some customers, the home like services of Adina might be regarded as point of difference. It indicates that basically existing value position has maintained point of contention, which needs to be translated into point of difference for all of its focal customers. In the light of this notion, it can be mentioned that substantial improvement is needed in customer value proposition of Adina Apartment Hotels, by making use of research from chosen research papers.

Additionally, it has been mentioned in the study of Edelman and Singer (2015) that in order to compete in long run, identification of customers’ journey and then innovation tailored to the specific journey can serve well. The analysis of Adina shows that it has used digitalized data to develop its unique positioning, which promoted home away from home message of company. However, the journey based innovation never comes from mere digitalization, yet it requires proactiveness to make difference on each point of customers’ journey (Edelman and Singer, 2015) Although, Adina follows market trend and makes an effort to do best for customers, yet it lacks in terms of journey based innovation and thus improvements are needed to create compelling experience for customers such that they might be encouraged to enter into loyalty loop.

Finally, by linking insight from study of Dawar and Bendle (2018) it is noted that currently Artificial Intelligence platforms are not being appreciated well by Adina. The marketing is mainly done through traditional as well as tech supported marketing channels, but the use of AI platforms is not being witnessed in marketing efforts of Adina. Meanwhile, the organization is operating well with its existing marketing activities, yet based on findings of Dawar and Bendle (2018) it can be mentioned that future might be highly uncertain for Adina.

## **Improved Value Proposition for Adina**

“The resonating focus proposition steadfastly concentrates on the one or two points of difference that deliver, and whose improvement will continue to deliver, the greatest value to target customers.” (James, Narus and van Rossum, 2006, p.94). In relation to this notion, it is suggested that instead of focusing on favorable point of difference, Adina Apartment Hotels should maintain focus on resonating focus value proposition. It will enable the company to enhance the value of its services for customers such that its value become superior in contrast to competitors. The home like feeling can be supplemented by some exciting experience, which could not be enjoyed by an individual at home with ease. For instance, the customers could be offered opportunity to enjoy bone fire night and outdoor movie night. Likewise, there could be indoor hammock for them to take a nap in relaxing yet unusual way. Adina can also make addition of yoga classes, art classes for children and unexpected delight for customers during any hours of the day. All of these point of difference are needed to be improved further with time, such that they can deliver long run value for both customers and Adina.

“Companies building the most effective journeys master four interconnected capabilities: automation, proactive personalization, contextual interaction, and journey innovation” (Edelman and Singer, 2015, p, 92). This statement asserts the importance of four capabilities which could be practices to engage customers and Adina can make reliance on all of these capabilities. For instance, at first accessibility to hotel’s accommodation booking can be made easy through automation. Automation is needed to be used at each stage in customer’s journey from booking to entering into room, with an aim of assuring that best services are offered to them. Secondly, through digitalization and automation, Adina can recognize preferences of customers and through personalization of service the enhance sense of value can be generated for customers. Thirdly, just like instance of Starwood Hotel’s mentioned in research of Edelman and Singer (2015), Adina can develop a program through which customers’ movement in hotel can be made easy. For instance, an app for which uses finger print of customers to use cellphone as a key to door and provides complete guide on services of hotel. Finally, the same app might serve as fulfilment of journey innovation by acting as a source to expand journey of customers. For instance, using data of customers in their next visit to offer them personalized services. Therefore, based on study of Edelman and Singer (2015) Adina can used customer’s oriented way of innovating for competing in long run.

Finally, it is anticipated that acquisition and retention of customers by specific organization is likely to be defined by the extent of using artificial intelligence platforms. Based on the insight of study conducted by Dawar and Bendle (2018) it can be suggested to Adina that there is need to make a shift to more tech based solutions. The hotel can use artificial intelligence assistance for its marketing as well as for delivery of services. Artificial intelligence assistant can be used by Adina for assuring that services of hotel become advisable to customers. For instance, by making an effort to stay at top of smart recommendations. Additionally, in terms of service delivery, there could be robots by pool sides and other areas to deliver juices and refreshment items to customers (Dawar and Bendle, 2018). It will not violate privacy of customers and will also guarantee provision of best possible service. The proactiveness of hotel to future changes in technology and introduction of slight changes in marketing of Adina can make customer focus of organization better and can enable Adina to innovate in the way which could define its future competence.

# **Conclusion**

The business enhancement is mainly dependent of customers, innovation and future strategies of an organization. The customer value proposition plays central role in defining the long run success prospects of an organization. The analysis of Adina Apartment Hotel’s customer value proposition has been carried out in the light of three HBR articles, which are about customer value proposition in business marketing, competing on customers’ journey and using artificial intelligence. The analysis has shown that Adina mainly makes reliance on favorable point of different proposition, which is not well suited for long run success and thus company is recommended to imply resonating focus proposition, such that few points of difference can be used to offer maximum and superior value to customers. Additionally, the use of automation, proactiveness, personalization, contextual interaction and journey innovation are considered as key factors for assuring that Adina creates compelling engagement of customers and motivates them to enter into loyalty loop. Moreover, Adina is recommended to use artificial intelligence in its marketing and service delivery to ensure that success and competence can be attained in future.

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