



President University

Internship Report for



Mandarin Oriental, Jakarta

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Business Administration – Hotel and Tourism Business 2014

015201400061

January 2018

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PREFACE

First of all, I would like to thank God Almighty, for only by His blessing I am able to finish the internship program. I would like to express my sincere gratitude to the following people who have been with me throughout the journey:

- 1) My parents who have always been my strength and stay throughout the time.
- 2) Ms. Kunthi Afrilinda Kusumawardani, BA., MBA., my internship supervisor.
Thank you for your support and understanding during this period.
- 3) Mandarin Oriental, Jakarta, most of all the Sales and Marketing Department, for taking me as part of the team, for your assistance, and for your trust.
- 4) Ms. Lia Wirahadikusumah, Director of Rooms and my work supervisor.
Thank you for all the opportunities you gave to me, but most importantly for your unconditional support and kindness in sharing your knowledge of the industry.

Once again, thank you very much for your most kind support.

Cikarang, 30 January 2018

Nefertiti Arsaqe

1. INTRODUCTION

The internship program at Mandarin Oriental, Jakarta lasted for 8 months, where it began on the 2nd of May 2017, and ended on the 22nd of December 2017.

1.1 Objectives

- 1) Expose the student to the real work environment
- 2) Enhance business knowledge and that of the industry
- 3) Participate in business operations
- 4) Develop commitment and professional work ethic

1.2 Benefits

- 1) Increase self-confidence in workplace
- 2) Grow and develop adaptable nature in the industry
- 3) Obtain references for future job opportunities with visible work experience
- 4) Gain valuable networking contacts

The internship is deemed necessary not only because the result will be used to complete the study assessment of semester 9 and 10, but also for the student to experience real work environment related to their study program.

2. COMPANY PROFILE

2.1 History

Mandarin Oriental Hotel Group (MOHG) is a subsidiary of Scottish, Hong Kong-based conglomerate Jardine Matheson Group. The first property was opened in Hong Kong in 1963 as The Mandarin, where it soon became a historic landmark ever since. In 1974, the company acquired the famous Oriental Hotel in Bangkok, and soon rebranding its hotel portfolio into Mandarin Oriental Hotel Group in 1985.

The Group is owned by the Keswick family, of which some of its members are positioned in the board of director of Mandarin Oriental Hotel Group. Throughout all of its 32 properties around the world, Mandarin Oriental maintains its customised legendary service of Asian hospitalities, while incorporating the heritage and local cultures where the property resides in.

In Indonesia, Mandarin Oriental, Jakarta was opened on 9 September 1978 as The Mandarin, and transitioned into a Mandarin Oriental Hotel property in 1979. It was the last major hotel built in the Welcome Monument area, and has since maintained its five-star luxury hotel category throughout the years. In 2007, Mandarin Oriental, Jakarta was closed down for its first major renovation that lasted for two years. Although renovated, the façade of the hotel remains unchanged, since the government considers it as a local heritage. The hotel had its grand re-opening in 2009, and transformed the previously 400-plus rooms into 272 rooms it boasts today.

Aside from its rooms, Mandarin Oriental, Jakarta is home to three award-winning restaurants: all-day dining restaurant named Cinnamon, French cuisine's Lyon, and Chinese-Cantonese restaurant Li Feng. As of 2017, Lyon was chosen as runner up for Best French Restaurant by lifestyle magazine NOW! Jakarta. Through the same platform, Li Feng was also awarded as Best Single Chinese Restaurant by Industry Choice, and The Most Inspiring Menu Awards. Other accolades of Mandarin Oriental, Jakarta include Green Hotel Awards from Ministry of Tourism and Creative Economy, and number one hotel in Jakarta according to TripAdvisor for four consecutive years (2013-2016).

2.2 Vision, Mission, and Objectives

Vision

To be widely recognised as the best luxury hotel group in the world, providing exceptional customer satisfaction in each of our hotels. The growth strategy of our Group is to successfully operate 10,000 rooms while continuing to expand our presence in major business centres and key leisure destinations around the world.

Mission

Our mission is to completely delight and satisfy our guests. We are committed to making a difference every day; continually getting better to keep us the best.

Objectives

Mandarin Oriental objectives are stimulated in the form of its guiding principles, which are:

1) Delighting guests

Committed to exceeding guest expectations by surprising them with the ability to anticipate and fulfil their wishes.

2) Working together as colleagues

Emphasise the sharing of responsibility, accountability and recognition through a climate of teamwork. Treating each other with mutual respect and trust, and contribute to the Group's overall success.

3) Promoting a climate of enthusiasm

To provide a caring, motivating, and rewarding environment to bring out the best in its people through effective training and personal development.

4) Being the best

Being an innovative leader in the luxury hospitality industry, continually improve its services as well as the quality of products used and the facilities.

5) Delivering shareholder value

The hotel is committed to be a growing company. The success will result in investment returns, which are consistently among the best in the hotel industry.

6) Playing by the rules

Maintain integrity, fairness, and honesty in all internal and external relationships.

7) Acting with responsibility

Actively participate in the improvement of the environment, and act as responsible members of the communities.

2.3 Organisation Charts

Kindly please refer to the organisation charts below in the Appendices:

Figure 2.1: Mandarin Oriental, Jakarta

Figure 2.2: Mandarin Oriental, Jakarta: Sales and Marketing Department

2.4 Core Organisation Activities

Sales and Marketing department core activities comprise of selling and promoting hotel property, including its products and services, to clients. The department consist of room and event sales divisions.

Room sales is in charge of selling room accommodation to clients. The team creates proposals and contracts that will bind clients to the property for a period of time. In hotel industry, source of clients can be divided into several categories: clients coming from travel agencies, small-medium enterprise (SME), multinational corporation (MNC), and companies that require request for proposal (RFP). Along with event sales and revenue department, room sales constructs SWOT analyses of competing hotels to create business plan suitable with the growth and trend in the city. The team is not only looking at hotel industry specifically, but also other external industries that are growing in the city as potential clients for the hotel.

Moving on to event sales, its main responsible is to sell meeting venues in the hotel. The team attracts clients to choose the property as the venue for their events. It does not only care for dry events, but also work together with room sales in case the event has a group and needs room accommodation. Aside from room sales, event sales also works closely with banquet office and banquet kitchen to provide set up and foods for events being held at the hotel. Closely working with Sales and Marketing, Communication Department aids sales offices, Food and Beverage department, as well as Fitness and Wellness centre in promoting hotels products and services, such as advertising for room packages, or food and beverage outlets' special offers through social media and partnership with local and international publications.

2.5 Product and Services

Products and services provided by Mandarin Oriental, Jakarta are as follow:

- 1) Room accommodation
- 2) Meeting venues
- 3) Fitness and wellness centre
- 4) Restaurants and cake shop
- 5) MO Bar
- 6) Outside catering

2.6 Review on Growth and Trend

The hotel managed to reach a number of targeted monthly forecasts and budget, with several big groups staying at the hotel contributed to the achievements. However, there were also times when the hotel occupation level, such as during Ramadan and Idul Fitri, where the occupation decreased. In contrast, during this time the restaurants were fully booked due to high demand of people holding breaking of the fast.

This year also saw Mandarin Oriental, Jakarta's rating on TripAdvisor dropped to number four for the first time in four years. This may happen because of the expansions of new hotels, and the curiosity of clients to try new properties in Jakarta. Even so, 2017 can be considered as a successful year for Mandarin Oriental, Jakarta: from reaching its financial goals, winning the bid for several high-profile RFP accounts, and accommodating several VVIP groups coming to Jakarta, namely former and current head of states.

3. INTERNSHIP ACTIVITIES

The internship lasted for 8 months, from 2nd of May to 22nd of December 2017. Further information on the internship activities is included in the monthly reports.

3.1 General Assignments

Below is the list of assignments done throughout the 8-month period:

Assist with inquiries in the office

Whenever there were inquiries in the office, the student would note it down and then notified the information to the team via email. Some clients would like to make inquiry for a specific date hence the student would then look up at the event diary on the Delphi system, which showed the availability of meeting venues.

Telemarketing

The student also conducted telemarketing to potential local and international companies and probed for more update. Questions asked included where the travellers came from, whether they had any corporate contract with other hotels and the estimation rate, how many room nights per year, and whether they had any inquiry in near future.

Reader board, sales packages, and newspaper clipping

Another regular assignment of the student was the daily reader board, where the student would go to other hotel competitors and looked after the event happening on the day, which usually displayed in the lobby. The student then would make a report and sent it to both the Sales and Marketing Department and the Mandarin Oriental Regional Office in Singapore and Hong Kong. Additionally, the student was also responsible for preparing meeting and wedding packages and newspaper clipping for any potential business.

Make corporate contract, followed by the RLF form

The corporate contract the student made regularly was for the small-medium enterprise (SME) or multinational corporation (MNC). These accounts, particularly SME accounts, directly contact the property when they would like to make a contract, and do not need any third party like travel management company or TMC. The

student made the contract through Delphi, where it was merged to the account information. The format of the contract was already customised, so the student only had to change the rate per sales manager's advice, the designated number of room nights per year, and the blackout dates. The student then made rate loading form after the client sent back the signed contract, and gave it to the revenue office for the rates to be activated.

3.2 Specific Assignments

2 May – 2 June: King and Queen of Sweden

This period saw visit of the King and Queen of Sweden. The student oversaw group guest's databases for the royal entourage and their associates from Business Sweden. The student mainly help for the Business Sweden side, and worked closely with the reservation team to monitor the rooming list assignment along with their flight schedules, since some of the travellers checked in and checked out separately. This information then was relied to the front office team and concierge, as they were the ones who would greet the guests first.

3 June – 3 July: Zung Fu and Indonesian Diaspora Network

Amid this period, the hotel received two major groups staying in the property: Zung Fu group, a sister company to Mandarin Oriental, and Indonesian Diaspora Network group. Similarly, the student was also appointed to monitor group guest's databases regarding the rooming lists and flight schedules, and exchange information with the reservation team.

During Zung Fu group stay, the student was assigned to booked transportation for the group. The student liaised with concierge regarding the group's bus transportation throughout their staying period including airport transfers for several travellers since they were very specific as to which brand they would like to use (Zung Fu is the exclusive retailer of Mercedes-Benz in Hong Kong and Macau). Moreover, the student had to arrange dining venues for the group, both for in-house dining and outside dining. The student contacted the group's person-in-charge to inquire about their needs or requirement regarding the time, menu, and seating arrangements. As they would like to have Indonesian food, the student made several restaurant reservations for their dinner throughout the week. The student also worked with Food

and Beverage Department about the group's in-house reservation. There was some miscommunication concerning the seating arrangement, as at the same time there were a lot of booking for breaking of the fast (iftar). Thankfully, a solution was devised which the group accepted.

For the Indonesian Diaspora Network, additional task was given to the student to look up for information on the VVIP entourage, as guests staying in the hotel under this group included former President of the United States, his family, and some of his personal staff. The information the student gathered was included in the portfolio material used among colleagues.

4 July – 4 August: Competitors' SWOT, City Wide Events, and Airline Updates

Main assignments for the student in the course of this period include updating the competitors' SWOT and city-wide events for the rest of 2017 until 2018, and sought after hotel updates from airlines flying to or from Jakarta.

To accomplish the first two assignments, the student looked through multiple sources on the internet. Moreover for the SWOT information, the student contacted each competitor's hotel under disguised, which is not an uncommon practice in the industry. The student asked if there has been any renovation of refurbishment done with the property, or was there any new food and beverage outlet or promotions currently advertised. Afterward, all information was added to the existing competitors' SWOT files.

In pursuance for hotel updates from airline companies, the student directly contacted person in charge of the respective airlines in their corporate offices, usually secretary to the president director. The questions students asked included the frequency of flights, which hotels they have corporate contract with or use for events, and the corporate rates. Each airline may use different hotels for different reasons: for cabin crews, stranded passengers, or their corporate VIP. By finding out which hotels used and the rates given, Mandarin Oriental can then use them as references and offer competitive rate, especially for the corporate VIP. Additionally, the student also asked for contact person at the airport office.

5 August – 5 September: Vietnam VVIP Group and Wedding Fair

The hotel welcomed VVIP group from Socialist Republic of Vietnam. Akin to the previous group visits, the student was also involved in the matter such as monitoring the group's database and the travellers' flight schedules. However this time, the student was given larger responsibilities during the preparations.

The student was assigned to make group resume for this visit. Every time there was a group coming, a group resume would be arranged and distributed to all departments. It consisted of the length of stay and room rates, billing instructions, name list, itinerary, and departmental requirements. The student liaised with other departments to complete the resume, such as with Finance for billing, and with Food and Beverage for meals and in-room dining specifications. Since this was a VVIP delegation, the student also had to make group resume for the Presidential Palace delegation with similar details. Detailed elaboration of this group can be seen in the monthly report.

By the end of this period, the student took part in 3-day wedding fair Mandarin Oriental participated in. Each package's inclusions and benefits were further explained, and the student also addressed any clients' concerns in regards to the property. The student tried to outweigh the cons by highlighting hotel's specialties, such as catering foods, decoration, and others. By this assignment, the student managed to sell one wedding for September of 2018. Feedback email from General Manager of this event is attached in the Appendices.

6 September – 6 October: RFP, Daily Report, and Site Inspection

The room sales started to get their hands full on the RFP bidding and renewal that took place starting from this period. Request for Proposal (RFP) is a bidding process where a company requests selected hotel accommodations to bid for their contract. Companies who require RFP are those of large, global accounts who conduct their businesses all around the world and support at least 3 hotel properties of same brand in the region. The business volume of RFP accounts is large, with potential of more than 1000 room nights per year. The key differences of RFP contract compare to the regular one are the requirements are decided by the client, the entire process is done through systems, it always uses TMC, and the main corporate office is always involved. The student's involvement included liaising with other departments to fill in

hotel specification and security questions imposed by the client. Detailed explanation to the RFP process and its figure are referred in the Appendices.

Next, the student learned and was assign to help pull out daily reports from Delphi. The report was produced every evening, consisting of Guest Room Control (GRC), Group Pick Up, Daily Event Pick Up, Catering Revenue, and Daily Event Summary reports. All reports were extracted using Delphi and its sub-program named Market Vision. Through Delphi, the student also helped to input sales trip reports to the corresponding companies which would help sales managers in their follow ups.

Starting from this period, the student was entrusted to conduct site inspection whenever clients show up without any appointment or when the assigned colleague was unavailable. When it was for potential wedding clients, the student would show all the meeting rooms and the pool area whilst explaining briefly about the wedding packages. When it was for the previously appointed site inspection, the clients came for thorough inspection, including the rooms. The student would confirm the availability of the showing rooms to the front office colleague, who then provide the key cards. This was done at least 30 minutes before the client arrived. The student would detail the specification of each room, along with the advantage of staying at Mandarin Oriental, Jakarta. Beforehand, the student looked up for information on client's nature of business and the office location Moreover, the student helped to assist other sales manager during client entertainment.

7 October – 7 November: Sales Calls, Embassy Update, and Banquet

This period was considered passive compare to others, as there were some internal changes happening in the department. The student mainly accompanied sales managers for their daily sales call to several companies to maintain relationships and probe for more business. A couple of times the student was given the opportunity to conduct the business probing by her. The student's inquiries include how many travellers coming regularly, and so on, akin to telemarketing probing.

Likewise the previous period, the student was assigned to update embassies' contact information on Delphi, and the student completed it by looking up all embassies' websites for updates on the contact information. Furthermore, the student aided banquet team during preparation and service of wedding events.

8 November – 18 December: Contract Draft, Delphi Audit, and Hampers

In the last period of internship, the student was tasked to prepare draft contracts for SME accounts for 2018 period. The student inquired with respective sales managers and revenue department on whether the rates would be kept the same or whether they would adjust them. Next, the student was assigned to help with the Delphi Audit. The audit is done annually to keep the recorded data clean, accountable, and up to date. An instruction email was sent from the Mandarin Oriental Hotel Group. The student downloaded the files attached and opened them one by one through Delphi. If there are some data missing or lack of additional information, the student then would inform the respective sales managers on both rooms and events to modify them, as any lack would hinder Mandarin Oriental, Jakarta from passing the audit. Furthermore, the student also assisted banquet during weddings, the same as during the previous period.

Main assignment of this period would be when the student assisted Food and Beverage Department to promote and sell festive hampers for Christmas. The student retrieved database from Food and Beverage Department, as well as hotel booker's database from Sales and Marketing Department for telemarketing. Along with that, the student asked for sales managers' assistant for any leads of Christmas hampers. When some clients needed personalised hampers, the student liaised with the related department to make the requests possible. Delightedly, the student's effort was paid off by successfully selling 91 out of 860 hampers sold to a wholesale banking company.

4. EVALUATION

The internship at Mandarin Oriental, Jakarta had been a valuable experience for the student, as it exposed the nature of hospitality industry, and made the student understood how the business works in real establishment, in this case hotel. Previous theories taught during class also supported the student during internship, mostly with the event side, such as the introduction of MICE (meeting, incentives, conferences, and exhibitions). The student learned about the nature and needs of each aspect of MICE, and therefore was able to implement them in the related assignments.

The internship helped the student gain better comprehension of the hospitality industry, in the sense that it is constantly affected by the dynamic of external factors such as government regulations along with circumstances of local and global community or industries. For example, the hotel has to monitor after the condition of Indonesian economy and refer to its currency fluctuations. Likewise, the hotel also refers to other competing hotels' rates to better grasp the opportunities. In addition, other industries' growth is cited to find out their future ventures and expansions in the region. This helps hotel with its business plan by knowing the potential clients and buying power of respective industry.

In terms of technical knowledge, the student was introduced to management system Delphi that is used by Mandarin Oriental, Jakarta. The student was familiarised and used the system to aid assignments given like making proposals, contracts, and produce daily reports. Although the student did not have the authorisation to book rooms or event venues, the student was taught how to do them, thus additional knowledge learned through the internship. The process of RFP bidding also enlightened the student of the way hotel sales works, particularly the room sales. Along with that, the student marketing skill regarding the industry is also enhanced as the internship provided knowledge the student had not known before.

The internship experience provided space for the student to personally grow and develop, specifically in learning personal strengths and recognising weaknesses, and finding ways to improve them. The experience has improved communication skills of the student in terms of speaking mannerism and how to rely and retrieve information, such as during sales call, telemarketing and negotiation process. The student's strength of language both in speaking and writing also made easy of the

communication with international clients. The student's interpersonal skills are also improving due to the internship experience, as the nature of the workplace required the student to work as a team and liaised with other colleagues. Moreover, the student learns that albeit it is alright to have certain idealistic views on things, being pragmatic will also help the student to grow in both personal and professional lives. All and all, the student feels more confident with herself and what she is capable of.

Lastly, the internship has affected future career plan of the student. The student has always wanted to have a career in hospitality industry, specifically as a flight attendant in an airline company. Through the internship experience, the student was exposed to the possibility of building career in hotel industry, both due to newfound personal preferences, as well as putting the university degree in good use.

5. RECOMMENDATION

5.1 University

It would be good for future batch of Hospitality and Tourism Business to have clear study plan for each subsidiary of the industries with qualified, knowledgeable lecturers. As Business Administration aims students to own businesses, it would be appropriate to provide them with related subjects. In the case of hotel industry, related subjects include front office, food and beverage management, sales and marketing, revenue, and purchasing. Moreover, it would be beneficial if the theories are accompanied by related practices that are frequent with adequate timespan to help incorporate the theory into real work environment.

5.2 I.C.C.

It would be good for I.C.C. to establish clear rules and length of internship before the period starts. I.C.C. would have to look at the pros and cons of having certain length of internship, in this case 8-month internship against 6-month internship. I.C.C. also has to consider other external factors, such as company's internship policies and their opening periods. For example in some companies they may only allow a 4-month internship period. Clear rules and length of internship would tremendously help students in balancing their work-school schedules with regards of arranging their skripsi as not to withhold one another.

In regards to the internship, it is recommended for the internship supervisor and the establishment, either the work supervisor or learning and development department, to be in communication with one another. This is to help the student in terms of maintaining his or her performance, and making sure that the assignments given are aligned with the goals of the study program.

5.3 Company

In the event of giving the intern assignment involving hotel's management system, it would be good for the establishment to provide written overview guides or handbook as to how operate the system properly. Although learning by doing is a good and effective way to learn something, it may not be suitable for everyone. It would be nice for the intern to be familiar with the system prior of doing the assignment.

APPENDICES

Figure 2.1: Mandarin Oriental, Jakarta

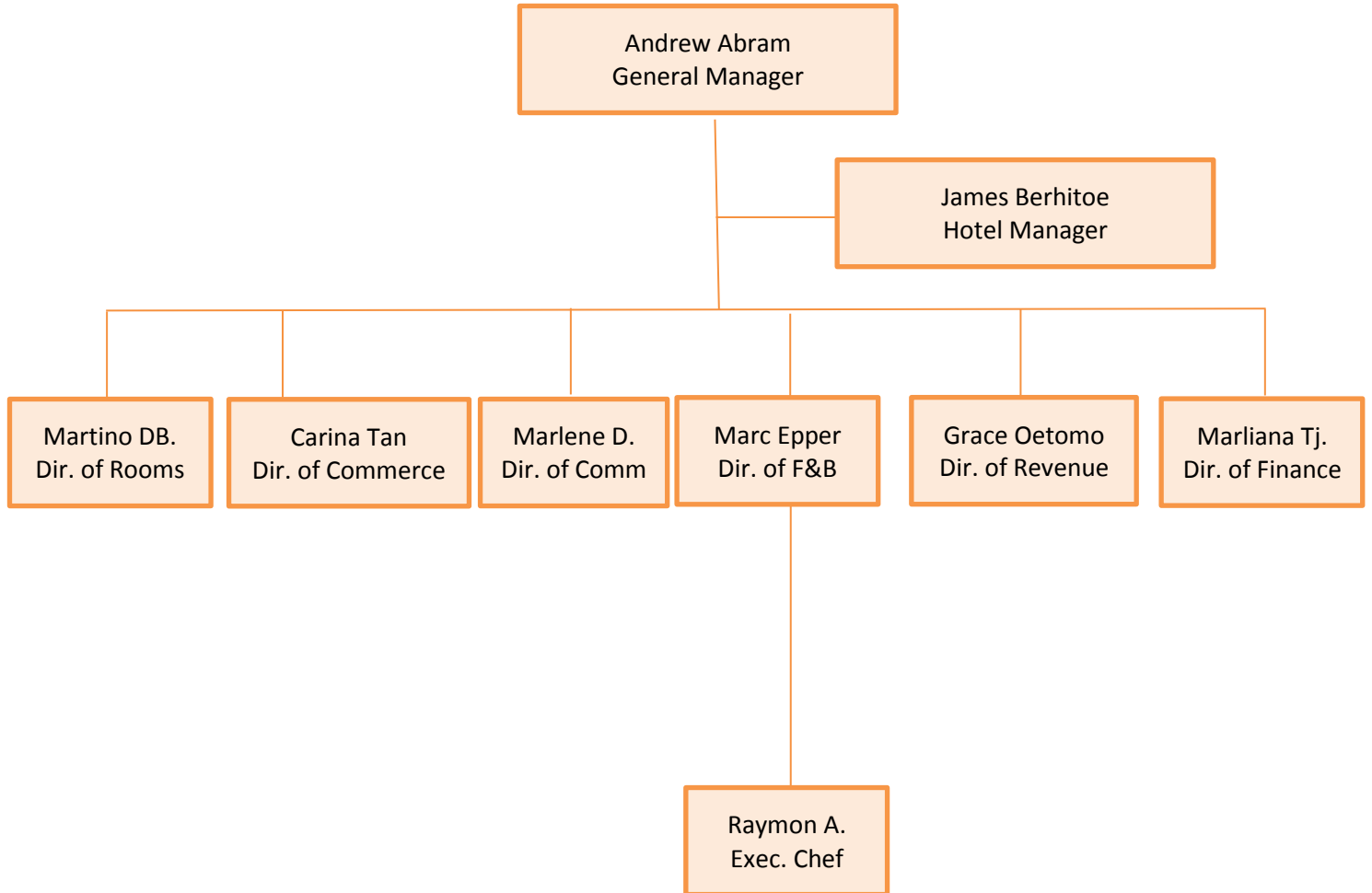
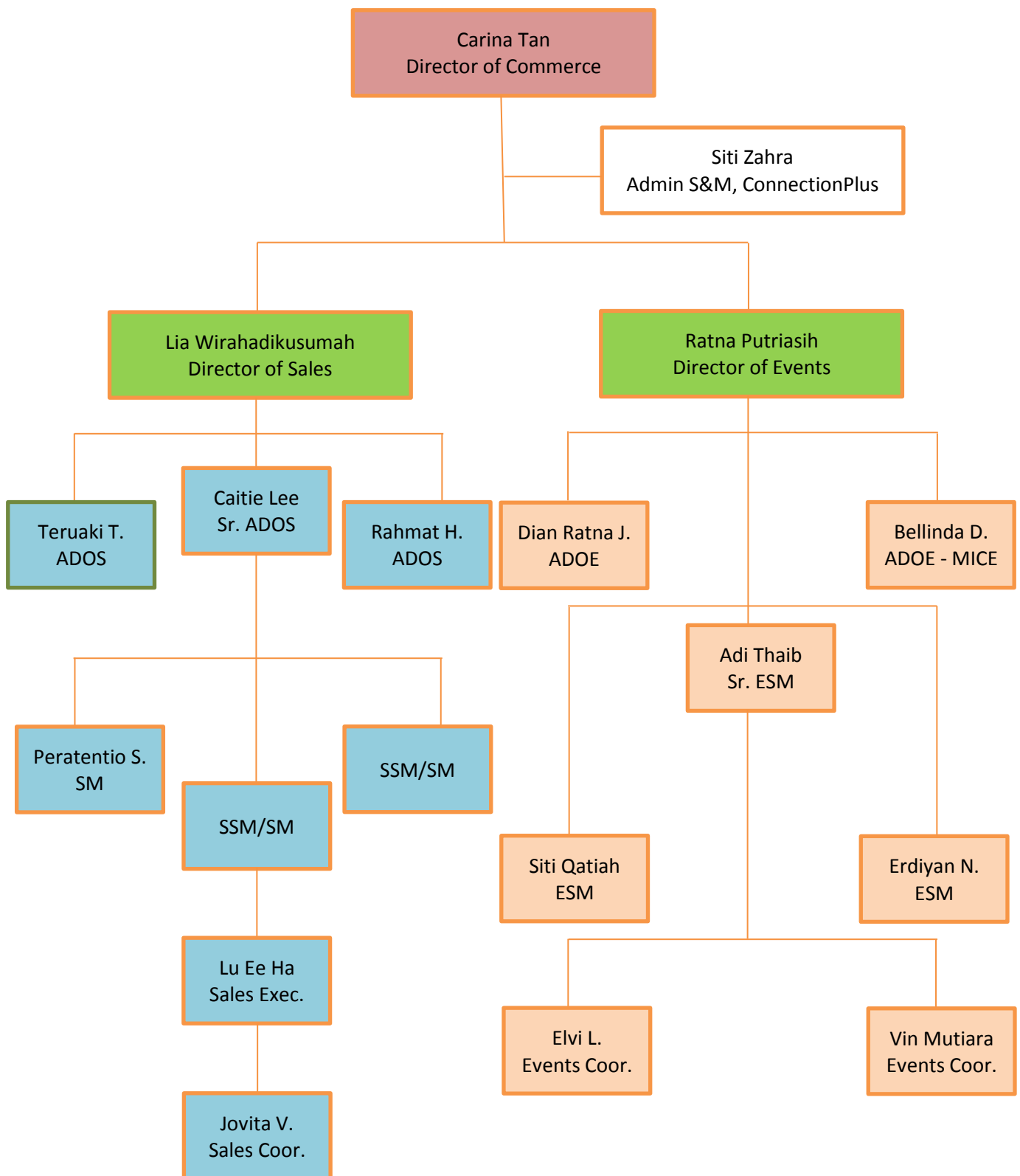
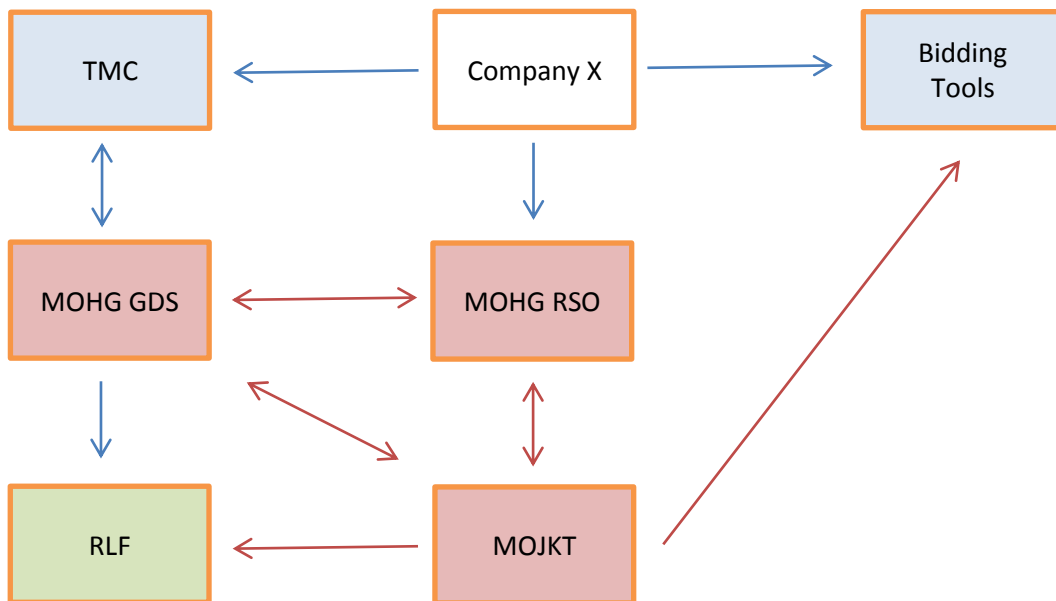


Figure 2.2: Sales & Marketing Department



Request for Proposal (RFP) Process



- 1) Company X submits list of requirements to one of the bidding tools, namely Nexus, HRS, Sabre, and Lanyon. The most common bidding tools used by company are Nexus and Lanyon.
- 2) Company X, who has businesses in Jakarta, Singapore, and Kuala Lumpur contacts Mandarin Oriental Regional Sales Office (RSO) in Singapore. RSO delivers the invitation to the assigned sales manager responsible for the RFP bidding.
- 3) Mandarin Oriental, Jakarta (MOJKT) submits hotel's specification, rates, and benefits to the bidding tool used by Company X, for example Lanyon. The sales manager also filled in the questionnaire imposed by the company. Afterward, MOJKT waits for the result of the bidding until the period is over. Meanwhile, MOJKT is in touch with RSO to help assist in realising the RFP account.

- 4) After the bid is accepted, travel management company (TMC) of Company X gives MOJKT rate loading instruction, which is a series of code to be loaded into the rate loading form (RLF) system used by Company X, such as Pegasus, Apollo, Sabre, Amadeus, or Worldspan.
- 5) Once loaded, MOJKT contacts Mandarin Oriental Hotel Group Global Distribution System (MOHG GDS) to inform that the rates have been loaded. MOHG GDS gathers information on hotel rates from all Mandarin Oriental properties around the world. MOHG then follows up the information to the company's TMC.

Wedding Fair Photo and Feedback



From: Andrew Abram
Sent: Tuesday, August 29, 2017 6:25 PM

Subject: Love and Marriage

Dear Wedding Exhibition Team,

What a wonderful result you achieved from the Wedding Show last weekend and you must be very proud of the business you have secured.

From us all thank you and well done

Andy

2017: 1 (confirmed)
2018: 4 (confirmed)
2019: 3 (pipeline)

Andrew Abram
General Manager



MANDARIN ORIENTAL

address

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website

Christmas Hampers

