

Case Study on TGV Cinemas SDN BHD

Nur Dini Izzati Bt Sopian¹, Daisy Mui Hung Kee², Nurul Nadia Bt Abu Hassan³, Nur Farah Izzah Bt Ahmad Faizh⁴, Nadia Izzati Bt Miswan⁵

University of Science, Malaysia¹

ndiniizzati10@gmail.com

Universiti Sains Malaysia²

daisy@usm.my

University of Science, Malaysia³

nrlnadiaa@gmail.com

University of Science, Malaysia⁴

farahfaizh98@gmail.com

University of Science, Malaysia⁵

nadiaizzatimiswan@gmail.com

ABSTRACT

The project is about a case study on TGV Cinemas Sdn Bhd. TGV Cinemas is one of Malaysia's premier film exhibition companies and established its name as a pioneer of cinema industry. We focus on the issues faced by this company which are inefficiency of customer services such as call centre and online movie ticket purchase, employees' services, unreasonable food and beverages prices and maintenance of hall. The methodology that we employed to conduct this project is by interviewing the employees, distributing questionnaire among random people and online research. This study will discuss the solutions that can be implemented by the company to solve these problems which are improving their website system, expand employees' skills, adjust their prices for foods and beverages and perform regular inspection.

Keywords: TGV, Cinema Industry, Customer Services, Employees' Services, Unreasonable Food and Beverages Prices, Maintenance of Hall

BACKGROUND

TGV Cinemas (Tanjong Golden Village) a wholly owned subsidiary of Tanjong Public Limited Company. Since inception in 1995, TGV Cinemas has grown to become one of Malaysia's premier film exhibition companies and established its name as a pioneer of cinema industry and owner of premier multiplexes in Malaysia. It is founded by Yeoh Oon Lai on June 28, 1994. The headquarters is at Maxis Tower, Kuala Lumpur.

They strive to improve every day to ensure their customers have the best time and leave with fond memories only to return for more exciting cinematic experience. They have a dedicated team behind these screens who are committed to make customers smile. They refurbished some of their flagship locations to give it a fresh look, mainly to adopt a more welcoming, vibrant, contemporary ambiance. Some of the cinema halls were redesigned and renovated to maximize the space.

Aside from the facelift, TGV Cinemas is 100% digital. Cinema-goers can enjoy unmatched brightness, sharpness and superior images in high definition contents such as films, documentaries and other alternative content in superior quality.

Not forgetting, their signature caramel popcorns is delicious. A regular popcorn is never enough, customers will crave for more, don't say they didn't warn you!

Where are they located?

They are located in 34 multiplexes with 268 screens and more than 45,000 seats all over Malaysia including major shopping centers in Kuala Lumpur, Selangor, Negeri Sembilan, Perak,

Penang, Johor, Terengganu and Sarawak. The newly opened TGV Cinemas is at IKEA Batu Kawan, Penang.

How are they different?

Bigger screens, better sound, fun activities for all ages at an affordable price is what they are all about. TGV Cinemas caters to a wide variety of audience:

1) **IMAX** - Through TGV Cinemas exclusive partnership with IMAX Corporation, they introduce a truly immersive cinematic experience, allowing movie-goers to enjoy blockbuster movies like never before. If you admire crystal clear images coupled with massive screens and impeccable digital sound system, they promise this will create a unique environment for you.

Available in TGV Cinemas Gurney Paragon (Penang), TGV Cinemas Tebrau (Johor Bahru) , TGV Cinemas 1 Utama (Selangor) and TGV Cinemas Sunway Pyramid (Selangor) with three more on its way in KL and East Malaysia.

2) **INDULGE** - If you prefer a personalized and exclusive experience for a special occasion, they suggest this comfortable luxury hall equipped with a snuggly blanket and reclining seat.

Available in TGV Cinemas 1 Utama & Sunway Velocity.

3) **Beanie** - is Malaysia's first innovative concept cinema, which features colourful bed size beanbags (as opposed to seats or bed). Try this if you would kick off your shoes and relax with a cosy ambiance.

Available in TGV Cinemas Gurney Paragon (Penang) , TGV Cinemas Tebrau (Johor Bahru), TGV Cinemas 1 Utama (Selangor) and TGV Cinemas Sunway Pyramid (Selangor), TGV Suria KLCC (Kuala Lumpur), TGV 1st Avenue Mall (Penang), TGV Bukit Indah (Johor Bahru), TGV Setiawalk (Puchong)

4) **LUXE** - If you appreciate spacious and comfortable seats with wider leg room and added plush twin seats equipped with privacy wings for those who value their space.

Available in TGV Cinemas 1 Utama (Selangor) and TGV Cinemas Sunway Pyramid (Selangor)

5) **Chill*X** - While waiting for your movie to start? You could dine or grab a quick delicious bite at their very own F&B outlet.

Available in TGV Cinemas Gurney Paragon, TGV Cinemas Sunway Pyramid and TGV Cinemas 1 Utama, and TGV 1st Avenue Mall.

INTRODUCTION

TGV Cinema is the second largest cinema chain in Malaysia. Until today, the TGV Cinema have almost 34 cinemas in Malaysia with 32 of them are in the peninsular Malaysia while another two are in Sarawak. By having the majority of cinemas among the other cinemas in the country, it has also led the company to have the most customers. Therefore, the goals of TGV Cinema are to attract new customers by promising superior value as well as to keep and grow their current customers by delivering satisfaction. The TGV Cinemas is also known to become one of the most cinemas used by the customers as they are convenient and comfortable. The company caters to a wide variety of audience with different types of category such as IMAX, INDULGE, Beanie, LUXE, Chill*X Diner, Family Friendly, Onyx and also Deluxe. By having this kind of varieties, they hope that the company is able to accomplish their company mission which is to provide the "ultimate cinema-going experience" to the discerning public. Besides, TGV Cinema also aims to provide a perfect movie-going experience by giving 3C which are Choice, Comfort and Convenient to fulfill customer's satisfaction and also their expectation. Thus, giving their customers satisfaction will help to build strong relationship with the customers by consistently delivering superior customer value. TGV Cinema also aims to meet the expectation of customer by marketing and providing quality services and also hope their company to be known by everyone in Malaysia.

However, the increasing in their customers have led them to face some difficulty and end up losing some of their customers. One of the reasons is because the cinema is not able to please all of their customers requirement. Apart from that, the company also do have some issue among their employee service. Thus, this can lead to less production as the employee did not perform their job well. In one of the company goals, we found out that their goal is to increase profit by 10% yearly and maintain brand loyalty. However, to achieve this goal, TGV Cinema need to step up their hard work so that the company are able to keep up with their goal and progress.

Thus, our team has decided to conduct some study on the company in order to help them achieve their goals and missions. By conducting this study, we are able to identify some of their problems and provide solutions to increase their customers satisfaction and also increase their income. At the same time, we are also able to recognize a few risks that the company might be facing in order to improve their performance. By doing so, TGV Cinema can be improved as a whole and at the same time they can also increase their profit and gain more customers.

METHODOLOGY

Methodology are the process used to collect information and data for the purpose of complete the project. We easily find any information we need with all the method we use. We had used some methodology to get information about TGV and their company details to complete our project.

Firstly, internet is the global network that contain variety of information for users around the world. we used internet to get information about TGV's like their company background and their competitors like MBO and GSC. We manage to gather all information about the company for our use.

Other than that, we used text book to search the solutions for this company and to gain idea for complete our project. Text book contain reliable information for us to make a decision for solving the problems.

Then, interview is the situation where interviewer ask question to people for gather information from that person. We had interview one of TGV's workers which is Fatin to know more detail about the problem that always happen during their services. We asked the worker about the cause of poor customer services and error in website system.

Lastly, questionnaire is the set of question with the choice of answer for the purpose of survey problem faces by customer. We used to google form to make the questionnaire. We had spread the form to public starting with teenagers around 15 years old to adult on 40's to know the feedback or complains and to overcome the problems. We spread the questionnaire form through online to 50 respondents. We manage to do conclusion from the survey we had done. The conclusion, we used four type of methodology which is internet, text book, interview and questionnaire. We found out that all the methodology really helpful for us to gain information to complete our project.

FINDINGS

Problem

We have identified some problems of TGV Cinemas which cause complications for the customers:

(1) Call center:

After facing some problems such as member card problems, the staff of TGV Cinemas will ask the customers to call customer service hotline. This is because they cannot do anything about

the card as it is not in the system, so the only way is to ask the customer to call the customer service hotline. But the problem is, when the customers called, the customer service team would not pick up the phone. Even after trying so many times, there are still no answer.

(2) Online movie ticket purchase:

Some of the customers faced the problem where their online movie ticket purchase does not appear in the system which causes them cannot enter the cinema hall. When it comes to the time they go and watch movie that they book online, suddenly the system could not capture their purchase. This will cause the customers to become very angry because they have set their intention to watch movie on that day and time, but they just cannot enter the cinema hall.

(3) Employee services:

Many customers complaint that the employees do not practice service manners when attending the customers. The major problems are some of the employees do not smile, make annoying face attending the customers, speak and answer rudely. This should not be happening as they are already been taught and advised by their management team how to treat customers. This will cause the company to lose many of their customers.

(4) Food and beverages:

The customers had to buy the expensive foods and beverages from candy bar as they are not allowed to bring outside food into the hall. At the ticket tearing point, the customers' bag will be check by the floor employees, to make sure that all the customers do not bring outside food which are not purchase at the cinema itself. They will be stopped and ask to leave out the items before entering the hall, at the shelf provided by the cinema. Later when they finish their movie, they can take back the items.

(5) Maintenance of hall:

Hall breakdown problem always occur, so the customers cannot enjoy their movies and maybe they can get refund, or they can swap movie tickets. Hall breakdown is not the cinema problem because they are not the one who control the projector. Hall breakdown is more like the movies cannot be played. So, the customers cannot enjoy the movie.

Solution

We had done research about TGV from their customer and their workers. and from the research we realized that company face problem like poor of customer service, error in website system, bad employee service, unreasonable price for foods and beverages and hall breakdown. We finally found the way to settle the problems that company facing. We had found several solutions to settle up the problems that we had identified.

1.Call back service

First of all, after we survey customer satisfaction toward TGV, we know that some customer did not treat well from the customer service department. Customer said that sometimes when they call customer services to complaint about their problem, the call is not answered. It may be due of busy line network or workers did not have enough time to pick up the calls. Regarding the call centre that TGV provided, we had decided to offer a call back service where workers at customer service department will call back the customer. In this way, customers do not need to keep calling them until they are answered.

(2) Improve website system performance

Other than that, from the research in graph 4, 20% out of 50 respondents which is 10 respondents had experience with error in purchasing ticket online. They face problem like when they have purchase online ticket and when they come to claim the ticket from counter, the

purchase is not recorded on the website. We suggest to improve the website system performances to solve this problem. They will hire people who are professional in technology to look at the problem and to analyze which part of the system has an error and to make the system more useful on customers behalf. New software or better server and better hosting service plan may need to be purchased.

(3) Expand employees' skills

Furthermore, 22% out of 50 respondents which is 11 respondents said TGV's workers do not treat them well and nicely. From the interview that we had done with one of TGV's workers which is Fatin, she said that this problem usually happened because of part time workers. Part time workers have no skill in treating customer well therefore they need to attend training program to improve their skill. The solution for the employee services issue is by expanding the employee's skill by train all the part time workers with training program. The employees will learn the basic manners and how to make customers happy and satisfied with their services. Customer will be treated nicely, and they will enjoy the movie peacefully with the good treat from employees in the cinema.

(4) Adjust prices for foods and beverages

Then, 24% out of 50 respondents which is 12 respondent's complaint that the price of foods and beverages sell by TGV is more expensive than normal price. our solution is to find another new food supplier that can offer cheaper price that their current supplier. The cheapest supplier, the cheaper selling price for customers. However, the quality of the foods and beverages will be given strictly attention.

(5) Perform regular inspection

Lastly, 20% out of 50 respondents which is 10 respondents said that they had experienced hall breakdown problem and they cannot enjoy their movies and get the refund for the tickets. This problem will give bad reputation to TGV company. The solution for the maintenance of hall is by performing a regular inspection every month. We will do more regular inspection for all hall in TGV to see whether they have any problems with the screen, projector, speaker or the lamp in that hall. This solution is to maintain the good condition of hall maintenance.

In conclusion, from all the solutions that we suggest to the company, we hope that it will help the process for the company in give service to their customers.

Risk

(1) Takes time

Regarding the call centre that TGV provided, we have decided to offer a call back service. However, it might take sometimes to respond their customers. This is because there are multiple calls at one time so the employee will not have enough time to call back immediately. Some customers may be upset with the situation as they have to wait for some time to get response.

(2) Failure

For the online movie ticket purchase, we have decided to improve their website system performance. This method is very risky as it can lead to a failure. To improve the website system performance, the company requires a huge cost. They have to hire a professional, purchase new software or better server and change another better hosting service plan to get a better performance. However, this might lead to a failure in the process of development.

(3) Subjective

The solution for the employee services issue is by expanding employee's skills through training program. This solution can be risky as some employees might not be able to perform well even though they had attended the employee training program. This means that the solution is very subjective, as it depends on the individual for effectiveness of the program. There is possibility that an employee might not benefit from this training program. They only join the program because that was what they were told to do.

(4) Hard to find new supplier

For food and beverages, our solution is to find another new food supplier that can offer cheaper price than their current supplier. Somehow it may be difficult to find new supplier as they might not be able to fulfill the company's standard. The quality of raw material may not be as good as the current ones. Moreover, it is hard to build relationship with the new supplier.

(5) Require huge expenses

Regarding the hall breakdown problem, they need to perform a regular inspection. However, this inspection incurs high cost in every month which means their expense is increased. Higher expense means more cash outflows so there will be less profit. Some companies will not be happy with this, as one of their objectives is to maximize profit.

Conclusion

From this research, it can be concluded that as though the company is successful, there are still some issues and problems in the company in delivering their services to customers. As stated, TGV is the second largest cinema chain in Malaysia. However, they are facing inefficiency of customer services such as call centre and online movie ticket purchase. So, in order to resolve these problems, they can offer call back service and improve website system performance. These solutions can be risky as it might take a lot of time to respond their customers and also system performance improvement could be failed. There is also complaint by some customers with regard to employees' services. The proposed solution for this matter is to expand employees' skills through training program. Nevertheless, this solution is subjective as it depends on individual for its effectiveness. Furthermore, the company also has to adjust their foods and beverages' price by finding new supplier as some customers complaint that they are expensive and unreasonable. However, the company has to be careful in choosing new supplier as they may not be able to fulfil its current standard. We also found out from an employee that the hall breakdown is repeatedly occurred. We suggest a regular inspection should be conducted every month to solve the issue. This solution can cause higher expenses so the company will not be happy with this matter. We hope that the company will be considering our proposed solutions so everyone including customers and employees will be happy in receiving and delivering their services.

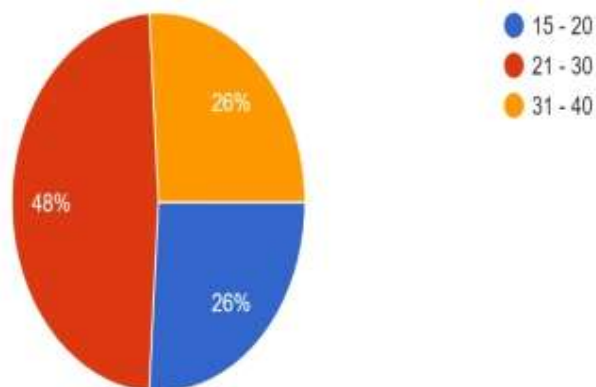
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Appendices

Age?

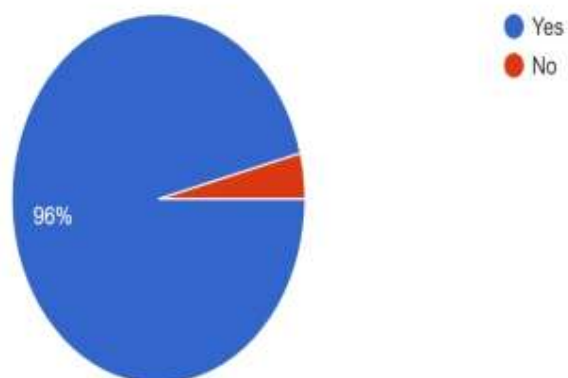
50 responses



Graph 1

Have you been to TGV cinema before?

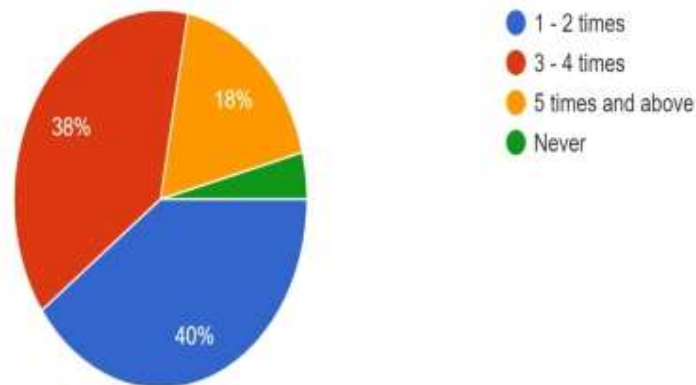
50 responses



Graph 2

How frequently you went to TGV Cinema in a year?

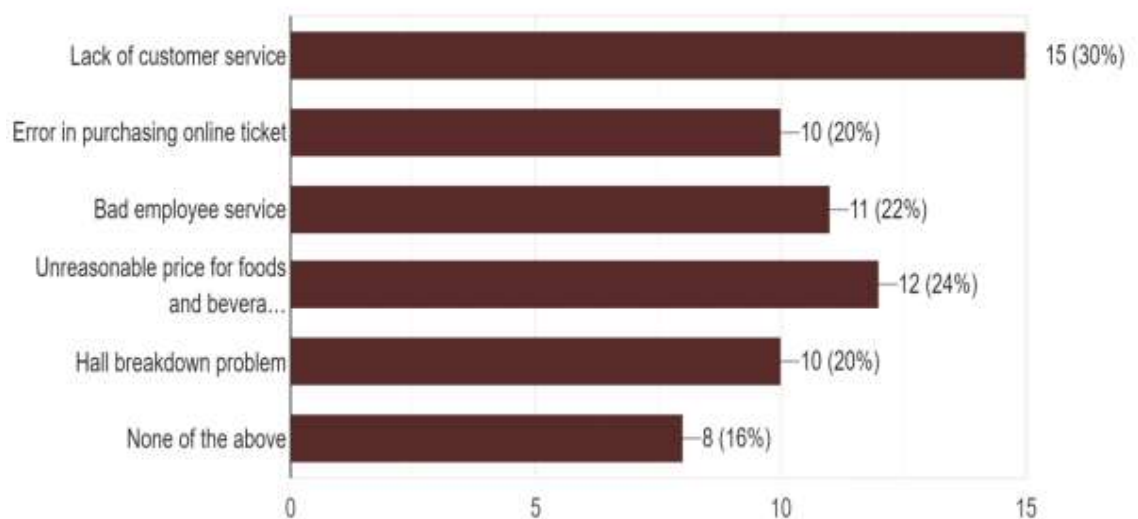
50 responses



Graph 3

Have you ever encounter with any of this problem before? You can choose more than one answer

50 responses



Graph 4

TGV CINEMA

This form is regarding customers satisfactions and complaints on TGV Cinema

**Required*

Age? *

- ☐ 15 - 20
- ☐ 21 - 30
- ☐ 31 - 40

Have you been to TGV cinema before? *

- ☐ Yes
- ☐ No

How frequently you went to TGV Cinema in a year? *

- ☐ 1 - 2 times
- ☐ 3 - 4 times
- ☐ 5 times and above
- ☐ Never

Have you ever encounter with any of this problem before? You can choose more than one answer *

- ☐ Lack of customer service
- ☐ Error in purchasing online ticket
- ☐ Bad employee service
- ☐ Unreasonable price for foods and beverages
- ☐ Hall breakdown problem
- ☐ None of the above

SUBMIT

Questionnaire in google form

Script for interview session

Interviewer: Hello Fatin, we would like to interview you regarding problem faced by TGV Cinema.

Fatin: Hello, sure I will cooperate with you guys.

Interviewer: Firstly, what do you think about the most common problem facing by this company?

Fatin: I think the popular problem that we face in the cinema is hall breakdown.

Interviewer: have you ever face problem in website system?

Fatin: Yes, I have been experienced it sometimes especially when customer complaint when their ticket purchasing was not recorded in website system. As I am in the customer services department, I am lack of technology skills and I need to refer the problem with my upper manager. It is quite difficult sometimes because the upper manager is not always there when time needed.

Interviewer: We heard that some customer complaint about customer service where their calls were not been answered. What do you think the cause of this matter?

Fatin: Oh! I think it may because of busy line network or we did not have enough time to pick up the calls.

Interviewer: We have last question for you, why there are so many complaints about the employee's service toward customers?

Fatin: It is because company take large amount of part time workers. This part time workers usually have no intention to work for a long period that is why they do not care about customer view. Company also do not want to waste any money to send them for training program that is why they do not know how to treat customer in the right ways.

Interviewer: Thank you Fatin for your time. Hope you will success on your coming life. Bye.

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