ONE VISITOR/CUSTOMER AT A TIME

Hospitality & Customer Service Program

for

Value Added Entrepreneurship Workshop

Nashville, Tennessee

December 4, 2002

Presented By

Tennessee Department of Tourist Development
Lee Waddell Curtis
Tennessee Department of Tourist Development

ONE VISITOR/CUSTOMER AT A TIME
Hospitality & Customer Service Program

TABLE OF CONTENTS

1. The ABC's of Hospitality & The External Customer

2. ABC's (Part 2) & The Internal Customer
WHAT IS A TOURIST/CUSTOMER?

A Tourist/Customer is not limited to the following but a tourist/customer is:

The most important person ever in this establishment – in person, on the telephone or by mail.

Not dependent on us – we are dependent on him or her.

- Not an interruption of our work -- but the purpose of it.
  
  We are doing him/her a favor by serving him/her—
  he /she is doing us a favor by giving us the opportunity 
  to do so.

Not an outsider to our business – but a part of it.

Not a cold statistic—but a flesh and blood human being with feelings and emotions, with biases and prejudices like our own.

Not someone to argue or match wits with

- A person who brings us his or her wants.

In the tourism/customer industry, it is our job to handle those needs profitably for the tourist/customers’ benefits and our own.
You get paid.

You buy a pair of shoes at a department store.

The department store pays its employees.

The department store’s employees buy groceries.

The grocery store pays the farmer.

The farmer buys equipment.

The equipment dealer makes a loan payment.

The bank loans you money to buy a car.
HOSPITALITY: (HOS-PI-TAL-I-TY)

Receiving and entertaining guests or strangers in a friendly and gracious fashion.

Hospitality is WHAT we say and HOW we say it

Hospitality begins with a proper ATTITUDE.

When the customer is happy, everyone is happy!

Information is what we say, communication is how we say it. In other words, we can be walking encyclopedias, but unless we know how to communicate, it will be useless.

Likewise, we can be warm, friendly, and wonderful, but if our information is vague, outdated, or incorrect, our behavior is just a cover for a lack of accurate information.
The Words of Hospitality

Courteous Words.......................... instead of sharp replies
Smiles........................................... instead of bored looks
Enthusiasm ..................................... instead of dullness
Response ....................................... instead of indifference
Warmth ........................................... instead of coldness
Understanding ................................. instead of closed mind
Attention ....................................... instead of neglect
Patience ......................................... instead of irritation
Sincerity ........................................ instead of being mechanical
Consideration ................................. instead of annoyance
Remembering Details ......................... instead of forgetting them
Facts ............................................. instead of arguments
Creative Ideas .................................. instead of humdrum
Giving .......................................... instead of getting
Action .......................................... instead of delay
Appreciation ................................... instead of apathy
SOME WAYS TO RELATE TO CUSTOMERS/GUESTS

Listen to what customers say.
Always have eye contact with customers.
- Treat all customers/guests as VIPs.
- Make an extra effort to meet the needs of customers/guests.
- Be friendly and smile.
- Be courteous and polite.
  Have a positive attitude.
Look at service from the perspective of customers/guests at all times.

Tips for making a Great First Impression

Be sure your appearance is well-groomed and tidy.
- Always use a friendly greeting and positive body language.
- Do what you can to make sure your work area is clean and attractive
  Be courteous to co-workers and customers.
First Impressions

Customers form lasting impressions within the first few seconds about:

You
- Your business
- Your attitude.

These are called “moments of truth” and determine whether customers will do business with you again in the future.

How we say something is as important as what we say.

Communication is the process of sending and receiving messages in order to:

1. Be understood
2. Be accepted.
3. Get something done
4. Understand others.
You never get a second chance to make a first impression

- Every encounter is an opportunity to enhance the experience of our guests.
- There are only two wrong answers: “No!” and “I don’t know.”
- The power of positive phrases comes from turning a negative situation into a positive one.

PRO-ACTIVE VS. RE-ACTIVE
WHICH ONE ARE YOU?

1. Do you wait for guests to say hello first?
2. Do you talk to people without making eye contact?
3. Do you converse with co-workers in front of guests?
4. Do you worry about negative responses from guests?
5. Do you view the guest as an interruption of your work?

If you truthfully answer “YES” to three or more of these questions, you tend to be Re-Active rather than Pro-Active.

TAKE A RISK!!!!!
ATTITUDE

100 %
ATTITUDE IS EVERYTHING

Your attitude is contagious and your customers catch your attitude, good or bad. Customers respond to warmth, helpfulness, a smile, calmness, kindness, understanding, interest in their needs, in short “Being nice, just like you do.”

You are painting a picture of your attitude by your every action, keep this in mind when interacting with your guest and others and keep smiling. A picture is worth a thousand words and the picture your attitude paints is revealed by the way you interact with the customer.

Take a minute and express with your eyes and body language: kindness, helpfulness, interest, understanding and excitement. Keep external circumstances from affecting your attitude, because there are many people out there having a bad day. You make the decision the have a great attitude no matter what happens and think, “How would I want to be treated?”
Among the most important requirements of a successful employee is their attitude toward their job, product or service, and employer.

Thinking positively and enthusiastically about these things can only lead to success.

There must be no doubt in their mind that they represent the greatest company of its kind, and offer the finest products or services.

If an individual feels otherwise, then that individual will be of little value to the firm and/or themselves.

To be happy in your job is to be capable of achieving just about any goal or objective you set for yourself.

Understanding the need for a wholesome, happy and healthy attitude on a day to day basis will help you acquire it.

Do not let adverse conditions control you. Work constantly at eliminating them from your consciousness.

Each day presents new opportunities. Reach for them! Grasp them firmly! You, and you alone, make the difference between success and mediocrity or failure.

Is the key to Success.
COMMUNICATION TIPS

#101 We all love to hear the sound of our own name, pronounced correctly. Always be sure you are calling people by what they prefer to be called. If someone introduces himself as "Mr. Jones", continue to use the surname. If a person identifies herself as "Margaret", she probably doesn't want to be called "Marge."

#201 Listening is the highest form of courtesy. It is why we have two ears and one mouth--so we can listen twice as much as we speak.

#301 Non-verbal, body language accounts for 58% of our communications; Tone of voice accounts for 35% Words account for only 7% 100% of Communication

NOTE: To make sure that your body language is saying what you really mean, be genuine in everything that you think, do and say.

NOW THAT'S STYLE...

List the styles of communications below. Which one are you?

1. V________

2. A.

3. K_______

HOW DO YOU SAY GOOD-BYE?
CREATING A POSITIVE IMAGE

Take this checklist for your property and see if it says the right thing about your property

Is your property well maintained on the outside and the inside?
  a. Signs...are they attractive and readable?
  b. Environment...are pictures, floors, furnishings attractive and in good condition; Is the outside clean and pleasant to look at?
  c. Arrival...are guests/customers acknowledged as soon as they arrive?
  d. Staff...are staff properly dressed and well-groomed?
  e. Departure...do you ask for ways to improve the service you provide?

NOTE: Give this checklist to a new employee or a customer and have them fill it out as they go through an "experience" at your place of business.

WHAT'S REAL WHEN IT COMES TO PERCEPTIONS?

"Perceptions are reality and perceived as fact, until proven otherwise

Anonymous

It takes about 4 seconds for someone to like you, trust you and think you are competent.

It takes 30 seconds for someone to perceive your race, gender, posture and dress.

You only have one chance to make a good first impression.

Sometimes the first impression you make is the last one a customer remembers.

If you don't manage first impressions, someone else will.
BAD CUSTOMER RELATIONS

- Continue your conversation with a friend as a customer waits.
- Say: “That’s not my job
- Blame someone else for a problem.
- Decide a wrong answer is better than no answer.
- Tell a customer “what he/she should have done.”
- Lose your cool.
- Don’t listen.
- Criticize
- Promise more than you can deliver
- Judge someone by how he/she is dressed.
**Good Customer Relations**

- Greet your customer immediately.
- Smile.
- How do you sound?
- If they’re in line: “I’ll be with you soon.”
- Ask questions, listen to what they need.
- Treat each customer as if he/she is the only one you’ll help today.
- Remember: Tourists are people.
- Take pride in your business, your community, and yourself.
- Say: “Thank you.”
THE SIX P'S OF CREATING QUALITY HOSPITALITY PERFORMANCE

Planning......Have clear, purposeful goals and objectives. Communicate those goals and create a powerful vision.

Passion........Love what you do. Have fun and let it show.

Praise.........Recognize efforts with specifics. Catch people doing something right.

People.........Take care of your people and they will take care of your guests. Practice visual management and inspect what you expect.

Plexability....Empower everyone to have the responsibility to exceed their authority with reasonable common sense.

Profit.........Concern for profit should come in knowing that if the above “P’s” are achieved, then profits will follow.

In a sports related interpretation - “Keeping your eye on the bottom line is like watching the scoreboard instead of watching the ball”.
THE TEN COMMANDMENTS
OF HOW TO GET ALONG WITH PEOPLE

1. Keep skid chains on your tongue. Sometimes it's best to say less than you think. Cultivate a low, persuasive voice. Often it's not what you say, but how you say it.

2. Make promises sparingly and keep them faithfully.

3. Never let an opportunity pass to say a kind and encouraging word to somebody. Praise good work, regardless of who did it. If criticism is needed, criticize helpfully, privately, and never spitefully.

4. Be interested in others — their pursuits, their work, their homes, and their families. Be happy with those who rejoice, and mourn with those who are sad.

5. Be cheerful. Don’t burden or depress those around you by dwelling on your own aches, pains, and disappointments. Remember, everyone is carrying some kind of load.

6. Keep an open mind. Discuss, but don’t argue. It's a mark of a superior mind to be able to disagree without being disagreeable.

7. Be careful of the feelings of others. Wit and humor at the expense of another person are rarely worth it and may hurt someone when least expected.

8. Let your virtues speak for themselves, and refuse to talk about the vices of others. Discourage gossip. It's a waste of valuable time and can be extremely destructive.

9. Pay no attention to ill-natured remarks about yourself. Simply live so that nobody will believe such remarks.

10. Don’t be too anxious about the credit due to yourself. Do your best and be patient.
Ingredients To A Recipe For Handling The Guest Complaint

Consider complaints as opportunities to build customer loyalty. Research shows customers whose complaints are resolved are more loyal than customers who have never voiced their complaints.

Offer solutions based on achieving customer satisfaction. Look at the problem from the customer’s point of view and be creative. Find solutions profitable for both the company and the customer.

Make up your mind to stay calm. Getting upset has a negative physical impact on you and reduces your ability to think clearly.

Point out the ways in which you and the customer already agree. It is useless to argue with customers or to tell them they are wrong. Instead, build solutions based on agreement and disagreement.

Listen for the basis of the complaint. Before you can solve the problem, it helps to find out if the company has created an unrealistic expectation in the customer’s mind, or if the customer has set up an unrealistic expectation, or if the product or service has simply failed to meet quality standards.

Ask for the customer’s assistance in reaching a satisfactory solution. Research shows that people are more satisfied with solutions they suggest. Ask the customer to tell you as much as possible about the problem. Then ask, “How would you resolve this situation, if you were in my shoes?”

Indicate that you want to help. The phrase, “I want you to be a satisfied customer” works wonders. Always lend a sympathetic ear.

Note the action you and the customer agree to, and take action immediately. Customers expect complaints to be resolved quickly. Action taking more than three days is usually unacceptable. And develop a follow thorough procedure.

Terminate the conversation by checking for customer satisfaction. Ask the customer if he or she is satisfied with how the complaint was handled. If the customer is still not satisfied, continue working toward resolution.
Change The Unhappy Customer Into
A HAPPY, SATISFIED CUSTOMER

Never argue with the customer; show respect

Don’t take it personally

Don’t interrupt; listen closely

Don’t make excuses

- Be patient
- Don’t quote policies & rules
- Remain calm – don’t lose your temper

When appropriate, call your supervisor

- Follow through – Follow up!

USE THESE RESPONSES WHEN APPROPRIATE

I understand

I’ll correct that right away

- I’m sorry that happened

You have a right to feel that way
Customer Service Countdown

The 10 most important words:
“I apologize for our mistake. Let me make it right.”

The 9 most important words:
“Thank you for your business. Please come back again.”

The 8 most important words:
“I’m not sure, but I will find out.

The 7 most important words:
“What else can I do for you?”

The 6 most important words:
“What is most convenient for you?”

The 5 most important words:
“How may I serve you?”

The 4 most important words:
“How did we do?”

The 3 most important words:
“Glad you’re here.”

The 2 most important words:
“Thank you.”

The most important word:
“Yes.”
Now that we have discussed the importance of the *external customer* – one of the most important elements of customer service is the *internal customer*. How can we expect our customers to be treated like guests if employees are not treated with the same respect?

If your role is a manager or supervisor - give recognition or praise to your employees whenever the opportunity presents itself. You will feel confident that when your employee feels good about what they do or have achieved, that this will reflect on excellent customer service.

Employees, especially in the hospitality and tourism industry, should be empowered to make a customer feel like a guest and have the authority to make any situation a positive one without always having to contact the manager.
Manager-Initiated Rewards and Recognition

Most of these rewards are designed to cost less than $100 and are completely controlled by local management, so they do not require corporate buyoff. Some may be presented with a spark of humor.

Letter from Manager, Managing Director, Vice President, President
Parking Spot for Top Sales Rep of the Month
Day Off, Half Day Off, Friday Off
Magazine Subscription
Meal with Staff Member, Vice President, President
Promotional Gift, Special Memento
Birthday Card, Cake, Gift
Award Pin
Team Dinner, Team Outing
Tickets to Events
Bottle of Wine, Champagne
National Accounts Trip as "Award-Winning Employee"
Weekend Trip
Open Praise
Sales Giveaway
Recognition Lunch
Increased Territory
Transfer of a Nonproducing Account
Contribution to Favorite Charity
Bulletin Board Notice
Dinner or Night on the Town with Spouse
Massage, Facial, Manicure
Round of Golf
Individual Home Computer
Company Car Upgrade
Gift Certificate
No-Cost Recognition
(“One-Minute Praising”)

* Tell people up front that you are going to let them know how they are doing.

* Praise people immediately.

* Tell people what they did right — and be specific

* Tell people how good you feel about what they did right and how it helps the organization and the other people who work there.

* Encourage them to do more of the same.
EASY OFFICE MORALE BOOSTERS

✦ Order pizza or a huge submarine sandwich for a group lunch.

✦ Designate a bulletin board as a place for employees to post favorite jokes, cartoons, family pictures, etc.

✦ Attach cartoons or humorous antidotes to the more mundane memos that need to be circulated.

✦ Schedule a staff meeting off-site in a congenial atmosphere; if possible, follow up with a casual social event.

✦ Schedule a Ugly Tie (or Crazy Sweater or Silly Socks) Day with a joke prize for the winner.

✦ Take a daily humor break; designate someone to share a joke or funny story with the rest of the staff.

✦ Bring a Polaroid camera to work; take candid shots of employees and post the pictures throughout the office.

✦ Make a point to smile and say hello to office mates.

✦ Give everyone an opportunity to arrive an hour late or leave an hour early one day a week.

✦ Never take anything too seriously. Keep reminding yourself, “This isn’t brain surgery.” (Unless, of course, it is brain surgery.)
Service Bibliography

Service that Sells!
Jim Sullivan & Phil Roberts. Pencom Press, 1991, 1-879239-00-0
Entertaining and positive. Specifically for restaurants but a lot of good “stuff”

Delivering Quality Service
Written from an academic perspective. Explains the ten dimensions of service quality. Very good. Heavy.

On Great Service
Leonard L. Berry, The Free Press, 1995, 0-02-918555-6
Practical, how to reference related to organizing and delivering service on a consistent basis.

Teamwork for customers: Building organization that take pride in serving
Dean Tjosvold, Jossey-Bass, 1993, 1-555424-91-0

Second to none: How our smartest companies put people first
Charles Garfield, Business One Irwin, 1992, 1-556233-60-4

Keeping customers for life
Joan Koob Cannie, American Management Association, 1991,
08-144500-8-3

Breakthrough customer service: Best practices of leaders in customer support
Stanley A. Brown, editor, J. Wiley & Sons, 1997, 04-716423-2-0

Best practices in customer service
Ron Zemke and John Woods, Editors, 1999, AMACOM,
08-144702-8-9

Dale Carnegie Training
Sherry L. Pfaffenberg, 865-556-8899
10 Service Industry Facts

1. Poor service is the #1 reason American companies lose business. 68% of customers stop doing business with a company because of poor service (an attitude of indifference on the part of a company employee).

2. 90% of customers that stopped doing business with a company made no attempt to tell the company why.

3. 70% of dissatisfied customers never complain because it's not worth their time; the company personnel won't listen and/or the company won't do anything about the complaint.

4. The average dissatisfied customer tells nine to ten others of his or her dissatisfaction.

5. "Management guru" Tom Peters says it takes $10 of new business to replace $1 of lost business.

6. Low-service quality businesses average 1% Return of Sales (ROS) and a market share of 2% per year. High-service quality businesses average 12% ROS and a market share gain of 6% per year, and charge significantly higher prices.

7. Quality of service is the main thing that differentiates one business from another.

8. Customers are willing to pay more for better service.

9. 95% of dissatisfied customers would do business again with a company if their problem was solved quickly and satisfactorily, instead of forgetting them.

10. Customers will tell a company where it needs improvement. We need to ask customers how we can make our business more suitable to them.
Ray Lewis, Senior VP of Worldwide Marketing for Holiday Inn said that the chain would increase its profits by 150% by eliminating 5% of customer defection.

Taco Bell has estimated that losing 1 customer will cost them $65,000 in potential sales.

US News and World Report did a survey on retailing and customer loss:
- 1% die
- 3% move away
- 5% other friendships
- 9% competitive reasons
- 14% product dissatisfaction
- 68% quit because of the attitude toward customers by the merchant or employees.

Study by the Congressional Budget Office showed that 70% of workers who entered the labor market at $5.00/hour or less were still employed a year later, that 45% had received wage increases of 20% or more, and 1/3 who started without health insurance acquired it through their employers.

Travel and tourism average hourly earnings have grown faster than all other industries except finance, insurance and real estate in the past 10 years.
• Service sector earnings per hour are now equal to the average for all private industry sectors.

• Service sector average hourly wages increased 52.5% over the past ten years, compared to 37.8% for all private employers.

• The 650,000 executive positions in all segments of travel and tourism are more than the total employees in the furniture manufacturing or electronics manufacturing industries in the US.

• In 1982 the average services sector employee earned 84% as much as the average private industry employee. By 1992 this had increased to 94%.

• Employment directly generated by travel has grown 56.3% in the last 10 years, more than twice as fast as the more modest 21% increase in total non-agricultural US employment.

• Employment in major travel industry sectors is forecast to grow in excess of 30% during the next 12 years.
  
  Employment in construction is forecast to increase 26%  
  Employment in mining is forecast to decline 11%  
  Employment in manufacturing is forecast to decline 2.9%

• New sole proprietorships in the service industry grew 70% from 1980 to 1989, increasing service industry representation to nearly 52% of all sole proprietorships.

• Flexible employment, appropriate to the requirements of an increasingly diversified economy and labor force, is offered by many segments of the travel and tourism industry.
RETENTION MARKETING

• Attracting a new customer costs 5 times as much as keeping an old one

• 65 percent of the average company’s business comes from its present customers

• 91 percent of dissatisfied will never again buy from offending business

• The average customer who has a problem tells 9-10 people about it

• 13 percent of people who have a problem recount the incident to more than 20 people
FIVE KEYS TO SERVICE SUPERIORITY

1. Create an Awareness of the Importance of the Customer

2. Establish Behavioral Performance Standards

3. Measure Performance Against Standards

4. Reward and Recognition

5. Maintain Enthusiasm for Customers and Employees
Because the Customer

Because the customer has a need, we have a job to do

Because the customer has high expectations, we must excel.

Because the customer has a choice, we must be the better choice.

Because the customer has influence, we have the hope of more customers.

Because the customer has sensibilities, we must be considerate.

Because the customer has an urgency, we must be quick.

Because the customer is unique, we must be flexible.

Because of the customer, WE exist!