



IMPROVING CUSTOMER EXPERIENCE IN THE HOSPITALITY INDUSTRY

Miele

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A customer experience is an interaction between an organisation and a customer as perceived through a customer's conscious and subconscious mind

- beyondphilosophy.com

Introduction

To simplify the above statement slightly, customer experience is how a customer 'feels' after an interaction with your company. Did they feel appreciated? Valued? Happy? Or were they frustrated? Dissatisfied? Dejected?

In today's modern world, consumers are highly educated and have the ability to instantly access information on prices, features and benefit comparisons via the internet on their mobile devices. A direct result of this is that customer experience is now king! Being able to provide consumers with a superior experience is now a key differentiator between companies looking to increase the lifetime value of their customers.

Reacting to customer requests and focusing on improving experiences can be a cost to a business; but it's proven to be worth it.

According to a CEI Survey, **86% of buyers will pay more for a better customer experience** - forbes.com

The above statistic perfectly illustrates just how important customer experience is to modern consumers. However, **only 1% of customers feel that companies consistently meet their expectations**. This means that in order to become industry leaders and capable of providing unique customer experiences, many organisations need to review their current service.

But, where do you start? Well, to help you increase your customer experience levels and ultimately your revenue, we've created this ebook.

Read on to find out how carrying out these simple steps can set you apart from your competitors...

Customer experience principles

To start providing superior customer experience, there first needs to be a cultural change across your business. This may sound daunting, but don't fret... it's all about little steps. Begin by taking a holistic view of your operation and identify areas where customer service improvements could be made. This may be as simple as ensuring staff always say please and thank you to your customers.

Make a note of your customer service findings and prioritise them based on how much they (negatively) affect your customers, and how easy it would be to improve the service. This will help you determine what needs to be worked on and addressed first.

A good way to create customer experience principles is to look at your business as an outsider. How would you like to be treated? How would you like to feel? What would you like to see happen? By seeing the operation from the customers' viewpoint it's easier to understand where you may be lacking.

Now that you have all of this information and have formulated an idea of how you think your business should be functioning and providing customer experience; spread the word far and wide. Educate and empower all customer-facing staff across your organisation. Instil customer experience principles in all areas of the business. Use training and acronyms (like PRIDE - Personal Responsibility In Delivering Excellence) to keep the principles at the forefront of staff minds.

As each new principle is adopted and becomes second nature to staff, introduce another and continue to improve the experience for your customers.

up by 4% from the previous year

62%



In 2013, 62% of global consumers switched service providers due to poor customer service experiences

- Accenture Global Consumer Pulse Survey

Staff development

Once you've defined your customer experience principles it's time to focus on the experience enablers – staff. Give that the customer-facing employees in your organisation will be the difference between a happy customer and lost future revenue; it's important that they are engaged and performing at an optimum level.

An excellent way to achieve a focused workforce is to implement a development programme that requires ongoing training and tracking. The direct benefits of this are that staff are given regular goals and targets to reach and you are able to measure their progress. To make sure that the development programme is engaging, consider different methods of coaching such as e-learning and group training.

Also consider training customer-facing staff on multiple customer service positions so that they can perform multiple jobs and assist customers in many areas of the business. This approach will reduce the number of staff becoming bored with repetitive tasks and also reduce your attrition rates (and recruitment & training costs).

A way to ensure staff remain engaged with your business and customer experience principles is to make sure they understand the potential for success in the business. For example, where possible, always try to promote from within the team. This will illustrate that with dedication and on-going effort, they could potentially work their way through the ranks to a senior position.



of companies expect to spend significantly more or somewhat more on customer experience in 2014 than they did in 2013

– Temkin Group Customer Experience Expectations and Plans for 2014

Cleanliness and the Miele Professional survey

Cleanliness is quintessentially important in the hospitality industry. It's critical to the survival of a hospitality business that cleanliness is given top priority and customers are never given anything that could be considered 'dirty'.

To understand how serious this issue is, Miele Professional carried out a survey of restaurant goers to see what caused them the greatest upset, and the results were interesting to say the least...

32% of people said if they were to experience dirty utensils, they would be unlikely to ever return to that establishment and 52% of respondents voted dirty glassware as their 'top restaurant turn off'.

Another statistic that clearly shows how important cleanliness is in the hospitality industry is **'More than one in 30 people said finding grubby glassware would result in them walking out mid-meal'**. As mentioned previously, consumers nowadays expect a certain level of customer experience, and if a brand or establishment is unable to meet their expectations, then they will simply go somewhere else.

As if losing a customer (and their future lifetime value) due to poor cleanliness wasn't bad enough; in today's modern world of social media and peer recommendations, a negative review on Twitter, Facebook or YouTube could lose a business about 30 customers.

With nearly **90% of survey respondents saying that clean glassware, crockery and cutlery is very important to them**; don't take risks with their customer experience. Ensure you use the best possible dishwashers to generate the best results... every single time. A substandard dishwasher could be the difference between repeat custom and a lot of lost future revenue.

32% 

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Feedback

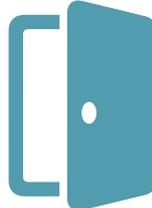
Part of providing the best customer experience is finding out where you can improve. For this reason, it's vital to capture customer feedback wherever possible (ideally in real-time). This can be done via printed survey sheets handed out with the bill or online via a third-party survey company. It could even be completed by a member of staff simply asking for two minutes of the customer's time to ask them about their experience.

One thing that is particularly valuable in the feedback process is asking the customer to name the staff member who served them. The benefit to this is that each employee can now be held accountable for their shortcomings and also their successes. This feedback can also be tied back to the staff development programme and help to identify areas for improvement for particular employees.

As the statistic above shows, many unhappy customers don't complain as they feel that the company does not care. This mindset is something that must be addressed if the customer is to have any faith in the brand or the organisation. So, ensure that you always take customer feedback on board and do everything in your power to use the information to improve the customer experience. Where possible, even notify the customer that you have implemented their suggested changes.

96% 

of unhappy
customers don't
complain

91% 

of those simply
leave and never
come back

- Financial Training services

Technology

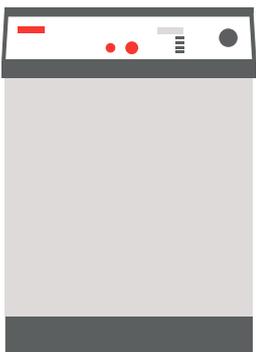
In the pursuit of superior and industry-leading customer experience, don't be afraid to invest. In an industry where customer relations and service are so important, any time spent carrying out menial, resource-intensive tasks, is time spent away from the customer. So, consider streamlining processes using technological solutions.

A tool such as electronic messaging between front-of-house and kitchen staff would enable easier ordering, less human error and require less time than the traditional method. Another example of efficient technology is a dishwasher that is quick, reliable and creates streak-free results meaning no need for a staff member to polish glassware and less time for them in the kitchen. These are already popular solutions in the hospitality industry because of the dramatic affect they can have on a business; but there are many more.

Other technology tools that can help to create a better customer experience include performance management and analytics tools for staff members. As discussed in the development section, tracking staff and their work rate/successes can help to identify areas of improvement. The better your staff - the better your customer experience.

Technology that can directly affect the customer experience whilst streamlining current processes are self-service machines (reducing the need to wait on staff) and more user-friendly customer feedback tools (so they can tell you what they think quicker and easier).

All of these things will require some element of investment, but with the ability to help you become an industry-leader and unbeatable by your competitors, the costs can wane in comparison.



Sustainability

It may seem that sustainability has little to do with providing industry leading customer experience, but you'd be surprised. Firstly, modern consumers like to spend money with brands that are as environmentally conscious as they are. So, by making eco-friendly choices for your business and promoting your 'green' credentials, you can potentially unlock this new revenue stream.

More importantly, sustainable operations can help to reduce your outgoings therefore freeing up capital that can be reinvested back into the business, in the ways mentioned previously – technology and training etc.

To create a sustainable operation, look to the equipment you use most often, such as washing machines, tumble dryers and dishwashers. When purchasing new equipment such as washing machines, opt for products that feature on the government's Water Technology List (WTL). These are technologies and products that encourage sustainable water use. By purchasing products on the WTL, your business may be able to write off the whole cost of the equipment against taxable profits of the year of purchase. So, not only are you using less water than before, it's also costing you less money overall.

When it comes to dishwashers, consider an industry-leading product that is capable of washing a high number of plates per hour with low water usage. Larger loads mean less cycles, and eco-friendly cycles mean less cost, less energy consumption and less environmental impact.

Whilst doing your bit for the planet, you'll also be doing your bit for your bottom line, and also the customer experience you provide.



Conclusion

The hospitality industry is improving dramatically. As the economy continues to recover, people are going to have more disposable income to spend, which means businesses have more revenue to compete for. As the industry grows, so too will the number of your competitors vying to win the new business. So, you'll need to stay one step ahead.

Given that customer experience is such a key differentiator, be sure to focus on providing an industry-leading experience to every one of your customers. Competitors may be able to provide the same products and services as you, but can they match how you make your customers feel?

As you can see, investing in customer experience can increase the lifetime value of your current customers, create brand evangelists and attract new revenue to your organisation. The bottom line is that by focusing on your customer, you're ultimately benefiting your company and your profits.

**Want to find out more?
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