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# Hospitality Brands Can Succeed With A Customer Experience Philosophy

**Sagar Rajgopal** Forbes Councils Member

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The hospitality sector suffered one of the worst economic losses of any industry during the pandemic. With restrictions now easing, the sector is **bouncing back**. However, consumer expectations and behaviors have changed enormously over the last two years, and hospitality brands are still playing catch-up.

Reprioritizing customer experience (CX) and maintaining customer loyalty is essential post-pandemic, considering that people are now more **likely to try new brands and experiences**. That's especially true for younger customers who have decidedly less brand loyalty since competitors are only a click or swipe away.

I believe the key to maintaining brand loyalty is creating happy customers—not just satisfied ones. You want customers to be elated, even exultant, from a brand interaction. These are the customers who become brand advocates. Think about having dinner at a fancy, well-reviewed restaurant. A good meal and quality service are bare minimum expectations that will satisfy you but not wow you.

The challenge and opportunity for hospitality brands are to find ways to break through expectations and elevate those experiences. “Emotionally engaged” customers are **three times** more likely to recommend a product or repurchase. A negative review can be worse than **having a bad product**. People want to create beautiful memories, and most are willing to **pay a higher price** for it. You do that by committing to a core CX philosophy supported by empowered employees.

### **Establish a gold standard for your company.**

You can't have a conversation about exceptional hospitality experiences without talking about the Ritz-Carlton Hotel. Staff members across all locations can spend **up to \$2,000 per guest per “incident.”**

Examples from a **2009 Forbes interview** with then-CEO Simon Cooper include a laundry manager who flew from Puerto Rico to New York to return a guest's previously stained dress in person and maintenance staff who built a surprise path to the beach to allow a wheelchair-using customer to have their dream dinner by the ocean. In both big gestures and countless small ways every day, the Ritz-Carlton exemplifies going above and beyond to create meaningful experiences that cultivate client happiness.

Let's break down what works for the Ritz. Their CX philosophy starts with a basic motto: “We are ladies and gentlemen serving ladies and gentlemen.” I

find that their employees are empowered, both personally and institutionally, to take action as they see fit.

To make your employees feel more empowered, have faith and trust in their ability to meet your brand's credo and provide them with the tools they need to execute. Maybe that means cutting down on managerial oversight to permit employees to make discretionary decisions, like a waiter offering complimentary dessert to a couple out on date night. In such cases, it's important to establish some guidelines but give employees the freedom to deliver those special touches that will stand out for customers.

### **Create happiness by habit.**

Realistically, some hospitality brands will not have the budget to permit employee discretionary spending. However, brands can interpret the policy broadly: Establish a core tenet that captures your CX bottom line, empower your employees to act in the tenet's interest and trust them to follow through faithfully.

If there's a factory for creating happy customers, I believe it's Disneyland Parks and Resorts, whose visitors have [a return rate of 70%](#). It's in part because employees operate with the mantra, "We create happiness," to guide solutions. Just one recent example Disney shared on [their blog](#): When six-year-old Jacob Davis lost his stuffed pterodactyl Ted at Disney World's Magic Kingdom, cast members jumped to action, procuring not just a replacement Ted (the exact same pterodactyl from Animal Kingdom) but also his pterodactyl friend Teddy. The cast members concocted a story wherein Ted wasn't lost, but on his own adventures at Disney World with Teddy, documented in a bound book left for Jacob in his hotel room. The employees fulfilled the Disney mantra and gave the little boy an experience he would never forget.

### **Build empathy into your processes.**

It's much harder to keep customers happy when they're bunched up together in cramped quarters, going on little to no sleep. Commercial airlines do it all the time though.

Even with a smaller budget and limited corporate resources, Alaska Airlines routinely scores high on the American Customer Satisfaction Index (ACSI), with [77% customer satisfaction last year](#). Their success is largely in part because the airline gets really creative with how they handle challenges, like strapping iPads to seats on long flights, and adapting to circumstances, like letting the champagne flow on New Year's Eve.

But CX is not all about grand, sweeping gestures. When employees lead with empathy, small acts of kindness can make a big impact on your customers or help you make the best of a bad situation. Take Delta Airlines, who made sure a concerned couple made their next flight with time to spare and [ordered pizza for passengers](#) when thunderstorms delayed and canceled flights in Atlanta.

Lead with empathy by keeping your eyes and ears open—customers may come to you with a problem, or they may not, but you can certainly observe and look for opportunities to come to the rescue. A mother struggling to contain her young children could be offered a coloring book and some crayons, for instance. Small acts of empathy and kindness often produce surprising and far-reaching effects.

At the end of the day, customer experience is not about your budget or your resources. It's about establishing a core CX philosophy, empowering your employees to follow it through and encouraging them to get creative and always think customer-first.

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