



Skeletal Staffs, Crunched Cash Flows, Depleted Capital Budgets: How Can Luxury Hotels Maintain Service Levels?

Rob Rush, CEO of LRA Worldwide, a consulting company for companies wishing to maximize their service delivery, has worked with the likes of Ritz-Carlton, Starwood, InterContinental and Hyatt. LRA's specialty, said Rush, is to help brands "operationalize their brand promise" - putting that promise into on-the-ground practice - a tough job for luxury hotels in these times. Here are a few bits of advice from Rush:

"Communication between brand managers and employees should not be through ads in CNN or the Wall Street Journal; that makes for a disconnect between the brand promise and the execution."

"Advertising is important to attract customers but we are interested in post-trial purchasing behavior. We believe the best service brands are the ones that do a good job of meeting their promise and growing by word of mouth."

"It's all about front line reality. Measurement is crucial - including quality assurance, customer surveys, mystery shopping and more to ensure that promise is being delivered."

- "A change in rate will not impact occupancy. Our message is to double down on efforts to distinguish yourself around emotional elements of experience. How does your staff interact with and engage your guests? These experiences are what drive luxury."
"At Four Seasons, they are redoubling the effort even if it's a daunting task as they fight the headwinds. It's about being more than friendly; it's about being resourceful, responding and providing personalized experiences. Everyone has standards around service like making eye contact and answering the phone quickly but that can be executed robotically."
- "The delivery depends on the brand. At W, they offer the warmth of cool - and you have to figure out what that is."
- "If new customers are trying luxury brands because of lower prices, they must still get an exceptional, engaging experience. To the extent that you can provide a positive, memorable experience, you potentially have a convert even if prices start creeping up. People are trying new products at a historically high rate and we think that means it's time to redouble your efforts and protect the brand promise. Nothing is worse than people trying your brand and being disappointed."

by Harvey Chipkin