

CUSTOMER EXPERIENCE IN HOSPITALITY best practices report

Ideas to overcome the challenges faced by the hospitality sector based on research conducted on five continents by a group of 30 CX professionals.



July 2020






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We believe that Customer Experience is the only answer to grow organisations' revenues and at the same time to minimise their costs, even in these turbulent times.

Why CX Wrappings

When the Global CX Cares group, a group of 30 renowned customer experience professionals from all over the world, come together and decide to **raise awareness** of customer experience benefits using their knowledge and expertise, only great things can happen.

CX Wrappings is our first global initiative, and we are very proud of it!

The main purpose of this initiative is to share CX ideas and inspire organisations from various sectors to build and maintain customer experience excellence in a practical way, with a global footprint and with CX professionals from all over the world.

Most businesses are struggling right now due to the consequences of Covid-19. We, as Global CX Cares group, strongly believe that organisations can overcome these challenges by using **customer experience solutions** and **best practices** from the shared knowledge of Customer Experience professionals.



Undoubtedly, the sector that suffers most is the hospitality sector.

Hospitality

What did we do?

We conducted research, interviewing professionals from the hospitality sector located in **five continents**.

We asked them five questions around Covid-19 challenges, the **importance of Customer Experience or Guest Experience** (as referred to by hospitality sector professionals) and what businesses should do in terms of CX to come out of the crisis. Here are the top challenges shared by the hospitality sector.



The Challenges

Operational Challenges

New programs and procedures have to be built to address Covid-19 and yet remain flexible to meet evolving government guidelines around precautions, which vary in different jurisdictions around the world. The speed of doing things seamlessly and effortlessly is needed more than ever. Procuring the necessary personal protective equipment for staff and operating supplies to deliver hygienic, clean and safe services to the guests are now a new priority.

Uncertainty

The challenge mentioned most often was uncertainty. It was strongly expressed "We don't know what our future will hold!". Everything changes. Prices, regulations, processes and protocols, as well as guest behaviour.

People Are Scared To Travel

Trust is one of the biggest challenges shared by the hospitality sector in all countries. Trust must be rebuilt in the ability to provide a safe stay at establishments because people are scared to travel.

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Financial Solvency And Business Sustainability

How the sector will deal with the financial crisis is a huge concern. Despite having no tourists and no bookings, no inflow, no revenues, operational costs still exist. The governments of some countries helped the sector, e.g. by postponing bank loans, by abolishing property taxes for this year, by giving financial assistance to people who lost their jobs, and by covering utility bills for all citizens. At the same time, other countries had no government assistance at all.

Inadequate "Voice of Customer" Programs

Staying tuned with changing guest behaviour - how they think, feel, react or behave, has been trying without VOC programmes to provide the right insights.

Broader Impact On The Ecosystem

The hospitality sector is an ecosystem on its own right and consists of a wide range of players, including airlines, agencies, hotels, events and other tourist attractions. The entire ecosystem was affected by the pandemic. The impact of not being able to host events, for example, has had a ripple effect on many other players in this ecosystem (no events means no hotel bookings, no flights, etc.).



The Challenges

Communication With Guests

Not all business is repeat business in this sector, so in many instances, it has been challenging to communicate with guests. It is even more challenging due to the inability to provide accurate information about the projected timing of resuming operations and measures required, due to the changing conditions locally and globally.

Lack of Customer Data Management

Inadequate customer data resulted in many challenges in communicating with the guests. A new appreciation for data and CRM systems for marketing initiatives, surveys, etc. has emerged.

Shifted Focus

The focus of the guests is no longer on having fun on vacations; they are now focusing on their safety first, such as hygiene; this focus must be redirected back to the joy of holidays in safe environments.

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Care And Love

The definition of loving and caring has a whole new meaning. Sharing, solidarity and “we-ness” are the emerging drivers for building relationships. Organisations now realise that these values should be embedded in their culture and be their driver for designing guest experiences.

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Need To Upskill Employees And Provide A Sense Of Security

New skills required to adapt are flexibility, adaptability and speed of doing things. Training, security and providing a sense of safety in the working environment are areas in which the hospitality sector now has to invest.

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Undervaluation And Under-Utilisation Of Technology

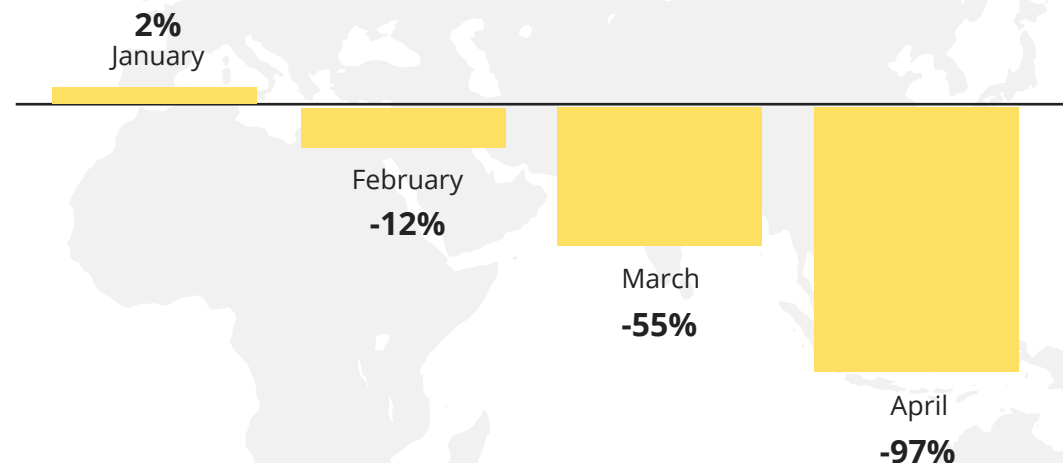
The hospitality sector actors have not optimised technological innovation to improve the guest experience to date.

CX Point of View to Hospitality

The impact of Covid-19 has led to a worldwide crisis, affecting every sector across the globe with the hospitality sector potentially taking the hardest hit. Despite the fact that this pandemic has devastating financial and corporate implications, during the lockdown we experienced really admirable acts of universal solidarity, with many hotels providing their premises to medical staff and food services teams to arrange free meals for people working during the lockdown. These initiatives denote that the human is at the center of every situation and customer experience stands for it.

People, above all emotions, want to feel safe when travelling and experience an added emphasis on hygiene issues. Our strong belief is that travel will return but the recovery will most likely take longer. By providing the following suggested solutions we are aiming on giving businesses ideas on how to best deal with the challenges and adapt in the guest experience of the "new normal".

International Tourism 2020 International Tourist Arrivals*





CX Point of View & best practices

Promote and Market the Organisation

Improve the visibility of marketing and PR as well as the convenience of reservation channels, to obtain a fair share (or more) of the travelling population's attention.

Find ways to engage with guests virtually, to build trust and enhance brand preference to help secure loyalty when travel does resume. Guests will respond well to sincere communication. According to one interviewee, "We have seven big hotels and the managing directors of each hotel gave interviews on our social media. They spoke about the specific actions of their hotels. Thanks to our VOC investments, we can get feedback on any of our hotels, and we are also working with heat maps and emotion recognition technologies".

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Invest in communication with the guests about new processes and what to expect, as they have now done in theme parks and museums. A lot of this investment should be made in visual messaging: videos, social media, and showcasing new procedures and plans.

Also **create a collaborative environment** where everyone has a defined role in the Covid-19 management, with a message of "this is what we will do, but also what we need you to do".

Don't forget about your **guests with special needs** (e.g. deaf and hard of hearing people vs face masks)!

The suggested solutions and best practices may apply to more than one of the challenges mentioned



CX Point of View & best practices

Think Outside Of The Usual Target Audience

One of the few advantages of the global pandemic has been **increased collaboration** between sectors and professionals. For the hospitality sector, the **inspiration** may come from hospitals' triage or patient welcome processes, supermarkets' layouts and sanitation approaches, banks' front offices with plexiglass barriers and B2B organisations for relationship management.

Looking outside of the hospitality sector may also give ideas for **new target audiences** and new ways to **engage**.

Re-defining the target audience, and considering the different demographics and mindsets, **creating new services** using design thinking and cause and effect scenarios can assist the sector in reaching out to new audiences.

It is important to think broader than the existing client segments. The hospitality sector should reconsider the **ecosystem** and look for unique partnerships, to bring new clients or extend the value offer.

CX Point of View & best practices

Redesign The Entire Guest Journey

The very nature of the interactions with guests and their experience of their stay will change post-crisis.

The hospitality sector should immediately **remap their guest journeys** to identify the new touchpoints introduced by the Covid-19 reality. A greater understanding of the guests' response to the changes, as well as corrective actions to close the gaps between the current and the ideal experience need to be crafted.

One interviewee mentioned that during Covid-19, they had identified 18 additional touchpoints in their guest journey inside the hotel. To ensure the journey is mapped for successful change, it must be **"tried and tested"**.

Mapping requires actually "walking" in either a guest's or employee's shoes. In practice, the design team should wear masks and gloves for eight hours, sanitise rooms, eat breakfast and use the swimming pool, get into the elevator with luggage. The design team needs to **understand and feel the experience**.

Mapping the guest journey will embed new Covid-19 protocols and processes without risking the quality of services.

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CX Point of View & best practices

Create Organisational Transparency

Share the revised processes with your guests and employees. When guests (and employees) have no visibility of the rationale around the changed operations of a company, they are less likely to fully understand and appreciate the effort that the hotel has put in and the value that they created.

Results from various surveys show that when people see the work that has been going on behind the scenes, they perceive that more effort went into the delivery of the service. They also believe that the service provider has more expertise and is being more thorough. They appreciate that effort and quality, and in turn, **value the service more**.

Hospitality sector professionals should **experiment with operational transparency**—the deliberate design of windows into and out of the hotel's operations to help guests understand and appreciate the value being added, especially in the Covid-19 era. Guests want to know what is new in the hotels and what they will experience during their stay.

The suggested solutions and best practices may apply to more than one of the challenges mentioned

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Pre-visit videos and **service blueprints** are great ideas to engage guests. Service blueprints go beyond traditionally linear guest journey maps and help trace guest journeys, while also outlining supporting business processes.

Since the crisis is affecting both, **changing guest perceptions of safety** and the **need for financial austerity**, blueprints will help the sector to consider how to balance evolved experiences that are both "effective" (satisfying to guests) and "efficient" (satisfying to financial stakeholders). Blueprints also highlight the critical role of employees in creating safe work environments.



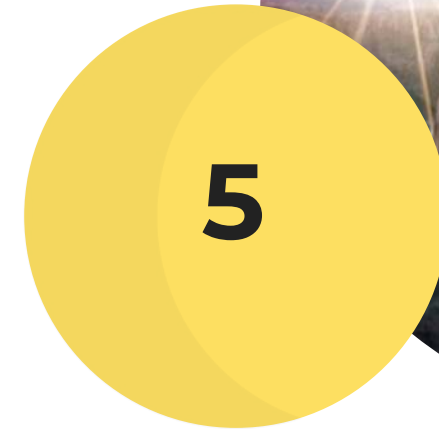
CX Point of View & best practices

Think Out-Of-The-Box And Experiment

Now really is the time to **think out-of-the-box**. **Partner** and **package services** and products that are not traditionally thought of as being part of the hospitality sector. It could be anything and have a variety of different things that appeal to different people. It could be a sports activity, or it could be art. It could be shopping or something.

The sky is the limit. It could be that a guest's car is fixed or inspected while they stay in the hotel or anything that is typically considered to be a chore and that one would be happy to let somebody take care of for them.

Bundle services! An excellent example from one interviewee is bundling the hotel stay and limo service with a taxi company and with a cleaning company. Create a package for the stay at the hotel and have your house cleaned while you are away. Add additional touches such as having a taxi or limousine service pick up your guest from their home and take them back. Or even a nanny service during your stay!



CX Point of View & best practices

Other Examples

- **Use scenario planning** to forecast the changing future landscape and explore alternatives.
- **Think ahead** and **anticipate** changes.
- Create a hypothesis of **guest expectations** and needs on a 360 perspective.
- **Be agile** and **ready to tailor** ways of working.
- Think of different **new packages** and/or combine packages.
- Leverage the possibilities that the **diversification of services** is offering right now.
- Find your **closest strategic partners** and design how to establish Covid-19 programs with external partners.
- **Borrow ideas from other industries**, e.g. hotels and airlines, and share best practices.
- **Borrow ideas and practices from healthcare** facilities regarding sanitation.
- **Work with the government** to create guidelines.

The suggested solutions and best practices may apply to more than one of the challenges mentioned



CX Point of View & best practices

Enhance Connection On A Human Level

Many luxury hotels and restaurants are dealing with the new reality, **utilising humour**. An example of how they are dealing with empty chairs in restaurants due to distance constraints is to place seated dolls wearing epoch costumes on the empty chairs.

These props make restaurants look less empty and humour the irony around social distancing in restaurants. Another example is bartenders and waiters wearing Venetian face masks while they serve guests.

Using face-shields instead of masks enhances emotional connection, as the guests can see facial expressions and connect with a human. Face-shields let guests see employees' faces and smiles more clearly. Some are designing humorous quotes on the shields, and others are using lipstick to draw big smiles on their face masks.

CX Point of View & best practices

Train Employees In New Processes And Procedures

The main focus of the hospitality sector should now be to **focus on their people** so that they feel that the organisation is there for them.

Transparency, trust, open doors, consistent updates, online training, workshops are some of the things the hospitality sector should offer for their employees.

One interviewee mentioned that they got **buy-in from their employees** to apply hygiene protocols. They were put in place to ensure that all employees would feel, think and act accountable for the daily issues, not as something imposed on them.

The sector can **consider creating a COVID Manager position** to handle all concerns for guests (restaurants, reservations, taxi, pool rules) and team members (measure and register, register their location, training).

The suggested solutions and best practices may apply to more than one of the challenges mentioned



CX Point of View & best practices

Talk To The Employees And The Guests - Understand Their Concerns

Connect with employees and guests in person, talk about the protocols, focus on quality, technology, assistance, friendliness, attentiveness – these attributes are now more critical than ever.

Schedule online meetings with guests from all over the world to show them that the sector cares and doesn't want to lose contact. Communication with guests is a priority for all organisations, one challenge that they want to solve very quickly.

The hospitality sector has to **consider social media**, something not usually used much in this sector.

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The focus can be on **preparing guests for their arrival** and **what to expect** using videos, to build confidence and prepare guests for their stay. It's a form of pre-intervention, but also education.

It is vital to continue **building strong networks** and showcase different ways of communicating with guests and employees.

It is essential to **keep employees engaged** and onboard with all decisions because they play the most significant part of the whole experience.

Show genuine care for staff and guests.

CX Point of View & best practices

Create Memorable Experiences

Creating **memorable experiences** and **emphasising hospitality** as a whole is of great significance. To focus on emotional experience and make the guests feel like a citizen, part of the city, to connect with whom they are as individuals and the city, to go out and explore it.

One good example shared by an interviewee is their use of art installations related to the part of the city where the hotel is. So, even when the curtains are closed, guests can place themselves where they are and feel the city's energy and vibe, hospitality, design and art, which is an integral part of their guest experience.

Another interesting example comes from a group of high-end safari lodges that started daily live streaming of morning and afternoon safaris. They have been doing this since the lockdown began. It is interactive as viewers can pose questions to the guides.

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This way provides almost a full safari experience – without being in a vehicle, cold, etc., and an excellent opportunity to view the game.

Another example from a hotel is providing breakfast as a free room service to its guests, as well as serving their room service menu as a takeaway option. Anyone can walk in or call to order these. A Michelin-star restaurant changed its concept totally by offering their signature dishes as a takeaway offering.

Every client should still be **treated as an individual**, the moments that matter to guests have to be understood, and their stay at your hotel should make them want to return. Especially chain hotels need to focus on treating the guests as someone they know and like. They need to **genuinely take an interest** in how the guest has slept, and how they are feeling. Obviously, the basics should be right, too.

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Regain Trust

Anxiety and fear can fuel highly emotional behaviour during extremely uncertain times. Transparency is a critical strategy for **eliminating** and reducing **uncertainty** and **rebuilding** guests' **trust**.

Informed guests have more trust and can better judge the trustworthiness of brand communications.

Here are some principles to consider as part of a transparency strategy:

- **Brand reputation** can be gained or lost during a crisis. Hence you need to choose your message wisely.
- **Meaningful relationships** are crafted in bad times, and you can use this crisis to your favour.
- **Guests' perception** is their reality, and you can influence that.
- **Crisis communication** is an extension of your regular communication strategy.
- The longer you wait to **act and communicate**, the higher the price
- Find a way to have a **single point of contact** and eliminate unnecessary touchpoints.
- Be forthcoming and be completely **transparent** about the situation and what to expect.
- Follow through with your brand promises and **take action** when you have promised to do so.
- **Prepare** to hold statements or scripts, e.g. "We are investing all available resources to ensure you get accurate and up-to-date information."

The suggested solutions and best practices may apply to more than one of the challenges mentioned



CX Point of View & best practices

Hospitality sector professionals need to help organisations

- **Step back and think about guests.** Consider how the crisis may be affecting them and what kind of resolutions they'll expect.
- **Own it.** Acknowledge the real or actual states of affairs.
- **Listen.** Be prepared to listen and listen actively.
- **Do the right thing.** Make sure guests know you are addressing the issues at hand and how you are going about it.
- **Show tangible evidence** of addressing safety concerns, provide evidence-based information.
- **Move on.** Thank and reward loyal guests.
- **Look for opportunities** to rebuild your brand image.

The suggested solutions and best practices may apply to more than one of the challenges mentioned



CX Point of View & best practices

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Build Alliances With Competitors

Where **competitors are working together**, it has been very beneficial for all. That's something that hasn't happened for a while, if at all. Approach these alliances with the mindset of, "We're all in the same storm, even if we're all in different boats".

Museums and other tourist attractions from many countries are talking to each other, which has never happened before. For example, 12 London attractions are working together on procedures, to make sure that the **experience is consistent throughout**.

The goal of this co-operation is that when guests go from attraction to attraction, they **feel safe** and are not confused about the safety measures.

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Go Digital

Try to find new ways to **digitise the brand experience** as much as possible - including selling tickets in advance, time ticketing platforms, price fencing, and customer surveys. You could even start using a chatbot in customer call centres.

Deploy **digital solutions** as much as possible, e.g. Q.R codes, door lock with a smartphone, digital menus in hotel restaurants and more.

Digitalisation is very prevalent in the large to medium-sized organisations. However, small businesses and family-owned businesses are still way behind and may not have the expertise, knowledge or guidance to make fundamental decisions that meet the modern-day customer.

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CX Point of View & best practices

Unlearn Old Ways

Hospitality sector professionals, especially those involved in the design and operation of experiences, need to consider which parts of the old experience can remain and **which must change** - whether for the sake of safety or convenience.

At the same time, with economic realities, businesses need to consider **how to operate more efficiently**. A service blueprinting exercise can help to initiate and guide conversations about evolving experiences and supporting processes.



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Summary of Ideas

1. Promote And Market The Organisation
2. Think Outside Of The Usual Target Audience
3. Redesign The Entire Guest Journey
4. Create Organisational Transparency
5. Think Out-Of-The-Box And Experiment
6. Enhance Connection On A Human Level
7. Train Employees In New Processes And Procedures
8. Talk To The Employees And The Guests - Understand Their Concerns
9. Create Memorable Experiences
10. Regain Trust
11. Build Alliances With Competitors
12. Go Digital
13. Unlearn Old Ways





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Thank you

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We want to thank our interviewees for their very valuable and honest sharings

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