

## Back to basics

**W**ayne Goldberg, Senior Vice President, La Quinta Corporation, says emphatically that there are only three ingredients for success: people, product and service. "It is a formula that has proven successful for generations of operators. People, product and service are at the core of our approach to hotel operations."

Goldberg asks: "When you sell a hotel room to a customer, are you providing a product or a service? On one level, a hotel is a product - a room, a set of amenities, a restaurant, a lobby. But selling a hotel is also selling a service: After all, a guest's comfort is determined not just by a good night's sleep, but by a property's ambiance, its feel, the image it creates and maintains in the mind of the guest, and the way he/she is greeted when first entering the lobby."

Goldberg concludes that you need to combine excellence in both the product and service areas. "If staff are not well trained and the service is sub-par, you will never keep loyal guests."

Furthermore, he says that the key to the equation is people. "That means not just the people who operate the front desk, but the full scope of partners and associates required to maintain, operate and improve a property, including back-of-the-house personnel, marketing professionals, vendors and partners, owners, lenders and others."

To this end, training is not only important, it is paramount, he stresses. "In an age of increasingly complex guest interactions, computerised systems for maintaining a property and marketing it, how many hotels are taking full advantage of the resources available to make sure their people have the tools they need, when they need them? There is no substitute for great training and preparation."

*"Re-focusing on the human elements of hotel operations... ensures that everyone remains grounded in the basics that are indispensable for running a profitable hotel"*



La Quinta's  
Wayne Goldberg

*"There are only three ingredients for success: people, product and service"*

"Behind every physical aspect of a hotel's operation, is a person, either someone changing the sheets, fixing the roof, or checking in a guest. Every decision requires a human being to implement it, and that impacts how a hotel utilises its most precious resource, its people's time and energies."

"Next time you are preparing a memo or report analysing the pros and cons of an operational decision, add a column that is called, Impact on our People."

"Then take the time to re-evaluate the hiring practices that put your people in place, and re-examine techniques by which they are trained and incentivised to excel. At La Quinta, doing so has enabled us to dramatically reduce levels of management and staff turnover throughout our system."

Goldberg is also keen to underline the importance of sharing information. Despite the popularity of email, intranets, newsletters and teleconferencing, Goldberg believes that nothing succeeds like the human touch.

"At La Quinta, every one of our properties receives a visit from a regional representative or other corporate manager no less than twice a quarter. Corporate managers interact with property managers and line staff, helping property level hoteliers understand the full scope of products and services available to them and learning, first hand, what operators need to make the La Quinta product succeed in local markets."

"None of this is rocket science. Re-focusing on the human elements of hotel operations is a good way to insure that everyone remains grounded in the basics that are indispensable for running a profitable hotel - a hotel that provides the very best in guest service."

"Taking Care of Business means taking care of the people that make a business great."

NB This article first appeared in the daily US hotel online trade publication, hotel-online.com.

## Avoid the pricing trap

One of Claviga's increasingly popular services to hotels is advice and consulting on pricing. It's easy to get wrong and then it can impact heavily on the company bottom line.

A hotel's pricing process should comprise a simple, three-step process: to set the price structure; to set the price strategy and to manage your pricing on a daily basis.

A well researched pricing structure will require little change through the year but frequent errors in this process can occur, such as incorrect positioning, confusing products or unenforced booking conditions.

Then follows your pricing strategy. Review it on a monthly basis and build it around the core rate i.e. the one which you sell most of. This ensures streamlined price differentiation between products, thus allowing your customers to clearly identify added value.

Don't lose sight of the fact that all rates must be profitable so don't underestimate the impact of discounting or incremental sales.

Also, remember the positive impact of selling all services within the hotel - for added profitability and added customer satisfaction. Profit does not only come from bedrooms; added value items and services are also profitable.

Now communicate it to your target markets and use a "hook" to stimulate purchase.

Lastly, manage the pricing on a daily basis and evaluate your success by monitoring your performance, review and agree any required changes with the team, and finally, measure the impact of the changes.

Follow these steps and success should follow.



Email Brian Tilley for more information on pricing: [brian@claviga.com](mailto:brian@claviga.com)

## Time can be on your side

Someone who has their priorities right is usually someone who is managing their time effectively. But it's easier said than done.

"Most of us try and manage too many things at the same time and don't prioritise," says Brian Tilley, Director of Claviga.

Gaining control of your work life is crucial and the first step to achieving this is to learn how to prioritise; this means to prioritise tasks which are important and not urgent.

To this end, Tilley cites important lessons to learn in time management from Stephen Covey's book, "First Things First." It refers to the four quadrants of time management and helps explain the difference between important and urgent tasks.

"Many of us automatically focus on tasks which

are both urgent and important (Quadrant I), which consume our time. As long as we focus on these activities, the result is stress, burnout and spending all our time putting out fires.

"Other people spend a lot of time on urgent but not important activities (Quadrant III); reacting to things that are urgent, assuming they are also important. It results in short term focus, little to show for their efforts and being out of control.

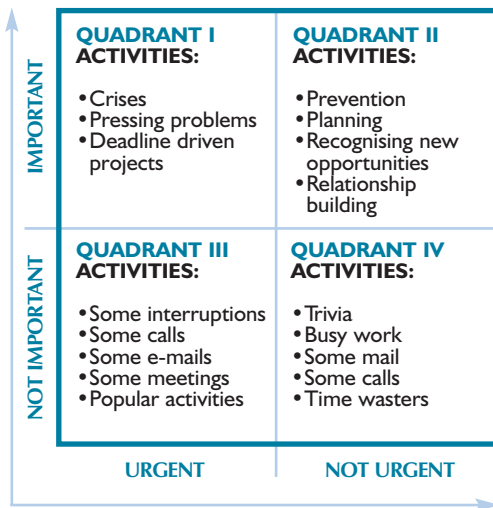
"Effective people spend more time tackling important but not urgent tasks (Quadrant II). It allows you to deal with opportunities that prevent problems happening or reoccurring. We will continue to have crises but if we spend more time on the preventive and planning activities then these crises will reduce."

Understanding the key difference between importance and urgency will allow you to analyse each interruption on its merits. It may be urgent but if it's not important it can wait. And Tilley cautions, "Be realistic about what you can achieve, otherwise it's a recipe for disaster. Allow gaps in your diary for interruptions."

There is one thing time management can do little about, and that is the mountain of emails that arrive each day. There is no quick fix. "You've got to go through every one and it's best to do it first thing," says Tilley. "But remember, you should only touch a piece of paper once and it's the same with emails."

*Claviga runs courses on personal effectiveness.*

*Email Brian Tilley for more information on personal effectiveness training: [brian@claviga.com](mailto:brian@claviga.com).*



## Maintaining momentum

We all strive for sales success but with success comes a downside, because, once you've met targets, "the only way to go is down," says Paul Furey, a behavioural psychologist who runs PEC, his own performance enhancement consulting company.

"Successful salespeople are being watched; people are waiting for them to fail. Sales targets go up and the person has the suspicion that they will lose their touch. They think it's luck and luck runs out eventually," warns Furey.

"They will stop making calls,

their confidence plummets, they take the extreme measure of moving jobs thinking they can better sell another hotel brand, and the cycle begins again."

You have to break the cycle. The antidote lies in record keeping. You might have thought you had a bad Wednesday, for example, but by the time you tot up five whole days of selling, the picture will look a lot rosier.

Furey has some advice for the sales bosses too.

"Sales is very much led by feelings so sales managers should learn not to jolly along or intimidate their sales-people to

do better. Managers should shut up and listen instead; only then will the salesperson take responsibility for their actions."

Another tactic to prevent negative thoughts is not to fall in love with the sale.

"You can't control the number of sales but you can control what you do to give customers the opportunity to say Yes. It's more motivational to give a good sales presentation and represent the hotel well because then the audience will sense your pride in the property rather than feel the desperation in your voice for that sale.

## Dear Editor...



### Luxury cannot be endlessly multiplied

Think of all the things you covet and I am willing to bet most will be something under limited production – a private yacht, an Aston Martin DB9 or a tailor-made suit. Why? Because in today's fast-living world, we prefer things which are hard to come by and which Joe Bloggs does not know about, or is unable to buy. Take a designer label – if we could all afford to buy the latest Chanel jacket, its kudos takes a nose-dive... exclusivity, however, makes it the must-have item of the season.

The same is true in the hotel industry, despite many large cookie-cutter chains trying to persuade us otherwise. Some people think they want an hotel which is a home away from home. But, do they really? Surely they want their hotel to be more special and with more facilities... not to mention 24-hour room service, concierge and laundry service as standard.

The greatest hotels in the world thrive because they stand out from the crowd. They offer something special which makes guests return time and again. Whether they are historic grande dames or breathtakingly avante-garde, each will have character and individuality which when combined with the expected levels of service and facility, offer a truly luxurious experience.

Luxury hotels cannot be endlessly multiplied into an obscenely large and frankly boring chain as they then, by definition, become commonplace... and who wants to stay somewhere ordinary?

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