



STRATEGIC RECOGNITION IN TRAVEL & HOSPITALITY

The business we are in is hospitality—but it is really about people. When you have employees who are recognized and appreciated, they are engaged. Engaged employees take better care of our guests. At the end of the day that drives better results.

– LY BUI



Your brand is at the mercy of your employees. They are not simply brand ambassadors. They *are* your brand.

From a smile at the front desk to the ability and desire to go the extra mile for service—how well your employees live your values translates into better customer experiences, more reservations, higher customer loyalty metrics and a stronger bottom line. That's why strategic recognition is so critical in Travel and Hospitality. It is much more than employee appreciation and rewards—it is a way to infuse your employees with your values and empower them to live your brand every day.

NURTURE YOUR WORKFORCE—NURTURE YOUR BRAND

The hospitality and tourism industry is the largest and fastest-growing industry in the world. Unlike industries where brands center around logos and packaging—hospitality and travel create a brand from a series of interactions—from check in to dining to concierge services. To deliver a distinctive, quality experience to your customers, you must have a strong, well-defined culture and a companywide commitment to quality customer experience.

However, in an industry plagued with high turnover, low motivation, fierce competition, economic pressures, and insufficient training periods, it's a significant challenge to keep culture vibrant and your brand strong. According to J.D. Power and Associates, many hoteliers, restaurants and airlines are struggling to meet guest expectations.¹ Studies show that guest satisfaction is inextricably linked with employee satisfaction, but in 2012, only six hospitality companies were included on the Fortune list of the best companies to work for, and only three made the list of multinational Great Places to Work.² Hospitality companies who do not prioritize workers create workers who do not prioritize customers. Strategic recognition is the way to show your employees you prioritize them, and to connect them with your values, your culture, and your brand.



Strategic Recognition will help you to:

RAISE CUSTOMER SATISFACTION

The most critical ingredient for high customer satisfaction is high employee satisfaction. Customers yearn for authenticity, service and trustworthiness. How you treat your employees will communicate how you think guests should be treated. In fact, a university study found that “the link between customer satisfaction and customer loyalty is almost twice as strong when you have high employee satisfaction, compared to when they are not satisfied with their jobs”.³

DRIVE BUSINESS RESULTS

According to J.D. Power: “A friendly, service-oriented staff helps drive top- and bottom-line financial performance, not just satisfaction, by also generating greater repeat business and positive word of mouth.” A recent Northwestern University study that found when hotel employees specifically tried to satisfy customers, a 10% increase in their effort resulted in a 22% increase in customer spending per visit.⁴

ATTRACT TALENT & REDUCE TURNOVER

Turnover is a paramount concern in the hospitality industry. Recent U.S. Bureau of Labor Statistics that show voluntary turnover rate in the lodging and food-service industry at 58.8%—24% higher than retail trade and 54% higher than healthcare.⁵ Yet research shows that companies on the top 100 Best Companies list see about a 3% voluntary turnover rate.⁶ Employees don’t want to leave a great culture—they want to join one!

HELP EMPLOYEES LIVE YOUR BRAND

The induction process cannot end when orientation training ends. Employees must understand that they are a critical part of the brand, aware of their must-win battles and fully empowered to live your values. Strategic recognition keeps your employees constantly aligned with culture and values that make up your brand. In fact, survey results show that 95% of employees who have strategic recognition programs aligned with company values feel enabled to achieve company objectives, vs. only 77% of employees without strategic recognition programs.⁷

GAIN INSIGHTS INTO YOUR TALENT & CULTURE

A common challenge in Travel & Hospitality is how to manage employee performance in a highly distributed, remote, national or global organization, where oversight is limited. Strategic recognition offers deep insights into employee performance through the eyes of their peers on the ground.

Learn more about the benefits of social, strategic recognition for hospitality.



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¹ <http://www.theacsi.org/acsi-results/acsi-commentary-june-2012> and <http://www.jdpower.com/content/press-release/aOGunkG/2012-north-america-airline-satisfaction-study.htm>

² <http://www.greatplacetowork.com/best-companies/worlds-best-multinationals/the-list>

³ H. Evanschitzky, C. Groening, V. Mittal, M. Wunderlich. How Employer and Employee Satisfaction Affect Customer Satisfaction: An Application to Franchise Services. Journal of Service Research, 2010; 14 (2): 136

⁴ http://www.businessresultsthroughpeople.org/associations/12672/files/testing_internal_marketing.pdf

⁵ Bureau of Labor Statistics, “Job Openings and Labor Turnover Report,” January 2012

⁶ <http://money.cnn.com/magazines/fortune/best-companies/2012/turnover/index.html>

⁷ 2012 Fall Globoforce Workforce Mood Tracker Report