

Democratizing Service Deliveries in Exceeding Customers' Expectations in the Hospitality & Food Industry

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Abstract

Satisfying and keeping loyal customers is becoming complex. To remain competitive in the 21st century and beyond, where technology is fast gaining acceptance in all aspect of human and business endeavours, organizations no longer rely on traditional ways of satisfying customers as companies with the most knowledge of their clients, are automating, streamlining, and democratizing their business functions to improve their ability to not only please customers but exceeding their expectations. The materials presented here is based on surveys, academic investigations, and extensive professional work in studying exceptional manufacturing, aviation, hospitality and food companies from the United States, Europe, Asia, and Africa to gain an insight into their customer satisfaction strategies, in arriving at ways to achieve a unique customer expectations strategy.

Keywords: Hospitality, Food, Management, Nigeria, Service Delivery, Customer Expectations.

1. Introduction

Democracy, which can be defined as government of the people, by the people and for the people, and gradually gaining ground in Africa and Middle East, had for long been practiced by other developed and developing nations. These nations in their own ways had not only use the concept of democracy in the governance of their individual nation, but also encourage their business sectors to imbibe the concept in the marketing of their goods and services in both their national and international markets.

Marketing had been depicting the need for producers to see and produce what the customers actually requires, as this remains the best way in ensuring their products and services thrive, survives and exceed expectations in the market place. In conceptualizing the definition of democracy into marketing, it can be reasonably argued that business enterprises in the hospitality, food and other industries exist because of the people (customer); what they produce or offer in the market place is determined by the people (customer) because their total package in whatever form is for the people (customers).

The hospitality and food industry have one thing in common, they both offer products in form of meals, drinks etc and intangible products in services of various forms such as silver service (as in hotel), counter services (as in fast food), package tours (tourism), airline services etc. These products and services are offered in various forms and at various levels differently to meet the needs requirements of the ends users or customers. On various occasions, these industry practitioners had shown concern about satisfying their customer with the establishment of a Customer Service Departments (Beverage firms) or establishment of Customer Direct Telephone lines (fast food and hotels) and or the delivery of sweet and nice speeches about their concerns on the ways in which customers can obtain optimum benefits from the use of their products. But in the actual sense, one wonders what all these customer orientation noises were all about after experiencing dissatisfaction in the products/services offered.

In1993, leading hotel company presidents made various claims for their companies: "We provide total customer satisfaction!"; "We will be the leading global hospitality group by consistently exceeding customers expectations through innovation and quality ", "We're committed to 100 percent customer satisfaction" etc. Many of them, like politicians, are unable to live up to strong claims known as lip service, or overstating capabilities and delivering less than promised, these exaggerated claims can undermine the credibility and efforts of persons and or organizations that, in reality, are providing superior products and services. The perception of superior performance can be eroded when preceded by exaggerated promises. Overzealous claims not only disappoint customers but also result in big losses for companies who never deliver.

The question that comes to mind is whether the problem is from the product / service, the provider, the channel member (s), or the consumers. However, it is certain that the problem may necessary not be the consumer but others. The products / service may be the best available but where offered to the wrong clientele, it becomes a bad one capable of neither satisfying nor exceeding the expectations of the consumer. Hence, the need to define product / service democratization and the concept involve in customer satisfactions.

Product / service democratization can be defined as the process of offering products and services capable of not only satisfying the customers, but exceeding their expectations on the total package based on customer's needs, as indicated by them and contained in the package produced for them profitably.

The main objective of product / service democratization is to exceed individual customer expectations. However, the first step to exceeding any expectation is the ability to be able to satisfy such expectations. Considering the Rolls-Royce experience below:

“Imaging driving through the south of France in 1904 and your Rolls-Royce breaks down.

You call Rolls - Royce in England and the company dispatches a mechanic with a new driveshaft to fix your car. Weeks later, when you call to inquire about the bill, the company claims it has no record of the service taking place. It asserts that “Rolls-Royce motor cars never break down; they sometimes fail to proceed.”

The above shows a company that stood by its product and went to great effort and expense to do what is necessary to not only meet its customer’s needs but also exceeding his expectations. This is one of the many ways in exceeding customer’s expectations. It is necessary for companies to deliver the products and services that not only provided what was needed but also address it’s customer’s personal concerns in providing a satisfactory product / service experience. Few of the dissatisfactions often experience in the hospitality and food industry includes, airlines overbooking, waiters not trained enough to serve people, delayed service, hospital workers too busy to provide compassionate care, purchase of substandard or expired meal / beverage, resolving a billing error with a cashier taking much too long etc. These everyday product / service abuses are so commonplace and almost go unnoticed, even in developed countries. The National Restaurant Association admits “slow service “ as the major problem at many dining spots in the United States.

The Fundamental barrier to servicing customer needs is the misunderstanding of the terms customer satisfaction and expectation. Quality, Customer Service, Customer Expectation, and Customer Satisfaction are very different concepts. For example, quality is a prime cut of beef; customer service is cooking the steak at the table; customer expectation is waiting for a tasty and hot portion; and customer satisfaction is enjoying the experience (the quality, ambience, and service). However, where the customer’s waiting time is reduced, he may be excited enough to return to the restaurant.

Too often, hospitality and food companies engage in “amenity wars”- adding accessories or thrills that really don’t alter the core value of their products or services. These efforts are futile as offering trading stamps to attract and keep customers. Product / service is only part of what it takes to satisfy customers. A good product / service does not guarantee satisfaction. Considering the Japan Airlines (JAL) experience below:

“Airlines offer similar service embellishments. Foreign carriers have tried to woo the lucrative Japanese business travelers by promising big improvements in meals and other services. These included serving hot sake, rice, and vinegar octopus in gray, lacquered boxes airing Japanese TV news; offering Japanese language word processors; and even assigning staff to foreign airport to assist the Japanese upon arrival. But these promotions didn’t sustain the demanding Japanese businessperson because they were not accompanied by what Japanese travelers look for in an airline: -efficiency and value. Customers soon returned to the more dependable Japan Airline (JAL) .

Improved product / service may bolster sales in the short term, but competitors may introduce similar products with the same advantage. This cat-and-mouse approach to service is the basis for most hospitality and food product / service strategy. The better approach is to determine whether improved product / services exceeds customer’s expectation, bring about repeat business, and cost –effective to continue. The 21st century will witness customers rewarding the companies that bend over backward to exceed their expectations. Exceeding customer’s expectations has big payoffs but is extremely hard work which is a day-in, day-out, on-going, never-ending, unremitting, persevering, and compassionate type of activity.

Some companies have correlated their customers’ satisfaction with financial performance. IBM in Rochester, New York, found that each additional percentage points in their customer satisfaction scores meant an additional \$257 million gain in revenue over a five –year period for the location. Conversely, revenue and profits alone may not be a true indicator of customer satisfaction. When a company records higher revenue and shows a profit in the current period does not mean it is winning, satisfying or exceeding customer’s expectation. Too often, cost-containment efforts squeeze out profits by reducing quality or services and can alienate customers in the process, hurting future profits. Satisfying and exceeding customer requirements is an investment with short and long –term pay-offs.

This profit potential is demonstrated by Malcolm Baldrige Award Winners. This honor, envisioned as a standard of excellence to help United States companies compete internationally, is managed by the Department of Commerce and favour those companies that emphasize and obtain high levels of customer satisfaction. Between 1988 and 1994, 19 companies won the Malcolm Baldrige National Quality Award with only a recipient from the hospitality and food industry (The Ritz—Carlton Hotel co.). The award is based on seven categories, viz:

*Methods of assuring quality goods and services;

*Information and analysis;

- *Leadership;
- *Strategic quality planning;
- *Human resources development and management,
- *Quality and operational results;
- *Customer focus and satisfaction.

From the above categories however, the categories of customer focus and satisfaction is weighted 30 percent in grading criteria, twice as much as any of the others.

Exceeding customer satisfaction is of interest to business only when it leads to profit. It thus yields profits in four ways:

- ✓ Increases chances for repeat purchase;
- ✓ Creates positive word-of-mouth promotion;
- ✓ Increase customer expenditure on current purchases; and
- ✓ Affects cash flow.

In a study carried out on 500 largest companies in the United States, 8 of 10 say the customer service they provide affects customer decisions to pay invoices on time. More than half of the companies say the customer service they receive from a vendor or supplier affects their decision to pay an invoice on time. Moreover, half (51 percent) have withheld payment to a vendor or supplier because they were dissatisfied with the level of customer service they received.

Exceeding customer's expectations is the single best strategy hospitality and food industries can follow to make money. This is because the basic indicators of profitability and customer satisfaction are the same:- gaining customer loyalty and market share through word-of-mouth promotion, improved reputation, selling more to current markets, and increasing margins. But just as profit indicators can be misleading, methods supposed to gauge and improved customer satisfaction can also be very deceptive.

2. Trends In The International Market

Customer satisfaction throughout the world will continue to be affected by intense competition from Europe and the Pacific Rim. The changes caused by this competition will emphasize the importance of exceeding customer expectations as a strategic weapon, especially in the hospitality and food industries. The hospitality and food companies, lagging in productivity gains, will be pushed hard to improve as a result of this new global competition.

European hospitality companies are expected to make big jumps in the quality of their services. It is however predicted that in two years European firms will actually overtake U. S firms in customer service. The 21st century Asia will also contribute to service quality and innovation. Asia hotel companies, for example, are introducing new levels of customer services not familiar to U.S. consumers. And as other parts of the world, including Africa, begin to experience their liberalized economies, diverse and new approaches towards customer satisfaction will emerge.

The European Union is like a common market. Although economic and political barriers have been reduced, social and cultural differences remain. There are about nine (9) different languages and each country maintains distinctive national customs. For example, the Britons take their coffee with milk while the French like their coffee black. The ISO 9000 certification programmes administered by the International Standards Organization in Geneva is aimed at dealing with these diversities in the European market and intent to create standards for products traded across international borders and within the European Economic Union. Although, the certification was initially designed for manufacturing companies, other versions of the certification are now developed to accommodate the hospitality industry and other service businesses. The ISO 9000 certification programmes, like the Malcolm Baldrige Award requires customer satisfaction research.

Hospitality and food trying to satisfy the European customers must consider the continent's differences and a multitude of their marketing regulations. Advertising liquor, for example, is prohibited in Ireland but is accepted in Spain if it contains less than 23 percent alcohol and is promoted after 9:30pm. There is no commercial TV or radio in Sweden, and adverts are permitted for only one hour on German networks. In Holland, advertisement for sweets must show a toothbrush at the corner of the TV screen. Although each country maintained most of its own market regulations, the challenges to achieving customer satisfaction and exceeding customer expectations in local markets is same to other countries. Though, it was observed that many Europeans consider customer complaints a bad thing, and customer service employees are afraid that blame will be placed on them for even taking the call of dissatisfied customer; most franchise hospitality and food companies, in their European operations, based most of their decision making on the result of customer surveys. This enables them the opportunity to successfully address the problem of complaints by aggressively soliciting feedback.

Japan, Hong Kong and other Asian nations will however, be the toughest competitors in the global market for customer service. This competition is expected to intensify as cash-rich Asian hotels and food industries enter the world markets. Asian approach to customer service has accompanied their growing

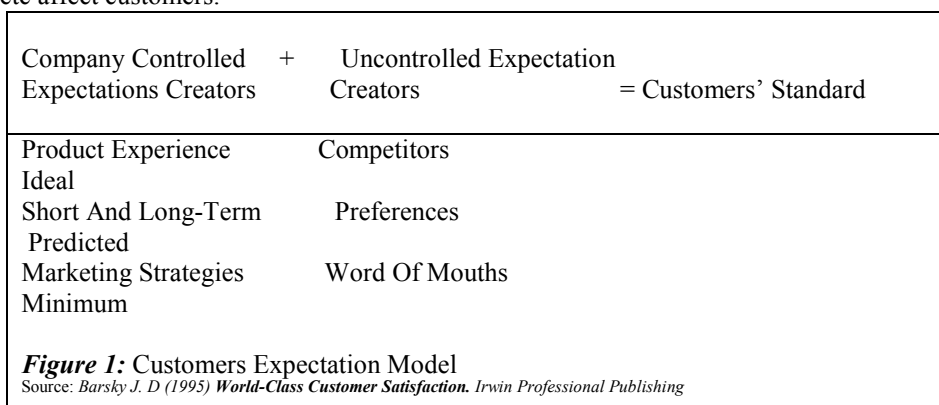
investments and increases the level of competition to satisfy customers. One of the keys to Asian's unprecedented customer satisfaction achievements is its skillful use of marketing in selecting a market, entering it, building market share, and protecting such against competitors. With Theory S (similar to William Ouchi's theory z) been promoted as the U.S. / Asian hybrid version of service, this theory suggests that capitalizing on the best of both cultures will improve customer service performance. Japanese hotels, for example, in some ways deliver superior customer service than the U.S. hotels. This is not due to low labour costs or cultural differences but due to their ability to target specific guest needs such as offering business guests desktop computers with fax, telex, and word processing capabilities and checkout more comfortable with the use of guest loungers. This targeted approach does have big impact on their guest satisfaction and repeat patronage.

In many countries, customer satisfaction is rarely used as an effective marketing tool. Typically, conditions in many regions (most of South America, Africa, the Middle East, Russia, Eastern Europe and much of Asia) are dictated more by daily pressures of supply and demand¹. Customers in their countries have considerably fewer options and purchase primarily on the basis of need, price, and availability. This would appear to make our notion of customer satisfaction and exceeding such seem irrelevant. Economic, social and political pressure's quickly take precedence over efforts to find product and consumer niches or to heighten consumer pleasure with innovative services and products capable of exceeding customer expectations.

Anyone who has traveled to Europe, Asia, Africa, South America or the Middle East would agree that standards for measuring customer satisfaction are not the same. A well-focused, customer-oriented approach is essential in the hospitality and food international markets. Satisfying customers is really a basic notion applicable to any economic market, social strata, or geographic location. But it is imperative for hospitality and food companies to customize their products / services to meet the needs of specific segments they intend satisfying in the international market, success will come to most hospitality and food companies that not only offer customers-oriented products and services but that also which sees it as an opportunity, the ability to exceeding customers expectations. Only in this way can dynamism and effectiveness of their business entity achieve high-level competition, market leadership ability, and profitability.

3. Customers' Expectations

Expectations are what people think is likely to occur in the future. For example, people form expectations when they hope, anticipate or dread. People however compare perceptions of new experience with previous experience feelings or other information gathered from a variety of sources. Customers do use the information provided about a company's products and services to form expectations. Insupportable claims can be more demanding than claiming nothing at all. Non-verbal communication such as, advertising designs, signage, logos etc often create specific expectations for a firm's products and services. Hospitality and food companies are responsible for the expectations they create. They should know how their products, services, promotions, personnel, facilities, reputations etc affect customers.



The process above shows how customers create expectations and form standards by which an organization's performance is measured. The company controlled expectations creators represent tangible aspect of an organization's products and services that can be manipulated to affect customer expectations by understanding how the company action contribute to their creation. By knowing their products and services, advertising, pricing policies, reputing and service quality that is most significant to and remembered by customers, firms can coordinate these elements to create or modify expectations. The uncontrolled expectation creators are those elements that the firm cannot control but that which help the customer to build expectations about its products and services, competitors advertising and pricing practices. Customers' experiences with competing products and services, individual customer preferences (favourite, colours, tastes, opinion etc), word-of-mouth etc also affects customer expectations towards a particular product and service. The key is to try to maintain awareness of these uncontrollable influences and to incorporate such in effort to manage the

controllable expectation creators.

The disconfirmation paradigm maintains that customers compare a new product or services experience with some standards (expectations) they have developed. These standards are not specific point in the customer's head. Instead, ideal, predicted and minimum expectations represent a range of outcomes that customers anticipate on the basis of all the information they have accumulated. Customers use this as a frame of reference when they assess their entire product or services experience. The ideal expectation is based partly on both the experience and desire a customer hopes to receive. The predicted expectation is based on a customer's experience with the product or with similar competitive product. It represents what is most likely to occur. The minimum expectation however represents the acceptable level of expectation, which contributes to minimal satisfaction.

When a hospitality or food company says its purpose is to serve the customer, its hours must be convenient, prices reasonable, and staff helpful and courteous. But where such firm does not meet its claim, then customers become skeptical and dissatisfied. However, by not making claims - no promises, assurance etc, either verbally or nonverbally, then the firm focuses less attention on specific products and services and creates lower customer expectation. These expectations, like first impressions are easily created and may last for a very longtime. Hence, knowing what create initial expectations or what can affect expectations or what can affect expectations over time is so important for companies. More significant or deliberate steps, such as innovation and long term marketing strategies, are necessary to affect established customers attitude.

When the Sheraton Palace Hotel in San Francisco, United States completed its \$180 million face-lift, their historic, grand entrance presented an elegant scene. The previously lackluster appearance was transferred into a truly magnificent room and striking hotel entrance. Baroque music, exotic plants, stained glass windows, and prize sculptures created a peaceful time-honored impression. However, most of the new hotels built in downtown San Francisco within the previous five years have been luxury properties, and the public assumed this to be another. But when guest stroll into the new Sheraton Palace Hotel, sat down and ordered coffee, the service was more akin to a three-star restaurant. Quick-tempered, poorly dressed servers were too busy for the swelling numbers of customers. The hotel's opening publicity efforts had helped make the property a favorite media spot, as tourists, guests, and sightseers all converged to experience the remade historical landmark. But as the dust settled and only the regular paying customers remained, the poor service stood-out. It was certainly not the five-star level suggested by the elegance of the hotel entrance and lobby.

It is obvious that Sheraton never intended this to be a first-class hotel. Guests were paying rates much lower than those charged at the nearby luxury hotels. The management was, however, forced to upgrade the service in the lobby and restaurant to approximate the level that was suggested by the surroundings. One may be tempted to find answers to what customers expect. The key to this question is the customer. That is, your current customers, and not the lost or future customers. The trick is to identify why these current customers have chosen to do business with you now. This is vividly explained in figure II below:

Producers	Customers
Think they are making products	Think they are burying services.
Worry about visible mistakes	Worry about invisible mistakes
Think technologies create products	Think desires create products
Organize for management convenience	Want their convenience to come first
Seek a high level of productivity	Seek a high standard of living.

Figure II: Producer Versus Customer Logic.
 Adapted from Canter R. M. (1992), *Harvard Business Review*, July – August, pp 9-10

For example, if an African restaurant offers only selections from fish dishes (serving only raw, marinated fish), customers will likely be dissatisfied, they probably expected more familiar fare like fried and finger fish. This would have been prevented by obtaining a regular customer feedback. Customer expectations are powerful, hence the need for hospitality and food companies to find ways of controlling such customer expectations.

4. Rising Customer Expectations

Hospitality and food companies should set expectation levels high enough to attract business but accurate enough to reflect the reality of what is likely to be delivered. Customer expectations are known to always increase, hence, firm should work hard to meet and exceed them. Increasing expectations is a logical and acceptable phenomenon.

Imaging you went for lunch at Mr. Bigg's restaurant, you noticed about twice as less people working behind the counter as there were waiting in line. During the service however, you felt you were treated personally rather than like part of a mass production process. The food was

to your expectations, likewise the dining environment. Now, assume you visited a new French restaurant. Upon entering you saw many waiters dressed in tuxedos in a full dining room. You were amused with the chandeliers, table clothes, table candles, and the beautiful arena. You however waited for nearly 25 minutes at the bar and did not feel very welcome. After you were finally seated, a waiter appeared, and recited a litany of special. Getting confused with the varieties, your attention caught up with few, but not wanting to review them, you picked the last one you remembered. The meal was average, but it was nice to eat French for a change. The waiter immediately delivered the bill and you paid it, although with some hesitation.

The actual delivery of service is critical to forming expectations. Mr. Bigg's from the above scenario, provide excellent service with few employees while the expensive French restaurant with huge staff strength had a harder time. This is due to the unstable but rising expectation of the customer. This is the reason why a company offering more service can end up doing worse than a company offering less service. Waiting in line at a fast food restaurant and during peak period for 10 minutes will please a customer who expected it to take about 20 minutes, but disappoint one who anticipated such service during off-peak period to be 3 minutes but it lasted for about 5 minutes. If expectations about a product or service get too high, the firm will become vulnerable to customer dissatisfaction. If the expectation for the French restaurant, for instance, were reduced by its modest prices, then one may not have been as disappointed with the experience. But by creating lofty expectations, the French restaurant was doomed to fail because it had created expectations beyond its own performance abilities.

A study of hotel guests found that repeat customers (those who had visited the hotel before) were less satisfied than first-time customers. This may be that the repeat guests return for a different purpose from their previous visit. Also return guests tend to have heightened expectations of familiar products or services. As viewers tend to be disappointed by movie sequels, a return to a hotel may lack the freshness and originality of the initial stay. These new and rising expectations can be met in the same way as they were in the previous experience.

The vision statement for Residence Inns by Marriott begins with "Residence Inn will exceed the expectations of every guest, everyday, every stay". This creates a demanding standard to constantly improve performance and a considerable responsibility for each employee to meet. Yet Residence Inns has led its market since Marriott purchased the chain in 1987. According to Sylvester Stallion, part owner of Planet Hollywood, a restaurant chain with locations worldwide, the restaurant is so popular because it delivers more than people expected. The walls are covered with movie star memorabilia, and co-owners Bruce Willis and Arnold Schwarzenegger along with Sylvester Stallion can sometimes be found running around serving great food.

Hospitality and food companies need to constantly improve the performance of their products and services to survive in the fast growing industry. Customers, therefore, learn to anticipate and demand these improvements. It is thus expected of these companies to embark on continuous improvement by improving product / service standards to meet rising level of customer expectations.

5. Customer Preferences

Products and services can be affected by misunderstanding customer preferences. The attractiveness of a superbly crafted product will definitely be outweighed by poor sales and services support, which often irritates customers. Though, one may identify gaps between customer's expectation level and the obtained level, it is their preferences or priorities that do determine overall customer satisfaction. Considering the varying demands placed on an hotel – a student may find 24-hour room service extremely valuable; a retired couple may need dietary menu options; a tour operator may favour low prices; while a young female executive may consider security a priority.

Expectations provide the foundation for customers to compare their experiences. This expected - obtained expectation level trade-off must be positive (i.e. the experience must at least be as good as expected) for one to consider satisfying customers at all. But to properly magnify this level of satisfaction, hospitality and food companies must favour what customers prefer most. This is called priority marketing and is the final ingredient in meeting and exceeding customers' expectations.

Priority marketing focuses on what is important to the customer since what is important to a customer, may however, not be as important to another. Discovering and taking advantage of customer preference is the primary aim of priority marketing. This approach is different from, but an effective alternative to the traditional market segmentation. It focuses on how customer priority affect purchase decisions, identifies groups of customers with similar preferences or even similar tastes, and connects customers with products and services more effectively than the traditional segmentation. Traditional segmentation focuses on customer demographics (age, sex, occupation etc) and does not relate the product or service to the customer. Specific attributes, such as age or gender, do not actually simulate customers to spend money. It is only their individual preferences that do. Priority marketing goes beyond traditional customer survey information by identifying information that can be

closely related to actual product purchase. For instance, if a customer rates a product as good or even excellent on a survey form, but never repurchases such product, one is likely to draw the wrong conclusion from the survey alone. Though, it may be comforting to know that a customer prefers a competitor's product. It does results in misleading surveys.

Employees or managers may think they are delivering what the customer wants, but inaccurate perceptions may be affecting their efforts. Persons often respond on the basis of their own priorities. What is most important to employees or managers may affect their perception of customer priorities. For example, the safety of an airline is considered more important than the quality of food it serves, no matter how delicious they may be. However, in another scenario, the resources expended by an airline to improve its food may have more impact if the airline is also dedicated to keeping to flight schedule. The success of products and services can be affected by misunderstanding customer preferences. Hospitality and food firms will be required to redistribute resources to more accurately reflect customer priorities.

6. Barriers to Exceeding Customers' Expectations

To narrow the scope on issues that can affect either meeting or exceeding customers' expectation, we shall be looking at the barriers that can restrict such effort. These barriers can be categorically divided into internal and external barriers.

Internal barriers include troublesome hurdles such as low quality designed without the customer in mind, or inadequate personnel training. Other internal barriers include management overzealous concern with established operating procedure, poorly chosen technological or technical improvement, lack of desire or effort to support customer orientation and insufficient expenditures dedicated to customers' objectives. These barriers can however reduce a company's ability to provide necessary and adequate levels of customer satisfaction.

The external barriers however include competitors' activities, enabling laws and acts among others. These barriers are not within the jurisdiction of the firm, but where the firm effectively manages its internal barriers, it can influence the ineffectiveness of the external barriers in meeting and exceeding customers' expectations.

The key to reducing the internal barriers is for the firm to embrace the "internal customer" concept. This concept is further explained by the term "internal marketing". Internal marketing include activities between the firm and its employees in ensuring customers derive the best benefits from its products / services. Some employees not directly servicing the public often say, "We don't have any customer to attend to". But they do, in fact all employees do. The Japanese are the first to introduce the notion that there are both external and internal customers. The internal customer is the employee who receives and uses the output from another employee or area.. Treating this relationship with the same respect and attention given the external customer relationship is the focus of the internal customer concept. In the food and beverage industry, for example, the production department will have to pass the finished product to distribution; here, distribution is the internal customer. Distribution then has to turn them to sales/customer service; hence, sale/customer service is distribution's internal customer. It is paramount that all employees understand and practice this concept in minimizing the negative effects the internal barriers can have on the products/services and the customers.

7. Ways of Exceeding Customers' Expectations

The goal of this section is to provide plausible ways and areas with biggest potential for exceeding customer expectations.

1. Get The Customers Involve Early:

This is very essential in exceeding customers' expectations. The communication process begins with getting customers involve well before a product or service is delivered to the public. However, this step is never too late even after the product/service introduction without earlier involving the customer. This can be achieve easier by cultivating a good listening habit. Although, every company would like to believe that it listens to its customers but unfortunately, customers do not speak clearly or in unison. Most companies just assume they know what their customers want. But assumption can be dangerous. Research has shown that most people do not listen well, as an average of only 25 percent of what we hear is retained. This listening gap is magnified when it affects communication with our customers, as crucial information as regards customers may be lost. As Tom Peters wrote "the race will go to those who listen most intently and respond".

Companies who fail to involve the customer sufficient often had historic blunders. Pepsi Co nearly matched Coca-Cola's infamous blunder of the Sweeter New Coke with Pepsi A.M., a new version of Pepsi for breakfast. Anheuser-Busch and Coors failed to heed the cries of customers who did not understand what dry beer was. Even seasoned beer drinkers couldn't figure out the new product's unique benefit - was it the opposite of wet beer?

There are over a thousand ways on how organization can involve their customers in getting acquitted with their perceptions of their products and services. The most commonly used ones are:

- a. *Surveys- comment cards (In-room comment cards, monthly guest/club surveys, etc), mail, phone, in-person, questionnaires etc*
- b. *Other approaches- suggestion boxes, focus groups, Customer Advisory Councils, Employee feedback, Role-playing, Customer visits, Sale data, Research etc.*

Although, no single feedback method is best for a situation, some companies often use a combination of methods to maintain customers involvement. However, surveys are often misleading, for example, on July 6, 1992, the media announced that “Perot leads Bush 36 to 31 percent” (Time Mirror Co. Survey), “Bush leads Perot 32 to 30 percent” (New York Times / CBS Poll), and “Perot leads Bush 36 to 30 percent” (ABC News Survey). As it turned out, no one really had any idea who was ahead until Clinton, who finished third in these polls, was the eventual winner.

The approach to a survey may differ, but whatever method used, it must be well-designed, simple, and measure how satisfied customers are with your products, services, company, and staff by considering how well their expectations are being met and of what importance to them.

2. Identify With The Customer:

The next step to exceeding customer expectations is to establish a focus for your customer satisfaction effort. One way to do this is to appreciate the customer perspective by examining the customer experience with your products and services and that of your competitors. To identify with the customer, think of a product or service that you are concerned about. This could be your main source of business (e.g. lodging), or a problem area that is a constant drain on resources (e.g. food sales in the hotel), which had been a subject of complaints and needs improvement. One will however be required to take the customer perspective, starting with the customer's first contact with the company (e.g. product, advertisements etc) and more through the consumption experience and conclude with any after-purchase contact to experience the customer's dissatisfaction with the product/service. (see Fig III below)

3. Management Refocusing:

Management should set the pace by demonstrating how to deliver internal and external customer satisfaction. Each activity should be personally executed with as much detail and follow-through than is expected of others. Management often loses their commitment by focusing on research and development, engineering, and budgeting issues. However, inadequate attention to leadership and effective customer oriented programme may cause operational issues to take precedence over customer satisfaction.

In exceeding customer expectations, it is pertinent for companies to demonstrate customer focus and priority. This should operate in all sphere of the organization's activities. It will be very difficult for employees to stay committed to a customer-focused programme when the chief executive and other top-level managers are not dedicated to customer needs. For example, imagine the kind of message top-level managers will send their subordinates if they tout “customer name recognition” as critical to providing good customer service, yet they do not know the names of their employees. On the other hand, think of the tone top-level managers could set in an organization by making it a point to warmly greet all employees by name!

Exceeding customer expectations represent a dramatic change in the way decisions are made in an organization, and require innovation as well as attention to detail. Companies should ensure their commitment to exceeding customer expectations reflects not only in their mission statements, but runs through the operational, administration and other activities of the firm. A well-formulated customer-oriented mission statement can simplify the approach to improving customer satisfaction and help gain support and patronage of employees and customers more readily.

4. Measure Preference and Embrace Priority Marketing:

The purpose of measuring preferences is to identify which attributes, or combinations, of, are more responsible for purchase decision and customer satisfaction and which has less impact. These customer preferences play a critical role in determining customer's overall satisfaction with a product or service.

By identifying with the customer (no 2 above), It affords the company the opportunity to breakdown products and services and ask customers what is important to them. This will however give a valuable insight about their preferences and guide against misunderstanding customer's preferences. These customer preferences should be listed in priorities. This will enable the redistribution of company resources and efforts to more accurately reflect customer priorities – the aim of priority marketing

Thank you for staying with us!
 Please help us provide better service to you by answering this short questionnaire.

<u>Expectations</u>					<u>Importance</u>			
<u>Met</u>					Not at all	Exceeded		
Not at all	Exceeded							
1	2	3	4	Location	1	2	3	4
1	2	3	4	Parking	1	2	3	4
1	2	3	4	Check-in/out	1	2	3	4
1	2	3	4	Room:	1	2	3	4
1	2	3	4	Cleaningness	1	2	3	4
1	2	3	4	Comfort	1	2	3	4
1	2	3	4	Service Provided:	1	2	3	4
1	2	3	4	Business	1	2	3	4
1	2	3	4	Leisure	1	2	3	4
1	2	3	4	Employee	1	2	3	4
1	2	3	4	Attitudes:	1	2	3	4
1	2	3	4	Reception	1	2	3	4
1	2	3	4	Restaurant	1	2	3	4
1	2	3	4	Room Service	1	2	3	4
1	2	3	4	Hotel Facilities:	1	2	3	4
1	2	3	4	Appearance	1	2	3	4
1	2	3	4	Working condition	1	2	3	4
1	2	3	4	Overall:	1	2	3	4
1	2	3	4	Atmosphere	1	2	3	4
1	2	3	4	Price/Value	1	2	3	4
1	2	3	4	Security	1	2	3	4

B. How likely will you return to this hotel? Not likely 1 2 3 4 Likely

C. Purpose of your visit: Business () Pleasure ()

D. Are you with: Tour () Individual () Meeting/Convention () Airline () Alone ()

E. Have you stayed at this hotel before? Yes / No F. Did you considered other hotels for this trip? Yes/No

G. If yes, which one(s): _____

H. Why did you consider these other hotels? _____

I. Why did you select this hotel? _____

J. Please give us any other comments you feel would help us (use back if necessary).

K. Is any of our staff helpful during your stay? Yes/ No If yes, Give name(s)

L. **OPTIONAL**

Name: Address:

Tel: Email:

PLEASE TURN AT THE FRONT DESK. THANK YOU VERY MUCH.

Figure III: A Sample Customer Survey for Hotel

5. Set Expectation Levels:

Bearing in mind customer preferences and their rising expectations, companies should be able to set a predetermined line of action on how these prioritized preferences will be met and if possible exceeded. This involves the thinking and meditating of what it takes to deliver products and services capable of meeting and exceeding customers prioritized preferences. It should however include everything that supports or helps the customer in achieving maximum satisfaction from the usage of the products/services. For instance, in meeting certain guest telephone needs, employees may be asked to answer before third rining with hotel greeting; during contacts, politely use guest's name with the necessary titles (e.g. Dr., Chief, Mr., Mrs. etc); the time between order placement and its delivery should not be more than 48 hours etc. The totality of these operating procedures, precisely in written form, is often called quality standards of performance. This is better achieved by focussing on improving areas where customer expectation are low and the value, or importance, to customers will be high.

6. Give to Customers What They Do Not Expect:

Meeting expectations is only the minimum requirement for a successful customer satisfaction strategy. Exceeding expectations is the key to customer satisfaction. Perpetually raising product and service quality, however, is not the only way to exceed expectations. Although the focus should be on continuous improvement, one way to exceed customer expectation is through surprise i.e. dazzle customer with something out of the blue rather than with small changes to the familiar. Surprise is one way to exceed customer expectations. Promise what to expect, deliver this or more and sometimes surprise customers. Research has shown that most adults enjoy the unexpected and search for novelty, excitement, and immediate gratification.

Hotels have caught onto this idea. Some innovative hotels have gone beyond providing amenities to impress guests.

At a gathering of the world's leading bank executives at Tokyo's renowned Okura Hotel, the topic of conversation during the coffee break was not finance. It was about the ability to open the hotel room door, toss the key onto a ledge, and have all the lights turn on. They all agreed that it was a great convenience to offer in an unfamiliar room and a sure way to prevent loss of keys.

Customer expectations can also be exceeded even after experiencing dissatisfaction.

One weekday morning, a young woman entered the Sheraton Palace Hotel in San Francisco and requested a nonsmoking room with a king-size bed. Luckily, one room fitting this description was available for that evening. It was approximately 11 a.m. and the woman had to attend a meeting. She requested the room be ready when she returned that afternoon, and the clerk confirmed that it would. After returning from the meeting at 5pm, she found that the room had not been cleaned. Distraught, she exited the hotel and left a very stern message for the desk manager. She asserted that neither she nor her company would ever return to that hotel again. The manager was not in the hotel the morning that she arrived. However, he did fee responsible and left a phone message for her, he apologized, admitted it was the hotel's fault, and offered her a marker for a free room. Several weeks later, she called and said that she could not find a hotel room for herself and a friend. The manager accommodated them both with two complimentary rooms for three nights. Since then, she has returned on eight separate occasions, and her company continues to provide a significant amount of business for the hotel

The ability to control and affect expectations certainly would be a powerful tool in the quest to satisfy customers. Companies may accomplish this, in part, by identifying the elements of customer satisfaction that they can control (no 4 above). By focusing on these areas and measuring the impact of those efforts over time (using a variety of customer feedback techniques, no 1 above), firms can begin to understand how they can directly affect customer expectations. Maintaining high level of customer satisfaction requires companies to continually exceed expectations, especially in areas most affecting customers.

8. **Conclusion and Recommendations**

Today's economy has forced many businesses to focus on the annual reports. The most expedient solution seems to be downsizing and cutting costs to make business more profitable. The over focusing on the bottom line has blinded most hospitality and food companies to what should be their main focus- the customer. These firms have undermined the customer's power to change the profit/loss figures in an annual report. Only by listening to the customer can firms have hope to make a solid, lasting and profitable change in their businesses. By focusing on the customer, firms will concentrate on serving satisfying and exceed customer's needs. Exceeding customer satisfaction creates customer retention which in turn means more turnover and profitability. Through, this sound easy, it however involves a total commitment to shift customer needs to the number one priority position. It also means changing the traditional management style i.e. refocusing management to think customers from the top management level to the front line employee level. Since customer satisfaction is inextricably linked to profitability, hospitality and food firms must keep customers, and in keeping customers, they must be prepared to make them happy.

In today's competitive climate, where technology, global travel, and cross-cultural sharing of goods and ideas can homogenize many products/services, it is the extra efforts involved in exceeding customer expectations that will distinguish a company, hotel, or food firm from another. It is exceeding customer's expectations that differentiate a superior product from an average product, an excellent night's stay at a hotel from a merely average night's stay. Today's customer satisfaction means constantly redesigning products and services to outpace what the customers want. Hence, firms are advised to have a system in place that monitors and quickly inform on the need to design new products/services to meet the customers changing and rising expectations.

In achieving product/service democratization in its totality, firms should not be satisfied with their current level of customer satisfaction, though may be appreciated where satisfactory, they must constantly strive to improve their products, services, employees and the whole organization's system because exceeding customers' expectations is not a short-term goal, it is a never-ending process.

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