

MAINESENSE

MAKING SENSE OF YOUR FOODSERVICE BUSINESS

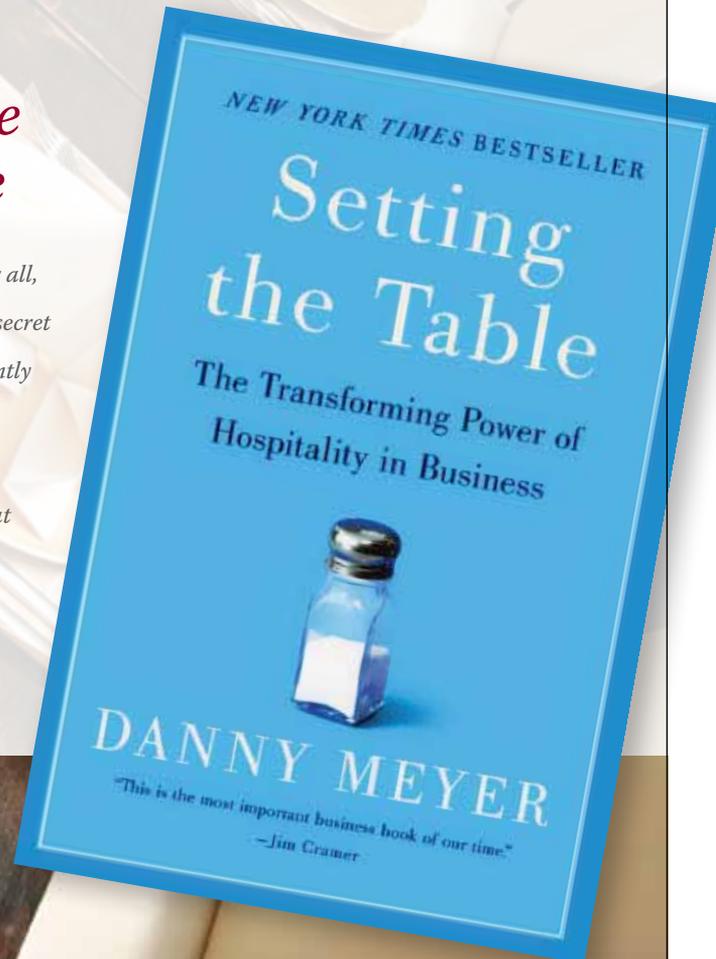
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The Secret Ingredients of Hospitality

Why You Don't Have to Be the Very Best to Be Their Favorite

Being a "hot new" restaurant doesn't guarantee being a successful one. After all, what's hot today is cold tomorrow. But does anything guarantee success? A secret recipe? A stunning location? A celebrity chef? Here at Maines, we were recently inspired by Danny Meyer, featured speaker at the 2014 Maines Food Show. After our interview, it was clear why companies clamor for Danny Meyer's business advice. Sure, he has all the above, but he confidently assures us that hospitality is the one and only linchpin of his wild success. While more and more service is becoming a commodity, hospitality is the way to differentiate yourself from your competitors. Yes, hospitality trumps even food.



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Danny Meyer is the current CEO of Union Square Hospitality Group and arguably the best restaurateur in America. For the benefit of those who might not know the scope and influence of Union Square Hospitality, here it is: at the young age of 27, Meyer launched Union Square Cafe in 1985. Its immediate success was followed by the opening of Gramercy Tavern (1994), Eleven Madison Park and Tabla (1998), Blue Smoke and Jazz Standard (2002), the iconic Shake Shack (2004), Maialino (2009), Untitled (2011), and North End Grill (2012). Meyer also operates Union Square Events (2005), a full-service catering, sports, and entertainment business, along with a management-consulting division. Finally, he's the author of *New York Times* bestseller *Setting the Table* (HarperCollins, 2006). The awards and honors that he, his restaurants and chefs have received total about 100.

Each of Meyer's restaurants is high profile and, ultimately, highly successful.

Of the 25 restaurants he has opened, only one has closed—a stunning track record given that 80percent of New York City restaurants fail. In his book, *Setting the Table*, Meyer explains...

"You may think, as I once did, that I'm primarily in the business of serving good food. Actually, though, food is secondary to something that matters even more. In the end, what's most meaningful is creating positive, uplifting outcomes for human experiences and human relationships. Business, like life, is all about how you make people feel. It's that simple, and it's that hard."

According to Meyer, food is secondary to the experiences and relationships your business offers. But how to get there? Here are seven secret ingredients of Danny Meyer's philosophy on authentic hospitality. They aren't the only ones, but they are our favorites:

1 Customer Comes Second

Yes, you read that right. The customer comes second in the strategy Meyer calls "The Virtuous Cycle of Enlightened Hospitality." The first and most important application of hospitality is to the people who work for you, and then,

in descending order of priority, everyone else: "The basic premise is simple. We take care of each other first. Because to be champions, we need a team that supports all the individual players. Our next priority is to our guests, then our community, our suppliers, and our investors. Enlightened Hospitality is a virtuous cycle that perpetuates the positive energy that drives us toward our goals." When Meyer opened Gramercy Tavern in 1994, it was a bit stiff. The chilliness between staff members was reflected in their interactions with guests. When negative reviews began to roll in, Meyer decided to rewrite the rules. Nothing would matter more than how they expressed hospitality to each other. It worked. His restaurants offer employees a variety of rewards, from bonuses to birthday cakes; employees, in turn, have discretion to give customers free extras. This counterintuitive business model attracts stronger employees over time, which "increases the odds that your technical and your emotional and hospitality performance are going to be competitive," Meyer says.

2 Service vs. Hospitality

Service and hospitality are not the same thing, and their differences aren't even subtle. "Service is the technical delivery of a product," Meyer writes. "Hospitality is how the delivery of that product makes its recipient feel." Another way he differentiates hospitality from service is that hospitality is being on the side of the customer. Customers need to feel you are on their side: "If a waiter puts a spoon on the left side of the table I'm sitting at, this is service. But if a waiter remembers that I didn't like the big spoon with my soup last time I was at their restaurant, that's hospitality. Service is a monologue. Hospitality is a dialogue."



3 Hone Your Excellence Reflex

When the car behind you honks, you jump to figure out what it could mean. Similarly, the “excellence reflex” is a natural reaction to fix something that isn’t right, or to improve something that could be better. The excellence reflex is a product of both nature and nurture, but it can be constantly honed through awareness, caring, and practice. Servers exercise their excellence reflex when they notice the presentation on the plate got sloppy on the walk to the table, and they stop to fix it. Hosts and hostesses exercise it when they pick up on facial expressions of dissatisfaction, or when they sense frustration on the other line, and they graciously do what it takes to correct it. The overarching concern to do the right thing well is something we can’t train for. Either it’s there or it isn’t. So we need to train how to hire for it.

4 Hire for HQ

To create a hospitable culture, restaurants must hire the right people. HQ, coined by Meyer, stands for “hospitality quotient.” People with a high HQ have an emotional makeup that leads them to derive pleasure from the act of delivering pleasure. Meyers hires “51 percenters”—staff with a high HQ whose skills are 49 percent technical and 51 percent emotional. The emotional skills required to create a high HQ are:

- ✓ Optimism and kindness
- ✓ Curiosity about learning
- ✓ An exceptional work ethic
- ✓ A high degree of empathy
- ✓ Self-awareness and integrity

Interviews should probe these attributes rather than obsessing over the details of candidates’ past serving experience. You can teach someone how to wait a table, but you cannot teach someone HQ.

5 Be an Agent, Not a Gatekeeper

This is an accurate analogy that Meyer himself best explains: “In every business, there are employees who are the first point of contact with the customers (attendants at airport gates, receptionists at doctors’ offices, bank tellers, and executive assistants). Those people can come across either as agents or as gatekeepers. An agent makes things happen for others. A gatekeeper sets up barriers to keep people out. In that transaction, did I present myself as an agent or a gatekeeper? In the world of hospitality, there’s rarely anything in between.”

6 Collect the Dots

Frequent, meaningful connections make other people feel good and give you an edge in business. In order to “connect the dots,” we first need to “collect the dots.” Dots are whatever information you’ve learned to gather guests together in a spirit of shared experience. But if you don’t turn over the rocks, you won’t see the dots. If you don’t collect the dots, you can’t connect them. If you don’t know that a guest works, say, for a university whose dean of admissions you happen to know, you’ve lost a chance to make a meaningful connection that could enhance your relationship with the guest and the guest’s relationship with your business. The information is there. You just have to choose to look.

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7 Handle Mistakes Well

Danny Meyer likes to think of his staff members not as servers, but as surfers. No one forces you to become a surfer, but if you choose to do it, there's no point in wasting energy trying to tame the ocean's waves. Waves are like mistakes. You can count on the fact that there will always be another wave. The degree to which you ride it better than the next guy is how you improve and distinguish yourself from competition. People will generally forgive an honest mistake when someone takes responsibility for it with genuine concern.

In the information age, competitors know how to offer the same products and services. But the one thing that cannot be copied is how people feel when they are in your restaurant. Meyer says how his people make others feel is more important than how well they do their job. Remember that the first and most important application of hospitality is to the people who work for you, and then, in descending order of priority, to the guests, the community, the suppliers, and the investors. The cycle is exponential, not linear, because the stakeholders all impact each other. Adding hospitality to your business doesn't cost a dime, yet hospitality is the distinguishing factor for success in this new, service-based economy. These days, you do not have to be the very best in your business to be people's favorite.



8 Customer Communication Strategies

Danny Meyer's messages at the 2014 Maines Food Show were all insightful, but one that we paid special attention to were his thoughts on the power of social media and his how he uses Twitter to enhance the customer experience.

If you search for your business on Twitter, you will find conversations that customers are having about your business. Social media allows you to learn more, know more, and fix more when it comes to your business.

What if you knew one more thing about a customer that would make their hospitality experience that much richer?

Being able to hear what people are saying as soon as they leave your business is an incredibly powerful tool, and social media makes that a reality. The Union Square Hospitality Group utilizes social media to engage with customers and uses Twitter as a listening tool. Danny Meyer regularly uses Twitter to act on conversations being had, whether they are positive or negative. Positive feedback allows him to say "thank you" to customers.

A couple tips from Danny Meyer:

- Keep your business twitter page separate from your personal page. You should not be sharing a lot of personal information on the same profiles that you are using for your business.
- Promote thoughts and ideas other than your own. Don't just promoted what you do. It is important to promote others by talking with others and retweeting

Owners have more insight than ever on the good things and the bad things that are happening inside of their business because of social media. As Danny Meyer says, "Always be collecting the dots, so you can always be connecting the dots." Social media is just another one of those dots.

@DHMeyer @ChefCarmenQ

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