

# **“The Golden Keys”**

## **Being Served: Concierge Services and Customer Satisfaction**

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### **ABSTRACT**

Service management is becoming the new paradigm in the hospitality industry. Hospitality establishments offer services to fulfill the needs and experiences of customers through innovative concierge or personalized services. Hospitality managers are conceptualizing their hospitality offerings as service offerings conducted in a framework of human relationships. This essay will advance the framework through a concierge service study to determine how and why customer service has either increased or decreased in regards to the acquisition of concierge service marketing techniques. The purpose of this research is to first, analyze how and why customers seek concierge services and second, determine whether the acquisition of these concierge services affect guest satisfaction and offer increased choices in guest services. This study will provide the foundation and informational research for hotels to follow and also provide educators and industry leaders with research data that may guide this popular trend within the hotel industry.

### **KEYWORDS**

Concierge Service, Customer Experiences, Service Marketing, Guest Satisfaction, Hotel Services, Human Relationships

## INTRODUCTION

The history of concierge service is similar to its modern counterpart. The word “concierge” is uncertain, but some suggest that it comes from the Latin “conserve,” meaning “fellow slave.” Others claim that the first concierge “Count of the Candles” was in charge of Paris’s royal prison; the *Conciergerie*, where Marie Antoinette was kept before succumbing to the blade of the guillotine. The early meanings are now irrelevant as we associate the concierge with the hotel industry. The concierge is a separate entity from the reception staff, room clerks, and cashiers.

Hotel concierge staffs have their own professional association, called Les Chefs d’Or or *The Golden Keys*. This organization was formed in 1929 and now reaches over 3000 members. The members wear golden keys in the form of a lapel pin. The common interest of members is to promote friendship so they may better assist international travelers and tourists by developing a hotel fraternity.

The first association included concierges from the grand hotels of Paris as they realized the need for a more effective approach to their customers. If they could join forces, they could make their services more indispensable. On April 25, 1952, delegates from nine countries met in Cannes to hold the first congress and created L’Union Europeene des Portiers des Grands Hotel (UEPGH). The creation of the organization was made possible by Ferdinand Gillet, the Chef Concierge of the Hotel Scribe in Paris; he is known as the father of Les Clefs d’Or ([www.goldenkeysconcierge.co.u.k](http://www.goldenkeysconcierge.co.u.k)).

Until 1936, concierges were not employees of the hotel, but instead, were independent contractors working in the hotel facility. The early concierges utilized a human staff to gather information, while today’s concierge has electronic communication capabilities to satisfy customer service. A concierge can provide a wide range of services for guests while playing a significant role on behalf of the hotel’s management. The service fits the needs of the guests by taking action or providing information to the guest.

There is a unique difference between the American and European concierge. The European concierge system is based upon an apprenticeship system; this system has not been as effective in the American system. In Europe, the apprentice grew within the system and was promoted to better and better jobs such as, *chasseur*, *voiturier*, *liftier*, *postier*, *bagagiste*, *huissier*, leading eventually to assistant concierge, concierge, and finally *Chief Concierge*. Some of the newer members have attended the European hotel schools famous throughout the world. Although there are numerous stories associated with concierge service, most are associated with restaurant and limousine reservations.

The American concierge is most common in larger cities and performs many of the same duties as the European concierge. One significant difference is that the American concierge deals primarily with business travelers, and thus, the need for foreign language skills is less important. The American concierge is less supervisory also, and therefore, does not have a large service staff reporting to them for direction. Since there are no schools and no apprenticeship in America, the concierge lacks the opportunity to acquire the skills of the European counterpart (McDowell, 1992).

## SERVICE PRINCIPLES

Service versus satisfaction has often been discussed in relationships within the hospitality and tourism business. Understanding the difference between customer service and satisfaction can provide any hospitality business with the competitive advantage necessary to retain existing customers and attract new ones. It is a popular misconception to use customer *service* and customer *satisfaction* as interchangeable terms. In reality, service is what the hospitality business provides and what the customer receives, while satisfaction is the customer's evaluation of the level of service received.

The satisfaction level is determined by comparing expected service to delivered service with such comparison providing four possible outcomes:

- 1) Delight—positive disconfirmation
- 2) Satisfaction—positive confirmation
- 3) Dissatisfaction—negative disconfirmation
- 4) Negative confirmation suggests that you are not managing expectations properly, nor delivering good service.

Therefore, in managing service delivery, it is a mistake to rely solely on the objective aspects of service, as customers typically base their future behavior on their evaluation of their recent or prior experience. This, in effect, represents their degree of satisfaction or dissatisfaction.

In addition, it is critical that hoteliers and restaurateurs determine the underlying reasons that cause these levels of satisfaction or dissatisfaction. This sub-level of understanding will enable service providers to either make the necessary changes or maintain practices when high levels of satisfaction are achieved. In conducting research to support the management of service delivery, it is important to note that the “why” is neither the “what” nor the “how”. In other words, “what” happened and “how” it made the customer feel does not reveal “why” they felt as they did. Without such information, it is difficult, if not impossible to manage the service customers' experiences as well as their expectations.

The first step in developing a successful customer satisfaction program is making a mental shift toward understanding the difference between the organization's service model and the customer's satisfaction. It is important for all hotels to share the understanding that only customers can define what *satisfaction* means to them in the context of their predetermined expectations. The following represents some practical ways a service provider may understand its customers' expectations:

- 1) Ask customers to reflect on their own experience with your services as well as their own needs, wants, and expectations
- 2) Speak with customers face-to-face through focus groups and also utilize questionnaires. These provide the service provider with a wealth of information and critical opportunities for success.
- 3) Talk with staff about what they hear from customers about their expectations and experiences. Further, encourage the art of active listening among staff.

Remember the three words that can help you learn from your customer: What, How, and Why? What service did you experience? How did it make you feel? Why did you feel that way? Continual probing with these three qualitative perspectives will deliver the answers you need to better manage service that will generate customer satisfaction and delight.

## TECHNOLOGY

The concierge service has evolved to meet the demands of a new era and further customer satisfaction. The questions previously asked may change in the future and may differ from what we readily accept in today's hotel. Several hotels have developed their own brand of concierge by looking to the future of the industry. The hotel of the future may actually be managed by robots; Laura Bianchi suggests that robots may clean rooms and serve as bellmen and virtual concierges. "The hotel of tomorrow will be tricked out with nanotechnology, robotics and biotechnology" (Bianchi, 2006). In addition, the hotel of the future may have a modular platform fixed to support two beds and flip over to become a table; a standard mattress could shrink from 10-12 inches to a fraction of that; a multifunctional chair may be Internet ready with PCs allowing control of lights, curtains, television, heat and air conditioning; and hotels may shrink to accommodate temporary situations.

Technology service strategies have been implemented by Inter Continental Hotels Group (IHG); they have been adding eHost to their technological advancements. eHost is a comprehensive virtual concierge service engaged by Holiday Inn and Holiday Inn Express, Staybridge Suites, Candlewood Suites, and Hotel Indigo. eHost is accessed through each hotel's free high-speed Internet access system, and acts like a concierge service to guests 24 hours a day. Guests can obtain information about local attractions, restaurants, shopping, transportation, local events and wealth and also provide the history of the Holiday Inn brand (Urell, 2006).

Keeping up with technology is a problem for hotel chains. Gustaaf Schrills, VP of global technology for IHG details the company's focus on creating operating efficiencies through technology. Schrills believes that IHG's future in technology is bright, especially as a strategic weapon. "In a typical hotel you will find separate network access lines for voice, data and video. Network convergence takes advantage of IP and allows all voice, data and video to ride on a common access line, which provides more flexibility in the allocation of capacity based on traffic type and demand." This technology provides a hotel with unlimited strategies to become a fully enabled technological system.

Concierge systems at hotels can be augmented by installing an expert system making use of artificial intelligence. Artificial intelligence can compliment human intelligence by giving a concierge the ability to function more efficiently. The concierge is one of the pivotal guest-contact employees in a full-service hotel (Cho, 1996). The concierge meets a guest's needs by providing information on concerts, sightseeing, dining, and other activities. Existing Electronic-Concierge Systems Hotels have installed electronic concierge systems with various levels of complexity. For example, The Hyatt-Regency in Los Angeles has introduced a complimentary video concierge service in each of its 484 guest rooms. This is an interactive system for in-room television screens to provide hotel information and its facilities and services (Cho, 1996).

Marriott's "comfort in advance" is a new program from Marriott designed to address the concerns of guests before they arrive at the hotel. The hotel can personalize the guest's package by emailing information on local weather, check-in times, and other pertinent information. At Your Service is available at nearly 2,500 properties in the Marriott family; the "virtual concierge" can arrange spa treatments, room service, and facilitate other local amenities (BrandReport, 2005). Marriott-brand hotels and resorts will also feature other luxuries such as an upgraded hotel room with a variety of new linens; this also is the result of technology and information exchanges with customers.

The concierge floors at many hotels are enjoying a renewed interest. The popularity of the floors is enhanced by the amenities offered on a 24-hour basis; food service, free cocktails, and even butler services are now offered. The newly developed interest has been driven by the return of the business traveler. Concierge floors are increasingly being used as a marketing tool to enhance frequent stay programs such as those offered by Hilton HHonors or Marriott Rewards. In fact, the floors are gaining such popularity that some industry analysts see the time when a whole hotel might offer concierge-level amenities. For example, The Shangri-La Beijing Hotels and Resorts have risen to about 80 percent, up from 60 percent two years ago. The features such as 6 p.m. checkout and two-hour free conference rooms are particularly appealing to business travelers. This type of hotel will probably be offered only in major cities, but the Shangri-La Hotel response is encouraging to sales and marketing experts (Gilligan, 2005).

### **A MODERN APPROACH TO CONCIERGE SERVICE**

In a telephone interview, David Lee, Vice-President of Development for Interstate Hotels states that Interstate Hotels has a total of 37 different brands within the Interstate Hotel Company. By using brand identification associated with Marriott, Hilton, and Starwood, the Interstate Hotel Company is supportive of advancing national brand, marketing initiatives. The question of relocating the concierge floor was addressed; the primary reason that the Concierge Lounge was moved from the upper floors to the lower floors at the Pittsburgh Airport Marriott was to increase lobby activity by increasing customer traffic and interaction with service and staff; this would increase service involvement. Two additional components were the efficient use of space and the prospect of increasing revenue. Mr. Lee stated that by putting guest room bays that were historically out of order because of concierge space requirements, they were now added as revenue investments in guest room availability (Oct., 2006)

Because of the new developments in concierge services implemented by The Pittsburgh Airport Marriott, an open-ended interview was conducted with Tom Hardy, General Manager of the Pittsburgh Airport Marriott (Oct., 2006). Mr. Hardy contributed information to advance research for the study of Concierge Lounges placed in a hotel lobby rather than the familiar location on top floors of hotels. The first question was “why” the concierge lounge areas should or are moved from the top floors to the lobby area. According to Mr. Hardy, the Pittsburgh Airport Marriott entertained a variety of reasons for moving their Concierge Lounge. When the hotel changed brands, the Marriott brand had to be incorporated into the scheme to satisfy the Marriott brand standards. One problem encountered was that the Concierge Lounge needed to have three bays which are the size of three hotel rooms; the structure of the Pittsburgh Airport Marriott prohibited this because of the size of the structure of the hotel. They were unable to meet these standards and needed to make an adjustment and find another space to better accommodate this need. Mr. Hardy added, “After reviewing many areas of the hotel, we were able to find a space that could accommodate this need in the rear of our Restaurant.” The restaurant is on the first floor, and although this might have been problematic, Mr. Hardy believed that this would be more economical for the hotel for a variety of reasons. “By selecting the private dining room in the back of our restaurant, we are now able to provide the guests with Concierge Lounge access to better service.” Mr. Hardy added that the new location provides the guest with access to a larger breakfast buffet menu, a full wait staff, and a full culinary team. This is significant because the consumer now must make an adjustment from the limited Concierge Lounge, restricted by size and service, to a full scale operation with unlimited



services. The first floor lounge is much larger, encompassing the old gift shop and an existing accounting office. Mr. Hardy discussed the type of customer who takes advantage of a Concierge Lounge and assessed the advantages of his first floor lounge. “Our Gold and Platinum Marriott Rewards Elite Members, as well as guests that are willing to pay a premium room rate of \$20.00 for an alternative lodging choice from our standard room have access to our Concierge Lounge.” There are distinguishable differences between the levels; the gold Elite Level members stay with Marriott’s internationally 50-74 nights per year while the Platinum Elite members stay 75 plus nights per year. Most of these guests are business travelers and consider Marriott their home away from home. The Concierge Lounge is Marriott’s way of rewarding these guests and providing them with upgraded accommodations and a private space to relax outside of their guest room. Mr. Hardy added, “In order to showcase our Concierge Lounge, the Front Office team has created an up-sell program through which the front desk agent will ask the guest checking in if they would like to upgrade, and then the agent is able to explain all of the services that are provided with this upgrade, the premium room on the Concierge floor and access to our Concierge Lounge.”

Mr. Hardy answers the pressing question: “Has the change in location increased or decreased customer service and sales?” The answer is evolving with the guest’s initial responses to guests offerings; guests are impressed with the full breakfast options which are not available on the upper floor, as well as the renovated room. The complexion of the room is enhanced by three televisions, one of which is a big screen providing guests access to sporting events, such as Monday Night Football. A few guests have complained that they do not like to walk through the restaurant in order to get to the lounge. Mr. Hardy said, “They are used to waking up and entering the lounge in their pajamas without getting ready for the day.”

The discussion of relocating the lounge from an upper floor to the lounge is debated by asking the question of whether the changes in service are “trendy” or “innovative”. Mr. Hardy exclaims that the offerings are innovative: “We have taken a great product and made it even better simply by moving the location.” Mr. Hardy concludes by saying, “We are now able to offer our guests much more, alleviate some stress from our staff, and turn a non-used space into something great, and turn a profit in the mean time.” Mr. Hardy answers the question of whether or not there was a study done before this implementation: “We are the study.”

The role of today’s concierge is to join the hotel family and provide the customer with satisfaction. The Ritz-Carlton has 14 properties in the Top 100 World’s Best Hotels; was awarded the first ever AAA five-diamond rating; has received a top honors award from *Travel and Leisure* every year since 1997; and most important of all, it is a clear leader from 16,000 travelers’ votes for the chain with the best service. The Ritz-Carlton definition of service is exemplified by Carter Donavon; the concierge of the firm’s Buckhead property in Atlanta was informed a little girl had lost her teddy bear in the hotel. The teddy-bear was not retrieved, but the concierge went to the gift shop and bought a new bear to satisfy the customer. The Ritz-Carlton claims that the satisfaction and comfort of their customers are of the utmost importance (Strategic Direction, 2004). “Guests are correct in assuming that our ladies and gentlemen, concierges chief among them, know their tastes and preferences in anticipation of their arrival and do whatever is necessary to make their stay a success. It’s part of what distinguishes luxury hotels from other industry segments” (Serlen, 2005). Concierges can build a relationship with the assistant of a traveler and ultimately, with the traveler’s staff that builds with each subsequent visit. For many executives, the hotel becomes a base of operations for the duration of their stay,

while they balance business opportunities in and out of the hotel, side trips to visit customers and clients, and meetings with and presentations to financial analysts (Serlien, 2005).

Guests of the Hay Adams Hotel, across the street from the White House in Washington, D. C., turn to head concierge, Jack Nargil for help, information, and reassurance. He is a member of Les Chefs d'Or and provides the highest levels of service. Nargil stated, "I've lived in Washington since 1968. I know Washington. I know alleys; I've been down streets where a lot of people have never been. That has a certain value you cannot teach" (Wolff, 2002). This type of concierge is indispensable within the hotel industry. Although Washington holds its own set of particulars, each city or town presents a significant challenge to a concierge. Guests require time to talk to the concierge, they need reassurance. The concierge, Inger Boudouris, at the Hotel St. Francis in Santa Fe, NM says, "I think it's a very good time to be a concierge, a good time to be on site to help people. People are looking for something to grab hold of. I find people are friendlier and more compassionate, and they say thank you. I find more men opening the door for me. I kind of like to have a car door opened for me" (Wolff, 2002).

### **CASE ANALYSIS: PITTSBURGH MARRIOTT NORTH**

The Pittsburgh Marriott North was a new build and opened in July of 2003. The facility includes 295 guest rooms and 4 suites. The River City Grille Restaurant and Bar offers a combined seating configuration for up to 172 people. The Convention facility includes a 7,200 square foot ballroom, 8 executive Board rooms and a 2,500 square foot indoor atrium. The hotel also features both an indoor pool and a fitness center, and in addition, a Concierge lounge located on the top floor.

The Pittsburgh Marriott North based on the market segments it serves was an ideal venue to survey Marriott Rewards members staying with them on their Concierge level. These members, for the most part, have earned Gold or Platinum status meaning they stay at least 50 plus nights per year in Marriott hotels. Based on the scope of the project and the survey required to support it, we believed that the target audience that the Marriott North serves was representative.

### **THE INSTRUMENT & METHODOLOGY**

We surveyed concierge customers over the course of a 7 day period while being careful not to survey any customer twice; this precaution was necessary since it is possible that a hotel guest may have stayed two different times within the seven day trial period. The seven day survey period yielded 47 usable responses. However, for some unknown reason a few questions were not answered by all respondents.

We asked a total of only eight questions believing the shorter the survey, the greater the probability that the hotels busy guests would respond. We asked two questions that only require a yes/no answer and 6 questions that utilized an ordinate ranking scale of 1 to 5; thus, representing a more qualitative analysis. One (1) represented items of least importance while five (5) represented items that the customers ranked most important.

Yes/No questions

1. Does the availability of Concierge affect your decision?
2. Would you enjoy the Concierge if location was other than top floor?

### Ordinal Ranking questions

Rank what you like best about Concierge;

1. Complimentary F&B
2. Additional Amenities
3. Prestige
4. Treatment/Individualized Attention
5. Location of Guest Room to lounge
6. Does Concierge access effect overall satisfaction?

The yes/no questions need no statistical or graphical analysis in that the customers sent a clear message to management.;

1. By a margin of 42 to 5 hotel guests overwhelmingly agreed that the availability of concierge service affects their decision to stay at that hotel.
2. Even more definitive was the response to the question “would you enjoy the concierge if the location was other than the top floor?” With a response of 0 for yes and 28 for no, the hotel guests sent a very clear message as to their preferred concierge placement.

The ordinal ranking questions require a statistical or qualitative analysis to truly determine if the findings are significant, although we have prepared pie charts to provide visual evidence of our findings. As mentioned above, the five subject areas were ranked by the hotel guests on a one-to-five scale, one being least important to five being most important.

Generally speaking, any question ranked three or higher would appear to be important, since a majority of those surveyed had to rank it at three or above. Any topic ranked higher than three-and-a-half would appear to be very important, since many of those surveyed would have to rank it at four or five. Conversely any topic ranked below three would appear to be of marginal interest since the majority would have to rank it below three and any topic ranked below one- and-a-half would be of little interest, in light of the fact that a majority of those surveyed would have to rank it below two.

The results in Table 1: Hotel guests believed that question 1, complimentary food and beverage, average score 3.65 and question 5 the effect of Concierge service on their overall satisfaction average score 4.51, were very important. In contrast, question 3 asks if the hotel guests upgraded to concierge just for the prestige was a resounding no with a score of just 1.83. From the dispersion pattern of questions 2 and 4 it would appear that the additional amenities and individual attention may not be that important.



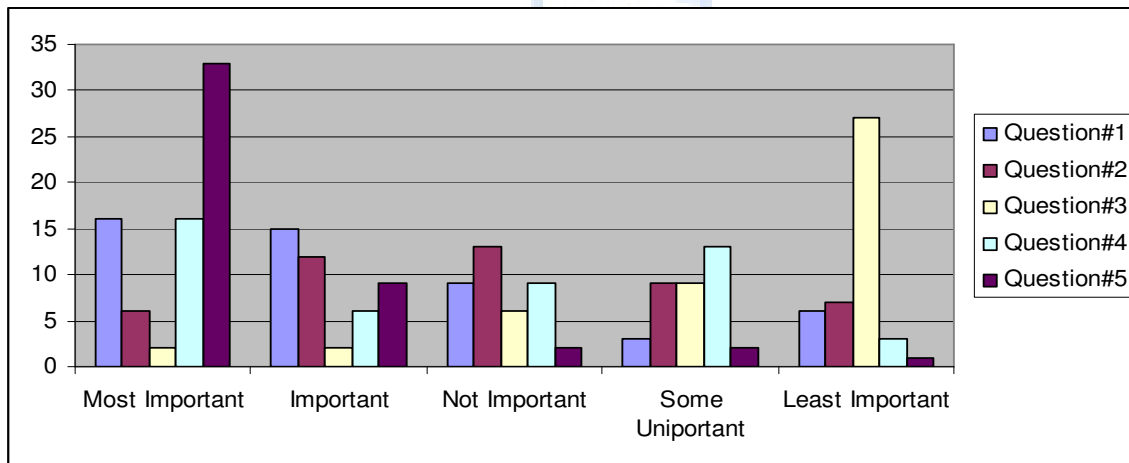
TABLE I

Question	Yes	No				
Does the availability of Concierge affect your decision	21	3				
Would you enjoy Concierge if the location was other than the top floor	0	28				
Question	5	4	3	2	1	Average
1. Complimentary F & B	16	15	9	3	6	3.65
2. Additional Amenities	5	12	13	9	7	2.98
3. Prestige	3	2	6	9	27	1.83
4. Individual Attention	16	6	9	13	3	3.40
5. Effect on overall guest satisfaction	33	9	2	2	1	4.51

**RESULTS**

We will present the graphical analysis first and then proceed to the statistical analysis. When reviewing Exhibit 1 we must remember that we conducted this survey to determine 1, if concierge service was important, 2, if the location of the service was important, and 3 which facets of the service did hotel guest feel were the most important.

EXHIBIT I



If the hotel guests on average did not perceive concierge or any of the services provided as important then the questions should have an equal probability of occurring or from a graphical sense the bars should be even across the graph. This is obviously not the case. By visual comparison we can ascertain that question 1 was consider important or most important by a vast

majority of guests as were questions 4 and 5. Question 2 was just the opposite with a vast majority of the guest considering “prestige” as the least important reason to upgrade to the concierge level. Only question 2 appears to be indecisive.

To examine the data from a statistical perspective we must utilize a chi-square test. With the chi squared test we start with the assumption that hotel guests as a whole are indifferent and hence we can assume that each ranking category will have 1/5 of the responses, resulting in the hypothesis being tested is listed below

$$H_N = P(5) = P(4) = P(3) = P(2) = P(1)$$

OR

$$H_A = \text{The five probabilities are not equal}$$

The approach for testing the null hypothesis is to calculate a statistic that is approximately chi-square distributed when the  $H_N$  is true. For example, for question 1 this statistic would be calculated as the difference between the observed frequencies ( 16, 15, 9, 3, and 6) and the expected frequency of 47/5 or 9.4. See Equation 1

EQUATION I

$$\chi^2 \approx \sum \frac{(f_o - f_e)^2}{f_e}$$

$$f_o = \text{observed frequency}$$

$$f_e = \text{expected frequency}$$

When the  $H_N$  is true this statistic is approximately described by a chi-squared distribution with the degrees of freedom equal to the number of categories minus 1, for this study that would be 4. From the equation above it can be observed that a large value of the statistic will only occur when the null hypothesis is not true, because of the large deviations between the observed and expected values. Thus, the null hypothesis will be rejected for larger values of the  $\chi^2$ . Table 2 provides the results of all five questions.

TABLE II

QUESTION	$\chi^2$	Level of Significance
1. Complimentary F & B	13.57	.01
2. Additional Amenities	3.95	.30
3. Prestige	45.85	.01
4. Individual Attention	11.62	.05

5. Effect on overall guest satisfaction	78.42	.01
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From the statistical results we can see that the Complimentary food and beverage and the quality of the concierge option on overall guest satisfaction are significant at the .01 level. While the individual attention provided on the concierge level is important at the .05 level of significance, we can also state that at the .01 level of significance the prestige of staying on concierge level is not important.

## CONCLUSION

The role of the concierge may or may not be changing. A hotel is very careful about who they hire when they are looking for success in customer service. The Ritz-Carlton credo states that “the genuine care and comfort of our guests is our highest mission.” *Genuine* is the key word (Strategic Direction, 2004). They continue to explain that to achieve this real enthusiasm to please, the hotel chain is very careful about the type of person it employs; selection is based on the result of character trait recruiting. This instrument can accurately predict whether or not a candidate has the right attributes to do the job. This along with the facility itself will help determine the customer satisfaction. As previously discussed, the placement of services, the quality of staff, and the integrity of the mission will all complement the delight and the return of the customer.

Further studies are needed to answer the research question about the concierge lounge and its effectiveness. An open-ended questionnaire could be made available to the guests at any hotel brand to discern their satisfaction or dissatisfaction of the concierge lounge location and use. A qualitative interpretation of the questionnaire, along with further questions for the hotel management, could be contributed to this research to continue and advance future innovative trends in hotel concierge service.

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