

Service Delivery

An Interview with Christoph Schmidinger,
Regional Vice President, Four Seasons Hotels and Resorts,
and General Manager, Four Seasons Hotel New York

EDITORS' NOTE Austrian native Christoph Schmidinger served as the General Manager of The Ritz-Carlton Chicago, a Four Seasons Hotel, before assuming his current post. Prior to this, he served as General Manager of Four Seasons Hotel Atlanta and for eight years in managerial positions at the parent company and Regent International properties in Asia. In his current role, he oversees Four Seasons Hotels in Atlanta, New York, and Philadelphia.



Christoph Schmidinger

PROPERTY BRIEF Rising 52 stories above New York City's premier shopping and business districts, the I. M. Pei-designed Four Seasons Hotel New York (www.fourseasons.com/newyorkfs) is a Forbes Five Star, AAA Five Diamond property, known for its 368 oversized guest rooms (among New York's largest) and similarly spacious bathrooms, all completely remodeled in 2004. The hotel's numerous property upgrades in recent years include the newly created Presidential Suites; a redesigned spa and fitness center; the addition of TY and, most recently, The Garden restaurant and wine bar, two new lobby dining outlets; the celebrated L'Atelier de Joël Robuchon (the recipient of the 2007 James Beard Foundation's Best New Restaurant award); and the world's most expensive hotel suite, the \$35,000-a-night Ty Warner Penthouse. The hotel is managed by Toronto-based Four Seasons Hotels and Resorts.



Four Seasons Hotel New York is known for value, quality, and service. How have you been able to stay on top during these challenging past 24 months?

It's not a secret: running a hotel during good times is much easier than running a hotel during difficult times.

We, like everybody else in the industry, had a challenging time – the end of 2008 and 2009 were not what we expected. But a lot of opportunities arose and we saw areas where we could improve.

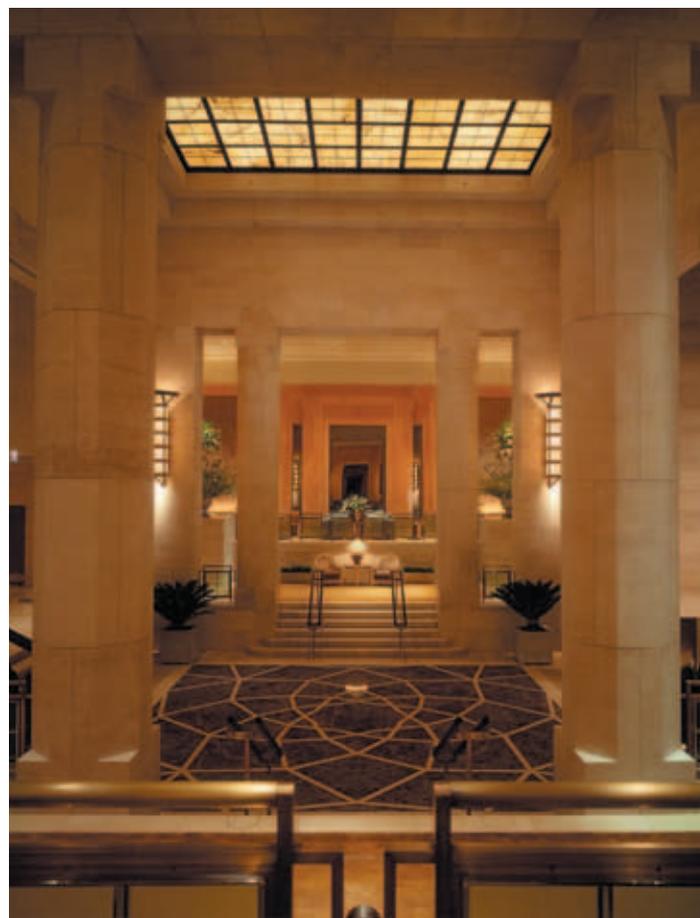
I had a choice to either complain about business performance and declining occupancies, and in some areas declining rates, or to look at the opportunities and figure out how to get ready for the good times ahead of us, which are clearly around the corner.

We see very encouraging signs that we seem to be out of the woods. We are adding business and recovering month by month, and 2010 was already a much better year than 2009, although we are not back to 2007 levels.

We try to look at the product in terms of the customer and the staff. We want to be the preferred hotel for the customer and we want to be the preferred employer for our staff. In terms of the customer, we're trying to stay relevant.

I also have challenges in keeping the property as pristine and crisp as it was. I don't have the funds today that I had before to renovate the rooms more frequently. But we get by and we do a good job at maintaining the property and keeping it clean and fresh.

In terms of service, we focus on what the customer really needs today and we try to keep up with that. We also do that in terms of marketing and sales strategies.



We sell slightly different today than we sold a couple of years ago. Web marketing and social media play such an important role now and, if you ignore this development, you're not relevant for your booker.

Our staff all went through tough times and insecurity. We had to reduce staffing levels and that shocked a lot of our colleagues. But those who stayed behind are very committed to us and are very open to continuous training. We work closely with them to keep them engaged and make them feel proud of our property.

How do you get the message across that value is not principally a function of price, but rather by the excellence of service delivery?

It's much tougher today to sell my pricing levels than it was a couple of years ago. However, the best way to get the message across is through word of mouth and through the delivery of an expected service level.

I sell my service at a certain price and, when a customer comes in, I try to exceed his expectations. By the time he checks out, he might still be hesitant about the price, but he will say it was worthwhile because of the service delivery.

How were you able to reduce your staff and still not lose your front-of-house service?

We absolutely slimmed down everything we do, but we tried to do it in areas where the customer didn't realize it.

We operate our back-of-house differently today than we did a couple of years ago. We became more efficient at everything we do. These challenging times forced us to look at opportunities that we hadn't explored before. Now we

Lobby (above); Spacious Studio Suite (left);

Opposite Page: Presidential Suite Bath (bottom left); Penthouse Suite Bedroom (upper right)

run the ship more efficiently, but ideally, not at the expense of the customer experience. I think we do pretty well with that.

At the level of Four Seasons, what are the priorities of the guests? What makes a great stay today?

It involves the overall experience of the guest and the continual effort you make to improve that experience.

First of all, we try to be relevant to the visitor by adjusting ourselves and our attention to the different needs of a business traveler, a leisure traveler, somebody who comes here to celebrate an anniversary or a birthday, or a meeting customer. They all have different expectation levels and we try to adjust our service accordingly.

Obviously, we have to continue providing a clean room, a good night's sleep, excellent communication tools – Internet and phone coverage – and an excellent shower, literally, with a focus on good water pressure, for instance. All of this should be packaged with personalized and attentive service.

If you achieve those four or five elements, you are in business.

You deal with such a discerning guest at such a high level. Are you able to get guest feedback so you can adjust the experience?

Absolutely. We live for guest feedback and encourage it. How otherwise would we find out how we're being received?

We do it through various means: written guest comments are something of the past, but we receive a lot of electronic guest feedback, as well as guest letters. Most importantly, is our direct contact with the guest while he is staying with us.

We have a team of six people in Guest Relation Management or Special Services; they do nothing else but prepare for the arrival of a guest, check in customers, and stay in touch with customers while they're here.

Fortunately, those are people that have been working with us for quite a while, so they know many of our customers personally; they know their expectation levels; they find out what their hot buttons are and they keep them in a guest history. Each time a customer returns,



he doesn't have to tell us what he expects because we already know.

Our investment in those six people doing nothing else but recognizing the returning customers is absolutely essential.

When you have a brand like Four Seasons where you have properties with different owners and styles, is it challenging to maintain some consistency in the brand?

On the surface, you might see differences. The service you get in Asia, Europe, or America, is different.

Also, some of our hotels are younger with a more contemporary design and others are of the older generation with a more traditional design, and with a different layout.

This also applies to our food and beverage concept. In some areas, we have state-of-the-art food and beverage concept; in others, we have a very traditional concept.

So there are some inconsistencies and on the surface some visible differences. However, deep down, Four Seasons service is Four Seasons service, whether you're in North America or in Asia.

It's sincere, detailed, personalized, and genuine, and this foundation will not vary, regardless of where you are in the world.

When you have a reputation at the level of Four Seasons, how do you make sure you don't get complacent and that you focus on reinventing yourself?

If you ever assume that with one or two training sessions you have made it, that's the first step toward failure. You constantly have to work on it; you constantly have to stay fresh in your mind and in the minds of your people.

It also depends on our leadership in the hotel. The leaders of our teams need to find ways to keep our staff interested, engaged, and motivated, and give them the tools they need to work well and the training in the standards expected.

Once they have mastered this, they can apply their own personalities to guest contact. The key is that we want people to be who they are. We want people to be able to serve the customer in ways they feel most comfortable and that is by letting their personalities come out. We believe that this carries us through difficult times better.

Have the most important qualifications and characteristics necessary to be a successful hotelier changed over the years? What are the most important areas you need to focus on to be successful?



As a leader of a hotel, regardless of size, you struggle with various elements simultaneously: marketing, operations, guest recognition, finance, etc. But I firmly believe that, above everything else, it's people management, particularly staff management, because there is no way I can do the whole job myself. I need committed, motivated, well-trained, and attentive people to execute the job.

That has always been the case. You can't show me one operation, regardless of the industry, that is successful when management doesn't focus a lot of effort on the people. It's the basis of every success.

Why do you think we are so keen on remaining in the list of the 100 best employers in *Forbes* for the past 15 years? We have always been in there, not because of pride, but because in order for us to be a leader in luxury hospitality, we also need to be the preferred employer. That is what we have been striving for and trying to maintain over the past years, and it really pays off. With motivated staff, you can move mountains.

During tough times, one critical aspect is the owner/general manager relationship and establishing a common vision and understanding of where the property is going. For a property like this, how critical is that relationship to your success?

It's like a marriage. If you don't respect each other, if you don't realize that you are 50/50 in this undertaking, it will never work. ●