



SMITH TRAVEL RESEARCH

## What Time Is The 3 PM Parade? (Should your hotel have some Mickey Mouse® in it?)

*Vicki Richman attended Disney Institute. We have incorporated much of what she learned into our company. Every year we improve our company's culture and that of our hotels. If the Walt Disney Company is any benchmark, it's clearly worth doing.*

*By Kirby D. Payne and Victoria 'Vicki' Richman, October 2006 - HVS / American Hospitality Management Company*

**S**everal years ago the Disney Institute held a seminar in Minneapolis. Among the co-sponsors was the Minnesota Hotel & Lodging Association. Vicki Richman from our staff attended and I have adapted her notes for this article.

There is a lot of information provided in this seminar which we have incorporated into our company culture. Our company has a culture and a vision, but it has never been refined and promoted through all levels of the company in a structured way. Every year we attempt to improve our company's culture and that of each of our hotels. If the Walt Disney Company is any benchmark, it's clearly worth doing.

Later in this article I'll even tell you what time the 3 PM parade starts! Here are the notes with explanatory comments added where they may be helpful.

### LEADERSHIP AND CREATIVITY

Disney believes that storytelling is an important part of the company's job for its guests, staff, and investors. When Frank Wells and Michael Eisner were brought on-board, they made a video for the stockholders to watch to learn about them and where they felt the company should go. Walt Disney had a short video about himself and his dreams. These videos are very effective in communicating their "story". Communication of history and vision is essential to developing a well-run company whose staff are supportive.

Traits of Disney leaders: risk taker; childlike (curiosity, creativity, wonder, etc.); iron fist in a velvet glove; visionary; motivator; and management by walking/wandering around. Apparently this was very important to Walt Disney who saw himself as a bee, going around from flower to flower pollinating other people and their efforts.

Whenever staff is overheard saying "I" or "they" to a guest that person is always immediately corrected. They must always say "we". As in a Guest Service Agent (desk clerk) saying, "I'm sorry we didn't get your room made up on time." As opposed to, "I'm sorry they (housekeeping) didn't..." If they say "we" enough, they will come to believe it.

Disney believes strongly that creativity can be enhanced with synergy, adding 1 + 1 and getting 3. Bringing diverse groups together with different perspectives to create "dynamic tension" such as in brainstorming sessions is used to develop creativity. Brainstorming sessions must always have the following: defined goal; structure; a facilitator who can control flow; diverse participants; and a scribe. It is important in brainstorming sessions that creativity be promoted.

Always say "yes, and" because it keeps discussion going while "yes, but" stops the flow of ideas. Disney's goal in planning is creating value for all of their stakeholders (guests, staff, stockholders, etc.). Both their financial objectives and strategic objectives focus on increasing value for everyone. The example



given in the seminar was IllumiNations, a fireworks, light, laser and music show each evening in EPCOT. The restaurants in the pavilions were not doing well. By adding the IllumiNations show guests enjoy an additional event included in their admission and there were substantially increased food and merchandise revenue for Disney's lessees.

### STAFF SELECTION, ORIENTATION, AND TRAINING

When it comes to staff selection, Disney believes they are not hiring, but are casting for a role in a show. Aren't we doing the same thing at our hotels? Each person hired needs to project the image of the company. Before they fill out an application they watch a nine minute video which projects, without being obvious, the company culture. Specifics covered are: pay availability; transportation; and appearance. This is in effect a pre-orientation and serves to screen out potential applicants who don't want to or cannot fit it for what ever reason. Men who watch and know they won't adhere to the hair length standards (above the ears) simply tend not to apply.

We have adapted this idea into a brochure which is given out to job applicants. The brochure, titled "What you can expect when you join our team and what we expect from you", has eight panels. Three give information about the company, the hotel (about types of guests and what various departments do) and its culture. Three panels give details of our expectations of employees and our promises to the employees.

Disney uses personality profiling to determine where there is a fit. Even if the person is not selected, the process makes them feel good about the company. After all, their friends and relatives are both potential guests and cast members! Orientation is done through videos and other consistent visual aids and the central element is communicating the following in order to begin the process of getting them wrapped up in the company culture: the company's past (its traditions), the company's present (how operations work), and the company's future (the vision). New cast members get a name tag day one, and are told if the name tag is not on at all times, even backstage (back-of-the-house), they are sent home because they need to maintain the feeling and standards among employees as well.

Of course, this is true about their entire uniform (costume). Variations or missing items are never allowed. Name tags have first name only and city if they want. No last names to break down barriers with guests and other staff.

Disney gives many quizzes throughout orientation and training as to Disney facts (name the seven dwarfs) and facility facts

(extensive tours of the entire property are essential). All orientation is done by line staff from different areas of the company (like the guy who loads the Space Mountain cars) who are picked to be "Tradition Assistants" for two to three days a month. This builds self-esteem, loyalty, sense of importance, and the applicants can really ask questions about working on the line.

Training is either 1-on-1 or 2-on-1. They teach job skills and people skills with equal emphasis - more on this in the service section of this article.

When it comes to caring for staff, they feel you must ensure that the physical environment is supportive. Disney's Golden Rule: treat staff as they expect staff to treat guests - this is essential to set an example.

If any supervisor notes a crabby staff member they will talk to that person and send them home, if necessary, so that negativity is not spread. Upbeat attitudes must be engendered back-of-the-house to carry to the front-of-the-house.

No Disney visuals are in break rooms or cafeteria because the staff told management they overload on it and need a real break. Many personal services are provided because staff cannot get anywhere easily once at work, such as vehicle registration, voter registration, dry cleaning, etc. In addition, Disney provides a private lake with recreational area for staff and families only.

Longevity and performance recognition through pins, awards, parties, etc. are also important aspects of caring for employees at Disney.

### SERVICE

Since nothing is unique (people can alternatively go to Universal Studios), then what Disney is selling is only 10% product and 90% service. This is obviously very true of hotels, too. 65% of Disney's guests are repeat. But more important to them than their repeat guest, is the guest who becomes their advocate. The one who goes home and says, "We won't be going back to Disney in the next few years or maybe never but it was great, you should go".

Disney recommends taking a magnifying glass to what you are doing RIGHT (rather than what you are doing WRONG), examine it, map it out so you understand and can translate those elements to what you are doing wrong.

The guest (or employee) might not always be right, but always allow them to be wrong with dignity. In order to give good service you must have these four elements:



## What Time is The 3 PM Parade? (Cont'd)

### 1. Know who your guests are, what they want, and when:

- ◆ Poor service is different for everyone, so you need to treat each one individually.
- ◆ Since 65% of guests are repeat, their "wow" threshold is very high, and one needs to be raising the bar at all times. So you always need to pay attention to detail and exceed the guests' expectations.
- ◆ Disney has "guestologists" that study who their guests are and what their needs are. They do this through telephone surveys, in-person surveys, comment cards, guest letters, focus groups, and secret shoppers.
- ◆ Some facts: 38% from New England (#1 state is New York); 23% international; saved 2.5 years for Disney vacation; families of 3.3 people; and the #1 need is to see Mickey Mouse (translation: need to escape reality).
- ◆ Sometimes guests want "aggressively friendly" and others just want "warm and welcoming" and staff are trained to recognize the signs. For instance, if the family has driven to Disney (the valet should notice out-of-state plates), they are tired and anxious, so just welcome them and move them along to their Disney hotel room efficiently. However, if it's 8 am at the turnstiles into the Magic Kingdom, welcome them aggressively.
- ◆ There are no newspapers in any Disney store
- ◆ When their tickets are taken at the turnstile, it's easy to tell from the ticket if it is their first day or last day and the staff is trained to acknowledge this to the guest

### 2. Need to communicate the service goal to staff:

Everyone's job description whether they be in accounting or line staff on a ride has the Same first two items:

- ◆ Keep the property clean. Everyone must pick up trash - it's a big no-no if anyone is spotted walking by trash anywhere.
- ◆ Create happiness.

### Service Standards (in order of priority):

- ◆ Safety for guests and staff is never sacrificed.
- ◆ Courtesy, treat every guest as a VIP - all staff must offer to take the family's picture if they see one being left out - it costs nothing to create a magical moment (Cast members must

always be anxious to help and be aggressively friendly.)

- ◆ The show is extremely important so they must pay attention to detail in everything - never lose the theme anywhere.
- ◆ Efficiency, the system and equipment must be effective. Also, all staff learns that they are needed to show up when they are told and do what they are trained to do otherwise the whole show suffers. People need to be needed and know they are important.

All of the staff's performance appraisals rate the person using these standards. They are taught that they need to make all of their decisions based on these four goals and in this order. For instance, have they ever sacrificed courtesy for efficiency? That is a no-no. Never sacrifice courtesy for the show either.

Two Disney Tidbits: It takes 37 magic moments to recover from 1 tragic moment. A good coach has a staff that has confidence in him/her while a great coach has a staff that has confidence in themselves!

### 3. Set the stage:

The setting must be consistent with what you want people to feel and must always communicate your essence. The setting supports both the service theme and the service standards.

The setting includes:

**The environment:** They have "smelletzers" which spew specific smells throughout the park. When you first walk into the Magic Kingdom onto Main Street, they have the smell of just-baked chocolate chip cookies.

**Objects within the environment:** Size and arrangement of objects, shapes and lines, lighting, shadows, color, temperatures, and sound. Look at everything in your environment and assess its impact on the guest experience.

**Procedures that enhance the quality of the environment:** Never allow procedures to negatively impact on guest experience, always have procedures that benefit the experience. Facts are negotiable, perceptions are not so no matter what really happens, all that matters is how your guests perceive it.

### 4. Deliver a quality show (service delivery):

In order to deliver service, you must have well-trained people and they must have systems that support them and enable them to provide good service. At Disney, a quality show is made up of three components: people; systems; and service recovery.



## What Time is The 3 PM Parade? (Cont'd)

**People:** Staff are taught that the front line is the bottom line. Orientation of all staff includes behavior skill training such as: importance of first impressions; posture; gestures (their staff is taught not to gesticulate when talking to guests); facial expressions; vocal image; and use of humor (everyone's view of what is funny is different so humor is to be avoided).

Cast members are also taught tips on how to be comfortable in their job, like standing for long periods of time without getting tired. Disney tries to keep staff motivated to succeed in their jobs. It is communicated that 62% of all managers were in line positions to start, that they have a future with the company and it is a good company to have a future with. Lateral moves are celebrated and acknowledged like promotions. They teach staff that getting skills in many areas makes them more versatile, more useful for the company so line staff is cross-trained in many different areas of company.

All management staff are required to work in the park in line positions (cleaning tables, etc.) during peak times for a specific number of hours. They are all dressed in blue lab coats so other staff knows who they are. It's fun for everyone. Turnover of permanent staff is only 17.8%!

**Systems:** Systems have been developed to enable line staff to provide timely, useful service. For instance, losing your car, locking keys in car, or running out of gas. Attendants in golf carts can be there within minutes to open car doors, provide two gallons of gas, cut keys (even with the computer chip), jump batteries, etc. to help the poor parking lot attendant who is facing the tired dad and his troop.

Disney believes that only 5% of top management knows what the operational problems are, only 20% of middle management knows, and 100% of line staff knows. So, Disney looks to learn the service needs of guests and what is preventing staff from fulfilling them directly from the line staff.

**Service Recovery:** It's ok to apologize to the guest even if they are wrong; always ask the guest: What can I do for you? Empower line staff to fix the problem; follow up with the guest and in a timely manner, it makes them feel important; and provide feedback to staff.

Obviously you had to be at this seminar to benefit the most from it. Properly adapted and implemented, there are many things here that will help my company and yours do better. We can't all be Disney and we don't all have their resources to accomplish some things. But, concept is also important and we, too, are in a service-

oriented business with guests (we don't even have to translate their language!) who want happiness in a clean property.

Oh yes, so, what time IS the 3 PM parade? First, cast members know never to laugh at the person asking this question. Apparently, it is the most frequently asked question in the Magic Kingdom . Next, they are taught to understand that what they really need to know is what time does the 3 PM parade pass by where the guest plans to be during the time of the parade. In other words, the answer is, "Where will you be?" And then, answer the question, "The 3 PM parade passes the fire house on Main Street at 3:12 PM."

Think about the orientation and training that street sweepers receive from Disney in order to ensure that everyone can provide quality service to their guests. Can you match it? We all need to try!

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## HVS - CANADIAN LODGING OUTLOOK

### DEFINITIONS

Occupancy:	Rooms sold divided by rooms available.
Room Revenue:	Total room revenue generated from the sale or rental of rooms.
Average Daily Rate (ADR):	Room revenue divided by rooms sold.
Room Revenue Per Available Room (RevPAR):	Room revenue divided by rooms available (occupancy times average room rate will closely approximate RevPAR).

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