

THINK STRAWBERRIES

Everybody Sells

by James Lavenson, president, Plaza Hotel
Delivered before the American Medical Association
New York City, NY, February 7, 1974

I CAME FROM THE BALCONY of the hotel business. For ten years as a corporate director of Sonesta Hotels with no line responsibility, I had my office in a little building next door to The Plaza. I went to the hotel every day for lunch and often stayed overnight. I was a professional guest. You know, nobody knows more about how to run a hotel than a guest. Last year, I suddenly fell out of the corporate balcony and had to put efforts into the restaurants where my mouth had been, and into the rooms and night club and theater where I had been putting my two cents.

In my ten years of kibitzing, all I had really learned about the hotel business was how to use a guest room toilet without removing the strip of paper that's printed "Sanitized for your Protection." When the hotel staff found I'd spent my life as a salesman and that I wasn't even the son of a waiter, they were in a state of shock. And Paul Sonnabend, President of Sonesta, didn't help their apprehension much when he introduced me to my executive staff with the following kind words: "The Plaza has been losing money the last several years, and we've had the best management in the business. Now, we're going to try the worst."

Frankly, I think the hotel business has been one of the most backward in the world. There's been very little change in the attitude of room clerks in the 2000 years since Joseph and Mary arrived in Bethlehem and was told they'd lost their reservation. Why is it that a sales clerk at Woolworth's asks your wife, who points to the pantyhose, if she wants three or six pairs and your wife is all by herself -- but the maitre d' asks you and your wife, the only human beings within a mile of the restaurant, "How many are you?"

Hotel salesmanship is retailing at its worst. But at this risk of inflicting cardiac arrest on our guests at The Plaza when they first hear shaking expressions like "Good Morning" and "Please" and "Thank you for coming," we started a year ago to see if it was possible to make the 1100 employees of The Plaza into genuine hosts and hostesses. Or should I say "Salesmen?"

A tape recorder attached to my phone proved how far we had to go. "What's the difference between your \$85 suite and \$125 suite?" I'd asked our reservationist disguising my voice over the phone. You guessed it: \$40.

"What's going on in the Persian Room tonight?" I asked the Bell Captain. "Some singer" was his answer. "Man or woman?" I persisted. "I'm not sure" he said, which made me wonder if I'd even be safe going there.

Why is it, I wondered that the staff of a hotel does not act like a family playing hosts to guests whom they've invited to their house. It didn't take too long after becoming a member of the family myself to understand one of the basic problems. Our 1400 family members didn't even know each other! With that large a staff working over 18 floors, 6 restaurants, a night club, a theater and three levels of sub-basement including a kitchen, a carpentry shop, plumbing and electrical shops, a full commercial laundry -- how would they ever know who was working there, and who was a guest or just a purveyor passing through. Even the old timers who might recognize a face after a couple of years would have no idea of the name attached to it. It struck me that if our own people couldn't call each other by name, smile at each other's familiar face, say good morning to each other, how could they be expected to say amazing things like "Good Morning, Mr. Jones" to a guest. A year ago, The Plaza name tag was born. The delivery took place on my lapel. And it's now been on 1400 lapels for over a year. Everyone from the dishwashers to the General Manager wears his name where every other employee, and of course every guest, can see it. Believe it or not, our people say hello to each other -- by name -- when they pass in the halls and the offices. At first our regular guests thought The Plaza was entertaining some gigantic convention, but now even the old time Plaza regulars are able to call our beeline and waiters by name. We've begun to build an atmosphere of welcome with the most precious commodity in the world -- our name. And our guest's names!

A number of years ago, I heard Dr. Ernest Dichter, head of the Institute of Motivational Research, talk about restaurant service. He had reached a classic conclusion: When people come to a fine restaurant, they are hungrier for recognition than they are for food. It's true. If the maitre d' says, "We have your table ready, Mr. Lavenson," then as far as I am concerned the chef can burn the steak and I'll still be happy.

When someone calls you by name and you don't know him, a strange feeling of discomfort comes over you. When he does it twice, you have to find out his name. This we see happening with our Plaza name tags. When a guest calls a waiter by name, the waiter wants to call the guest by name. It will drive him nuts if he doesn't know. He'll ask the maitre d', and if he doesn't know, he'll ask the bellman who will ask the front desk..... calling the guests by name has a big payoff. It's called a tip.

At first there was resistance to name tags -- mostly from the old time, formally trained European hoteliers. I secretly suspect they liked being incognito when faced with a guest complaint. We only had one staff member who said he'd resign before having his dignity destroyed with a name tag. For 16 years he'd worn a rosebud on his lapel and that, he said, was his trademark and everyone knew him by it. His resignation was accepted along with that of the rosebud. Frankly, there are moments when I regret the whole idea myself. Then I get on a Plaza elevator and the passengers see my name tag, they know I work there. Suddenly, I'm the official elevator pilot, the host. I can't hide, so I smile at everyone, say "good morning" to perfect strangers I'd ordinarily ignore. The ones that don't go into shock, smile back. Actually, they seem to mind less the fact that a trip on a Plaza elevator, built in 1907, is the equivalent of commuting to Manhattan from Greenwich.

There are 600 Spanish speaking employees at The Plaza. They speak Spanish. They don't read English. The employee house magazine was in English. So was the employee bulletin board. So were the signs over the urinals in the locker rooms that suggest cigarette butts don't flush too well. It was a clue as to why some of management's messages weren't getting through. The employee house magazine is now printed on one side in English, the other in Spanish. The bulletin board and other staff instructions are in two languages. We have free classes in both languages for department supervisors. It's been helping.

With 1400 people all labeled and smiling we were about ready last June to make salesmen out of them. There was just one more obstacle to overcome before we started suggesting they "ask for the order." They had no idea what the product was they would be selling. Not only didn't they know who was playing in the Persian Room, they didn't know we had movies -- full length feature films without commercials -- on the closed circuit TV in the bedrooms. As a matter of fact, most of them didn't know what a guest room looked like unless they happened to be a maid or a bellman.

The reason the reservationist thought \$40 was the difference between the two suites was because she'd never been in one, much less actually slept there. To say our would-be-salesmen lacked product knowledge would be as much an understatement as the line credited to President Nixon if he had been the Captain of the Titanic. My son told me that if Nixon had been Captain of the Titanic, he probably would have announced to the passengers there was no cause for alarm -- they were just stopping to pick up ice.

Today, if you ask a Plaza bellman who's playing in the Persian Room, he'll tell you Ednita Nazzaro. He'll tell you because he's seen her. In the contract of every Persian Room performer, there's now a clause requiring him to first perform for our employees in the cafeteria before he opens in the Persian Room. Our employees see the star first, before the guests.

Believe me, if you are having your lunch in our cafeteria and watch "Female Response" or "Swedish Fly Girls" on the TV set, you won't forget the film. You might, however, suspect the chef has put Spanish fly in your spaghetti.

Our new room clerks now have a week of orientation. It includes spending a night in the hotel and a tour of our 1000 guest rooms. They can look out the window and see the \$40 difference in suites, since a view of the Park doesn't even closely resemble the back of the Avon Building.

As I mentioned, about six months ago, we decided it was time to take a hard look at our sales effort. I couldn't find it. The Plaza has three men with the title "salesman" -- and they were good men. But they were really sales service people, who took the orders for functions or groups who came through the doors and sought us out. Nobody, but nobody, ever left the palace, crossed the moat at Fifth Avenue, and went looking for business. We had no one knocking on doors, no one asking for the order. The Plaza was so dignified it seemed demeaning to admit we needed business. If you didn't ask us, we wouldn't tell you.

So there! Our three sales-service people were terrific once you voluntarily stepped inside our arena. You had to ring our doorbell. We weren't ringing yours or anyone else's.

This condition wasn't unique to our official Sales Department. It seemed to be a philosophy shared by our entire staff -- potentially larger sales staff of waiters, room clerks, bellmen, cashiers and doormen. If you wanted a second drink in the Oak Bar, you got it by tripping the waiter. You asked for it. If you wanted a room, you were quoted the minimum rate. If you wanted something better or larger, you had to ask for it. If you wanted to stay at the hotel an extra night, you had to ask. You were never invited. Sometimes I think there's a secret pact among hotelmen. It's a secret oath you take when you graduate from hotel school. It goes like this: "I promise I will never ask for the order."

When you are faced with as old and ingrained tradition as that, halfway counter measures don't work. We started a program with all our guest contact people using a new secret oath: "Everybody sells!" And we meant everybody -- maids, cashiers, waiters, bellmen -- the works. We talked to the maids about suggesting room service, to the doormen about mentioning dinner in our restaurants, to cashiers about suggesting return reservations to departing guests. And we talked to waiters about strawberries.

A waiter at The Plaza makes anywhere from \$10,000 to \$20,000 a year. The difference between these two figures is, of course, tips. When I was in the advertising agency business, I thought I was fast at computing 15 percent. I'm a moron compared to a waiter. Our suggestions for selling strawberries fell on responsive ears when we described a part of the "Everybody Sells" program for our Oyster Bar restaurant. We figured, with just the same number of customers in the Oyster Bar, that if waiters would ask every customer if he'd like a second drink, wine or beer with the meal, and then dessert -- given only one out of four takers, we'd increase our sales volume by \$364,000 a year. The waiters were way ahead of the lecture -- they'd already figured out that was another \$50,000 in tips! And since there are 10 waiters in the Oyster Bar, even I could figure out it meant five grand more per man in tips. It was at that point I had my toughest decision to make since I've been at this job. I had to choose between staying on as President or becoming an Oyster Bar waiter.

But, while the waiters appreciated this automatic raise in theory, they were quick to call out the traditional negatives. "Nobody eats dessert anymore. Everyone's on a diet. If we served our chocolate cheesecake to everybody in the restaurant, half of them would be dead in a week."

"So, sell 'em strawberries!" we said, "but sell 'em." And then we wheeled out our answer to gasoline shortages, the dessert cart. We widened the aisles between the tables and had the waiters wheel the cart up to each and every table at dessert time. Not daunted by the diet protestations of the customer, the waiter then went into raptures about the bowl of fresh strawberries. There was even a bowl of whipped cream for the slightly wicked. By the time our waiters finished extolling the virtues of our fresh strawberries flown in that morning from California, or wherever he thinks strawberries come from, you not only had an abdominal orgasm, but one out of two of you order them. In the last six months, we've shown our waiters every week what's happening to strawberry sales. This month they have doubled

again. So have second martinis. And believe me, when you get a customer for a second martini, you've got a sitting duck for strawberries -- with whipped cream. Our waiters are asking for the order.

THINK STRAWBERRIES is The Plaza's new secret weapon. Our reservationists now think strawberries and suggest you'll like a suite overlooking Central Park rather than a twin-bedded room. Our bellmen are thinking strawberries. Each bellman has his own reservation cards with his name printed as the return addressee, and he asks if you'd like him to make your return reservation as he's checking you out and into your taxi. Our Room Service order takers are thinking strawberries. They suggest the closed circuit movie on TV (\$3 will appear on your bill) as long as you're going to eat in your room. Our telephone operators are even thinking strawberries. They suggest a morning Flying Tray breakfast when you ask for a wake-up call. You just want a light breakfast, no ham and eggs? How about some strawberries?

We figure we've added about 300 salesmen to the three sales-service team we had before. But most important, of course, is that we have added five pure sales people to our Sales Department. Four of them are out on the street calling -- mostly cold -- on the prospects to whom they're ready to sell anything from a cocktail in the Oak Bar to a Corporate Directors Meeting to a Bar Mitzvah. The chewing gum people sell new customers by sampling on street corners. The Plaza has chewing gum licked a mile. Our sales people on the street have one simple objective: get the prospect into the hotel to sample the product. With The Plaza as our product, it isn't too difficult. And once you taste The Plaza family, you're hooked.

In analyzing our business at the hotel, we found, much to my surprise, that functions -- parties, weddings, charity balls and the like, are just about three times more profitable than all our six restaurants put together. And functions are twice as profitable as selling all 1000 of our rooms. Before we had this analysis, we were spending all our advertising money on restaurants, our night club and our guest rooms. This year we're spending 80% of our advertising money to get function business -- weddings instead of honeymoons, banquets instead of meals, annual corporate meetings instead of a clandestine romantic rendezvous for two. We've added a full time Bridal Consultant who can talk wedding language to nervous brides and talk turkey to their mothers. Retailers like Saks and Bonwit and Bergdorf have had bridal consultants for years. Hotels have Banquet Managers. Banquet Managers sell wedding dinners. Bridal Consultants sell strawberries -- everything from the bridal shower, the pictures, the ceremony, the reception, the wedding night, to the honeymoon and the first anniversary.

When you fight a habit of long standing as the hotel inside salesman, you don't just wave a wand and say "Presto: now we have four outside salesmen." We want our new salespeople to know how serious we are about going out after business. We started an Executive Sales Call program as part of our EVERYBODY SELLS philosophy. About 40 of our top and middle management executives, ones who traditionally don't ever see a prospect, are assigned days on which they make outside sales calls with our regular salesmen. People, like our Personnel Director, our Executive Housekeeper, our Purchasing Director, our

General Manager, are on the street every day making calls. Our prospects seem to like it. Our salesmen love it. And our non-sales salesmen are getting an education about what's going on in the real world -- the one outside the hotel.

As a matter of fact, that's why I'm here today. I made a sales call myself with one of our salespeople. We called on your program chairman and tried to sell him strawberries. He promised that, if I showed you a strawberry, he'd book your next luncheon at The Plaza. I look forward to waiting on you myself. Thank you very much.

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