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**Business Advisory** 

# **Exceeding Expectations: The Power of Quality**

How two elite companies exemplify quality products and services

A superior product integrated with exceptional service is the gold standard achieved by only a very few companies. As investors and operators of capital, we study quality brands and try to understand how top notch companies maintain and grow a brand.

Here we take a look at two companies, Waldorf Astoria Hotel in Orlando, Florida, and Winston Flowers in Boston, Massachusetts. Different in both industry and scale, both operate aggressively in pursuit of excellence in their markets and strive daily to exceed the expectations of their clients. We compare the two companies focusing on quality of product, delivery of service, culture, and accountability of employees and management.

We hope this overview will offer ideas for improving your own brand and increasing revenues.

### **About Waldorf Astoria**

The Waldorf Astoria Hotels & Resorts is one of 10 brands in the Hilton portfolio of hotels. Waldorf Astoria has 30 properties worldwide, including 16 in the United States. They are known for elegant style, quality amenities and superior locations. Traveling on business, a Riverview analyst visited the Waldorf Astoria at Bonnet Creek in Orlando on several occasions. Each time, the company made a lasting impression.



Waldorf Astoria at Bonnet Creek - Orlando, FL

### **About Winston Flowers**

Beginning with a pushcart of flowers in 1944, Winston Flowers put down its roots on Newbury Street fueled by innovation, hard work and friendly service. Created by Robert Winston and his son Maynard, today this third generation business is run by the founder's grandsons, Ted and David Winston. Winston's exceptional delivery service was initiated by Maynard Winston, who would not hesitate to take public transportation or walk to personally make deliveries. The company's arrangements are known for the freshness of their flowers and cutting edge designs. According to a recent <a href="mailto:article">article</a> in Boston Common Magazine, "Today, sleek and sophisticated arrangements by Winston Flowers decorate nearly every major hotel lobby in town as well as the tables hosting such VIP quests as President Obama and the Queen of England."

### Waldorf Astoria - Quality of Product

Waldorf Astoria distinguishes itself with stunning locations, beautifully decorated rooms and top notch amenities. The Waldorf Astoria Orlando was the first of the company's properties built outside of New York, and the Manhattan hotel's opulent features were recreated in Orlando. Florida's beautiful landscapes set Waldorf Astoria Orlando apart from its parent.

Location is critical to the success of a top hotel, and the Waldorf Astoria Orlando has perhaps the most desirable location in Florida – neighboring the



Sophisticated arrangements by Winston Flowers decorate nearly every major hotel lobby in Boston.

Walt Disney World® Resort and theme park. Occupants of the hotel have a fantastic view of the park, stunning fireworks in the evening, and door to door shuttle service to Disney World. Guests can also spend time at the Rees Jones-designed championship Golf Course - an 18-hole course that winds through the encompassing 482-acre preserve, Bonnet Creek.

The Waldorf Astoria Orlando offers a 24,000-square-foot spa, 24-hour fitness center, and 24-hour housekeeping services. Rooms are meticulously maintained, and guests are well taken care of at any hour of the day or night. Guest room offerings include views of the golf course and Bonnet Creek, separate living areas, kitchens and balconies in many suites, and top notch communications technology for staying in touch with work and family. 28,000 square feet of space is available for corporate meetings and business events.

When you first walk into The Waldorf Astoria, you notice the stunning décor with an exquisite centerpiece clock in the main lobby. The hotel is known for its luxurious, Old World feel, as its founders had an eye for quality.

## Winston Flowers - Quality of Product

Winston Flowers' 8000-square foot design studio is in Boston's South End, a prime location for serving affluent clients. On a recent visit we were impressed with the interior décor while being greeted by Greg Mastroianni, the Director of Client Relations. A comfortable meeting area was decorated with several vases of Winston's beautiful flower arrangements. During a tour, we watched workers putting together arrangements for the day's deliveries. Each assembler had a separate responsibility, increasing the efficiency of the assembly line process.



Plumeria Frangipani grown in Thailand

In any business, differentiation attracts and retains customers, and Winston differentiates itself through the freshness of its product. From the company's early days Maynard Winston imported flowers directly from Holland, and their scope of foreign suppliers has expanded. Today, Winston Flowers has flowers arriving five days a week from countries that include Thailand, Israel, the Netherlands, Australia, and South Africa. This gives Winston a competitive advantage from other florists, as Ted Winston explained in the *Boston Common Magazine* article: "The majority of florists buy from local wholesalers, and a lot of times you don't know how long the flowers have been in their cooler. Most everything we get here was in the field 36 to 48 hours ago."

Winston has worked with top French design consultant Françoise Semeria for ten years, allowing the firm to stay ahead of trends. Winston offers a floral design for

every occasion, including every day, special moments and sympathy gifts along with their "luxe collection" arrangements. Their designs reflect each season; for example, their fall collection incorporates flowers of red, orange and yellow.

Giving back is a top priority for Winston Flowers, and the company creates a <u>Charity in Bloom</u> floral design every month and donates 20% of its proceeds to a specific charity. For the month of October, Winston highlighted various shades of pink to benefit the Breast Cancer Research Foundation. For the month of November, it will contribute 20% of its featured design to the Red Sox Foundation and Massachusetts General Hospital Home Base Program.

## Waldorf Astoria - Delivery of Service

Unlike most modern hotels which feature long front desks with three or more employees behind them, the Waldorf has individual desks for each employee, creating a more welcoming environment. Each customer is greeted with a smile as the hotel employee steps out from behind the desk, removing any barriers between greeter and guest. If someone has a question or needs special attention, the greeting employee personally guides the guest to the appropriate destination, even if it's just to the elevator. It's first class service from the first point of contact.

The human interaction at the Waldorf Astoria is exactly that: human. The art of building rapport through eye contact, body language and conversation is evident in each encounter with the Waldorf client-facing staff. Small nuances such as appropriate conversation, smile, and careful listening are authentic and effective. Staff pay attention to the little and the big things that will make your stay pleasurable: an impeccably served meal in the hotel restaurant, the timely delivery of your cocktail to the piano bar, the valet having your car waiting at checkout — these all add up to a superb customer experience.



Small nuances such as appropriate conversation, smile, and careful listening are authentic and effective.

## Winston Flowers - Delivery of Service

Exemplary service establishes good will and leads to customer loyalty. The Winston Flowers Special Services Concierge program was created 10 years ago, beginning with a list of 200 clients and run by one employee. Director of Client Relations Greg Mastroianni has expanded the program to the point where it requires five employee specialists, and there are plans for continued growth.

We have had the pleasure of interviewing Greg about what it means to be an elite services company. You can read his interview in detail **here.** 

Special Services Concierge excels in high quality client interactions. As a client of Special Services, we at Riverview Capital Advisers have direct experience with the team and trust them completely. We depend on them to make our deliveries on time to any location, and have total confidence that the product will be superb.

Post-purchase services also shape a consumer's view of the company. When a customer emails a flower order, the Special Services Concierge calls immediately to confirm receipt of the order, always addressing the client as "Mr." or "Ms." A receipt is emailed with order details, client address, card message and an image of a flower hyperlinked directly to an order tracking service. The immediate, comprehensive response to email orders shows that the customer is a priority.

Greg Mastroianni explains, "What I love the most about Special Services is the latitude we all have to solve customer issues by finding the best possible solution for each client. The solution may differ throughout the group depending on the employee, but that's what makes the work great. Everyone aims to exceed client expectations in any way they deem fit."

In addition to floral deliveries, their services have included residential and corporate catering services, hosting parties for the wives of Bruins and Celtics players, Christmas tree delivery, and decorating client homes and businesses for the holidays.

#### Waldorf Astoria - Culture and Accountability

At Waldorf Astoria, employees are highly trained to serve guests with the perfect balance of professionalism and affability. Assistant Human Resources Director Amanda Sarraf is meticulous in the hiring process, searching out people who have a passion for serving others. Amanda first trains employees on the protocols of Waldorf and Hilton hotels that are universal to all the company's properties. Thereafter, the manager at each location takes over training and supervision. Different departments decide how to train according to what works best for them.

In order to <u>fulfill</u> their high expectations in service, Waldorf revolves around these three principles, according to a section on the Waldorf Astoria website aimed at prospective employees:

- "Create the moments that build memories and shape a personal Waldorf legacy We are focused on building
  memories and emotional connections with all of our guests. These experiences will
  help shape our guests' personal Waldorf legacy. This will also shape our Team Member legacies as well.
- Bring out the best in ourselves and our guests We are at the highest level of hospitality and must ensure our
  actions personify the highest levels of professionalism. When we are at our best, we are able to help our guests
  and fellow Team Members be at their best as well.
- Combine our instincts and expertise to ensure luxury Our instincts and expertise allow us to anticipate guest needs, go beyond great service and deliver luxury experiences for our guests."

Providing a luxury experience and bestowing a lasting impression requires more than good hiring and training, it requires ongoing commitment to top quality service.

### Winston Flowers - Culture and Accountability

In its employees, Winston Flowers values the innate ability to discern right from wrong. According to Greg Mastroianni, that is the Winston culture, and anyone who works there must reflect those values. While touring the design studio and warehouse, we walked by cubicles where employees take orders and run the business side of Winston. It was noteworthy that the owners' offices were close by, creating an open company culture.

Winston mandates a formal two week training process for all new hires that includes a 7-step client relationship program. Additionally, all employees start on the phone sales desk; this is where Greg finds people to promote from within the company. Perhaps because of their excellent employee training and overall company culture, there is very little turnover at Winston Flowers.

Winston uses social media as a tool to stay connected with customers and hear their feedback, positive and negative, about products and services. If a customer is dissatisfied, they have direct access to the Winston team through Twitter. The team responds immediately on Twitter, rectifying each situation and turning unhappy customers into satisfied, loyal clients.

Winston also expertly uses social media to promote their services. Their Facebook page is regularly updated with upcoming events in the local area, images of their beautifully designed centerpieces, and photography from weddings and other special events that featured Winston Flowers designs.

## Face to Face vs. Over the Phone Relationships: Waldorf vs. Winston

Waldorf Astoria has ongoing face-to-face interactions with its guests, with the exception of a few phone calls made to the front desk. This works to Waldorf's advantage in the services category because of the extra personal touch.

At Special Services in Winston Flowers, employees have the ability to build long term relationships with clients without meeting them face-to-face. Greg Mastroianni explained: "I have a client I've been serving for years, and we are friends now. She calls me on my birthday, asks how my family is doing, and I do the same for her. It's amazing how friendships can stem from good service, and we have never met face-to-face! It's not a necessary factor."

In the delivery of a floral arrangement there are two consumer experiences, one for the sender, and another for the recipient. The person ordering the item views it online or trusts the description of the staff member, while the person receiving the order experiences the delivery service and physical product. Winston Flowers strives to make every contact clients have with the company – online, over the phone or at delivery – a pleasure.

## **Concluding Thoughts**

Winston Flowers and Waldorf Astoria Orlando are examples of true excellence in customer service and quality product. We think their success stems from having the right people in the right jobs – they hire great people and train them well. Most importantly, they constantly send the message to employees and clients that they intend to exceed expectations.

We hope this article offered an insight or sparked an idea for your own company. At Riverview Capital Advisers, our team and network of outside professionals are here to help you achieve your goals. Let us know if we can be of assistance.

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