

# UTAH RECREATION & TOURISM MATTERS



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## Statewide Customer Service and Hospitality Training

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### Introduction

Between November 2005 and February 2006, Utah State University's Institute for Outdoor Recreation and Tourism (IORT) conducted an internet-based survey of Utah tourism business owners, operators, and managers, as well as others involved with tourism-related organizations. This survey was intended to assess the prevalence of hospitality training among respondents and their employees, respondents' opinions about the usefulness of hospitality training and training programs, and several characteristics of respondents' tourism-related businesses. In particular, the survey was designed to assess attitudes towards a potential initiative to create a statewide online, "on-demand" hospitality and customer service training program.

### Methods and Response

Respondents were drawn from three organizations representing tourism in Utah: the Utah Office of Tourism, the Utah Tourism Industry Coalition, and the Utah Hotel and Lodging Association. Together, the 1,210 members of these organizations provided a relatively thorough representation of tourism businesses and organizations in all areas of the state. A random sample of 540 was selected from this population, stratified based on business/organization type and the make-up of Utah's tourism industry (e.g., since campgrounds and RV parks make up approximately 6% of Utah's tourism industry, 6% of the 540 businesses/organizations selected were of this type). Businesses were invited to participate in the internet-based survey via e-mail invitation. Despite reminder e-mails, the response rate was relatively low, with only 136 respondents (25.2% response rate). Also, only 51 respondents (37.5%) came from lodging businesses, while this type of business represents 61% of Utah's hospitality industry. This under-representation should be taken into account when interpreting results.

### Results

#### **Demographics**

Among the interesting results was the finding that respondents were nearly equally split between male and female owner/operator/managers (49% and 51%, respectively). The vast majority (93%) had at least some college education. Respondents were asked to report their businesses' or organizations' addresses, and 108 respondents submitted this information. Of these, 67% were classified by researchers as rural, and 33% were classified as urban.

#### **Business/Organizational Profiles**

One hundred fifteen respondents (85%) were involved in tourism businesses, while 21 (15%) were not. These latter respondents were associated with organizations such as County Travel Councils, Offices of Economic Development, and Convention and Visitors Bureaus. Of the 115 respondents from tourism businesses, reported numbers of employees, customers per year, and annual gross revenue are displayed in Table 1.



*Ruby's Inn near Bryce Canyon National Park in southern Utah*

*Photo courtesy of Ruby's Inn*

**Table 1** Reported Business Characteristics

	<i>n</i>	%
Number of employees <sup>a</sup>		
0	14	12%
1 to 5	37	32%
6 to 10	19	17%
11 to 15	8	7%
16 to 20	4	3%
21 to 25	4	3%
26 to 50	19	17%
>50	10	9%
Number of customers per year <sup>a</sup>		
<500	16	14%
501 to 1,000	13	11%
1,001 to 2,000	9	8%
2,001 to 3,000	12	10%
3,001 to 4,000	5	4%
4,001 to 5,000	8	7%
>5,000	52	46%
Annual gross revenue <sup>b</sup>		
<\$20,000	9	9%
\$20,001 to \$40,000	8	8%
\$40,001 to \$60,000	2	2%
\$60,001 to \$80,000	8	8%
\$80,001 to \$100,000	3	3%
\$100,001 to \$150,000	12	12%
\$150,001 to \$200,000	5	6%
>\$200,000	50	52%

<sup>a</sup> *n* = 115, respondents who were directly involved with a tourism business.

<sup>b</sup> *n* = 97, respondents who were directly involved with a tourism business and who gave a response.

## Perceptions of Hospitality and Customer Service Training

The survey instrument also asked respondents several questions about their perceptions of tourism in Utah and the importance of hospitality and customer service training (Table 2). Responses indicated respondents thought all of the items reported in Table 2 were quite important. Respondents were also permitted to record open-ended comments related to these items. These responses provided anecdotal evidence that some respondents believed that Utah culture is at odds, to some degree, with proper hospitality towards visitors. Respondents described tourists' perception of an "awkward culture in Utah" and noted the perceived incompatibility of certain "fundamentalist cultural caretakers" with effective customer service and hospitality towards tourists. One respondent noted that locals viewed tourists with "ambivalence and even some resentment."

Using a five-point scale (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree), the survey instrument asked respondents whether they agreed with the following statement: "Better hospitality and customer service training will lead to a better tourism business." Ninety-six percent of respondents either agreed or strongly agreed with this statement, while 4% of respondents were neutral. None disagreed.

When asked about their perceptions of the potential effects of improved customer service and hospitality on various aspects of tourism businesses, respondents provided very high ratings on the seven-point scales used for all seven items (Table 3).

Respondents were also asked, "How important do you think it is for tourism businesses to be involved in a hospitality and customer service training program?" Using the

**Table 2** Perceptions of the Importance of the Tourism Industry and Customer Service and Hospitality Training

Importance of:	Not important at all (1)	Somewhat important (2)	Moderately important (3)	Important (4)	Extremely important (5)	Mean
Tourism industry on local economies	0%	0%	10%	13%	77%	4.7
Hospitality and customer service training for improving the quality of visitor experience in Utah	0%	5%	12%	32%	51%	4.3
Hospitality and customer service training for employees	0%	7%	9%	32%	52%	4.3
A general campaign to promote hospitable culture among Utah residents	1%	4%	11%	31%	53%	4.3

*n* = 136

**Table 3** Perceptions of the potential effects of improved customer service and hospitality

Influence on:	Highly negative (1)	Moderately negative (2)	Slightly negative (3)	No difference (4)	Slightly positive (5)	Moderately positive (6)	Highly positive (7)	Mean <sup>a</sup>
Customer satisfaction	0%	0%	0%	1%	8%	29%	62%	6.5
Attracting more customers	0%	1%	0%	2%	21%	45%	31%	6.0
Returning customers	1%	0%	0%	1%	0%	29%	69%	6.6
Business reputation	0%	2%	0%	0%	2%	29%	67%	6.6
Teamwork among employees	1%	0%	0%	8%	23%	35%	33%	5.9
Confidence of employees	1%	0%	0%	6%	22%	35%	36%	5.9
Motivation of employees	1%	0%	0%	9%	25%	32%	33%	5.8

*n* = 136

<sup>a</sup> Measured on a seven-point scale.

same five-point scale shown in Table 2, the mean score was 4.3 and 82% of respondents rated this as either important or extremely important. Only 1% of respondents thought this was not at all important.

Respondents who were directly involved with a tourism business and had employees were asked about any preferences they had towards hiring employees with hospitality or customer service training (as measured on a five-point scale where 1 = never, 2 = rarely, 3 = occasionally, 4 = often, and 5 = always). The mean score was 3.8 (i.e., somewhere between occasionally and often) indicating this is fairly often a component of hiring in the industry, but also perhaps reflecting the common view of the service sector as a source of primarily low-skill/high turnover jobs, inasmuch as this value reflects a willingness to hire less skilled employees. Along these same lines, respondents from tourism businesses were asked to estimate the percentage

of their employees who had customer service or hospitality training. Results are presented in Table 4.

These respondents were also asked if they felt any sense of urgency to obtain customer service and hospitality training for their employees (using a five-point scale where 1 = not urgent at all, 2 = somewhat urgent, 3 = moderately urgent, 4 = urgent, and 5 = extremely urgent). Thirty-seven percent gave a response of urgent or extremely urgent, while 42% marked the moderately and somewhat urgent boxes, and 21% indicated they felt no sense of urgency to obtain this training for their employees. Respondents who had more than 60% and less than 40% of their workforce trained in hospitality and customer service were compared using a t-test of means. Those with the larger percentage of trained employees (mean = 4.37) had a significantly higher mean score than those with the smaller percentage of trained employees (mean = 3.43) ( $t = 3.446$ ;  $p = .001$ ). Thus, those with a higher percentage of the workforce trained in these areas actually appear to be more inclined to obtain further



*Utah's spectacular scenery—such as Arches National Park—draws tourists from around the world*

*Photo: J.M. Zeitlin*

**Table 4** Estimated Percentage of Employees with Customer Service or Hospitality Training

	Frequency	Percentage
None	25	24.8%
1% to 20%	23	22.8%
21% to 40%	10	9.9%
41% to 60%	18	17.8%
61% to 80%	4	4.0%
81% to 100%	21	20.8%

*n* = 101; respondents who were directly involved with a tourism business and had employees.

training for their employees.

When the subset of respondents who were directly involved with tourism businesses and had employees was asked about their agreement with the statement, “All of my employees need to have basic hospitality and customer service training” (using a five-point scale), 36% strongly agreed, 40% agreed. Only 17% were neutral, and only 7% disagreed or strongly disagreed. Not surprisingly, respondents with more than 60% of their workforce trained in hospitality and customer service had a significantly higher mean score (4.37) than those with less than 40% of the employees trained (3.79) ( $t = 3.250; p = .002$ ).

The same subset of respondents was asked whether they had provided opportunities for their employees to participate in a customer service or hospitality training program. Fifty-two percent of respondents had, while 48% of respondents had not. Those who had provided opportunities for training were asked about the training program used. Most (54%) had developed an “in-house” training program, while 35% had used the prominent SuperHost<sup>®</sup>—now called WorldHost<sup>®</sup>—program (Tourism British Columbia, 2009) (11% were unable to identify the specific program used). When businesses with a higher gross revenue were compared to those with less (using the somewhat arbitrary demarcation of \$150,000 per year) based on their use of training programs, those with higher revenue were significantly more likely to use an “in-house” training program ( $\chi^2 = 6.725; df = 4; p = .035; n = 31$ ). This may imply that customer service and hospitality training programs sponsored at the state level would be beneficial to smaller businesses that are, presumably, less well equipped to develop their own training programs.

Respondents who had provided an opportunity for customer service and hospitality training for their employees were asked a series of questions about their perceptions of the effectiveness of the training program used. Perceptions of this training on various aspects of employee performance are presented in Table 5. “In-house” and SuperHost<sup>®</sup> training programs were compared for these items and no statistically significant differences in perceived effectiveness were observed, though the small number of respondents in this subsample ( $n = 54$ ) makes this conclusion rather tentative.

In open-ended comments, some respondents registered complaints about existing training programs. One



*Utah State University's University Inn and Conference Center*

*Photo courtesy of University Inn and Conference Center*

respondent said, “We have found that training providers want to train at greater frequency and at times that training is not of benefit... of course the more they train the more they make, it’s what they do.” Another respondent described an insufficient focus on Utah-specific hospitality training: “One of our struggles is to have employees know what Utah has to offer and to see the state through the eyes of a tourist... But there is almost no focus of our training programs in this regard.”

### **Online “On-Demand” Customer Service and Hospitality Training**

All 115 respondents directly involved with a tourism-related business were asked about their perceptions of online customer service and hospitality training available “on-demand” (meaning accessible to an employer or their employees whenever desired, simply by logging on to a website). On a five-point scale ranging from extremely useful to not useful at all, 33% of respondents thought such a

**Table 5** Perceptions of the Effectiveness of Customer Service and Hospitality Training

Aspects of Job Performance:	Not at all effective (1)	Somewhat effective (2)	Moderately effective (3)	Effective (4)	Extremely effective (5)	Mean
Communication with customers	0%	6%	17%	67%	10%	3.8
Cross-cultural respect	0%	6%	27%	60%	7%	3.7
Interaction with the elderly, children, and the disabled	2%	2%	13%	64%	19%	4.0
Self-discipline	0%	17%	25%	58%	0%	3.4
Professionalism	0%	10%	13%	50%	27%	3.9

$n = 52$ ; respondents who were directly involved in a tourism business, had employees, and provided customer service or hospitality training for their employees.

program would be extremely useful, 25% thought it would be useful, 25% indicated it would be moderately useful, 12% thought it would be somewhat useful, and 5% did not think it would be useful at all. Predictably, respondents who had no employees had statistically significantly lower mean scores for this question (mean = 2.93 compared to 3.68 for respondents with employees;  $t = 2.371$ ;  $p = .019$ ), indicating they were less likely to think they, themselves, needed this training.

Respondents not directly involved in a tourism-related business (generally individuals associated with County Travel Councils, Offices of Economic Development, and Convention and Visitors Bureaus) were asked how willing they were to promote an initiative for online, on-demand hospitality and customer service training (on a five point scale). Twenty-four percent were extremely willing, 47% were willing, 19% were moderately willing, and 10% were somewhat willing. None were not at all willing.

When asked how likely they would be to make use of such a program if it was offered, using a five-point scale, 24% of respondents reported they were extremely likely to use the prospective program, 39% reported they were likely to use it, 29% were unsure, 4% indicated they were not likely, and 4% were not at all likely to use it. While responses for rural and urban respondents were not significantly different for the previous question about the usefulness of an online, on-demand program, rural respondents had slightly higher mean score, which was significantly different from urban respondents, for their likeliness to make use of the program (mean<sub>rural</sub> = 3.90, mean<sub>urban</sub> = 3.47;  $t = 1.929$ ;  $p = .043$ ). This likely reflects the difficulty in obtaining such services in more remote areas of the state. Supporting this interpretation, one respondent said, “We have not had the training offered here for several years so we have employees who could benefit but have not had an opportunity to take training.”

### Willingness to Pay for Hospitality and Customer Service Training

Respondents directly involved with a tourism business were asked about their willingness to pay a fee for hospitality and customer service training. On a five-point scale ranging from not at all willing to extremely willing, 5% were extremely willing, 24% were willing, 26% were moderately willing, 27% were somewhat willing, and 18% were not at all willing to pay for training. Respondents who were at least somewhat willing to pay were also asked to indicate specific dollar amounts that they were (a) willing to pay per employee for this type of training, and (b) how much per year they were willing to invest in this type of training (Table 6).

### Conclusions

Overall, results suggest that a statewide program would be useful to tourism businesses in Utah. Results suggest that such a program would be especially beneficial for smaller businesses and for businesses located in rural or remote areas of the state. In addition, respondents indicate a substantial willingness to pay a modest fee for such a service.

**Table 6** Willingness to Pay for Customer Service and Hospitality Training

	Frequency	Percentage
Willingness to pay for training per employee		
\$5	15	16%
\$10	32	34%
\$15	13	14%
\$20	23	24%
\$25	11	12%
Willingness to invest in training per year		
\$5 to \$25	13	14%
\$26 to \$50	12	13%
\$51 to \$100	14	15%
\$101 to \$150	21	22%
\$151 to \$250	16	17%
\$251 to \$500	10	10%
> \$500	8	9%

*n* = 94; respondents who directly involved with a tourism business and were at least somewhat willing to pay for customer service and hospitality training.

### References

Tourism British Columbia (May 29, 2009). *SuperHost® rebrands as WorldHost® Training Services* (press release). Vancouver, BC: Tourism British Columbia.

### For More Information:

Copies of this and other publications are available through Utah State University’s Institute for Outdoor Recreation and Tourism, or visit our website at <http://extension.usu.edu/iort/>.

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