Keeping Aloha Alive in Busy Times

June 21 marked the summer solstice, which heralds the start of the full summer rush at our Hawaii hotels and the beginning of the winter travel season for our hotels south of the equator. While this is great for business, it’s also a challenging time when high occupancies and greater demands take their toll on workers at all levels in the hospitality industry.

The indicators I watch seem to point toward excellent business throughout our system. According to a travel newsletter, *Travel Advance*, the American Automobile Association is predicting more Americans will travel this Fourth of July than have ever traveled for a holiday weekend. Some 40.3 million Americans will travel more than 50 miles from home, a 2.8 percent increase over last year. Air travel will be up 4.2 percent over last year.

Hawaii is currently the top destination of choice for American travelers by a wide margin. In a May 2005 Associated Press-Ipsos poll on public attitudes about vacations, respondents ranked Hawaii as the place they would most likely visit if money were no object.

Actual visitor arrivals in Hawaii support the poll’s findings and are up significantly from previous years. The University of Hawaii’s Economic Research Organization now predicts a 6.7 percent increase in visitor arrivals for 2005, representing 6.4 percent more domestic traffic and 8.4 percent more Japanese traffic over last year’s arrivals. UHERO and other economists were already predicting 2005 would be a record-breaking year for tourism—the first time visitor arrivals reached 7 million.

Hawaii hotel occupancies have also been running at very high levels for the past 18 months. Occupancies for the first half of 2005 are running ahead of the same period in 2004. In Waikiki, the conversion of several hotels to condominiums and the closing of several OHANA properties as part of the Waikiki Beach Walk project have boosted occupancy in the remaining Waikiki hotels.

“The start of the summer has been crazy,” said Bill Peters, Vice President of Reservation Services. "There have been more stop sells issued than ever before.”

But along with the great news, there is also a downside. Visitor satisfaction data compiled by the state shows satisfaction among mainland and Japanese visitors to Hawaii fell slightly in 2004 as compared to 2003. I’m sure there were many factors involved, including the overall difficulty of air travel today. Long lines, cramped aircraft, and cutbacks in service by cash-strapped, often bankrupt airlines, certainly detract from the travel experience.

But we also have to look at what’s happening in our own industry. Those serving guests often find themselves stretched to their physical and mental limits by the dramatic surge in business. Many companies in the visitor industry cut staff after the terrorist attacks of September 11 and—in these uncertain times—have been reluctant to return to pre-September 11 staffing levels. And those who have tried to hire new employees are finding it difficult to find and train them. Hawaii’s 2.7 percent unemployment rate is the nation’s lowest. There are simply less workers out there to choose from.

The good news is that the overall level of Hawaii visitor satisfaction is still very high and would be the envy of most competing areas around the world. Our own internal satisfaction ratings at Outrigger and OHANA Hotels have also remained very high. However, the recent dip in statewide visitor satisfaction needs immediate attention.

The next 60 days will be critical. Try to put yourselves in the shoes of our guests when
they first step foot onto one of our properties. They probably got out of bed at the crack of dawn to make their flight from California, Chicago, or New York. Perhaps they are traveling from as far away as Japan, Hong Kong, Australia, or New Zealand and have spent the night sitting upright in a cramped coach seat. This scenario applies equally to our properties across the Pacific Ocean.

Either way, when guests arrive at one of our properties, they will be tired. If they are traveling with children, they will have had extra stress along the way.

What every guest needs on arrival is a warm, welcoming greeting and some special attention to make sure that the first few minutes on property are “golden.” If that can be done, making our guests happy for the rest of their stay is really easy.

True hospitality is really not brain surgery or rocket science. It is called the Aloha Spirit, and we have been delivering Aloha at all of our properties in Hawaii for 58 years. More recently, we have begun to offer our brand of hospitality in Tahiti, Fiji, New Zealand, Australia, and Guam. In each of these areas, Aloha has a different name, but the Spirit is the same. The letters we receive every week, many of which are reprinted in the Moments of Aloha column in the *Saturday Briefing* (see page 4), tell me we are very successful.

My best wishes and thanks go out to every member of our extended ‘ohana, as we venture forth into the peak of the summer and winter seasons in all of our far-flung properties in the vast Pacific Ocean. Let’s make it a memorable season for each of our guests.