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Effects of an upbeat and positive attitude in customer service interactions

Brent Pritchett
University of Nevada, Las Vegas

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EFFECTS OF AN UPBEAT AND POSITIVE ATTITUDE IN CUSTOMER SERVICE
INTERACTIONS

by

Brent Pritchett
Bachelor of Science in Business Management
Friends University, Wichita, Kansas
2004

A professional paper submitted in partial fulfillment
of the requirements for the

Master of Hospitality Administration
William F. Harrah College of Hotel Administration

Graduate College
University of Nevada, Las Vegas
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ABSTRACT

Effects of an Upbeat and Positive Attitude In Customer Service Interactions

by

Brent Pritchett

Clark Kincaid, Committee Chair
Assistant Professor of Hotel Management

In an extension of research demonstrating the effects of an upbeat and positive attitude in customer service interactions, the experiment and case studies examined in this paper identified evidence in support of displaying a positive behavior during customer service interactions. In the experiment, casino table game dealers were identified that exuded a consistent upbeat and positive attitude. These dealers were compared to other dealers who were inconsistent in their behavior. The experiment revealed that dealers, who engaged customers with a positive attitude, earned more in tipped income. In a series of case studies, service surveys were taken from customers that experienced a normal wait for service at counter service areas and in receiving beverage service. Those customers who experienced a normal wait, but received service from an upbeat and positive employee, rated the interaction better than or equal to service received in a timely manner. It is clear when customer service employees perform their duties with an upbeat and positive attitude, have the ability to affect certain aspects of customer service interactions.

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Effects of an Upbeat and Positive Attitude in Customer Service Interactions

PART ONE

Introduction

This paper will outline data that will substantiate and support the idea that customer service employees, who perform their job functions with an upbeat and positive attitude, can and will affect the outcome of the interaction in a positive manner. This paper will examine several sources of data including a literature review as well as empirical data obtained from an experiment related to the theory. The paper will also discuss a recent case study where the data clearly demonstrates a link between positive attitude and interaction outcomes. With evidence from the literature review, specific data obtained from the experiment and details of the mentioned case study, the paper will demonstrate that there is a direct correlation between the employee utilization of a positive attitude in customer service interactions and positive results stemming from such interactions.

Purpose

Within my company Harrah's Entertainment, there is a theory, related to the book "The Customer Delight Principle: Exceeding Customers' Expectations for Bottom-Line Success", by Timothy L. Keiningham and Terry Vavra, that employee's who perform their duties by exceeding customer expectations, with an upbeat and positive attitude, provide superior customer service. By providing this "above and beyond" level of customer service, a stronger relationship is created with the customer thus providing the opportunity to receive larger tips and ultimately earn a larger salary. In a recent experiment, conducted at my casino property, data results indicated that employee's who

did exude such behaviors, on average, did, in fact, earn more in tipped income. The experiment was conducted to provide direct evidence to employees that customer tipping behavior is influenced by employee behavior.

In addition to the experiment, a series of case studies were conducted by Harrah's Entertainment. In these case studies, the data obtained clearly demonstrated that employees, by utilizing a positive attitude in customer service interactions have the ability to affect the perception and ultimately customer service scores for service wait times. This paper will delve into both the experiment and case studies that support the theory, and provide specific data linking the behaviors.

Statement of Problem

Creating and cultivating a new cultural environment in a corporate setting in no easy task. When Harrah's Entertainment made the decision to re-invigorate the corporate culture and focus on delivering the best of the best in casino customer service, they were met with hesitation and speculation. As expected, not all employees immediately accepted nor understood the new philosophy, so Harrah's management, being a big believer in research, conducted several case study's and specific experiments.

During a recent transition of corporate cultures at a casino property, Harrah's management received resistance to the idea that if a tipped employee provided service that exceeded customer expectations while providing the service with an upbeat and positive attitude, that the percentage of tipped income would increase. Many of the long time table games dealers felt that they were tipped for dealing the game and it depended on the luck of the customer to whether or not they received a tip. In order to provide evidence that the theory was correct, Harrah's management decided to create an

experiment. In this experiment, data results indicated that employee's who did exude such behaviors, on average, did earn more in tipped income.

In recent case studies, Harrah's wanted to identify and provide specific data that an employee, who performs their tasks with an upbeat and positive attitude, can affect the outcome of a service interaction in cases where the service expectation is scored. Could an employee with an upbeat and positive attitude change the outcome of an otherwise standard interaction? This information, if identified, could prove useful in communicating the effects of an upbeat and positive behavior in interactions to employees and thus supporting the theory.

Justification

Harrah's Entertainment, which owns 50+ casino properties, under such brand names as Harrah's, Caesar's and Horseshoe, has a mission to provide the best in guest service and casino entertainment to our customers, not by just being courteous and friendly, but by taking it to the next step by being positive and upbeat and creating interactions that surprise and delight our loyal customers. From this theory and corporate philosophy it was deduced that highly energized, upbeat and positive employees will receive higher tips. Some casino employees felt that by being just courteous to customers is enough to substantiate a tip. Harrah's philosophy theorizes that by being upbeat and positive, in addition to being polite & courteous, within an interaction, the employee will receive a higher tip, on average, than by just being courteous. Research into this problem provided evidence to substantiate the theory that on average, an employee with a courteous, upbeat & positive attitude will earn a higher percentage of tips from customers. Research findings also identified the direct link from upbeat and positive

behavior to the take home paycheck. Once the data was examined and communicated to the table games dealers, their understanding and cooperation in regards to the theory and processes increased.

Yet, another justification results from the change in corporate culture. Harrah's believes that if there is a change in management behavior, this will result in a change of employee behavior thus creating a chain reaction; a change in employee behavior (upbeat and positive attitude) leads to a change in the customer experience and behavior and the end result is a change in company results (revenue and profit). So to communicate this philosophy, Harrah's needed to identify key sources of data and information that support this idea. A series of case studies identified that an upbeat and positive behavior can affect the outcome of interactions.

The data from the experiment and the specific case study has been used many times to communicate to and convince subsequent groups of employees who had difficulty buying into the philosophy. In fact the experiment data and case study information is now a part of the orientation process for all new hires.

PART TWO

Introduction

It is important to examine and research various sources of literature and not just the results from the Harrah's Entertainment experiment. This section of the professional paper will highlight sources of literature that provide information which support the theory that service employees who exude an upbeat and positive behavior, while delivering service that is beyond what is expected, can affect the outcome of the service interaction. The sources of literature also substantiate the experiment and case study

conducted by Harrah's Entertainment. Each source of literature will be briefed and a summary of the source data will be provided. Also, the methodology of the experiment and case study will be defined, providing informational background on both.

Literature Review

To provide supporting data for the previously mentioned theory in the research effort, I have several sources for information that I can access. A primary source is from within my own company, Harrah's Entertainment. On a daily basis, Harrah's observes, measures, accumulates, analyzes and evaluates service behaviors of employees. The data is used to measure the effectiveness of the customer service experience actually provided to the patron and assists management in making strategic decisions for the business. This data will be a critical part of the research problem as well as an advantage for research, as it is directly related to customer service behavior measurement. The main body of this paper will center on the data obtained from Harrah's, the experiment and case study conducted.

Other sources available for data and information include the Internet, books, articles and research papers. The literature that I have reviewed is listed below.

- The Customer Delight Principle: Exceeding Customers' Expectations for Bottom-Line Success, by Timothy L. Keiningham and Terry Vavra. This book explains how customer delight -- not mere satisfaction -- drives repeat purchasing and customer loyalty. The book details how a company can build a customer delight-oriented organization. It explains how to monitor customer delight results, including measurement and validation against revenue. It also discusses formulating payback curves for a customer delight investment, allocating

resources for continued customer delight improvements, and the continued benchmarking of results. Also, according to the book, statistics show that customer satisfaction alone is not enough. Over 60% of customers lost by companies have reported that they were at least "satisfied," in their experience with the company. Striving for more than customer satisfaction is a key strategy in Customer Relationship Marketing (CRM), the predominant marketing approach of today's most successful companies (Keiningham and Vavra, 2001). More specifically, the books states that according to researchers from the University of Michigan, on average, every one percent increase in customer service satisfaction is associated with a 2.37 percent increase in a firm's Return on Investment (Keiningham and Vavra, 2001). Can this increase in customer service satisfaction be associated with an increase in tipped income for the service employee as well?

- Journal Article: Service Quality and Management Practices: A Look at Employee Attitudes, Customer Satisfaction, and Bottom-Line Consequences, by Walter W. Tornow, Center For Creative Leadership and Jack W. Wiley, Gantz-Wiley Research Consulting Group. In this article, the authors discuss that there is a connection between behavior science and business management. They expand that data are available on attitudes, customer satisfaction, management and organizational effectiveness, however, little is known on actual interrelationships or how an attitude correlates with satisfaction in customer service interactions. In the article, they expound on a study conducted where the data obtained through

- customer surveys, identifies that there is a direct link between customer satisfaction, employee attitude and company effectiveness.
- **Journal Article: Determinants and Consequences of Employee Displayed Positive Emotions**, by Wei-Chi Tsai, Department of Business Administration, National Taiwan University of Science and Technology. This article discusses the psychological environment needed for positive customer interactions in conjunction with the correlation of positive emotions demonstrated by the employee and the change in behavior of the customer in reactions to the interaction. The author includes data from a study conducted in Taiwan, involving 290 sales clerks in 156 retail stores. Results of the data communicate that there is a direct, positive relationship between the psychological environment and the positive attitude of the employee in the interaction.
 - **Research Article: An Empirical Investigation of the Relationships Among Climate, Capabilities and Unit Performance**, by J. Bruce Tracey, Cornell University and Michael J. Tews, Cornell University. In this study, the authors examined the relationships among two dimensions of organizational climate and several indices of individual and unit level effectiveness. The article proposes that an organization's service and training climate would be related to employee capability and that a positive service climate will lead to more capable employees, which in turn may influence relevant unit outcomes. The employee capabilities refer to the fundamental role responsibilities that are unique to the service setting (Tracey and Tews, 2003). The findings of the study suggest that in order to enhance human capital is to create a work environment that is characterized by a

- positive service and training climate. They report that "...a work environment that expects, rewards, and supports employee service capabilities provides a context that may promote high levels of individual performance..." (Tracey and Tews, 2003).
- Research Article: The Role of Emotions in Service Encounters, by Anna S. Mattila, Pennsylvania State University and Cathy A. Enz, Cornell University. In this study, the authors studied mundane service transactions and examined the impact of customer displayed emotion and affect on assessments of the service encounter and overall experience. The results of the study suggest that consumers' evaluations of the service encounter correlate highly with their displayed emotions during the interaction and that frontline employee's perception of the encounter are not aligned with those of the customer. The findings of this study suggest that there is a lack of relationship between employee and customer perceptions of performance in an encounter. They report that "...employees may stress competence, whereas for the customer that is a given, and positive emotional displays may be more important..."(Mattilla and Enz, 2002).
 - Journal Article: Employee Behavior, Feelings of Warmth and Customer Perception in Service Encounters, by Jos Lemmink and Jan Mattesson. Within this article, the authors discuss the link between employee behavior and short/long term customer perceptions. They included data from two separate studies where in both studies, the data obtained indicated that employees that display a warm, positive attitude, influenced the emotions of the customer. The data communicated a dual result from the customers; first, they increased their

- intention to stay longer and second, increased their willingness to spend more for identical service.
- Research Article: Beyond Gratitude and Gratitude: A Meta-Analytic Review of the Predictors of Restaurant Tipping, by Michael Lynn, Cornell University and Michael McCall, Ithaca University. In this study, the authors examine the nature of tipping, why people tip and factors of influence. The authors finding suggest that tipping is predominantly by social expectations, employee attractiveness, employee friendliness and customer mood. The article also suggests that service quality and cost considerations have only weak effects on tipping. Within this study, an opposing view is taken. The findings suggest that "...that tip size was very weakly related to evaluations of service quality suggests that tip size is a poor measure of consumer satisfaction with service..."(Lynn and McCall, 1997?).
 - Research Article: The Impact of Customer Satisfaction on Share-of-Wallet in a Business to Business Environment, by Timothy L. Keiningham, Tiffany Perkins-Munn and Heather Evans. Research has found that customer satisfaction is positively related to repurchase intention, actual repurchase, market share and word of mouth. In this study, the authors examine the relationship between customer satisfaction and share of wallet. The research analysis suggests that "...satisfaction is positively related to the share of business a customer conducts with a service provider..."(Keiningham and Munn, 2003).
 - Research Article: From Disgust to Delight Do Customers Hold a Grudge? by Tor Wallin Andreasson, Norwegian School of Management. This article investigates the effect that satisfaction with service recovery may have on complaining

customers' future intent and perception of, and the attitude toward, the faltering service provider. The main research findings indicate that service recovery has a positive impact on both dimensions. In this study, the "... findings indicate that even with very high scores in satisfaction with service recovery, complaining customers' corporate image and future intent never surpass those of ordinary satisfied customers..."(Andreassen, 2001)

- Journal Article: Do It Right This Time: The Role of Employee Service Recovery Performance in Customer-Perceived Justice and Customer Loyalty After Service Failures, by Hui Liao, Rutgers. The author discusses the effectiveness in using positive behavior in handling customer complaints and service recovery. The article identifies two separate studies where data obtained clearly demonstrated that employees who handle guest complaints with positive emotion, courtesy, promptness and resolution, influenced customer satisfaction positively, thus creating repeat customers.
- Research Article: The Role of Customer Delight in Achieving Loyalty by Timothy L. Keiningham, Douglas R. Pruden and Terry G. Vavra, Ipsos Loyalty North America. This research article examines the relationship of CSM, Customer Satisfaction Management and profit potential. This article claims that there is an epidemic of ineffective Customer Satisfaction. Research shows that over a 6 year period of intense customer satisfaction activity (over \$800,000,000 spent annually on customer satisfaction in the U.S.), the satisfaction of American consumers failed to increase (Keiningham, Pruden and Vavra, 2004)

- Journal Article: Test of a Model Linking Employee Positive Moods and Task Performance, by Wei-Chi Tsai, National Chengchi University, Chien-Cheng Chen, National Taipei University of Technology and Hui-Lu Liu, Charlotte Costume Jewelry Design Workshop. This article discusses the correlation between employee positive moods and employee task performance. The article mentions two case studies where 306 (study 1) and 263(study 2) insurance agents were observed and their behavior and task performance recorded. The results indicated that positive moods affected performance both on the interrelationship level; by helping and supporting others, and the motivational level; by increasing the capacity to produce a desired effect.
- Research Article: The Relationship Between Tipping and Service Quality: The Other Side of the Equation, by David J. Hoass, Centenary College and Lyndsay Bigler, Centenary College. This research article examines the activities undertaken by service staff and how it alters their tip income. The study argues that "...if people tip similarly for bad and good service, waiters and waitresses no longer have an incentive to provide excellent service. Economic theory suggests that tipping should be retained as a mechanism of consumer monitoring by encouraging people to tip according to service quality..."(Hoass and Bigler, 2005).
- Article: The Give and Take of Tipping by Tibbett L. Speer. The article discusses ideas that when customers leave bigger tips, workers are happier. This in turn benefits the employer because happy employees work harder and become better workers. With this being the case, business managers should help their employees

earn better tips and the result should increase levels of customer satisfaction, word of mouth recommendations and repeat business. This theory corresponds to what we do within my own company. We look for ways to assist the employee with opportunities to earn larger tips. Training is provided that teaches employees to be positive and upbeat in interactions. We also encourage employees to smile as much as possible. The article also notes an experiment conducted by Temple University that supports the idea that other external factors, outside of personality or service, can influence tipping practices. In the experiment, servers simply wrote “Thank you” or placed a smiley face on the check. The results reported that the server had a 5% increase in tips.

- Research Paper: Perceived Service Quality Analyzing Relationships Among Employees, Customers, and Financial Performance, by Dong Kyoon Yoo, Virginia State University, and Jeong Ah Park, Catholic University of Daegu. The authors discuss the critical relationship between four primary factors that are critical for the success of a customer service business; employees, service quality, customers and financial results. The research conducted for the paper concluded that there is direct evidence linking the four factors. The evidence points to employee training and a shared understanding thus improving service quality by focusing on enhancing the relationship with the customer. This improved service quality impacts customer satisfaction, thus, in turn improves financial performance.

Experiment Methodology

The data obtained was derived from an experiment that was conducted at my casino property. The primary research was gathered by using two specific methods of qualitative research, Secondary Data Analysis and Observations. The first method, Secondary Data Analysis, involves a review of data previously collected for another purpose. For this case, the data that was reviewed are previous “Spotlight” behavior observation measurement documents. Harrah’s Entertainment utilizes a behavior measurement program called Spotlight on Success. Within this program, employees are taught specific, desired behaviors that are expected in every customer interaction. The behaviors are broken down into 3 categories with each category broken down into separate and specific behaviors. The behaviors are observed and graded with a score being assessed by the observer for the interaction. For example, this is the basic structure of the observation form used:

Harrah’s Spotlight Option #1

Part 1 - The Welcome

Initiates Friendly Greeting

30 pts - Initiates conversation with a friendly verbal greeting.

20 pts - Responds to customer with a verbal greeting. (Does not initiate the conversation).

00 pts – Does not offer a friendly verbal greeting.

Smiles and Makes Eye Contact

30 pts – Smiles AND makes eye contact together during all 3 parts. (Welcome, Builds Relationships AND Brings Them Back).

20 pts – Smiles AND makes eye contact together during 2 of 3 parts of the interaction.

00 pts – Does not smile AND make eye contact together during at least 2 parts of the interaction.

Part 2 – Build Relationships

Demonstrates Upbeat and Positive Attitude

30 pts – Enthusiastic, energetic, uses tone (volume and inflection) AND gestures to convey positive energy.

20 pts – Pleasant and polite, open body language (little emotion) AND steady tone.

00 pts – Lacks energy. Appears to be going through the motions; monotone OR closed body language.

Part 3 – Bring Them Back

Checks For Satisfaction

30 pts- Checks for satisfaction AND, if a problem exists, resolves, personally hands off or refers customer appropriately.

20 pts – Checks for satisfaction AND if problem exists, struggles with the resolution or referral.

00 pts – Does not check for satisfaction OR does not refer problem to someone to resolve.

The employee is observed and graded according to this form. If the desired behavior is observed, meeting all requirements listed for the interaction, the employee can receive a top score of 150, meaning that they have exceeded expectations in the interaction. Scores between 100 and 140 mean that the employee is meeting basic expectations for the customer service interaction. Anything below a 100 score means that the employee is failing in their interactions. These observations can be made daily or

weekly. Each supervisor is required, at minimum to complete one observation, per employee, per month. However, in many cases, an employee can receive a Spotlight observation several times in a month from several supervisors. These observations are presented to the employee for feedback and development, both positive and corrective. The observation forms, once presented and signed copies are made and placed in the employees file, as well as, submitted to database administrators for trend analysis.

For this specific problem, they needed to identify employees who, 1) consistently exhibited the exceeding behaviors, and 2) consistently exhibited the basic behaviors, both as measured by their Spotlight scoring. They sought the help of our database administrator, who assisted in retrieving records of current employees, who, over the past year, exhibited the behaviors in question. Specifically, for this case, table games dealers were requested, who are a tipped position within the casino. A list of names was generated, which with over a year of data, created a lengthy list. The list was broken down into shifts and days worked. Once the information was compiled, a listing of swing shift table games dealers, who worked weekends, was separated into two groups; dealers that consistently scored 150 and dealers who consistently scored below 150.

The second method, Direct Observation, involves a straightforward attempt to observe and record what naturally occurs. With the information that was acquired from the Secondary Data Analysis, specifically the list of employees who exhibited certain service behaviors, it was decided to confirm that employee scoring data with actual, first hand, current observations. For this method, the help of other department managers was enlisted. Each manager was given a portion of the employee list and asked to perform a Spotlight observation on each employee. The observing managers were not told

specifically what the observation was for, or what the employee had scored previously in order to keep the score genuine. Upon completion of the Spotlight observations, astonishingly, the employees that were on the consistent 150 score list, had maintained their status. Each of the dealers received a 150 score per the manager's observations, while the other group of dealers ranked below the 150 score with the exception of 3 dealers who did receive 150 scores. The original data, which was compiled and analyzed for other means, in conjunction with the immediate observation, provided insight that there were consistent, specific behavior patterns for each employee. Now, with this new data, the research structure was developed in order to determine results.

Case Studies on Wait Time

Data obtained from the series of case studies was taken from external customer spotlights (as described above) and customer satisfaction surveys. As a company, we utilize "secret shoppers" or external customer spotlights as a way to measure against our internal spotlight assessments. The external spotlights are a guide or preliminary measurement tool that predicts the outcomes of customer satisfaction surveys, the actual metric for Harrah's customer service program. Customer satisfaction surveys are sent to casino loyal customers. Within these surveys, the customer has the ability to "grade" the customer service they received on a particular visit to a casino property, giving a grade of A for service that exceeds expectations, B for service that is good, C for service that is adequate and so forth. The survey allows the customer to grade the service interactions they received from all customer contact points including gaming operations, food and beverage operations, hotel operations, retail operations, etc. Each casino property within

the Harrah's organization utilizes the percentage of "A" scores received as measure of how successful the property is in relation to delivering superior customer service.

Summary

After reviewing the information in the various sources of literature, it is clear that there is a direct link between the behavior of the service employee and the satisfaction of the customer. Throughout the various literature sources, it mentions that emotion, positive service and positive attitude contribute to customer satisfaction or better yet, customer delight. When service is delivered that goes above and beyond the set expectation, then a "WOW" factor is created which is memorable and desired by the customer. In addition, the literature sources cited provide strong support to the theory and substantiate the results of the experiment and case studies conducted by Harrah's Entertainment.

PART THREE

Introduction-Tipping Experiment

With the data collected from the qualitative research methods, a controlled experiment was developed that provided evidence of a direct link between upbeat and positive customer service behavior and increased tipping income. The experiment was conducted in March 2006 by Paul Fischer, Bob Potorti & Bob Schneider, members of management at Caesar's Indiana Casino & Hotel.

Participants

Participants included two distinct groups, Group A, table games dealers who consistently scored a 150 on Spotlight Observations and Group B, table games dealers who consistently scored below 150 on Spotlight Observations. All participants worked at the same casino, received the same training, worked the same shift and dealt the same table game. All participants will not have prior knowledge of the study in order to reduce any deviance from the norm that may affect the outcome of the study.

Procedure

The study commenced over a 4 week period, operating solely on Friday and Saturday nights, for an 8 hour period each night. Dealers were placed on the same gaming products (i.e. BJ with same minimum bet and max bet) to neutralize impact of game type. Each night, four dealers from Group A were assigned to three tables, running three dealers and a relief. Four dealers were selected from Group B and assigned to three tables as well. The table games were opened and closed for both groups at the exact same time to eliminate effect of play duration. Dealers were also placed on games in similar locations on property to neutralize any impact of traffic flow on game volume.

Study Results

As the dealers conducted the game and interacted with the players, tokens or tips were given to the dealers. When the tokens were accepted by the dealer, the token was dropped into a token box attached to gaming table. For this study, at the end of each night, when the tables were closed, the tokens (tips) from each table game were collected and counted. Accurate tracking was maintained and data collected as to what each dealer, from each group, earned in the amount of tips. When the study was completed, all tokens

from Group A dealers were be added together and compared to all tips collected by Group B. The experiment results were as follows:

Table 1. Group A: Employees Exhibit Spotlight Service Behavior Standards

Group A: Employees Exhibit Spotlight Service Behavior Standards			
Date	Employee	Game #	Shop Score
4/1/2006	Gene Johnson	21-412	150
	Andy Barkermeyer	ND-410	150
	Ted Derloshon	ND-411	150
	Mike Wright (Relief)		150
	TOKE TOTAL:		\$ 754.50
3/31/2006	Gene Johnson	21-412	150
	Andy Barkermeyer	ND-410	150
	Ted Derloshon	ND-411	150
	Mike Wright (Relief)		150
	TOKE TOTAL:		\$ 495.00
3/25/2006	Christina Johnson	21-412	150
	Kathy Webb	ND-410	150
	Rose Jacobs	ND-411	150
	Adam Carrico (Relief)		150
	TOKE TOTAL:		\$ 1,340.50
3/24/2006	Joe Miller	BJ-410	150
	Charlie Case	BJ-411	150
	Ted Derloshon	BJ-412	150
	Dan Johnson (Relief)		150
	TOKE TOTAL:		\$ 695.50
3/18/2006	Eloise Deerecho	BJ-410	150
	Jaclynn Goldman	BJ-411	150
	Ted Derloshon	BJ-412	150
	Kevin Potts (Relief)		150
	TOKE TOTAL:		\$ 863.00
3/17/2006	Dan Johnson	BJ-408	150
	Jeff Bird	BJ-409	150
	Harry Stephens	BJ-411	150
	Aric Harris (Relief)		150
	TOKE TOTAL:		\$ 496.50
3/11/2006	Rose Jacobs		150

Ted Derloshon	150
Chris Lao	150
Mike Wright (Relief)	150
TOKE TOTAL:	\$ 655.00

3/10/2006	Julie Grimes	ND-511	150
	Charles Case	ND-512	150
	Melissa Burton	Nda-513	150
	Dan Johnson (Relief)		150
	TOKE TOTAL:		\$ 279.00

Table 2. Group B: Employees Fail To Exhibit Spotlight Service Behavior Standards

Group B: Employees Fail To Exhibit Spotlight Service Behavior Standards			
Date	Employee	Game #	Shop Score
4/1/2006	Kevin Gatewood	ND-409	100
	Jennifer Allison	Nda-407	80
	Eloise Cox	Nda-408	60
	James Bussey (Relief)		20
	TOKE TOTAL:		\$ 214.00
3/31/2006	Kevin Gatewood	ND-409	100
	Jennifer Allison	Nda-407	80
	Eloise Cox	Nda-408	60
	James Bussey (Relief)		20
	TOKE TOTAL:		\$ 509.50
3/25/2006	Jeremy Paxton	ND-409	90
	Jonathan Trader	Nda-407	90
	James Bussey	Nda-408	20
	Sam Chang (Relief)		20
	TOKE TOTAL:		\$ 506.50
3/24/2006	Jeremy Paxton	BJ-407	90
	Ralph Hockaday	BJ-408	100
	Jennifer Allison	BJ-409	90
	James Bussey (Relief)		20
	TOKE TOTAL:		\$ 528.00
3/18/2006	Eloise Cox	BJ-407	Under 100
	Sam Chang	BJ-408	Under 100
	James Bussey	BJ-409	Under 100
	Frank Meisner (Relief)		Under 100
	TOKE TOTAL:		\$ 883.50
3/17/2006	Eloise Cox	BJ-407	Under 100
	James Bussey	BJ-410	Under 100
	Kevin Gatewood	BJ-412	Under 100
	Sam Chang (Relief)		Under 100
	TOKE TOTAL:		\$ 378.00
3/11/2006	James Bussey	Nda-407	20
	Jermey Paxton	Nda-408	90
	Frank Meisner	ND-409	80
	Kevin Gatewood (Relief)		100
	TOKE TOTAL:		\$ 363.00

3/10/2006	Eloise Cox	21a509	60
	Jennifer Allison	Nd-510	80
	Frank Meisner	TP-508	60
	Jeremy Paxton (Relief)		90
	TOKE TOTAL:		\$ 313.00

Table 3. Toke Collection Summary

Toke Collection Summary		
	Group 1 (MOT's w/Spotlight Behaviors)	Group 2 (MOT's without/Spotlight Behaviors)
TOTAL TOKES	\$5,579	\$3,696
HOURLY TOKE RATE (PER EE)	\$21.79	\$14.44
	% More A Guest Tips When Serviced With Spotlight Behaviors	
	51%	
	Hours Of Toke Data Collected	
	64	

Main Finding:
 Tokes increase by 51% when Dealers exhibit Spotlight 5 (Option #1) service behaviors!

SUMMARY OF METHODOLOGY

Purpose Of Study
 To study how guests responded (as measured through tokes) to dealers that exhibited the Spotlight service behaviors.

Hypothesis
 Dealers who performed the Spotlight behaviors (Option #1) would earn more tokes.

Definition Of Both Employee Groups:
 Group 1: Dealers who consistently exhibited the Spotlight 5 (Option #1) behaviors
 Group 2: Dealers who fail to exhibit the Spotlight 5 (Option #1) behaviors

Research Design:
 Dealer Segments: Dealers who performed Spotlight 5 (Option #1) behaviors vs. those who don't
 Length of Study: 4 weeks
 Time of Data Collection: Every Friday & Saturday Swing Shift
 Controls: Dealers were not informed of the study to ensure they did not modify their normal behavior.
 Dealers were placed on the same gaming products (i.e. BJ with same minimum bet and max bet) to neutralize impact of game type.
 Table games were opened and closed for both groups at the exact same time to eliminate effect of play duration.
 Dealers were placed on games in similar locations on property to neutralize any impact of traffic flow on game volume

Experiment Conclusion

It is clearly evident that there is a direct link between customer service employees who demonstrate an upbeat and positive behavior and increased tip percentages. Research conducted in the literature provides strong evidence that there is a connection with positive attitude and emotions in a service encounter that affect tipping outcomes. One study mentioned suggest that in order to enhance human capital is to create a work environment that is characterized by a positive service. Another study suggests that “positive emotional displays may be more important” in a service interaction. The experiment conducted by management at Caesar’s Indiana, also provide direct evidence that supports this theory. It was found during this experiment that dealers that demonstrated an upbeat and positive attitude, consistently, during there service interactions, on average earn 51% more in tips compared to other dealers whose demonstrated behavior was mediocre. The conclusion for this paper is this: Service employees that demonstrate consistently an upbeat and positive behavior during their customer interactions will, on average, earn more in tips.

Introduction – Case Studies

The following case studies were conducted by Harrah’s Entertainment between 2002 and 2006. The information obtained from the case studies has subsequently been used in new hire orientations to convey the importance of having an upbeat and positive attitude in customer service interactions.

As described earlier in this paper, Harrah’s Entertainment utilizes a system call Spotlight on Success. In this program, employees are observed and measured in five desired behaviors during customer service interactions; initiating a friendly greeting,

smile & eye contact, upbeat & positive attitude, checking for satisfaction, and using a warm farewell. However, Harrah's wanted find out which of these five behaviors, had more of an impact on the customer service interaction. Were they of equal importance, or was there a specific behavior that would have more influence on the customer perception and satisfaction? Management knew that the upbeat and positive behavior would have the most impact, but how could they substantiate their theory? So to find out the answers to these questions, Harrah's turned to the massive amounts of data that they have collected regarding spotlight interactions and customer service. They first looked at previous external spotlights (spotlights that are completed by secret shoppers) and examined the top box scores given. A top box score is the highest grade a behavior can receive, for example, if an employee is enthusiastic, energetic, uses tone and gestures to convey positive energy, they receive the top box score. Anything less than this specific behavior, they can receive a middle box or low box score as displayed below:

Table 4. Example of Upbeat & Positive Top Box Score

Demonstrates Upbeat and Positive Attitude (F)

Enthusiastic, energetic, uses tone (volume and inflection) AND gestures to convey positive energy.

Pleasant and polite, open body language (little motion) AND steady tone.

NEEDS IMPROVEMENT

Lacks energy. Appears to be going through the motions; monotone OR closed body language.

DISAPPOINTS

A second piece of data they needed to obtain was the overall scores for each MOT or Moment of Truth. Each interaction between a customer and an employee is considered a Moment of Truth, however the overall interaction is given a score, then each behavior within the interaction is given a score as well. The challenge became now to find those

MOT interactions that were given a top box score and correlate the top box scores for the behaviors with in each behavior. Which behavior stood out during each MOT interaction? From this data, by using regression (finding out how a change in one thing is related to a change in another thing), they came up with the following information:

Table 5. Correlation between Moment of Truth Score and Behavior Score

When a customer rates their Overall Moment of Truth at the Top Box level, which of the five Spotlight behaviors also received a Top Box rating?

Spotlight Option 1					Spotlight Option 2				
	Behavior	r	r ²	Relative Contribution		Behavior	r	r ²	Relative Contribution
1	UPA	0.812	66%	100%	1	UPA	0.763	58%	100%
2	Smiles and Makes Eye Contact	0.664	44%	67%	2	Initiates Friendly Greeting	0.512	26%	45%
3	Provides a Warm Farewell	0.622	39%	59%	3	Uses Customer Name	0.448	20%	34%
4	Checks for Satisfaction	0.531	28%	43%	4	Appreciation for the Business	0.431	19%	32%
5	Initiates Friendly Greeting	0.496	25%	37%	5	Anticipates Customer Needs	0.425	18%	31%

Option 1 sample size = 8,997

Option 1 Shop Data Taken between 4/1/05 – 3/31/06

Option 2 sample size = 12,579

Option 2 Shop Data Taken between 4/1/05 - 3/31/06

In both Option 1 and 2, Upbeat and Positive Attitude was marked Top Box more often than the other behaviors when the customer also gave an overall Top Box rating. It became clearly evident that an upbeat and positive attitude was a top indicator of customer satisfaction and ultimately was the most important behavior that an employee could exhibit.

Beverage Wait Time Case Study

Once it was identified that an upbeat and positive attitude was the most important spotlight behavior, the next question became: what kind of an impact does an upbeat & positive attitude have on customer service wait times? Acceptable wait times within a casino environment are a critical aspect of customer service and satisfaction. If an employee displayed an upbeat and positive attitude under such circumstances, would the attitude affect the overall wait time score in customer satisfaction surveys? For this case they focused on Beverage wait times. The service environment in Beverage is one where employees seek out customers to assist. Measurable wait times can be broken down into two categories: Time to Acknowledge the Customer and Time to Deliver the customer's order. An acceptable wait time in Beverage involves an acknowledgement time of less than 20 minutes and a delivery time of less than 7 minutes. Once again, they turned to data from thousands of external spotlight scores and this is what they found:

Table 6. Wait Time Beverage Study

UPA and Wait Time

Beverage Study

Purpose: To see what kind of impact Upbeat and Positive Attitude has on Wait Time scores based on acknowledgement and delivery times.

	Wait Time Score = A-Score		
	UPA Top Box	UPA Middle Box	UPA Bottom Box
Time to Acknowledge < 20 minutes Time to Deliver < 7 minutes	59%	26%	12%

Behavior impacts the perception of Wait Time

As long as the Wait Time is reasonable, **Upbeat and Positive Attitude** drives Wait Time scores!

Sample Size = 3,409

Shop Data Taken between Q3 2002 and Q3 2003

The results in table 6 communicate the percentage of the time customers gave a top box score for Wait Time relative to the Upbeat and Positive rating they gave the interaction. For example, in the rightmost box, customers only gave a top box Wait Time score 12% of the time whenever the same customer gave the Beverage Servers a bottom box score for Upbeat and Positive attitude. In this case study, it was identified that wait times did not change, however the employee behavior did and thus service scores for Wait time were impacted dramatically.

Counter Based Wait Time Case Study

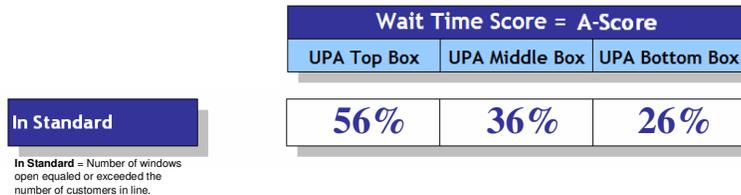
A similar case study to that of the Beverage Service was conducted for Counter Based Service areas. Again, the purpose of this study was to determine what the impact of an Upbeat and Positive attitude has on Wait Time scores based on the number of windows open to serve customers. This study focuses on counter based service areas such as Cashiering, Player Services and Hotel Front Desk. Unlike the environment in Beverage, services in these areas are rendered to customers who approach the employee at the counter. Wait time is largely determined by the customer's perception of being "next in line". With this, the "in standard" requires that the number of windows open at a counter is equal to or greater than the number of customers in line. Here is what they found:

Table 7. Wait Time Counter Services Study

UPA and Wait Time

Counter Study

Purpose: To see what kind of impact Upbeat and Positive Attitude has on Wait Time scores based on the number of windows open to serve customers.



Behavior impacts the perception of Wait Time

As long as Wait Time is reasonable, Upbeat and Positive Attitude drives Wait Time scores!

Sample Size = 8,492

Shop Data Taken August 2002 – December 2003

Just the results noted in Table 6, the results in table 7 communicate the percentage of the time customers gave a top box score for Wait Time relative to the Upbeat and Positive rating they gave the interaction. For example, in the rightmost box, customers only gave a top box Wait Time score 26% of the time whenever the same customer gave the Counter Service Employee a bottom box score for Upbeat and Positive attitude. In this case study, similar to the Beverage Study, actual wait time for Counter Services did not change, however the employee behavior did change thus service scores for Wait time were impacted dramatically once again.

Conclusion on Case Studies

Data from the Harrah's case studies show that employees with an upbeat and positive attitude can and do affect the perception of the customer during customer service interactions. The case studies prove that if employees were to simply complete their job duties without interjecting an upbeat and positive attitude into the interaction, customer service scores would be impacted. The utilization of outgoing, energetic attitudes in customer service interactions increases the satisfaction level of the customer which is measured in customer service surveys. The results obtained from the case studies are supported even further by research conducted in the several journal articles listed in the literature review section of this paper. In one such study that was noted, the conducted research obtained data through customer surveys which identified that there was a direct link between customer satisfaction, employee attitude and company effectiveness.

Recommendations and Final Conclusion

It is clear that there is ample research that has been done on the topic of displaying an upbeat and positive attitude in customer service interactions. Data and information from several sources, including research articles, journal articles, books, actual experiments and case studies all show definitive evidence that there is a direct link between employee emotions and customer satisfaction. Customer service companies that hire the right employees, provide them with the best training and support them in their job duties going forward will ultimately succeed in the customer service game. However what if the support going forward fails? What if customer service expectations are not met, even though the employee is providing customer service with an upbeat and positive attitude? Is the positive attitude enough to save

the customer service interaction? My recommendation would be to begin further research into what happens when this situation occurs. If a customer had to wait in line for 30 minutes and eventually, once the customer is serviced, they are greeted with an employee who is exuding an upbeat and positive attitude; how does that affect customer service scores and measurements?

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