

BOOK

Setting the Table: The Transforming Power of Hospitality in Business

AUTHOR

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SYNOPSIS [From the publisher]

“Seventy-five percent of all new restaurant ventures fail, and of those that do stick around, only a few become icons. Danny Meyer started Union Square Cafe when he was 27, with a good idea and hopeful investors. He is now the co-owner of a restaurant empire. How did he do it? How did he beat the odds in one of the toughest trades around?”

“In this landmark book, Danny shares the lessons he learned developing the dynamic philosophy he calls Enlightened Hospitality. The tenets of that philosophy, which emphasize strong in-house relationships as well as customer satisfaction, are applicable to anyone who works in any business. Whether you are a manager, an executive, or a waiter, Danny’s story and philosophy will help you become more effective and productive, while deepening your understanding and appreciation of a job well done.”

“What really challenges me to get up and go to work every day, and has also motivated me to write this book, is my deep conviction about the intense human drive to provide and receive hospitality – well beyond the world of restaurants.”

“I’ve learned how crucially important it is to put hospitality to work, first for the people who work for me and subsequently for all the other people and stakeholders who are in any way affected by our business.”

“A restaurant has all kinds of moving parts that make it particularly challenging. In order to succeed, you need to apply – simultaneously – exceptional skills in selecting real estate, negotiating, hiring, training, motivating, purchasing, budgeting, designing, manufacturing, cooking, tasting, pricing, selling, servicing, marketing, and hosting. And the purpose of all this is a product that provides pleasure and that people trust is safe to ingest into their bodies.”

“Business, like life, is all about how you make people feel. It’s that simple, and it’s that hard.”

“Hospitality is the foundation of my business philosophy. Virtually nothing else is as important as how one is made to feel in any business transaction. Hospitality exists when you believe the other person is on your side. The converse is just as true. Hospitality is present when something happens for you. It is absent when something happens to you. Those two simple prepositions – for and to – express it all.”

“Gambling is a metaphor for how my father ran his businesses, and my deep fear of repeating his mistakes has always colored the way I run mine. Because each of his doomed experiences was marked by overly rapid expansion, I have always been afraid to expand my business too quickly. I’m not risk-averse, but I have tight self-control . . . I’m far more inclined to take risks when I’m essentially betting on myself,

but I can do that only because I've surrounded myself with highly talented people of solid integrity. I'm also far more confident in my ability to handicap humans than horses."

"As the middle child, torn in every possible direction, I was developing useful skills for shuttle diplomacy, negotiating, and contending with adversity. These skills would later serve me well in business and in life."

"My first priority was to identify the crankiest clients and win them over."

"Learning to manage volunteers – to whom, absent a paycheck, ideas and ideals were the only currency – taught me to view all employees essentially as volunteers. Today, even with compensation as a motivator, I know that anyone who works for my company chooses to do so because of what we stand for. I believe that anyone who is qualified for a job in our company is also qualified for many other jobs at the same pay scale. It's up to us to provide solid reasons for our employees to want to work for us, over and beyond their compensation."

"I would enter the restaurant business with a potent combination of my father's entrepreneurial spirit and my grandfathers' legacies of strong business leadership, social responsibility, and philanthropic activism. And I would have a chance to give others two things I craved: good food and warm hospitality."

"[Working at a poorly run restaurant] taught me not to do. Ownership and top management were highly secretive about the restaurant's finances. We had no idea what a budget was, much less how to compute a food, beverage, or labor cost. We could only assume, rightly or wrongly, that the restaurant was profitable."

"The owners ran the restaurant more emotionally than professionally, with their prevailing mood being the primary cues for our performance that we were given on any given day. The owners dined and entertained frequently in their own restaurant; and for those meals no money was exchanged, no records were kept, and no tips were offered to the employees. Some servers were favorites of the management; others were not."

"My culinary education in Europe had provided the necessary foundation with which to communicate clearly about food with chefs in their own language. Firing myself as chef (or at least abandoning the notion that I might one day become a chef) turned out to be one of the smartest business decisions I have ever made."

"I had learned from Pesca that a vibrant lunch service could help a restaurant to meet fixed costs, and furthermore that the kind of business clientele attracted by lunch could give the place an added identity."

"Despite all the uninspiring spaces I was seeing, I continued to reject the prevailing maxim: 'Location, location, location.' This is the idea that you somehow need an upscale address to be considered a great restaurant. But to afford an acceptably swank location, restaurants had to pass on their huge overhead to the guests, charging way too much money for lunch and dinner. Back then, an excellent restaurant was too often confused with an expensive restaurant."

"Though the restaurateur in me was obsessed with hospitality, the entrepreneur in me was becoming addicted to volume . . . I was developing what I would call an "athletic" approach to hospitality, sometimes playing offense, sometimes playing defense, but always wanting to find a way to win."

"Our ample collection of dessert wines, which we dispensed liberally by the glass as an apology to guests. Except for the most hostile, the medicine generally worked. Back in 1985 one rarely saw dessert wines by the glass on a menu in New York – this was still much more of a European custom – but I began offering

an extensive list of dessert wines by the glass. It was an important early lesson in applying defensive hospitality when things don't go according to plan."

"Going against the grain of the high-flying 1980s, we always looked for low-key, straightforward ways to celebrate with the guests in our dining room."

"We have fun taking service seriously," he said. "And as for perfection, we just hide our mistakes better than anyone else!" That was a refreshing insight for me as I continued to hone my own version of hospitality.

"These experiences led to a determination that in my restaurant solo diners would be treated with extra courtesy and respect."

"He may not have learned a lesson, but I had. I swore always to treat the guest who orders Soave exactly as I would the one who orders Chassagne-Montrachet. That trip sensitized me to the idea that solo diners could be an important part of our business and should be welcomed accordingly."

"Conceiving Union Square Cafe as an excellent version of a neighborhood restaurant was, in retrospect, not very challenging. It turned out that there was a tremendous gap in the dining culture that allowed us to open in a comparatively uncrowded field. We were doing something new and unexpected, and it was attracting an intelligent, self-confident clientele."

"The beautiful choreography of service is, at its best, an art form, a ballet. I appreciate the grace with which a table can be properly cleared. I admire the elegance with which a bottle of wine can be appropriately opened, decanted, and poured. There's aesthetic value in doing things the right way. But I respond best when the person doing those things realizes that the purpose of all this beauty at the table is to create pleasure for me."

"Understanding the distinction between service and hospitality has been at the foundation of our success. Service is the technical delivery of a product. Hospitality is how the delivery of that product makes its recipient feel. Service is a monologue – we decide how we want to do things and set our own standards for service. Hospitality, on the other hand, is a dialogue. To be on a guest's side requires listening to that person with every sense, and following up with a thoughtful, gracious, appropriate response. It takes both great service and great hospitality to rise to the top."

"But hospitality, which most distinguishes our restaurants – and ultimately any business – is the sum of all the thoughtful, caring, gracious things our staff does to make you feel we are on your side when you are dining with us."

"I had already learned that the trick to delivering superior hospitality was to hire genuine, happy, optimistic people."

"Hospitality cannot flow from a monologue. I instruct my staff members to figure out whatever it takes to make the guests feel and understand that we are in their corner."

"During his first month at the restaurant, I prohibited Michael from changing our menu. "Get to know the staff, the guests, the facility, and the restaurant's rhythms. Work on making our existing menu items look better than ever. Use the daily specials as an opportunity to try out new dishes."

"It's human nature for people to take precisely as much interest in you as they believe you're taking in them. There is no stronger way to build relationships than taking a genuine interest in other human

beings and allowing them to share their stories. When we take an active interest in the guests at our restaurants, we create a sense of community and a feeling of “shared ownership.”

“Shared ownership develops when guests talk about a restaurant as if it’s theirs. They can’t wait to share it with friends, and what they’re really sharing, beyond the culinary experience, is the experience of feeling important and loved. That sense of affiliation builds trust and a sense of being accepted and appreciated, invariably leading to repeat business, a necessity for any company’s long-term survival.”

“The old game of “Do you know So-and-so?” is a classic example of turning over rocks to further human connection. And it works. When you are considering several restaurants for dinner, other things being equal, you’ll choose the one whose maître d’ went to the same school as you, or roots for your sports team, or has the same birthday as you, or knows your second cousin.”

“Hospitality can exist only when there is human dialogue. This particular dialogue provided great customer feedback and helped us forge a bond with two customers – not a bad investment of six minutes of my time!”

“I’m building daily communities within the restaurant’s larger community. The best way to do this is to first gather as much information as I can about our guests. I call this collecting dots. In fact, I urge our managers to ABCD – always be collecting dots.”

“Dots are information. The more information you collect, the more frequently you can make meaningful connections that can make other people feel good and give you an edge in business. Using whatever information I’ve collected to gather guests together in a spirit of shared experience is what I call connecting the dots.”

“I also look for solo diners. From my own experiences dining alone, I know that solo diners have a straightforward agenda: to treat themselves to a gift of quality, contemplative time, and to do so at our restaurant. I consider that the ultimate compliment, and I’m also hoping that today’s solo diner will host tomorrow’s party of four.”

“Today, of course, the entire marketing profession is out to collect e-mail addresses to stay in touch with existing and prospective customers. We do that too, but in my judgment nothing can or will replace the meaningful contact that happens with a personal note or newsletter sent the old-fashioned way.”

“How do you get customers to come back for more? That’s the question facing every business owner, whether the business is a bowling alley, pharmacy, computer company, or tattoo parlor. There are two processes at work – trial and repeat.”

“My goal is to earn regular, repeat patronage from a large number of people – 40 percent of our lunch business and 25 percent of our dinner business – who will dine at our restaurants six to twelve times a year.”