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**COMPANY CULTURE AND ITS IMPACTS ON CONSUMER BEHAVIOR**

**Joseph W. Gilkey, Jr. Ph.D.**

Author Affiliation & Country of Affiliation

U.S.A.

Lead Author Email Address

JGilkey@saintpeters.edu

Sub-discipline within Business & Management

Consumer Behavior, employee training and corporate culture

Academic Level of intended readership

Advanced Undergrad /Masters

Contributor Biographies

**Abstract**

It is a rare occurrence in a restaurant setting to observe a display of congratulatory gestures of nonverbal communication (e.g., the ‘high five’) between or among wait staff members and/or customers. In every organization, culture establishes among the most potent resource of competitive advantage – also, the most difficult to replicate even among organizations in the same industry. It can be a distinctive source of a market or industry leader.

**Learning Outcomes**

- The nature and model of consumer involvement
- Consumer and commercial/industrial decision-making process
- Implications on how engagement shapes consumer behavior and influences customer retention
- Impacts of employee training regarding consumer behavior
- Impacts of employee action regarding consumer sentiments and responses
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**Case Study: Introduction**

The case study is based on field observations, beginning in 2013, during a vacation to the Hawaiian island of Maui and, more specifically to the area known as Ka’anapali Beach, a three-mile stretch of beach that has been touted as one of the best coastal venues in the U.S. From Ka’anapali Beach, visitors also can see two other Hawaiian island, Molokai and Lanai, as well as a virtual underwater zoo, with sea turtles, breaching whales and numerous tropical species of colorful fish. The recreational amenities are extensive, including windsurfing, sailing, parasailing and snorkeling. Thus, the competition for a consumer’s time and attention always is intense in this unique tourist market. There also are seven hotels and 49 restaurants within walking distance of the prime Whalers area and the Ka’anapali Beach, at the Northern end of this area is a snorkeling area known as Black Rock . In this initial visit to this tourist destination, one could notice readily stark differences in consumer culture between two restaurants that are next to each other along the path leading to the Whaler’s Village.

The field research for this case study was conducted over a four-year span (2013-2016) span on three visits and the results during each visit compared similarly to each other. The field research revealed observable differences in the numbers of customers and types of consumer engagement concerning two restaurants in the Ka'anapali Beach/Whaler's area: Leilani's on the Beach and the Grill at the Westin, separated by approximately 100 feet from each other. To valid this field research, another TS Restaurant location on Front Street Lahaina, Kimo's was observed to validate the findings. During each of the visits, it was acknowledged that the Westin Grill had changed its look and name. The initial difference of note between the two restaurants is that both customers and employees at Leilani's appear happy and that engagement among customers and wait staff is visibly evident, such as in the frequent exchange of the 'high-five' gesture. None of this is observed at the Grill.

Kimo's Maui menu includes three or four kinds of fresh fish, which are offered in four different preparations based on the customer's preference. Similar options are available for other proteins, including beef, pork and chicken. Kimo's Oceanside views in Lahaina are popular and the restaurant's hours run longer in the evening than in most other local establishments. These amenities include a late-night happy hour and entertainment by locally based musicians. We also found that the employees at Kimo's were happy and on top of their game. Very engaging and interactive with their customers and each other.

Many Maui-based restaurants are situated to take advantage of the open-air environment of the nearby beach setting. However, while Leilani's was consistently filled to customer capacity, its nearby competitor was nearly as empty during the same periods as seen in Appendix A.

During the initial visit, dinner was taken at the Westin Grill, which offered a menu similar in its range of offerings, as compared to its nearby competitors. However, as dishes were presented, the presentation lacked the colorful vibe and warm ambience associated with this type of setting. This carried over into the ambient music heard in the background. Likewise, there were barely any signs of engagement between the wait staff and consumers beyond the initial order placement. However, when it came time to pay the bill, a man who appeared to be the restaurant manager came by the table and inquired if the party was from the northeast region of the country and he responded that he was from Connecticut. Apparently, the hotel had brought in a consulting firm, which provided 30 people for asix-monthperiod to revamp the restaurant.

Knowing that he represented the firm brought in to redesign the restaurant, he was asked if he had visited a nearby local restaurant and had noticed the customer traffic. His response indicated that he had not done so, explaining that he had no free time to check out the area competitors but was aware of the success of Leilani's on the Beach. On a subsequent visit, it was noted that the hotel restaurant was closed for ten days, due to a series of private parties, the parties were never seen. Meanwhile, the Leilani's on the Beach was as busy as it had been observed during the first visit. The contrast was clearly seen in exhibit 1. This is a mid-afternoon scene reveals the differences in customer traffic between the two restaurants: the empty Westin Grill (left) and on the right the busy Leilani's On The Beach.

3:30PM 2016



*Exhibit 1 Westin Grill (left) Leilani's On The Beach (right)*

### **Research Methodology**

The research was done from site visits, discussions on site and with Jackie Reed CEO, TS Restaurants and sentiment analysis. Sentiment analysis is the process which aims to determine the attitude of a speaker or a writer with respect to some topic or the overall contextual polarity of a document. The analysis can be used to determine whether the expressed opinion in a document, a sentence or an entity feature/aspect can be classified as positive, negative or neutral. The analysis also incorporates social media data, which can help businesses gather real-time or quick-time feedback on how customers and the public (a potentially large untapped pool of new customers) react and respond to their services. As an ongoing measure, it provides an accessible barometer of public opinion regarding a business and its branding, and frequent movements and shifts of opinion can be compared to baseline measures. Analyzing sentiments on a continuous basis can provide business with the vital social media intelligence it seeks to determine the level, value and quality of its current customer engagement and the areas in which improvements can be made. Likewise, it can provide details about a business' position, as measured against the consumer sentiments linked to competitors in the same market and industry.

This case study incorporated content reviews and ratings, as collected from various social media platforms widely used by customers, including: Yelp, Facebook, YouTube (e.g., performing bands at restaurants) and Twitter. For example, Twitter data would include tweets from the restaurants' Twitter feed and timelines along with mentions and responses from others. These data points are assessed and collapsed into summary measures, based on the numbers of likes and retweets, for example, as well as the quantitative ratings from sites such as Yelp.

### **Case Background**

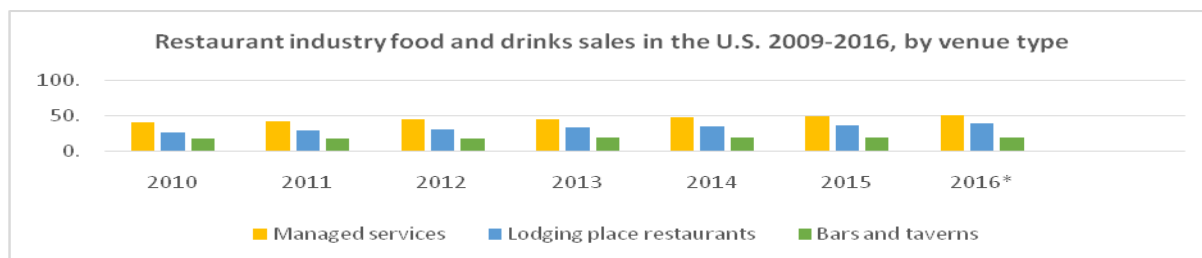
*The Island of Maui*

Of the Hawaiian Islands, comprising eight main islands and many other smaller land masses, stretching across 1,600 miles, Maui is one of the most intensely competitive destinations for tropical tourism. Maui covers 727 square miles with a population, estimated at 165,386, as of July 2016. The Hawaiian Islands constitute the most isolated population center in the world, located 2,390 miles from California and 3,850 miles from Japan. The Aloha State has the highest life expectancy in the U.S., at 81.3 years. The median age for Maui is 40.8. The state's healthcare infrastructure is largely centered on preventive care and all employers in the state are required by law to provide health insurance to all employees who work more than 20 hours per week.

*Background on the Restaurant Industry*

Full-service restaurants, at all levels, spend about 32 percent of each dollar on the cost of food and beverages, 33 percent on salaries and wages, and between five percent and six percent on restaurant occupancy costs. Profit margins, however, vary according to the cost of the average check per person. Customers with checks below \$15 resulted in a profit on an average of 3 percent. Those with checks ranging from \$15 to \$24.99 boosted the highest profit margin to 3.5 percent. Finally, those with checks of \$25 and more resulted in the lowest profit margins, at 1.8 percent.

With limited-service restaurants, 32 percent of every dollar is expended on food and beverages, nearly identical to the costs for full-service establishments. However, only 29 percent was allocated to salaries and wages, lower than that of full-service restaurants. About 8 percent is devoted to restaurant occupancy costs, the highest of any type of establishment. Profit before taxes is also the highest for any type of restaurant, at 6 percent, still representing a rigorously narrow margin for error. The restaurant industry has shown slight growth in all three venue types.



*Exhibit 2 Restaurant Industry Food and Drink Sales 2009-2016*

*Background on the Quick Service Food Industry*

The quick service food industry is one of today's most competitive industries, with profit margins as low as 1.5 percent, and annual staff turnover topping 70 percent in 2016, as based on

figures from the U.S. Bureau of Labor Statistics. Staff turnover in this industry has been rising for six consecutive years, after falling to a cyclical low of 56.4 percent in 2010. But, there is at least one company that does not appear to be affected by this trend in staff turnover: TS Restaurants, with headquarters based in Lahaina, Hawaii, and Solana Beach, California, with 13 restaurants located in both states. The success appears to arise from hiring, training and onboarding processes that are a trademark of the TS Restaurant's organizational culture. Each restaurant is matched uniquely to the environment surrounding the local market dynamics in which it is located. The restaurants incorporate the local community in every aspect, beginning with the name of the establishment. This encompasses, TS's charitable efforts named "Legacy of Aloha," which is grounded in the spirit of giving without an expectation of receiving anything in return. The restaurants, regardless of their locations, share key common elements: an upbeat tempo and friendship at the center of interaction every between employees and customers. Each restaurant is based in a highly competitive market, reflected in a larger industry trend, which shows steady incremental increases in food and drink sales among managed services and lodging place restaurants, while bars and taverns tend to show a consistently stable position in their share of total sales.

#### *TS Restaurants*

The TS Restaurants Corporation, which owns both Leilani's On the Beach and Kimo's along with 11 other restaurants in California and Hawaii, was started by mutual friends Sandy Saxten and Rob Thibaut in 1977, with the opening of Kimo's. Thibaut and Saxten first worked together in 1969 when Thibaut came to work at Sandy's first restaurant in Northern California. They became partners along with a number of others and ran a national chain called the Rusty Scupper. After selling the Rusty Scupper chain in the early 70's, Saxten and Thibaut decided to embark on a three-month vacation touring Europe. As they discussed their life's aspirations, both quickly settled on their mutual admiration for restaurants. They liked the people, the interaction, the upbeat tempo, and the variety of business skills required to succeed in the restaurant business. They also decided to become business partners – a relationship that endured through their lifetimes and is sustained today by their families. The success of TS Restaurants stands on the foundation of that friendship to this day, and their respective managers are friends and that corporate culture has been extended to employees and, ultimately, their customers. Each new customer is seen as a potential new friend. "Throughout the years, our company has grown on this foundation of friendship and respect for every individual. We now have thirteen restaurants, all in beautiful places where we ourselves would choose to live. And even with our greater size, we still consider ourselves just a small group of close friends." The cultivation of friendship among employees plays a significant role in motivating employees to put forth extra efforts and the socialization of employees reinforces their positive experiences with the company.

TS's philosophy is plain and clear in its mission statement:

*To create timeless memories and lifelong friendships, with sunsets and Aloha.*

As you go through this case study you will see how that simple mission statement has had a major impact. When this mission statement is coupled with the corporation's core set of values, it provides vision for the employees. Which helps translate to their customers and creates excellent customer engagement in each of their restaurants.

### *TS Organizational Cultural Values*

Five general organizational culture values are important to success in TS Restaurants:

- 'Ohana
- Continuous improvement
- Serving our communities
- Pride in our employees
- Fun

TS incorporates the Hawaiian cultural concept of 'Ohana (which is more generally used to describe any group of people with a common bond; people in Hawaii have a community 'ohana, a friend's 'ohana, even a work 'ohana). One of the [clearest findings from happiness research](#) is that humans are social creatures — we need to feel like we're part of a group and that we have support and security. Imagine how differently one would feel if approached by work colleagues as if they would be members of one's family, this is what sets TS Restaurants apart from the rest.

The concept is carried through the restaurant's amenities, including the music and live entertainment, which is selected for each location according to the community culture. The music's selection is aligned with each restaurant's community brand image. The objective is that creating a sense of place identifiable to the community requires being equally attentive to tourists as well as local residents who also enjoy the recreational amenities of the area. Customer engagement – or, as TS Restaurants labels it, "guest experience," is ubiquitously emphasized. Staff, managers and employees take pride in providing an environment of sincere, authentic connections at all levels of communications, extending to customers. They put action to the words of the company's mission statement, which is "to create timeless memories and lifelong friendships, with sunsets and aloha. We look for engagement with our guests and within our staff."

The extension of this culture is just as evident in the company's philanthropic arm named the "Legacy of Aloha." Volunteer opportunities are sought out in the communities in which the restaurants are located and employees are encouraged to suggest philanthropic causes and issues for the initiative.

One of the most prominent recent examples of employee involvement in the community occurred in July 2016, when a wildfire burned more than 6,000 acres in west Maui, which led to a loss of electric power and digital access across the entire Island. The author and other guests were in west Maui at Leilani's On the Beach at the start of the blackout but the services were not

disrupted. It was only when the author paid the bill was it evident that there was something happening. There were no signs of anything out of the ordinary at Leilani's On The Beach, as the restaurant employees fired up the generators and continued normal restaurant service. Later that night with a large percentage of the area businesses closed. The sister location of Leilani's On the Beach, Kimo's was no different, even when the airport discontinued flight services and a main highway was closed temporarily. Kimo's continued restaurant service as close to normal as possible during the blackout – the only deviation being that employees took credit cards manually for payment. A few nearby businesses were still open but insisted on payment in cash only. The blackout served to define TS Restaurants' corporate culture as a flexible, responsive and supportive environment that is agile enough to handle even a widescale contingency such as mass disruption of basic utilities. And, customers waited patiently to enter Kimo's, knowing that employees would be willing to make their visit as comfortable and satisfying as possible. Consumer sentiments can be honed to a sustained level of acute perception and positive endorsement, when customers are presented with potentially difficult circumstances. A simple gesture of taking credit card payments manually relieved many customers who had no access to ATMs which were affected by the power outage.

*Employment Hiring Process at T.S. Restaurants*

In the hiring process, each prospective hire must pass a sequence of three interviews. As Jackie Reed, the TS Restaurants CEO, explained in a recent interview “We take hiring very personally. We aim to hire highly motivated people whose personal values align with our company values. Since our culture is paramount, we need to make sure that any new hire will thrive and protect the company's culture. Throughout the interview process, respective employees are asked about their work experience, future career goals, views on teamwork and problem-solving skills.”

The key to TS Restaurants' success is a nurturing corporate culture. There are few restaurants that one can observe sincerely communicated gestures such as the universal 'high five' between and among wait staff members and/or customers. In every organization, culture establishes among the most potent resource of competitive advantage – also, the most difficult to replicate even among organizations in the same industry. The initial training for wait staff encompasses one week to two weeks, depending on the position and how they are assigned to a partner who will be with them for up to 90 days. After the initial 90-day period expires, each new employee goes through a performance review while onsite coaching is performed in every shift during the restaurant's operating hours.

It is worth exploring TS Restaurants' employee culture within the context of McGregor's X and Y Theory (1985) and the alternating sets of shared basic assumptions about people, motives, work and organizations, as summarized below.

**Assumption Set X**

The average human being:

**Assumption Set Y**

The average human being:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>✓ Inherently dislikes work</li> <li>✓ Avoids work if he/she can</li> <li>✓ Prefers to be directed</li> <li>✓ Wants to avoid responsibility</li> <li>✓ Has relatively little ambition</li> <li>✓ Wants security above all</li> <li>✓ Must be coerced, controlled, directed, and threatened with punishment to get him to put forth adequate effort</li> </ul> | <ul style="list-style-type: none"> <li>✓ Regards work as being as natural as play or rest</li> <li>✓ Exercises self-direction and self-control when committed to goals</li> <li>✓ Is rewarded in part by needs for satisfaction of ego and self-actualization</li> <li>✓ Learns, under proper conditions, to accept and even seek responsibility</li> <li>✓ Has potential that is only partially realized</li> </ul> |
|---|--|

**Resulting Policies and Practices**

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>✓ Breaks work into tasks that:</li> <li>✓ Required few skills and little training</li> <li>✓ Can be performed by individuals</li> <li>✓ Limits training to the minimum</li> <li>✓ Experiences high turnover of people, staff and, thus, organizes for it</li> <li>✓ Provides close supervision</li> <li>✓ Minimizes promotions from within</li> </ul> | <ul style="list-style-type: none"> <li>✓ Breaks work into tasks that:</li> <li>✓ Required skills and cross-training</li> <li>✓ Can be performed by teams</li> <li>✓ Provides good training and encourages personal development</li> <li>✓ Pays market or higher compensation</li> <li>✓ Allows use of judgment on the job, with limited supervision</li> <li>✓ Expects employee loyalty</li> <li>✓ Promotes from within</li> </ul> |
|--|--|

**Results Produced**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>✓ High employee turnover</li> <li>✓ High recruiting and supervisory costs</li> <li>✓ Low wages and per-person training costs</li> </ul> | <ul style="list-style-type: none"> <li>✓ Low employee turnover</li> <li>✓ Low recruiting and supervisory costs</li> <li>✓ High wages and per-person training costs</li> </ul> |
|--|---|



✓ Low job satisfaction  
✓ Highest potential success  
is in a low-cost noncompetitive  
strategy

✓ High job satisfaction  
✓ Highest potential for  
success is in a differentiated  
competitive strategy

The key to organizational effectiveness is to reflect values and beliefs consistently and equitably across and between all levels of the organizational chart, and to engender holistic respect for dignity and the rights of all employees, to strive for ideal and satisfying customer service experiences as much as possible, and to accomplish all tasks in a culture that values excellence and the motivation for continuous improvement. This is evident in observations at the two TS Restaurants' locations examined. This kind of corporate thinking influences the company in many other ways that are not easy to measure particularly at the outset. But, understanding that a dysfunctional corporate culture drives away talent and acknowledging that employee talent is a critical factor for long-term success (Katz, Swanson, & Nelson, 2001), it's become accessible to observe how TS Restaurants appreciates the impact of an employee-centered organizational culture. Likewise, analyzing consumer responses and sentiments is important in determining a how consumer sees a company in terms of future patronage and engagement. Knowing consumer opinion is crucial in strategically understanding how the customer base can direct and shape organizational culture and behavior (Poddar, Halder, & Jia, 2016).

In today's competitive business world, being aware of customer needs and market-oriented product offerings are essential factors for gauging business success. Consumer sentiments empower a company's customer relationship strategy consistent with its long-term goals and its capacity to sustain an industry's competitive environment. The nature of customer feedback also strengthens a corporate commitment to an environment of continuous improvement, as managers and employees work in tandem to hone their product and service offerings and how employees carry out the strategic functions of first-line or front-of-the-house customer service. Accordingly, the dramatic increase in the use of social media in daily life provides beneficial sources of information to understanding a business's standing in the larger marketplace -- its impressions, image and perceptions. Consumer sentiment analysis has become more frequently used to cull reputational artifacts and collateral from social media channels (Bohlouli, Dalter, Dornh, Zenkert, & Fathi, 2015).

### *TS Employee Training*

The hiring process is key to TS's success particularly in mitigating the impact of staff turnover, and this contributes to the larger corporate culture and how the training process includes the orientation of new employees. TS Restaurants adheres to a rigorously ethical and professional protocol in its sequence of interviewing potential employees. They aim to hire highly motivated people whose personal values align with those of the company. Alignment with a positive organization culture is paramount in the hiring decision, as managers seek employees who will

thrive in and will reinforce the company's long-established organizational cultural values. Prospects are not only interviewed about their past employment experiences but also their professional aspirations as well as their perspectives on teamwork and problem-solving approaches. New hires undergo a customized training program, generally lasting between one week and two weeks. Orientation encompasses not only the corporate environment and policies about employee operations, benefits and wages but also the local community in which the restaurant is located as well as the legacy of the company's restaurants. There are multiple sign-offs required from trainers and managers before an employee can work a solo shift.

New employees hired as managers go through a similar training and orientation protocol but also are required to meet with the respective regional director of operations, who must sign off on all manager hires. Most of TS Restaurants' managers are promoted from within the company and those new managers undergo the interview process with the corresponding regional director. "If we can find a person who is driven, hard-working, a good teammate, has unique love for the hospitality industry and aligns with our values then we usually find a spot for them," said Jackie Reed CEO TS Restaurants.

#### *Leilani's On The Beach and Kimo's*

Two TS Restaurants are the subject of this case study: Leilani's On the Beach and Kimo's. Leilani's On the Beach is located on Ka'anapali Beach in the Whaler's Village area of western Maui. Leilani's offers a casual dining dinner menu featuring island cuisine and its entrees include chicken, chops, prime rib, steaks and fish and seafood. The restaurant is connected to the Beachside Grill, which features live Hawaiian/local entertainment in the late afternoons during happy hours. Kimo's is located 3.5 miles south on Front Street in the Old Lahaina Town section of Maui, along the ocean coastline. The Oceanside views in the center of Lahaina has made Kimo's a popular destination and reservations always are encouraged. Kimo's also enjoys status as a legacy establishment, having been in business since 1977.

#### **Consumer Sentiment Analysis**

**The sentiment analysis was used to validate what was being seen in the field observation.**

The steps of the Sentiment Analysis with NLTK software included the following:

1. The Stop Words Lists were used to clean the text.
2. The Master Dictionary was used to generate the case dictionary of positive and negative words, ensuring that no words found in the Stop Words Lists were included.
3. Text was converted into a list of tokens using the NLTK tokenize module which then were used to generate four (4) scores:
  - i) **Positive Score:** This score is calculated by assigning the value of +1 for each word if found in the Positive Dictionary and then summing all of the values.
  - ii) **Negative Score:** This score is calculated by assigning the value of -1 for each word if found in the Negative Dictionary and then summing up the values. The score is multiplied by -1 so that the score is a positive number.

iii) **Polarity Score:** This is the score that determines if a given text is positive or negative in nature. It is calculated by using the formula:  $\text{Polarity Score} = (\text{Positive Score} - \text{Negative Score}) / ((\text{Positive Score} + \text{Negative Score}) + 0.000001)$ ; range is from -1 to +1

iv) **Subjectivity Score:** This is the score that determines if a given text is objective or subjective. It is calculated by using the formula:  $\text{Subjectivity Score} = (\text{Positive Score} + \text{Negative Score}) / ((\text{Total Words after cleaning}) + 0.000001)$ ; range is from 0 to +1

**4. Sentiment score categorization:** This is determined by grouping the polarity score values in the following groups:

**Most Negative:** Polarity Score below -0.5

**Negative:** Polarity Score between -0.5 and 0

**Neutral:** Polarity Score equal to 0

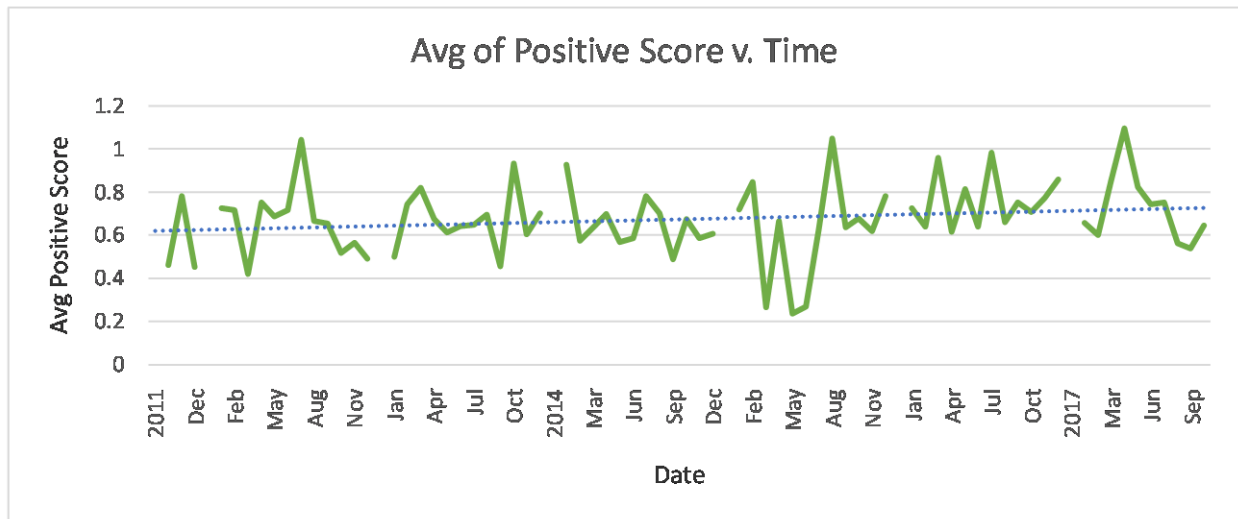
**Positive:** Polarity Score between 0 and 0.5

**Very Positive:** Polarity Score above 0.5

**Results – Kimo’s**

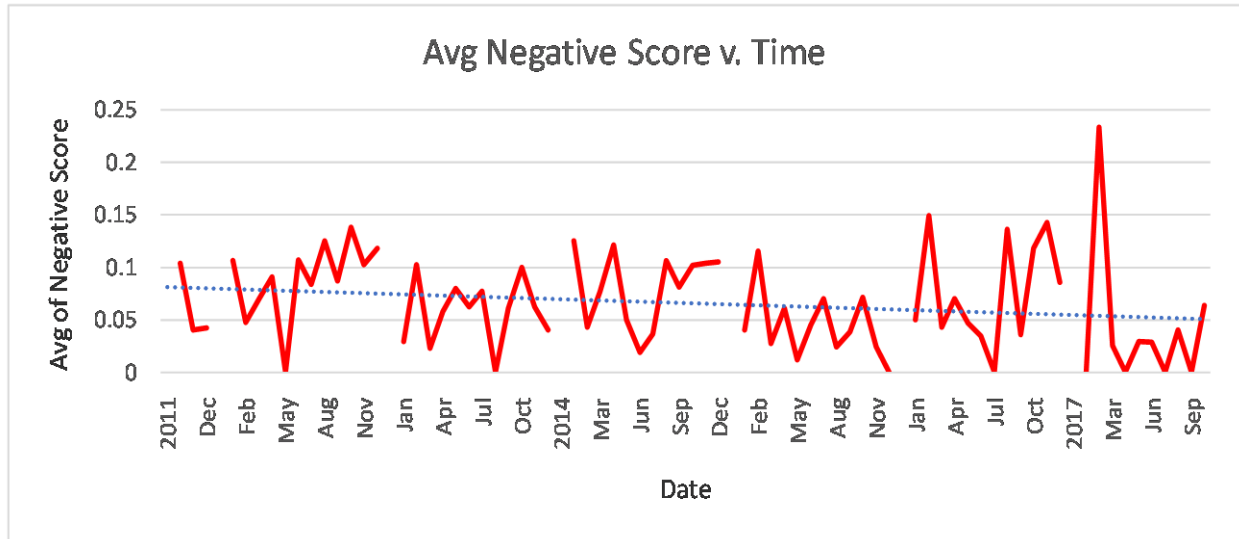
*Exhibit 3. Sentiment Analysis Results: Kimo’s Maui, Twitter*

**Positive Score v. Time:** Average positive score trends steadily higher over time, with the exception of a short dip in 2015.



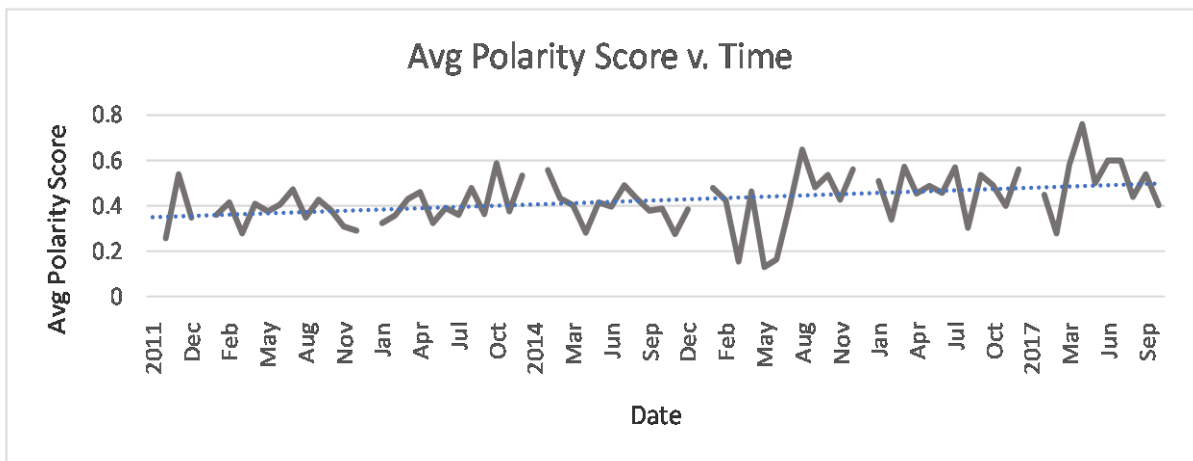
**Positive Score v. Time:** Positive score average based on Twitter gradually increases with of the dip in the period February-June 2015.

*Exhibit 4 Negative Score v. Time: Negative average score decreases gradually over time, a good sign for consumer sentiment: Kimo’s Maui, Twitter*



The Polarity Score determines if a given text is positive or negative in nature. It is calculated by using the formula:  $\text{Polarity Score} = \frac{(\text{Positive Score} - \text{Negative Score})}{((\text{Positive Score} + \text{Negative Score}) + 0.000001)}$  Range is from -1 to +1

*Exhibit 5 Polarity Score v. Time: Polarity Score increases over time, and recovers to prior levels: Kimo’s Maui, Twitter*



*Exhibit 6 Favourite’s vs Time: Number of People Favouriting Tweets: The number of Twitter followers who have favourited tweets increase gradually over time: Kimo’s Maui, Twitter*

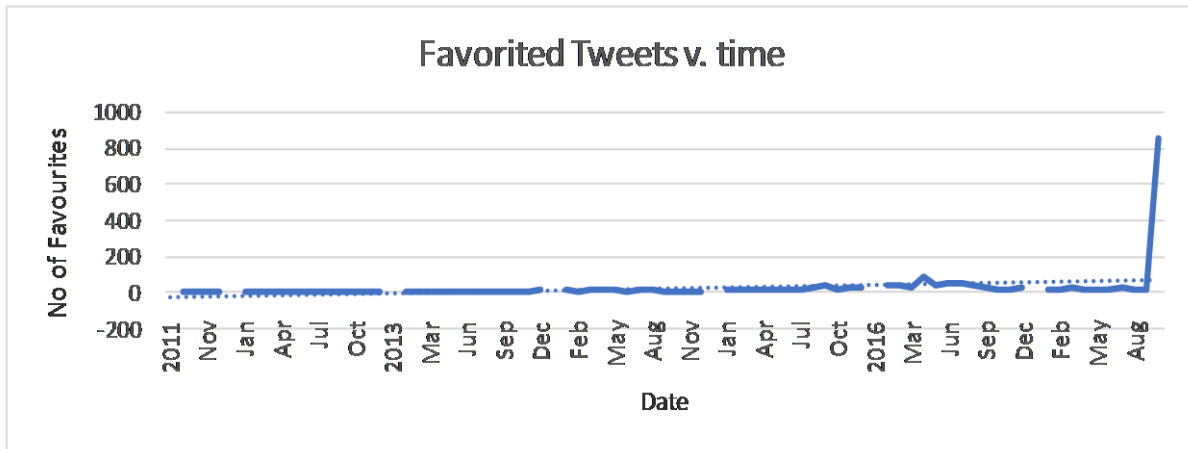


Exhibit 7 Polarity Score v. Time: Average Polarity Score increases gradually over time: Kimo's Maui, Facebook

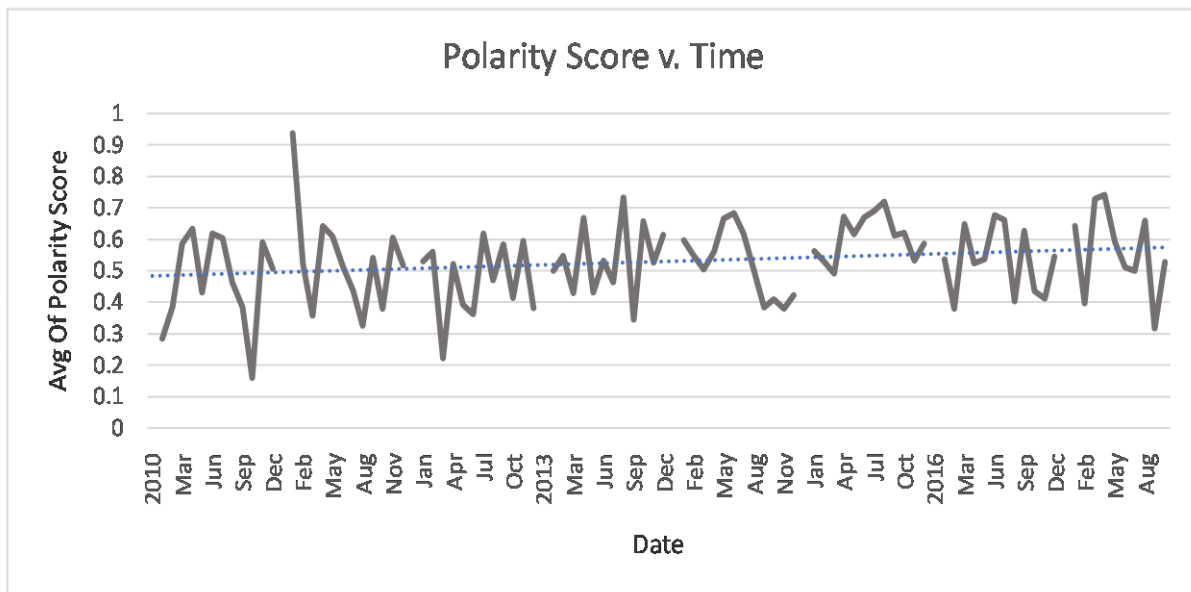
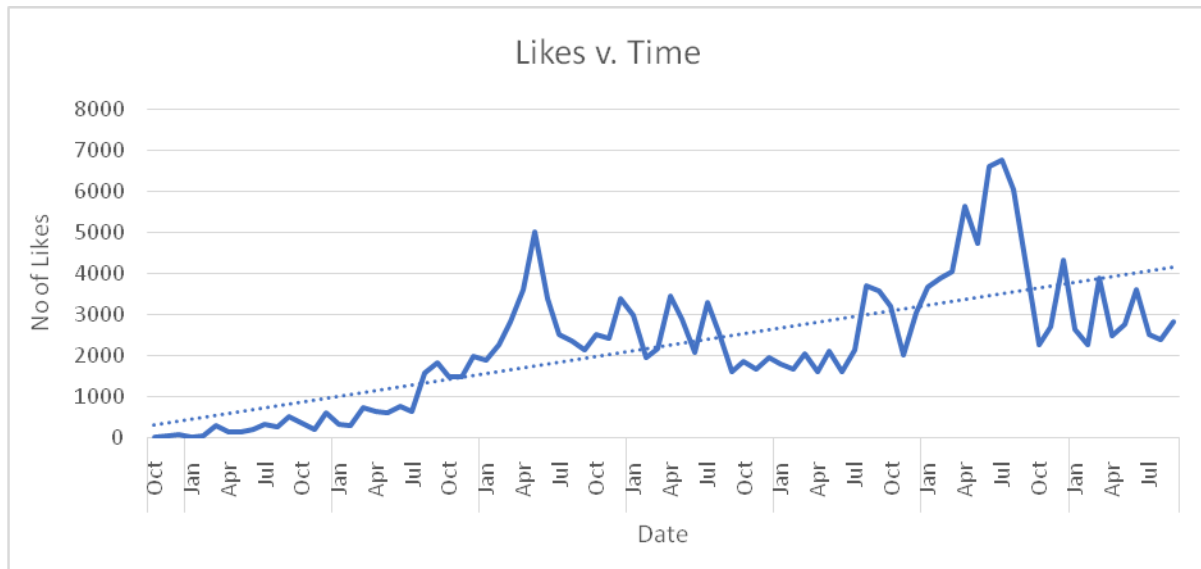


Exhibit 8 Likes v Time: The number of likes are increasing rapidly with time: Kimo's Maui, Facebook



Results– Leilanis on the Beach

Exhibit 9: Sentiment Analysis Results: 88 percent of reviews are positive about Leilani’s Maui, Yelp

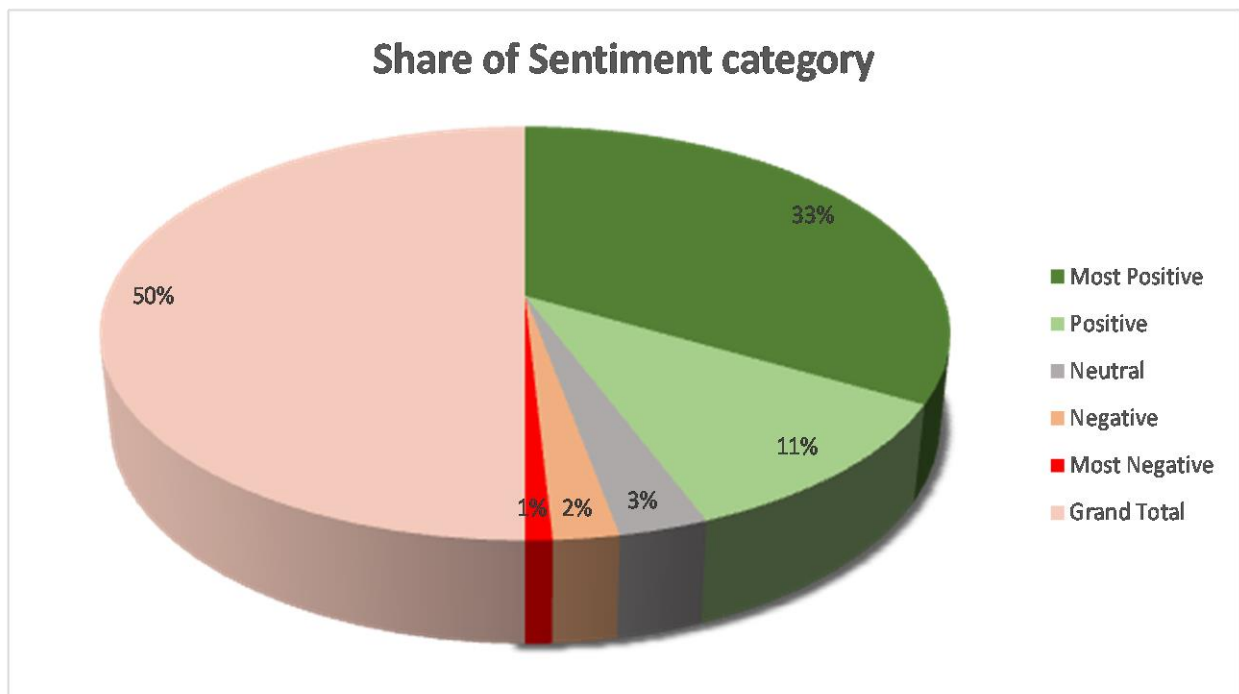


Exhibit 10: Negative score vs time: Negative Score is decreasing over time: Leilani's Maui, Yelp

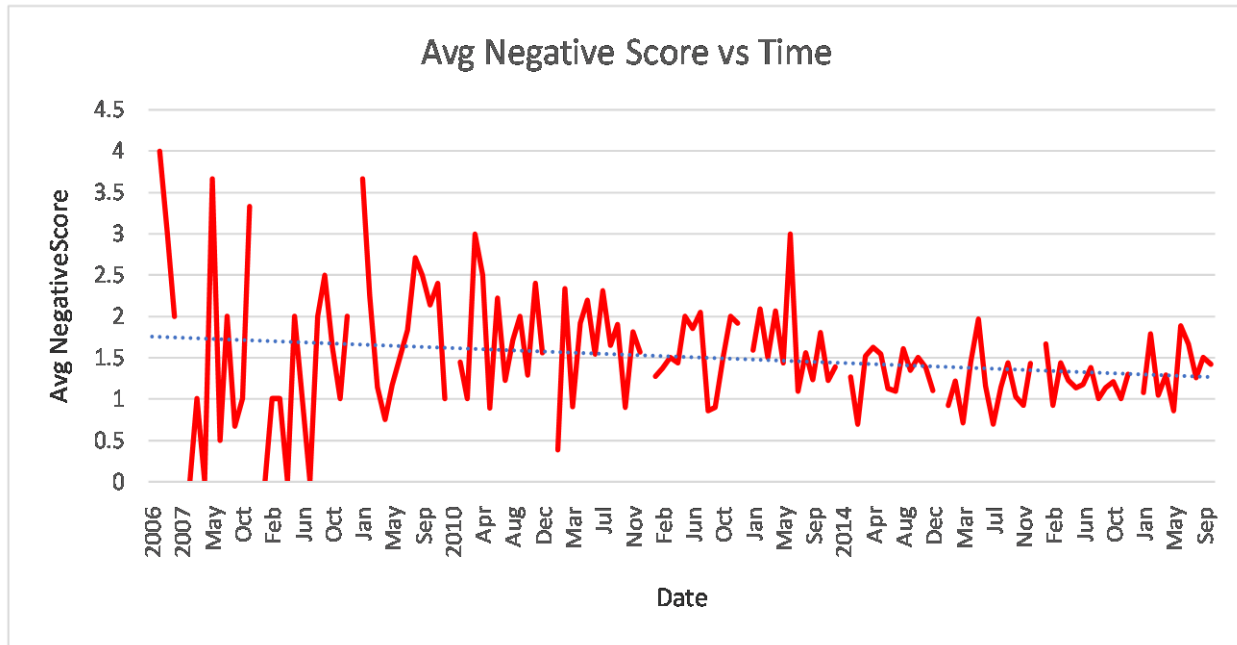


Exhibit 11: Polarity score vs time: High rate of decrease in Negative score is improving Polarity Score gradually: Leilani's Maui, Yelp

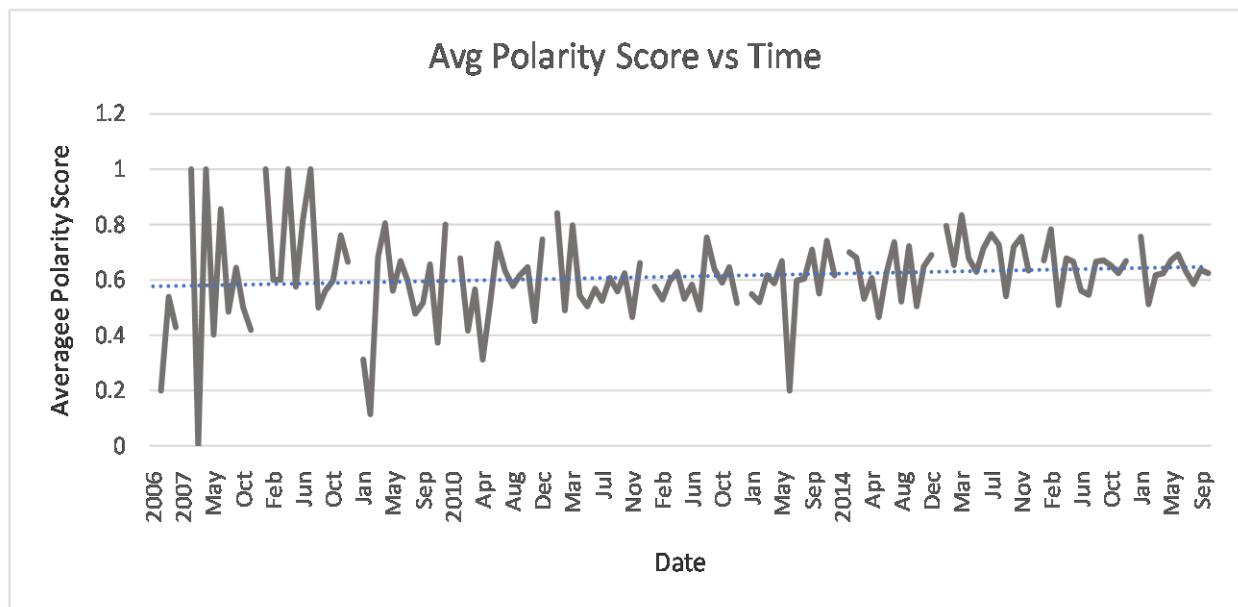
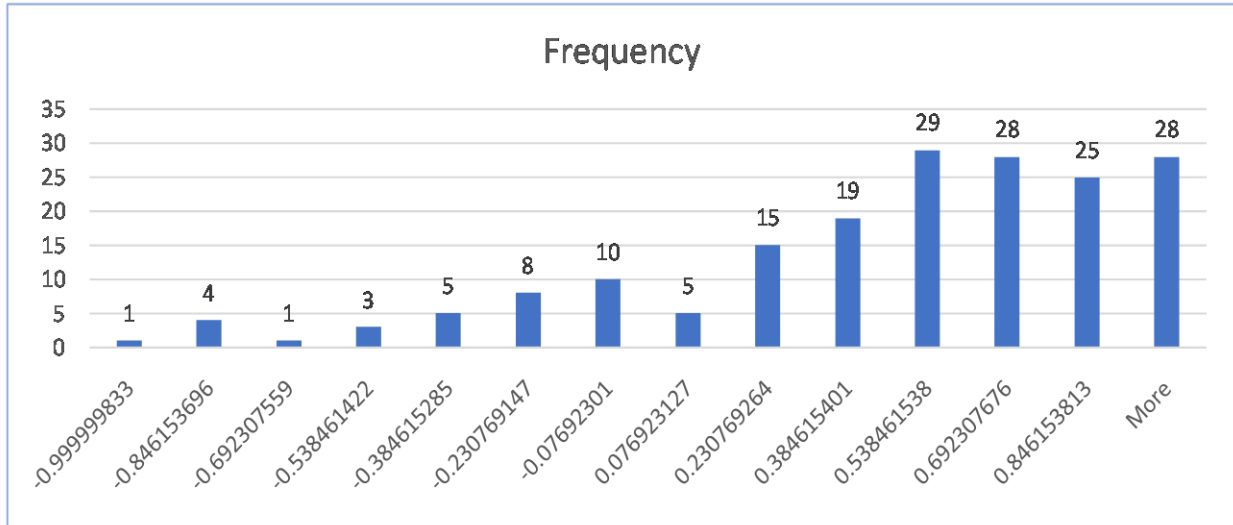
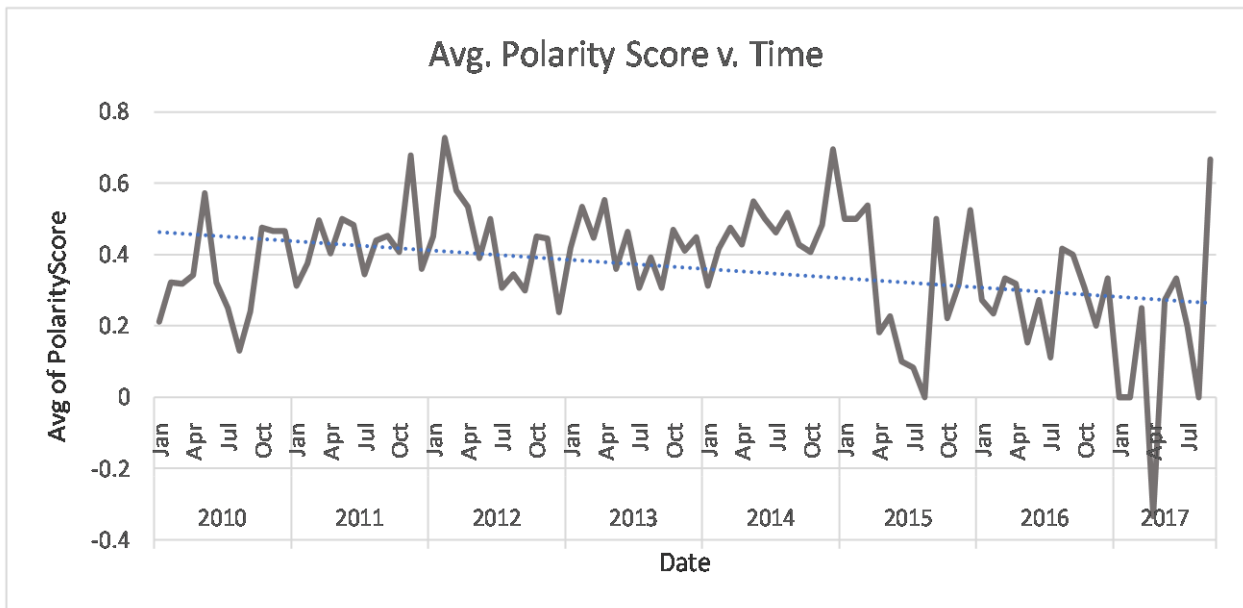


Exhibit 12: Frequency of polarity score: Leilani's Maui, Yelp



**Polarity Score v. time:** Polarity score average of tweets decreases more rapidly with time and April 2017 registered a negative polarity score.

Exhibit 13: Positive score vs time: Positive is falling gradually over time: The Westin Maui, Facebook





## **Conclusion**

Innovation and the response to changes in businesses, markets and industries move at an unprecedented speed in today's immersive information economy and no business, small or large, can afford to risk lagging in their response to rapidly changing circumstances, given how little leeway is possible in the margins of error or, more significantly, the margins of profitability. Disruption is a natural part of innovation and digital information and media networks amplify this phenomenon more quickly than in previous periods. But, many events of disruption and innovation, regardless of the industry or market in which they occur, share common themes. That is, personalization and engagement lead to generating better and longer lasting value for the customer relationship, as evidenced in ride-sharing apps such as Lyft and Uber and in Amazon's strengths in creating new standards of convenience when it comes to retail shopping. However, even as technology now permits such an active, converging exchange of new ideas and concepts in business practices, there is a widespread renaissance of traditional concepts of service, engagement and response that always have been integral to achieving the ideal customer relationship. It is companies such as TS Restaurants that have created new spaces and experiences that provide consistently good service and products while simultaneously cultivating personal connections with customers that emphasize sincere camaraderie and loyalty.

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## **Exercises and Discussion Questions**

1. Describe the TS Restaurant's brand. What makes it unique?
  2. What has Leilani's On the Beach and Kimo's done to build a positive reputation and sentiment scores?
  3. Explain the relationship between TS's organizational culture and the consumer sentiment.
  4. Describe TS Restaurant's corporate culture. Be specific with your language choice.
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## **Further Readings**

Berridge, Eric (2016) *Customer Obsesses: A Whole Company Approach to Delivering Exceptional Customer Experiences*. Hoboken, New Jersey. Wiley & Sons, Inc.

## **Web Resources**

Videos: Leilani's, Maui, HI

<https://www.youtube.com/watch?v=QRghr-xOPXg> (2018)

<https://www.youtube.com/watch?v=NrSaW43sKXY> (2017)

<https://www.youtube.com/watch?v=Mm4aLq9rrgw> (2013)

<https://www.youtube.com/watch?v=hw59WhVv1MQ> (2013)

<https://www.youtube.com/watch?v=cZIIovjYo0> (2012)

Videos: Kimos

<https://www.youtube.com/watch?v=G293hDsSwWw> (2011)

<https://www.youtube.com/watch?v=ogEl9u3dXhU> (2011)

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Appendix A  
Westin 2013



[Leilani's On the Beach](#) 2013



Westin 2014 [Leilani's On the Beach](#) 2014



Westin 2016 [Leilani's On the Beach](#) 2016

