

people flow

PARTNERING WITH
HILTON WORLDWIDE

INSPIRED EMPLOYEES –
YOUR FINEST
AMBASSADORS

IN SEARCH OF THE BEST
CUSTOMER
EXPERIENCE



The winning formula

In today's business, one key word rises above anything else. Understanding the *customer*, satisfying the customer's needs, delivering the best customer experience – that's what counts.

But how do you know if your customers really are happy? How can you manage something so abstract as a personal experience?

KONE learns more about its customers through the Net Promoter Score (NPS) process. Twice a year, 20,000 customers are asked questions about their cooperation with KONE. The simplicity of the survey brings in a high response rate, which results in measured and reliable data for decision making.

KONE's customer focus development program, launched six years ago along with the new strategy, led to concrete actions. To take customer focus to the next level, KONE set up a Customer Experience team last year. The team has now defined all interaction points KONE has with customers. These touch points help KONE to get a holistic view of the interaction and to develop the customer's experience systematically.

KONE's goal is to produce solutions that keep our customers happy as well as make doing business with us easy and enjoyable. Many of KONE's development initiatives come directly from customers. Improving the customer experience – this, if anything, is a win-win situation.



Matti Alahuhta

President & CEO, KONE Corporation



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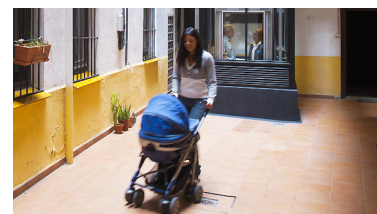
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NEWS

KONE has worked for over a decade at Heathrow, ensuring the smooth and efficient flow of passengers in the terminals.



READ MORE ABOUT KONE SOLUTIONS FOR AIRPORTS:
www.kone.com/countries/en_MP/solutions/airport

TAKE-OFF POWER

KONE continues to contract major orders for international airports.

In Oman, KONE is involved in the most valuable infrastructure project in that country's history. The major expansion of the Muscat International Airport will make the airport one of the most important transportation hubs in the Middle East. KONE will supply 70 KONE MonoSpace® and 52 KONE TranSys™ elevators, as well as 60 KONE TravelMaster™ escalators and 39 KONE TransitMaster™ autowalks to the passenger terminal.

In the US, KONE has an ongoing modernization project of 44 escalators at the Seattle-Tacoma International Airport Terminal. The innovative KONE EcoMod®, which allows modernization without removing the truss, will be utilized. The escalators adjust the speed based on load and usage, improving energy efficiency by 20 percent. The work will be carried out with minimum disruption to the facility and its users.

At Heathrow in the UK, KONE recently secured an order to supply People Flow™ solutions to another satellite building at the new Terminal 2. The solutions include 34 KONE MonoSpace® elevators and 6 KONE Motala™ platform elevators for people with impaired mobility. The order also includes 10 KONE TransitMaster™ 140 heavy duty escalators and 8 KONE TravelMaster™ 110 light duty escalators as well as 12 autowalks.

The KONE elevator solutions come with energy efficient KONE EcoDisc® hoisting machines and regenerative drives. These and many other KONE innovations significantly improve carbon efficiency at the world's busiest airports. ●

One of the world's most innovative companies

US-based business magazine *Forbes* has ranked KONE the 39th most innovative company in the world. KONE is the only elevator and escalator company to have made it to the top 50.

The magazine's ranking is based on the "Innovation Premium" metric, which measures the value of a company due to investors' expectations of future launches and new markets that will generate large income streams.

"Our mindset is that of a challenger. We intensively look for opportunities to develop our products, services and processes in order to deliver a better customer and user experience," says KONE CEO & President **Matti Alahuhta**. ●

Forbes | 2011
THE WORLD'S
MOST
INNOVATIVE
COMPANIES



Royal ships provide easy access

KONE will equip the world's most exclusive and innovative new cruise ships. The two flagships of Princess Cruises' fleet will each have room for 3,600 passengers.

KONE will design, supply and install 28 custom-designed elevators for both ships. In addition, there will be lifts for passengers with impaired mobility – 4 vertical platform elevators and 6 stair elevators.

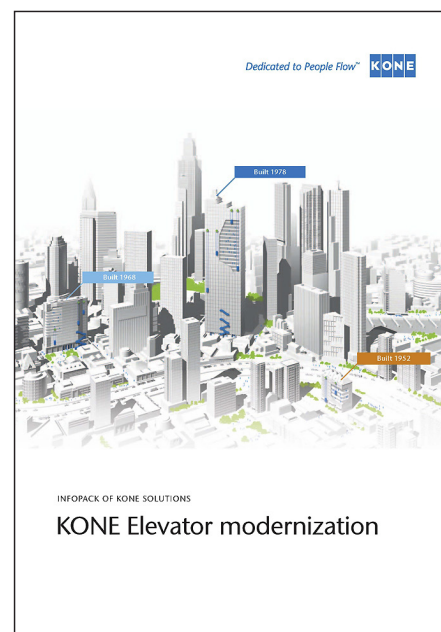
The first ship, Royal Princess, is scheduled for delivery in 2013; the second ship one year later. Princess Cruises is the premium brand of the world's largest cruise ship company Carnival Corporation & plc. The vessels will be built at Fincantieri's shipyard in Monfalcone, Italy. ●

Helping to find the right solution

A new Elevator Modernization InfoPack tool will help customers select products that best suit their needs.

KONE has gathered all relevant information about elevator modernization and full replacement in one package. The InfoPack contains fact sheets, planning guides and brochures as a virtual folder on a USB stick, offering quick access to all documents. The information is divided by duty range and level of modernization, from full replacement to modular modernization, and also includes accessories.

Contact your local KONE office for more information about the InfoPack. ●



A photograph of a woman with dark hair, wearing a blue short-sleeved top, smiling broadly as she pays for food at a counter. She is handing several US dollar bills to a server whose hands are visible at the bottom right. On the counter is a red basket filled with french fries and a sandwich. In the background, another woman in a denim jacket and white pants is walking past. The scene is brightly lit, suggesting an indoor setting like a cafe or fast-food restaurant.

ECONOMICS OF LOYALTY

60

NPS EXPLAINS
UP TO 60% OF
THE VARIATION IN
ORGANIC GROWTH
RATES AMONG
COMPETITORS.

Today, companies strive to deliver the best experience for their customers. In order to achieve that, they need systematic ways to measure and manage customer satisfaction.

TEXT RANDEL WELLS PHOTOS GORILLA AND RAMI LAPPALAINEN

“In my conversations with companies, the customer topic has become much more prominent than ever before,” remarks **Andreas Dullweber** of consulting firm Bain & Company. Some ten years ago, Bain conducted research on company communications, looking at things like annual reports and letters from CEOs to shareholders. At that time, the word “customer” appeared in less than five percent of the cases.

Companies now recognize their need to care about customers. However, there is a significant gap between a company’s self-perception on its level of customer experience and the customer’s perception of the same experience. Companies tend to think better of themselves than customers do.

The good news is that companies which are in agreement with their customers clearly outperform competitors both in profit growth and top-line growth. The customer experience challenge is difficult, but worth it.

GOOD AND BAD PROFIT

To become customer-centric you need proper management. And proper management needs proper tools.

“When you look at companies and how they manage and measure profits, there are well established standards and processes that everyone understands,” explains Dullweber. “But if you look for

understanding what kind of experience a company provides and the loyalty it creates, there is very little in the way of standard tools to measure and manage these factors.”

With the classical accounting approach, there is no way to distinguish between a dollar of profit made because value was brought to a customer versus a dollar of profit gained because the customer was forced to pay.

Good profit quite simply is sustainable profit. Bad profits are a liability.

“If you cannot divide your customer base, or rather your profit base, into good and bad, you cannot really tell what the health of your business is,” says Dullweber.

MEASURE FIRST, THEN MANAGE

It was with this in mind that **Fred Reichheld** and his team at Bain & Company developed the Net Promoter Score (NPS).

“NPS was born out of the need for a standard system that could measure customer loyalty like the classical account system measures profit,” explains Dullweber. “Only if you can measure customer experience can you manage it.”

The goal was to create something very simple and intuitive, something that is meaningful to everyone, from senior management to those who interact with customers in the field.



A customer-centric approach pays off, literally, says Andreas Dullweber. Companies in agreement with their customers clearly outperform competitors in profitable growth.

“If you want to get the opinion of your friend about something,” asks Dullweber, “what would you do, send a survey? No. You talk to your friend.”

The company came up with one simple question that can be deployed across all geographies, business lines, and customer segments. The question and core measurement of NPS is known as ‘the ultimate question’: On a zero-to-ten scale, how likely is it that you would recommend us (or this product/service/brand) to a friend or colleague? This is usually the starting point for a more detailed understanding of and dialogue with the customer.

NPS classifies customers into three groups. A score from zero to six means the customer is a detractor, someone who is dissatisfied. A score of seven or eight means the customer is passive. Though they are not unhappy per se, they cannot be considered loyal. Loyal customers give a score of nine or ten. These are the promoters who form the basis for sustainable profit because they stay longer, buy more, tell their friends and are often lower cost to serve.

“Companies need to know which customers are promoters, which are detractors, and what the value difference is between them. Employees need to know if they just created a promoter or detractor with their service, actions or products – day by day,” highlights Dullweber.

NPS along with other customer satisfaction measurement methods are an evolutionary step in business development. In the 80–90s, the focus was on total quality management. Strategy and actions were driven by an internal focus, an inside-out perspective. Customer loyalty metrics are complimentary systems that focus a company toward its customer and employees.

The outside-in approach helps companies avoid investing in greater efficiencies that look good internally but that have no real impact on the customer experience or loyalty.

“This is about first doing the right things, and then doing them well, rather than trying to do everything well, regardless of the impact on customer experience.”

“We very much hope and to a certain extent believe that this customer focus is an opportunity to move toward Capitalism 2.0,” remarks Dullweber.

It is becoming more and more difficult to sustain a business without a longer-term view and a clear source of sustainable – good – profit. The pace of business continues to accelerate. Choices continue to broaden. Transparency in goods and services is increasing. If a company does not differentiate and provide real value, these trends will make sustaining the business in the future ever more difficult.

“It is important for every company using NPS to really understand the economics of loyalty,” says Dullweber. “Companies need to know how much value a promoter brings to the company versus a detractor. Equally, they need to

know what value is created by turning a detractor into a promoter.”

MOMENTS OF TRUTH

So how does a company create promoters? The starting point is to map the customer journey and to define the critical touch points, the individual interactions, and the key relationships a customer has with the company. This provides companies with insights on where and how to focus efforts.

“Wowing customers tends to happen in those human-to-human interactions, in particular when an employee really performs well in those moments of truth,” Dullweber notes.

There are many interaction points, so the challenge is to find out which matter the most in the customer experience. A perfect manufacturing process does not necessarily speak to what the customers really want.

“Conceptually it is quite simple: find the main interaction points, link up the interaction points into a great journey, and then link up that journey into a great lifetime for the customer. It is easy to understand, but it typically takes five to ten years to achieve.”

COMMIT TO THE CHALLENGE

Though NPS is a simple metric for identifying promoters and detractors, embedding customer focus throughout an organization is not. The main complexity is in the need to influence employee behavior and link survey results to action.

Companies can create initial momentum by giving employees the responsibility to follow up with customers and



learn. Following these conversations, management must listen to employees and take action on the key drivers.

“In the end, it will become critical if employees themselves are promoters of your company and service. Only employee promoters will create customer promoters at a rate that creates true differentiation,” says Dullweber.

When it comes to the value created by customer experience initiatives within a company, only a small part comes from special programs such as training. The real value comes from embedding customer focus into the organization and into the daily business rhythm of the company.

“This means that the customer experience numbers need to hit the table as frequently as any other numbers,” emphasizes Dullweber.

“Business used to be about standardizing behaviors. Now it is about realizing that the humans in the company are the best weapon, the biggest asset, to make a difference with customers. NPS ultimately is a business philosophy, a system of operational practices, and a leadership commitment.”●

**“FIND THE MAIN TOUCH POINTS,
LINK THEM UP INTO A GREAT JOURNEY,
AND LINK UP THAT JOURNEY INTO
A GREAT LIFETIME FOR THE CUSTOMER.”**



KONE CARES

Finding out what the customer expectations are and shaping the business accordingly is how KONE keeps producing solutions that keep their customers happy.

TEXT RANDEL WELLS PHOTOS KONE

KONE has a long and strong tradition in technology and product development, introducing game-changing technologies to an industry where the fundamentals had not changed significantly in decades. Much of KONE's success can be attributed to its technical prowess, but to remain successful, the company needed to up its game.

In 2005, KONE rolled out a completely new strategy with a number of development programs. One of the programs identified was customer focus.

"We decided then that we needed to start listening to the customer much

more than we had been," recalls **Juho Malmberg**, Executive Vice President of Customer Experience at KONE.

The customer focus development program led to many concrete actions, such as creating a new global sales process. It redefined how KONE sells solutions and included grouping customers into unique segments. To further support sales teams, KONE implemented a global customer relationship management (CRM) system. It was then integrated with a renewed KONE.com website that brought to customers a number of fresh online tools. Customers can now work with layout drawings, make product comparisons,

estimate traffic calculations for optimizing People Flow™, and more.

CUSTOMER RESPONSES GENERATE INITIATIVES

Understanding the customer is the cornerstone for everything KONE does to build a better experience for customers. Along with the new strategy five years ago, KONE adopted the Net Promoter Score (NPS) as the main tool for gathering information about customers and learning from them.

Each year KONE interviews some 20,000 customers globally, utilizing the results to identify important areas for development in customer service.



“MANY OF KONE’S DEVELOPMENT INITIATIVES COME DIRECTLY FROM CUSTOMER RESPONSES.”

“We get great input from customers through NPS,” notes Malmberg.

The survey is carried out twice a year with a representative sample of customers. The selection is made based on factors such as location and type – for example, new elevators or maintenance.

“We want to make sure we get a balanced picture each time and make sure we don’t contact the same customer too often.

“NPS is very good and customer friendly in that it is essentially only two questions. We ask the customers to score us, and then ask why they gave us that score. We have a very high response rate thanks to its simplicity. Many of our development initiatives come directly from the customer responses.”

EASY INTERACTION, CLEAR COMMUNICATION

Though a lot of actions had already been taken, KONE was eager to go further, taking customer focus to the next level. So in 2010 KONE set up a new Customer Experience team.

To gain a holistic view of customers, the team carefully defines all the touch

points KONE has with customers. The touch points are the interactions that create the customer experience.

“Our goal is to make sure that all these interaction points are designed in a way to make doing business with KONE as easy and enjoyable as it can be,” explains Malmberg.

Work is ongoing with indentifying and validating interaction points with customers, but many improvements have already been identified and implemented.

In the area of customer communication, KONE is improving both method and content of communications in key interaction points. A global training program has been initiated, to help ensure every service technician knows how to create a good experience for the

customer through positive and professional communication.

Another development is the call-back-after-call-out concept, which is being piloted in some countries. Every time there is an unplanned maintenance call, the customer is called back the following day to see how it went to make sure the customer is satisfied.

Some of the improvements are incredibly effective in their simplicity. KONE InfoMod is one such low-tech, yet effective solution. It is an information board put up in the main hallway of the building undergoing modernization. The board has contact details, work schedule, and other information to help the elevator or escalator users understand what work is being done and how it will impact them. ●

TEXT TYTTI MÅRD PHOTO CORBIS

THE TOP ATTRACTION

Along with The Shard, London is going to turn into a radically new city. The pointed multifunctional skyscraper adjacent to the London Bridge railway station will redefine the skyline and become *the* landmark of the UK capital.

A must for every visitor, the building will rise to over twice the height of the London Eye observation wheel.

KONE's high-speed elevators will whisk people up to

the numerous galleries as well as to the high-end restaurants, hotels, apartments and offices. Behind its crystalline façade, The Shard is nothing less than a vertical city.

The Shard is the first phase of the London Bridge Quarter, a hot new commercial district. KONE has been involved from the very beginning in this huge project, where sustainability has been a clear priority at every stage from recycled demolition waste to the use of advanced technologies. ●



THE SHARD

310 METERS
80 STORIES
84,000 SQUARE METERS /
900,000 SQUARE FEET
COMPLETION May 2012

KONE SOLUTIONS

33 KONE ELEVATORS,
of which 4 DOUBLE-DECK ELEVATORS
KONE JUMP LIFT™ used during the construction
KONE ECODISC® energy efficient hoisting machines
6 KONE ESCALATORS

2,000,000

THE LONDON BRIDGE QUARTER
REGENERATION SCHEME COVERS
ALMOST 2 MILLION SQUARE FEET.





THE VALUE OF ENGAGEMENT





Inspired employees are the best ambassadors any organization can have. Studies confirm that when people really love their jobs, customers get better service.

TEXT SILJA KUDEL PHOTOS KONE AND SUSAN JUNNOLA

When a KONE technician arrives to service an elevator or escalator, expect to be greeted by someone smiling and eager to serve. On-the-job training, career and growth opportunities, and daily feedback from supervisors have all helped to create a strong culture of engagement at KONE, keeping morale high and staff turnover low.

Committed to becoming an inspiring and energizing place to work, KONE chose employee engagement as one of its three-year strategic development programs last year.

"This principle is not something buried away in our HR policy. It's right at the top of our strategy where our

employees can see that they do matter to us," affirms **Kerttu Tuomas**, Executive Vice President of KONE Human Resources.

OWNING IS CARING

But can the customer spot the difference between an engaged employee and a disengaged one?

"Picture yourself in a restaurant. We all know what it feels like to be served a meal by a waiter who is dissatisfied with his job," illustrates Tuomas.

The attitude of employees is intrinsically linked to the standard of service they provide. When motivated and empowered, they will deliver consistently high performance levels and go above and beyond the call of duty. The KONE technician who services an elevator will not only complete the job with a can-do

attitude, but he will go the extra mile. He will listen to customer needs, suggest improvements, and do his utmost to maximize satisfaction.

"Engaged employees take personal pride in their company and its products. They take ownership of their work, so they truly care. And customers are the ones who benefit," explains Tuomas.

"Numerous studies have verified a strong correlation between employee engagement and customer satisfaction. If you neglect to engage your workforce, it has a direct impact on customer loyalty."

Not to mention your bottom line. The costs incurred through lost productivity and training of new recruits are generally estimated to be around the annual salary per departing employee.

TWO-WAY STREET

But what gets people excited to go to work in the morning? Big bonuses? Likable colleagues? The office gym?

"A complex combination of variables," says Tuomas. A sufficient salary helps, but incentives won't make people genuinely passionate about their work.

“Different issues matter to different people, but there are certain common denominators, mostly related to leadership and communication. People want to see the big picture and understand where their company is going,” says Tuomas.

“And everyone wants recognition and feedback,” she adds.

MOVING ON UP

“Look at any study, and the most important driver for engagement is the same all over the world: career and growth opportunities,” reveals Tuomas.

KONE is working on various fronts to offer its employees new challenges and personal growth opportunities. People interested in developing their capabilities are urged to broaden their competence by taking on new assignments

“PEOPLE WANT TO UNDERSTAND WHERE THEIR COMPANY IS GOING.”

and participating in job rotation, coaching, training and mentoring.

“At KONE, we’re improving the visibility of internal vacancies on our intranet and noticeboards. We actively encourage people to apply for new positions within the company and take part in our training programs,” says Tuomas.

“Added to that, we have made a massive investment in leadership training. Back in 2008, most companies were cutting their training budgets, but we did just the opposite. The people that manage our biggest employee group – technicians in the field – had very little leadership training. They have

benefited enormously from our Supervisor Development Program, which is all about people skills.”

Over the past three years about 3,000 supervisors have taken part in the program, helping them become inspiring coaches and effective communicators. Tailored courses are also arranged for senior executives and middle management.

ELEVATED HEALTH

Safety has always been a high priority on KONE’s corporate responsibility agenda. All employees receive in-house training to ensure that they can perform their job safely and without risks to their health. Basic training is supplemented by refresher courses and workshops for specific job roles.

One of KONE’s most innovative health initiatives is the Elevate Your Health program launched in January for US employees, which Tuomas describes as an excellent concept that can be applied in other countries, too.

“We’re always looking for best practices that we can ‘copy and paste’ globally. The key is to take a comprehensive approach. A fitness program won’t improve engagement if you neglect something as important as wise leadership.”



WISING UP TO WELLNESS

The business benefits of promoting employee well-being are undisputed. With technology on their side, KONE US employees are being encouraged to take responsibility for their health – and having fun doing it.

Participants in the Elevate Your Health wellness program are improving their fitness with help from a surprising source: computers. Computer-linked pedometers keep track of walking steps and calories burned, feeding this data to a customized website, which tracks activity levels and sends targeted motivational messages. Participants are also sent fitness facts, tips for healthier eating and congratulatory emails for reaching their targets.

HEALTHY HEARTBEAT

Open dialogue is actively encouraged within KONE to ensure that every employee understands exactly where the company is going and the role they are expected to play.

Performance discussions are held twice a year to set personal targets, evaluate progress and provide personalized support.

But, as Tuomas emphasizes, these semi-annual meetings are just the



“formal milestones”. The best leaders provide coaching and feedback as a continuous process, on a daily basis.

KONE also uses other formal tools for gauging engagement levels.

“We look at our attrition rate, our absenteeism and the engagement ratings we receive. We are performing well on all scales. Many of our employees have stayed with us for decades.”

KONE’s most informative measure of employee engagement and well-being is the Pulse survey. Launched in 2004, this aptly named survey is an annual “pulse check” measuring how satisfied employees are with KONE as a workplace. Respondents are invited to offer their input for various issues such as strategy, leadership and values. The results are then analyzed and used as a basis for team-level improvement targets.

“The response rate itself is very revealing. It has gone up steadily from year to year, showing that our employees sincerely feel that we listen to them and their opinions count. We have achieved consistently good results on the employee engagement index, but we certainly aim to keep improving.”

LOST IN TRANSLATION?

What about the culture gap – is it difficult to bridge when you’re working across so many geographical territories?

“Not really,” replies Tuomas. “Leadership practices vary slightly in different countries. Scandinavia, for instance, is less hierarchical, but cultural differences are often overemphasized. The same themes are valid everywhere.”

KONE’s engagement practices are identical worldwide, yet customized

Open dialogue is essential and people need feedback on a daily basis, says Kerttu Tuomas (center).

locally. The Supervisor Development Program, for example, is always adapted for local relevance.

“Obviously you can’t take a Finnish example and use it to illustrate a point in China. You ‘translate’ it into Chinese.”

Whatever the cultural context, the secret to a happier, engaged workforce is uniformly simple, as Tuomas reveals:

“Pause often enough to ask two key questions: What do your people want? What is important to them?”

And, most importantly, listen to what they answer. ●

TRAVELING LITE

Whether in a multi-purpose skyscraper or an ordinary block of apartments, KONE's destination control systems make elevator travel easy and fast. The latest solution, KONE Polaris™ 500 supplements KONE's offering in this field.

TEXT SATU JUSSILA PHOTO JUHA SALMINEN

To get people in and out of elevators as quickly as possible, an elevator control system must rapidly process the data sent by passengers to call the elevator. Usually, the system is not informed where a passenger wishes to go until he or she has entered the elevator car. As a result, travel times are longer.

With the KONE Polaris Destination Control System (DCS), elevator users input their destination already in the lobby of the starting floor.

"Destination control gives the system the chance to make smart decisions that allow more efficient utilization of elevator capacity," explains **Harri Länsiö**, KONE's Assistant Vice President, Sales and Offering Management.

SHORTER TRAVEL TIMES

DCS has been around since the 1990s for mid- and high-rise buildings. The new KONE Polaris 500 solution offers a

user interface option for smaller elevator groups. It also offers a new design outlook for the signalizations.

"Polaris 500 is available for buildings that have up to sixteen floors and up to a four-car group. It's an excellent product for small buildings, such as offices or high-end residential apartments.

"The new signalization family uses materials that make the design look modern. But the real key with this product is the opportunity it provides to get DCS speed and efficiency in even smaller buildings," says Länsiö.

INCREASING THE EFFICIENCY

Polaris 500 is available in hybrid and traditional DCS configuration.

"In the Hybrid DCS, the destination operating panels are located only on the main floors. Other floors have a conventional up/down landing signalization. The inside of the elevator cars have the conventional car operating panel with numbers that can indicate served floors, just

like you see in any elevator," says Länsiö.

"With the hybrid system, passengers that miss their car can still enter the destination floor inside the elevator. This leads to a positive user experience and avoids confusion."

Länsiö explains that the Hybrid DCS configuration is particularly useful for improving traffic flow leaving from heavily used floors, such as the lobby of the main floor.

"It's beneficial in buildings with lots of traffic and heavy up-peaks. It also provides excellent performance in floor-to-floor traffic."

By contrast, in the traditional method all floors have a destination call device. In this system, users enter their floors at the landing area.

"These are ideal, for example, in multi-tenant buildings that want the best service for all traffic conditions – the morning up-peak, lunch rush and the down-peak."

A BETTER WAY TO RIDE

According to Länsiö, both methods have their own advantages. Choosing the right DCS configuration depends on what's needed.

"Traditional DCS provides full efficiency with less-crowded elevator cars.

"DESTINATION CONTROL ALLOWS MORE EFFICIENT UTILIZATION OF ELEVATOR CAPACITY."

KONE



ALL IN CONTROL

KONE Polaris™ 500

- For low- and mid-rise offices, hotels and residential buildings

KONE Polaris™ 800 and KONE Polaris™ 900

- For mid- and high-rise offices and more demanding buildings where traffic boosting is needed



The Hybrid DCS system combines certain favorable aspects of traditional elevator systems with destination control to provide the best user experience.”

Increased efficiency and comfort, reduced journey times and better security are provided every time.

“Choosing a KONE Polaris system depends, in large part, on the size of the building and the nature of its occupants,” concludes Länsiö. •

ELEVATING the relationship

Getting to or from a guest room with luggage and without delay is a crucial element of any hotel or resort experience – and one that is a reflection of the overall hotel brand impression. Iconic hotel company Hilton Worldwide has teamed up with KONE in a strategic partnership that is boosting business for both companies.

TEXT WIF STENGER PHOTOS HILTON

Hilton's expectations in terms of equipment maintenance are simple, says **Vicki Perry** of Hilton Worldwide.

"As long as the elevator is maintained well enough to prevent safety issues and gets a guest from point A to B in an expeditious manner, our guests are usually satisfied. A bad experience in an elevator is a reflection of the overall hotel experience," she says. "This is why a proactive and consistent maintenance program is key, so that problems can be avoided before a guest steps onto an elevator."

As Hilton's Global Account Director, Strategic Account Management, Perry oversees the strategic partnership with KONE. The company currently works with over 400 Hilton Worldwide properties and franchise owners maintaining elevators and escalators around the globe.

"Since working with KONE, the feedback from hotels has been very positive. With a strategic relationship in place, a corporate person from KONE can help expedite any local issue that perhaps is

not getting resolved quickly enough. That has really been a benefit," she says.

An essential part of the relationship is listening to the customer's needs. This is reflected, for instance, when maintenance is carried out.

"Hotel elevators are not used as much between 10 am and 6 pm," notes **Brad Fleming**, Director, Strategic Accounts, KONE Americas. "So you have a bit more flexibility in maintaining elevators during that downtime. In some of their full-service and luxury hotels, Hilton requires that full-time call-outs be included as part of their maintenance contract. So they expect 24/7 response time automatically."

"KONE DOES A GREAT JOB COMMUNICATING WITH LOCAL HOTEL MANAGEMENT TEAMS."

"The maintenance process can differ at luxury hotels because of a higher guest expectation level," says Perry, "but also at upscale full-service hotels with large meeting spaces because of the need to prevent disruption during meeting periods."

"KONE does a great job in communicating with the local hotel management teams. Their maintenance programs are flexible and can be specifically tailored to the hotel requirements."

"Communication is always the main ingredient," agrees Fleming. "Being flexible and understanding of our customer needs has allowed us to become a Hilton preferred vendor for vertical transportation equipment and services."

A VOICE IN THE COMPANY

When the strategic relationship started, Hilton had already done an extensive amount of business with KONE and had an excellent relationship, recalls Perry.

"The benefit to working with a company strategically is that they have a voice within Hilton and Hilton gets to position, within the company's travel

The prestigious Hilton New York is located in the heart of midtown Manhattan and caters to individual attention.

400

KONE WORKS WITH OVER
400 HILTON WORLDWIDE
PROPERTIES AND FRANCHISES



program, more of our hotels in their key markets. We look for opportunities to bias our chain to company travelers so we can increase travel market share. KONE showed a willingness to position Hilton Worldwide as first choice for travel.”

“Since Hilton classified KONE as one of their strategic accounts, our business has increased,” says Fleming. “We were recently awarded a modernization proj-

PARTNERS IN GUEST FLOW

- Hilton Worldwide is the leading global hospitality company with more than 600,000 rooms in 85 countries
- KONE is affiliated with every Hilton Worldwide brand. It is currently working with over 400 Hilton properties and franchise owners around the globe
- KONE is listed as a Strategic Partner on the Hilton Suppliers’ Connection website, which provides owners, developers and architects access to KONE solutions and technical data
- Over 50 percent of the equipment KONE maintains is from 3rd-party manufacturers



ect and some new installations based on this strategic relationship.”

For instance, KONE received two new projects in Nashville and Dallas, as part of Home2 Suites, Hilton’s first new brand in two decades. The first Home2 locations opened in early 2011, with more than 100 planned by the end of 2014 in the US, Mexico and Canada.

As the new chain offers a “green-focused extended-stay hotel experience,” the new Home2 brand is a natural fit for the KONE machine-room-less (MRL) elevator and the KONE EcoDisc® hoisting machine, innovations that can cut energy consumption by up to 70 percent compared to traditional hydraulic drives. KONE, which introduced MRL equipment to the US market, is the leading supplier of this sustainable technology. Meanwhile all KONE factories are ISO14001 certified to meet strict environmental standards.

“We’ve been able to convince them that it’s more advantageous to use machine-room-less rather than hydraulic elevators,” says Fleming. “It’s a sleek design that offers a smoother ride, looks good and is beneficial to the environment.”

Indeed, Perry points to sustainability as “absolutely one of KONE’s strong points. KONE has highly sustainable solutions that are energy-efficient and can reduce costs. Hilton’s corporate culture embraces sustainability. We have specific goals to achieve in sustainability and KONE can deliver sustainable solutions to support our company’s long-term goals in this area.”

SETTING THE STANDARDS

In July, Perry and Fleming invited Hilton’s Design and Construction project managers to tour sites in Memphis, where the machine-room-less KONE EcoSpace™ and KONE MonoSpace® elevators are in operation.

“The tour brought KONE solutions to life,” says Perry.

“The goal was to give the project managers a first-hand look at the benefits of using KONE machine-room-less solutions versus a hydraulic solution.

“This approach will definitely reap benefits for KONE, because we don’t have other elevator companies offering tours of this type.”

Hilton also invited KONE to take part in submitting suggestions for escalator and elevator standards for the whole chain.

A SEAT AT THE TABLE

While the focus of the relationship thus far is in North America, KONE is going to be involved as the hotel company expands into fast-growing emerging markets. Two years ago, just 15 percent of Hilton’s new builds were outside the Americas. Today, the company has 880 hotels, totaling more than 151,000 rooms, in the pipeline and is expected to enter several new countries by year-end.

“There will be a lot of opportunity to expand our relationship and introduce KONE to our key people outside the US,” Perry says.

And what else might lie in the future for this relationship?

“Anything where mobile technology can be used during a guest stay would be considered innovative and beneficial,” says Perry. “If a guest can use his or her mobile device on an elevator to get to and from the guest room, or if the room key could be programmed so that the guest does not have to press any buttons on the elevator but rather can wave the room key in front of an electronic eye – these would be interesting solutions to consider.”

“KONE Destination Control Systems (DCS) are being utilized more and more in the hotel environment,” explains Fleming. “When a guest swipes his or her card key at the lobby level, it will automatically know what floor to go to and which elevator is the closest to respond to that call.”●

How does it feel to move through a busy building in a wheelchair or with a baby stroller? KONE plans to find out in this year's People Flow Day.

TEXT SILJA KUDEL PHOTO KONE

A team of KONE employees from 32 countries will take to the streets on October 27 to look at the world through the eyes of users and customers. KONE's annual People Flow Day focuses this year on the theme of accessibility.

Teams will be visiting retail, residential, office, hotel, transportation hub and medical buildings to conduct customer interviews, observe behaviors and collect user observations. Special attention will be paid to the accessibility challenges of five specific user groups: visually impaired persons, wheelchair users, senior citizens, parents with young children, and busy people.

"This 'field day' helps KONE employees see what People Flow is on a practical level, giving them a better understanding of users, customers and building types," says the project's global coordinator **Kim Blomberg**.

"All the insights we gather go into a database that benefits us and our customers now and in future product development. The better we can understand different groups, the better we can meet their needs. By gaining new insights on barriers and enhancements to their mobility, we can increase customer satisfaction and strengthen KONE's offering and product development."



TANGIBLE IMPROVEMENTS

Launched last year, People Flow Day received an extremely positive reaction. **Walter Sirchi**, KONE's Branch Manager in Genoa, says that customers in Italy have been "sincerely impressed" by KONE's inventive approach to investigating customer and user needs. "They appreciated our employees' passion and pride."

Italian researchers made a number of interesting discoveries which have led

to tangible improvements both large and small. User feedback revealed, for example, that the 0.5 meters per second speed of the escalators in the Rome underground was too slow. Such a minor speed adjustment will bring a major improvement in user satisfaction.



FOR MORE ON
PEOPLE FLOW DAY, VISIT
WWW.KONE.COM/PFD

8:55 A.M. OFFICE BUILDING,
LONDON

Dedicated to People Flow™



Helping Peter and Lisa get to their meetings effortlessly and on time.

Every day KONE People Flow™ solutions enable millions of people to move smoothly and safely in cities. Especially in high-rise buildings, the KONE Polaris™ destination control system helps to optimize traveling times by directing passengers to elevators according to their destination floor.

