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Title: Tough Guests, Smart Moves: Helping Employees Navigate Challenging Hospitality Encounters.

Structured abstract: The hospitality industry is increasingly vulnerable to guest misconduct and fraud, particularly scams such as “dine and dash,” which have risen nationally in recent years. Tough Guests, Smart Moves: Helping Employees Navigate Challenging Hospitality Encounters investigates how these behaviours affect staff morale, retention, and organisational resilience, while presenting practical tools to address them. Using a case study of 112 employees across three luxury hotels, workshops and thematic analysis identified five recurring themes: guest interactions and staff awareness, guest identity and behaviour, payment security, booking patterns, and high-value transactions.

From these findings, a behavioural checklist and a RED/AMBER/GREEN guest model were developed by an experienced hospitality leader and a retired senior police officer. The tools empower frontline employees to recognise suspicious behaviours, de-escalate conflict, and apply consistent responses without over-reliance on managerial intervention. Implementation led to measurable improvements, including reduced fraudulent compensation, more secure payment practices, improved cross-departmental communication, over £10,000 in revenue protection in one year, and a marked boost in staff confidence and morale.

The study highlights that outdated maxims such as “the customer is always right” perpetuate staff dis-empowerment, inconsistent decision-making, and financial loss. By contrast, empowering employees with structured processes and training promotes both safety and service excellence. This research contributes a replicable framework for operators, addressing a longstanding industry gap in tackling guest incivility and fraud. It calls for sector-wide adoption of consistent practices that safeguard employees, ensure legal compliance, and protect commercial performance, while still upholding exceptional guest experiences.

Background: The purpose of this research, which began in 2024, driven by an ever-increasing pattern of guest behaviours that needed research and solution, was to both raise awareness of, and tackle an ongoing (national) issue of scamming in Hospitality outlets. In today's challenging hospitality environment and shifting consumer patterns of behaviour, the historic notion that the ‘Customer is always right’ is outdated! (Sliter et al, 2010; Rafaeli et al, 2012; Aslan and Kosak, 2012; Han et al, 2015.) This stream of research promotes Hospitality as a safe and respectful environment to work in and empowers leaders and employees with the tools to both identify and effectively handle challenging guests. From the initial strategic scanning, it became evident that scamming is as much a national problem as it is a local one. Statistics shared from UK Hospitality (2024) state that a third of Hospitality businesses say they've recently experienced an incident of “dine and dash”, a type of scamming where customers eat a meal but refuse to pay for it. Of those affected, nearly 30% say there have been more incidents in 2024 than in 2023. Sacha Lord, Manchester's nighttime economy advisor, believes the cost-of-living crisis could be a factor, with this

financial strain translating into mounting challenges for many households (Clarke, 2024; ONS, 2024).

As previous research suggests, employee retention is dependent on employee satisfaction, which is comprised of four factors: a sustainable positive work environment; sustainable growth opportunities; sustainable and effective communication; and sustainable and effective recruitment and selection practices (Ghani et al, 2022.) It was evident that challenging guest behaviour was impacting staff retention and a positive work environment, resulting in higher recruitment and training costs (Chiang & Jang, 2008; Tews et al., 2013; Wilson & Holmvall, 2013; Han et al., 2015; Ghani et al, 2022). This was enabling guests to identify that there appeared to be no boundaries and a culture of 'fear' among staff. The true essence of Hospitality, was eroded, resulting in the notion of delivering high standards of guest service being mistaken for justifying silence in guest misconduct. There are currently no national operational processes that can be adopted by the Hospitality industry to deal with such issues, despite this being a long-standing problem in the service economy (Ariza-Montes et al, 2017; Cheng et al, 2020; Voorhees et al, 2020; Hadjisolomou & Simone, 2021; Mayer et al, 2022).

Whilst many Hospitality outlets hold processes and policies for preventing staff bullying and harassment by guests, and with other influences over changing perceptions of the 'customer is always right' principle, particularly in the sharing economy (Canziani and Nemati, 2021) and through areas of other more serious criminal activity such as anti-terrorism and child exploitation crime prevention/detection initiatives (ACT campaign Gov UK, 2025) which this paper does not cover, there are no training tools in place for frontline staff to effectively deal with incivility without relying on managerial intervention (Madera et al, 2018; Boukis et al, 2020; Gupta et al, 2020; Huang & Kwok, 2021; Ahmed et al, 2021.) There is a current skills gap in terms of instilling confidence in all service staff to identify effective methods of dealing with challenging guests, knowing how to de-escalate situations involving aggressive or argumentative guests and ensuring an effective, standardised response for all (Kim et al, 2014; Cheng et al, 2020). If such issues remain unaddressed, frontline employees will continue to report feeling 'unsupported' by Managers and Supervisors (Huang & Kwok, 2021; Ye et al, 2022).

This work could significantly benefit the industry and support leaders and employees by addressing the lack of an industry-wide approach, the absence of relevant training materials, limited partnerships between establishments at both local and national levels, and the lack of a coordinated strategy among hospitality organisations. The findings and actionable insights within this paper can be readily adopted by Hospitality leaders to influence meaningful change.

Key findings: The case study used for this piece of research covered 112 employees across three properties among the same Hotel collection within the luxury sector. The sample size consisted of 8 senior leadership team members (constituting those who oversee more than one function/area), 36 departmental managers (across all areas of the Hotel operation), 19 Hotel Receptionists, 24 Food & Beverage waitstaff, 15 Sales representatives, 8 Spa team members ranging from Fitness instructors to Therapists, and 2 maintenance shift engineers. The following two questions were posed in a series of workshops delivered:

- Review and discuss each other's experiences of effective and less-effective responses of handling challenging guest(s) and the interventions used to deal with them.
- What type of behaviour/actions can raise suspicion that a guest may not pay for services or goods at the end of their stay OR will be intentionally creating problems and/or issues during their stay.

Narratives from these employees were analysed using thematic analysis by the researchers involved in this study. The analysis yielded five key themes namely:

1. Guest interactions and staff awareness
2. Guest identity and behaviour
3. Payment security and verification
4. Booking timing and behavioural patterns
5. High value transactions

The themes enabled the researchers to develop a detailed behavioural guide/checklist for establishments to adopt and implement within their respective businesses (Stevens et al, 2024; see table one.) The work was carried out in collaboration with a retired senior Metropolitan Police officer and former police consultant. His goal was to examine hospitality practices from a legal perspective while preserving the core objective of the industry, delivering an exceptional guest experience that ensures all guests leave satisfied, or ideally, more than satisfied with the company's products, services, and overall capabilities. This piece of work has already secured the support of industry bodies such as the Innholder Scholars, along with many Hotel General Managers.

What makes this research particularly powerful is that the issues addressed were identified directly by the workforce sample itself. The training and workshops were co-developed and delivered in partnership with an experienced hospitality professional and a law enforcement expert, ensuring both industry relevance and legal insight.

Real world example/case: The behavioural guide/checklist and model implemented resulted in the following outcomes for this particular company: reduced incidents of falsely compensating for spurious complaints; reduced acts of compensation; reduced acts of staff intimidation; improving profits by protecting revenue (over £10,000 saved at one property alone between April 24-April 25); and general improvement of staff morale with renewed confidence where employees were empowered with more robust policies and procedures in place, in particular, cross-departmental collaboration.

The results revealed employee lack of knowledge, inconsistency in practice and unreliable communication. There were clear issues among staff in identifying and handling suspicious activity or challenging guests. Low morale stemmed from employees feeling penalised for either overcompensating or undercompensating potential scammers, driven by the conflicting message that "the customer is always right." This was further compounded by inconsistent management support in decision-making, leading to revenue loss and, ultimately, hotels becoming targets for difficult guests through word-of-mouth. There is evidence to support the issue as a main problem for all hospitality operators and staff (UK Hospitality, 2024). There is also an overwhelming consensus amongst hospitality leaders

that participated in this case that the age-old mindset of the 'Customer is always right' seemed to be driving and encouraging unacceptable guest behaviour.

Actionable insights:

Table one: Behavioural guide checklist.

What staff have reported they find suspicious	Actions to take on identification of this
PAYMENT ISSUES & SUSPICIOUS BOOKING PATTERNS	
LAST MINUTE BOOKINGS 24/48 HOURS	Full payment to be taken on arrival for room rate.
ORDERING AND PAYING ON THE PHONE OR ASKING TO DO SO	Payment to be made through a secure payment link only, staff are no longer to take any card not present transactions over PDQ machines.
PAYING IN ADVANCE	Payment to be made through secure payment link only, no longer taking any card not present transactions over PDQ's. Should payment not be received in time for the booking, full payment to be taken on arrival.
HIGH VALUE BOOKINGS	Full payment for room rate to be taken on arrival if booking value is above a certain level (rate to be decided by each individual property.)
NO CARD ON FILE	Full payment for room rate on arrival and any pre-booked extras, communication to be made to wider hotel to take payment as they go for any other extras.
TRYING TO PAY CASH ONLY WITH NO OTHER MEANS	Advise guests we are now a cashless business, accept cash payment as last

	resort and only if guest has no other means of payment on them. Do not agree to them leaving without settling for anything.
USING DELAYING TACTICS WHEN PAYMENT IS REQUESTED	Full payment to be made on departure, no part-payments to be accepted. Report to police for making off without payment. Matter only becomes a civil debt if we agree guest can leave site and delay a payment or make a part-payment now and settle the rest later.
TRYING TO CHARGE TO SOMEONE ELSE ONCE BOOKED IN/ DIFFERENT CARD DETAILS TO THOSE ON BOOKING	Do not accept card as the card details must match guest details on the booking. Reservation notes to be updated.
DIFFERENT NAMES FROM THAT ON THE BOOKING	Card details must match guest details on booking, otherwise we cannot accept. Reservation notes to be updated.
A REFUSAL TO PROVIDE NAME AND ADDRESS ETC	Check in process to be halted, booking cannot be accepted without these.
EXCESSIVE SPENDING/LARGE EXPENSIVE ORDERS, EXPENSIVE WINES IN SHORT SPACE OF TIME	Take payment on consumption for excessive spending and unusual high value items.
ARRIVES LACKING ANY PERSONAL BELONGINGS	Try and establish why guest has no luggage by offering to help collect items for them from vehicle. Inform On Duty Manager.
AGGRESSIVE OR INTIMIDATING BEHAVIOUR	
USING INTIMIDATING BEHAVIOUR AND TARGETTING CERTAIN MEMBERS OF STAFF	Contact on Duty Manager. Inform guest that their behaviour will not be tolerated and if they don't abstain, they will be required to settle their bill and leave the premises.
GENERAL Demeanor of guest/ ATTITUDE, BODY LANGUAGE, RUDE, AGGRESSIVE	Contact on Duty Manager. Inform guest that their behaviour will not be tolerated and if they don't abstain, they will be required to settle bill and leave the premises.
GUT FEELING SOMETHING IS NOT AS IT SHOULD BE	Discuss with other staff members and inform on Duty Manager. Communicate to wider teams.

MAKING UNREASONABLE OR UNFOUNDED COMPLAINTS/ OVER INFLATING THE ISSUES	Defer for further investigation. Inform guest that resolution and any compensation will have to be authorised by Senior Management who will review and investigate issues raised only after payment for services has been made.
FINDING FOREIGN OBJECTS IN ROOM TO OBTAIN REFUND	Defer for further investigation. On identification of a 'red flag' (please refer to RED/AMBER/GREEN model) guest pre-arrival, Housekeeping are to take photographs of the bedrooms to be used as evidence in follow up with guest.
PERSISTENT COMPLAINANTS WITH A BUILD UP OF MINOR COMPLAINTS	Defer for further investigation. Inform Guest that resolution and any compensation will have to be authorised by Senior Management who will review and investigate issues raised only after payment for services has been made.
MORE THAN ONE GUEST WITH COUPLE OR GROUP GANGING UP TO PROVE POINT	Inform group that we can only deal with one spokesperson and ask that person to accompany them to a safe place with second staff member present.
GUEST WHO IS NOT FOLLOWING THE RULES	On Duty Manager to issue warning and inform guest that their behaviour will not be tolerated and if they don't abstain they will be required to settle their bill and leave the premises.
GUEST CONSTANTLY ASKING HOW MUCH THINGS COST	Take payment on consumption if you suspect the guest may not have means of payment.
BLAMING OTHER DEPARTMENTS/ SAYING SOMETHING HAS BEEN PROMISED BY ANOTHER STAFF MEMBER	Record details of complaint and delay for further investigation, do not compensate without further investigation.
COMPLAINING ABOUT FOOD AFTER CONSUMING IT	If food consumed payment must be made for services supplied. Do not accept part payment and inform customer that any failure to pay may constitute a criminal offence and the facts will be reported to the police for further investigation.

LARGE GROUPS USING INTIMIDATION	Inform group that we can only deal with one spokesperson and ask that person to accompany them to a safe place with second staff member present.
NOT WILLING TO ACCEPT ANY SOLUTIONS	Defer for further investigation. Inform Guest that any further compensation will have to be authorised by Senior Management who will review and investigate issues raised only after payment for services has been made.
LOUDLY VOICING NEGATIVE THOUGHTS OR OBSERVATIONS	On Duty Manager to issue warning and inform guest that their behaviour will not be tolerated and if they don't desist they will be required to settle their bill and leave the premises.
OTHER	
GUESTS BRINGING THEIR OWN ALCOHOL ONTO PREMISES	Advise own alcohol can only be consumed in their bedrooms, must not take to other areas of the property and any drinks they bring in themselves to their dinner will be subject to a corkage charge in the restaurants - refer guest to Food & Beverage Management to discuss.
PREVIOUS GUEST HISTORY	Be sure to circulate information to all departments pre-arrival and 'Red Flag' guest (please refer to RED/AMBER/GREEN model) in order to closely monitor behaviour.
ALLEGATIONS OF PERSONAL BELONGINGS BEING DAMAGED OR LOST BY THE HOTEL	The Operator is not to accept any liability. Record all details and defer for further investigation. Advise guest to report incident to police in terms of making an insurance claim and we will fully cooperate.
PERSISTANT CALLING REQUESTING THINGS FROM OUTSIDE THE HOTEL	Please 'Red Flag' (please refer to RED/AMBER/GREEN model) guest and report activity as suspicious to On Duty Manager in order to monitor behaviour.

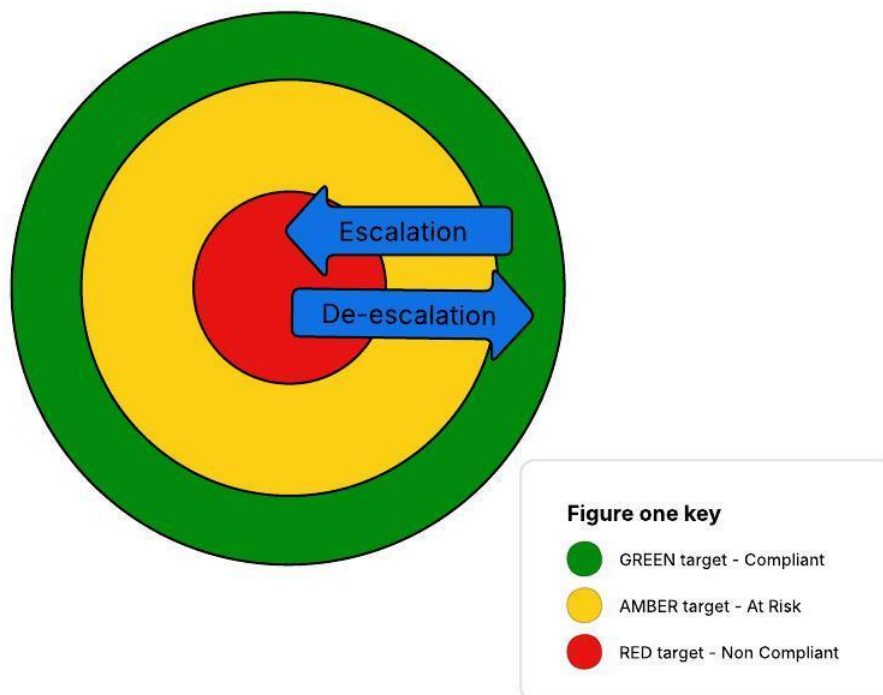
(Behavioural guide checklist co-created by authors, 2024.)

The actions recommended can assist hospitality operators to better protect themselves without compromising on the standard of service given. This guide and checklist serve as a detailed recommendation for all practitioners to adopt in their respective businesses alongside a single agreed process for all staff to follow in the form of a RED/AMBER/GREEN model (see Figure one) to implement.

In addition to the above tool, a RED/AMBER/GREEN model (Stevens et al, 2024; See figure one) has been devised for operators to adopt to support leadership and frontline team members in identifying where a guest behaviour sits within the model. From the below model you will see 'Green Target' guests as being where the majority of an Operator's clientele falls. These are customers that are highly satisfied or more than satisfied with a Company's products, services or capabilities. 'Amber Target' guests are those customers that have moved from the green cohort due to an incident or action that has moved them from being satisfied or more than satisfied with the Company's Products, Services and Capabilities to dissatisfied. The object of the model is to deal with them in such a way that they return to being within the green area. Those that do not respond positively to the formal interventions will move to a **Red Target Guest**. A red target guest can be defined by two specific categories:

1. A guest from the Amber cohort who refuses to accept the proportionate resolution offered by the staff in response to the issues raised and becomes abusive, disruptive or disorderly on the premises or within its grounds.
2. A guest who, by their actions, raises suspicion that they may not pay for services or goods at the end of their stay or will be intentionally creating problems and/or issues during their stay.

Note: Perception of suspicious activity can be formed during the initial interaction with a guest either at booking stage or in person, where the individuals (couple or groups) actions, attitude, behaviour or conversation, can be seen as 'out of step' with what would reasonably be expected as the norm in such circumstance, generating concern or suspicion that they may not fulfil their commitments to pay for goods or services received whilst at the establishment (in line with the Equality Act 2010, any such suspicion cannot be based solely on a person's nationality, ethnicity or race as this may be construed as discrimination. Discrimination means treating a person unfairly because of who they are or because they possess certain characteristics.) Such suspicion may also be formed in areas such as anti-terrorism and child exploitation and other more serious criminal activity that the UK Government along with many other countries promote through crime prevention/detection initiatives, areas which this research paper does not cover.



(Figure One: RED/AMBER/GREEN target model co-created by authors, 2024.)

Conclusion: This research presents a powerful, practical solution for Hospitality leaders to a growing and often unaddressed issue within the hospitality industry, managing challenging guests while preserving service excellence. By implementing the RED/AMBER/GREEN model and accompanying behavioural checklist, operators can not only safeguard revenue but also foster a safer, more supportive working environment for their staff. The evidence gathered highlights that empowering frontline employees with the tools, confidence, and structured guidance to identify and respond to suspicious or inappropriate guest behaviour leads to measurable outcomes - improved morale, reduced fraudulent compensation, and significant financial protection.

In today's climate of economic uncertainty, reduced talent pool and rising operational pressures, the hospitality industry cannot afford to leave such vulnerabilities unchecked. As the data from this case study demonstrates, proactive, staff-led solutions like these can create meaningful change. However, to build momentum and standardise best practices across the sector, broader engagement and further research at a national level are essential. This study should serve as both a call to action and a foundation for the development of an industry-wide framework - one that balances guest satisfaction with staff well-being, legal compliance, and commercial resilience. Now is the time for the industry to move beyond outdated maxims like "the customer is always right" and toward a more empowered, consistent, and strategic approach to guest interaction and staff support.

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