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# EDITOR'S DESK

With best compliments  
Managing Editor  
The Icfai University Press

Depiction of women in advertisements is a much debated and written about topic, and often evokes strong views. Many a time, it is argued (perhaps unjustly) that advertisers resort to using the female form in an inappropriate manner, especially to cover up deficiency in creative ideas. A related issue is that women are also portrayed in advertisements in stereotypical roles as submissive and hard working wives, mothers and daughters-in-law, who are constantly engaged in looking after children, cooking, washing and cleaning. The cover story, "The New Feminine Appeal in Indian Advertising", presents an entirely different facet of the portrayal of women in advertising. It brings out the significant transformation that has taken place in recent years and provides examples of how women are increasingly being projected in Indian advertisements as independent, assertive, career-oriented, enjoying life, and so on.

A related article – "Women in Indian Advertising – From Lalita to Lolita" looks at almost the same subject, but from a different perspective. It presents the many ways in which women are shown in Indian advertisements – from the profound to the profane, i.e., from 'Lalita' (the shrewd and intelligent Lalitaji of the much acclaimed Surf advertisement of yesteryears) to 'Lolita' (those who lend oomph and glamor to a host of commonplace advertisements).

The first three articles in this issue stand out for the uniqueness of their content. The first article, "Sales and Ethics: Do They Go Hand in Hand?", written by a sales professional, presents a candid view about how sales and ethics often do not go together. The second article, "Non-Conventional Techniques in Marketing", is based on the author's long years of experience in the marketing of banking services. The article drives home the point that a strong desire to succeed, perseverance in one's efforts, personal charisma and out-of-the-box thinking are very important for success in marketing. The third article, "CRM is Not a Task", is again based on personal experiences and insights of the authors. Through numerous examples, the authors lucidly illustrate as to how CRM has much more to do with understanding and responding to the customers' latent needs and emotions, and is not just a task driven by a CRM system, as is often made out to be.

This issue also carries articles on retail management, brand management; an interesting case study about an innovative catering firm in Nagpur, a short treatise on the Indian electrical equipment industry; and a brief coverage on the American office supplies company's – Staples Inc. – foray into the Indian market.

R Harish



## CRM is Not a Task

# Examples from the Hospitality Sector

In today's competitive business environment, attracting, nurturing and retaining customers is really a tall order. It is often advocated that an IT-enabled Customer Relationship Management (CRM) tool would provide the answer. But CRM is not just a routine task that can be driven and dictated by a machine, especially in the restaurants and hotels business, where one deals with sensitive issues like food, accommodation and personal service. More than the quality of the services rendered, personal empathy and respect for the customer are the most important CRM tools for the hospitality sector. This article provides several illustrations to drive home this point.

*A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption on our work. He is the purpose of it. He is not an outsider on our business. He is a part of it. We are not doing a favor by serving him. He is doing us a favor by giving us the opportunity to do so.*

**– Mahatma Gandhi, 1890**

**T**he above visionary statement was made by the father of our nation – Mahatma Gandhi, almost 120 years ago when the world was faced with a seller's mar-

ket. In the present era of cut-throat competition, consumerism and buyer's market, the consumer is in a commanding position. The level of market segmentation is radically shifting towards niche and micro-markets. Customization is the buzzword of the day and many organizations are working on it. The market pyramid has turned on its head and fortune lies at the bottom of the pyramid. Corporates are now targeting rural consumers to expand their businesses. Under these circumstances, acquiring customers

and retaining them have attained added importance.

Merely attracting new customers is not good enough. It is very important to build a long-term relationship with them so that they provide repeat business, thereby ensuring sustainable revenues and profits. In the case of restaurants and hotels for example, if one is successful in building good relations with customers, they are more likely to visit again and also, recommend the place to others.

In the modern competitive world, customer relationship management

has become an important method for developing, nurturing and retaining customers. With the advent of computers and allied technology, the use of IT-enabled CRM software has become comparatively common. No doubt, such tools lend strong support in providing good quality customer service, by developing and using a rich and systematic database. However, this alone is not adequate. Much more important for CRM is the personal touch that one can bring in to the dealings with the customer, which would go a very long way. CRM is, therefore, not a mechanical task triggered by an information system. It is much more human, as we would see in the examples below.

### Societal Needs of Customers

Every customer is a human being, a social animal. A social animal wants not just a transaction, but he would also like his social, psychological and emotional needs to be met.

A group of people entered a restaurant and the owner immediately rushed towards the group. He greeted one among them, whom he felt he knew – “Sir, how are you?” “Fine,” the person replied. “You have come after a long gap”, said the owner. “Yes, I was not here for some time,” the person responded. The owner immediately called the waiter and asked him to arrange the tables to suit the group’s convenience.

In the above incident, a person recognized by the restaurant’s owner feels important and cared for. He feels proud of himself among the group. The effect is that his social need is satisfied. Naturally, the person took the initiative to pay the bill and tipped the waiter handsomely. This small incident prompts the person to visit the same restaurant repeatedly.

### An Action Speaks Louder than Words

While social needs are important, personal ego is equally important. The normal human tendency is to complain; but if a complaint is properly redressed, it will not only vanish but may also help to build a strong bond with the customer.

One day, a group of collegians entered a restaurant. They asked for a non-vegetarian dish, namely mutton masala. Naturally, the waiter served this dish to the entire group. Immediately one of them shouted, “Oh! There are only bones in this dish!” The proprietor, who was keeping an eye on this group, rushed to their table. He took a spoon, pressed the pieces and said, “Sir, a goat has bones too.” He then ordered the waiter to change the dish. Suddenly, the customer who had complained said, “It’s Ok.”

In this incident, the proprietor’s personal intervention of checking the dish and acknowledging that there could be a problem, satisfied the personal ego of the customer. This act of the proprietor mollified the customer and he declined the offer to change the dish. In this situation, if the proprietor had ordered the waiter to change the dish while sitting at his counter, it would not have satisfied the customer fully. Hence, without changing the dish, the proprietor’s act pacified and satisfied the irate customer.

### Admiration of Achievements

Everyone likes praise. Therefore, recognize the positive aspects of customers. Admiring their achievements and touching their emotions are the most influencing factors for customers to come back again.

A family was dining at a restaurant. The restaurant’s manager went

to the family and congratulated their son, who had performed meritoriously in the engineering entrance examination. He offered a sweet dish from the restaurant as a complimentary gift to the boy, and turned to his father and said, “Sir, congratulations to you and your son.” In addition, he politely said, “Thank you, sir, for choosing our restaurant for your celebration.”

Parents are always eager to hear good things about their children. Here, the manager had congratulated the family and offered a complimentary sweet dish to their son. This small gesture prompted the family to spend a little more than their planned budget at the restaurant. More importantly, it made a very positive impression on their minds, which could have long-term implications for the restaurant’s business.

### Take Cognizance of Every Small Thing

Each person is individualistic and has unique preferences. Every individual is also society and family oriented. In building customer relationships, one should take cognizance of small things and remember the particulars related to a customer’s family members and associates.

There was an industrialist, who used to visit a particular restaurant regularly with his family members. One day, a business delegation that had visited his factory was supposed to have dinner with him. He took this business delegation to the same restaurant where he used to go with his family. The delegation along with the industrialist had their dinner. The industrialist paid the bill and he was surprised to see the waiter with a parcel. He told the waiter that he had not given any such order. “What is this parcel?” he asked. The waiter instantly replied, “Sir, you have not

brought your daughter, but she likes rasgullas. So, this is a complementary parcel from our side. Naturally, it has not been billed."

The industrialist was surprised and delighted with the act of the waiter, who had remembered his daughter's favorite sweet dish whenever they visited this restaurant. This restaurant was always crowded and there were hundreds of customers flowing through each day. Still, the management had not only remembered a small detail, but had also taken the opportunity of utilizing the same to make a small gesture.

### A Friend in Need is a Friend Indeed

People are thankful to those who came to their help in their hour of need. Remember to be by the side of your customers when they are in difficulty.

The manager of a hotel-cum-restaurant at a hill station, not only maintained the records of his customers, but also made friends and remembered many of them. Majority of the customers to this particular hotel came from the state of Gujarat. Later, when there was a severe earthquake which shook the Ahmedabad and Bhuj areas, the hotel manager on hearing the news, phoned his customers immediately and enquired, "Sir, Are you okay?" "Are your family members okay?" "Are your relatives alright?" "Any help required?" "Give us a chance to serve you."

This was his conversation with all the customers from Gujarat. For most of the customers, this was the first call they had received after the earthquake. Coincidentally, all his customers were safe, but his act of contacting them really made the difference. This act of volunteering for help touched their hearts. This act made the customers look upon the

hotel manager as a friend who could be depended upon. Obviously, this built more loyalty and immense word-of-mouth publicity for the hotel. Now most customers, when they come to the hotel, enquire after the manager. In this case, the customer database provided the support no doubt. But the personal initiative of the manager is what worked wonders in building customer relationship.

### Thoughtful Complimentaries

Everyone welcomes complimentary gifts and if these are need-oriented, then they value them even more.

There was a resort, where a family had enjoyed a two-day package deal and was at the counter to settle the bill. The hotel manager brought a carton and gave it to the head of the family, who enquired what it was. The manager replied, "This carton contains some items which will be of use in your traveling. This is a complimentary gift from our resort. Sir, this carton contains some mineral water bottles, soft drinks for your son, milk for the baby and some snacks which you and your family can enjoy while traveling."

This was a fairly common practice followed by this hotel manager with all the customers of this resort. Only the items in the carton changed depending on the requirements of the customers. The package charges included a budget towards food items, which many customers did not fully utilize. The resort kept a record of the value of food actually consumed and utilized the balance amount to give gifts at the time of the customers' departure, which came to them as a pleasant surprise.

We live in an era of instant gratification; sooner we recognize it, sooner we will realize the full benefit of loyalty of customers.

### Conclusion

It is not adequate just to provide the right product to the right customer. It is also very important to make it available in the right manner, at the right moment. By using customer touch points effectively, businesses – especially those in the service sector such as hotels and restaurants – can build good customer relationships and increase their base of loyal customers. The examples cited establish the fact that the customer is a human being first and to build good relations with him, it is important to meet his psychological and social needs in a proactive manner.

Therefore, building customer relationships is not just a routine task. Even a small unanticipated act or gesture can change the entire situation and influence the customer in a very positive way. It is important for marketers to identify important customer touch points and make the best use of them to build relationships. Customers are of different types and have varying needs, and marketers have to understand and cater to them accordingly. The closer the relationship, the more protected the business is from the vagaries of the marketplace and the competitor activity. □

**Note:** The anecdotes given in this article are drawn from observations and discussions with hospitality industry professionals by the first author during the course of her M. Phil. research on CRM in the hotel industry.

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