

Canyon ranch essay



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Canyon Ranch XXXX Canyon Ranch Canyon Ranch Health Resorts is an organization designed to inspire and motivate individuals in their quest to become a more health conscientious human being. “ Canyon Ranch prides itself with being a company that can influence one’s quality of life from the moment one arrives to long after one returns home” (Applegate & Piccoli, 2004). The founders of Canyon Ranch (Enid and Mel Zuckerman) wanted their business to be a place where individuals could “ relax, enjoy oneself, and explore the potential for a happier, healthier, and more fulfilling life” (Applegate & Piccoli, 2004).

In keeping with Canyon Ranch’s mission of providing a relaxing, high quality, and healthy organizational structure; Canyon Ranch is divided into “ three revenue-generating departments: Health and Healing, Hotel, and Spa” located in numerous locations throughout the United States (Applegate & Piccoli, 2004). The most popular venue is Health and Healing, but due to high commissions paid to employees who work in that department, it is not as profitable as the Hotel and Spa.

Canyon Ranch also offers a wide array of amenities to include “ sports and fitness, therapeutic body work and massage, skin care and salon, metaphysical services, medical services, and nutritional services” (Applegate & Piccoli, 2004). Even though Canyon Ranch is the standard for high-class services and features, competition has increased and Canyon Ranch is slow in regards to taking steps to improve the overall business structure.

Canyon Ranch has had some difficulty embracing the benefits of incorporating and investing into a centralized information technology system

fearing that customers would feel a depersonalized and dehumanizing experience, which in turn goes completely against the mission and philosophy of the organization. But if Canyon Ranch does not embrace all of the perks of information technology, in addition to increasing marketing and advertising, their premier gold standard could change.

Should Canyon Ranch in Berkshires develop a clear customer relationship management strategy and make it a cornerstone of its positioning as a preeminent destination spa? If so, what should this initiative look like? Yes, Canyon Ranch in Berkshires should definitely develop a clear customer relationship management strategy. One of the biggest problems with Canyon Ranch is that the customer has too many obstacles to overcome before they even reach Canyon Ranch. For instance, a customer must call Canyon Ranch directly in order to make a reservation.

Then the customer must call a 1-800 number three weeks prior to arrival of preferred destination in order to provide details about the goals they would like to achieve during one's stay. Furthermore, when they arrive at Canyon Ranch, there is a strong possibility that a customer's information was not coded correctly and that the services they want to take advantage of are not available. Not only does this potentially frustrate and disappoint a client, but makes the program coordinator's job even more difficult because they have to fix the glitches and try to appease the customer who just spend thousands of dollars to rejuvenate and relax.

If upper level management would have explored the option of providing substantial training on the benefits of incorporating information technology

into the business at a faster pace, maybe Canyon Ranch would be seen in a more positive light. The case study also addresses that the primary audience focused on the “ 47 year old woman, with a high income level, and grown kids” (Applegate & Piccoli, 2004). Canyon Ranch should look into focusing on the male demographic and creating packages that would be appealing to them, and maybe even explore the option of family spa vacation packages.

Through a drastically improved IT experience, customers should be able to create their own account through Canyon Ranch’s website so that they can make note of personal goals, inspirational/motivational lectures, significant life events that one could be celebrating on an upcoming vacation, favorite meals at the restaurant, beauty supply options, and even purchases. This information would automatically be accessible to Canyon Ranch’s managers and staff so that they know instantly when a customer arrives the type of luxurious experience they expect.

This would dramatically reduce the room for error, frustration, and disappointment. The organization could also use this information to create customized packages for customers, potentially with discounts to entice the consumer to want to come back and spend more money. At the current moment, it appears that Canyon Ranch is heavily dependent upon word-of-mouth referrals and big business partnerships. This drastically reduces the amount of people who are privy to all of the beneficial services this company has to offer.

Canyon Ranch definitely needs to work on mass marketing and promotional strategies in an era filled with fierce competition by hiring some marketing

consultants. By increasing Canyon Ranch's advertising approach, the company could control the information and images that are projected, it would allow an opportunity for inquiries to be addressed and questions to be answered, which would ultimately allow for an enhanced and hopefully a positive customer relations experience.

What was the value of the substantial amounts of data generated during the customer experience? The information that Canyon Ranch tried to generate was important, but it was handled in a poor and inefficient manner, which lead to confusion, disappointment, and increased stress levels that could result in customers not coming back or a high turnover rate among unhappy staff members. Program coordinators were expected to know numerous codes to book sessions and treatments.

This was an unrealistic expectation, given their extremely narrow window of training. If Canyon Ranch had an appropriate information technology system, the codes would already be in a database with options readily available for the program coordinator to select when the customer expressed to them the services they would like to explore. According to the Canyon Ranch case study, " 55% of customers have visited before and 18% of customers returned more than once with some returning multiple times" (Applegate & Piccoli, 2004).

The decreasing percentage of customers returning more than once and some returning multiple times may be due to the amount of data that Canyon Ranch requested and lost or services that were requested but unavailable during one's stay. One way to entice customers to come back or

reward frequent visitors is to establish a rewards program, so that they know or feel appreciated for patronizing their business. When an organization knows that certain services and activities are popular, they need to hire more staff to better accommodate the desires of their guests. A company cannot survive solely on transactions being processed efficiently.

If the customer is not satisfied and customer concerns are ignored, the amount of transactions is destined within a matter of time to decline. Since Canyon Ranch owns the source code to the CLS, they need to make sure that communication channels are centralized and that no part of the business is working independently; the company should and has to work as a whole. Another problem is that this company has been in existence since 1979, yet data prior to 1999 is questionable because customer purchases could not be tracked, especially (POS) point of sale information.

I realize that computers made a debut after the business opened, but maintaining sufficient customer files is integral in terms of helping to dictate what it means as an organization to be successful. Losing important and intimate information makes a consumer feel unimportant and undermines Canyon Ranch's philosophy of creating a relaxing, informative, and healthy environment when the company becomes reckless with aspects of a consumer's life which they feel is extremely valuable. Were there any opportunities to use this data during prospecting? Or during the customer stay? Or even after the stay?

Yes, there were opportunities to use the substantial amounts of data collected during prospecting, the customer's stay, and even after their stay.

Incorporating more advanced technology would allow Canyon Ranch to cut out the middleman (individuals not directly affiliated with the resort) in order to become more efficient with their operations system. With advanced technology, Canyon Ranch needs to integrate their business practices, technological solutions, and analyses of data to help the organization better understand the needs and wants of their clientele as a means of ensuring increased profitability.

Canyon Ranch not only needs an interactive website, but also a video that highlights the great services and amenities that they have to offer so that customers have a clear visual of the activities they would like to experience. An interactive website could also highlight recommendations and feedback from new and returning customers about some of their favorite services since they offer more than 230. The interactive website for Canyon Ranch's should also house whatever questionnaires the company would like to maintain and track regarding customer goals, concerns, and experiences.

This information in turn can be instantly uploaded into the customer's file, which managers and customers would have instant access to. In addition, a digital calendar should be apart of the website, which could reveal peak seasons and non-peak seasons (in case customers don't feel like dealing with huge crowds) as well as a list of all of the services available with prices and time slot availability, which would help to ensure that customers are not on a waiting list for popular services and that the resort is appropriately staffed to cater to clientele and their requests.

This information can also provide instant feedback to managers to help them with hiring staff as well as a means of managing inventory control because they would know in advance what their customers like, and thus could have products readily available for purchase. The resorts would also know instantly who was booked for what appointment, at what time, for how long, and with whom as a means of tracking customer concerns/satisfaction should issues arise and management is needed.

Nothing is more disappointing than saving money to go on a luxurious vacation and then leave knowing that one didn't experience everything one had intended to during their stay. If Canyon Ranch wants to be the premier spa of their competitors they need to think outside of the box and utilize technology, which is easily stored and available to be referenced quickly. We exist during a very technological age and incorporating software and databases that communicate with one another in an efficient and easy manner is a must.

Since this company is huge on word-of-mouth reputation, one needs to make sure every customer that enters their doors leaves with the best possible experience. New and returning customers could provide information to Canyon Ranch through a mobile/tablet app, which would not only reduce paper clutter, but the possibility that requests and other important information have been lost. The feedback from the apps could instantly be transmitted to the Information Technology department, who could then filter important data to the appropriate departments.

Lastly, every couple of months, they could have a feedback panel in which participating consumers receive a free service of their choice during their next visit with the destination spa. This would help ensure that customers' concerns are being heard and addressed so that management and the business could run more efficiently to ensure the highest levels of customer satisfaction. References Applegate, L. , Austin, R. and McFarlan, W. (2008). Corporate information strategy and management: Text and cases. 8th ed. Boston: McGraw Hill, 2008. Applegate, L. , & Piccoli, G. (2004). Canyon ranch. Harvard Business School, 805-827.