Case analysis on hilton

The Hiltonfamilystarted its first hotel in the year 1919 by the name of Mobley Hotel in Cisco, Texas under Conrad Hilton. The firm launched its IPO under the name Hilton Hotels Corporation in 1946 to make its presence felt in the hospitality business. With time the firm expanded to compete and serve at the global level. In the highly competitive Global Lodging Business the challenges mainly faced by the firms included difficulty in achieving a standardized service of operation all throughout.

With economies of scale and to focus on consistency as well as superior service delivery across the Hilton brand of Hotels, the importance of CRM was realized and the firm came up with the strategy of Customers Really Matter (CRM) in 2002. To build customer equity it is important to embracetechnologyand Hilton implemented this using its infrastructure called OnQ which acted as an enabling agent helping employees to deliver great customized customer experiences. Hilton introduced the Customers Really Matter with the objective to provide outstanding services to the customer.

CRM enabled Hilton Corporation to focus more on building and managing its relationships with its customers. With CRM it was possible to acknowledge customers and provide personalized attention to each of them. It helped to store personal records of a person to access information for knowing the customer better. It helped maintaining people's preferences, which directly reduced time spent on websites assistance or call center's phone call costs and it also helped providing offers suited according to an individual and even helped promoting cross-selling and improving conversion rates.

With CRM, the hotels front desk could have a comprehensive report each day of the guest list in an easy to scan format. The pre-assigning of rooms, the classification/segmentation of membership and exclusive benefits for privileged customers could all be done using CRM. However, there were few problems involved with pre-assigning of rooms and changing priorities of the customer. By adopting CRM and adapting with the technology it all became easier for Hilton, the guest profile managing, online profile maintenance, building more relationship, and

have more information (emails, phone no.) of the customers and record complaints and feedbacks. All of these could be integrated by Hilton to bring more consistency as well as standardization to its services across its diversified business. The existence of the SALT (Satisfaction AndLoyaltyTraining) survey, which helped significantly to improve the services by monitoring customer experiences and better measure the important factors that could help the business, added great value to the CRM initiative.

On the other hand, OnQ also assisted property level operations and could enable the corporation to open more hotels for the customers and expand the brand image. Although CRM had its own benefits, the success boiled down to execution. OnQ incorporated huge costs and maintenance expenses. Apart from them, the CRM technology also required many other organizational factors to be addressed. The focus required on measurement, executive championship, training of the employees to use the technology, the feedback incorporation, etc. all had to be taken in account which couldn't be overlooked.

Taking in consideration the presence across 78 countries, the technology helped maintaining central database accessible from all the service points. Having variety of products across different price points throughout the organization, CRM also assisted segmentation of customers into modules such as Diamond, Gold, 4+ for improving services. A difficult task was to deduce the Return on Investment for the CRM. To conclude, CRM did help Hilton in its goal to enhance its competitive advantage, and to become the one of the premier choices of the world's traveler in the global hospitality business.