

Crm in dubai arabic restaurants

Countries



Customer Relationship Marketing (CRM) is a widely applied strategy used in the retail and hospitality industries to retain customers. To study the effectiveness of applying CRM in Dubai, two culturally local restaurants have been chosen to determine the customer segmentation in regards to the level of CRM performed at each. The focus on local companies allows for a more comprehensive analysis of strategies designed specifically around the Dubai market.

The first segment of this report provides a descriptive outline from both primary and secondary research of the two establishments: an Arabic restaurant, Reem Al Bawadi and a Lebanese restaurant, Mezzah House. An analysis of both restaurants determines that Reem Al Bawadi focuses on providing a high customer service level, professionalism, and food quality; whereas Mezzah House relates in a greater extent to the customer in a more comfortable and relaxed atmosphere. However, both restaurants do not implement a specifically designed CRM or retention strategy to build life time relationships with their customers.

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Based on the analysis of both restaurants, it can be concluded that CRM could be effectively implemented but is currently not evident in the retail and hospitality industries in Dubai. The Mezzah House succeeds for instance, through the use of weekly events to attract repeat customers. Similarly, Reem Al Bawadi is able to provide superior customer service (though formal and less personal) through customer feedback survey cards. Neither restaurant identifies with a need for formal CRM strategies to be developed.

Both restaurants are sufficiently patronized by both the tourist segment and the locals.

Consequently, the implementation of CRM in Dubai, with respect to the demographics of the city (that being 85% of the inhabitants are expatriates which will in time leave the country and tourists) as a whole is not a developing trend in the city at this time. The research summary and CRM justification highlights the differences of two restaurant chains, one US based and one European, who consistently improve the application of CRM and how these techniques could be implemented more directly within the Dubai market.

The paper's conclusion summarizes the important findings including an explanation of why CRM should be implemented in Dubai eateries, as related to the experiences noted within these two restaurants. There are marketing tools in place but not fully utilized as a formal plan for Customer Relationship Marketing. Introduction Utilizing Customer Relationship Marketing (CRM) in the retail and hospitality industries to retain customers has been a developing practice throughout U. S. and developed European markets but is rarely recognizable in developing arenas.

The question of whether Dubai, a city built from sand to skyscrapers which seems to seep tourist money, could benefit from developing a trend of using CRM to effectively build a relationship with its customers. Through first and secondary research using two culturally local restaurants the paper describes a study in the level of CRM performed in the Dubai market. The first segment of this report provides a description of the establishments:

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Reem Al Bawadi and Mezzah House. Experience The Food – The Research *

Reem Al Bawadi – An Arabic Dining Experience General Description:

For the purpose of this paper, the Dubai Jumeirah location of the Reem Al Bawadi, an Arabic restaurant with multiple locations in Dubai, will be discussed. This particular restaurant cannot be accessed by the metro; so, that either a car or taxi is required. The Restaurant provides both outdoor and indoor seating and due to the high ceilings and open spacing inside, a warm and authentic atmosphere is created maintaining the Arabic charm. Indoor seating is divided into two dining areas for smoking and non-smoking guests, both providing free Wi-Fi upon request.

The menu ranges from traditional Arabic cuisine to Italian specialties such as pasta and pizza, providing a variety of dishes to the customers. The Jumeirah Road location is frequented by both tourists and local inhabitants and yet the pricing is reasonable when compared to other restaurants in the area. A main course with a drink runs around 70 to 80 AED in total. The restaurant welcomes guests for both an entire meal for lunch and dinner or only drinks or small portions during the day. Customer Segmentation: Many of the customers at this location are walk-ins who pass by the restaurant and decide to dine on impulse.

Because many are tourists, it is more difficult and almost impossible for the restaurant to build lasting relationships with the tourist segment. As Reem Al Bawadi operates multiple restaurants in Dubai, the steady segment of customers are inhabitants of the city which have visited others within the chain have interest due to a previous experience. Reasonable pricing for a

full-service in the right location addresses mainly middle to higher income consumer segments. Customer Relationship Marketing Application:

A review of what can be described as outstanding customer service reveals the entire staff to be friendly, helpful and caring for the guests. The waiters are knowledgeable of all the menu and capable recommending specific dishes according to the customer's palatable tastes. Constantly visible to the guests and ensuring a smooth operation, the manager is of the restaurant seeks to enhance customer satisfaction. The internal organization is clearly hierarchy and women are only placed in the positions of hostess and clerk. They are expected to welcome guests and are not in serving at all.

Reem Al Bawadi distributes feedback cards regarding reception, service, cleanliness and food quality in both English and Arabic (see appendix 1). This would indicate customer feedback is used to improve the service level. The employees however, exhibit a formal relationship to all customers and none were recognized as loyal guests or treated differently. The employees do not introduce themselves to the guests nor do they make any attempt to build rapport. Differences Between Primary and Secondary Research: The Reem Al Bawadi homepage is not customer friendly.

Although the website provides a clear overview within the different icons, a considerable amount of information is missing. For instance, the history, values, internal operations and even menu prices are not presented on the website. Consequently the company's strategy for customer retention is not readily apparent. As for social media, the Facebook page also only provides basic information including location, type of cuisine and methods of

payment. Facebook and Twitter are used to promote special events such as sporting events but, none of the online marketing tools provide any information about the value of the customer to the company or any explanation of a CRM strategy. Supported by the above described findings of the primary research, it can be concluded that Reem Al Bawadi does not seem to have a specific CRM strategy or show any kind of recognition for repeat customers. Even so, great food and quality service breed positive online reviews which alone can build a loyal customer base. * Mezza House – A Lebanese Arabic flair General Description: The Mezza House is also an Arabic restaurant located within walking distance from the Dubai mall, which can be conveniently accessed by metro or car.

Similar to the Reem Al Bawadi, the restaurant offers both outdoor and indoor seating areas. The menu varies from Lebanese to Palestinian, Syrian and Jordanian food, combining it into Levantine cuisine. The menu cards display pictures of dishes so that customers develop a sight appeal to different menu items. The Restaurant is popular for its shishacultureand cosy atmosphere; so much so that non-smoking areas are not provided and usually the restaurant is quite boisterous. The noise level and shisha provides an atmosphere for social gatherings including free Wi-Fi to all guests.

Customer Segmentation: The following customer segments were identified at Mezza House:, approximately 80% of the customers are Arab, followed by 15% of local customers and 5% of Western guests. As the restaurant does not provide a separate non-smoking area, it attracts mostly shisha-loving guests and excludes customers who would like to dine in a non-smoking

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area. The prices are similar to any other restaurant providing Lebanese food and thereby mainly middle to higher income customer segments are attracted, similar to Reem Al Bawadi Restaurant.

Customer Relationship Marketing Application: Unlike the previous restaurant, waiters at Mezza House are generally attentive and make distinct efforts to engage with the guests by verifying satisfaction and responding to special requests. In contrast to Reem Al Bawadi, a difference between new and regular customers can be observed, as regular customers are treated as part of a family and some are even addressed by name. In addition, the food presentation is above average. Managers and employees verified that new staff is only hired if prior work experience was proven.

Differences Between Primary and Secondary Research: Mezza House actively promotes its special weekly events on their website. These include 'Ladies' Night, Friday Brunch, and a Karaoke Night. This is used to generate return business, attracting repeat customers through a special experience married to high quality food. Their social media marketing constantly updates the Facebook with new event announcements and pictures of food. Online customer reviews are positive and relate to a high food quality and exquisite experience. However, many service quality comments are negative.

This is mainly based on the fact that the employees relate to the guests in a personal rather than professional way. Customers seeking for a luxurious dining experience will be disappointed. In addition, the service perception of the customer differentiates from the service that the employees and managers would like to promote. Service quality is one of the main ideals for

management. Research Summarization and CRM Justification: From the experience and research of both restaurants, it can be concluded that neither has implemented a clearly defined CRM strategy.

Reem Al Bawadi does not relate to its customers and seems to gain its profit mostly from tourists and walk-in guests. Nevertheless, the establishment focuses on providing high service levels and exceptional food quality, requesting feedback but not using it to build relationships. The Mezza House has a more customer friendly atmosphere and homepage which actively promotes events to build relationships with guests centered around the dining experience. CRM can be effectively implemented, but is not currently evident in the Dubai retail and hospitality environments.

While some elements of CRM are utilized, such as the superior customer service of the Reem Al Bawadi and the weekly events and personalized service in the Mezza House, neither apply customer retention strategies. Since the Reem Al Bawadi is located at Jumeirah Road where tourists and locals pass by, this particular restaurant may not have the need to invest into retaining customers, but as a strategy for the chain it could be utilized. The Mezza House clearly implements more elements of CRM represented through online marketing and relationship building; however, except for the weekly events, activities to retain the customers on a long term basis cannot be identified. The experience justifies that CRM can and has been implemented in Dubai, however, on a very limited basis and is not readily apparent in the retail and hospitality industries. * Value CRM IN Dubai

Although Dubai has a population of 2.1 million inhabitants, more than 85% of the population are expatriates who come and leave the country. In <https://assignbuster.com/crm-in-dubai-arabic-restaurants/>

addition, tourism is the most important economic factor for Dubai, as approximately 13 million tourists per year come to Dubai.

Therefore, especially in the hospitality industry, managers might assume that CRM is not applicable as mainly tourists come to visit the restaurants and hotels and expatriates often do not stay for many years. Since the two restaurants chosen for this paper are local, not specifically known by tourists or expats, CRM does not seem to be as applicable as in international chains where customers visit the same brand in different cities of the world. In fact, applying CRM might be easier in cities with a higher percentage of local inhabitants so that life time relationships with customers can be built and become more valuable.

Restaurant chains such as the U. S. based O'Charley's or the Italian chain VaPiano might find it easier to implement CRM in Dubai, as many expats and tourists recognize the brand and would visit a familiar setting or even be curious about the menu in a different country Conclusion: As shown by the examples of Reem Al Bawadi and Mezza House restaurants which implement specific elements of CRM but do not have a defined retention strategy, CRM can be effectively implemented.

However, it is currently not widely applied in the Dubai retail and hospitality setting. As both restaurants are located in tourism areas and only 15% of the Dubai market is local, the restaurants are able to gain sufficient revenue from tourists and only a small amount of loyal local customers. Therefore, the restaurants do not visualize the need of implementing a CRM retention strategy. Consequently, due to the unique demographics rarely found in any

other city, it is more difficult for Dubai retailers and restaurants to implement CRM.

The curiosity of tourists and expats to taste authentic Arabic cuisine enables restaurants to operate successfully without developing a formal CRM strategy which focuses on specific customers. Website reviews such as “Tripadvisor” and “Timeout in Dubai” effectively promote the restaurants by word-of-mouth promotion as a marketing tool in contrast to a developed CRM strategy. As a final note, both restaurants were highly recommended for a return visit by the research staff to experience exceptional flavour of food and Arabic culture.