

# Customer relationship management – From potential customers to loyal customers

Case: Rosso Jyväskeskus

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Abstract <p>This thesis was commissioned by the restaurant manager of Rosso Jyväskeskus, Ms. Tuula Aberni. The aim of the customer survey was to find out how committed the customers are to Rosso Jyväskeskus and how to develop the loyal customer services. The aim was also to find out if the customers consider themselves loyal customers because they have S- benefit card. The research problem is how to give extra value, that is not related to the S-benefit card and get customer's to commit to Rosso Jyväskeskus.</p> <p>First, a customer basis was created by advertising the Rosso Jyväskeskus mailing list on location at the restaurant as well as at the wellness fair at Paviljonki, in September 2009. A database of 105 names was gathered on the mailing list and the survey was directed to these customers. The survey was completed in January 2010 with 58 responses received.</p> <p>The results show that the customers on the mailing list have an emotional connection to the S- group as a whole and not specifically to Rosso Jyväskeskus. The customers feel that by owning the s-benefit card, they are loyal customers to all the companies within the S-group. Based on the customer survey results, a customer relationship management plan was created to help Rosso Jyväskeskus deepen the relationship with existing customer and to create new and better customer relationships.</p>		
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Tiivistelmä <p>Tämä opinnäytetyö on tehty toimeksiantona Rosso Jyväskeskukseen ravintolapäällikkö Tuula Abernin pyynnöstä. Tutkimuksen tarkoituksena oli selvittää kuinka sitoutuneita asiakkaat ovat Rosso Jyväskeskukseen ja kuinka kanta-asiakaspalveluita voitaisiin parantaa. Tutkimuksessa selvitettiin myös pitävätkö asiakkaat itseään kanta-asiakkaina vain koska heillä on s-etukortti. Tutkimusongelmana on kuinka tuottaa lisäarvoa asiakkaille s-etukortista riippumatta ja kuinka saada asiakkaat sitoutumaan Rosso Jyväskeskukseen.</p> <p>Kanta-asiakasrekisteriä kartutettiin mainostamalla rekisteriä paikan päällä ravintolassa sekä Hyvän Olon - messuilla Paviljongissa syyskuussa 2009. Yhteensä rekisteriin saatiin 105 nimeä, ja asiakaskysely suoritettiin näiden asiakkaiden joukossa. Kysely toteutettiin tammikuussa 2010, ja yhteensä 58 asiakasta vastasi kyselyyn.</p> <p>Kyselyn tuloksista voidaan päätellä, että asiakkailta on vahva tunnesidos S-ryhmään, muttei suoranaisesti Rosso Jyväskeskukseen. Omistamalla S-etukortin he tuntevat olevansa kaikkien S-ryhmään kuuluvien yritysten kanta-asiakkaita. Kyselyn pohjalta luodun asiakashallintasuunnitelman avulla Rosso Jyväskeskus voi syventää suhdetta asiakkaisiinsa ja solmia yhä parempia kanta-asiakassuhteita.</p>		
Avainsanat (asiasanat) Asiakkuudenhallinta, Palvelu, Kanta-asiakkuus		
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## 1. INTRODUCTION

In today's business world, the customer is number one. Customers are becoming more and more demanding; they want better service, better products and better value for their money. In order to keep up with the customers, companies are forced to develop their products and especially their service. The competition is fierce, and to stand out from your competitors, the service needs to be excellent.

Recently, companies have become more concerned with "who" rather than "what". In other words, before companies were concerned with how many products they could sell without caring to who they were selling (Dyché 2002, 3). Companies have realized that the customer point of view is the key to success, as in the end, all the company's resources come from the customers. Companies understand that they should pay even more attention to customer relationships, as the customer will ultimately choose the service that provides the most extra value to them (Lehtinen 1998, 10).

As the customer point of view has become the most important thing, customer relationship management is the perfect tool to better understand the loyal customers. Using this approach, the company is able to recognize valuable customer relationships, gain better understanding of those customers and make the relationship profitable to itself and to the customer.

In order to understand the purchasing behavior and the value process of the customers, the company needs information about its customers. Customer satisfaction surveys are one way of finding out information about the customer but also about how the customer relationships are handled in the company. Customer satisfaction surveys usually indicate how the encounters with the customer and the company have been perceived by the customers. These surveys help the company understand its customers and build a customer relationships strategy.

This thesis concentrates on developing a loyal customer base for Rosso Jyväskeskus through customer relationship management. Rosso Jyväskeskus is part of Keskimaa so the S- benefit card is accepted at Rosso Jyväskeskus. The S- benefit card holders get many valuable offers from all Keskimaa branches. Rosso Jyväskeskus is trying to establish a long lasting relationship with its potential customers, whether they have the S-benefit card or not. The purpose was to find out how the potential customers see and experience Rosso Jyväskeskus. Another aim was to find out how the relationship between Rosso Jyväskeskus and its potential customers would grow into a loyal customer relationship and continue successfully.

The survey was made among customers who had already signed on to the Rosso Jyväskeskus mailing list and therefore had some interest in the restaurant. This was a good starting point for finding out more information about the customers and their level of commitment specifically to Rosso Jyväskeskus. As previously discussed with the restaurant manager, it might be that the customers did not actually have an emotional connection to Rosso Jyväskeskus but to the S- benefit card. Therefore, the problem was how to get the customers to commit to use Rosso Jyväskeskus, regardless of the S-benefit card. Hopefully, this thesis will provide an answer to this problem.

## 2. ROSSO JYVÄSKESKUS AND THE S-BENEFIT CARD

Rosso Jyväskeskus is part of Keskimaa which is one of the 22 regional partners of the nationwide S-group. By sales and memberships, it is one of the largest regional members of the S-group. At the moment, Keskimaa has approximately 104 000 members (S-benefit card holders) with the yearly sales around 510 million. Keskimaa is also one of the biggest employers in central Finland. Currently there are 1800 employees. Keskimaa provides hotel and restaurant, banking and retail services in over 100 locations. Keskimaa invests and develops new services every year. At the moment, the biggest renovation is the remodeling of Sokos department store due to be ready at the end of 2010.

The members of Keskimaa receive over 20 million in bonuses every year. The S-benefit card holders use their card either to receive a bonus or pay with the card receiving bonus as well. The amount of bonus is determined by how much the card holder buys on a monthly basis. The more they buy the more bonus money they receive. The bonus money is paid on a monthly basis; for example a customer receives the bonus gathered in March in April. The bonus money is generated by the purchases in all the regional partners of the S-group.

Besides the monthly bonus, every year in May, all S-benefit card holders get an extra yearly bonus based on the purchases made within their own regional member of the S- group. For example, all the members who have a Keskimaa S-benefit card receive this yearly bonus based on their purchases within Keskimaa branches. At least in Keskimaa, this yearly bonus has now been paid in many consecutive years but there is a yearly meeting where it is decided whether this yearly bonus is paid and how much it is. This practice varies among the regional partners of the S-group. (Keskimaa 2010.)

Rosso is the biggest restaurant chain within the S-group in the whole country. Currently, there are 41 restaurants in Finland and one in Tallinn, Estonia. At the moment, the Rosso chain employs approximately 700 employees. The first Rosso restaurant was opened in Lahti in 1978. Rosso is the only restaurant designed for families with children, and it is known for its great atmosphere and good food. Rosso also has a great price vs. quality relation in food, which is why it has become a popular spot for casual gatherings for families, colleagues or sports teams.

Rosso has become known for its classic Italian type pizzas and a variety of healthy choices. Certain classics have maintained their popularity even though the menu has changed many times over the years, always respecting the Italian twist. A special focus has been placed on creating healthy choices for the calorie conscious customers. Over the last 30 years, Rosso has established its place as a favorite among families and has become an essential part of the Finnish restaurant culture.

Children are especially well taken care of at every Rosso restaurant. The children's menu has been developed a lot in recent years. One of the most popular items on the children's menu is Onni's fantasy world. Here the children can build a meal to their taste from the choices available. Lots of activities are also available for children; there is the playroom which is in most of the Rosso restaurants. There are also coloring books and small puzzles to entertain children while waiting for food and also after dining. (Rosso 30-vuotta.)

Rosso Jyväskeskus is located in the center of Jyväskylä. The restaurant is on the second floor of the Jyväskeskus shopping center. The center was built in 1955, and as it was renovated and expanded in 1993, Rosso Jyväskeskus was opened. Rosso Jyväskeskus has remained at the same location ever since, and its popularity has grown year after year. The employees have changed over the years but for the last few years, the staff has mostly remained the same. This is a huge strength for Rosso Jyväskeskus, as the team of Rosso Jyväskeskus was appointed the best work team of 2008 at Keskimaa. Nowadays, it is the most popular restaurant in town and also the most profitable restaurant within the Keskimaa chain of restaurants.

### 3. SERVICE AS A COMPETITIVE TOOL

#### 3.1 Defining service

Quality service starts with knowing your customers. Who are my customers, what are their buying patterns and what are their satisfiers and dissatisfiers? How can I encourage repeat purchases, and how can I better personalize the experience? (Brown & Gulycz, 2002, 50)

*What exactly is service?* Is it the way the product is delivered? Is it the way the product can be used? Is it the behavior and attitude of the employees? Before we promise to the customer something that is subject to so many interpretations, we should clarify this term to ourselves. (CHIC hospitality consulting services 2010.)

In order to win and maintain customers, we must know exactly what we are selling and what we can promise. We cannot materialize our market positioning without thoroughly analyzing and preparing our specific class of product and service. We should not make promises unless we are well organized to realize them. Today's customer is a more discerning and demanding: What we offer the customer is what the customer expects. (CHIC hospitality consulting services 2010.)

Good customer service is all about bringing customers back. And about sending them away happy – happy enough to pass positive feedback about your business along to others, who may then try the product or service you offer for themselves and in their turn become repeat customers. (About.com. Guidance. Not Guesswork 2010.)

Services can be divided into two kinds of services; High-touch and High-tech services. High-touch services emphasize humanity and consumer patience and are depended on the people participating in the service processes. High-tech services are based on the automatic systems and technology used in the service processes. (Grönroos 2001, 84-85.)

Most services have three things in common:

1. Services are processes that are created by actions or series of actions and not physical things.
2. Services are produced and consumed somewhat simultaneously.
3. The customer is involved in the service production process at least partly.

As services consist of series of actions, quality control and marketing are very hard to implement the traditional way. This is because there is no previous quality level set, which could be controlled before the service is sold and consumed. (Grönroos 2001, 82.)

### 3.2 Quality service

It is simple; quality service leads to very satisfied customers, to loyal customers, to increased revenue. Some organizations have found that providing quality service is dependent on having the right people, tools and training. These companies have also found that providing quality service is much different than consistently sustaining quality services to all of their customers. An organization that is committed to quality service will actually drive customer expectations up. In meeting these growing expectations, customer loyalty actually increases. (Brown, S & Gulycz, M, 2002, 81.)

As service is a series of actions, it is therefore very hard to define and measuring the quality of a service is very difficult. In order to define the quality of service, the company must understand how it's customers evaluate their services. When a company is able to do this, they can improve the quality of their services. (Grönroos 1998, 59 – 62.)

Customers evaluate the quality of services based on previous experiences and their expectations of the service. A customer evaluates a service as being good when their expectations are exceeded and as being bad when their expectations are not met. (Johnston & Clark 2001, 78 – 79.)

The following figure demonstrates the two service quality dimensions.

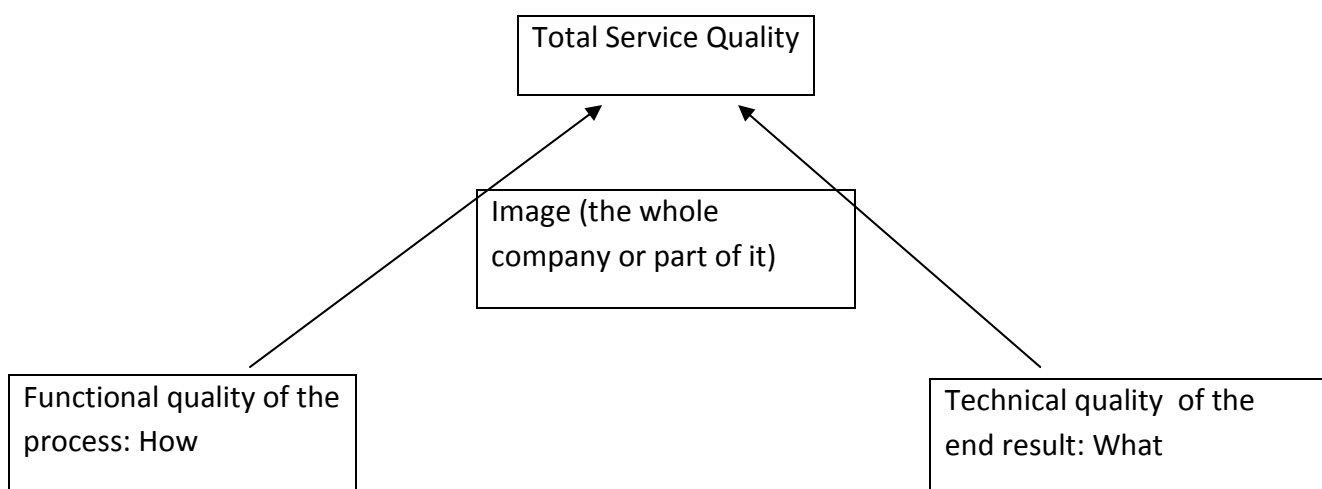


Figure 1. Two service quality dimensions. (Grönroos 1999, 102)

Improving services and maintaining the most valuable customer relationships are usually profitable investments for a company. The problem for many companies is that the customers cannot see how improving the services will benefit them or add value to them. The efforts to improve service quality almost always improve profitability. Improving service quality with flawless and customer centered programs and by training the staff is not meant to increase costs but to eliminate unnecessary costs. Good service often means that the service is excellent compared to competitors and it fulfills customer expectations. (Grönroos 2001, 176-179.)

As Rosso Jyväskeskus is part of a chain, it almost certainly suffers from bad reputation created by other Rosso restaurants in Finland. For example, a customer might have had a bad experience in another Rosso restaurant and therefore when they come to Rosso Jyväskeskus, they already have a negative image of the restaurant and the smallest thing can reinforce this negative image. This also works the other way around; a bad experience had at Rosso Jyväskeskus leads to a negative image of other Rosso restaurants. (Grönroos 1998, 64.) If a customer is greatly disappointed, they might even develop a negative image of the whole S – group as a company.

## 4. CUSTOMER RELATIONSHIP MANAGEMENT

### 4.1 introduction to CRM

Customer relationship management refers to the ability to recognize the customer's needs and fulfilling them better. This should be implemented so that there are no extra costs to the customer. In customer relationship management, the company views its operations through the eyes of the customer and decides which customer relationships it wants to develop and continue. The aim is to create extra value that the customer can appreciate. (Mäntyneva, 2001, 9 – 12.)

The company needs to recognize the features that shape the purchase behavior of a particular customer. Because all customer relationships are different, the profitability of each customer relationship varies greatly. The better the company is able to recognize the most valuable customer relationships and maintain them and build the profitability of less valuable customer relationships the better the company will succeed financially. (Mäntyneva 2001, 12-14.)

The aim of customer relationship management is to build a relationship together with the customer, not to focus on single transactions. In order to develop the relationships with customer, the company needs to understand how the customer perceives extra value. To make sure both, the company and the customer benefit from the relationship, it is important to develop the relationship so that neither the customer nor the company feels a sense of lose. (Storbacka & Lehtinen 2002, 19 – 21.)

In customer relationship management there are no goods or services, only different customer relationships. Because the aim is to give extra value to the customer, it is not important whether services or goods are exchanged. The company product is seen as part of customer relationship and therefore it is not defined as a single product but a part of the customer relationship. For the company, it is important to understand that the customer does not receive extra value from the transaction itself but from each interaction with the company. (Storbacka & Lehtinen 2002, 25 – 26.)

A significant part of customer relationship management is to find out what the customers want tomorrow, not today. This is called behavior prediction and it helps the company to determine what the customer is likely to do in the future. By predicting the behavior of customers, the company is able to determine which products a specific customer is likely to buy next or understanding which products are purchased with other products. The key to conducting this analysis is, knowing who your best customers are (Dyche 2001, 33 – 34.)

The customer relationship management process can be divided into four stages: Acquiring new customers, committing the customers, developing the customer relationship and maintaining the relationship. It is important that the company is able to recognize valuable customer relationships early and concentrate on maintaining them. If the company is able to maintain its most valuable customer relationships, the company finances will continue to grow. (Mäntyneva 2001, 12 – 14.)

The following figure describes the stages of the customer relationship development:

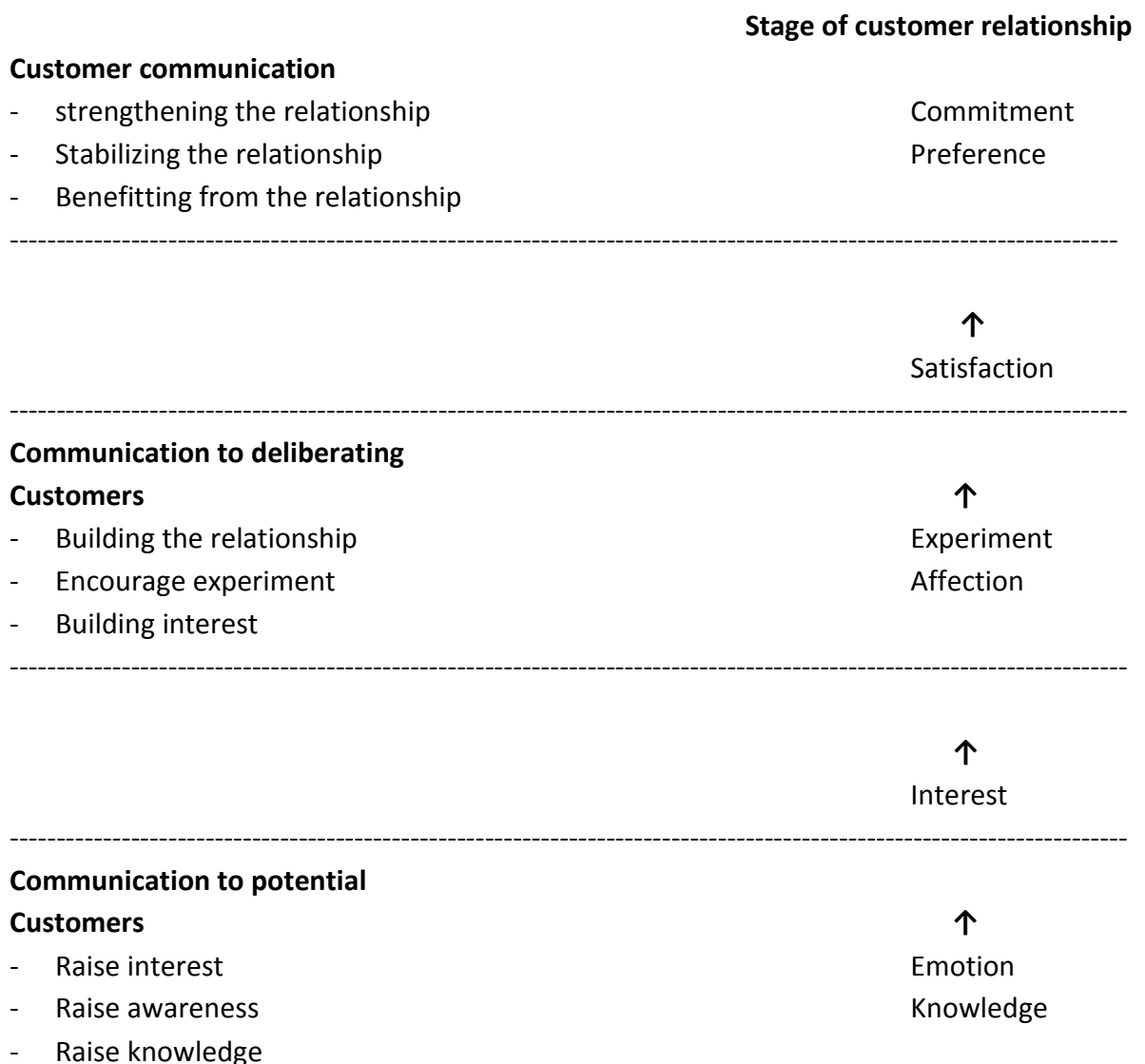


Figure 2. Stages of customer relationship development (Jyväskylän Yliopisto 2010)

Through all the stages, the company image should be built as well. The advertising in these stages should build the company image, service image, value image and product image of the company. The key to successful advertising and to reaching the target audience is correct advertising channel. By choosing the correct marketing channel for the right target group, the company can better reach the customers and make the advertising more efficient. (Jyväskylän Yliopisto 2010)

Information management is a vital part of customer relationship management. Information management means gathering information, processing information and using the information to the company's advantage. With the correct information systems, the company can bring the correct information to its customer encounters and processes that are required in the everyday work. The best results can be achieved when the correct information and knowledge is combined with experience and is brought to the attention of the whole staff at the company. (Ala-Mutka 2004, 24, 35.)

In trying to achieve better profitability, productiveness and deeper customer relationships, Rope & Pöllänen (1998) have created a guideline as follows:

- Without marketing there is no customer
- Without satisfaction there are no long term customer relationships
- Without long term customer relationships there is no profitability
- Without profitability there are no quality services
- Without quality services there are no satisfied customers
- Without satisfied customers there are no customers
- Without customer relationship management....

When looking at Rosso Jyväskeskus, this is a somewhat new concept to them. Every year customer satisfaction surveys are conducted but they are on a chain level. In each restaurant a survey is conducted and results are compared to other Rosso restaurants around the country as well as results from the previous year. Customer needs and opinions are in an important role in this survey, but it takes the chain a very long time to respond to the customer needs. When any changes are made they involve the whole chain and not an individual restaurant. As the clientele is a little different in each restaurant, the objective here is to get to know the customers of Rosso Jyväskeskus and help the restaurant to develop ways to build long lasting relationships with their customers.

#### **4.2 Building new customer relationships**

*“Who are my customers, what are they buying patterns and what are their satisfiers and dissatisfiers? How can I encourage repeat purchases, and how can I better personalize the experience?”* (Brown & Gulycz 2002, 50.)

Building new customer relationships starts with acquiring new customers and committing them to the company. Finding new customers requires the first contact to be fairly profitable in order to start the relationship with the new customer. Acquiring new customers means using for example the marketing mix which can be quite expensive. As Mäntyneva (2001) points out, it is not wise for the company to simply concentrate on acquiring new customers but also maintaining the relationship with the existing customers. It is highly beneficial to the company to find a balance between acquiring new customers and building the existing customer relationships. (Mäntyneva 2001, 19 – 20.)

In acquiring new customers, the most important factors are exchanging knowledge and emotions. In order to turn the first encounter with a customer into a profitable relationship, the company must somehow touch the heart and the thoughts of the customer. Creating long lasting and profitable customer relationships means that the company needs knowledge and plenty of emotion. Products and actions follow later on in the developing process. (Strobacka & Lehtinen 2002, 87.)

In the beginning of new customer relationships, it is important to make the prospective customer to try out the company’s services. Usually, companies target new customers based on a demographic profile so the marketing is not very personal at this stage. Marketing is based on the products of the company. (Mäntyneva 2001, 18.) In today’s world, customers are bombarded with information that does not make them interested in buying products. Therefore, it is very important to decrease the amount of information and

research the customers in order to identify the buying behavior of each customer. This helps the company to identify the customers' buying behavior and analyze them better. (Storbacka & Lehtinen 2002, 89 – 90.)

The problem with acquiring new customers and building customer relationships is that of identifying the correct group of customers and finding the right way to approach them. A tool used to build new customer relationships is reference group marketing. This is where an organization uses its members as marketers of its own products. (Storbacka & Lehtinen 2002, 91.) This is a prime example of the S- Group which also includes Rosso Jyväskylän. S-group keeps track of all the S-benefit card holders. At any time, any company being part of the S-group can use this database to their advantage. Through this database Rosso Jyväskylän already has loyal customers that are very committed to the S-benefit card. All S-benefit card holders are owners of the S-group. They are emotionally very committed to the company, and Rosso Jyväskylän is able to use this attachment in its marketing. But it became clear during the process of completing this thesis that it is very hard for customers to consider themselves as loyal customers of a specific company within the S-group. As S-benefit card holders, they consider themselves to be loyal customers of all the companies within the S-group. This was shown by the results demonstrated later on in the thesis.

It is not financially beneficial to a company to treat all its clients in the same way as other customer relationships are more beneficial than others. Supporting the customer relationship in all the stages helps the company improve its customer loyalty and enhances the success of the company. In the beginning of a new customer relationship, the company should motivate the new client to purchase their products again and possibly get them to recommend their services to family and friends. The main challenge in customer relationship management is how to support the relationship in different stages. When a new customer relationship is established, it needs to be developed and maintained so that it becomes as profitable as possible. (Mäntyneva 2001, 18.)

### 4.3 Maintaining customer relationships

In order to maintain its customer relationships, a company needs to have a deep understanding of its customers; they need to know them and their true needs. When a company knows its customers, it is able to make decisions about how to maintain the most important customer relationships in order to stay in business. Knowing its customers, the company is also able to recognize the customer relationships that are not valuable to the company. The big challenge in maintaining customer relationships is to recognize how easily a customer is willing to change companies. The figure below demonstrates how customers can be divided in four categories based on customer satisfaction and their desire to try different companies. If a company is able to divide all its customers into these four categories, it has very good change of recognizing and maintaining the most important customer relationships. (Mäntyneva 2001, 22 - 23.)

Circulation Between Companies	High	Dissatisfied tries out different companies	Satisfied tries out different companies
	Low	Dissatisfied but stable	Satisfied but stable
		Low	High

Customer satisfaction level

Figure 3. Customer satisfaction and circulation in customer relationship management. (Mäntyneva 2001, 24.)

Customer segmentation is the basis of customer relationship management. It is important to find who the customers are and what their demographic background is. For example, by finding out the location of a customer, it is possible to attach certain information about them based on the location. Also, it is possible to find out how successful marketing has been by looking at the purchasing behavior of a certain customer. When segmenting customers, experience is a valuable tool. If you have a strong understanding of who your customer are, a company is able to direct its analysis on the right target groups rather than segmenting customers from a large amount of data alone. (Mäntyneva 2001, 25.)

## **5. CUSTOMER LOYALTY**

### **5.1 The value of a loyal customer**

A good customer relationship is when the customer and the company both feel like they are benefitting from the relationship. Usually both parties want to make sure that the relationship continues because of the benefit that it brings to both parties. The longer the customer relationship is, the more beneficial it has proven to be. (Ylikoski 1999, 173.)

A customer puts a certain value label on their relationship with a certain company. They value the relationship by comparing the money spent on the company, the information received and the amount of emotion they have invested to the benefits they have received from the company. If the customer feels that they are not receiving enough value from the company, they might discard the relationship or it might never develop. Some customers are willing to pay more for good quality than others, who might settle for less if it benefits them financially. Therefore, good quality might not bring value to every customer. Quality should be considered as part of the customer relationship. (Storbacka & Lehtinen 2002, 104.)

Marketing and customer service used to be separate departments within any company. They had separate goals and methods of working. The situation is changing, due to the adoption of Customer Relationship Management. As companies are realizing that the key to success are the loyal customers of the company, they are changing their ways rapidly. Loyal customers buy more, buy more often, are cheaper to serve, have higher retention rates, and are more profitable than newly acquired customers.

The rules for successful customer relationship management are providing good information which means keeping data of each customer's purchases and their general profitability. Customer service personnel should be empowered to act in the best interest of the company and the customer. They should have the authority to make decisions and solve problems. Good customer service is not just "nice to have". It is highly profitable. (Database marketing institute 2010)

## **5.2 Added value to the customer**

In the fierce competition of creating extra value to the customer, those companies that are able to consistently evaluate their processes and show customers new ways of creating extra value, succeed. The value of the customer relationship is determined in the processes and how much value the customer is able to create from the relationship. Customers usually determine the value of the relationship with a company based on the sacrifices they made in order to build the relationship and how well the relationship helps them to meet their general goals. (Blomqvist, Dahl, Haeger&Storbacka 1999, 35.)

The customer benefits from a long term relationship especially psychologically. When a customer feels safe and being treated in a special way, the future of the customer relationship looks bright. The customer needs to be able to trust the company to provide good and high quality services as well as its ability to solve problems. These are the psychological advantages to the customer. When the company is able to provide added value to the customers, they will also benefit greatly from the relationship. (Pöllänen 1999, 184-185.)

Customer also receives social benefits from the interaction with the service staff. It is important to the customer to be remembered and known, and it is possible that a friendship is developed between the customer and the contact person of the company. (Pöllänen 1999, 185.) In order to provide social benefits for the customers, the company should use the customer data available to them and keep updating the information. Customer databases with versatile information help the service staff to recognize the loyal customers and even to remember certain customers' special needs. This adds to the value of the customer relationship and to the customers respect towards the company. Special treatments such as extra services and discounts make the customers feel more special in comparison to other customers. (Grönroos 2001, 70.)

As stated previously, customers always consider the value of the relationships they have with a certain company. When a customer reaches the stage of being loyal to a company, the company now needs to keep the customer interested and provide added value to the customer. As customer needs and wishes were studied in this survey, Rosso Jyväskeskus needs to carefully examine the results and commit itself to developing the relationships it has with the customers. There is always the danger of the customers getting bored with Rosso Jyväskeskus and feeling that the value of the relationships with the restaurant is no longer profitable for them. This is why Rosso Jyväskeskus should now be able to also meet the subconscious needs of its loyal customers. This adds to the value of the customer relationship from the customer's point of view, and creates new and exciting possibilities to gain more from the relationship. (Pöllänen 1999, 117-118.)

### **5.3 Loyalty programs**

Most Loyalty programs use money as an incentive to join. By creating a loyalty program, companies are trying to establish loyalty among customers and get them to commit to their services. By joining loyalty programs, customers get more information, their costs are lower and they can be more certain about the company. Experience has shown, that the more loyalty programs focus on the general advantages for the customer instead of just worrying about price, the more effective the program is for both the company and the customer. (Blomqvist, Dahl, Haeger&Storbacka 1999, 93-94.)

The most important advantage loyalty programs bring to companies is the ability to start a dialog with the customers. With loyalty programs, the company is able to find out more information about its customers and better analyze the customer base. Sometimes it is difficult for the company to use the information gotten. This is because sometimes the information is hard to process and analyze. (Blomqvist, Dahl, Haeger&Storbacka 1999, 94.)

Most companies would agree that the customer should be rewarded for loyalty. This does not mean that loyalty programs are the answer for a company that puts its customers first. Loyalty programs do not keep customers or make them loyal. Besides using loyalty programs, companies should improve loyalty based on customer needs. The increasing number of loyalty programs shows that they are here to stay and are a great tool in improving customer loyalty. (Blomqvist, Dahl, Haeger&Storbacka 1999, 98-99.)

## 6. IMPLEMENTATION OF CUSTOMER SURVEY

The aim of the customer survey was to find out how committed the customers are to Rosso Jyväskeskus and how to develop the loyal customer services. The aim was also to find out if the customers consider themselves loyal customers because they have S- benefit card. The research problem is how to give extra value, that is not related to the S-benefit card and get customer's to commit to Rosso Jyväskeskus. Based on the results of the survey, Rosso Jyväskeskus wishes to improve its services and continue to grow the amount of its loyal customers.

When this survey was started, the internet base for the loyal customer mailing list was already developed but had not yet been used in any way. The first thing was to get people to join the mailing list. A marketing plan was created in cooperation with the sales manager at Sokos Hotel Jyväshovi and the restaurant manager of Rosso Jyväskeskus. The mailing list was marketed at the wellness fair held in Paviljonki in September 2009. At the fair, 187 people filled out a card to join the mailing list. Invitations were sent through the internet system to all the people that had filled out the card. When receiving the invitation to join the mailing list, people had to confirm that they wanted to join. From the 187 people, 90 confirmed the invitation. The mailing list was also marketed directly at the restaurant during autumn 2009 and by the end of the year; a total of 105 people had joined the list.

A survey was created in cooperation with the restaurant manager and the head chef at Rosso Jyväskeskus. The survey was created to meet the needs and objectives of both parties. To make sure that the survey fitted its purpose and was understandable, the supervising teacher for this thesis also gave her view on the survey. When the survey was finalized, on 13 of January 2010, it was sent to 105 people on the mailing list. The survey was held open for 3 weeks to allow time for as many people to answer as possible. A total of 58 answers were received.

The survey was conducted using multi method system; A qualitative method was use to find out the customers personal wishes and opinions. The quantitative part of the survey was used to find out background information and this part was analyzed with SPSS research program.

The survey results can be seen as reliable because the customers were asked to portray their personal opinions and references. The aim of the survey was explained to the customers and it was made clear that by answering this survey, they would have a chance to improve the services of Rosso Jyväskeskus and influence loyal customer benefits.

## 7. CUSTOMER SURVEY RESULTS

### 7.1 Background information

To the 105 invitations sent out 58 responses were received, a response rate of 53 per cent. The invitations were sent to members of the Rosso Jyväskeskus mailing list. Each member had signed on because they wanted to be on the list and had agreed to receive ads, questionnaires and offers through the list. The potential customers on the mailing list were mainly recruited from the Wellness fair held in Paviljonki in September 2009. This might have an effect on the answers as this was a leisure event and people visited the fair on their day off. It is possible that their opinions of and reasons for visiting Rosso Jyväskeskus were influenced by their leisure time spent the fair.

The first part of the survey concentrates on the background information of the respondents. This information included age, sex, marital status, place of residence, if they had children and whether they were S-benefit card holders. The results show that about 90% of the people, who answered, live in Jyväskylä. The remaining 10% live in smaller communities close to Jyväskylä.

The results also show that 19% of the people who answered were men and 81% women. The fact that 53% of them have children and 47% not supports Rosso's image as a child friendly restaurant. The question about marital status supports this as well: 47% are married, 31% single and 22% live together with their partners. Consequently, the main customer target group of Rosso Jyväskeskus is families with children. It is the biggest customer group, and Rosso Jyväskeskus should continue to concentrate on them.

The question about having an S-benefit card does not surprise either. 98% of the respondents are S-benefit card holders and only 2% do not have the card. This was expected, but also confirms the problem of getting customers to commit to Rosso Jyväskeskus regardless of having the S-benefit card or not.

The age of the people who answered supports the previous conclusions. Most of the people (33%) are between the ages of 25 and 34. The second biggest age group is 35-44-year olds (28%). These two age groups can be expected to have smaller children and therefore fit the target group of Rosso Jyväskeskus.

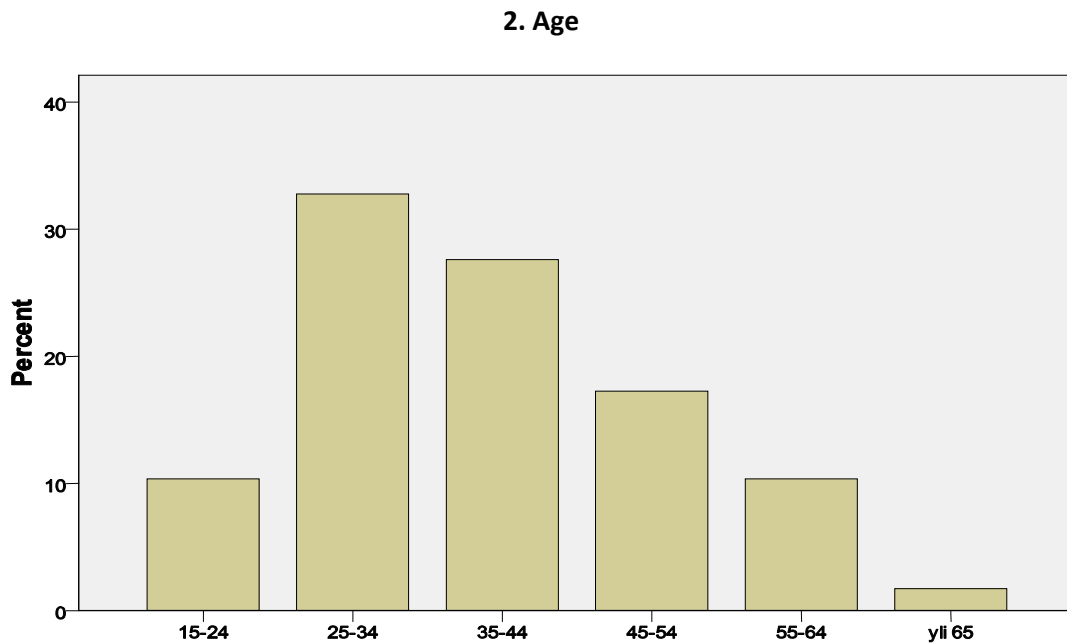


Figure 4. Age

## 7.2 Rosso Jyväskeskus

In this part of the questionnaire, people were asked specific questions about Rosso Jyväskeskus. By answering the questions, people were asked to evaluate the food and the service and also give reasons why they come to Rosso Jyväskeskus and finally give thoughts on how to improve services.

The first question was designed to find out how much people use the services of Rosso Jyväskeskus. In this question, people were instructed to answer by the number of visits. For example, if they had visited approximately once a week, they should answer 52 times. The answers varied between zero and 30 times, the most popular answer (19%) being 2 times a year. "10 times a year" as well as "5 times year" were the second most popular answers (12, 1%).

It could be determined, that people don't visit Rosso Jyväskeskus as often as we would like. This means that they are not yet committed to Rosso Jyväskeskus and cannot be considered as loyal customers. Actions should be taken to increase the amount of visits. In six months or after a year, this could be surveyed again to see if the number of visits has increased. Suggestion of what kind of actions Rosso Jyväskeskus should take in the future will be discussed in depth later, on the discussion part of the thesis.

From the figure below, you can see how the answers were divided when asked about the amount of visits to Rosso Jyväskeskus.

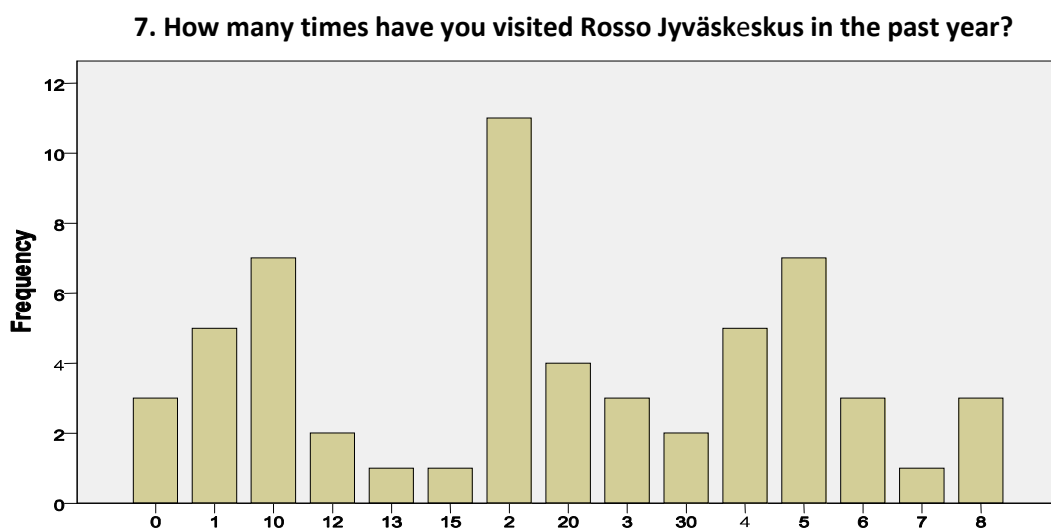


Figure 5. Amount of visits

The aim was also to find out what is the main reason people visit Rosso Jyväskeskus. As lunch had not been so successful in the past, this was especially interesting to find out whether people consider Rosso Jyväskeskus as a lunch restaurant. From the results we can see, that by far, the main reason for coming to Rosso Jyväskeskus is to spend time with family and/or friends. The second most popular answer was "getting something to eat while shopping". These two answers were clearly the two main reasons for visiting Rosso Jyväskeskus. These answers again support Rosso's image as a laid back restaurant where it is easy to get a quick bite to eat.

The amount of lunch customers weren't that high, as only 8, 62% answered lunch, as their main purpose of visiting Rosso Jyväskeskus. This number shows that lunch definitely needs to be developed if the restaurant wants to compete for lunch customers in the future. On the other hand, Rosso Jyväskeskus seems to have a large number of customer who like to

spend their leisure time at Rosso, so it is worth considering whether to take action to take care of these customer as best they can or focus on improving lunch and getting more lunch customers. This issue will also be discussed in depth later.

From the chart below, you can see how the answers were divided.

Lunch	8,62 %
Getting something to eat while shopping	17, 24%
Going to/coming from the movies	8, 62%
With coworkers	0, 00%
Spend time with family/friends	63, 79%
Other	1,72 %

As this thesis is considering on improving the services of Rosso Jyväskeskus through customer relationship management, it was very important to find out whether the customer were happy with the service. Giving quality service and also personalizing Rosso's services is very important so the people were asked to evaluate the service at Rosso Jyväskeskus.

For speed of service, 51, 7% of the people who answered gave the grade 3. This result is average and it could be interpreted that people would like the service to be faster. On the other hand, faster service can compromise quality or personalization.

When evaluating the friendliness of staff, 62, 1% of the people gave the grade 4. This can be seen as good and also as strength for Rosso Jyväskeskus. If they can keep the service to this standard or improve, they have strong change in making the customer relationship strategy work for them.

The competence of staff was graded 3 by 51, 7% of the people who answered. This grade is only good as it clearly demonstrates that staff should be more competent. As to why this grade is on the lower side, the easiest answer is that the staff is actually not competent enough and it shows to the customers. But this should be analyzed further as this is major factor in any company. Everything starts with the staff and is based on their ability to give good service. If staff is not able to do that, the company cannot succeed.

From the figures below, you can see how the answers were spread in this question.

**9. How would you grade the service at Rosso Jyväskeskus? (On a scale of 1-4, 1 being bad, 4 being excellent) SPEED**

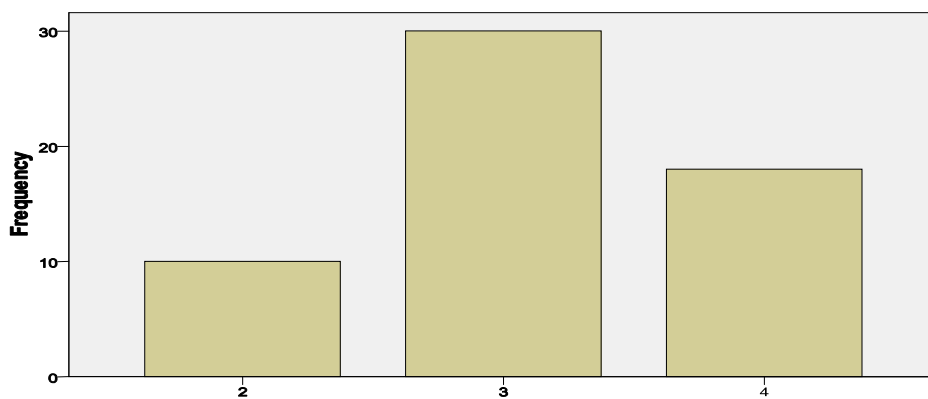


Figure 6. Service grades – Speed

**9. How would you grade the service at Rosso Jyväskeskus? (On a scale of 1-4, 1 being bad, 4 being excellent) FRIENDLINESS**

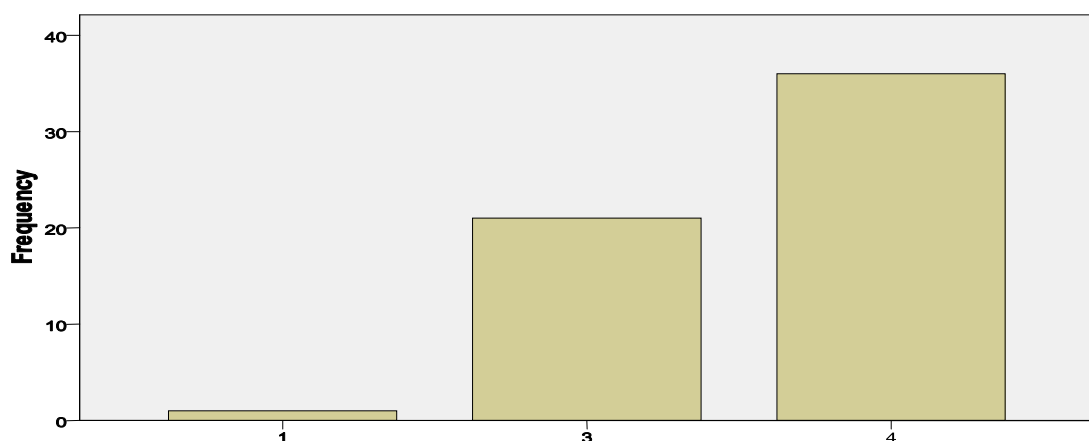


Figure 7. Service grades – Friendlines

**9. How would you grade the service at Rosso Jyväskeskus? (On a scale of 1-4, 1 being bad, 4 being excellent) COMPETENCE**

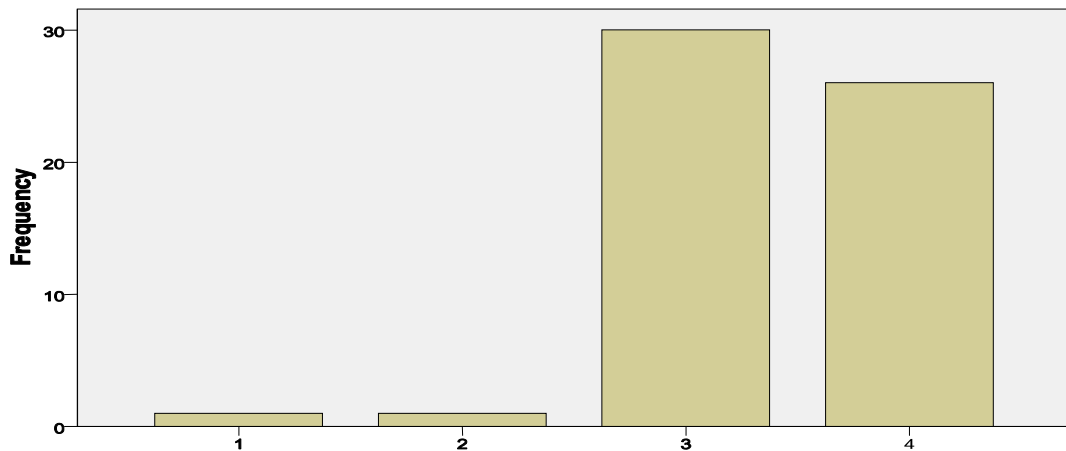


Figure 8. Service grades - Competence

In the survey, people were also asked to evaluate the products of Rosso Jyväskeskus. This question was separated into seven different categories including: quality, selection, presentation, size of dishes, healthiness, and taste and price-quality relation. When looking at the answers to all the categories, the grade 3 was the most popular evaluation given. The chart below demonstrates this.

Quality:	50, 0 % gave the grade 3
Selection:	46, 6 % gave the grade 3
Presentation:	58, 6 % gave the grade 3
Size of dishes:	53, 4 % gave the grade 3
Healthiness:	60, 3 % gave the grade 3
Taste:	58, 6 % gave the grade 3
Price-quality relation:	55, 2 % gave the grade 3

The fact that all aspects of the products of Rosso Jyväskeskus were graded as average leaves room for improvement. It should be remembered that Rosso is a chain restaurant which means that bigger changes are not so easy to make. For example product changes are always made on a chain level and therefore a single restaurant on the chain doesn't have the power to influence those decisions.

When looking at the evaluated categories, Rosso Jyväskeskus as an individual restaurant is able influence on the presentation and size of the dishes. This can be done on a daily basis to make sure that the portion sizes remain on reasonable level, and no extra food costs are accumulated. Presentation can also be influenced and all the employees can participate in making sure that the dishes are well presented when the customer receives them.

Rosso Jyväskeskus is somewhat able to influence on the quality of products. They cannot influence where the products come from but conducting strict quality control, they are able to eliminate inferior products. This is how they can make sure that the customer never receives food that has gone bad.

Below, there is figure portraying the price-quality relation grades given. This figure was chosen to be represented as it describes all the categories accordingly.

**10. How would you grade the products of Rosso Jyväskeskus? (on a scale of 1-4, 1 being bad, 4 being excellent) PRICE QUALITY RELATION**

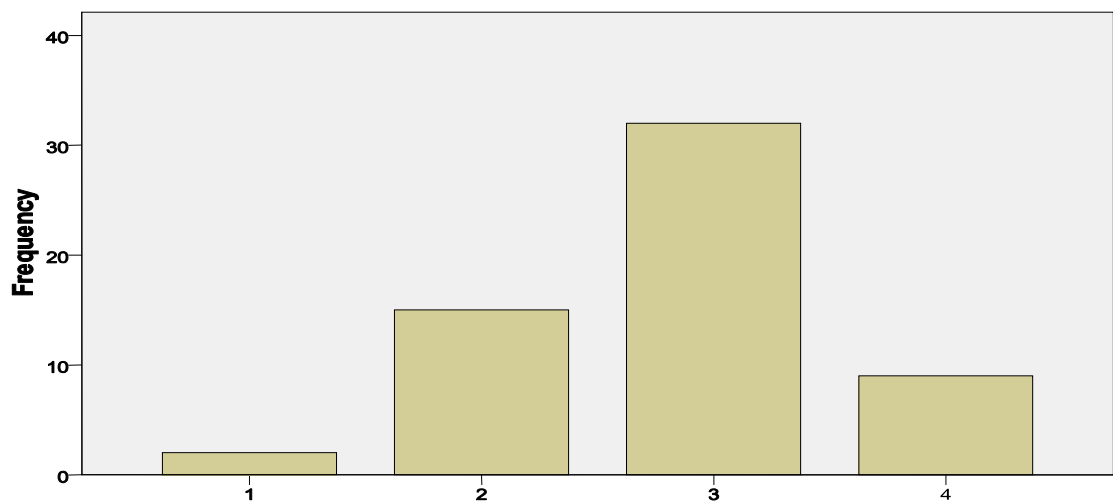


Figure 9. Product grades – Price quality relation

One of the most important development issues at Rosso Jyväskeskus is lunch. There was no question that this should be researched as well in this survey. The lunch was also evaluated as average and from this chart you can see the top grades in each category.

Quality:	17, 2 % gave the grade 3
Selection:	15, 5 % gave the grade 3
Presentation:	20, 7 % gave the grade 3
Size of dishes:	19, 0 % gave the grade 3
Healthiness:	27, 6 % gave the grade 3
Taste:	22, 4 % gave the grade 3
Price-quality relation:	17, 2 % gave the grade 3

As there weren't many lunch customer's (21 persons) who answered, this doesn't give a wide perspective to lunch. But it does give an idea about developing lunch. It seems that lunch was evaluated about the same as the regular products. More developing should be done if lunch is what Rosso Jyväskeskus wishes to concentrate working on.

As these questions about the products did not allow the people to give comments on why answered the way did, a more detailed survey should be done in order to find out customers motives in more detail. If Rosso Jyväskeskus decides that lunch is what they want to develop, they should get more familiar with the lunch customers and develop it accordingly.

In the next question people were asked to describe Rosso Jyväskeskus with three words. They could write whatever they wanted and give comments freely. Most comments were about the atmosphere of the restaurant. Some of the comments were:

*"Nice place with a good atmosphere"*

*"Good atmosphere, approachable, clean"*

*"Cozy, very customer friendly. Spacious restaurant and good atmosphere for a big meal or just a bite to eat."*

These comments suggest that customer enjoy dining at Rosso Jyväskeskus and like to spend time with family and friends. These comments also support the result of question 8, where people were asked to state the main reason for their visit to Rosso Jyväskeskus. In that question, people named spending time with friends/family the number one reason for

dining at Rosso Jyväskeskus. From this, it is easy to determine that Rosso is seen as a restaurant, where people like to spend time over a good meal and drinks.

The child friendly image of Rosso Jyväskeskus also was well appreciated in the comments. Many comments were made about the children especially enjoying Rosso; they enjoy the food, the playroom and the extra activities they are given while waiting. Like for many families, it is the children that also determine where the family goes out to dinner. Many comments were made about how Rosso Jyväskeskus welcomes children oppose to many other restaurants. This is brings the families back. These comments support the strategy of concentrating on families with children as they are the biggest customer group. Judging by the comments, the families are somewhat committed to Rosso Jyväskeskus and it would be wise for Rosso, to concentrate on knowing these customers better and committing them even more to the restaurant. The following comments were made about the child friendliness:

*“Family friendly, reasonably priced, ordinary”*

*“We choose where we go to dinner mostly based on the wishes of our children. We have been to many restaurants and we are very pleased with Rosso Jyväskeskus as whole. The staff takes children into account very well and I have given feedback about this on the spot. Please continue to take children into account well also in the future. It is the children that bring parents back to the place they feel they have been treated well.”*

*“Nice to visit with children. Good playroom.”*

One of the commented factors was the location of Rosso Jyväskeskus. It received good comments and it was seen as a very easy place to visit because of the central location. Rosso was a described as very approachable and convenient place to visit while shopping. Judging by the comments, Rosso Jyväskeskus attracts many customers also with its location and if the location were to ever change, customers might react negatively. Some of comments about location were:

*“Basic food on a good location. Always safe choice.”*

*“Good location for lunch.”*

*“Nice, close, cozy.”*

*“Nice place for lunch on a good location.”*

Mainly the descriptions were good and positive, but a few negative things were said and improvement ideas were given. Some people felt that salad bar needs updating. This is something that Rosso Jyväskeskus alone can't influence too much as the chain management decides what is on the salad bar. Some commented that the restaurant is too noisy and crowded. For Rosso Jyväskeskus these comments can be seen as positive because it means that the restaurant is full. Because Rosso is targeted for families, noise can be expected as lots of children are in the restaurant. The décor was commented to be old and it needs updating. This is something Rosso Jyväskeskus could do something about within the limits of budget of course. Even if renovating is not possible, Rosso Jyväskeskus can take care of the décor by enforcing proper cleaning of the restaurant.

In order to find out customers motives towards Rosso Jyväskeskus, a question was asked why they had joined the mailing list. This was an open question and people could write what they wanted. This question revealed that some of the people are genuinely interested in Rosso Jyväskeskus and want to know about it. It also revealed that some of the people don't know why they are on the list and they don't seem to have any connection to Rosso Jyväskeskus. These customer's motives would be especially interesting to investigate further, as they themselves have accepted to be on the list. The joining process to the mailing list requires that ones the customer has received the invitation to join the mailing list, they have to go and confirm that they want to join. So question is why have they accepted the invitation even though they don't have an interest in Rosso Jyväskeskus? Here are a few examples of the comments:

*"I don't know"*

*"I don't remember"*

*"By accident"*

*"I guess there is no harm in it."*

*"I don't remember, must have been some competition going on as I have agreed to be on the list."*

*"Because of some competition."*

Even though the customers had a chance to better explain their motives, most settled for short comments. Because these customer who expressed little interest in Rosso Jyväskeskus, are still on the mailing list, it might be beneficial for Rosso to investigate these customers more; At least enough to decide whether these customer relationships are worth developing or not.

It was a pleasant surprise that there were customers who did express genuine interest in Rosso Jyväskeskus. Some seemed to be interested specifically in Rosso Jyväskeskus as they gave comments like:

*"It is place to my liking and I want to know what is happening over there."*

*"It is a very potential place for dining, so I would like to know what is new as well as what is for lunch. It is more fascinating if you know about the food in advance."*

*"I want to know what is for lunch."*

*"I want to know about Rosso."*

Some linked their interest to the S-benefit card and gave following comments:

*"As an S-benefit card holder I want to know about Rosso's menu and offers."*

*"To find out about the S-benefit card offers."*

*"To find out about offers to loyal customers."*

As there are customers on the mailing list that are interested in Rosso Jyväskeskus, Rosso should start developing these customer relationships more and make an effort to deepen the relationships. These customers already have an interest in Rosso Jyväskeskus so the next step would be to get them to commit to Rosso. These results are a good starting point for Rosso Jyväskeskus in continuing to develop its customer relationships in the future.

From the results it is clear that some of the people on the mailing list don't consider themselves to be loyal customers of Rosso Jyväskeskus. Some even seem to lack interest. Rosso Jyväskeskus needs to evaluate the profitability of these customer relationships and decide what to do with them in the future.

Rosso Jyväskeskus also needs to try to get the people who already show interest in them to commit to Rosso Jyväskeskus specifically. At the moment it seems that customers think of themselves loyal customers because they have the S-benefit card. It is not clear to the people on the mailing list that the list is separate from the S-benefit card and offers that come through the list are only for the people on the mailing list. This image is not yet strong enough in the mind of the customers and therefore needs to be reinforced.

There was also a question about the loyal customer benefits. People were asked to tell how they, as loyal customers, would like to be remembered. The answers to this question also revealed the fact that people feel loyalty towards the S-benefit card and not to Rosso Jyväskeskus. This becomes clear from answers such as:

*“The coupons that come with Yhteishyvä – magazine are nice, would like to have them more often!”*

*“More offers for s-benefit card holders”*

*“Have received enough offers”*

*“The same way as before”*

Whether these customers will ever commit to Rosso Jyväskeskus directly, is something that should be carefully investigated.

There were people who showed commitment specifically to Rosso Jyväskeskus and they had good ideas about taking care of the loyal customers. Some of the ideas included:

*“Maybe an offer for the whole table- more people the better the offer?”*

*“More loyal customer benefits and offers, taking advantage of the times visited”*

*“Maybe more surprise benefits. For example, printable coupons”.*

*“Maybe a special menu offers for loyal customers only.”*

*“Offers such as free desserts.”*

*“Offers for families, for example free drinks.”*

These are all valuable ideas and most importantly, they can be implemented. Rosso Jyväskeskus should start developing these ideas in practice, and start building its loyal customer base.

As a tool in developing the customer relationships, the mailing list is an important part of communicating with the customers. This should also be developed in order to gain the most out of it.

When looking at the results of question 15 that asked the customers to give grades about the e-mails they have received, the result is again just average. From the following chart, you can see the average grade given in each category:

Appearance:	56, 9 % gave the grade 3
Information value:	50, 0 % gave the grade 3
Attractiveness:	48, 3 % gave the grade 3
Clarity:	56, 9 % gave the grade 3

It appears that there is much improvement needed to make the e-mails interesting. As for attractiveness, almost half the customers rated the e-mail as 3, which can be interpreted that the e-mails are not very attractive or interesting. This in itself is a problem because if the customers find the communication boring, they are not likely to get interested in Rosso Jyväskeskus. Their interest will most certainly suffer.

To find out more about how the customers would like Rosso Jyväskeskus to communicate with them, a deeper research should be conducted. Even though the next question was about receiving ideas on how to improve the communication, no valuable or constructive ideas were received. The following chart shows how the grades given to the attractiveness of the emails differed.

15. How would you grade the e-mails you have received from Rosso Jyväskeskus? (on a scale of 1-4, 1 being bad, 4 being excellent)

ATTRACTIVENESS

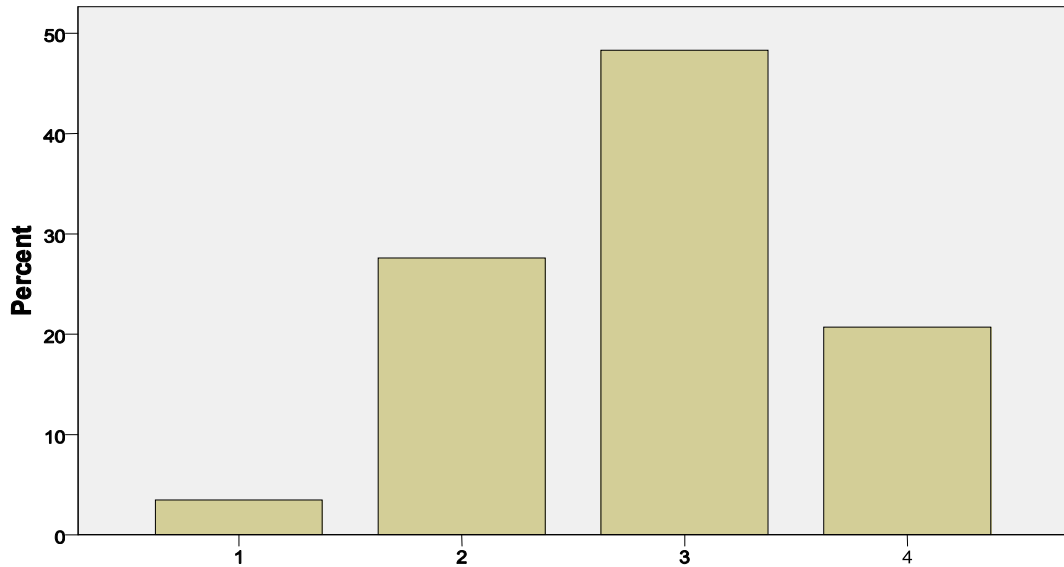


Figure 10. E-mail grades

As the e-mails were only graded as average, the customers also gave ideas of how to improve them. It was not obligatory for the customer to answer this question so only a few suggestions were given. Some of the comments included:

*“It is sort of stiff at the moment, somehow make it more interesting?”*

*“You can’t always open the e-mails or they cannot be opened for technical reasons”*

*“Ok as it is”.*

*“The lunch menu is boring.”*

*“You can find all the relevant information.”*

Most of the answers seemed to be written almost out of obligation and were not very constructive at all. It could be that the customers felt that giving ideas of how to improve the customer benefits, that it is more to their advantage. It is clear that this communication tool needs improvement as it is an important part of communication with

the customers. This is a vital part of customer relationship management because it gives Rosso Jyväskeskus a chance to learn from and about its customers.

In the last part of the questionnaire, customers were asked to comment in any way they liked. They could give good feedback or bad, give improvement ideas or just write about their thoughts about Rosso Jyväskeskus in general. This was not obligatory for customers to answer but approximately half of them gave comments. Some great feedback was given including:

*“Thank you for being happy and doing your job with a smile on your faces despite the crowds and the rush! True professionals - it is a joy to watch you work: D”*

*“Fast and friendly service. If asked, you get well informed”*

*“Keep up the good work”.*

*“The service has become faster and friendlier. Children are noticed very well.”*

*“Thank you for delicious lunches and excellent service! Sometimes you have to wait for service but I guess it is because there aren't enough waitresses considering the amount of customers. I wish this could be improved.”*

These comments are very encouraging but also give clues to where improvements could be made. It is true that sometimes there aren't enough waitresses considering the amount of customers. This could be for many reasons, but the biggest reason is that the restaurant cannot fully predict the amount of customers. This is a problem that will never fully be solved as there are no ways of predicting what will happen each day. This has been discussed with the restaurant manager many times but there is no clear solution for this. All Rosso Jyväskeskus can do, is make predictions to the best of their abilities. However, the comments about service becoming better indicate that the staff has improved and become more knowledgeable.

A few negative comments were given about service and the views to the back alley. The comments were as follows:

*“The view to the back alley is not very pleasant. Spitting teenagers, garbage and badly maintained plants don’t give a good impression or dingy atmosphere. I’m sure this is not the fault of Rosso Jyväskeskus but it does affect the people who come to eat Rosso.”*

*“New customer should be noticed immediately, you cannot ignore the new customers and the right order of service must be kept. The quality of food seems to depend of the chefs; there is no standard to food quality. The food is not always well made or as good as other times. Special attention should be paid to the quality of meat; no bad meat should go to the customers.”*

The first comment about the back alley is very legitimate. The view is not pleasant at all but unfortunately Rosso Jyväskeskus cannot do anything about this. The guards of Jyväskeskus shopping center try to keep back alley clean and looking good together with the police but even though the guards and the police have combined forces, they still don’t have enough resources to drive the teenagers away and clean out the garbage. Even though this comment is valid and very accurate, unfortunately nothing can be done about this.

The second is also very valid and the waitresses do the best they can to notice everyone but it is a fact, that sometimes some customers will go unnoticed. Now, the quality of food is something the chef’s can affect. The chef should check the standards and make sure everyone knows them and works accordingly. This comment should be taken seriously as it is the food that people come to enjoy.

These results can be considered as reliable as they portray the personal opinions and feelings of the customers. Therefore, there is no right or wrong answer. The mindset of the customers, when answering the survey, is not known which means that the motivation behind each customer cannot be determined. As stated before, further research should be taken in order to find the customer’s motives better.

When completing this thesis, it was difficult to stay objective as I have been an employee of Rosso Jyväskeskus for several years. Also the personal experiences of the restaurant manager might have affected in the design of the questionnaire. A good level of objectivity was kept throughout the process of completing this thesis and results will be very helpful and useful for Rosso Jyväskeskus in the future.

## 8. DISCUSSION

Previously, Rosso Jyväskeskus did not have a data base of loyal customers that they could communicate with. Loyal customers could only be recognized as they walked in but no information was available about them. This kind of customer survey was therefore much needed to find out what the loyal customers really think of Rosso Jyväskeskus. Aided by the results of the survey, Rosso Jyväskeskus is now able to develop its services and better meet the needs of the loyal customers.

As shown by the survey results, the main problem is that the customers do not see themselves as loyal customers of Rosso Jyväskeskus. It is true that the fact that they have joined the mailing list does not make them loyal customers but more potential customers. The idea of the mailing list seemed to be unnoticed by the customers. Through the mailing list, Rosso Jyväskeskus is trying to reach the potential customers that could become loyal customers whether they have an S-benefit card or not. The question remains: how to get the customers to commit themselves to Rosso Jyväskeskus irrespective of the S- benefit card?

Few the customers, who had responded to the survey questions, seemed to recognize that it was solely about Rosso Jyväskeskus. This became clear from the answers such as *"Maybe hold a loyal customer evening?"*. These kinds of evenings have not been held. However, it seems a very good idea. As revealed by the answers, the customers are mainly happy with the services of Rosso Jyväskeskus and will continue to use them. This survey also gave valuable information about the types of customers that come to Rosso Jyväskeskus. It is only superficial information but can be used to make plans on how to deepen the understanding of the customers.

In the course of completing this thesis, it became clear just how powerful the connection to the S-group is. Every S- benefit card holder is referred to as a partial owner of the S-group, which seems to emotionally connect the customers to the S-group. They feel that by using the services of the companies that are part of S-group, they contribute to the success of something that they partly own. The bonus system also keeps the customers connected to the S- group; the more they buy from companies that belong to the S-group, the more money they get onto their bonus accounts. The fact that the customer receives money on the basis of the purchases made is so intriguing and attractive that it is hard to resist. Who would not want extra money without having to work for it?

What does all this mean to Rosso Jyväskeskus in the future? It might just be that they will never be able to differentiate themselves from the S- benefit card. To some extent, they should not even do that and therefore they should make use of the existing loyal customer

mailing list trying to recognize the most valuable existing customer relationships and continue to develop them. As this is a restaurant targeted for families with children, the Keskimaa database of all S-benefit card holders would be useful in reaching these families and trying to build and strengthen the customer relationships with them.

As a plan of action for the future, Rosso Jyväskeskus should start communicating more with the potential customers on the mailing list and continue to build their commitment. They should focus on making the customer feel special through offers, remembering and thanking them for their support, and also conducting regular surveys to stay one step ahead of the customers in order to successfully predict their future needs. Based on the findings of this survey and the author's personal experiences as an employee of Rosso Jyväskeskus, a plan of action was designed to help Rosso Jyväskeskus implement successful customer relationship management in the future. The first step is to nominate a customer relationship manager within the restaurant. An obvious choice for this job would be the restaurant manager but it might be in the best interest of the restaurant to share the responsibilities between several people. Of course this person would report to the restaurant manager and work closely together with her. After nominating this person, the following measures should be taken:

***Plan of action for Rosso Jyväskeskus on implementing customer relationship management***

**1. Communication**

Rosso Jyväskeskus communicates regularly with customers by sending e-mails to the customers on the mailing list. In these e-mails, Rosso Jyväskeskus will inform customers about recent events, new campaigns and also remembers to thank the customers for their support. Also through these e-mails, the customer will get benefits that only for customers on the mailing list. This channel will also be used to gain a deeper knowledge of the customers and making an effort to commit them more to Rosso Jyväskeskus. The staff will also make an effort to talk to the customers more on site at the restaurant and making them feel special.

Rosso Jyväskeskus should also consider setting up a facebook page. At the moment, none of the Rosso restaurants in Finland have a facebook page. It has become a very important tool for many companies to advertise themselves and Rosso Jyväskeskus should definitely take an advantage of this.

## **2. *Loyal customer evenings***

Rosso Jyväskeskus will start hosting loyal customer evenings. Invitations will be sent to the customers on the mailing list. In these evenings, customers will get a special benefit, valid for that evening only. The special could be for example a special dessert offer (coffee + chocolate cake) or starter for only 2€ with main course or a menu offer (starter, main course, dessert). The offers should be designed so that the evenings would still be profitable for Rosso Jyväskeskus. In these evenings, customers would have a chance to give direct feedback to the staff as well give written feedback. New happenings and campaigns would be introduced together with a possible new loyal customer benefit.

## **3. *Offers***

Special offers will be created for the customers on the mailing list. This could be a monthly offer that the customer would get with printable coupon. The offers could be for example cheaper desserts, cheaper beverages or offers for the whole table (more people better discounts). At the moment Rosso Jyväskeskus has a benefit card for lunch customer and for take away food. A similar benefit card could be developed for the customers on the mailing list. They would get a stamp to their card each time they visit (stamp could be based on monetary value of the bill or the times visited) and when the card is full, they would get a free gift. This gift could be a free pizza or other food item or a simple monetary discount on their next visit.

## **4. *Loyal customer club***

Rosso Jyväskeskus has started developing the loyal customer club by building the mailing list. When taking on all previously mentioned actions, this mailing list would be advertised. The customer base would be built by getting customers to join the mailing list. Rosso Jyväskeskus will set targets on building the loyal customer club; for example setting a target of getting 50 new customers to the list per month. Before setting a reasonable target, Rosso Jyväskeskus would have to investigate how many customers they are realistically able to get to the mailing list.

## **5. *Spreading the word***

After Rosso Jyväskylä has implemented customer relationship management and is able to report some results, they should report their findings to other Rosso restaurants across the country. At the moment, no other Rosso has started to build a loyal customer club or using the mailing list as a tool of communication with the customers. Rosso Jyväskylä could act as the leading restaurant for customer relationship management and help other restaurants to build and manage their relationships with their customers. These actions would build up Rosso's image across the country, help bring revenues to each individual restaurant and make the chain even more successful. This nationwide implementation of customer relationship management can't be achieved in the near future but it is also important to have long term goals which then motivate the short term actions.

These actions mentioned above are suggestions and ideas inspired by the survey results. These need to be developed for practical use and proper guide manuals should be made for implementing these actions. Whether Rosso Jyväskylä wishes to take these suggestions and put them into action is entirely up to the restaurant manager. It should be carefully considered whether they have the resources to implement these actions. It is important to properly research the resources for implementing customer relationship management as the purpose is to benefit the restaurant and make it more profitable and not hurt it.

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ATTACHMENT1

## QUESTIONNAIRE

Hei!

Olen Jyväskylän Ammattikorkeakoulun opiskelija ja teen opinnäytetyötäni yhteistyössä Rosso Jyväskeskuksen kanssa. Aiheenani on kehittää Rosso Jyväskeskuksen kanta-asiakasjärjestelmää.

Oheinen kysely on osa opinnäytetyötäni. Arvostan suuresti vastauksianne, niiden avulla pystymme kehittämään kanta-asiakasjärjestelmää entistä paremmaksi. Vastaaminen vie vain muutaman minuutin.

Kaikkien yhteystietonsa jättäneiden kesken arvomme lahjakortin (arvo 25€) Rosso Jyväskeskukseen!

Kiitos vastauksistanne etukäteen!

Ystävällisin terveisin,

Anne Jokelainen  
Jyväskylän Ammattikorkeakoulu

Vastaa kyselyyn klikkaamalla linkkiä:

[Sähköpostikutsun ulkoasun testaus ei näytä]

Jos linkki ei aukea klikkaamalla, kopioi se selaimen osoiteriville hiiren avulla.

**Perustiedot**

## 1. Ikä

- 15-24       25-34       35- 44       45-54       55-64       Yli 65

## 2. Sukupuoli

- Mies       Nainen

## 3. Perhesuhteet

- Naimaton       Avoliitossa       Avioliitossa

## 4. Onko Teillä lapsia?

- Kyllä       Ei

## 5. Kotipaikkakunta

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## 6. Omistatko S-Etukortin?

- Kyllä       Ei

**Rosso Jyväskylän keskus**

7. Kuinka monta kertaa olette vierailleet Rosso Jyväskylän keskuksessa viimeisen vuoden aikana?  
(jos olette vierailleet keskimäärin 1 kerran viikossa, vastatkaa 52 kertaa)

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8. Mikä on PÄÄASIALLINEN syy vierailuunne Rosso Jyväskeskuksessa?

- Lounas
- Ruokailu ostosten lomassa
- Elokuviin menossa/tulossa
- Työporukalla
- Tulla viettämään aikaa perheen/ystävien kanssa

9. Minkä arvosanan antaisitte Rosso Jyväskeskuksen palvelulle? (asteikolla 1-4: 1 huono, 4 erittäin hyvä)

- Nopeus
- Ystävällisyys
- Ammattitaito

10. Minkä arvosanan antaisitte Rosso Jyväskeskuksen tuotteille? (asteikolla 1-4:1 huono, 4 erittäin hyvä)

- Laatu
- Valikoima
- Annosten ulkonäkö
- Annosten koko
- Terveellisyys
- Maku
- Hinta-laatu suhde

11. Jos olette lounasasiakas, minkä arvosanan antaisitte Rosso Jyväskeskuksen lounasannoksille? (asteikolla 1-4: 1 huono, 4 erittäin hyvä)

- Laatu
- Valikoima
- Annosten ulkonäkö
- Annosten koko
- Terveellisyys
- Maku
- Hinta-laatu suhde

12. Miten kuvailisitte Rosso Jyväskeskusta? (vähintään kolmella sanalla)

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13. Miksi olette liittynyt Rosso Jyväskeskuksen postituslistalle?

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14. Miten toivoisitte että Teidät kanta-asiakkaana huomioitaisiin?

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15. Minkä arvosanan antaisitte saamallenne kanta-asiakas sähköpostille? (asteikolla 1-4: 1 huono, 4 erittäin hyvä)

- Ulkoasu
- Selkeys
- Informatiivisuus
- Kiinnostavuus

16. Miten kehittäisitte kanta-asiakas sähköpostia?

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17. Terveiset Rosso Jyväskeskuksen väelle (Risuja, Ruusuja, kehitysideoita, kommentteja jne.)

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