



Stanford eCorner

Using Technology to Meet Customer's Desires

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Though Expedia was able to address the base of Maslow's pyramid, they did not address the customer's higher needs. Using technology, Conley's company was able to meet customer desires by tracking customer preferences in much the same way that Amazon and Netflix do. Upping the ante, Joie de Vivre went on to meet the customer's unrecognized needs by giving each hotel its own unique personality.



Transcript

Expedia got the base of it right. They're like, hey I can get a hotel room, cheap and easily just going online I'll do it with Expedia. And that's, it's sort of, that creates a satisfaction. But one of the things if you book Expedia ten times for ten different hotel rooms, they don't really keep track of what you're desires are. And so we started to actually say, OK. Well let's figure out how we can keep track of our customers' desires because if somebody likes a feather pillow and they are staying with us regularly, we better know that so they don't have to ask for it every time. If I'm booking for Expedia, the Expedia technology doesn't give them the opportunity to actually have that request in their Expedia reservation. So we started actually modifying our technology. And one of the things you'll find in this succeed piece of the pyramid, which is sort of a social belonging needs and the this team needs is that the company is to do it's best either do it through training or technology. So think of a, a high tech company out there that, you know, focuses on the consumer and knows your desires maybe better than you know your own desires.

It was like, you know, there's a company that's named after a river. Amazon. So Amazon knows your desires because if you buy on Amazon, you build a learning relationship with Amazon over time. Such that Amazon actually is understanding your desires. Netflix does the same things in terms of DVDs, in terms of you know, a film. So this is the middle part of the customer pyramid. But the peak of the pyramid up here and we did, you know, that with understanding what people's ongoing desires are at our hotels but the peak of the pyramid is meeting unrecognized needs. So, so I mean what we're going to do was we needed to actually look at how we could change our website so that it was more appealing to come to our website to meet the customers' desires but also to meet their unrecognized needs. So what does that mean? What's an unrecognized need? I mean it's sort of like, when Fred Smith created FedEx 25 years ago, nobody knew that they actually can send a package overnight, an unrecognized need. When Steve Jobs and his team created the iPod.

It was the natural next evolution of Sony's Walkman but it wasn't Sony who did it. And it was sort of like something that hadn't been done before or Jet Blue added a TV on the back of the seat in front of you on your plane. These are sort of innovations that are not necessarily coming from the consumer. It wasn't the consumer saying to these Fred Smith or Steve Jobs or the folks at Jet Blue that this is what you wanted. It was the company's who are figuring it out. So the thing we figure out is that there are people coming to our hotels in California who are going to stay at our very unique boutique hotels within our company. And they're going to have travel needs beyond just staying in our hotel. They want to know what's cool and interesting to do or see and they would love to see something that actually fits their personality. Now they didn't ask for that. But our hotels, each of our hotels in the company is a very unique niche-oriented boutique hotel.

Each with its own personality and style and in fact we come up with a magazine in five words that is sort of the personality touch stone of each hotel. The first hotel that we created back in 1986-87 in a motel called The Phoenix is a rock and roll hotel and it basically, it goes after rock and roll bands. I mean, those days are rock and roll bands and groupies, and anybody who loves a funky, adventurous irreverent kind of place to stay.