AUNTY MARIA “WE MAKE YOUR DAY”: THE CASE STUDY OF A LOCAL AND UNIQUE HOSPITALITY BUSINESS

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Abstract
Over the last few decades, there has been considerable development in our understanding of the diversity of global hospitality businesses, as a result of applied research following the inductive method of generalization from case studies. This is particularly evident from the increasing interest that the practitioner community shows in collaborating with academic researchers in conducting such case studies. Using these case studies, teaching fundamental concepts like marketing mix, new product development, etc. have become easier for academic researchers, too. This case study explores some of the local and unique business practices that have captured a niche for the service sector in Goa, India.

Keywords: Hospitality business, Aunty Maria, Intrapreneurship, Marketing mix.

1. INTRODUCTION – CAFÉ CULTURE IN INDIA

The Café culture in India has transitioned from a traditional to a contemporary avatar. Over the past few decades, drinking coffee has evolved from a coffee house to a trendy spots where friends and colleagues discuss ideas and have long chats at Coffee bars. From the 1940’s to the 1970’s the India Coffee House ruled the roost. The first India Coffee House opened on Churchgate Street in Bombay on 28th September 1936The Political scenario of the period became reason for the intellectuals of the era to discuss issues at places like the India coffee house. The main aim for the establishments of Coffee houses was to promote Coffee consumptions in India. As the tastes of the Youth shifted to Soft drinks and other beverages, the Coffee House was downsized to rationalize costs.
When Aunty Maria started, the cafes that had already captured the market were Pastry Cottage, Monginis, Pastry Palace and CCD. These cafes primarily focus on large scale production of savouries and pastries and have many outlets in Goa and hence have a nominal pricing scheme for their products. Aunty Maria, on the other hand has an in-house production scheme where they produce savouries in batches and hence the prices are on the higher side. Cafes like Carasid, Daily Bread and Cremeux came around the same time as Aunty Maria. The savouries at these places are good and the prices are nominal but Aunty Maria scores above these too due to the homely ambience and 24 hours’ open facility and authentic Goan savouries.

2. THE CONCEPT OF AUNTY MARIA

Goa is a beautiful place to be, it has always been renowned for its delicious bakery products but rarely has any entity in Goa made traditional bakery products targeting the local population. Everybody wants to cash it on the innumerable tourist visiting Goa every year. Aunty Maria was started keeping the Goan population in mind. A rich Bakery industry has always flourished in Goa right from the cities to the hinterlands. The industry encapsulates the ‘Poder’, the ever present figure on the streets of Goa selling ‘Pav’ on his bicycle as well as the bakeries driven from the house where the woman of the house is called Aunty. She is visualised as the traditionally dressed old lady who serves her customers with freshly made bread and coffee with joviality and affection.

When you tired of your busy schedule and want to relax, you want your motherly love and care, the warmth and affection that will again give you the strength and motivation to work and start your day fresh. This is where the concept of ‘Aunty Maria- Coffee and Bites’ came into picture where the homely atmosphere of a cafe and a motherly figure welcoming you makes your day. The heart and core of this restaurant is the Aunty. And she’s not just a fictional character; on entering the cafeteria, you see a pleasant smiling homely figure welcoming you. She is none other than the aunty Maria herself. It is surprising to see the exact character, depicted in the pictures in the restaurant, wearing spectacles and an apron standing in front of you. You can hardly stop yourself from swinging your head from the cartoon to the real aunty.

Aunty Maria or Mrs Bella Nunez has been working in this restaurant since inception. Working since eight and half years, she has truly given the coffee shop its homely aura. Their tagline reads, “we’re called ‘bake my day’ because we’re here to make your day”. The aunty figure in Aunty Maria personally believes in the strong culture of Fidalgo. Apart from being the head captain of the Aunty Maria team, she also handles the guest relations and orders. A special effort is taken by Aunty to speak with the
customers in either the Goan language Konkani or English depending on the customers’ comfort. Her reassuring presence can erase any unhappiness that you carried in when you entered the place.

What makes Aunty Maria unique is the concept of around the clock service. When it started it was one of the only places in Goa offering this kind of service. Its significance rises considering the fact that Goa majority of eateries close down by midnight. As such late night revellers have very less options at their disposal. When Aunty Maria opened up the temptation was too much to resist. Today patrons from all corners of the state flock to Aunty Maria for a quick late night bite and coffee. The place is very convenient for travellers who pass by the city at odd times of the day. Even the customers of Fidalgo who check in and check out late night or early morning have a place to satisfy their appetite.

Music is the essence of any hangout place but not truly at Aunty Maria. Although pleasant music welcomes you when you enter Fidalgo and soft music is played in Aunty Maria’s as well but it is the ambience and service and the motherly warmth that keeps you hooked on. Says an official: “The level and importance of discussion taking place in Aunty Maria is very high. As bring in loud music will just clutter the environment and disrupt the thought process.” Festivals bring in a different flavour in peoples’ life. Aunty Maria tries to emulate the same by redesigning the ambience on the eve of festivals attracting more customers contributing to joy and happiness around. Christmas fever hits Aunty Maria very early with the advent of the peak time of the tourist season. This festive atmosphere goes on in the same level of vivacity and liveliness till the dawn of the New Year’s Eve.

The youth is very attracted to the ambience and finding a group of students huddled over a table is not far from usual. This is so because the quiet surroundings required for healthy and meaningful discussion are rarely available in other hangout places. Same is the case when you talk about the service class customers such as advocates. The high intensity debates and deliberations required in their field of work require a calm environment. And to top up there is coffee and savouries to mellow down any heated arguments.

3. INTRAPRENEURSHIP WITHIN THE CORPORATE STRUCTURE

Aunty Maria is a part of Fidalgo a 4 Star Hotel group in Goa, India. ‘Fidalgo’ is Portuguese meaning Filho de Algo- Sometimes translated to English as ‘son of somebody’ or “son of some (important family)” or a nobleman- is a traditional title used in Portugal. The fact that Portuguese ruled Goa for almost 450 years is evident from most of the words and names derived from the Portuguese language. Established in the year 1974, Hotel Fidalgo, Pride of Goa, is located in the heart of the capital city of goa. The location is apt for its prospects with several shopping plazas, art galleries and ATM centres in the
surrounding. The management of Hotel Fidalgo has undergone a considerable number of changes since inception. It has seen the heights of success and the lows of failure. What must be given credit is its ability to learn from its mistakes and rejuvenate itself from the brink of extinction in this world of competition. Currently it belongs to the Maberest group of hotels, which is owned by Mr Jayant Shetty and under the current management it has ascended the never seen before steps of triumph. Much of this popularity can be attribute to Mr. Dayal Advani the brain behind the new face of Fidalgo. His extensive research on Goa and his vast experience has made possible a setup which is self-thriving in the land of the sun and the Sea.

It offers a 4-Star luxurious accommodation with 103 rooms centrally air conditioned rooms spread across four floors comprising Clubs, Executive Club, Premium, Executive premium and Executive Suit and Fidalgo Suit rooms. Off the lobby area is one of the six dining outlets that encompass the hotels Food Enclave.

- **Aunty Maria, Coffee & Bites.** It is a well-stocked bakery and patisserie. It is an ideal place to relax and enjoy a streaming cup of coffee with friends or a book as company.
- **Mirch Masala.** It is the traditional Indian restaurant where guests can enjoy a variety of kababs, curries and more.
- **Chilli ‘n’ Spice.** Overlooking the pool it serves Pan-Asian and Continental cuisine. It has a well-stocked bar and the interiors are classily done in leather and wood.
- **O Goa.** For a taste of local Goan cuisine O Goa offers a delectable fare, especially seafood.
- **Legacy of Bombay.** It is a vegetarian restaurant, which serves the delicacies of Mumbai food.
- **Bhojan.** It is also a vegetarian restaurant which serves mouth-watering Rajasthani and Indian and Gujrati Cuisine.

These restaurants are attached to the Hotel Fidalgo and are a popular dining outlet with locals. Guests need to step out of the main hotel building to enjoy the fine cuisine served here. With its bright interior, large bay windows offer pleasant view of the street while you dine.

For relaxation, Hotel Fidalgo has a swimming pool and a Kerela Ayurvedic Health Spa as well. Other services and facilities include 24 hour room service, laundry service, swimming pool, book shop, travel desk, doctor on call and a gift and jewellery shop (Pearls of Hyderabad), among other. It offers airport and railway station transfers and Wi-Fi connectivity. The hotel also has a business centre- Mantra-and six conference and meeting venues including the Great Hall, The Duke, The Baron, Sonata, Serenade and The Palms, the terrace garden. "Our main aim has been to eliminate the concept of targeting..."
specific customers and providing something that will bring all of them out there under one roof", observed a key Fidalgo manager.

4. AUNTY MARIA MARKETING MIX

While the concept of marketing mix emerged with the origin of the microeconomic theory (Chong 2003; Grönroos, 1994; Constantinides, 2002; Goi, 2005; Möller, 2006), it is a conceptual framework to help decision making manager to reach out to the consumer’s needs. Such a concept helps develop strategies for both long term as well short term tactical programs (Palmer, 2004), and therefore marketing mix has been extensively used in the development and progress of marketing theory and practice (Moller, 2006). The important benefits that emerge from the marketing mix model is that of being able to use one’s competitive strength against other competitors as also to allocate available resources among various demands. As rightly stated, the components of the marketing mix can dramatically change a firm’s competitive position (Gronroos, 1994).

Marketing mix helps the firm understand the complete working which organization can utilize to promote demand for their goods and services. While there are several researchers who worked on the improvement of the model, a few proposed variables such as cooperation, process and physical evidence (Bitner and Boom, 1981), however other researchers introduced the 7P model as a base of decision making in service sector and thus included price, place, product, advertising, process, people and physical evidence (Rafig and Ahmed, 1995).

4.1 Product

Aunty Maria is a well-known and the most selling brand of Hotel Fidalgo which serves sumptuous light bites, desserts, bakery items, hot and cold beverages, savouries and goan speciality dishes. It is a 24-hour coffee shop which aims at reviving the traditional mainstream Goan tastes. The management and workforce of Aunty Maria believe that ‘the customer is always right’. They believe in achieving maximum customer satisfaction by serving the customers according to their preferences.

Aunty Maria offers a line of bakery products and savouries keeping in mind the current popular tastes. Aunty Maria offers delicious vegetarian as well as non-vegetarian selections in croissants, quiche, chops, rolls, puffs, pizzas and sandwiches. A whole series of beverages such as coffee, tea, fresh juice, bottled juice, slush and milk shakes is also served here. Different kinds of bread such as bran, jowar and chilli pepper are also served. Goan specialty sweets like dodol (coconut milk, jaggery and rice flour based) and bibinca (multi-layered Goan cake) are also served. One can even order for customized
birthday and wedding cakes here. However, they also offer a wide range of seasonal products according to specific occasions. They serve Easter eggs during Easter; fudge crinkles, cinnamon flop, gingerbread cookies, etc during Christmas, and Indian sweet dishes like KajuKatli, Milkcake, Ladoos, Pedas, etc during Diwali. They also organize several food festivals during the year like Cup-cake festival held during the month of September, and Macrons festival held during the month of July where they offer a lucrative offer a pack of 5 cupcakes/macrons for Rs. 100 to its customers.

As noted in the list of popular on-demand food items offered by Aunty Maria, all the items are perishable and are marked with the Expiry date and taken off the shelf as soon as the expiry is near. This drove Aunty Maria to follow the process of production in small batches and producing them on a frequent basis to preserve quality, freshness and taste. The process is tedious and requires a large number of highly skilled workforce to cater to the overall production. Another shortcoming was that the café usually fell short of raw materials inventory supply when there is a sudden requirement of a popular selling item by the customers. They handle this problem by marking the closing balance of the products at 12am in the midnight and if there is shortage of products, they order the stock and prepare the items accordingly.

4.2 Price

The croissants, desserts, cookies, quiche, chops, rolls, puffs, pizzas and sandwiches sold at Aunty Maria is generally priced from Rs. 50 to Rs. 180. The biryani is priced from Rs. 200- Rs. 300. Aunty Maria is a 24 hour café which is one of the very rare places in Goa open all throughout the day serving wide range of food items and light bites. The customers thus prefer the café mostly during midnight and festive seasons to fulfil their pangs of hunger. Since it is located in one of the poshest places of Panjim and carries the brand name of Fidalgo, the pricing strategy is designed in a way so as to meet the requirements of upper-middle class and higher sections of the society. The quality of the in-house food items served in the café is usually preferred by customers as value for money fetching Aunty Maria huge sales profit volume. Based on the customer demand, the new menu is based on menu merchandizing concept. Menu merchandising here refers to the variety of food items available for sale and the display of those food items are in such a way that it stimulates interest and entices customers to make a purchase.

4.3 Promotion

Aunty Maria has a strong brand promotional strategy in place. Aunty Maria follows the differentiation promotional strategy. They acquire a large customer base by bringing uniqueness and innovation in
their products. They achieve high levels of customer satisfaction by serving high quality and palatable food items which their market competitors fail to cater to. They target to acquire a larger customer base by introducing new promotional strategies. These include happy hours in the café offering discounts on the food items, festive season offers, special offers and combo offers. They offer gift hampers to customers on the occasions of their birthdays, anniversaries and other special occasions. They use print media to advertise their brand and events. The local newspaper of Goa, The Navhind Times has partnered with Aunty Maria to display the advertisements of Aunty Maria promotional events all throughout the year. They also promote their brand using online media and websites like yatra.com, Trip Advisor, Just dial, Burp, Times City, Ask Laila, etc. The advertisements of Fidalgo and Aunty Maria are also displayed in hoardings and banners in famous places of Goa. They promote their special events by means of posters, flyers and brochures. They use TV as a media for brand promotion. They partnered with the local channel, Goa 365 to showcase the scrolling ads of their promotional special events. They also make use of social media and networking sites such as Facebook, Twitter to advertise their brand and upcoming events. Planet Goa and Viva Goa are the online magazines who advertise the brand Aunty Maria from time to time. They also send out bulk SMS and mail service to their old and new potential customers to promote their special upcoming events.

4.4 Place

Located in the heart of Panjim, Aunty Maria is one of the most frequented coffee shops in the vicinity. Tourists and Residents who frequent 18th June Road, one of the busiest commercial streets in Goa stop by for a quick snack as they pass by. Aunty Maria has an in-house bakery where the food items are manufactured and they are retailed to the target customers in the café itself. They have no distribution channels for Aunty Maria since there are no other outlets of the brand in Goa.

5. CREATING A STRONG BRAND

Brand equity creates an added value due to brand names (Aaker, 2004). It enhances the economic value (Gil, Andrés and Salinas, 2007). However, while some define brand as value, loyalty to brand, recognition, awareness, perceived quality etc. (Aaker and Joachimsthaler, 2000), other scholars illustrate brand on the basis of loyalty, quality, registered sign; the remaining factors depends on the capacity of the brand to distinguish from its competitors. While the foundation of brand management principally revolves around recognition of brands, it also revolves around activities about the brand (Keller 1993).
Aunty Maria has been successful in revamping the café experience taking it to new heights. It has created strong brand equity in the market by commanding a price premium, better quality and elicit deep customer loyalty. The strong branding of the café fetches them a large number of loyal customers thus, providing value to Aunty Maria. It focusses on long-term outlook, product innovation, quality strategy and manufacturing efficiency to acquire a positive customer-based brand equity. It promotes the unique homely brand association with its customers with a brand promise to deliver true value for money. It enjoys several marketing advantages of being a strong brand in café industry which are as follows:

- Improved perceptions of product performance
- Greater Loyalty
- Less Vulnerability to competitive marketing actions
- Less Vulnerability to marketing crisis
- Larger Margins
- Greater trade cooperation and support
- Increased marketing communications effectiveness
- Additional brand extension opportunities
- More elastic consumer response to price decreases
- More inelastic consumer response to price increases

As per advertising agency, Young and Rubicam (Y&R), Brand asset valuator model have five key components: Differentiation, Energy, Relevance, Esteem and Knowledge. The first three pillars which determine the ‘Energized Brand Strength’ points to the brand’s future value. Esteem and Knowledge together create ‘Brand Stature’ which is a report card of a brand’s past performance. Aunty Maria can be termed to be a leadership brand which is high on all the pillars of Brand Asset Valuator. Aunty Maria develops marketing activities and programs that help consumers move up the pyramid thus, creating a large “bonded” consumer base. This is the main reason why Aunty Maria despite being limited in just Panjim, Goa and having no other outlets still manages to gain a higher market share and a stronger customer base than its potential “big” brand competitors.

Aunty Maria “Walks the walk” to deliver the brand promise. They adopt the “internal branding” activities and processes that help to inform and inspire its employees to understand its basic branding notions such as their behaviour can help or hurt its brand equity. This is the main reason why they hire skilled hotel management trainees as employees and they undergo proper training and grooming to handle their loyal customers well so as to build a strong brand value. The employees of Aunty Maria care about
and believe in the brand and exhibit greater loyalty to their employer. Aunty Maria also reinforces its brand equity through niche promotional and advertising strategies to market their events.

The strong brand value of Aunty Maria also helps them capture Customer equity with their customer relationship management in place. Their customer relationship management department ensures high customer equity by acquisition of new potential customers and retention of the old loyal customers. It goes with saying that, “There is no brand with customers and no customers without brands”. Loyal Customers of the café serve as the tangible profit engine for brand Aunty Maria. Aunty Maria takes an extra edge in creating value for its customers and keeping its brand promise alive.

6. CUSTOMER LOYALTY

Customers exhibit customer loyalty when they consistently purchase a certain product or brand over an extended period of time and it is often the key to long term marketing success. Customer loyalty can be maintained through interaction with customers, developing loyalty programs and by customer relationship management. Aunty Maria has been successful in maintaining the customer loyalty by providing superior food, services and experiences to its target mass consumer base. They have integrated the voice of the customer and captured the unstated needs to innovate and improvise in their methods to serve their customer well. Provisions for customers to express their needs, perceptions and complaints helped them designed the New Menu according to customer requirements on the basis of their feedback. Introducing the plans for offering discounted foods on weekends with new products to offer and accordingly decide on customer preferences on the basis of their consumption pattern.

Regardless of such schemes some customers inevitably will become inactive or drop out. To retain those customers, they should start developing loyalty programs. These programs are designed to reward the customers who buy frequently but in substantial amount. This can help in building long term relationship with high lifetime value customers. They can also introduce club membership programs by offering cards to its customers and record the frequency of their purchase and thus decide on rewarding its loyal customer base.

7. SMALL, UNIQUE, AND TRULY GOAN

When Aunty Maria started, it used to serve a few savouries and beverages. There were many cafes and bakeries already functional and famous in Goa and people usually went to Aunty Maria when the other cafes were closed or just to experience the ambience of the ‘new café in town’. The ambience was
warm and casual. It was a quieter and a less noisy hangout, perfect for people who wanted to indulge in conversations. The Goan touch was the unique feature of Aunty Maria that set it apart from the other café’s in town. In due course, word spread via and the popularity grew. Meanwhile, the café owners started expanding their menu based on customer preferences and feedback.

Addition of new savouries and mouth-watering biryanis, along with the 24-hrs open concept instantly became a bang on hit with the clients and the popularity just kept growing. The cafes target guests were college students, business professionals looking for a quick bite. Also, post-midnight it catered to party goers and people looking for a night snack. The winning combination of the best of the ingredients and expert chefs helped create the magic and made the food taste a notch above that served in the other cafes.

Every eight months, the management changes the menu based on customer feedback and surveys. The latest addition is the macrons and healthy foods like salads and sandwiches. They have also started sugar free sweets which are targeted mainly for people suffering from diabetes. It is this constant innovation and passion to think differently that has made Aunty Maria achieve the popularity and fame today.

All these factors like customer satisfaction along with a good amount of promotions helped create the brand ‘Aunty Maria’.

8. CONCLUDING REMARKS

Aunty Maria conceptualised in 2005, is one of the six restaurants of Fidalgo which has created a name for itself, beyond the shadow of the umbrella brand of Fidalgo. One local patron articulates: When we go to the other five restaurants we say we are going to Fidalgo rarely calling them by their name but in case of ‘Aunty Maria’ the case is not the same. Some of the major Challenges faced today by Aunty Maria are location for extension, managing the receiving and closing stock, controlling the drunkards, and negotiating with Inox to setup a stall.

One of its differentiating factors is that Aunty Maria provide 24 hours’ service to its customers which make it really hard for them to calculate the revenue generated through sales of their products. To manage it they take a five minutes’ break and calculate the closing stock thus calculating the profits generated. And then fresh stock is offered for consumption. Opening till late night does invite drunkards and Aunty Maria being a family place faces the problem in dealing them. They spoil the mood and ambience of the place. With no bouncers or security in place they succumb to serve them as well. New
Target for them is to setup Aunty Maria as a brand in market and to implement that they are negotiating with the INOX cinemas to setup a stall.

As of August 2016, Aunty Maria has a single outlet in Panjim that is open 24 hours. It needs to open more outlets in order to expand its business. They are in talks with INOX to get stall at the multiplex in Goa in the near future. This will give Aunty Maria a more even stronger brand name and word of mouth.

The F&B manager of Fidalgo, Mr. Ajay Singh informed us that the café disposes all the savouries and desserts at the end of the day. The café could hand these over to the needy people as a part of corporate social responsibility (CSR). The café could also keep a karaoke night once a week in order to add the fun element to the calm and quiet ambience. They could roll out their own brand of packaged sweets and breads, which could be retailed in outlets across the states.

Since its inception, Aunty Maria had been able to keep its competitors at bay by providing quality food and service. Over the years, they have innovated their ways to provide customer satisfaction which makes it popular among its guest. But in their quest, they ignored the idea of expansion when the places were cheaply available. Prices of the location are surging and its becoming the difficult to acquire a place in the desired area to target maximum customer base. With expansion comes the recruitment of employees, their workforce consists of 80% of the fresh hotel management graduates who are ready to work in shifts. But scarcity of such management colleges is becoming hindrance in their expansion.

REFERENCES


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