

# Taj: I will prevail. Exemplifying customer service in times of crisis

Rik Paul

Rik Paul is a Research Scholar at IBS Hyderabad, IFHE University, Hyderabad, India.

I have Held My Ground as Human History Has Unfolded in Its Timeless Procession of Laughter and Tears, Courage and Cowardice, Good and Evil.

I Will Prevail[1].

When we open the heritage wing and do whatever it takes to get back its old glory; we will send a stronger message – a message that strongly resonates among all of us that we may have been knocked down but will never be knocked out (Mr Ratan Tata, Chairman, Indian Hotels Company Ltd[2], 21 December 2008).

## Introduction

26 November 2008 made history when terrorists simultaneously attacked about a dozen locations in Mumbai, India, including one of the most iconic buildings in the city, the Taj Mahal Palace Hotel. Both customers and employees of the hotel were held hostage and a few were killed by terrorists armed with automatic weapons. The two nights and three days siege became an international story including the extraordinary behavior of the Taj hotel employees who made sure that every guest they could find was safely ferreted out of the hotel, at grave risk to their own lives. None of the Taj employees had fled the scene to protect themselves during the attack, rather they all stayed at the hotel to help the guests. What could possibly explain such frontline employee behavior in a service industry? Is it the unusual hiring, training, incentive systems and customer centric standards followed by Taj Group of Hotels? Or is it a norm, not an exception that in times of crisis, people tend to stick to whatever role they were playing before and feel responsible for fulfilling their duties? Or is it simply the service profit chain put to practice? (Heskett *et al.*, 2008).

It was 12 August 2010 and Raymond Bickson (Bickson), Managing Director, Indian Hotels Company Limited, was about to announce (TATA Group, 2008) the glorious reopening of “The Taj Mahal Palace Mumbai” (Taj) on 15 August 2010, India’s 63rd Independence Day. In his heart he knew very well that this was not merely a reopening, but indeed a solid answer to those who tried to destroy the Pride of India by attacking the Taj. Still somehow he was afraid whether his speech would be able to strengthen the spirits and sentiments of his employees who worked hard, not just to defeat the forces of terror and hatred, but who were also saddened by the inauspicious loss of 12 of their colleagues. Adding to his fears were the customers and eminent guests who were skeptical of whether Taj would be able to imitate its past?

On 15 August 2010, Ratan Naval Tata[3], Chairman, Tata Son’s remarked:

Today has been an incredibly moving day. The Taj has been reopened, after a massive concerted effort, in dedication to all of those who lost their lives in the attacks on Mumbai.

Please note that two final year MBA students (Batch of 2012 at IBS Hyderabad, IFHE University), Siddharth Shukla and Abishek Kumar, were involved in preparing the first draft of the case. The author would like to acknowledge their contribution in the published case.

Disclaimer. This case is written solely for educational purposes and is not intended to represent successful or unsuccessful managerial decision making. The author/s may have disguised names; financial and other recognizable information to protect confidentiality.

## Background history (www.tajhotels.com)

Situated in Mumbai near the historical "Gateway of India" (www.tajhotels.com), the Taj Mahal Palace Hotel was a five-star luxury hotel built in 1903. Many people were of the opinion that Jamsetji Tata[4] (Jamsetji) the founder of TATA Group built the hotel because he was refused an entry into one of the city's grand hotel of that time "Watson's Hotel"[5], as it was reserved for the whites only under the British rule[5]. But the majority were of the view that it was built on the request of the then editor of *The Times of India*[6] as nearly all the hotels in Mumbai at that time were overcrowded and there was not any hotel "Worthy of Bombay"[6]. Since then the Taj stood as a symbol of luxury and hospitality in India. It completed its centenary year in 2003.

Originally, the project involved three major Indian architects Sitaram Khanderao Vaidya, Ashok Kumar and D.N. Mirza, together with an English engineer, W.A. Chambers who completed the project. The mason was Khansaheb Sorabji Ruttonji Contractor who built the famous central floating staircase of the Taj. The cost incurred in the construction at that time was Rs[7] 4.21 crore[8]. Jamsetji imported the steel, as used in Eiffel Tower[9], to make the dome (Exhibit 1) of the Palace Building. It was also the first hotel in India to install steam elevators apart from importing American fans, German elevators, Turkish baths, and English butlers.

Until 1973 there used to be a hotel adjacent to Taj, the Green's Hotel, which was famous for low rate and wild parties. However, when Taj felt the need of more rooms it acquired Green's hotel and after its demolition, a new wing was opened which was referred to as The Tower Wing. The design and architecture of both buildings were entirely different but together they maintained the spirit of Taj. The Tower bought with itself even more room to accommodate the endless parade of global dignitaries. Overlooking the Gateway of India with a panoramic view of the bay, each of the 560 rooms including the 44 suites was a perfect blend of rich history and modern convenience. By 2011, Taj offered a variety of rooms to its visitors like the Taj Mahal Tower Rooms, the Taj Mahal Palace Rooms, The Taj Club Rooms, the Taj Mahal Palace Suites, Signature Suites and Presidential Suite. There were sub categories to these rooms depending upon parameters like the sea side view. The prices of these rooms depended a lot on these criteria (refer to Exhibit 2 for the tariff plans of various rooms of Taj Mahal Palace and Towers).

Some of the extraordinary guests who visited the Taj at different times included several kings, presidents, legends, performers, religious figures and entertainers like George Bernard Shaw[10], Irving Stone[11], Barbara Cartland[12], Douglas Fairbanks[13], Sir Richard Attenborough[14], Yehudi Menuhin[15], Andrew Lloyd Weber[16], Mick Jagger[17], Margaret Thatcher[18], Prince Charles[19], Jacqueline Kennedy Onassis[20], William Jefferson "Bill" Clinton[21], to name a few.

Over the years, the Taj underwent various renovations to maintain its beauty and elegance. At the completion of its centenary year, the Taj Mahal Palace, Mumbai, sported a rejuvenated look, with new restaurants, beautifully restored guest rooms, a charming new lobby lounge, and was ready to begin a graceful journey towards its next 100 years. The complete refurbishment program was a coordination of international architects, the hotel staff and local artisans who worked hand in hand for the restoration.

### *Employee management*

Talent management is the most important sustainable competitive advantage for future growth. The employee at Taj is viewed as an asset and is the real profit centre. She is the very reason for our survival. The creation of the Taj People Philosophy displays our commitment to and belief in our people[21] (Bernard Martyris, Former Senior Vice-President, HR, Indian Hotels Company Ltd (IHCL)).

There were several programs like Special Thanks and Recognition System (STARS) and The Taj People Philosophy to ensure the well being of the employees who worked for Taj. Stars aimed at rewarding employees across all levels creating an association between the star performing employees and the brand Taj. This program allowed employees to earn points on

the recommendation of colleagues or guests. Accumulation of these points enabled an employee to attach a star on his lapel. Further accumulation of points fetched gift vouchers, cash rewards, and even holidays in Taj Hotels of his choice. STARS program at Taj was judged to be one of the most successful human resource practices and was bestowed with the prestigious, "Hermes Award"[22] in 2002 for "Best Innovation in Human Resources" in the global hospitality industry.

Taj People Philosophy[22] (TATA Group, 2000), or TPP covered all the aspects of an employee's career planning from his joining till his death. According to that program Taj selected, trained and compensated the best talents in the industry. To foster transparency and openness they used a formal channel of communication, which they believed reinforced the bonding between the employees and Taj. Apart from STARS and TPP, Taj also implemented the popular performance management system called balanced scorecard developed by Kaplan and Norton[23]. To enforce openness, balanced scorecard system had an open book format wherein any employee could review his performance and make necessary improvements:

I look for "nice people who are not afraid of serving people". I can teach them to be a bellman, a waiter, or a desk clerk, but I can't teach them to be nice. I can't teach them that spirit of ownership (Raymond Bickson, CEO, IHCL) (Hanna, 2011).

### **The unfortunate terrorist attack (26/11)**

On 26 November 2008, terrorists planned a series of attack at several locations in Mumbai. The Taj was attacked along with other hotels like Oberoi-Trident[24]. During a three-day long seize by terrorists many parts of the hotel, including the roof, were seriously damaged. The terrorists set off explosives on the fifth floor below the central dome causing damage to the structure, apart from setting the sixth floor on fire. Nearly 450 people were staying there when the terrorists entered Taj at around 9:30p.m., local time (refer Exhibit 3 for the timeline of the attack on Taj). They immediately took some people as hostages and used them as a shield. During the course of the 59 hour seizure, 36 people (including nine foreign nationals) died and 28 (including five foreign nationals) got severely injured. The attack later got its name "26/11" from the date (26 September 2008) of its occurrence.

The attack caused severe damage to various parts of The Taj including The Heritage Wing and The Palace Wing. Some major dining areas were destroyed and some were even charred beyond recognition. The lobby received some minor damage in terms of bullet marks. The Shamiana[25], the all-day dining restaurant's flooring was wrecked by grenade blasts, which left a huge hole. Glass pieces and bags lay scattered all over the floor. The section overlooking the poolside was in a mess and full of debris. The Harbour Bar[26], which was India's first licensed bar and reputed for its rare selection of whiskey, cognacs and Cuban cigars, was devastated in the attack. The Japanese restaurant Wasabi located in the old wing on a level above the ground floor was gutted. Featured in the prestigious Condé Nast Traveler[27] list of eateries, the restaurant was known for its sakes and sushi bar. Fourth and fifth floor received some minor smoke damage and were relatively better than the other parts of the hotel.

The headquarters of the terrorists, the sixth floor, was completely charred. The woodwork was smashed. All sea-facing rooms including the presidential suites, which had hosted heads of states, were in a shambles. Valuable paintings, period furniture and hand-woven silk carpets were destroyed. Ajoy Misra, Senior Vice President, Sales and Marketing at IHCL, commented: "If you had seen what the place looked like, you would not have believed it" (Flock, 2009).

### **Employee response**

During the entire course of the 59-hour attack all the employees of Taj chose the well being of their guests over anything else. There was no evidence of any employee turning his back on guests. A total of 12 employees lost their lives while saving and rescuing their guests. A total of 14 guests died during the attack. However, 250-300 guests were rescued safely.

Even though the employees knew all the back exits of the hotel they did not escape, instead they risked their lives in saving their guests. Mallika served at Taj as a management trainee,

and stopped many of the guests from going out of their rooms, safeguarding several guests from Hindustan Unilever Ltd[28] gathering. She did it without any instructions from her senior executives. She kept calm and moved the guests to relatively safer positions. Moreover, she turned off the lights and helped the guests to escape out of the window before saving herself[29].

Thomas George, a captain, escorted 54 guests from a backdoor staircase, but unfortunately in his attempt to escape he was shot by the terrorists. The General Manager of Taj, Karambeer Kang lost his wife and his two children while rescuing the guests during the terrorist attack. They were on the sixth floor and were found dead in one of the rooms. Over 500 e-mails from various guests, narrating heroics of the staff and thanking them for saving their lives were received by the Taj management after the attacks. In a subsequent function, Ratan Tata broke down in full public view and sobbed saying – “the company belongs to these people” (Dey, 2009).

All levels of employees exhibited courage and safeguarded their guests till their last breath. A famous media journalist remarked:

It was clearly a saga of extra-ordinary heroics by ordinary people for their organization and in a way for their country. The sense of duty and service was unprecedented (Dey, 2009).

Hemant Oberoi, the Taj's 55-year-old Head Chef who, along with his team, continued with his duty and kept his kitchen running to serve horrified guests amid firings and explosions that dreadful day. He said “We didn't think about ourselves because there were 300-odd guests inside the Taj. The food and beverages team had 100-odd people working right here. I think they performed their duty phenomenally” (Bhatt, 2009).

### **Media speculation**

The attacks were highly criticized throughout media channels, the pictures of Taj under fire, commandos fighting, firefighters trying to tackle the fire, dead lying around, blood spills, shattered windows and smoky rooms were news all over the world. These made sure that Taj remained in the news for few weeks. News spread all over that Taj was severely damaged which included some of the famous restaurants and dining halls.

Now when all the terrorists were gunned down, the media were eagerly waiting for the next step by IHCL to recover from the dreaded state. They all had only one question shooting towards IHCL, how soon could Taj reopen? Moreover, it was believed that as the reopening of the Taj would be delayed it would leave a deep impact on the customers' mind.

The renovation of Taj too attracted much media attention as an article cited:

Taj Mahal leads India's Recovery-Brutally damaged but determined, shell-shocked but standing firm, the Taj Mahal Palace hotel has become a rallying symbol for Mumbai's recovery from the multiple terrorist strikes last week which killed 183 people and injured over 325 (Bhatt, 2009).

Every news house believed that Taj would reinstate itself in a position even better than it was earlier into, considering the fact that IHCL was a subsidiary of Tata Sons, which was considered to be resilient.

### **Impact on customers**

The attacks happened in the year which was speculated to be a glorious landmark of five-million tourists for the first time in the history of India. Experts commented that the 26/11 attacks became the bottleneck for the miraculous growth of the tourism industry in India. In fact, the tourism sector was not sound enough to absorb such an impact as it was already affected by the economic meltdown of 2008. Inflow of foreign travellers was reduced and local tourists avoided big cities. Mumbai especially saw a significant reduction in the number of tourists in the first three months after 26/11.

Nearly 15 guests were killed in the attacks along with 28 being wounded. At the time of the attacks, a number of delegates from the European Parliament Committee on International Trade were staying in the Taj Mahal hotel. This was the primary reason for the death of nine foreign nationals. Since international tourists considered the Taj as a heaven and one of the finest hotels, attacks on Taj forced many governments around the world to put India in

the unsafe list of countries, following which the preceding months saw a dip of 3.3 percent in the tourists' arrival in India.

However, these figures seemed trivial when people came to know about reopening of the Taj. A number of loyal customers and guests started reserving rooms. One official at the Taj remarked:

Requests for room reservations and restaurant bookings are pouring in. They are coming from customers who have vowed to stay or dine at the Taj to show their solidarity (VOA News, 2008).

On a similar note a guest exclaimed:

It is not just about coming and eating here, but to show that we are not going to be cowed down, we are not going to give into people like this, life will continue as normal for us.

Vasu Ramanujam, a Taj Inner Circle member was a frequent visitor to Taj Mahal Palace, wrote in his blog (Ramanujam, 2011) that, "I had many occasions to be pampered by the quietly friendly and dignified staff of the Taj Hotels of India." He further wrote in praise of the bravery of Taj employees:

I bow my head with respect for the General Manager of the Taj Mumbai for continuing to make sure his guests were safe, even after he lost the love of his life – his wife and children. If ever you needed a meaning for the phrase "beyond the call of duty", it is this.

Another guest that night, Prashant Mangeshkar (Mangeshkar) a 52-year-old gynaecologist by profession recalled (Mukherjee, 2008) that had it not been for the Taj staff, he and his wife both would have been dead. Mangeshkar added, "The man in front of my wife shielded us. He was a maintenance section staff. He took the bullets".

### **Impact on stocks and revenues**

Following 26/11 the stock price of IHCL touched a low of Rs 37.15 within days of the attack. The stock plunged even more down to Rs 34.4 on 12 March 2009. Each share of IHCL was being traded at Rs 47.85 when the attack started, and within a period of one week it lowered by 25 percent.

26/11 left Taj in a state where the hotel was shut down for almost two years. Only the palace wing of Taj became operational on 21 December 2008, while the Heritage wing, which included nearly all the presidential and luxury suites, was not in operation for a period of 21 months. The damage caused by the terrorist attack was estimated to be around Rs 180 crore. The 285 room flagship hotel underwent extensive renovation after being severely damaged. It was refurbished at an estimated cost of Rs 300 crore and the renovation of each room required almost Rs 1 crore each.

### **Recovery and restoration**

We must show that we cannot be disabled or destroyed but that such heinous acts will only make us stronger (Ratan Tata, Chairman Tata Group).

In a statement on its web site, the hotel declared; "We will rebuild every inch that has been damaged in this attack and bring back the Taj to its full glory." Following these statements, Taj issued a full-page ad in all national newspapers titled "I Will Prevail" to rebuild customers' confidence in Taj.

Taj senior management toiled day and night to open Taj's door to the public. 19 days after the attack, on a chilly day in December, the Taj reopened its Tower Wing. Entire services were restored there. The hotel served all five of its cuisines to guests, even when the restaurants were no longer there. Wasabi was recreated on the rooftop. Shortly after, the Aquarius poolside lounge, Masalacraft restaurant, and the retail corridor were reopened.

### **Heritage restoration**

Today, we have fulfilled our promise of rebuilding the Taj to its former glory. The Taj Mahal has always reinvented itself and its storied past which makes it the icon that it is. The palace wing has been lovingly and painstakingly restored, and we will now offer our guests an even more customized experience. It is a befitting tribute to the spirit and resilience that is The Taj Mahal

Palace, Mumbai; and the beginning of a new chapter in the history of the hotel. As India celebrates its 63rd year of independence, we warmly welcome our guests, old and new to the Taj Mahal Palace Hotel (Raymond Bickson, MD, IHCL) (Drake & Cavendish.com, 2010).

15 August 1947[30] was a day that India made her tryst with destiny. Echoing the same sentiments, the staff and the management of The Taj Mahal Hotel, Mumbai, made their tryst with destiny and had pledged to reinvent the magic that made the Taj the institution it is. Taj Mahal Palace magnificently restored and reopened on 63rd Independence Day of India as vowed by Taj Management.

An extensive restoration by internationally acclaimed designers, Lissoni Associati[31], Milan, BAMO[32] San Francisco, designWILKES[33], Malaysia and James Park Associates[34], Singapore was carried out. The Palace accommodations which included the Taj Club rooms, Luxury Grande rooms, themed Grand Luxury Suites were graciously appointed spaces filled with precious art, redolent with luxury and state-of-the-art technology befitting the architectural magnificence of the building making it an unforgettable experience that encapsulated a slice of history, legend and romance (Lux Spaces, 2010).

The reinvigorated palace wing now came with a warm arrival arrangement and a stunning stay experience. All the guests in the palace wing experienced highly attentive and personalized "Palace Butler Service" where the butler discreetly and efficiently guided guests to the pleasures that laid within and outside the walls. The Palace Lounge became a private retreat; exclusively for residents of the palace wing, for a cup of perfectly brewed tea or coffee; an evening cocktail or after hour chocolate and cognac. Guests now looked forward to an indulgent customized bath experience, in the most luxuriously appointed bathrooms. High-end technology and interactive multimedia systems at the touch of a button ensured that guests' experiences were wired for efficiency and comfort. Taj Club rooms and suites came with chauffeur-driven luxurious Jaguar[35] transfers.

In the past, the hotel had been the quintessential venue for landmark events and celebrations. The restaurants and eateries which were renovated, including Sea Lounge, Golden Dragon, the Taj Ballroom (design by LTW)[35], the Harbour Bar, Wasabi by Morimoto (design by the Rockwell Group)[36] were all accompanied by inspired cuisine from the team of Taj's acclaimed chefs. The new structure now had around 42 luxury suites, ranging from 500 square feet to 2,000 square feet. In fact a few of them were designed like duplex suites. The Luxury Presidential Tata suite became the largest in any Indian hotel designed with Makrana[36] marble.

In words of Ratan Tata, "The venerable Old Lady, had been reopened with the same glory, and the same splendor of more than 100 years".

### Tata gesture

All categories of employees including those who had completed even one day as casual worker at the Taj were treated "on duty" during the time the hotel was closed. The salaries were sent by money order. A psychiatric cell was established in collaboration with Tata Institute of Social Sciences[37] to counsel those who required such help. The thoughts and anxieties going on in people's mind were constantly tracked and psychological help was provided where ever needed.

Relief and assistance was given to all those who were injured and killed. The same was also extended to those who died at the railway station, hotel surroundings, including the "Pav-Bhaji"[37] vendor and the Paan[38] shop owners.

Employee outreach centers were opened covering 1,600 employees where all help, food, water, sanitation, first aid and counseling were provided. Every employee was assigned to one mentor and it was that person's responsibility to act as a "single window" clearance for any help that the person required. Ratan Tata personally visited the families of all the 80 employees who in some manner – either through injury or getting killed – were affected[38].

The dependents of the employees were flown to Mumbai and taken care off in terms of ensuring mental assurance and peace. They were all accommodated in Hotel President for three weeks. Ratan Tata himself asked the families and dependents – as to what they

wanted him to do. In a record time of 20 days, a new trust was created by the Tatas for the purpose of relief of the employees. The uniqueness was that, even the other people, the railway employees, the police staff, the pedestrians who had nothing to do with Tatas, were covered by compensation. Each one of them was provided a subsistence allowance of Rs 10,000 per month for six months.

A 4-year-old granddaughter of a vendor got four bullets in her body and only one was removed in the government hospital. She was taken to Bombay hospital and several lakhs[39] of rupees were spent by the Tatas to ensure her full recovery. New handcarts were provided to several vendors who lost their carts as a result of the attacks. Tata took the life time responsibility for educating 46 children of the victims of the terror (Sampat, 2010).

The settlement for every deceased member of Taj ranged from Rs 36-85 lakhs in addition to some of the other benefits like lifetime payment of last drawn salary for the family and dependents of the deceased employees, complete responsibility of education of the children and dependents anywhere in the world.

### Road ahead

Once on 16 December 1903, the Taj opened its doors to its first 17 guests. It had taken a rebirth on 15 August, 2010 as a symbol of National Pride. Its resilience was made possible by the love and support of all their employees, management, guests and public. Ratan Tata dedicated the restored hotel to those who had lost their lives in the attack and gave a strong message to world that Taj was symbol of tenacity. A wish that finally found freedom as the Taj welcomed everyone once more.

Bickson felt an enormous relief immediately on the day of the reopening when Taj registered 70 percent occupancy and played the role of an impeccable host to its guests positioning itself as a landmark among the best brands. It was an epitome of the sustainability of a brand even under extremes. By the end of 2010, Taj reigned supreme even after the catastrophe that challenged its position. Nothing could stain their regal reputation and thus, Taj remained unscathed.

### Notes

1. Excerpts from the newspaper advertisement published in all national dailies on 5 December 2008 (refer Exhibit 7 for the full page advertisement).
2. IHCL and its various subsidiaries are known as Taj Hotels Resorts and Palaces. It is considered as one of Asia's largest and finest hotel companies.
3. Ratan Tata, Chairman of Tata Son's the promoter company of Tata Group. During his tenure in 2009-2010 the company's revenue grew nearly 12 fold to Rs 303,300 crore. He is also the chairman of major Tata companies.
4. Jamsetji Tata known as the "Father of Indian Industry" was the founder of Tata Groups. He first started a textile mill in India in 1870. He was a visionary who dreamt of starting a steel and power industry, a world class learning institution, a one-of-a-kind hotel and hydro electric power plant in India however he could only start a hotel.
5. British Rule was the time when Britishers ruled India. It started from 1958.
6. *The Times of India* commonly known as TOI is an English-language daily newspaper in India. The newspaper has got largest circulation among all English-language daily newspaper in world across all formats.
7. Rs = Indian Rupees (INR). As on September 2011, US\$ 1 was approximately equal to Rs 47.
8. 1 crore = 10 million.
9. Eiffel Tower is a puddle iron lattice tower located on The Champ De Mars in Paris, France, was built in 1889.
10. One of the greatest Playwright ever, he was also the co-founder of London School of Economics.
11. Famous American writer, known for his biographic novels of famous historical figures like Michelangelo, etc.

12. Socialite, writer, and one of the most prominent personalities of Britain. She is the sixth most translated and third best selling author worldwide.
13. An American screenwriter, actor, director and producer often referred to as "The King of Hollywood".
14. A British actor, director, producer and entrepreneur. Has won two academy awards.
15. Russian Jewish, American Violinist, often regarded as the greatest violinist of twentieth century.
16. An English composer of musical theatre, often referred to as "the most commercially successful composer in history".
17. English musician, singer-songwriter, actor and producer, best known as the lead vocalist of rock band The Rolling Stones.
18. A former conservative Prime Minister of UK who served from 1979 to 1990.
19. He is the heir apparent and second so of the present Queen of UK Queen Elizabeth II.
20. Wife of the 35th President of USA, John F. Kennedy.
21. American politician and 42nd President of USA.
22. In its early days of TPP it was named "Taj People Philosophy – nurturing employees from the womb to the tomb".
23. Robert S. Kaplan is a professor at Harvard Business School and Dr Norton is a Founder and Director of the Palladium Group. They are the co-authors of *The Balanced Scorecard: Translating Strategy into Action* which is their most popular book.
24. The Oberoi-Trident at Mumbai is located at Nariman Point and is separately known as The Oberoi Mumbai and Trident, Nariman Point. They are owned and managed by the Oberoi Hotels and Resorts. The two hotels are separate buildings, but are connected by a passage.
25. Shamiana is a 24-hour dining, featuring an extensive wine list and a variety of Indian and international cuisines.
26. Harbour Bar first opened its doors to the discerning Mumbai people in 1933 and has since played host to decades of high-powered rendezvous'. Its design ideology was heavily influenced by its rich history.
27. A US Magazine popular for providing information about famous hotels, airlines apart from writing and publishing photographs of exotic locales around the globe. The subtitle of the magazine is "Truth in Travel".
28. Hindustan Unilever Limited (HLL) is India's largest fast moving consumer goods company owned by the European company Unilever.
29. Comments on [www.hbswk.hbs.edu/item/6602.html](http://www.hbswk.hbs.edu/item/6602.html)
30. 15 August 1947 is the day India became independent and is celebrated as Independence Day since then.
31. In 1986, together with Nicoletta Canesi, Piero Lissoni founded "Studio Lissoni", which later became "Lissoni Associati". The work of the studio includes architecture, graphic and industrial design projects, ranging from furniture, accessories, kitchens, bathroom and lighting fixtures to corporate identity, etc. ([www.lissoniassociati.com](http://www.lissoniassociati.com)).
32. BAMO provides exceptional interior design services and focuses on luxury hospitality and residential projects ([www.bamo.com](http://www.bamo.com)).
33. A group of 46 individuals dedicated towards producing top notch designs, headed by Canadian born Jeffrey Allen Wilkes ([www.designwilkes.com](http://www.designwilkes.com)).
34. James Park Associates is a Singapore and London-based company, which provides their clients with compelling design solutions ([www.jpadesign.com](http://www.jpadesign.com)).
35. Jaguar Cars Ltd or simply Jaguar is a British luxury car manufacturer, headquartered in Whitley, Coventry, England. A wholly owned subsidiary of the Indian company Tata Motors Ltd, it is operated as part of the Jaguar Land Rover business.

**Keywords:**  
 Services marketing,  
 Service profit chain,  
 Service failures,  
 Service recovery,  
 Service recovery paradox,  
 Customer services quality

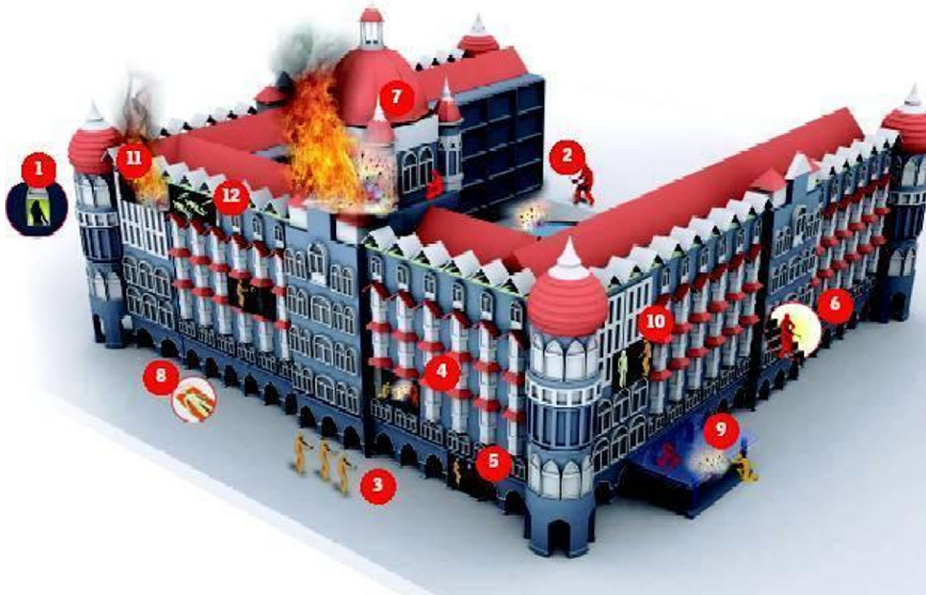
36. Makrana is a place in Nagaur district of Rajasthan, India. It is famous for its white marbles, and it is also said the famous Taj Mahal of Agra was built with these marbles.
37. Tata Institute of Social Sciences, established in 1936, as the Sir Dorabji Tata Graduate School of Social Work. It is now a Deemed University.
38. Manoj Kumar, Sr Manager – QA, Archetype Group, India “A piece of information what Ratan Tata did after MUMBAI 26/11” (www.toostep.com).
39. 1 lakh = 0.1 million. It is also called as “lacs”.

## References

- Bhatt, S. (2009), “After 26/11 I think more and more that good deeds pay”, available at: www.news.rediff.com (accessed 24 November 2009).
- Dey, A. (2009), “What Tatas did post 26/11”, available at: www.asiancorrespondent.com (accessed 3 December 2009).
- Drake & Cavendish.com (2010), “Taj Mahal Palace re-opens and welcomes guests once again”, available at: www.drakeandcavendish.com
- Flock, E. (2009), “Phoenix rising”, available at: www.forbes.com (accessed 17 December 2009).
- Hanna, J. (2011), “Terror at the Taj”, available at: www.hbswk.hbs.edu (accessed 24 January 2011).
- Heskett, J.L., Jones, T.O., Loveman, G.W., Sasser, W.E. Jr and Schlesinger, L.A. (2008), “Putting the service-profit chain to work”, *Harvard Business Review*, July-August.
- Lux Spaces (2010), “The Taj Mahal Palace in Mumbai is restored, re-opened for guests”, available at: www.luxspaces.com (accessed 15 August 2010).
- Mukherjee, K. (2008), “Staff emerge as heroes in Mumbai hotel sieges”, available at: www.reuters.com (accessed 28 November 2008).
- Ramanujam, V. (2011), “The employees of the Taj Mumbai”, available at: www.authorsden.com (accessed 28 March 2011).
- Sampat, M. (2010), “What TATA did to 26/11 Mumbai victims”, available at: www.allindianewssite.com
- TATA Group (2000), “The Taj People Philosophy – nurturing employees from the womb to the tomb”, *Financial Express*, available at: www.tata.com (accessed 22 December 2000).
- TATA Group (2008), “The Taj reopens its doors to the world”, December, available at: www.tata.com
- VOA News (2008), “Mumbai’s attacked hotels reopen”, New Delhi, available at: www.voanews.com (accessed 21 December 2008).

## Exhibit 1

Table E1	Tariff plan of various rooms of Taj Mahal Palace and Hotels Mumbai		
	Single room (Rs)	Double room (Rs)	Luxury tax (%)
<i>Tower Wing</i>			
Superior city view room	21,500	23,000	10
Superior sea view room	23,000	24,500	10
Deluxe city view room	24,500	26,000	10
Deluxe sea view room	26,000	27,500	10
<i>Palace Wing</i>			
Luxury grande city/pool view room	29,500	31,000	10
Luxury grande sea view room	31,500	33,000	10
Taj club city/pool view room	33,500	35,000	10
Taj club sea view room	35,500	37,000	10
Executive suite	85,000	85,000	10
Luxury suite	120,000	120,000	10
Grand luxury suite	170,000	170,000	10
Presidential suite	Price on demand		
<b>Source:</b> Compiled by case writer from various sources			

**Figure E1** Timeline of the attack on Taj

**Notes:** 1 – terrorists arrived via a boat at The Gateway of India, as seen by witnesses. 2 – first shot heard at Taj at around 9:30 p.m. local time. Terrorists entered Old Wing. 3 – armed Colaba police members confronted by terrorists. 4 – first confrontation between the police team took place at the second floor. Grenades forced the police team back. They take and return fire. 5 – terrorists resorted to random firing across floors and started taking hostages. Additional police reinforcement arrived. 6 – terrorists confronted the cops and took the staircase, reentered the old wing around midnight. 7 – a grenade lobbed at the dome atop. Fire broke out at around 2:30 a.m. local time. Firefighters started dousing the fire. 8 – first hostage rescued from the new wing around 2:45 a.m. local time. 90 visitors were rescued by 5 a.m. local time. 9 – terrorists lobbed grenades at the lobby connecting old and new wings of the hotel, stopped the rescue operation for some time. 10 – rescue restarted around 7 a.m., moving floor-by-floor, rescuing 100 more visitors. 11 – another encounter started in the old building around 11 a.m. New grenades were thrown on the lobby and a second grenade was thrown at the dome around 12:50 p.m. Sixth floor room caught fire due to grenades. Eight more guests were rescued around 2:30 p.m. Two terrorists found dead and one was captured alive. 12 – hotel general manager’s family – wife and two kids (age 14, 5), charred to death, were found on the sixth floor by 5:30 p.m.

**Source:** <http://onlybombay.blogspot.com/2008/11/taj-hotel-terror-activity-map.html>

### Exhibit 3

**Table EII** Death of guests and staff at Taj *vis-à-vis* Oberoi-Trident

	<i>Total deaths</i>	<i>No. of guests who died</i>	<i>No. of staff members who died</i>	<i>Family member of staff</i>	<i>Rescued</i>
The Taj Mahal Palace and Towers	36	14	12	3	250-300
Oberoi-Trident	32	20	8	0	100-150

Source: Compiled by case writer from various sources

#### About the author

Rik Paul is a Research Scholar at IBS, Hyderabad and is also pursuing his PhD from Icfai University. Before joining IBS, Rik Paul worked in multiple MNCs as an EHS consultant. His articles have appeared in both international and national journals of repute. His research interests include services marketing, service value, service quality and customer satisfaction and loyalty. He is actively involved in writing management case studies and is an expert in implementing alternative pedagogic tools. Rik Paul can be contacted at: rik.paul.iimt@gmail.com