

MULTICHANNEL STRATEGY

Professor Hugh Wilson

Istanbul Technical University

Air Transportation Management, M.Sc. Program

Airline Marketing

Module 9-10

29th January 2014

Marketing channel:

A mechanism for communication and/or distribution to customers.

Typologies of channels include:

- **Marketing – Sales – Service**
- **Broadcast (one-way) – Interactive (two-way)**
- **Mass – Targeted – One-to-One**
- **Impersonal – Interpersonal**
- **Outbound – Inbound**
- **Direct - Indirect**

The multichannel challenge

Cost

Coverage

Customer experience

Channel costs: health



£219*



£95*

- or -



£8-12***



£32**



£0.44****

* DH Reference Costs 2009/10

** PSSRU Unit Costs for Social Care 2009/10

*** Connecting for Health/University of Sheffield, Second Interim Report, Oct 11

**** Estimated 2011/12 figure for HaSCs income / users

Reason for enquiry

Are you:

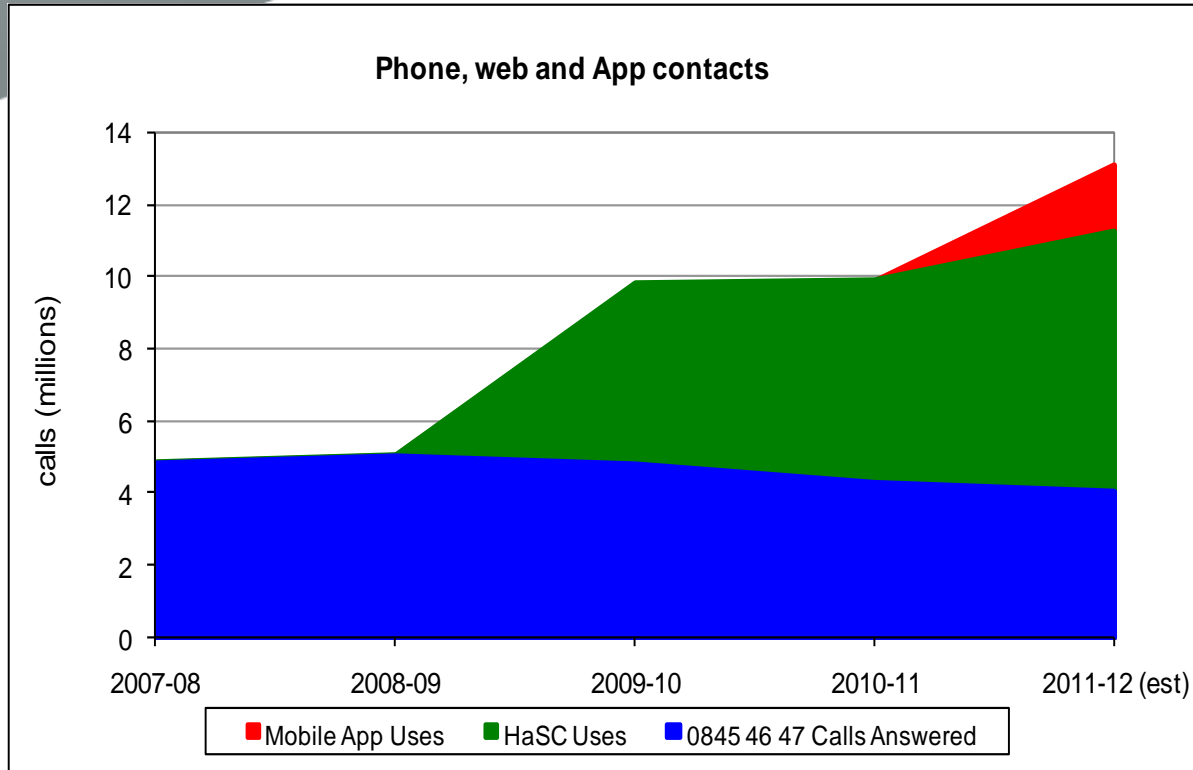
- ☐ Having a fit or **seizure** [\[Help\]](#)
- ☐ Experiencing loss of vision [\[Help\]](#)
- ☐ Experiencing pain [\[Help\]](#)
- ☐ Having new or worsening breathing difficulties that are different from a blocked nose [\[Help\]](#)
- ☐ Having a feeling of numbness or tingling in your arms or legs, or experiencing sudden drooping facial features on one side of your face [\[Help\]](#)
- ☐ Having changes to your heart rate [\[Help\]](#)
- ☐ Having **diarrhoea** and/or vomiting [\[Help\]](#)
- ☐ None of the above [\[Help\]](#)

← Previous

Next →

▶ [Your answers to previous questions](#)

NHS Direct: new channel adoption



55% calls
closed without need
for F2F contact

1m uses of
iPhone app in first
three months

£57m saving to
health service per
year

Coverage:

Will he ever go to a travel agent?

The screenshot shows a web browser window with the YouTube website. The address bar displays the URL www.youtube.com/watch?v=uHknjIMGXFQ. The search bar contains the text "nolan iphone". The main video player shows a baby in a red shirt playing with an iPhone. The video title is "iPhone baby" by Tyrel Hatfield, with 10,412 views. The video player controls show the video is at 0:02 / 1:23. The right sidebar lists several related videos, including "CECT A380 Cell Phone Iphone clone", "18 month old works the iPhone", "iPad 2 Vs Baby Toy!", "My 1 year-old baby plays Angry Birds", "Free App for iPhone - Baby Mermaid & Friends", "How To Get YouTube Videos Straight To Your", and "rejected iPhone commercial". The bottom of the browser window shows a dock with various application icons.

Chrome File Edit View History Bookmarks Window Help (Charged) Tue 15:56 Helen Pearce

iPhone baby - YouTube

www.youtube.com/watch?v=uHknjIMGXFQ

New folder Clients Hitwise Experian Expenses Experian E-Series Bu Alchemy Social Ad M Alchemy Social Profi JIRA PMD Center

YouTube GB

nolan iphone

Sign in

GUIDE

MORE RESULTS
nolan iphone

CECT A380 Cell Phone
Iphone clone
by prnwholesale
13,398 views
8:55

18 month old works the
iPhone
by woolhat
4,314 views
3:40

iPad 2 Vs Baby Toy!
by DevinandErica
26,740 views
3:09

My 1 year-old baby plays
Angry Birds
by HouseOfNerds
213,818 views
1:30

Free App for iPhone -
Baby Mermaid & Friends
by elkapaikaproduction
35,119 views
1:59

How To Get YouTube
Videos Straight To Your
by TheQuakanater
3,641 views
2:31

rejected iPhone
commercial
by juliusnacken

Send feedback

iPhone baby

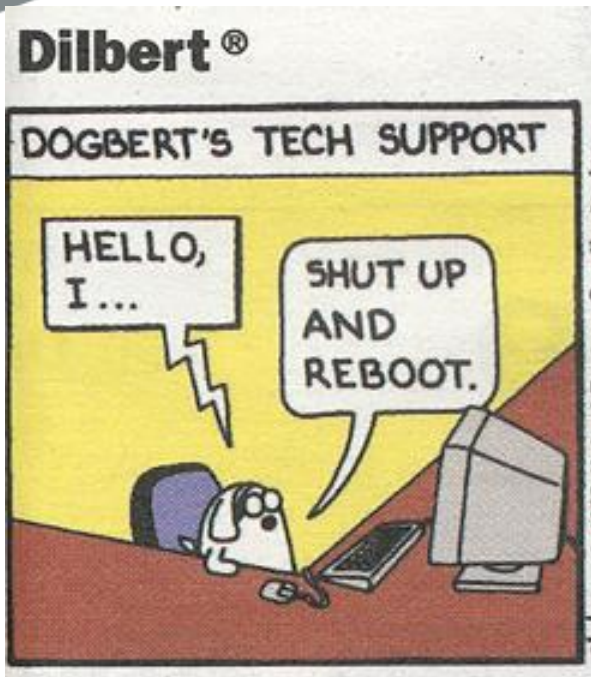
Tyrel Hatfield · 36 videos

10,412

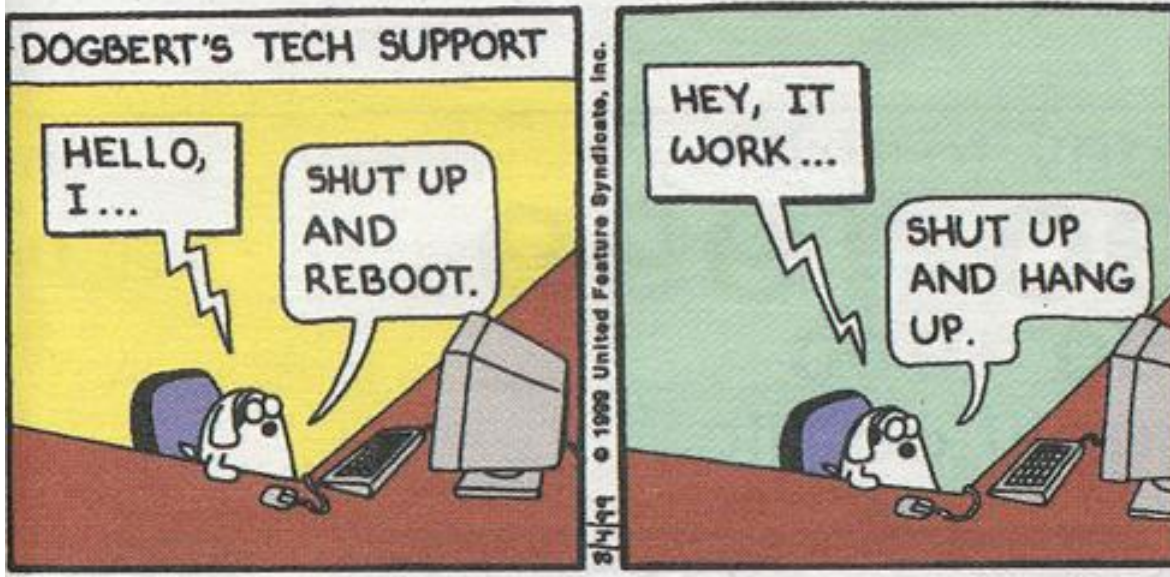
Like

About Share Add to

Customer experience and channel silos



Dilbert®



Dilbert®



Customer experience: Courtship

From: Gonda, Sarah [mailto:sgonda@ddy.co.uk]
Sent: 20 February 2013 13:54
To: 'Hugh Wilson'
Subject: RE: Pension change of plan

At the end of the day, I have to leave the choice up to you. My own view is that if you are prepared to stomach slightly higher charges, then I would go for Skandia because the performance speaks for itself.

From: Gonda, Sarah <sgonda@ddy.co.uk>
To: 'Hugh Wilson'
Sent: April 06, 2013 11:40 PM
Subject: RE: Skandia pension

My colleague Andrew in the pensions department has just had a word with me to bring me up to date with what has been happening with your pension plan.

I can only apologise for Skandia's inefficiency. We can rectify the situation by asking Skandia to take two payments in May, but I feel that under the circumstances this might only serve to add to Skandia's confusion and inefficiency, so I would prefer to leave things as they are.

Sarah

From: Hugh Wilson
Sent: 10 April 2013 18:15
To: Gonda, Sarah
Subject: Re: Skandia pension

Thanks. Meanwhile I'm meeting Skandia's operations director, amongst others (some senior marketers & maybe IT director) on Thurs – I'm inclined to show them your email! (But don't want to embarrass you so maybe not)

Hugh

Hell hath no fury like a
woman spurned

From: Gonda, Sarah [mailto:sgonda@ddy.co.uk]
Sent: 12 April 2013 09:29
To: 'Hugh Wilson'
Subject: RE: Skandia pension

Show it to them.

To be perfectly honest, when Andrew told me what had happened my response was not printable. The last two bits of business I have given them (for you and another friend) they have managed to balls up. They do not care, it's as straightforward as that. If this happened with Scottish Widows or Standard Life, the guys who look after us from those companies would be on the case sorting it out. Our guy at Skandia does sweet F.A!!

Sarah

Cost, coverage & customer experience: an airline

	Travel agent	e-Commerce	Call Centre 1	Call centre 2
Fixed Costs				
Staff & Office	23.8	48.5	248.4	50.7
Investment	0.2	39.4	22.2	0.0
Maintenance	0.2	18.7	7.4	0.0
Communications	0.4	0.0	0.0	0.0
Total	24.6	106.6	277.9	50.7
Variable				
Distribution	49.0	11.4	8.9	10.9
Incentives	20.2	55.8	0.0	0.0
Credit Card	6.2	34.6	25.2	22.6
Total	75.4	101.8	34.1	33.5
Total	100.0	208.4	312.0	84.2

Fighting Amazon with \$3bn multichannel games

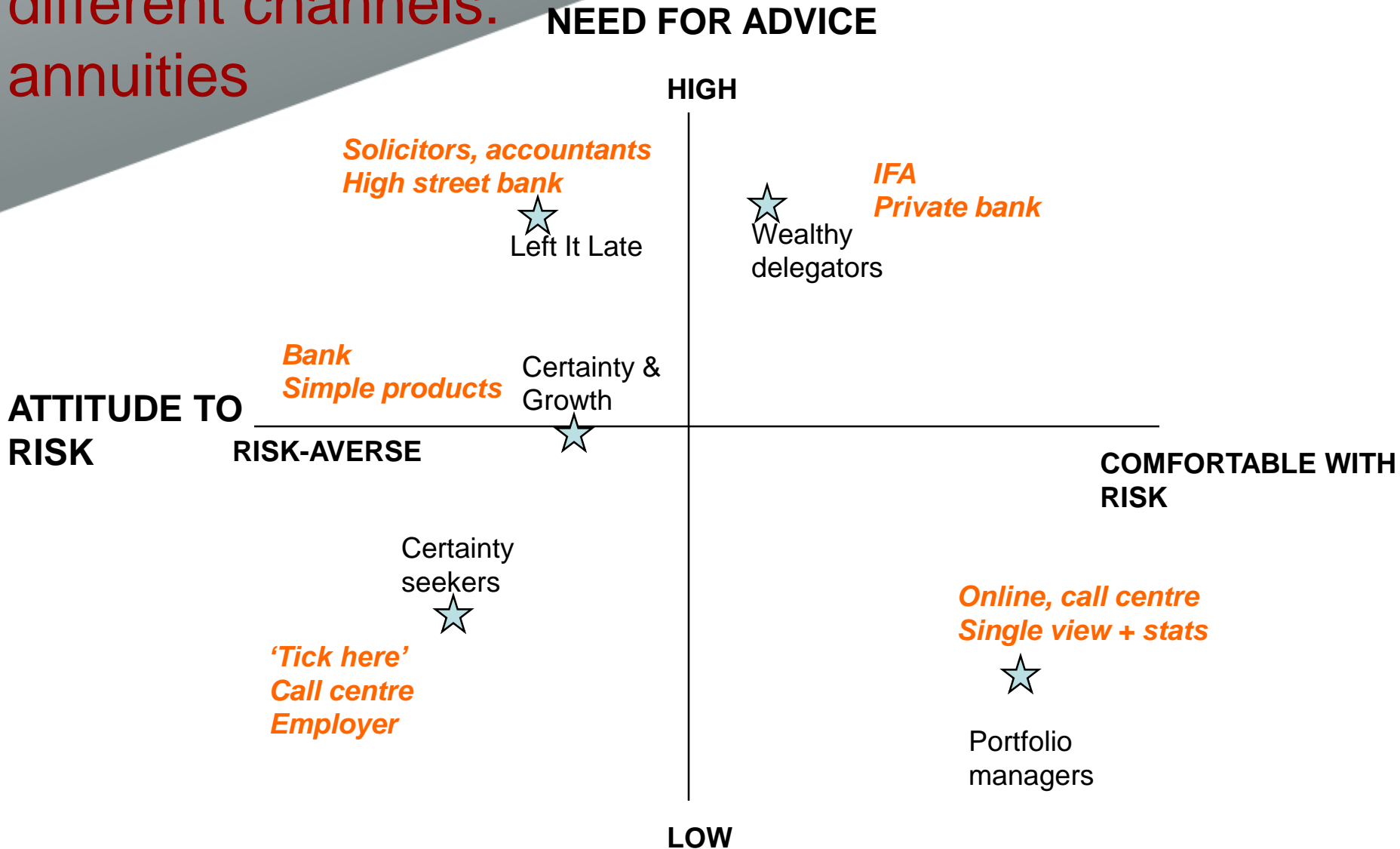
- Remote sales 43% (\$3bn)
- Internet 32%
- Order online, collect in store 22%
- Order at home, deliver to home 20%
- Order in shop, deliver to home 8%

The screenshot shows the Argos website interface. At the top, there's a navigation bar with links like 'Furniture', 'Laptops...', and 'Quick Shop'. The Argos logo is prominently displayed on the left. Below it, a horizontal menu lists various product categories: Kitchen & Laundry, Home & Furniture, Garden & DIY, Sports & Leisure, Health & Personal Care, Home Entertainment, Video Games, Photography, Office, PCs & Phones, Toys & Games, Nursery, Jewellery & Watches, Gifts & Hobbies, and a 'Late Price' section. A search bar is located in the top right, with a 'Go' button. Below the search bar, there's a 'Most popular searches' section. The main content area features a large red banner for 'Our best new deals' with the text 'Hurry, must end soon!' and a 'See all >' button. Below this, there's a section titled 'Save up to Half Price on Mattresses and Divan beds' with a sub-banner 'Offer extended until 8th March'. This section displays images of mattresses from brands like Airsprung, Cloud Nine, Silentnight, and Rest Assured. On the right side of the page, there's a section for 'Argos Credit & Insurance' featuring a family photo and text about life insurance and will advice.

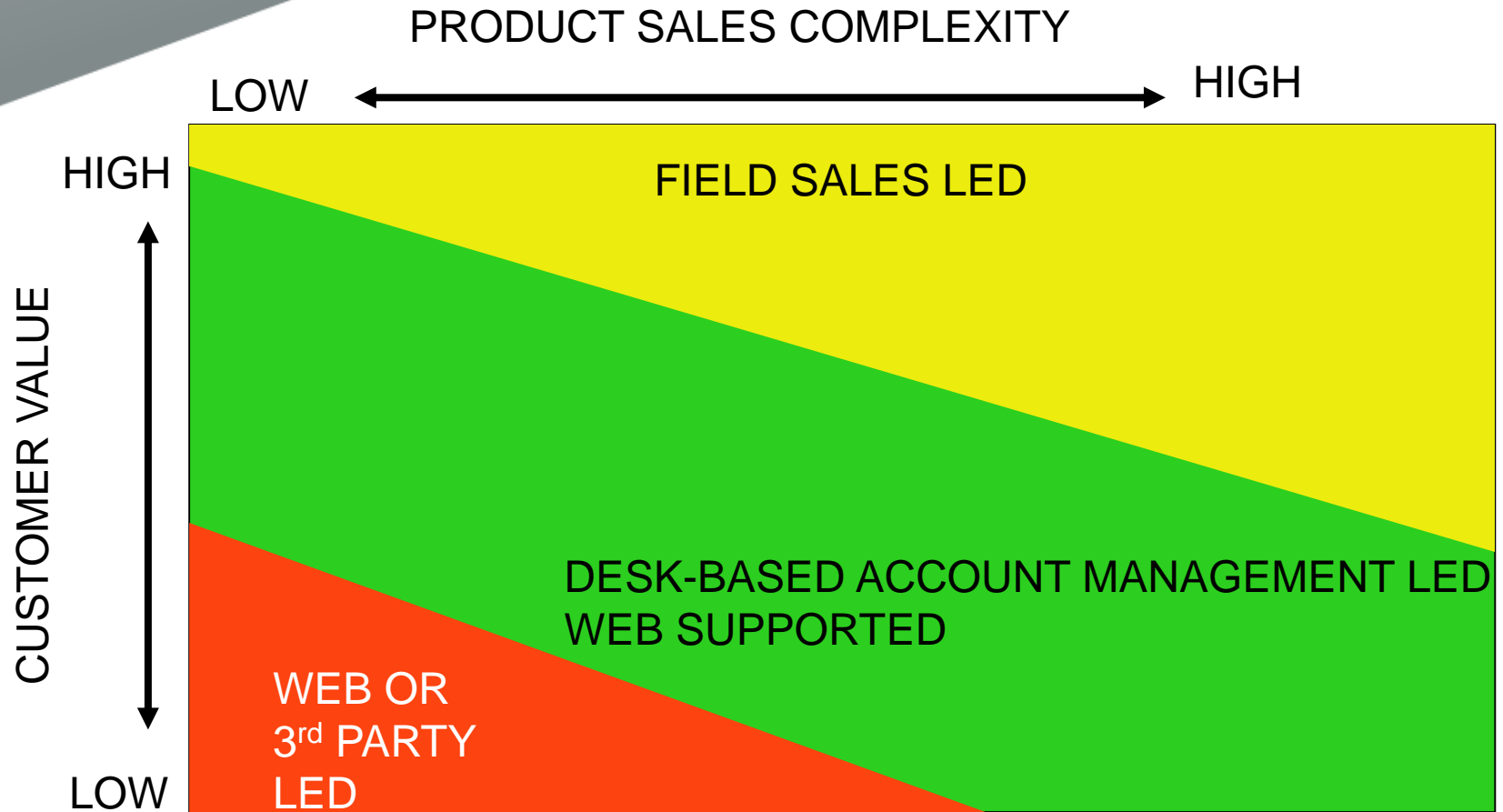
Multichannel strategy: Agenda

- Drivers of multichannel strategy: cost, coverage and customer experience
- The need for multichannel integration
- Cost and coverage: the coverage map
- Customer experience: channel chain analysis
- Customer value: the channel curve
- Migrating customers to a new channel model

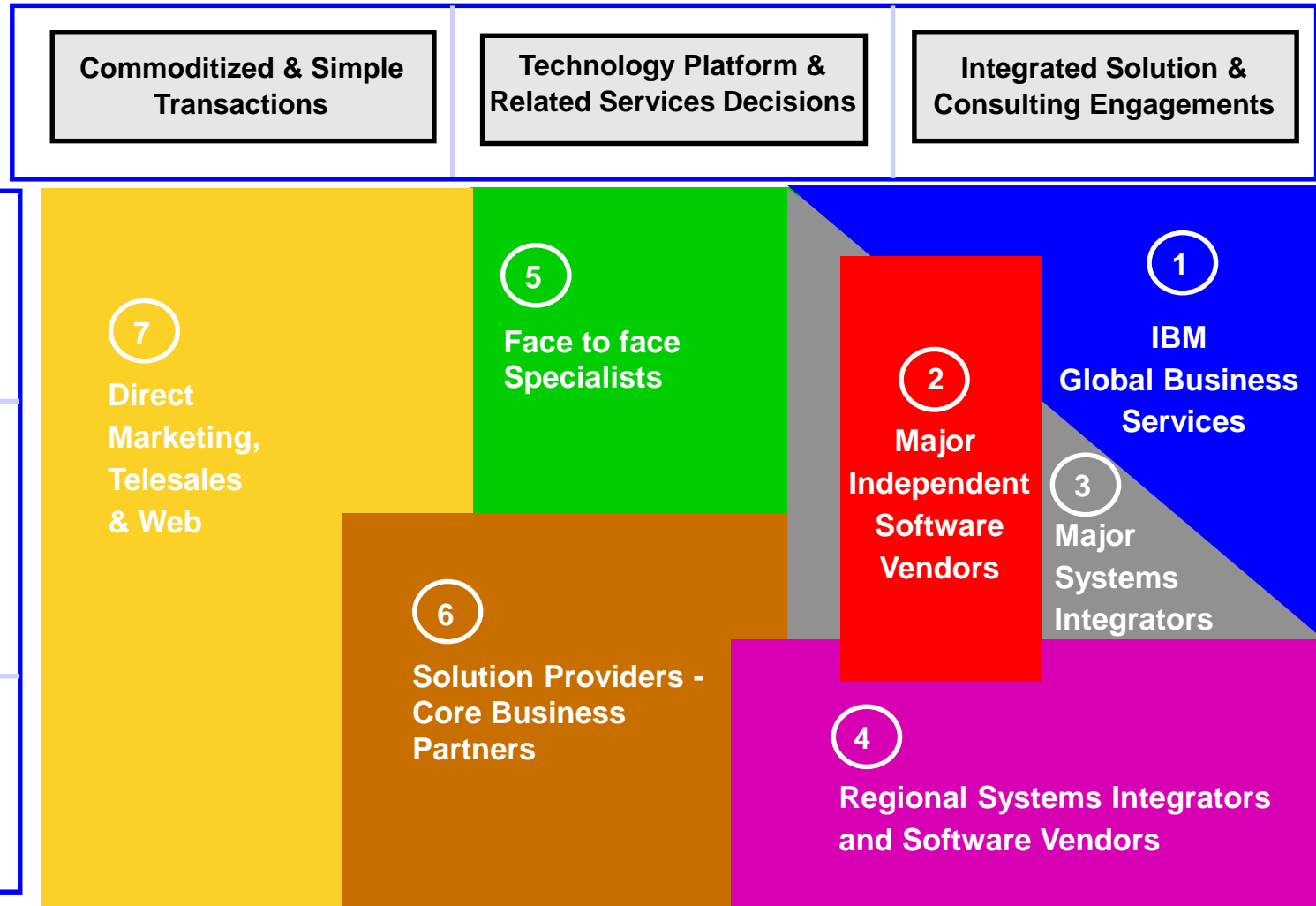
Different segments, different channels: annuities



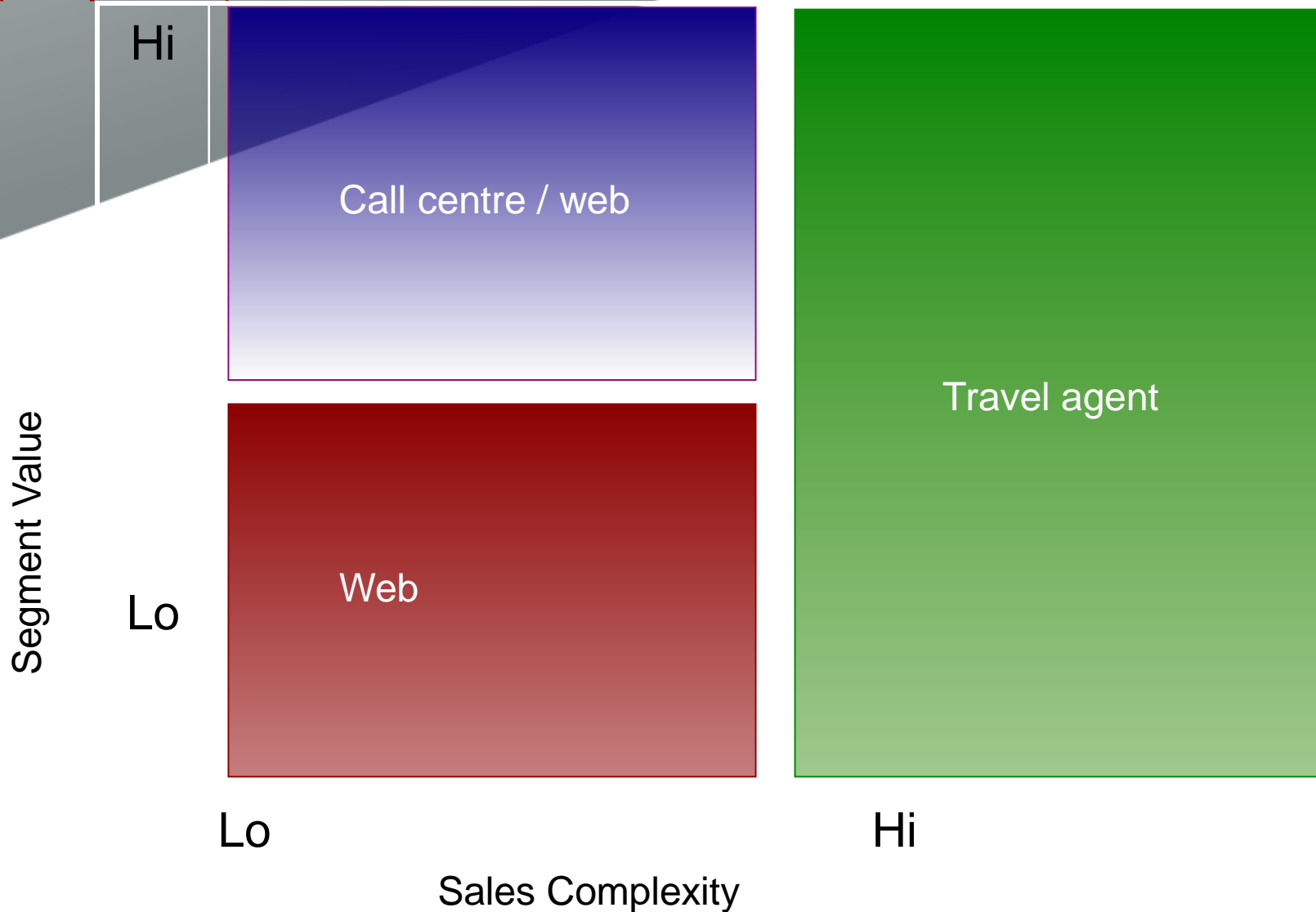
Coverage Map: BT Global Services



Coverage map: IBM



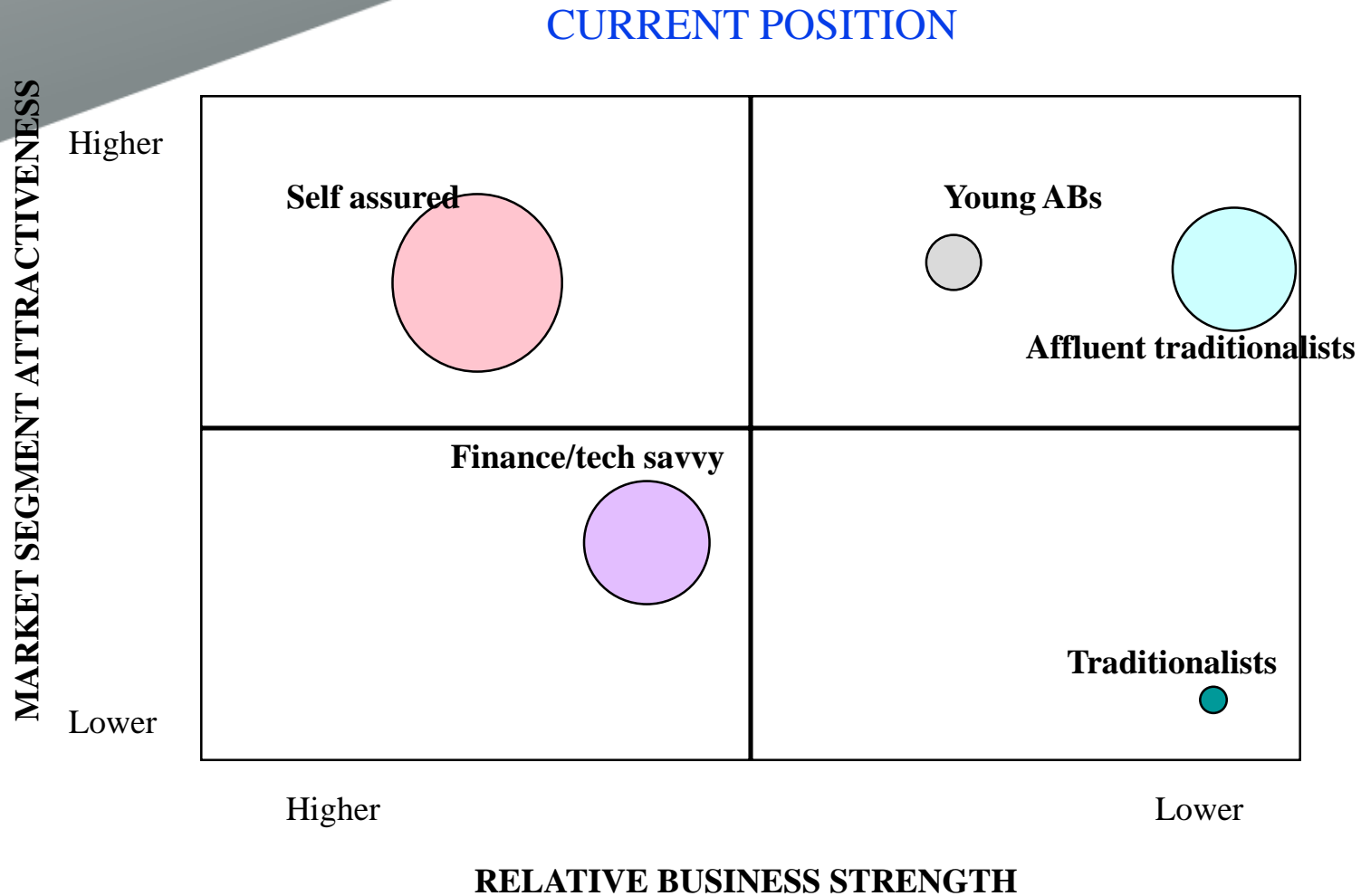
Airline coverage map (simplified)



Banking – segmentation by channel use (*illustrative*)

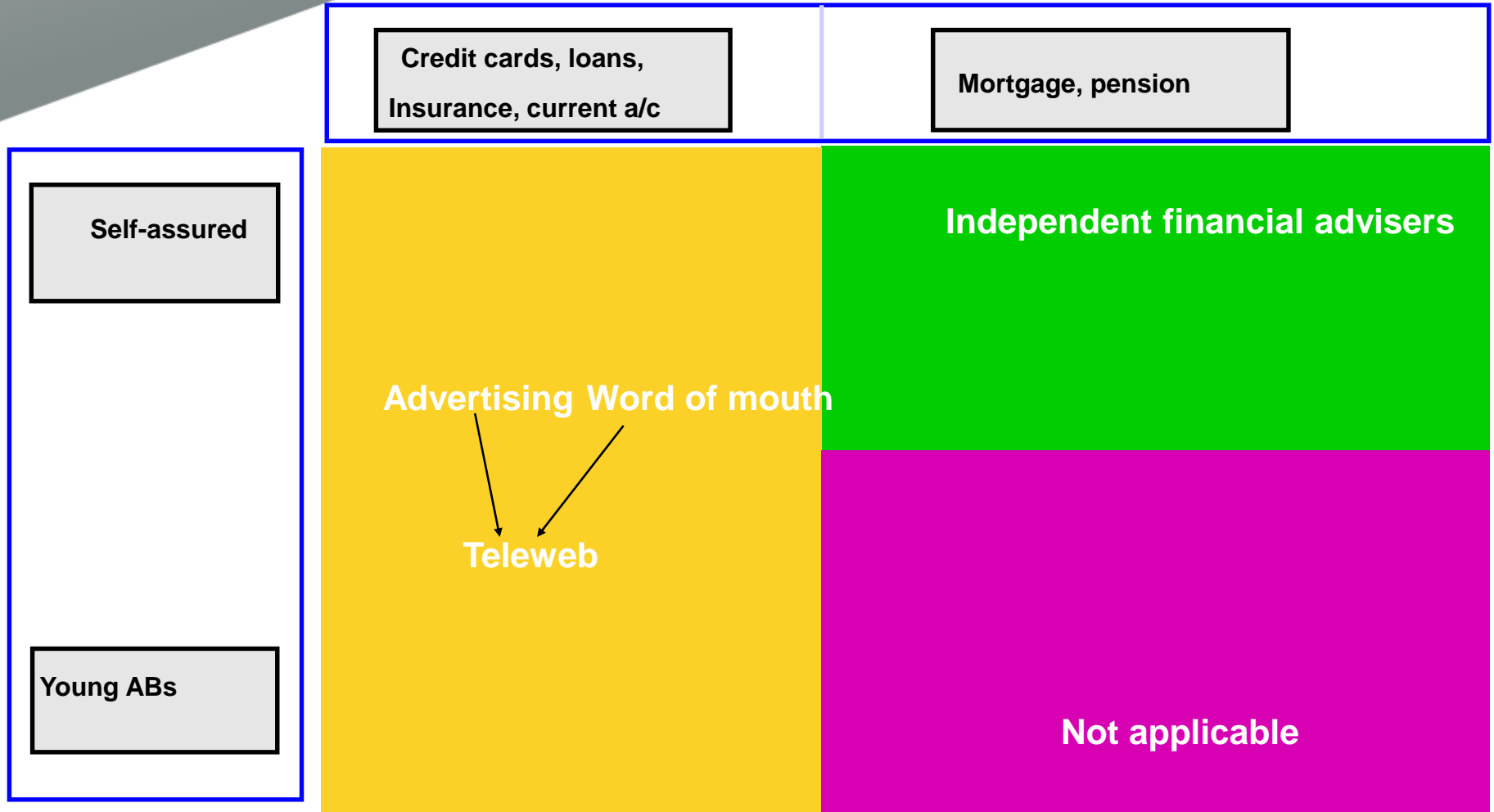
Group		Group Size	Mean Age	DA / TA Interested in Financial Services Ads		Internet - Ever Use		Currently bank online or telephone	
1	Self assured, financially confident	3.2m	44	37.20%	430.4	75.40%	142.2	53.60%	159.7
2	Affluent traditionalists	10m	51	16.40%	189.3	60%	113.2	41.40%	123.5
3	Younger, inexperienced bankers	7.7m	32	4.30%	50.1	56.60%	106.7	22.90%	68.3
4	Traditionalists	9.6m	57	3.80%	44.2	22.10%	41.7	15.50%	46.2
5	Finance & Technology Savvy	3.6m	36	5.10%	59.1	96.10%	181.2	71.80%	213.7
6	Committed branch bankers	11m	45	1.70%	20.1	50.50%	95.2	31.20%	92.9

First Direct – Directional Policy Matrix (*illustrative*)



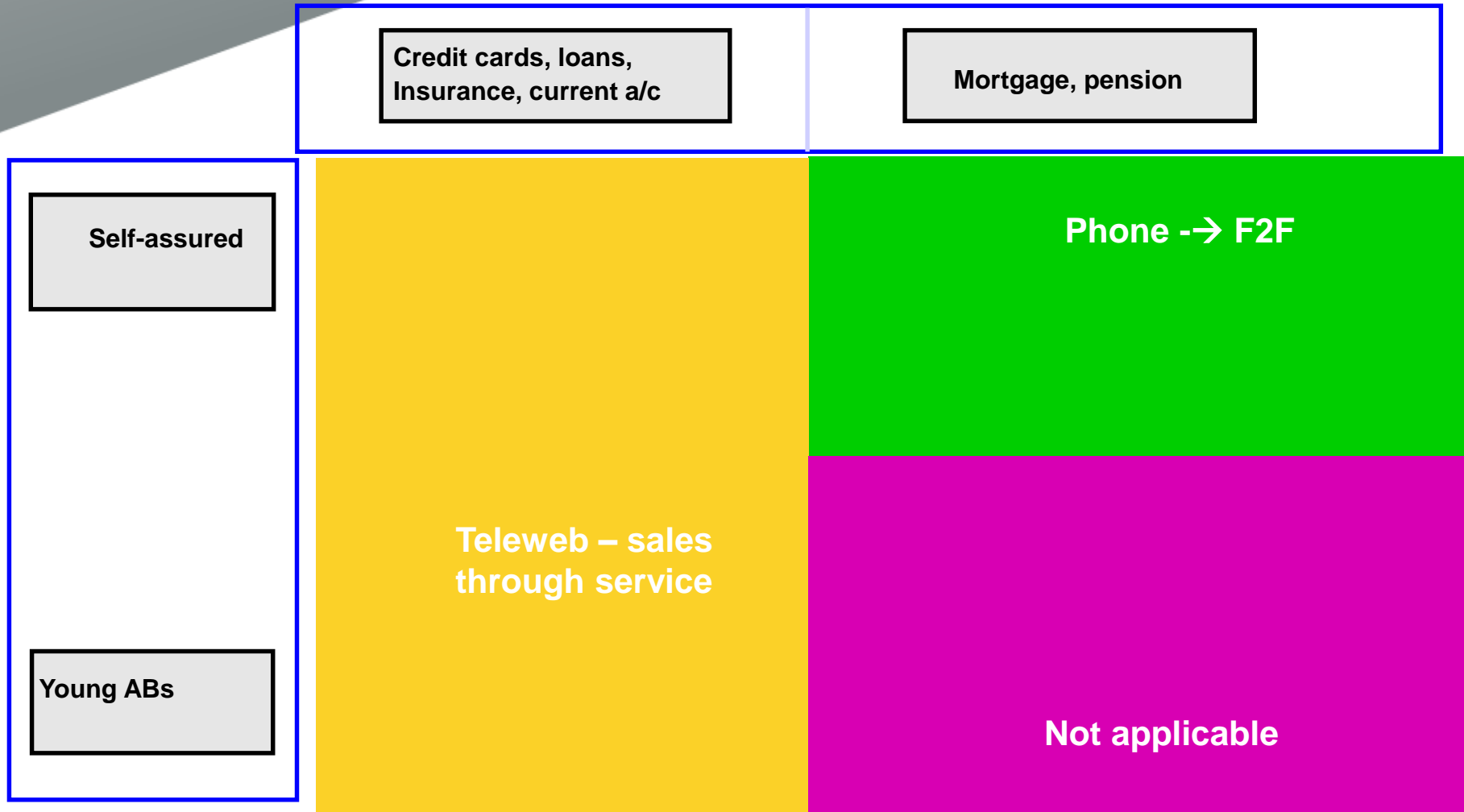
Coverage map – First Direct

1) Acquisition (*Illustrative*)



Coverage map – First Direct







2) Cross-sell (*Illustrative*)




Don't forget social: Pepsi

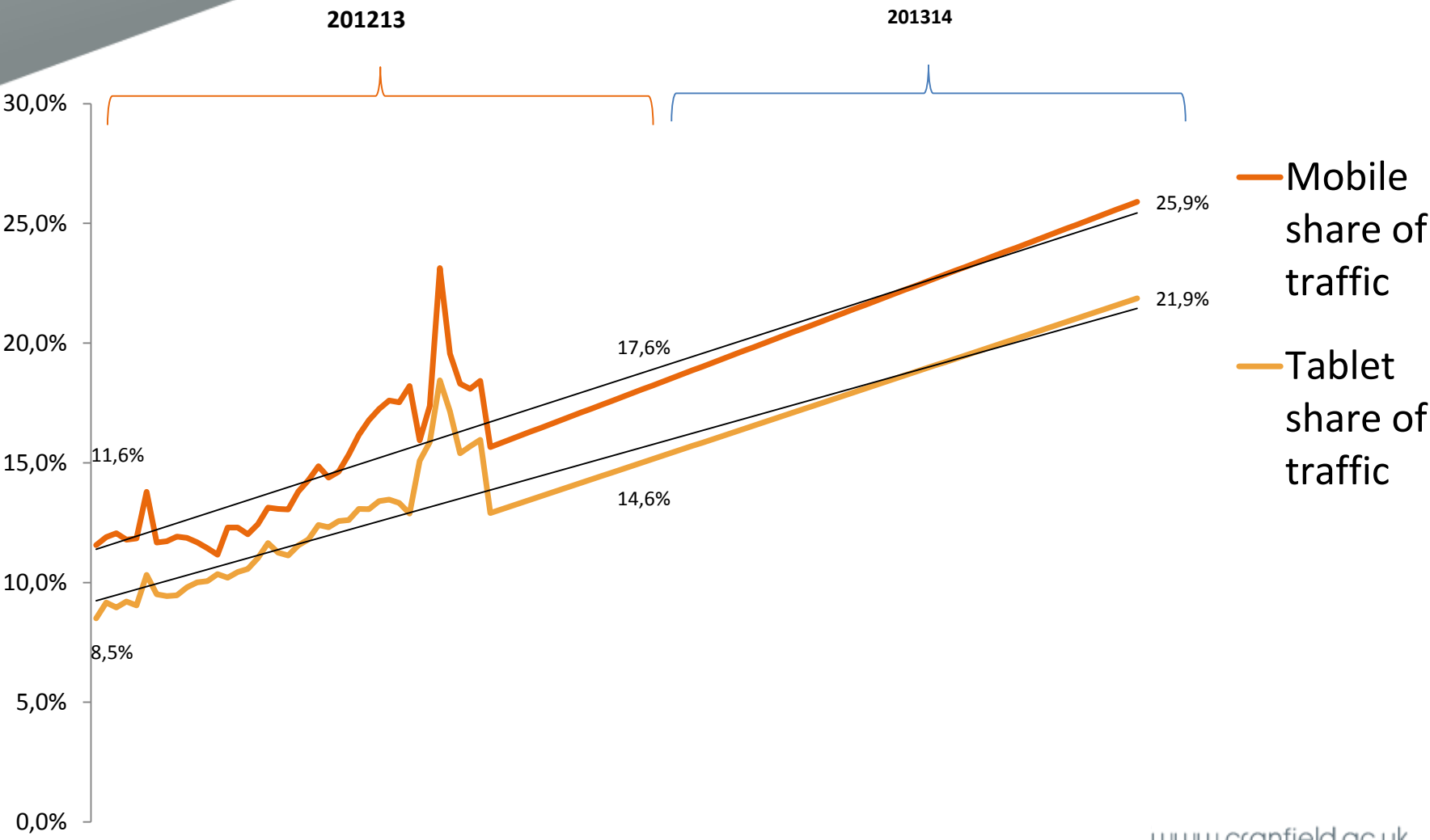
FINALISTS GALLERY TIPS & TRICKS **CRASH THE SUPER BOWL** TAKE THE TOP THREE TOOLKIT FORUM CONTEST INFO

YOU SAW THEM IN THE BIG GAME, NOW SEE THEM AGAIN HERE.
CONGRATULATIONS TO ALL OUR CRASH WINNERS!

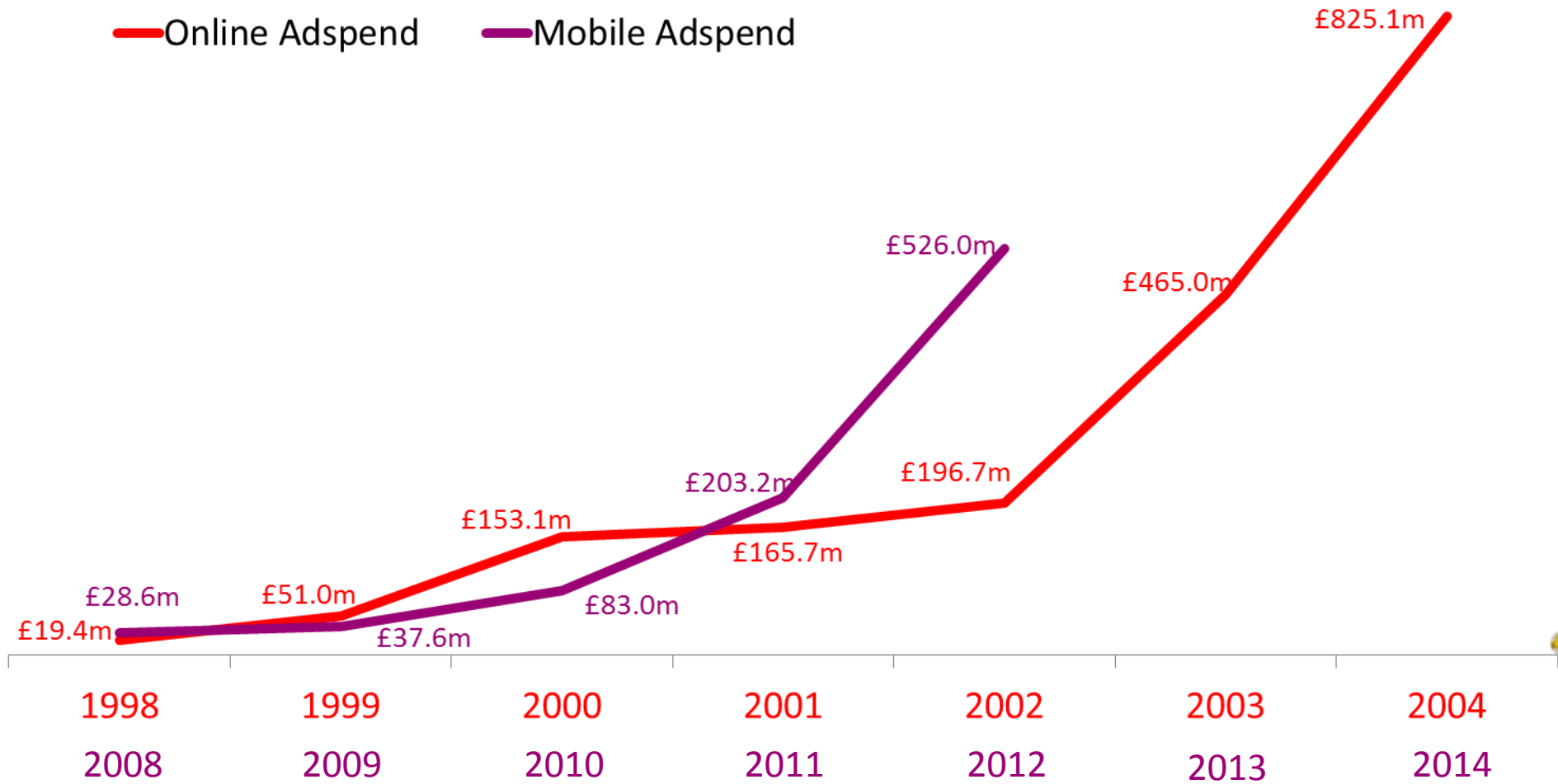
 Doritos	 Doritos	 Doritos	 Doritos	 Doritos
 Pepsi MAX	 Pepsi MAX	 Pepsi MAX	 Pepsi MAX	 Pepsi MAX

SHARE:  

Mobile & tablet growth (example: Currys)



Mobile Adspend is following the same trajectory as Online – but in a shorter timescale (UK figures)




Contactless payments are now really taking off



1.5m

Visa contactless transactions on London Buses Dec 2012 – May 2013



M&S contactless transactions every week

230k



11,500

Post Office installing contactless payment terminals in all of its branches.

5.3m contactless transactions in March

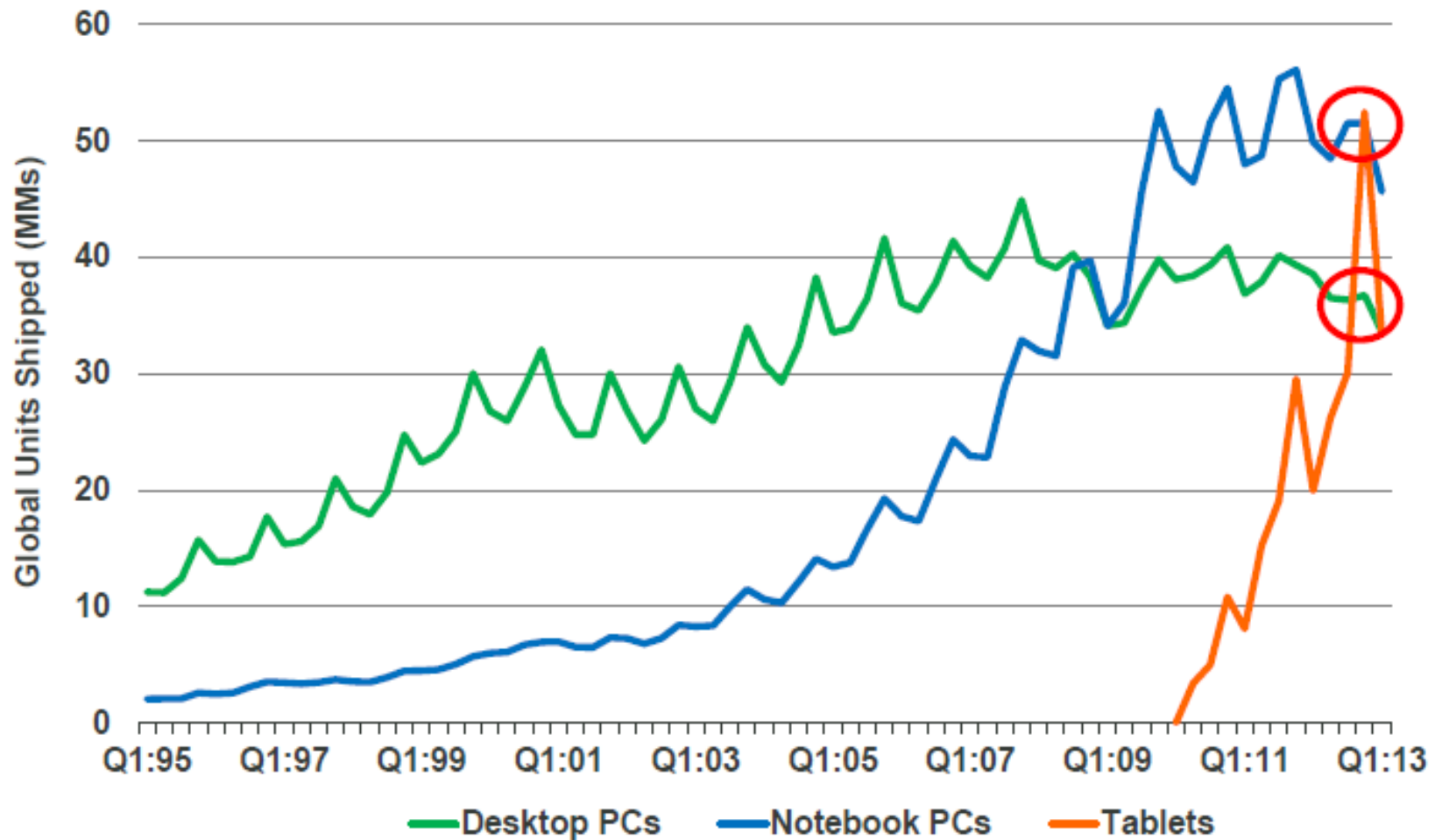
£39m of contactless transactions in March

22% usage growth quarter on quarter

1 in every 4 Visa cards in the UK are contactless with 26.9m cards in circulation

232k terminals installed across the country

Global PC (Desktop / Notebook) and Tablet Shipments by Quarter Q1:95 – Q1:13



KPCB

Note: Notebook PCs include Netbo
Source: Katy Huberty, Ehud Gelblum, Morgan Stanley Research. Gartner. Data as of 4

'Look inside' isn't just books...

+Andy Search Images Maps Play YouTube News Gmail Drive Calendar More ▾

Google


Currys, Solihull Gate Retail Park ,stratford Road, Solihull

Andy Barratt 1 + Share

Get directions My places

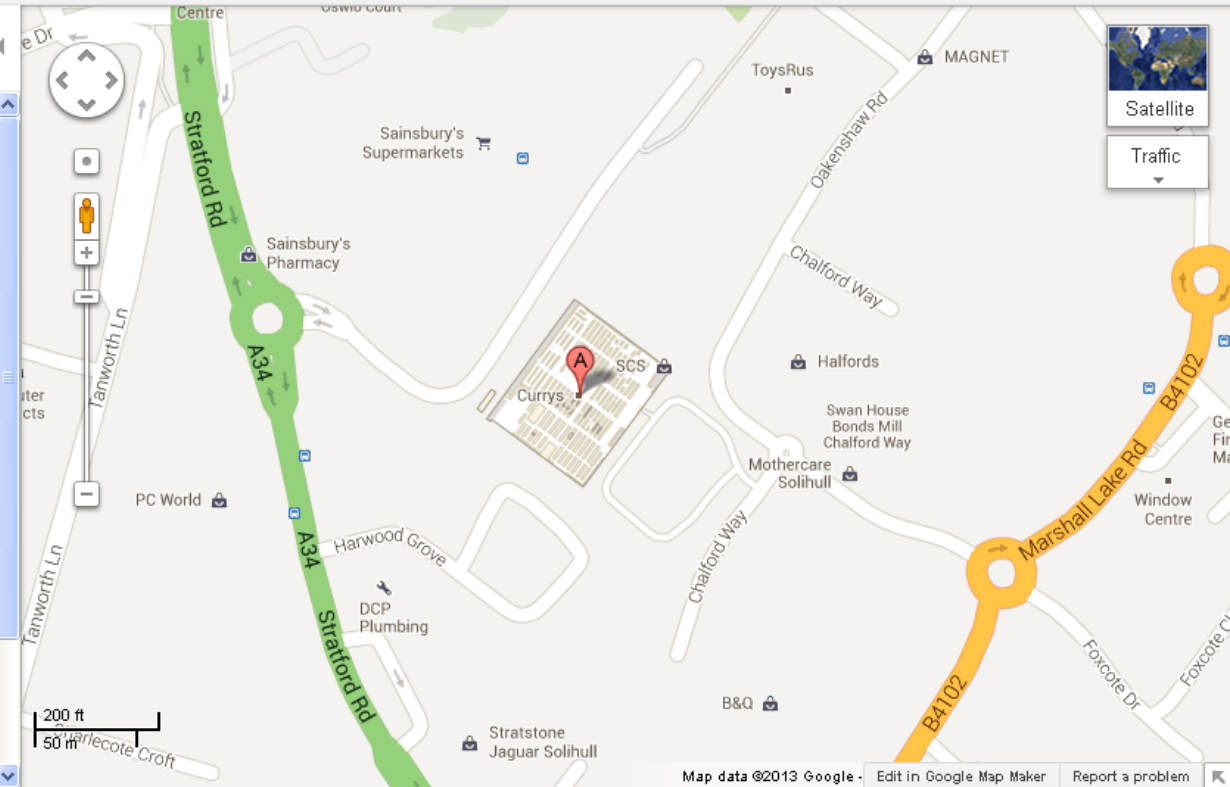
Currys, Solihull Gate Retail Park ,stratford Road, Solihull

Currys
Solihull Gate Retail Park ,stratford Road, Solihull,
West Midlands B90 4BA
[Solihull Retail Park](#)
0844 561 0000 · [currys.co.uk](#)
3 reviews · ££
"Very friendly and helpful staff." -



Directions Search nearby Save to map more ▾

See all 10 results for **Currys, Solihull Gate Retail Park ,stratford Road, Solihull**



Map data ©2013 Google · Edit in Google Map Maker Report a problem

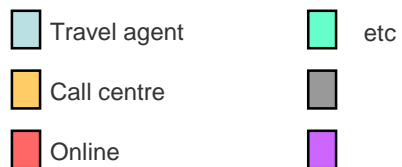
Coverage map exercise

- Draw the current coverage map for an airline of your choice
- Propose a future coverage map.

Coverage map

	Offer A	Offer B	Offer C	Offer D	Offer E	Offer F	Offer G
Customer segment							
Customer segment							
Customer segment							
Customer segment							
Customer segment							

Use a colour for each channel (or channel combination) which you use to sell to each cell, e.g.:



Coverage maps:

Key learning points

- Coverage maps can be used to check market coverage and consider best use of high-cost, high-bandwidth channels
- Put products in order of sales complexity, and customer groups in order of value
- May need redrawing for acquisition & retention
- Remember each area on the coverage map is a channel chain, not necessarily a single channel
- Suggest a future market map by considering how improvements can be made in cost (notably use of low-cost channels where appropriate), customer experience (where current channel chains are failing), or market coverage
- Scarce channel resources (e.g. sales force, or extensive face-to-face advice to individual consumers) will tend to be used more for high-value customers, where they are justified, and for complex products, where they are needed

Channel chain analysis

Understanding and recrafting the customer journey

In pairs (just three minutes each):

- Tell your colleague about a recent significant purchase you have made, such as a smartphone, a car, a house or a mortgage.
- If you're the listener, please make a note of all the steps in the journey. How many 'channels' were there?
- Was the customer experience perfect, or could it be improved?

Hugh Wilson • Rod Street • Lindsay Bruce

Cranfield
UNIVERSITY



The Multichannel Challenge

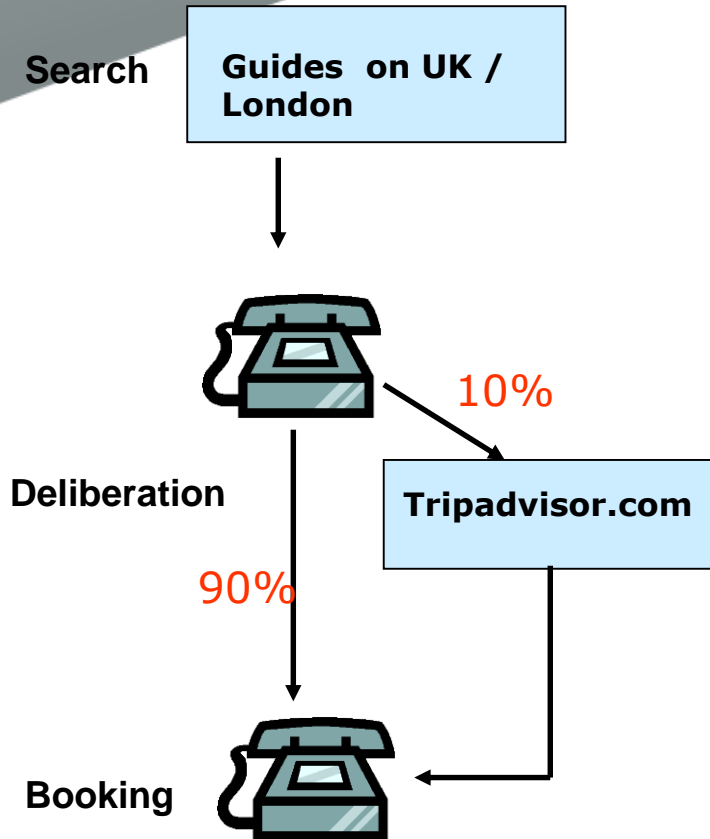
Integrating Customer
Experiences for Profit



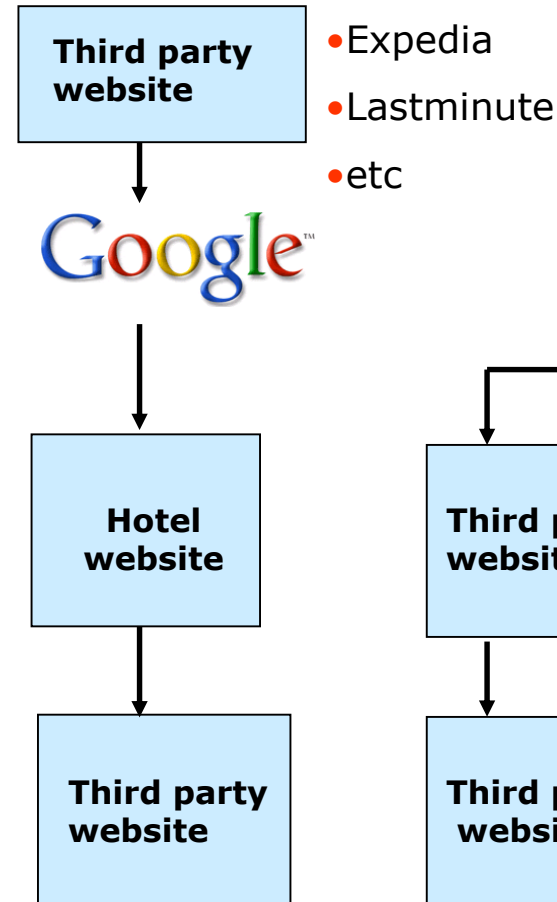
www.cranfield.ac.uk

Channel chains – hotel group

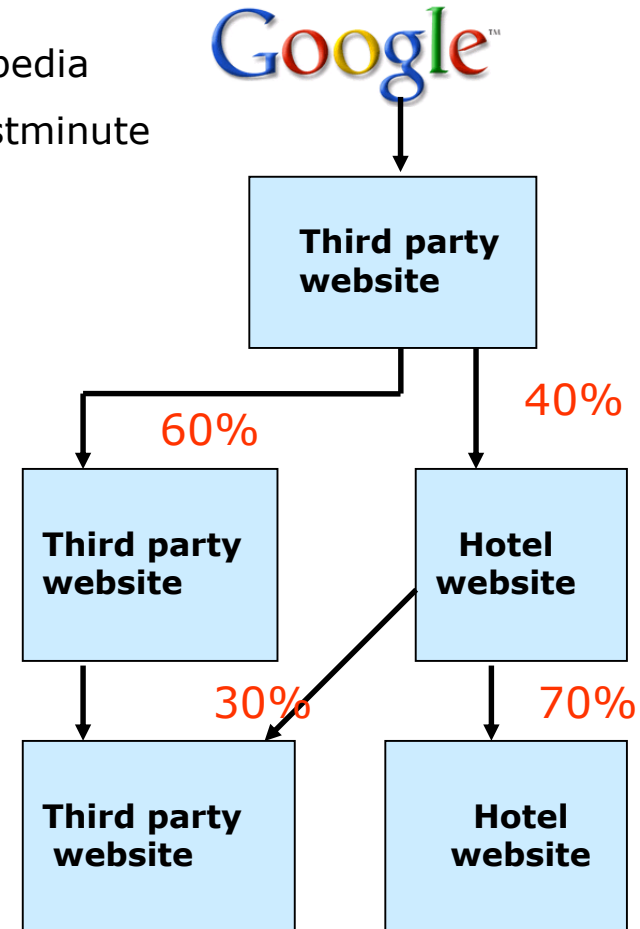
The conventionals



The 3rd party loyals



The searchers





Hotels

Threadneedles
The Colonnade
The Academy
Quebecs
The Glasshouse

Restaurants

Bonds
e-bar

Events

Threadneedles
The Colonnade
The Academy
Quebecs
The Glasshouse

The Eton Collection is five luxury boutique hotels and two restaurants in London, Leeds and Edinburgh. The best hotel prices are available by booking directly through this website.

Hotel:

Arrival:

Departure:

Adults:

Children:

Take a look around...

The Glasshouse
EDINBURGH

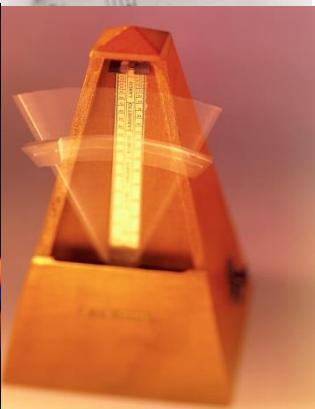
Quebecs
LEEDS

The Academy
LONDON

The Colonnade
LONDON

Threadneedles
LONDON



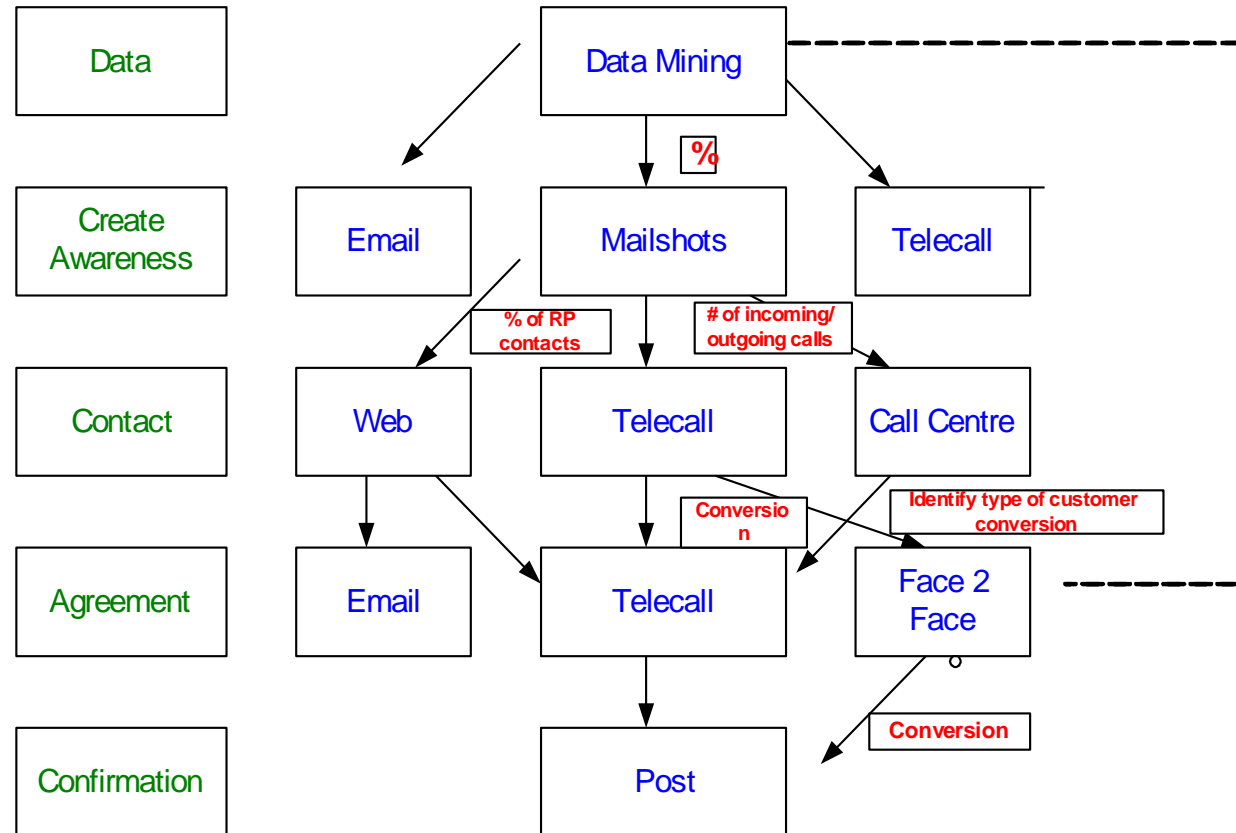


Performing Right Society

- 50 salespeople in cars
- A 75% share of a monopoly market!
- Cost of acquisition equals year 1 revenue

What would you do?

Performing Right Society: call centre led channel chain



Total Conversion Rate
Customer Satisfaction
Staff Morale

Channel chains - General Motors

Traditional: mass-market transactional

**RAISE
AWARENESS**

Mass
advertising

Trade
shows

**INITIATE
DIALOGUE**

**EXCHANGE
INFORMATION**

**PURCHASE &
DELIVER**

**SERVICE &
DIALOGUE
MAINTENANCE**

DEALER

- Test drive
- Financing
- Configuration
- Negotiation
- Service

New: multi-channel tailored relationship

Mass
advertising

Trade
shows

External
lists

Online

Mail/email
"handraiser"

Online
registration

Out: magazine
In: Info eg ERD

Mail/email
dialogue

Call centre
Info eg ERD

Web

Configuration tool

Test drive invitation

DEALER
-Test drive
-Financing
-Configuration
-Negotiation
-Service

Mail/
email

Out: welcome pack,
magazine, service
reminder
In: cust satisfaction
data, ERD

Note: ERD = estimated replacement date

Pleased to meet you: How different customers prefer very different channels

Professor Hugh Wilson, Dr Emma Macdonald and Dr Charles Randall



in the KNOW



About

I'm a married mum from Kent who loves her kids to bits. Spend my time taking care of the family and home while also working part time as teaching assistant.

Love having a good old chin-wag with the girls and flicking through the weekly mags to check out the latest fashion and gossip!

Friends (94)

Emma Richards

PJ

Tanya Howard

Ruth Cook

Amy Cameron

Andy Barrak

Margaret (Maggs) Reader

Share:  Post  Photo  Link  Video

Write something...



Margaret (Maggs) Reader

I'm thirsty - bottle of water or pop? Silly question...Always cola!

45 minutes ago via iPhone - Like - Comment



Mike Bennett

Not setting a good example for the kids! ;) x

32 minutes ago - Like

Write a comment...



Margaret (Maggs) Reader

Just heard about latest cuts to our local hospital. Think it's time to consider private, just can't rely on the NHS these days :(

3 hours ago - Like - Comment



Margaret (Maggs) Reader

is going to Monthly coffee and catch-up

Yesterday at 19.39 - Like - Comment



Margaret (Maggs) Reader

Doesn't Rihanna look great in the new gossip mag? I so love her new hair!

Yesterday at 16.40 - Like - Comment



Margaret (Maggs) Reader

hmm, one of the big four have got some good deals on at the moment, free calls to everyone on that network so might switch when contract's up.

Yesterday at 12.52 via iPhone - Like - Comment

★ 2 people like this.



Emma Richards

At last, now we can goss for longer! Do it!

Yesterday at 14.11 - Like

Write a comment...



Margaret (Maggs) Reader

Just been into the supermarket and picked up a few essentials for dinner tonight. I know it's a bit cheaper at the big store but too inconvenient to travel across town and it's always busier there. Or am I just being lazy? LOL

Monday at 17.22 via iPhone - Like - Comment



PJ

You should shop online - ultimate in being lazy!

Monday at 22.12 - Like

Write a comment...

in the KNOW



About

Sussex dweller but earn my crust working in the city. Net result – busy and single! You'll probably find me at my computer or on my phone – for work and play.

Great lover of technology especially my phone. Really despise sales calls, being hurried, bad service and anyone ripping me off. Grrr!

Friends (148)



Frank Watson



Vincent Choi



Vicky Alvez



Margaret Reader



James Groves



Esther Roberts

Andy Barrak

Share: Post Photo Link Video

Write something...



Andy Barrak
Took me 20 minutes to get out of the car park due to traffic at from the superstore. "Sigh!"
3 minutes ago via Android – Like – Comment



Andy Barrak
Got called by the mobile company – don't like them wasting my time with sales I haven't enquired about. When I need something, I'll call you!
1 hour ago via Android – Like – Comment



Andy Barrak > Richard Chorley
Guess what? That £300 MP3 dock I've been harping on about for the past 6 months has just gone on sale. Once again, it was worth waiting...
3 hours ago – Like – Comment



Andy Barrak
Called bank to correct a standing order. Good to talk to a native English speaker rather than someone working to a script with no latitude for deviation.
Wednesday at 10.11 via Android – Like – Comment



Priya Singh haha! I remember when you lost it on the phone the last time. You were not a happy chappy!
Wednesday at 11.05 – Like

Write a comment...



Frank Watson > Andy Barrak
Thoughts on the new hand held? Or what about the new Android? My mobile's on the verge of packing it in...
Yesterday at 16.40 – Like – Comment



Andy Barrak
Why are the best deals always on things I don't normally want?
Monday at 13.03 via Android – Like – Comment



Andy Barrak
Annoyed – why wouldn't the checkout supervisor take my £50 note?
Sunday at 12.43 via Android – Like – Comment



Vicky Alvez I'll take it!
Sunday at 14.55 – Like

Write a comment...



Andy Barrak was at London City Airport with 2 others.
Saturday at 21.02 via Android – Like – Comment

in the KNOW



About

Life's great. With a fantastic house, kids, loads of friends, and a loving husband, what more could I ask for?

I don't normally like gimmicks, but I love my new Tablet. I can find everything I want on the internet whilst juggling my busy life as a mum.

Friends (173)



Amanda Rooke



Peter Joiner



Laurie Patterson



Lucy Fryer



Natalie Mall



Darren Glassborrow

Diana Hunt

Share: Post Photo Link Video

Write something...



Diana Hunt
Was reading in an online newspaper about how the chairman of my bank is having a 6 million pound bonus. Think it is outrageous that bankers are having this sort of bonus.
2 hours ago via iPad - Like - Comment



Diana Hunt
Just back from hospital. Was dealt with by a really nice nurse who was lovely.
Yesterday at 11:42 - Like - Comment



Laurie Patterson Are you going to the meeting to discuss the future of the Primary care trusts?
Yesterday at 12:16 - Like

Write a comment...



Diana Hunt
Just got this e-mail from my supermarket with recipes for keeping kids interested during half term and a competition. Thought I'd share the link.
Monday at 19:20 - Like - Comment



Diana Hunt
Received a call from my bank whilst we were in the middle of our tea. They were trying to sell me something but wanted my date of birth and mother's maiden name....Unbelievable!!!!
Monday at 19:13 - Like - Comment



Amanda Rooke You'd think they were doing you a favour!
Yesterday at 19:16 - Like

Write a comment...



Diana Hunt
I was in the hairdressers and I was chatting to the stylist. She was saying how much she likes her supermarket and I told her all about my problem in mine last week.
Wednesday at 14:09 via iPad - Like - Comment



Diana Hunt
I was browsing posts on a voucher site and I saw the cola logo. I followed the link to the website. I had a browse of the website, but to be honest it looks like a lot of hassle for a few points. I did like that you can earn points towards cinema.
Wednesday at 18:56 - Like - Comment

★ Peter Joiner likes this.

in the KNOW



About

Northerner, happily married, 2 kids, partner in small firm of surveyors. Hates shopping – I let the missus take care of that! I honestly couldn't tell you the price of a pint of milk!

Like to hear what people say but officially cynical about global warming.

It be right chilly 'oop North!

Friends (92)



Jon Mahoney



Suresh Patel



Harry Patterson



Lucy Fryer



Matt Naysmith



Tom Reade

Peter Joiner

Share: Post Photo Link Video

Write something...



Peter Joiner

quiet lie-in with the wife out with the kids doing the shopping – happy days!

3 minutes ago via Blackberry – Like – Comment



Suresh Patel > Peter Joiner

Got the motor fixed last weekend. Thanks again for the recommendation.

6 minutes ago – Like – Comment



Peter Joiner

Price of petrol is shocking, even at the supermarkets. Thought they'd be using their clout to bring it down!

Yesterday at 15.16 via Blackberry – Like – Comment



Jon Mahoney Agree. We are being totally ripped off at the pumps!

Yesterday at 15.16 – Like

Write a comment...



Peter Joiner > Harry Patterson

Harry, you're good with technical things. What do you know about TVs? Want a new one for the bedroom...nothing too big. What would £400 get me?

Yesterday at 16.40 – Like – Comment – See friendship



Jon Mahoney Suggest you get an LED. You can get a nice one for around £200, no need to spend more than that. Head to the electronic shop on the high street, speak to Geoff – a mate of mine. He'll sort you out.

36 minutes ago – Like



Peter Joiner Nice one mate.

21 minutes ago – Like

Write a comment...



Peter Joiner

Haha! Saw ad of a man asking his wife not to do the big weekly shop, there was better things to do with his time. That's me!

Thursday at 18.36 – Like – Comment

★ Matt Naysmith like this.



Sarah Bell LOL!

Thursday at 18.51 – Like




Peter Joiner It's true. She likes shopping, I don't. Everybody wins!

Thursday at 18.58 – Like

Social shoppers *Incentives; make recommendations available*

in the KNOW




About


I'm young at heart, if not in body!
A bit of a social butterfly, you'll probably see me about town either doing the weekly shop or catching up with my friends.

Known to love a bargain and firm believer in keeping it simple. Oh, and don't ask me about computers or anything whizzy, I won't have a clue!

Friends (242)




Jenny Underhill



Mary Swann



Annette Pringle



Jack Goodall





Angie Berry



Andrea Walter

Natalie (Nata) Mall


Share:  Post  Photo  Link  Video

Write something...



Natalie (Nata) Mall
Opened the post & got £3 clubcard vouchers & extra points coupons - very handy. Very glad to receive it & make the most of the points.
38 minutes ago - Like - Comment

★ 5 people like this.



Annette Pringle I received a leaflet through the door, it was an A4 size leaflet with four pages of in-store offers!
2 hours ago at 12.58 - Like


Write a comment...



Natalie (Nata) Mall
Received bank statement, three sheets of paper where one would do nicely, and well over a week out of date!
3 hours ago - Like - Comment



Natalie (Nata) Mall is going to [Spa Weekend](#) with 2 others.
Yesterday at 12.17 - Like - Comment



Natalie (Nata) Mall
Got a very high phone bill even though I hadn't used all my free minutes or texts. Charge for looking at my emails was £16. Can this be right?
Yesterday at 10.52 - Like - Comment




Bob Pringle Liz, I don't think you have internet included in your price plan.
Yesterday at 10.58 - Like




Natalie (Nata) Mall Really? I thought I did...but then again I can never be sure when it comes to my phone. I'm so useless with technology, it's a miracle I even managed to read my emails in the first place!
Yesterday at 13.31 - Like

Write a comment...



Natalie (Nata) Mall
we get a lot of advertising from the bank, which is a total waste of trees. I just wish they'd actually send me something I need, like a better rate on my ISA or a nice new credit card offer!
Friday at 15.12 - Like - Comment



Mary Swann I'm furious with our bank - although they know my financial situation at present is not good, they continue to exacerbate the situation with unrealistic bank charges for meagre overdraws of 0.79p with £25 charges.
Monday at 22.12 - Like

Write a comment...

Detached introverts



Deliver strong in-store experience

Cranfield

in the KNOW



About

Please write something about yourself...

Friends (0)

Jack Stillman

Share: Post Photo Link Video

Write something...



Mark King pokes Jack

Hey mate where are you? We haven't seen you for ages.

3 hours ago - [Like](#) - [Comment](#)



Mum Stillman pokes Jack

Could you give us a call please love?

Yesterday at 16.40 - [Like](#) - [Comment](#)

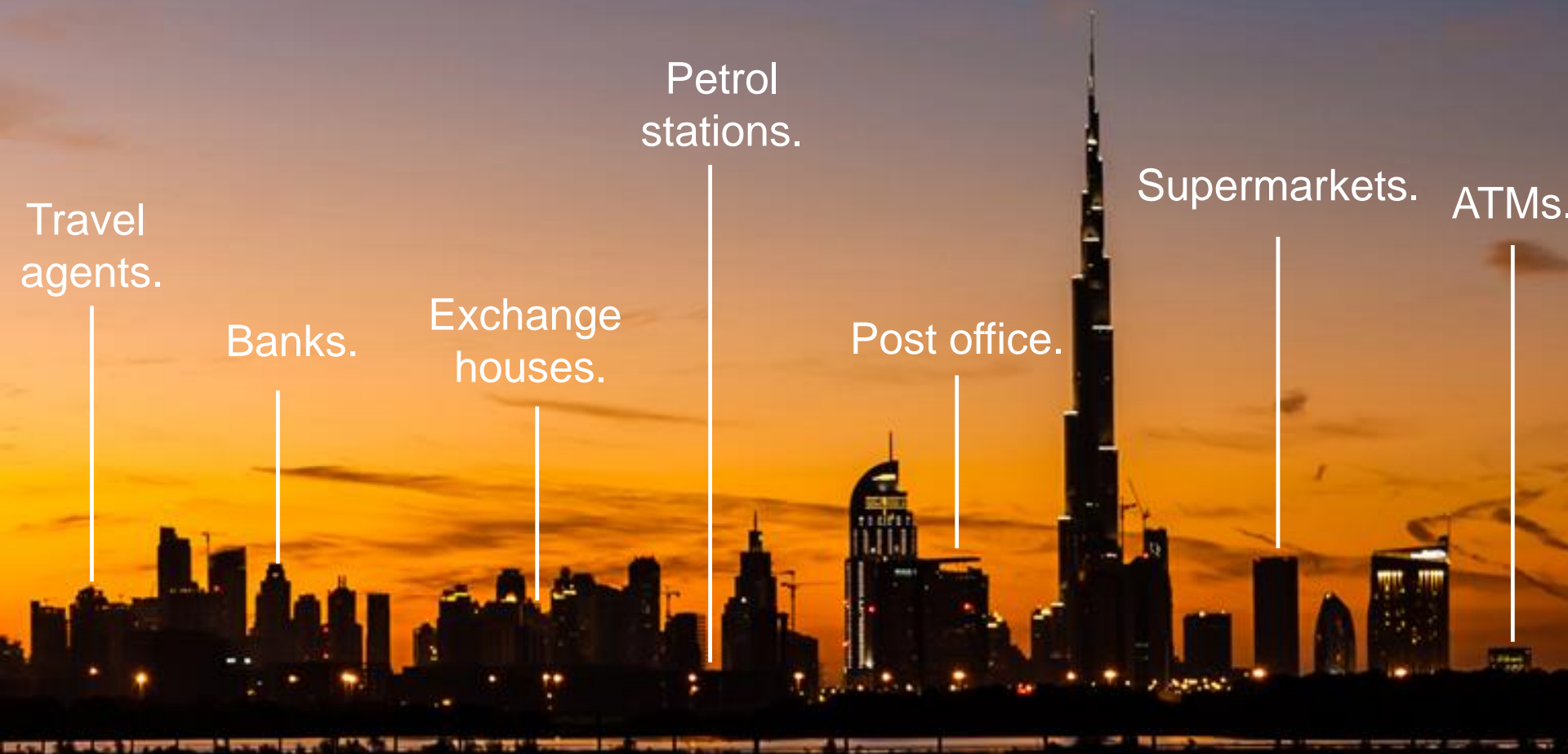


Ade Vert

"Missed you at the venue last week. Drop me a line."

4 days ago - [Like](#) - [Comment](#)

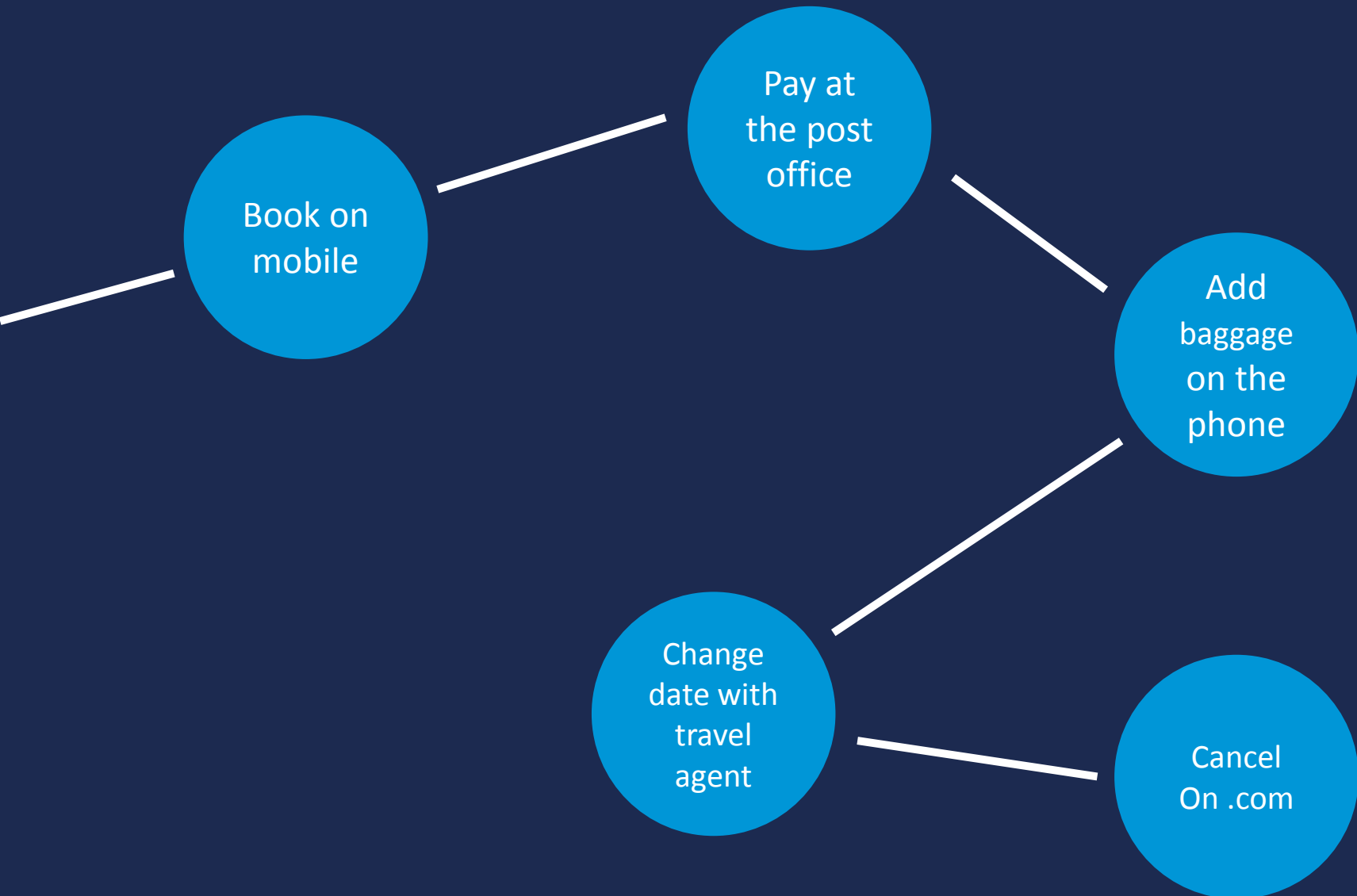
Flydubai: different people, different channels



Flydubai: channel choice and pricing



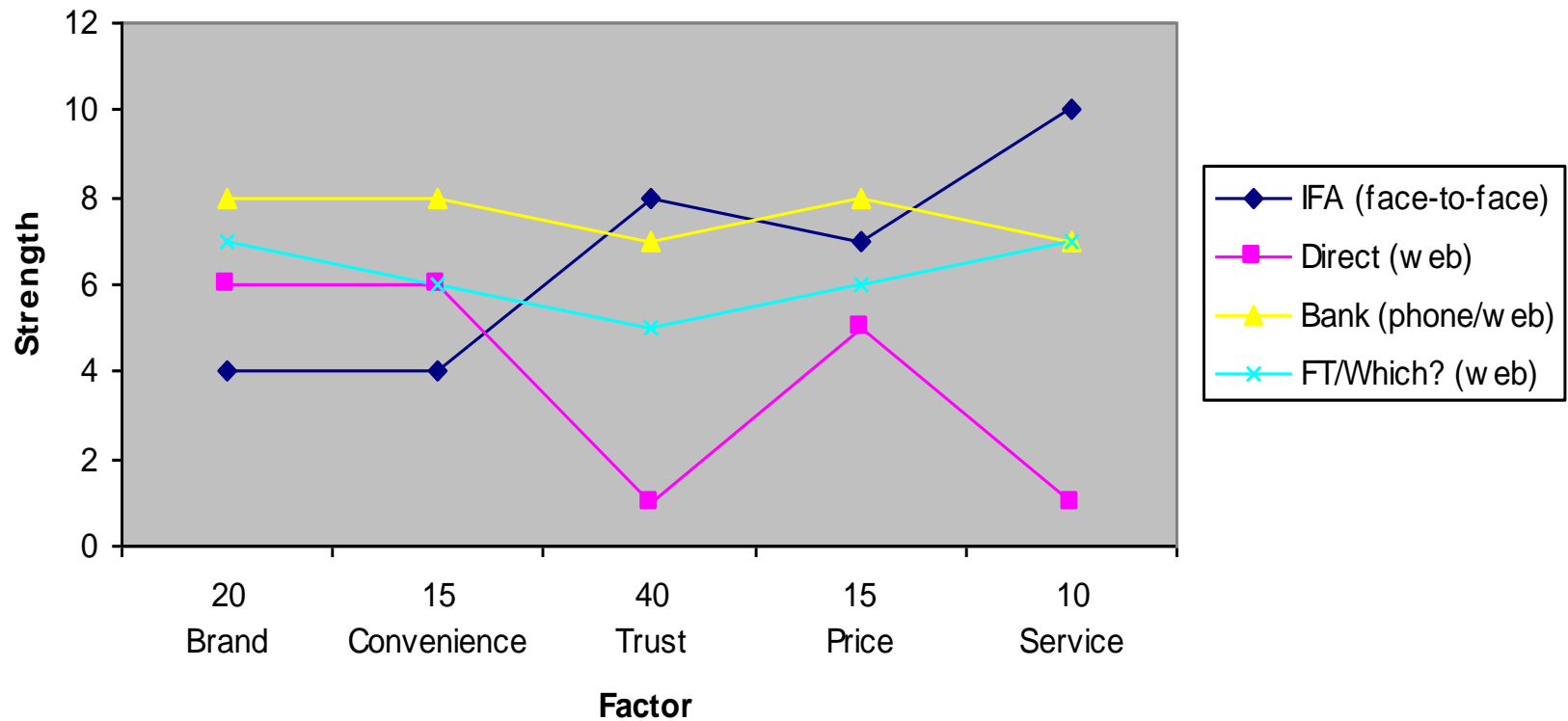
Flydubai: channel chains



Channel chain exercise

1. Choose a cell on the coverage map which you think needs attention (a product group for an attractive segment where the best approach is not obvious).
2. Draw the firm's current channel chain(s) for this product-market segment.
3. Draw any alternative channel chains that you are aware of which are offered by competitors.
4. What channel chain should you offer for this product-market segment? Either choose one of the current channel chains, or design a new one.

Channel curve: pensions



Channel curve data: pensions

Factor	Weight	Scores:			
		IFA	Direct	Bank	FT/Which?
Brand	20	4	6	8	7
Convenience	15	4	6	8	6
Trust	40	8	1	7	5
Price	15	7	5	8	6
Service	10	10	1	7	7
	<i>Weighted average:</i>	6.65	3.35	7.5	6.9

Find something the customer values...
flydubai

Pay later.

Until 48 hrs
before travel









Hold seat for
24 hrs

Migrating customers

- Customers change their behaviour because *they* want to...
- Most powerful ways to fulfil multichannel strategy are:
 - In-channel training
 - Design and usability
 - Channel as an integral part of the consumer proposition

DVLA (Drivers and Vehicles Licensing Agency, UK)



DVLA		% tax disc population	Customer Needs for Segment	Channel Tactics to Service Needs
	Luke Skywalker	8%	Young and go-getting, Luke types enjoy being different. They use the internet for just about everything. They expect 24 hour access to services and to save time by transacting online.	<ul style="list-style-type: none"> •Communicate by preferred medium – ie online advertising •Use PR to raise awareness •Likely to become frequent user and advocate •Establish e-mail reminder system
	Qui Gon Jinn	15%	Independent thinkers who care little for the opinion of others. Quite disorganised and/or busy, so can leave it late to renew. The convenience of electronic option is important as it saves time, however, awareness is key.	<ul style="list-style-type: none"> •Strong call to action on reminder envelopes etc •Use PR to raise awareness •Raise awareness using appropriate media
	R2 D2	24%	Busy working and looking for time saving benefits. They like paying 12 months tax at a time and possibly by DD. Have some concerns about web security, they have internet access, but would also use automated phone.	<ul style="list-style-type: none"> •Highlight both phone and web channels in reminders. •Use specific PR to raise awareness of web safety •Ensure security of online transactions addressed in communications.
	C-3PO	21%	Has access to web and will use if can be 'bothered'. However, will use automated phone or face to face if these channels are perceived to be simpler/more convenient than web.	<ul style="list-style-type: none"> •Ensure 'simple' web experience •Phone option prominent on reminders •Use PR to raise awareness •Target via intermediaries who can 'take the fuss out of transacting'
	Master Yoda	32%	Likes face to face channel for social interaction and are not worried by time constraints. Would consider DD payments in instalments without a charge.	<ul style="list-style-type: none"> •Create alternative face to face channels •Communicate DD when available •Reminders to maintain instructions for Post Office channel
	Darth Vader	?	<p>Passives</p> <p>Respectables</p>	<ul style="list-style-type: none"> •Publicise availability of DD and electronic channel options in 'Fines' letters. •Establish e-mail reminder system •Use PR to raise awareness

Launch



Sunderland Echo

Car tax renewal: there's now a simple way

A NEW service letting drivers renew car tax online or by telephone was launched by Transport Secretary Alistair Darling and supermodel-turned-racing-driver Jodie Kidd.

The new system, from the Driver and Vehicle Licensing Agency (DVLA), ensures a "paperless" system for those needing a new annual car tax disc.

The new service links Britain's electronic insurance and MOT databases with the DVLA's vehicle

records.

Drivers using the system will no longer need to present paper copies of their insurance and MOT to get a new disc. Instead they could complete a transaction online or by telephone and get sent tax discs within three to five working days.

The DVLA said that by the end of this year about 11 million drivers were expected to use the new

system, with 1.5 million likely to use it by the end of 2007.

Ms Kidd, who has been chosen as the face of the British International Motor Show in London this summer, said at the launch in London: "I have already used this new system to tax my Ferrari, so the new scheme has already worked for me."

Mr Darling said: "People with

busy lives sometimes cannot get to post offices to renew their car tax, and this new scheme enables one of life's annual chores to be accomplished more easily."

DVLA chief executive Clive Bennett said: "Our customers will now be able to renew their car tax from home or even abroad, 24 hours a day, and seven days a week."

Mr Darling said: "People with



Latest model: DVLA poster girl Jodie Kidd

If it isn't too taxing for Jodie...

The DVLA is clearly counting on the model Jodie Kidd's glamorous image to publicise its new online and phone car-tax service. Instead of queueing for hours at the post office, drivers who need to renew their tax now have a fast and efficient alternative.

The process can be completed in minutes thanks to the new Electronic Vehicle Licensing (EVL) facility, and most motorists will be able to renew their car tax wherever and whenever they want, with no need for supporting documentation. Tax discs will arrive by post within three to five working days. Log on to www.direct.gov.uk/taxdisc; or call 08708 504 444.



Paperless car tax renewal

A new service allowing drivers renew car tax online or by telephone was launched yesterday by Transport Secretary Alistair Darling and supermodel-turned-racing-driver Jodie Kidd, pictured above. The Driver and Vehicle Licensing Agency (DVLA) scheme links Britain's electronic insurance and MOT databases with the

DVLA's vehicle records, meaning drivers will not need to present paper copies of their insurance and MOT to get a new disc. Instead they could complete a transaction on line or by phone and get sent tax discs within three to five working days. By the end of this year around 11 million drivers are expected to use the new system.

South Wales Evening Post



HIGH-PROFILE VISIT Motoring enthusiasts and model Jodie Kidd is in business tomorrow for a DVLA service launch.

Model in city on DVLA launch

MODEL and car enthusiast Jodie Kidd will be in business tomorrow to mark the launch of the new DVLA online and telephone car tax service. Kidd, who has been chosen as the face of the British International Motor Show in London this summer, said at the launch in London: "I have already used this new system to tax my Ferrari, so the new scheme has already worked for me."

Mr Darling said: "People with

Targeting

Please do not return to sender.



Renew your tax disc online
visit: www.direct.gov.uk/taxdisc



EN350MS(A)

An executive agency of the
Department for
Transport



Renew your tax disc on the phone
call 0870 850 4444
Apply 5 working days before your old disc runs out



Targeting

Please do not return to sender.



Don't put it off
Do it online



EN350MS

An executive agency of the
Department for
Transport

visit: www.direct.gov.uk/taxdisc
or call: 0870 850 4444

pen now to
renew the easy way



Summary

Customers combine channels in their journey

- So understand what they are doing, and why - experience tracking can help
- And recraft the journey to their benefit and yours – channel chains & coverage maps can help
- Then migrate customers to the new model – a segment at a time!