

Marketing Management

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Introduction

The customer, who are existing or future ones are highly important for the business and because of this reason the businesses are trying to enhance their experience to create long impression for the development of long time value for the organisation. The management of this experience is done through different approaches and one of them is the focusing on the touch points of the customer interactions. The touch points are the meeting points of the business communicational channels and the devices or the medium used for the communication. Like the email direct marketing channel and the laptop or mobile devices. The interaction of the customer with the business offering and other part is done through this touch points (Maechler *et al.*, 2016). The customer generally interacts with the sales staffs, products, customer service or the materials used of the marketing. The companies manages or decides the message to be communicated with the customer with these touch points for better experience and customer satisfaction development. But this is a very narrow view for the business. The approach should to take care of what the customer expect rather than what to communicate to the customers. The customer journey focus is the approach of looking at the experience of the customer from their perspective and tries to make it meaningful and satisfactory. Specifically stated the customer journey is the summation of the pre, post and during purchase experience of the customers. This journey is more comprehensive approach which stretches over a long period of time, different channels and their touch points (Maechler *et al.*, 2016). This can be influencing the customer in many ways, for example new customer acquisition process, helping customer in relocation of products or services, resolving some issues of technical nature and so on.

In the current business situation of higher competitiveness, cross or multiple channel communication with the customers is making the management of customer experience more complex. Here only the touch point management approach would not result in deep satisfaction (Voorhees *et al.*, 2017). The non fulfilment or bad experience in one particular touch point of the business would not have a long lasting impact on the customer but a negative experience gather in multiple points in a customer journey certainly makes the customer dissatisfied. Keeping this view in mind the current report would analyse the specific situation of British Airways or BA in this context. BA is long been operating in the airlines

industry but in recent time the strong competition and the pressure from the low cost carriers made it important for the organisation to manage the experience of the customers effectively for retention and greater value creation for the company (Wilson and Gilligan, 2012). In the following part of the report the organisational practices, customer expectations and the future marketing strategy in this regard would be discussed.

Company background

BA is long been the flagship carrier for UK. The organisation is operating more than nine decades and has undergone many merger and acquisition process to come to the current size and type of organisation. The current form of the organisation came into existence in the 1974 and then the privatisation process was done in the 1987 (Britannica, 2017). The business was not profitable when it was under the ownership of the government. The privatisation process has made the organisation more market oriented. This cultural shift in the organisation brought many professional approaches in the marketing and branding of the business. Then during the 2008's financial crises worldwide the organisation faced some difficult challenges because of the market situation and also business internal issues. Re-strategising approach was adopted during this time (Britishairways, 2009). In the new strategy the business specifically targeted the premium market segment of the airlines industry. The investment in the infrastructure and technological and other facility improvement was done by the BA to provide greater value to the customers. During these times a comprehensive business strategy was taken for the customer service, growth plan development, putting customers at the centre of the operation, new initiatives for the corporate social responsibility. The current operation of the BA is spread over 200 destinations around the world. Annual basis the business carries more than 42m customer worldwide (Statista, 2016). . There are four different class or type of services in the organisation for the customers. One is the privacy, additional space, comfort, based premium economy class. The quality service based economy class is also developed for the customers of the global and EU region travellers. The business class services are also dedicated to the global and EU region travellers but here the differential and quality services like good food, drinks, lounges access, more space³ for relaxing, flat bed for the long haul relaxation are provided to the customers (Britishairways, 2018). Then the last service type is the first class

service which is for the top niche segment of the market and operated for some selected route through delivering the luxury and highest comfort apart from other high value benefits. In recent time BA has improved their ties with the corporate to get higher number of business customers in the business apart from the general travellers. These different customer types, service types and high focuses on the customer needs proper approach in the customer journey management to develop higher satisfaction.

BA branding

After the privatisation process the branding of BA the branding mainly took the advantage of the historical continuity and the heritage value of the organisation. The long operation also helped in the international network development and that is also used in the branding of the organisation as a greater value to the customers. During this time the business also improved their approach in the customer service, safety and security. This newly developed advantage along with the traditional British class positive association was also used to develop the new image of the organisation. The result was the 1992 'Airline of the year' award (Balmer *et al.*, 2009). The branding, appropriate message delivery for the customer communication and the different value proposition also reflected in the customer revenue as one person of every fifteen travellers was the customer of BA. This new found confidence in the business after the loss making situation under the government control, influenced the business to develop the platform for the brand positioning and there the tagline was 'The world's favourite Airlines'. The communication was directed to the global audience as the management had taken the strategy to develop the organisation a greater choice of global airlines. This initial time of privatisation was exciting for the organisation as the innovation in the branding. Consistent style based delivery of the services, facility and quality the source of differentiation for the organisation for which the premium price was commanded in the market (Wilson and Gilligan, 2012). The customer focused approach was the main philosophy that was enforced in the organisation.

Then in the mid 90's the perspective changed in the organisation regarding the branding. During that time of the research shows that around 60% of the passages of the airline are not from the British background (Balmer *et al.*, 2009). Considering this fact the organisation tried to reposition the brand with its global credential and deviated from the British heritage

background. The change was not well throughout or research based. In the repositioning process of the brand the tailspin of the airlines was provided new designed which is a combination of 50 different national symbols. The British customers and the general media did not like the idea and was criticised.

In the early years of new millennia the organisation reflected on the earlier mistake and changes the design to British flag which was to emphasis on the British heritage (Balmer *et al.*, 2009). During this time the organisation tried to develop another value for the brand. Here the organisation aimed to develop the BA a premium brand or premium airlines. In this part the organisation develop value for the business and the long haul passenger. The premium market brand positioning strategy was re-strengthening after the financial crisis time of 2008-09. Then another change happened in the 2011-12 times. At that time the brand value during the difficult time of the airlines industry saw some decline. A relook at the brand of the organisation was needed. Then came the campaign called 'To fly to serve' (Bacon, 2012). In this campaign the nostalgia of BA's heritage and long time operation was rekindled along with the showing the path for future value in the organisation. During this time the airline started investing around £5 bn in the customer experience by focusing on some of the areas like the catering, technology, services and aircrafts.

Customer journey

The later emphasis on the customer experience in the BA was done through different strategic approach in the organisation. This well developed approach in the brand perception and customer experience development was done through proper management of the customer journey in the organisation. Here the holistic approach needs to be taken and that is what BA has done. The touch point perspective is not followed here. The specific approach is taken for this process. One of the important results of this approach is the 'personalisation' (Baldwin, 2017). This approach is not at the very core of BA's strategy. The application of latest technology and the data has helped the business to develop the experience for the customers.

The organisation specifically developed a program called 'Know me' for the development of capability for the personalisation process. It improved the engagement with the customers.

One of the critical barriers of this process was the large number of customer. Around 44m journey is completed by around 13m customer in the annual operation of BA. The organisation has 40k staffs and more than 208 aircraft that fly to more than 70 countries across the globe (Baldwin, 2017). All of these large operations are able to create around 400m interaction point with the customer. This is large number of touch point for the business to manage. To impact the journey of the customer, the organisation reprogrammed the total customer interaction point design. Here the approach was to deliver consistent and reliable personalisation approach (Buhalis and Amaranggana, 2015).

Earlier the different channels of the customer interaction point specific requirements were designed by different staffs of the organisation. Therefore a holistic approach was lacking in the operation (Buhalis and Amaranggana, 2015). Earlier it was providing some of the delightful experience to the customer but there was not consistency. The information are received by the customer from different touch point but most of the time those messages were not relevant or consistent or joined up. This earlier approach was not able to provide the overall satisfaction to the customers. The current approach that was adopted for the process is the single view of the customer is created. This is more of a holistic approach where the overall view of the customer journey in the organisation is created. The information is stored for every customer in this specific way by providing a unique ID (Baldwin, 2017). Through this way the organisation has been able to create 110 m ID and that enable the organisation to create at list personalised experience for the 55m customers in the operation (Baldwin, 2017). The organisation used almost 40 years of operational data for this development. These system developments were highly useful for the staffs to engage in a more personalised way with the customers. One of the examples would be to provide the welcome back message to a regular customer in the provided napkin in their order of beverage in the flight (Baldwin, 2017). This approach of BA in recent time has created lot value for the customer and the organisation received customer satisfaction, loyalty and improved revenue generation.

Current requirements and stakeholder's expectations

The mere application of the current technologies would not provide this holistic experience to the customers but like BA the total culture of the organisation and the strategy need to be directed in their operation to manage this aspect of business for the greater customer

satisfaction (Kotler, 2015). There are some deficiencies in the approach of operation in BA. The expectation of the customer are not fulfilled through the organisation was able to develop the critical infrastructure for that. Some of the requirements are described below to make this process effective for the future operation of the business. This analysis would also help the organisation to develop better strategy in the marketing process for the better management of the brand and also to meet the expectation of the customers.

Consistency

This is one of the critical aspects of reliable customer experience. The greater consistency of the customer experience across the journey of the customer not creates the customer satisfaction but also improves the creditability of the brand. The developed system of BA helps them to communicate to the customer through the text messages channels. This is an effective approach but the consistency lacks here. Some time people travelling in groups with separate ticks may not get the message at the same time or does not get it at all. The website of the organisation may not be showing the delay in flight which the text message is showing (Crandell , 2015). This lack of coherence or consistency is similar to particular touch point management.

Culture

Sometimes the flight delays are not communicated properly and the necessary acknowledgement is also not provided. This is an issue of culture and needs to be developed properly demonstrate affectivity. The organisation took the customer focused approach and promises to show specific care in their branding as a premium service provider in the market. But sometime the actual representation does not match with the expectation of the customers. This cultural issue came up in recent IT system glitch process in BA that cancelled or delayed more than 1000 flight in the week end operation of the organisation (Butler, 2017). People were stranded, some of them lost their luggage, and many of them missed their holyday. During this time the tech based channels was not working for the communication but other traditional channels present in the airport were not used properly. People felt helpless. The disappointment came from different communicational point.

Customer expectation assessment

This is one of the important approaches in the customer journey management. The organisation has to think from the perspective of the customers to make necessary adjustment in the process to make it successful. But that do not happen in the operation of BA. The recent event of the IT system meltdown in BA cancelled many flight but the information or help was not available for the rebooking (Butler, 2017). The customers expect automatic rebooking of the flight but this process was neither considered properly nor communicated to the customer about the future action.

Lack of flexibility

During the time rebooking the flight the customer need the luggage check in but that cannot be helped by the rebooking agents and had to go to the earlier agent (Crandell , 2015). This is lack of flexibility in the job role and the process. The result is the ineffective customer service and the interaction of the customer at the multiple touch points is bad.

Inefficient channel management

The different customer communicational channel needs to be managed properly. A all round approach is required here for the management of the customer journey. During this IT system problem the social media was the tool for the customers to vent out their grievance. There the reply of the official abuts those customer comments were just a formality or some time there was no response (Vizard, 2017). No information was asked from the customer make some progress or provides some relief to the customer regarding the issue. This approach was not effective. This is an open forum where the prospective customer or the old customers are also interacting. All of these are part of the customer journey. The inefficient approach here just impacts the journey of other customers also.

All of these reason and problems of the organisation created ill reput in the eye of the customer in recent time. The organisation need to restoratives and plan properly their market activity with a holistic view to improve the brand image in the market (Hollensen, 2010). The customer expectation needs to be properly managed to bring parity in the promise and the delivery in the message or communicational message delivery.

Development of innovative marketing strategy

The market strategy needs to be properly plan where every message delivered from the promotion to purchase time to actual service delivery and post purchase time are synchronised and greater consistency is achieved. The following strategic approach is needed in the current situation of BA.

The customer's journey assessment

The journey nature has to be understood from the point of view of the customer. Here the investigation needs to be done by the organisation by not just applying the customer information gathered in the IT system but also through the process of survey or observation technique. This would provide the holistic requirement for the process (Lemon and Verhoef, 2016).

Touch points navigation

The touch points are highly complete in BA because of the large operation of the business. Here the assessment of different touch point would be done by following the navigation technique of the customer in their journey.

Customer needs desire and expectation anticipation

A better assessment of the customer needs would put the organisation ahead in the journey of making positive changes in the system and in the messages to develop better experience in the customer's journey (Norton and Pine, 2013). This information in each part of the journey would provide proper approach to deal with those.

The assessment of the current process

The organisation also has to need to make an audit to understand about the effectiveness of the current system and how much needs some readjustment so that a uniform and proper experience can be delivering to the customers.

Prioritise action

Here the gaps in the system or in the communication process would be addressed on the basis of their priority to improve. In case of BA the social media communication with the customer needs to improve (Lemon and Verhoef, 2016). The transparent solution delivery mechanism needs to be developed to show that the organisation care for the customer.

Rectifying the route cause

The current and the previous sudden problem in the operation are understood by the customer but the kind of support that they expect from the organisation during that time is the main issue here. When everything goes well the customer service of the organisation worked well. During the flight cancellation time for various reasons or some other problem the support and communication from the organisation becomes important (Norton and Pine, 2013). Here a proper contingency measures and process of communication during that time needs to be developed in the organisation.

Innovative strategy

BA provides premium service to the customer where they have designed personalised highly satisfying customer experience. Customers get value for their money and are generally satisfied. But in the airlines industry there are occasions when the service is disrupted like delayed flight or cancellation which happens because of many reasons for example weather or technical failure. These incidents are under more severe criticism as airlines industry gets more attention from the media. The recent incident of IT failure or other similar low scale problem in the operation of BA, have tarnished the brand image of the organisation and created dissatisfaction among the customers. In this context the organisation needs to innovate its current strategy of marketing to repair and improve the brand image (Mullins *et al.*, 2012). Here the strategy would be to use the same tools or channels that create more damage. The PR and the social media is the channel which needs to be properly combined with the overall customer journey management. Another strategy would be a communication mechanism development during the time of such emergency situation so that the customer can feel that the organisation is always supported and taken good care of. Here the message delivered through the PR and social media communication would find resonance at the ground especially during crisis time (Hollensen, 2010). The CSR program that is well developed in BA must be integrated with this communicational strategy. This integration of CSR, crisis

management, effective use of communicational channel, supportive customer care cultural development and personalisation experience delivery is the new innovation for the customer journey management for higher level of satisfaction and brand image development.

Conclusion

The marketing and branding strategy is evolving in the business world. In this report BA and the airline industry scenario is considered for the understand development of the customer journey in the organisation. The touch point management was the earlier approach to influence the customer. But the current size of operation of BA shows the complexity of different touch point in the organisation to management. The lack of holistic approach is creating dissatisfaction for the customer as the overall journey is not as per the expectation of the customer. The specific solution here is the integrative approach in the customer journey management.

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