

Strategic Leadership Institute

The power of experiential leadership

*Leading the battle for brand leadership
Objectives, strategies and offer design*



STRATEGIC EXPERIENTIAL MARKETING MANAGEMENT
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MODULE 3

Objectives and business strategies

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QUANTITATIVE OBJECTIVES

- *Turnover*
- *Market shares*

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QUALITATIVE OBJECTIVES

- *Positioning*
- *Distribution*

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Growth strategies

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How must the business grow in the industry ?

OR

What are the best growth possibilities for the business ?

In absence of strategic choices, the business will follow the industry evolution

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Intensive growth strategies

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Intensive growth strategies

OFFER MARKET	ACTUAL	NEW
ACTUAL	Transactional productivity	Conception added value
NEW	Market development	Diversification

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Transactional productivity

- Increased conversion rates
- Less contacts per customer
- Increased average revenue per customer
- Increased customer's loyalty

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Market development

- Penetration of new market segments with the same business offer.
- New geographic locations

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Added value conception

Adding new services by molecular offer and experience improvement

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DIVERSIFICATION

Penetration of new market segments with new service offers

Be alert on positioning!

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Integrative growth strategies

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HORIZONTAL INTEGRATION

Integration of competition offering the same type of service

ADVANTAGES :

- Growth of market share
- New customers
- Elimination of competition
- New qualifications

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VERTICAL INTEGRATION

Integration of the different parts of the distribution network

Production → wholesaler → retailer

EX : Transat Group (Plane / wholesaler / AGV)

•ADVANTAGES :

- Combinaison of production steps
- Progressive economy possibility
- Diffusion of information throughout the network
- Augmentation of quality control

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Commercial activities strategies

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Other strategies

- Marginal contribution Strategy
- Surprise strategy
- Mass strategy
- Effort concentration Strategy

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MODULES 4 and 5

Design and positioning of the service experience

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Value creation for service organisations is based on their ability to maintain positive emotional memorability for their customers.

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The perspective of a new frame of research

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Experitecture
is the art of memorable customer experience
design and positioning.
.Langlois 2003

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Experitecture tools

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Experience process chart

Emotional experience chart

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The experience process chart

The customer process

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The Emotional experience chart

Customer experience quality

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The organisation chart syndrome

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The three stages of service

Before During After

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Design process for memorable service experiences

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The design process for memorable experiences

Step 1 : Define the business you are in

Step 2 : Evaluate the intrinsic value

Step 3 : Define the target segment and the key values and expectations of the customers

Step 4 : Define the positioning

Step 5 : Define the the experience concept

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Step 6 : Define the experience process
(Based on emotional steps)

Step 7 : Design the emotional experience by defining the experiential quality standards : Reliability, Accessibility, Entertainment, sensorial physical environment and personal relationship (Emotions chart)

Step 8 : Design the global experience process

Step 9 : Set the price structure

Step 10 : Complete a financial viability analysis

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Step 1
Define the business you are in

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Step 2
Assess the intrinsic value

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Touristic Intrinsic value components

- Natural sites
- Man made sites
- Natural events
- Man made events
- Tangible assets
- Population

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Step 3

Define the target segment and key values and expectations of the customers

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Step 4

Define the targeted positioning

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Positioning is :

- To develop the wanted personality for a given offer
- To be distinct from the competition
- The image, the promise and the experience perceived by the customers

It is the space occupied in the perceptual field of customers

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OBJECTIVE

PERFECTLY PLEASE THE SELECTED SEGMENT

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Step 5


Define the the experience concept

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Thematic evening

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Step 6
Define the experience process
(Experience process chart)

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THE
EXPERIENCE PROCESS CHART

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THE CUSTOMER FUNNEL
of a ski resort

Step I	Parking
Step II	Box-office
Step III	Lift
Step IV	Descent
Step V	Parking

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Hotel Experience chart

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Step 7
Emotional experience design
(Emotional experience chart)

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Emotional
experience chart

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Emotional experience chart

The emotional experience chart measure emotional quality factors for each step of the emotional experience chart.

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Services quality?

EXPECTATIONS



PERCEPTIONS

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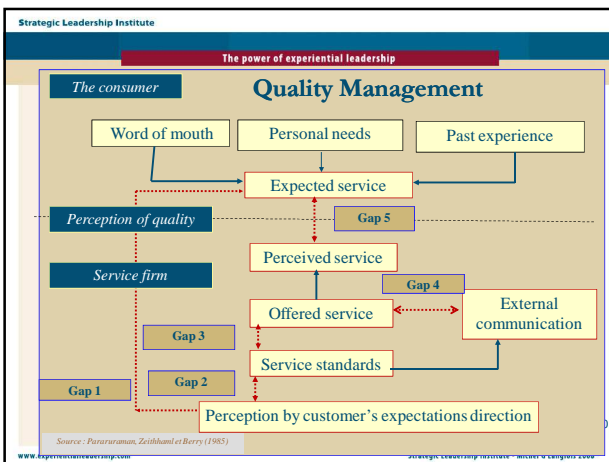
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Experiential memorability is reinforced with pleasure increase and anxiety reduction

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The five dimensions of emotional comfort and quality experience

- Reliability
- Accessibility
- Entertainment
- Sensorial physical comfort
- Personal leadership and pampering

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EX.Q.GRID

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Designing the reliability effect

- 1- Fonctionality
- 2- Regularity
- 3- Psychological and social risk
- 4- Economical risk
- 5- Safety

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Designing the accessibility effect

- 6 - Physical accessibility
- 7 - Directional information
- 8 - Promptness of service
- 9 - Wait management
- 10- Managing exceptions

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Designing the entertainment effect

- 11- Theme and story telling
- 12- Permanent entertainment
- 13- Punctual entertainment
- 14- Image consistency
- 15- Tangible products of memorability

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Designing for physical comfort and sensorial pleasures

- 16- Visual effects
- 17- Ergonomy and Tactile effects
- 18- Auditory effects
- 19- Gustatory effects
- 20- Olfactory effects

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Designing customer personal leadership effect

Transactional productivity management

- 21- Pleasure effect
- 22- Coherence effect
- 23- Seduction effect
- 24- Persuasion effect
- 25- Anchoring effect

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Step 8

Global experience process
Final design of the experience :
Standards and detailed experigram

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Step 9

Pricing

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CREATION OF VALUE, PRICING

&

COST

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Step 10

Financial viability analysis

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The re-design process of a service experience.

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The re design process for memorable experiences

- Step 1 :** Measure the present experience
- Step 2 :** Define the business
- Step 3 :** Evaluate the intrinsic value
- Step 4 :** Define the target segment and the key values and expectations of the customers
- Step 5 :** Define the targeted positioning
- Step 6 :** Define the the experience concept

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Step 7 : Redefine the experience process
(Emotional experience chart)

Step 8 : Redesign the emotional experience by redefining experiential quality standards : Reliability, Accessibility, Entertainment, sensorial physical environment and personal relationship (Emotions chart)

Step 8 : Design the global experience process

Step 9 : Establish the new pricing

Step 10 : Financial viability analysis

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Welcome to the
experience economy!


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Take the Lead!



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Structure of Tourism Industry

Origin	Transport	Destination
T.O. Export Wholesaler Retailer	Scheduled carrier Charter	PURPOSE OF TRAVEL Sites Events Attractions ORGANIZERS Incoming tour operators Tourism offices Cruise ships INFRASTRUCTURE Hotels Restaurant Transportation Convention centers

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