

¶ **Here's your chance to be heard on new Web language** that makes it easier to pick up Web pages on handheld devices. World Wide Web Consortium, the standards developer for Web design, is thinking of adopting XHTML (Extensible Hypertext Markup Language) to make the Web readable on handheld computers, cell phones & similar. Current standard, HTML (Hypertext Markup Language) will be married to XML (Extensible Markup Language) to give Web designers more flexibility. Consortium is accepting comments until Sept. 22 @ www-html@w3.org (be sure to include XHTML in the subject line). Even if you don't care, use this item to dazzle colleagues with your hi-tech knowledge.

¶ **Princess Di's mom uses just the right words to enunciate anti-media bias.** Explaining why she will never share her memories with the media, so they had better stop hounding her, she said: "For me personally it's draining & difficult to be regarded as a commercial asset -- as a boost for television audiences, circulation & sales promotions." How well practitioners know this...

¶ **Neat handling of negative coverage** is American Airlines dpr Chris Chiames' response when Newsweek devoted a page to the carrier's bag of troubles: "We've had a number of character-building experiences this year."

¶ **New Volvo carries cutting-edge proof it's planet-friendly.** New S80 2.9 model is the world's first car to come with a certified environmental disclosure. "Environmental Product Declaration" is a printed statement providing info on the environmental impact of the car in each phase of its life cycle -- design, production, use & recycling. Document also outlines the environmental friendliness of various parts within the S80: textiles (free from hazardous allergenic substances); combustion (reduced fuel consumption); engine (fuel efficient), etc. "By drawing up environmental product declaration in this way, we are hoping to show our customers that we really take environmental issues seriously," says Anders Karrberg, Volvo's head of enviro issues. Could set a trend.

¶ **Hot PSA Topics Include Local Projects, Kids.** Survey of public affairs directors at tv & radio stations found that when it comes to airing public service announcements, most prefer some causes over others. West Glen Com'ns mailed surveys to 600 tv & 600 radio stations, got a 26% response rate -- 312. Of that number, 43% named community issues & events as a preferred cause, 39% chose children's issues. Other hot topics include health (28%) & safety (28%), followed by breast cancer, service org's, other cancers. But half do not place emphasis on a particular issue or have a favorite, looking to entertainment & production quality of the spot -- and also consider what their audience would find important.

¶ **Architecture shows the way in symbolic com'n.** Structures need no words to send their message. Brazil's most prominent bizman wants to build the world's tallest building -- a glittering pyramid reaching 1,600' or 103 stories -- because "it's a way to say that Brazil is a nation of almost 200 million people & this is what we can do."

CASE: AS COMPETITION SHIFTS, AIR CANADA PRACTICES CUSTOMER RELATIONS MANAGEMENT (CRM) TO RETAIN, EXPAND CUSTOMER BASE

With delivering customer delight vital for every type of org'n, examining the practices of a highly competitive industry like air travel is useful benchmarking. Air Canada knows a lot about retaining customers & winning new ones -- because as a small piece of the air travel pie, survival depends on protecting its piece while obtaining a larger portion.

"We want to attract frequent fliers & make them travel with Air Canada," Marc Trudeau, AC dir customer loyalty & product mgmt, told the CPRS conference. The airline has been stridently researching its place in the industry, and the customer base it hopes will propel it ahead.

CRM INHERENT TO THE INDUSTRY

Airline industry *must* build customer relationships because so many variables, e.g. weather, decisions made by air traffic control, etc., are out of its hands. "A snow storm in Halifax will have rippling effects in British Columbia. **We have to re-route, re-book, compensate, apologize & explain.**" Statistics show the chance of 20 consecutive flights arriving on time are 1 in 1253. "We have plenty of opportunities to practice CRM; building customer trust & loyalty is inherent to our industry."

POSITIONING CRITICAL AS COMPETITION CHANGES

AC faces special challenges. Traditionally, it has served a very large, relatively remote country with a small population. But the Free Trade Agreement & other policies have opened up the skies. Now it's common for people to travel from the US to Canada for a business meeting & return the same day. But AC wants to reach beyond Canada. Just as Dutch-based KLM carries people to & from destinations worldwide, AC wants **to be associated with travel, not just Canadian travel.**

RESEARCH OUTLINES MARKET SEGMENTS

Airline customers tend to be a) loyal; b) indifferent; or c) loyal to the competition. "A customer that is very loyal will travel with us 80% of the time." Even the most loyal customer will at some point defect to another carrier. Defection is usually caused by lack of seating, unavailability of a destination, scheduling inconvenience, or the influence of companion travelers. "Each defection is a missed opportunity."

AC found that of its passenger base, only 10% are business travelers. This small segment generates most of the revenue, traveling 80% of the time on undiscounted fares. The airline wanted to dig deeper to find out who they are and what turns them on & off. At airports, AC distributed 15,000



surveys for AC business travelers to fill out on trips. The passengers represented a trans-Atlantic cross section, all nationalities, both sexes, all fare types. Instead of asking them to rate variables that most need improvement (seat comfort, food, timely arrival, etc.), AC had them respond to product & service packages, e.g. "which airline, A or B, provides the best entertainment, food & seating?" 60% return allowed comparison with other airlines & identified areas of sensitivity that impact market share.

SURVEY TURNED UP THE FOLLOWING MARKET SEGMENTS TO BE TARGETED:

- 1) **Globetrotting VPs.** There were very few of them (4%) but they fly worldwide and go first class. Very influential.
- 2) **Border hopping VPs.** They don't fly as much internationally, but know the U.S./Canada network well, which airports have the best lounges, etc.
- 3) **Executive suites.** Willing to pay for business class; hold a lot of decision-making power. "If we screw them up, we're cooked." Obviously, these people are leaders & people follow their advice.
- 4) **Corporate Masses.** A lot of these people are booking their own flights, and they don't use & often can't afford business class.

AC targets each with varied initiatives, such as Star Alliance (a collaborative customer relations program conducted with other airlines), Super Elite packages, arrival lounges & discounts. Globetrotting VPs respond to guarantees, worldwide status & Star Alliance privileges. Border hoppers appreciate upgrades & coupons. "Upgrades are important to them because they travel frequently but are not always given business class."

A PLANE BY ANY OTHER NAME

Trudeau says **relationships are key because the rest is basic.** "A plane

is a plane is a plane... a restaurant in a tube." Despite attempts to make passengers comfortable, they're strapped in, told not to get up & nowhere to go if they do. "It's small, it's constrained, it makes you sweat."

Technology can help -- movies, phones etc., but the airline has to do more to get people to fly (over 80% of Canadians don't) and to win over John & Jane Frequent Flier. "At a restaurant, the maitre d' recognizes you, knows your tastes, your seating preference, whether or not you tolerate smoke, if you're allergic to fish, etc." That kind of service is difficult for an airline to achieve: there is a multitude of personnel, from ticket agents to baggage claim, with whom the passenger must interact.

"There are 12 different systems that need to talk to each other, 50 different contact points." The challenge will be getting the technology in place & maintaining CRM techniques thruout the network.

ULTIMATE IN GOING DIRECT: SENDING A VIDEO TO EVERY HOME

Will it work? What will motivate people to actually watch it? Videos have been described as the heaviest small object in the world -- because almost nobody seems able to lift them as high as their VCR portal.

In Lancaster County, SC, 23,950 videos will show up in mailboxes the first week of December. Sent by a coalition of churches there, the goal is to increase attendance. The video is a life of Jesus, produced by Warner Bros, with an appeal to get involved with a church at the end.

WHAT THE GRASSROOTS EFFORT EXPECTS TO ACCOMPLISH:

- "It will be the talk on the street," says a minister. "Everyone will be asking, 'Did you get that video?'"
- "People are going to watch it because they **normally don't get videos in the mail**," says a marketing professor. "It's certainly going to get a lot of attention & it might work."
- **Project coordinator expects 37,000 to watch the video**, of 58,000 in the county. She expects 4,000 to become active in a church -- basing her estimates on other locales where the project has been tried. The 58:37:4 ratio is higher than normal diffusion results -- which find 50% must be reached to motivate 5%; & 20% is unstoppable critical mass (ask prr).
- **Timing is right**, feels a professor of religion. "People are usually a little more receptive & in the religious spirit at Christmastime."
- **It's less intrusive than knocking on someone's door**, adds the coordinator. "We have to look at how people are reached today. You have to go where they are." She thinks most won't throw the video away because they will see it as something of value.

The religion prof adds a note of reality: "Things like this never work to the degree the people doing it hope it will. I think there will be people who will watch it & will be convinced. Some people will be angry it has been sent to them."

But last year the sponsor, Campus Crusade for Christ, sent one to every home in Alabama. It has been mailed or delivered to every home in 135 cities. Reliable data on success rates is not available. In SC the environment may be right: it's the heart of the Bible Belt.

ITEMS OF IMPORTANCE TO PRACTITIONERS

- ¶ **Washington Post polls go extra mile in disclosure** with this full-bodied statement, carried alongside the research it publishes:

NOTE: This *Washington Post* poll is based on telephone interviews with (X) randomly selected adults nationwide conducted (dates). The margin of error for overall results is plus or minus (Y) percentage points. **Sampling error is only one of many potential sources of error in this or any other public opinion poll** [emphasis ours]. Interviewing was conducted by (vendor name & address)

Have all this data ready when submitting your research to the Post.