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## Brandanimation: Capitalize on United's Mistakes to Snare High Value Customers

By Erik Hauser

My day brilliantly unfolded in a way that allowed me to partake of my favorite role in life—social scientist. I was the unfortunate victim of United Airlines' new international business class...even though I was flying domestic.

It was a great day to be alive – so many things to dissect from a customer experience management point of view. There was even a chance to see how the on-board employees were going to handle the 80/20 rule and the notion of customer lifetime value (CLV). I couldn't believe that all of these fantastic dynamics were going to come into play in just one five-hour plane ride. I may be the luckiest guy alive.

Most of the folks around me were really upset, but I was busy acting like a sponge taking it all in. I didn't care to be upset. I wanted to learn, learn, learn.

Ladies and gentlemen, I present you flight # XXXX from SFO to XXX. I'm not looking to get anyone in trouble so all involved shall remain nameless.

It's fair to say that we've all had our moments with airlines. If you travel a lot these days, you too have likely reached your breaking point at one time or another.

We were extremely excited to discover our typical aircraft had been replaced with one of United's new international crafts. They're quite impressive and are designed to deliver a highly customized flying experience through individual entertainment systems. "Everyone have fun playing with the new toys!" the flight attendants said joyfully as we all took our seats. I was looking forward to making this flight meet all of my needs—it was all so very cool!

Expectations were high as the plane pushed back from the jetway. Within minutes the screens went black and the attempted reboots of the new entertainment systems began. They tried a myriad of techniques, but nothing seemed to work. Shucks. But wait...this is where it gets very interesting.

Let me say first that I felt very sorry for the flight attendants as they clearly weren't IT people, and this was only the second "new" plane to fly. From what they said, the first plane's system was completely shut down. So, one would assume that United may have wanted to have one of the vendors responsible for the systems on the plane to troubleshoot.



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Instead, United Airlines put all of its employees in a very unfortunate situation that was totally avoidable. There was no way for the flight attendants to deal with the number of people who were upset. It must have been quite demoralizing for them not to be able to service the customers the way that they wanted.

It turns out that the majority of the customers' systems in economy were working splendidly, but the majority of the first the business class units were not working. So, you have a situation in which the higher paying customers are receiving less.

That's fairly interesting, but it gets better. The first and business class section travelers are generally the customers that have a much higher lifetime value than those that fly in coach. These customers fly more often, and are more loyal to an airline as they are usually enrolled in the frequent flyer programs

I told one of the flight attendants that the only way to get the system up would be a hard reboot. But, that would have interrupted everyone else's movie in economy. Should the flight attendant be put in the position to make those kinds of decisions? I think not!

Essentially, United Airlines failed both their customers and employees by not adequately testing the system before they put the airplane in use. This all brought one thing into crystal clear focus for me. I feel trapped in my relationship with United Airlines.

I am clearly a loyal flyer, but one company's problem is another company's time to act!

Running under the general assumption that most people are dissatisfied with their current airline, why doesn't one airline make the following strategic move?

Concentrate on customer service—in fact, build your entire brand on the platform! Then, go right after the other airlines high value customers by offering them the same status they had on your airline, free of charge. These customers have clearly shown through their behavior that they are extremely loyal, and the risk/reward for this strategic move is low risk, but extremely high reward.

I'd switch airlines, and I do 125,000 to 200,000 miles a year. Perhaps this is a space in which an airline needs to position themselves? Then make their move to grab all the high lifetime customers from all the other airlines.

Random food for thought as I descend into JFK.

*Erik Hauser is creative director/founder of San Francisco-based marketing firm Swivel Media and founder of IXMA, the International Experiential Marketing Association. He also moderates the Experiential Marketing Forum.*

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