

Media Release
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THE POWER OF CUSTOMER EXPERIENCE

December 2017 – In the latest episode in the **Marketing Dividends** series presented by AANA, the marketers behind two of Queensland’s biggest brands offer insights into how physical retail presence can be used to drive customer experience and to build brands. Joining host James Hier were **Mark Reinke (Chief Customer Experience Officer at Suncorp)** and **Darren Wright (General Manager of Product Advertising, Customer Experience and Sales at Flight Centre)**.

Flight Centre see their retail stores as a real competitive advantage. “All of our stores are in high streets or in the big shopping centres, we leverage the significant capacity of these retail stores to bring consumers back to the brand and also position who we are. We use that bricks and mortar to...surprise, delight, educate; to get our customers excited and obviously then celebrate once they travel. So it gives you that tactile feeling in a customer experience model that you don’t really get when you’re transacting online,” Wright said.

For Flight Centre to remain competitive, particularly against pure online plays, means constantly refreshing the offers available via Flight Centre stores.

“We have a speed-to-market strategy that’s around two hours. If a new offer or fare becomes available, Flight Centre want to ensure that it is advertised across our store network, and communicated to our customers as quickly as our online-only competitors can. We can communicate that in the storefront, with our digital screens within two hours,” Wright said.

Retail stores are an integral part of Suncorp’s strategy. Having opened two concept stores in the last six months, one at Sydney’s Parramatta and the other in Brisbane’s Carindale, Reinke believes Australia is moving towards an ‘experience economy’.

“People really value experiences. The ability to create immersive experiences... is a great way to bring our brand to life. We are experimenting around the right recipe to really engage people,” Reinke said.

Flight Centre is pursuing vertical integration opportunities, aspiring to become not just a travel agency that sells consumers third-party products, but one that offers a more seamless and integrated travel experience.

The business has already acquired ground handlers and hotels in Asia, and is actively looking for more acquisitions.

Suncorp has a multi-layered approach to transformation and expansion. Firstly through “a portfolio of global partnerships with smart, global companies,” but also by leveraging the new opportunities created by innovation labs. “A Lab enables us to create new ways of working, engage with partners and create velocity to shorten the time it takes to get products to market.

“From time to time we will take equity in an organisation where we think there is significant upside, particularly to co-create,” Reinke said.

Reinke also said that those challenging current marketing orthodoxy had a valuable role to play.

“We’re particularly open to any party that is taking a helicopter view of what we do, and of the system... which I think, for example, both Mark Ritson and Byron Sharp do really well. It is incredibly useful to have a third party objectively stand back and help companies like ours through the learnings of many,” Reinke said.

Flight Centre has also embraced the learnings of some of these marketing commentators. “We’ve had Mark Ritson in our business a few times over the last twelve months. He challenges the thinking of non-marketers in the business,” Wright said.

Customers are no longer simply benchmarking companies against others in the same industry, but “...by the best experience a customer has, not just the experience they have in your category,” Reinke said. As a result, Suncorp benchmark themselves, not just against the financial services sector, but aspire to the best in class “...personalised, human, proactive, seamless” experiences our customers have come to expect”.

Flight Centre also has a strong focus on enhancing their customer experience, especially in light of the dramatic changes in their category, and believes that their retail stores and expert travel consultants are a real competitive advantage over simply online retailers. They are also introducing new technology to further enhance and build the quality of the customer experience.

“We have virtual reality in our retail stores now... making them a destination where we can showcase our product and allow our partners to showcase theirs. We’re aiming to empower [our consultants] to allow us to make deeper connections with our customers so that they stay with us. Customer service is still king.”

Reinke believes you have to get the balance right between short and long-term priorities.

“It’s hard to get the balance right but that’s the job required at any major business. If you’re not inherently profitable today, you will not have the retained earnings to invest for tomorrow. Any business has three horizons they are working towards – improving the performance of the existing business, looking at adjacencies around the current business, and thirdly disrupting the business they already have. We are trying to get that balance right. It’s dynamic, it’s not ‘set and forget’.” Reinke said. He also emphasised the fact that “you have to be driving efficiencies from your business now and every day. By increasing productivity, you give yourself headroom to invest more.”

This episode was hosted by **James Hier, CEO MEC**. The full episode, in addition to previous episodes, is available on AANA’s YouTube Channel.

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