THE CHINCHILLAS

Relationship Building Email Communications

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Project Focus and Problem Definition

Project Focus: Retention of current customer demographic

Goal: Increase customer perceptions of membership value to further create relationships, decreasing customer likelihood of opting-out.

Problem Definition: How do we improve customer relationship management through direct email communication to improve membership retention?

Strengths of Zoo Communication

Direct Mail

Direct mail is currently a popular way to renew and this gets sent out once a year.

New Technology

Due to new technologies the auto renewal program has significantly grown over the last year from 100 to over 1,000 people signed up.

Open Rate of Current Emails

The average open rate on the current emails are at 24.6%.

Newsletter

⅓ people from survey said newsletter was the most popular ways to receive relevant zoo information.

Source: Franklin Park Zoo. (2019). *Zoo Visit Notes*.

Customer Profile and Survey Research

- Current Member
- Young Parent
  - 70% of visitors surveyed are aged 31-50
- Has Two Children
  - 32% of visitors had two or more children
- Uses membership for kids and events
  - 88% mentioned using their membership for their children
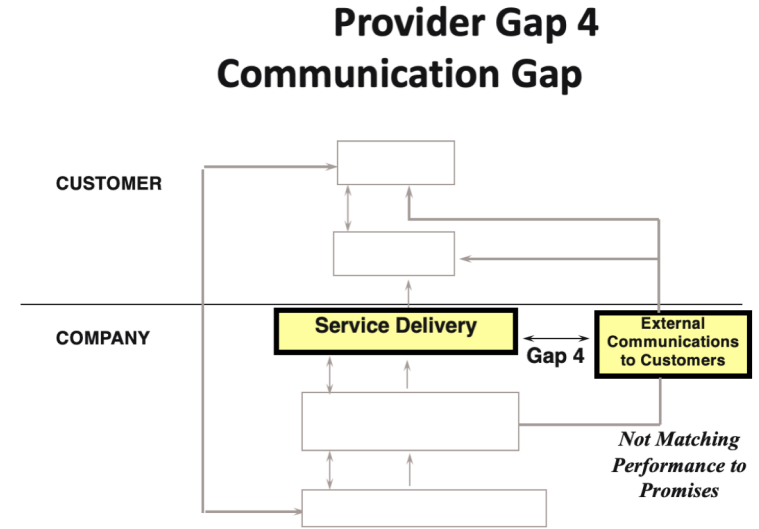- Currently does not open emails most of the time

Current Service Blueprint
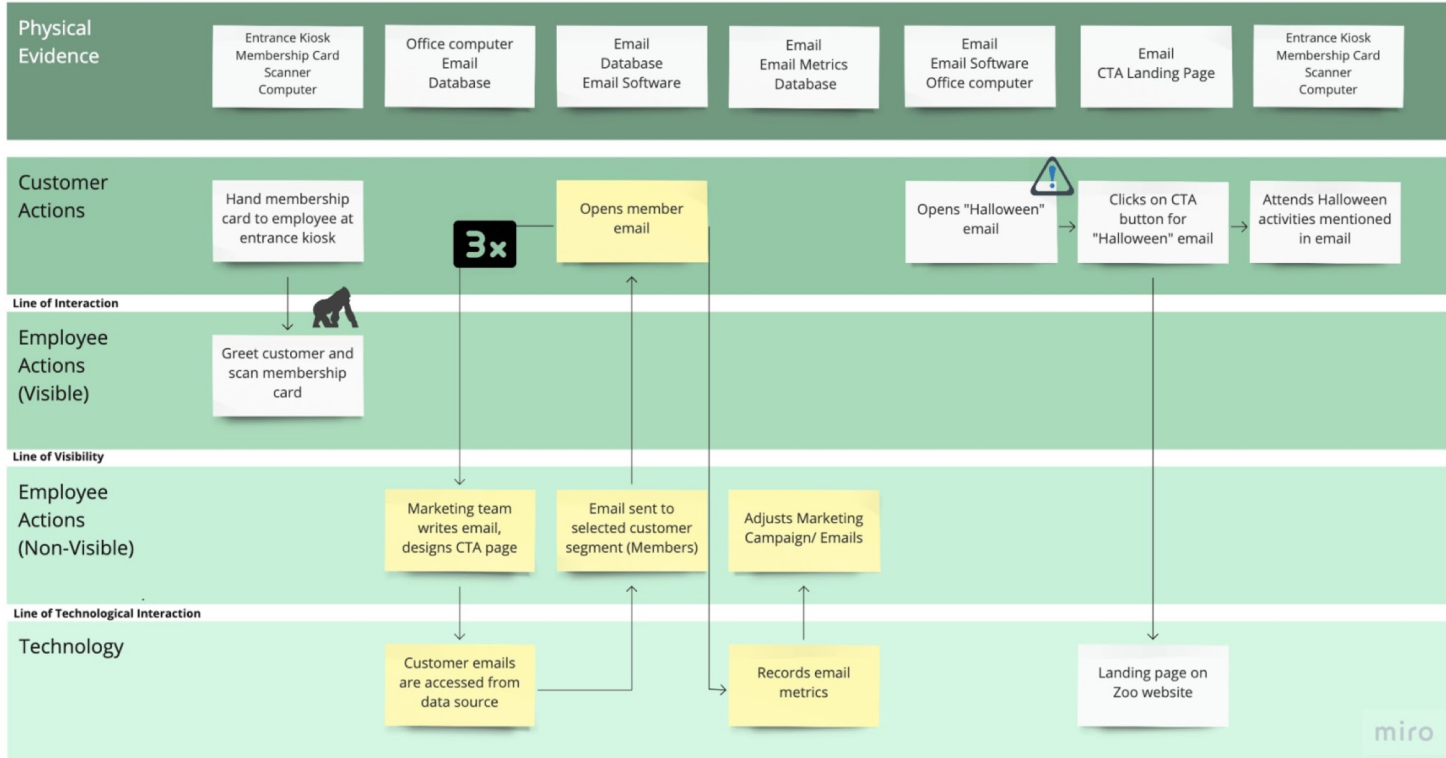
The GAPS Model

Closing Provider Gap 4

- Integrated service marketing communication
    - Strengthen email communication with members

- Managing customers' expectations
    - Remind what customers can do with their membership status

Provider Gap 4 Communication Gap

CUSTOMER

COMPANY

Service Delivery — Gap 4 — External Communications to Customers

Not Matching Performance to Promises

Our Recommendations

Expand Usage of Current Software Technology

Current Software:

Siriusware by accesso
OnSite Ticketing Software:
Ticketing and Admissions Module
Membership and Season Passes Module*

iContact
Email Marketing Software

Manage Guest Data

What
- *"Collect and manage pertinent guest data such as birthdays, t-shirt sizes, rental history and more" (Accesso, 2019)*

How:
- Collect visit information per membership accounts, including: date of visit, frequency of visits, event vs zoo attendance, etc.
- Utilize current data collected to further personalize email communications

Outcome:
- Increased personalization through email messaging
    - Utilization of guests' personal information in emails
        - First name in subject lines and body of email
        - Happy Birthday emails through iContact
        - Discount emails for children's birthday parties
    - Increased attention of current audience due to usage of personal information (*based on secondary research)

Track Guests and Monitor Use

What:
- *"Track pass holder upgrades, renewals and reprints. Keep track of how guests use your services with a centralized database that stores guest information such as invoices, rentals and more" (Accesso, 2019)*

How:
- Utilize reports containing visitation data from Siriusware by accesso to inform segmentation decisions within iContact
- Integrate iContact with a compatible survey software in each Thank You email
    - Collect survey information on exhibit and event attendance/preferences

Outcome:
- Segmentation based on frequency
- Targeted "Thank You" Emails based on recent visits
    - Focus on post-core or post-visit encounters after the service
- Increase in personally relevant emails based on previous attendance and favorite exhibits

Membership Benefits and Discounts

What:
- *"Manage members-only promotions easily, including loyalty/frequency programs and multi-use cards. Make it quick and easy to offer special promotions and perks to your most loyal guests" (Accesso, 2019)*

How:
- Potentially create additional rewards to members for visiting the zoo frequently
    - Examples of rewards:
        - Monetary: additional discount in the gift shop, an additional guest on a visit of their choosing, discount on a party at the zoo
        - Non-monetary: identifying members at the zoo who visit a great amount and providing a label or "status"; for example: nickname or badge for achievements (ex: visited the zoo every month ➜ "Loyal Lion" Status)

Outcome:
- Further incentivize membership use through frequency rewards
- Strengthen financial relationship bonds with members

Overview: Expanded Usage of Current Software

Manage Guest Data

Collection of visit data and utilization of personal information:

Outcomes:
- Increased attention of current audience due to usage of personal information*

Track Guests and Monitor Use

Utilization of visitation data and survey responses to segment and personalize emails::

Outcomes:
- Increase in personally relevant emails*

- Focus on post-core encounters*

- Strengthened social bonds

Membership Benefits and Discounts

Create additional membership benefit through a loyalty incentive based on frequency:

Outcomes:
- Increase in visits by members

- Strengthening of financial bonds

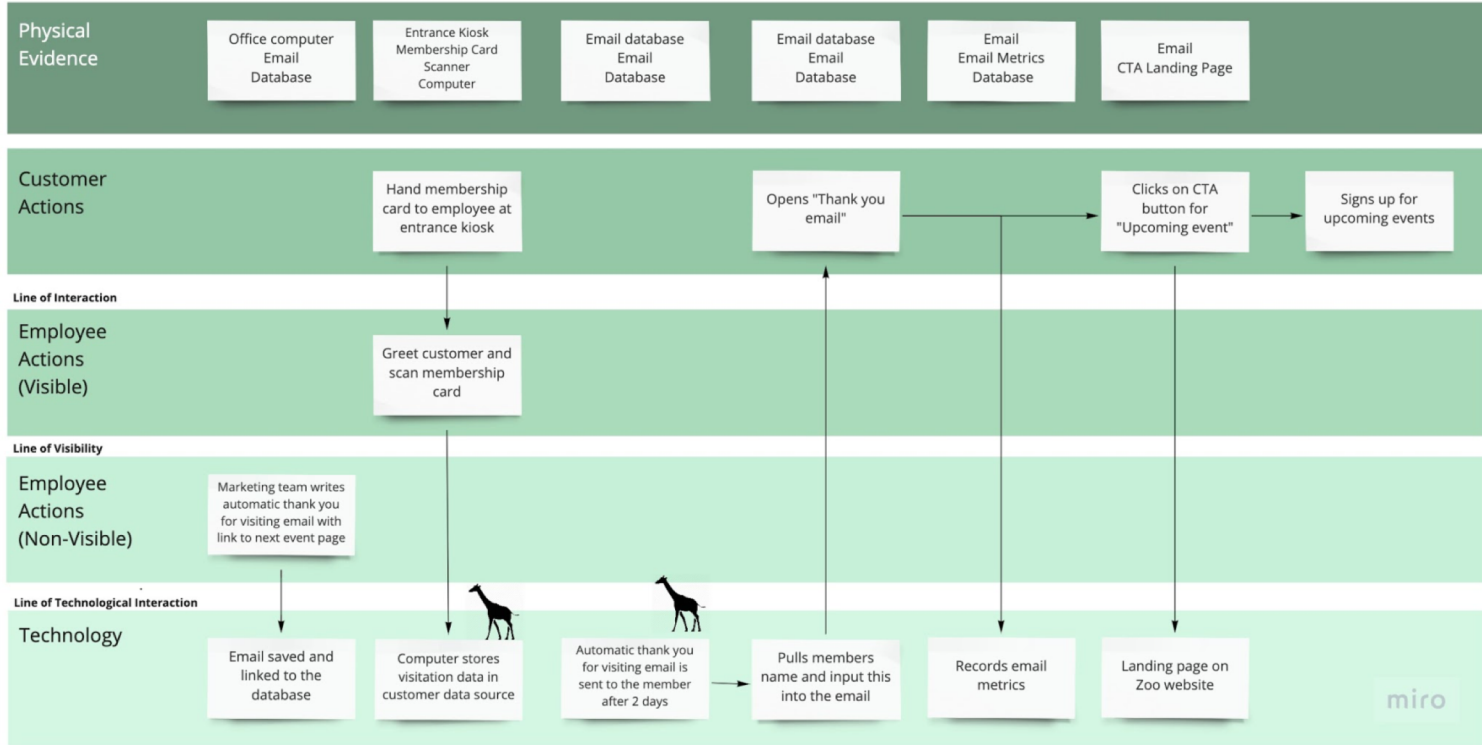*Mentioned in or based on secondary research.

Service Marketing Concepts

Effect of Personalization on Service Quality Dimensions:
- Empathy through caring and individualized attention
- Positive affect customer perceptions and emotions ➜ customer satisfaction and loyalty

Focus on Relationship Drivers
- *Social Bonds*
    - Personal relationships
        - Birthday messages and offers on child's birthday party
- *Financial Bonds*
    - Volume and frequency rewards
        - Additional Member Benefits or Status
- *Customization Bonds*
    - Customer Intimacy
        - Personalized email content based on recent visits

- Bonds will lead to development of a customer relationship and loyalty, resulting in customer and firm benefits:
    - Customer Benefits: confidence and trust, familiarity and personal relationships, and special deals
    - Firm Benefits: increased customer loyalty, increased retention, and word-of-mouth endorsements

New Service Blueprint

Physical Evidence	Office computer Email Database	Entrance Kiosk Membership Card Scanner Computer	Email database Email Database	Email database Email Database	Email Email Metrics Database	Email CTA Landing Page

Customer Actions

- Hand membership card to employee at entrance kiosk
- Opens "Thank you email"
- Clicks on CTA button for "Upcoming event"
- Signs up for upcoming events

Line of Interaction

Employee Actions (Visible)

- Greet customer and scan membership card

Line of Visibility

Employee Actions (Non-Visible)

- Marketing team writes automatic thank you for visiting email with link to next event page

Line of Technological Interaction

Technology

- Email saved and linked to the database
- Computer stores visitation data in customer data source
- Automatic thank you for visiting email is sent to the member after 2 days
- Pulls members name and input this into the email
- Records email metrics
- Landing page on Zoo website

miro

Secondary Research - Service Encounter vs. Service Experience

- Service Encounter

    - Any interaction between the customer and the service provider

    - "Moments of truth" are "critical encounters between customers and firms that significantly impact customers' impressions of the firm and consumption (Beaujean, Davidson, & Madge, 2006; Bitner & Wang, 2014; Löfgren, 2005)."

Source: Voorhees, Fombelle, Gregoire, Bone, Gustafsson, Sousa, and Walkowiak, (2017)

Secondary Research - Service Encounter vs. Service Experience

- Service Experience

  - "The period during which all service encounters relevant to a core service offering may occur (Voorhees, Fombelle, Gregoire, Bone, Gustafsson, Sousa, and Walkowiak, 2017)"

  - Includes pre-core, core, and post-core encounters

  - While interactions can be discrete and separate, there is a cumulative sense of impressions, satisfactions, and expectations from a provider

Source: Voorhees, Fombelle, Gregoire, Bone, Gustafsson, Sousa, and Walkowiak, (2017)

Secondary Research - Questions We are Aiming to Answer

- Temporal Interdependencies

  - How can relevant customer information be captured and shared across encounters?

  - How can firms manage expectations, satisfaction, and emotions across encounters?

- Post-core service encounter (Proactive Firm Activities)

  - How do firms conceptualize and measure customer engagement?

  - Once established, what are the key drivers of post-encounter engagement?

Source: Voorhees, Fombelle, Gregoire, Bone, Gustafsson, Sousa, and Walkowiak, (2017)

Secondary Research - Personalized Email Marketing

Personalization can have a meaningful impact on the effectiveness and engagement of an email.

1. People have been shown to automatically orient their attention to their own name (Wolford and Morrison (1980); Cherry (1953))

1. Self-relevance is a well-established means of increasing message elaboration (Petty et al. (1983); Wheeler et al. (2005))

1. People might be more persuaded by messages matching aspects of their identity (Perloff and Brock (1980); Reed (2004); Nuttin (1985))

Source: Chintagunta, Sahni, and Wheeler (2016)

Secondary Research - Personalized Email Marketing

Chintagunta, Sahni, and Wheeler, researchers from Stanford University and the University of Chicago ran an experiment on the effects of adding personalized content to emails.

These were their findings:

"In our data we find that including the name of the recipient in the subject line of the email increases the probability of the recipient opening the email by 20%. This translates into a downstream increase of 31% in sales leads, and a decrease in the number of recipients unsubscribing from the email campaign by 17%."

Source: Chintagunta, Sahni, and Wheeler (2016)

Conclusion

- **Goal:**
  - Increase customer perceptions of membership value to further create relationships, decreasing customer likelihood of opting-out.

- **Primary Opportunities:**
  - Improving relationship with customer via digital communication

- **Possible Solutions:**

  - **Manage Guest Data**

  - **Track Guests and Monitor Use**

  - **Membership Benefits and Discounts**

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Questions?

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Appendix

Appendix A: Additional GAPS Model

Appendix B: Market Segment and Competition: Target and Position

Appendix C: Market Segment and Competition: Justification

Appendix D: The 7 P's

Appendix E: iContact Features

Appendix F: iContact PRO Features

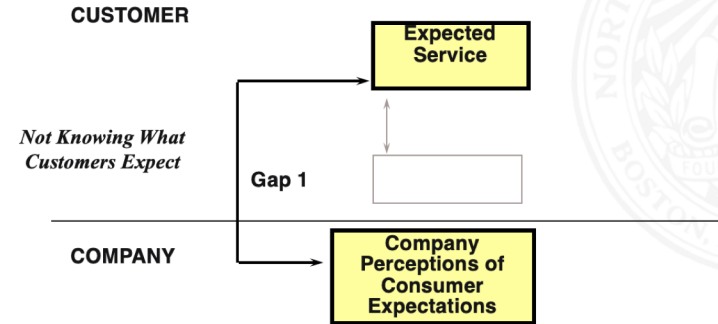Appendix G: Recommendation: Integration of Software Platforms

Appendix H: Assumptions

Additional GAPS Model

Provider Gap 1: The Listening Gap

- Relationship Focus
  - Understand its current market segmentation
  - Focus on keeping the current members satisfied with the service that is currently being offered

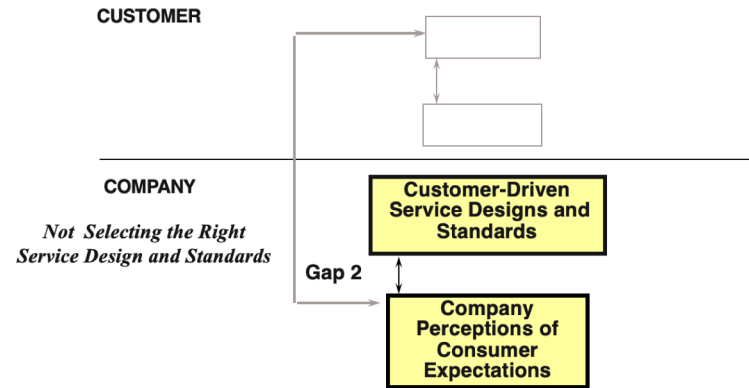**Provider Gap 1: The Listening Gap**

Additional GAPS Model

Provider Gap 2: The Service Design & Standards Gap

- **Weakness**: Inappropriate physical evidence and servicescape ➜ failure to develop tangibles in line with customer expectations, inadequate maintenance of the servicescape

Provider Gap 2:
The Service Design & Standards Gap

CUSTOMER

COMPANY

Not Selecting the Right Service Design and Standards

Gap 2

Customer-Driven Service Designs and Standards
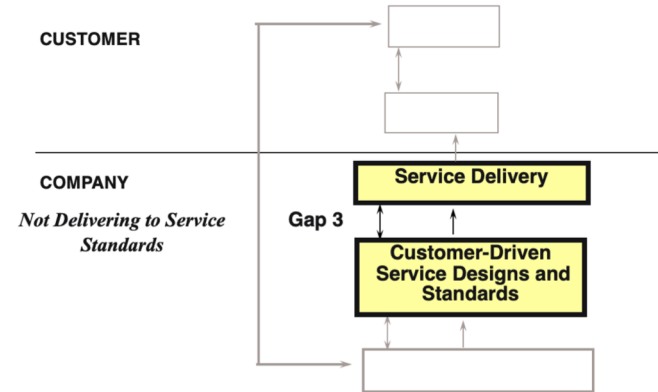
Company Perceptions of Consumer Expectations

Additional GAPS Model

Provider Gap 3: The Service Performance Gap

- **Weakness**: Deficiencies in human resource policies (poor employee-technology job fit)
  ➜ The current software are not being utilized to its maximum capabilities by the employees

Provider Gap 3:
The Service Performance Gap

CUSTOMER

COMPANY

Not Delivering to Service Standards

Gap 3

Service Delivery

Customer-Driven Service Designs and Standards

Market Segment and Competition: Target and Position

Market Segment:
- Families in the greater Boston area with young children

Positioning Compared to Competition:
- Stand out by being priced lower than competitors

Competitors:
- Museum of Science
- New England Aquarium
- Other activities at Franklin Park Zoo

Source: Franklin Park Zoo, 2019

Market Segment and Competition: Justification

Value:

The Franklin Park Zoo offers various benefits, including:

- Free Admission for one year
- Free or reduced admission to 140+ other zoos nationwide
- 10% off food and gift shop purchases
- 10% off birthday parties, corporate outings and event rentals
- Discounts on education programs
- Discounts to ZooLights
- Invitations to members-only events and exhibit previews
- Express entry on the busiest days
- Free subscription to the members' e-newsletter

Ability to Serve Needs

Compared to the Museum of Science and New England Aquarium, the Zoo New England Membership offers benefits that supercede the previously mentioned competitors, including:

- Flexible admissions based on number and type guests ➔ more geared towards children being the guest of an adult
- Priced Lower
- Competitive Benefits

Source: New England Aquarium, 2019 and Museum of Science, 2019

The 7 P's

Product:

- Zoo New England Membership
  - Free admission to Franklin Park Zoo and Stone Zoo for one full year
  - Free or reduced admission to 140+ other zoos nationwide
  - 10% off all Zoo New England food and gift shop purchases
  - Ten percent off birthday parties, corporate outings and event rentals at both Zoos
  - Discounts on education programs (offering hands-on activities and close-up animal encounters), overnights, and adult classes at both Zoos
  - Discounts to ZooLights, Stone Zoo's annual holiday light festival
  - Invitations to members-only events and exhibit previews
  - Express entry on our busiest days
  - Free subscription to members' e-newsletter, Wild Words & Adventures

The 7 P's

Price:

Individual	$85	**Friend**	$175
Dual	$100	**Curator**	$250
Family	$125	**Director**	$500
Family Plus	$150	**Founder**	$1,000

The 7 P's

Promotion:
- Aiming to use direct email communication and guest data management to create a stronger relationship between the zoo and its customers.
- Specifically, using direct email communication to improve customer relationship management and improve membership retention.
- Increase customer perceptions of membership value to further create relationships, decreasing customer likelihood of opting-out.

Place:
- Membership offers benefits and admission to both the Franklin Park Zoo, located in Boston, MA, and the Stone Zoo, located in Stoneham, MA.

People:
- Roisin, manager of memberships
  - Strategizes membership, renewals, and benefits
- Marketing Coordinator
  - Creates marketing strategy for zoo membership, events, and important news
- IT department
  - Decides and implements software for various departments and roles to use from frontline employees to departments such as Marketing and Membership

The 7 P's

Physical Evidence:
- Email Template
  - Graphics and Design
  - Visuals have an effect on the appeal of the email and the level of engagement with customers

Process of Service Production:
- Areas where we want to improve service production
  - Manage Guest Data
    - Collection of visit data and utilization of personal information:
    - Outcomes:
      - Increased attention of current audience due to the usage of personal information
  - Track Guests and Monitor Use
    - Utilization of visitation data and survey responses to segment and personalize emails::
    - Outcomes:
      - Increase in personally relevant emails*
      - Focus on post-core encounters*
      - Strengthened social bonds
  - Membership Benefits and Discounts
    - Create additional membership benefit through a loyalty incentive based on frequency:
    - Outcomes:
      - Increase in visits by members
      - Strengthening of financial bonds

iContact PRO: Features

All-inclusive Reporting

A dashboard customized to your liking will aggregate your data in a centralized, easy-to-use environment.

Landing Pages

Make buying your product, signing up for your newsletter, or growing your audience an intuitive and painless process by creating stunning landing pages in minutes.

Smart Sending

Never Google, "When's the best time to send an email?" again. Instead, let iContact determine the best time based on each subscriber's engagement patterns.

Date Specific Series

Automate a recurring series like a birthday greeting or celebratory message for customer milestones. If it's a one-off event you're going for, such as a webinar or conference, simply create a one-time automation.

Non-Opener Segmentation

Losing a subscriber just got a lot harder. Identify your inactive subscribers as soon as they become static and set up re-engagement campaigns to win them back.

Audience Segmentation

Different messages resonate with different audiences, so targeting distinct subscribers (subscriber-specific behaviors like interacting with your emails or landing pages) instead of merely selecting a one-size-fits-all master list translates to more quality engagement.

Recommendation: Integration of Software Platforms

In the future, the Zoo could explore the possibility of integrating a Customer Relationship Marketing software:

- Connect Siriusware by accesso to Salesforce to increase automation (Acceso, 2019)
- Connect Salesforce to iContact to sync contacts (iContact, 2019)
- Salesforce is mentioned to be compatible with both platforms, however there are other options that could be explored

"Nonprofit organizations often have the same need for customer-focused solutions as conventional businesses, without the influx of capital necessary to adopt a superior CRM solution… nonprofit organizations have an advantage…they are sometimes eligible for extended trials and reduced-cost CRM options. For example, Salesforce, the leader in online CRM, provides its full CRM package to authorized nonprofit organizations at a fraction of its standard pricing model" (Salesforce, 2019)

Assumptions

- Current functionalities within iContact include Admissions and Ticketing as well as Memberships and Passes

- Capability to customize dashboards within Siriusware by accesso to include visitation data

- These capabilities may not be available now, however we are assuming that eventually they will be