

QANTAS TURBULANCE – “MOMENTS OF TRUTH”

It seems that QANTAS didn't learn.

In October 1989 Jan Carlzon, Chief Executive of Scandinavian Airlines (SAS), published a book on his experiences in dramatically turning around the fortunes and performance of a struggling airline. It became an international best seller. The 188-page text detailed how four key customer-airline touchpoints made it the most successful, profitable and revered operator in the world.

Customer service, trust, consistency, continuity and delivering the promise were the foundations of a genuine customer-first culture. Price competitiveness, discounting, advertising, sponsorships and promotions were secondary issues.

SERVICE REVOLUTION

Customer Service has broadened and deepened in the past 34 years.

Consumer expectations have increased. Their ability and inclination to express and demand such have developed appreciably.

In 1989 the key touchpoints were:

- At airport book-in and
- A friendly, personal and punctual welcome processing of seating allocation and baggage.
- On-board greeting and
- A smiling salutation, direction to seating and on-time departure.
- In-flight service
- Meals, drinks and attention.
- On-time arrival
- On-schedule landing, with prompt access to baggage, every time.

The consequences were customer satisfaction, repeat and referral business, unqualified loyalty and brand advocacy.

REALITY CHECK

For 2023, the customer experience begins before actual contact with the airline. Fundamental is:

MANAGING CUSTOMERS EXPECTATIONS

The brand damage inflicted on QANTAS in recent times begins with delayed, fractured access when consumers endeavour to make a booking. Limited opportunities to speak to, interact with and be serviced by a local QANTAS service employee creates

widespread anxiety, annoyances and frustration. Restricted availability of loyalty points tickets compounded low expectations and experiences.

Common complaints by consumers include:

- Variable, and changes to flight schedules - Cancellations cause inconvenience.
- Long, time-consuming terminal queues - Timeliness is a measure of value.
- Automated personal and baggage book-in processes - Impersonal processes do not foster positive relationships
- Crowded departure and frequent flyer lounges - Commoditisation personified.

High instances of flight cancellations, delayed departures, arrivals and lost baggage exacerbate widely held low expectations of service.

RECOVERY TAKE OFF

Redressing the direct and indirect reputational, demand and preference consequences of recent times will not be achieved in the short-term. Changes in corporate cultures typically take three, five, seven or ten years.

Publicity relating to selective preferred access to the Chairman's Lounge, million-dollar bonuses for executives and retention of funds from the Federal government COVID19 initiatives will require immediate, conspicuous attention.

Consideration for, and the use of competitive domestic and international competitors will – and doubtlessly has – occurred.

BUSINESS – ARE YOU LISTENING?

The current QANTAS scenario is a case study for all Australian businesses. No entity, public or private, is immune.

Customer Service is a term being repeatedly used in the two chambers of Federal Parliament.

The projected recession, or recession-like headwinds will create turbulence.

In 1989, Jan Carlzon and Scandinavian Airlines (SAS) were overcoming the 19 October 1987 share market crash.

At present the Australian economy and commerce at large are recovering from the lockdown of the COVID19 pandemic.

The key focus and the road to recovery is founded on:

CUSTOMER SERVICE

NOTE: Barry Urquhart is author of the two largest selling books on service excellence in Australasia:

“Serves You Right”

“Service Please”

He is an internationally respected conference keynote speaker on the subject.

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