



CLIENT LIFECYCLE
MANAGEMENT: SPECIFIC
FEATURES
(A CASE STUDY OF WESTERN
UNION COMPANY)

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The aim: to provide recommendations concerning tools and schemes that could help company increase quality of the client lifecycle management.

Main tasks:

- To consider theoretical aspects of customer lifecycle
- To conduct an analysis of the customer portfolio and distinguish their main traits that might help to build up an effective client lifecycle management
- To propose tools that will help to build up customer loyalty
- To conduct an interview with the company's representative
- To provide general client lifecycle management scheme

The subject of the provided work is customer lifecycle management.

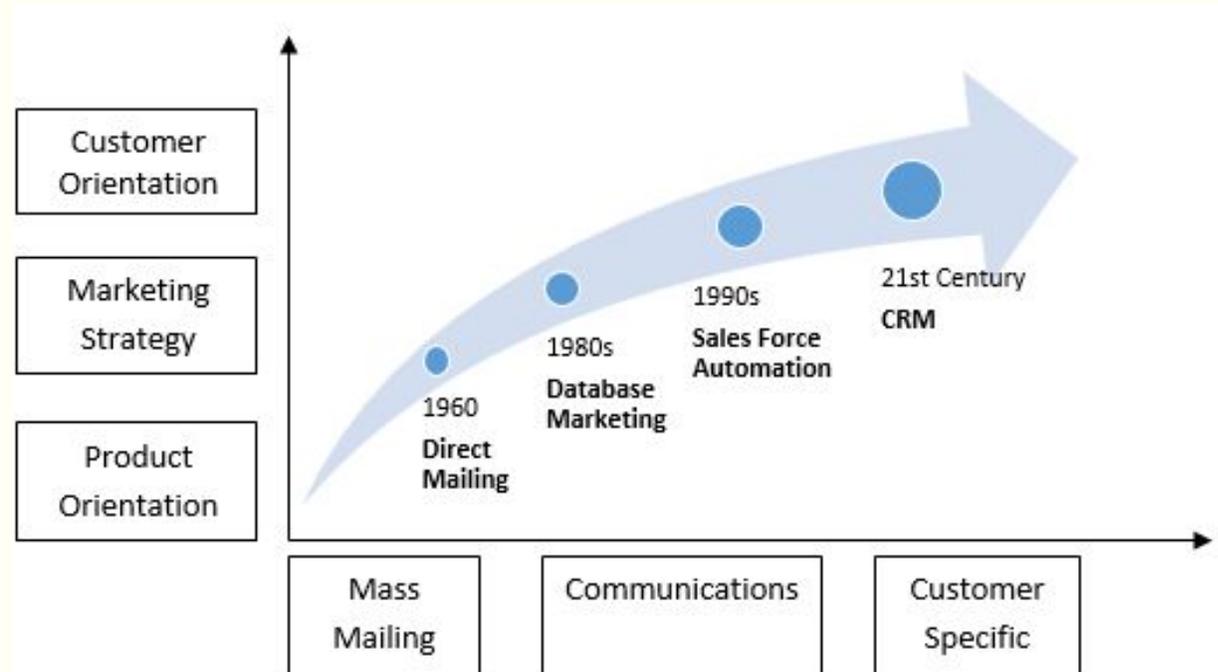
The object of the work is money transfer company Western Union.

Content

- Customer-centric approach
- Case company and Industry
- Recommendations

Customer-Centric Approach

Customer Relationship Management (CRM)



Customer-Centric Approach

Customer Service

- Customers have a problem that needs to be solved
- Customers are more attracted to places where they feel somehow 'special'

Customer Satisfaction

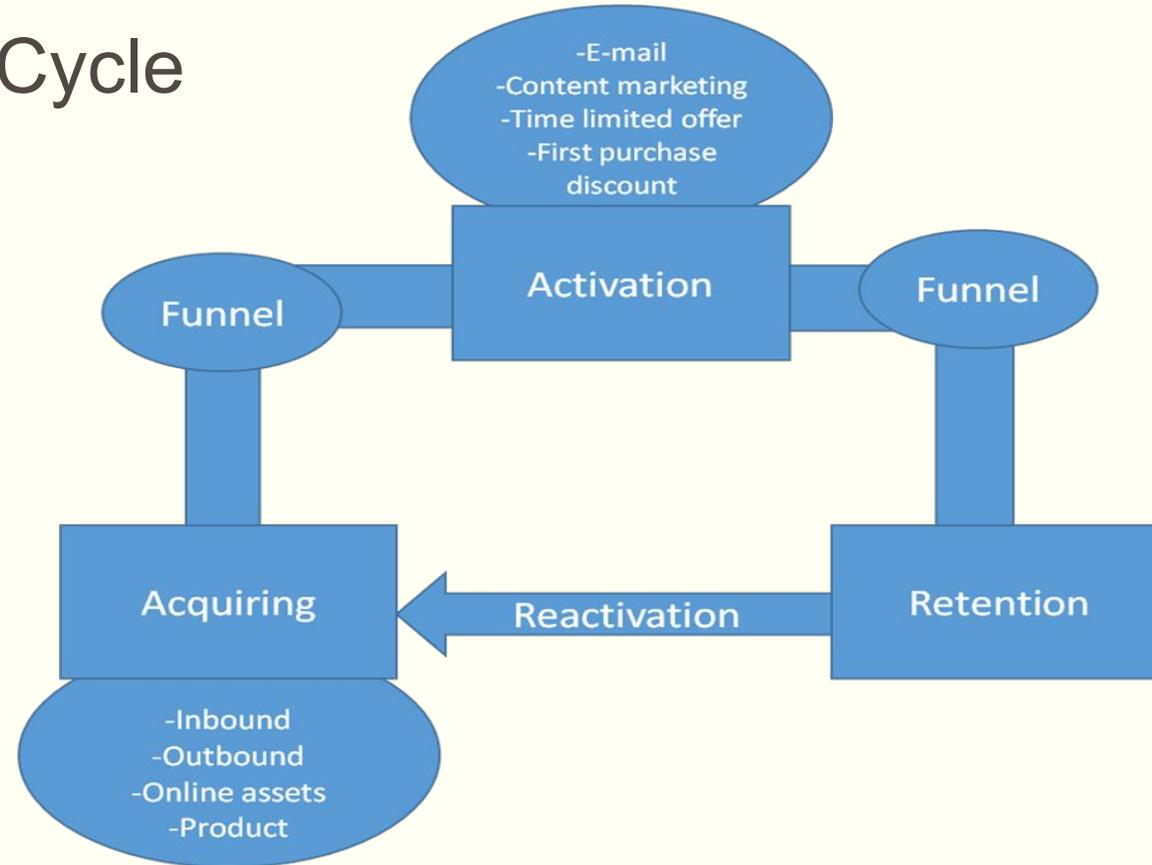
Meeting expectations  Satisfaction

- Listening to customers
- Fair and honest treatment
- Involvement with the company

(Roberts-Phelps, 2001)

Customer-Centric Approach

Client Life Cycle



Customer-Centric Approach

Customer Portfolio and Development

- Demographic
- Geography
- Psychographic
- Shopping behavior



- Profitable customers;
- Break-even point customers;
- Unprofitable customers

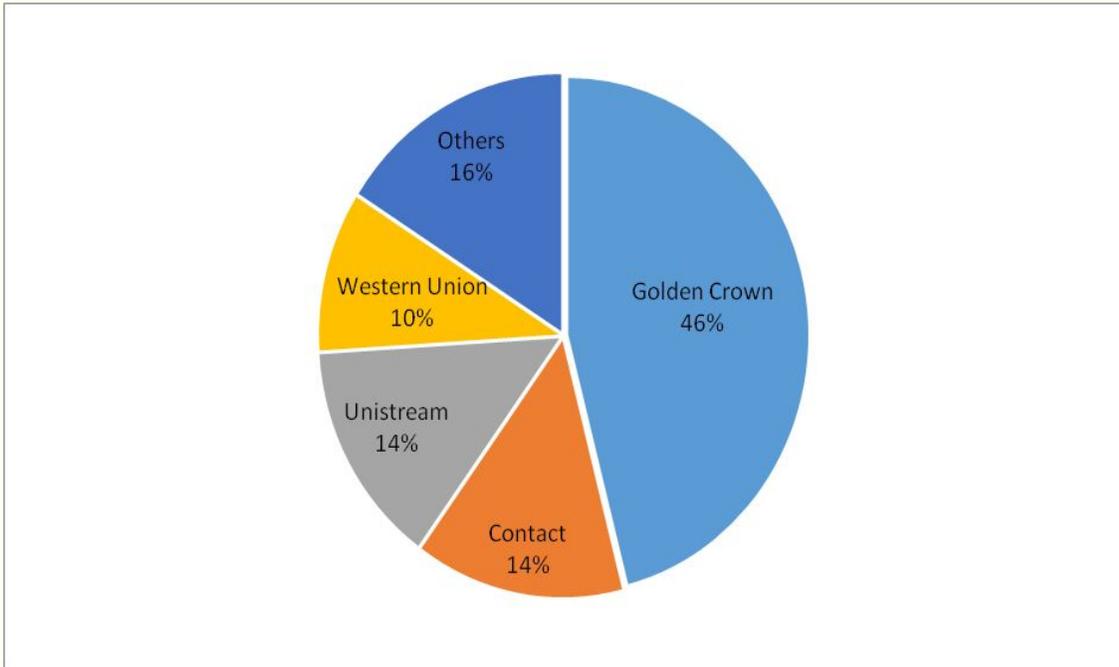
Loyalty programs

- Bonus programs
- Multilevel loyalty programs
- Paid loyalty program
- Loyalty programs with intangible benefits
- Affiliate loyalty programs



(J. Novo, 2001)

Case company and Industry



(Sedikh, 2016)

Customer segments:

- C2C
- C2B
- Business Services

Value Proposition:

- International network
- Safety and Security
- Accessibility and flexibility
- Brand recognition

Channels:

- Web-sites
- Apps
- Agents' Network

Customer relationship:

- Self-service
- Customer Support (FAQ)
- Social Networks

	Comission Fee, %	Time	Network Geography
Western Union	Minimum: 1% Maximum: 3%	Few minutes	200 countries
Golden Crown	Within the Russian Federation - 1% Foreign currency transfer - 0% To Azerbaijan, Ukraine, Armenia - from 0.5% To other countries - from 1.5%	Few seconds	200 countries
UniStream	Within the Russian Federation - from - 1% To the CIS countries - from 1%	10-15 minutes	95 countries
Contact	Within Russian Federation - 1.5% To the Near Abroad countries foreign countries - 2% To far abroad - 3% For large amounts less than	From 15 minutes	84 countries

Case company and Industry

WU client portfolio

Mainstream

- higher financial literacy
- higher income
- actively use bank cards
- active Internet users
- send money irregularly
- prefer to use online money transfer services

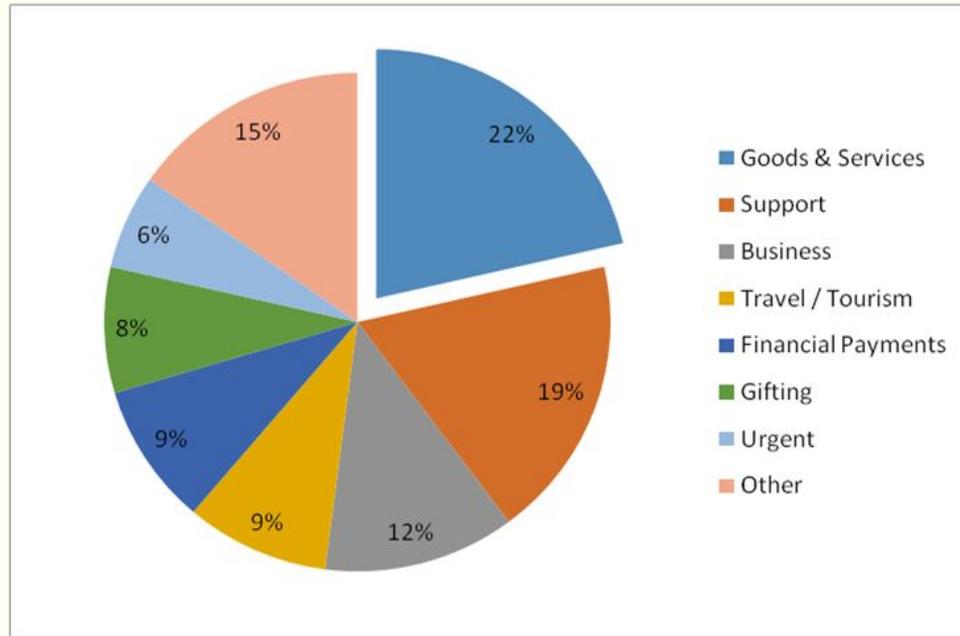
Migrants

- low financial literacy
- low income
- restrictions in the use of financial products (bank cards / Internet banks)
- low digitalization (insecure Internet users)
- in Russia are solely for the purpose of making money, to send money home
- regularly send money (as a rule, most of the earnings)
- they prefer to send money in the salons of cellular communication

Case company and Industry

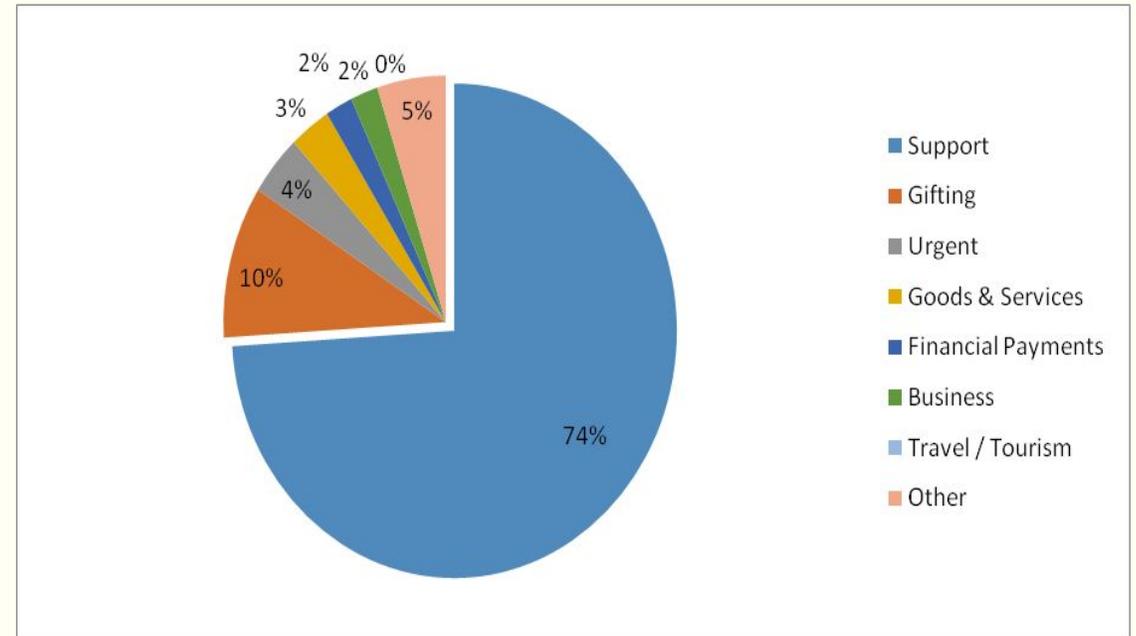
WU client portfolio

Mainstream



Transfer Frequency: 11,5% send once a month

Migrants



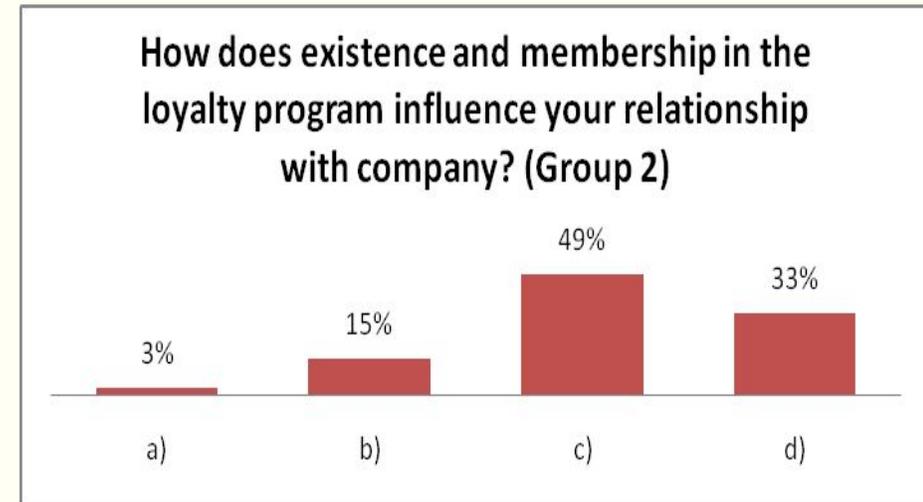
Transfer Frequency: 14,75% send once a month

Case company and Industry

WU client life cycle

Acquiring	Activation	Retention			
<ul style="list-style-type: none">• Search engines (organic search, contextual advertising)• Referrals / Native advertising / Content marketing• Banner advertising/ retargeting• Social Media• Online videos (OLV)• Out of Home (OOH)• Special projects	<ul style="list-style-type: none">• BTL activities• Promotional codes (e-mail, SMS)	<ul style="list-style-type: none">• My WU loyalty program <table border="1" data-bbox="1717 679 2206 986"><tr><td>1000 WU points = 10% discount</td></tr><tr><td>2000 WU points = 25% discount</td></tr><tr><td>4000 WU points = 50% discount</td></tr></table>	1000 WU points = 10% discount	2000 WU points = 25% discount	4000 WU points = 50% discount
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Case company and Industry



Answers:

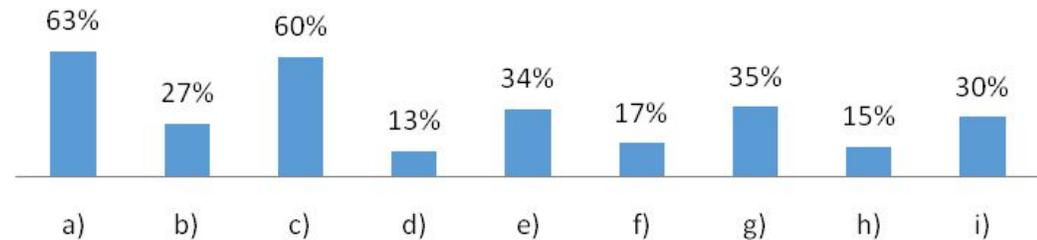
- a) This is the main factor that influenced my long-term relationship with company
- b) This factor has significant influence on my relationships with company
- c) This factor does not have significant influence on my relationship with company, but I perceive it as beneficial
- d) This factor has absolutely no influence on my relationship with company

Case company and Industry

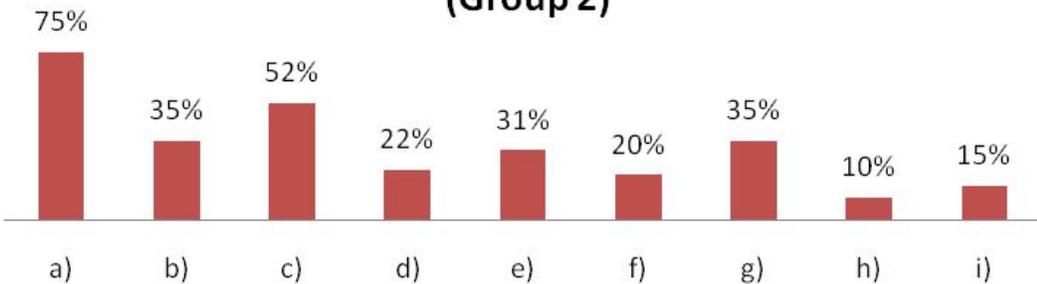
Answers:

- a) Points/ rewards for purchases, regardless of how they were committed - in the store, on the site or on a mobile device;
- b) Flexibility of rewards or the ability to choose from several types of remuneration;
- c) Personal discounts or promotions based on history of customer's purchases;
- d) Personal recommendations for choosing products or services;
- e) The possibility of obtaining bonuses for certain actions;
- f) Points/ rewards for attracting new customers;
- g) Structured programs with exclusive rewards, available only to consumers of a certain level / status in the program;
- h) Points / rewards for posting about product on social networks;
- i) Own mobile app store with loyalty program

**Which of the following features and conditions of loyalty programs you find most appealing?
(Group 1)**



**Which of the following features and conditions of loyalty programs you find most appealing?
(Group 2)**



Recommendations

1. Conduct deeper segmentation of customer portfolio
2. Diversify quantity of tools used on Activation and Retention stages

