AVETRA Conference 2016
The New Breed of Customers in Industry and Consumer Engagement

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Introduction

1. The customer of today & expectations
2. The customer first world & drivers
3. The research we conducted
4. Three factors; the customer journey, archetype and educational delivery models
5. Customer strategies, and experience analytics.
6. How can you respond to?
The customers of today

**OUR STORIES**

Baby Boomers, Generation X Y Z, Millennials, Alpha
Coming soon **Gen Materialistic!**

**Gen considerations**

The customer first world

- Googlism, Instagram, Facebook,
- Online reviews and opinions, sharing experiences
- Power of networking (LinkedIn)
- People aspire through the experiences of others
- People are willing to pay for value and the experience
- Industry seeking integrated ROI

A person TODAY is 100% connected to:
- Social aspects
- Work tasks
- Games
- Reviews
- News

Customers now have more power to:
- Use their voice across multiple channels

Organisations be mindful of:
- A customers experience (good or bad)
- The power that customers have
Customer educational drivers

**Educational Customer Drivers**
- Employment outcome
- Pathway
- Influencer (Parent)
- Convenience
- Flexibility
- Personal growth
- A good experience

**Educational Business drivers**
- Skills and knowledge deficits
- Strong return on investment
- Compliance changes
- The rising need for skill sets
- Structure changes
- Boost productivity & profitability
- Increase staffing needs
The Research Project

References;
Primary
Brand strategy (LeGrice Research, 2012)
TAFE NSW Brand (Project Zebra, 2005)
Northern Sydney Institute Industry Training Profile (NSI ITP 2013)
Northern Sydney Region and outer LGA research (LeGrice, 2012)
Northern Sydney Region demographics (ABS, 2012)
Current customer analytics (NPS, 2016)
Northern Sydney Institute Employer survey (2012)

Secondary
Carl Jung Archetypes
Multi-generational learning in the workplace 2009 (Saba Research)
Generation Y as Hospitality Industry Employees 2012 (University of Queensland)
Bridging the Generation Gap 2006 (Gravett & Throckmorton)
Childcare and Mature Age Statistics (ABS, 2012)
Mccrindle Generation map 2011
Background

Why?
• New funding landscape
• Customer service vs. experience
• Increased competitiveness
• Developing a unique selling proposition CX
• Customer behavioural changes

Research objectives
• Brand perception
• Educational relevance
• Competitor Analysis
• Educational drivers and decision making factors (Both self and offspring)
• Education purchasing decisions
• Future educational needs
• Learning type and delivery mode importance
Qualitative Research
• Focus groups – over 350 subjects
• Age demographics 17-65+, geography, employment status, educational backgrounds
• 4 x age bands, and 3 x socio-economic categories (white collar, grey collar, blue collar)
• Business Owners, Parents, Studying at school, Currently working or seeking work

Quantitative Research
• Northern Sydney Region environmental scans (Industry & employment outlook)
• TAFE NSW customer survey
• Industry customer information
• Student customer analytics
Results

Qualitative Results
• Trade brand perception
• Our brand still very relevant (Quality)
• Competitor view University 1<sup>st</sup> & TAFE 2<sup>nd</sup>
• Drivers were based on career objectives
• Purchasing decisions were based on parental, peer influence and reputation
• Future needs – flexibility and experience
• Delivery modes 1. workplace learning, 2. Classroom, 3. Online

Quantitative Results
• Up to 40% of our total enrolments in 2012 were from outside of our catchment area - the majority came from Baulkham Hills Shire, Central Coast, Parramatta and Canada Bay.
• 14% of enrolments in 2012 stated they were unemployed and not seeking employment, (possibly wanting to study for lifestyle, hobby reasons).
• 63% of student customers were employed at least part time
• 45% of Industry programs (B2B) were non accredited
1. New brand
2. The voice of the customer
3. New segment atlas and delivering what customers want
4. Customer journey creation
5. Customer touch point mapping
6. Content Ideation - customer profiling
7. Establishing tools to measure customer experience
Voice of the Customer (VoC)

Customer Segments
Who are they? How do they learn?

Customer Drivers
What do our customers want? What do our customers need?

Brand Identity
Connecting Customer Segmentation to Brand Experience.

A customer driven (First) model
Who are our customers? What do they need?

**Career Starter**
- Career coaching and employment outcomes
- Pathways and industry engagement
- Campus life
- Reputation and prestige
- Digital engagement

**Career Upgrader**
- Recognition of prior learning
- Online or face-to-face delivery
- Flexible study options
- Self-paced and engaging
- Reputation and prestige

**Career Professional**
- Technical or practical skills
- Short, sharp and targeted
- Flexible and convenient delivery
- High quality and professional
- Opportunity to network

**Career Reigniter**
- Reassurance and support
- Campus life
- Flexible and engaging
- Classroom style teaching
- Relevant and recognised with industry
Connecting with what our customers want and expect

**Career Starter**

“We provide you with options to get into university, a trade or qualifications in other specialised industry areas. We don’t just teach you, we encourage you in a social, supportive and fun learning environment.”

**Career Professional**

“We provide short, sharp and targeted programs that are high quality, technical or practical, and connect you with professional networks.”

**Career Upgrader**

“We provide reputable, flexible and engaging study options that recognise your career experience and work with your busy lifestyle.”

**Career Reigniter**

“We provide qualifications that are highly relevant and recognised by industry. We provide you with a supportive, engaging and flexible environment to help you achieve your goals.”

Unlock your potential. **It starts here.**
Using Brand Archetypes

Content creation and messaging

The 12 main brand archetypes

- The Magician
- The Creator
- The Innocent
- The Explorer
- The Sage
- The Lover
- The Ruler
- The Hero
- The Caregiver
- The Maverick
- The Jester
- The Regular Guy/Girl

Industry connections. It's who we know.

itstarts here.com.au

Unlock your potential. It starts here.
Customer Journey & Touch Points

We can only influence this interaction – no direct control

We control this interaction. Size depicts the likely impact
Measuring Customer Experience

To measure our performance across our customer lifecycle we include:

- Net Promoter Score
- Pulse Check
- Mystery Shopping
- Customer effort scoring
NPS

The best way to measure just how happy our customers are.

It is a number tracked over time, representing good customer experiences minus bad experiences.
4 good reasons why you should consider investing in CX:

**SALES**
The most obvious benefit from high customer experience scores is increased customer purchase activity. This could manifest in greater repeat sales of the same product or increased sales penetration into other product lines.

**ATTRITION RATES**
High customer experience scores can also reduce customer churn, and thereby retain customer value. This means that customers are coming back to the institute again and again, rather than defecting to a competitor.

**COST TO SERVE**
In addition, high customer experience scores often correlate with lower customer channel contacts. By getting the experience right initially, customers are less likely to require assistance in the future. This reduces the cost to serve each customer, which in turn increases customer value.

**CUSTOMER REFERRALS**
High customer experience scores can boost customer value through customer acquisition. It has been shown that customer recommendations (as, say, embodied in NFS) have a significant influence on the acquisition of new customers.
Customer importance and data showed:
1. Teacher experience and relationship
2. Industry alignment
3. Course met expectations

Organisational trends showed:
1. Decreased complaints
2. Improved organisational advocates
3. Improved % customer response rate
4. Improved educational models
5. Increase Industry reputation
6. Increase cultural change
How you can respond?

1. Use customer analytics
2. Unpack your customers’ journey
3. Build your product around your customer
4. Adopt the approach in all market opportunities
5. Capture customer experiences (story telling)
6. Develop customer experience tools
7. Build the value proposition around the customer’s experience
8. Be prepared to build and earn reputation
10 reasons VET providers need to invest

**Educational Provider Wins**
1. Increase better educational outcomes
2. Decrease in marketing spend – customer advocacy
3. You can capture human story telling - content is KING
4. You reduce cost to serve
5. You build product improvements (No More guess work)
6. You potentially develop customer advocates networks
7. You increase brand and reputation
8. The model is transferrable to any market and or product
9. What you say is what a customer receives

Who ultimately Wins?
The question is
where is the customer in your
decision making?

The CUSTOMER! they;
1. Receive an experience that was pre thought, researched, measured and tested
2. Connect to the services (experience) marketed by the RTO
3. Have a voice within the organisation as a customer
4. They receive the best education (Paying for value)
Questions?