

# American express case study

Business



American Express is an American financial-service, which has been known as the paramount of brands among high-end customers.

They have continued to build its brand in a steady and consistent manner which is a strength that the service has. It is known to be one of the few truly differentiated brands within the financial category. American express creates a balance where the brand becomes accessible, although at the same time remains special through its variety and differentiation.

The main focus of the financial service is positioned behind earned success, accomplishment, making a difference, and the kind of people that do that. They began as a simple American Express card for business? one green card? which moved into a variation of cards, not only of card colors but also of functions and features for a variety of business needs.

However, because the brand holds such a high rank, American express faces many changes. Challenges from competitors, who are fighting even harder to defend the grounds that they claim as their own.

Competition is seemingly not the only issue, but the loss of retail outlets due to the high fees charged by the company. 2) How has American Express attempted to 'reposition' its brand image? Repositioning involves an attempt to change consumer perceptions of a brand, usually because the existing position that the brand holds has become less than it was before. There has been a change in trend standpoint and in terms of adding 'duality and relevance.

The advertising has attracted a new and younger group to the franchise as well as helping to promote more everyday usage; which is the main aim of American express.

It has attempted to rebuild toward a more modern appeal to the young mind set. It wants to expand its services to students and teens. Of course it seems logical; as American express is already a family service is wants to invade” and provide to everyone within the family. With the ability to do this, they are able to gain more loyal customers. For example, I am 20 I get my first American express card; the likelihood of me changing to another financial service would be Strong brands are able to hypnotize customers by the power of their brand.

Through gaining some sort of control over customers; it can be seen that branding is sort of restriction of free competition. This is precisely the motivation of brands marketing their product or service: locking consumers in and competitors out. ) Understanding new needs is the best of our sources. How has American Express leveraged on brand into customer segments and created value through different card and program offerings? The main benefit of American express is “ Ownership experience”.

They have created happier and loyal customers by the “ member since” date on their card. It seems that this is important to for the customers and is also a guide to let both parties know when is something is wrong.

American express provides a multiple number of categories of cards; charge cards, credit cards and partner cards. Each category has several

subcategories as well as different rules that underlie in the meaning of the card (e. G. Charge cards pay in full each month). Depending on the card, there are other services such as reward systems and exclusive privileges.

The higher your card, the higher the status and more exclusive privileges you are granted. The good thing about the service is that it provides to all individuals meaning working individuals as well as small and large businesses. Within the membership, the brand claims that it's "more than have an American express card". The service provides customers protection, when traveling and shopping. The membership also allows account management options, as well as, 24/7 service support for any problems such as identify theft.

With the variation of card it has put service near the top, meaning that customers are satisfied with the American express knows that you can either keep or lose a customer for life depending on what kind of service the cardholder gets. 4) Briefly research and identify trends that have revolutionized credit card marketing. How has the development influenced American Express? The credit card industry has expanded to allow transactions through both web and physical.

They have even expanded to Tams allowing uploads on prepaid phone cards, although it is not very satisfactory due to the fact that many individuals in the US use phone networks, such as AT&T. Credit cards have been becoming more and more popular in the world for the past two years. Everywhere people go, they tend to use credit cards more.

There have been reports of the sudden fugues increasing on consumer credit card usage. Due to this, there have been improvements in credit card consumer protection, which is intention for American express.

Although American express, partners with other companies in order to gain the benefit of the doubt. They have recently launched their " plum card".

American express has also created the " smart card" which is similar to the concept of proton in Europe; also the smart card is only applicable for blue card member and ONLY in the U. S.

5) Over 500 colleges and universities have banned credit cards from campuses. Is this Justifiable? The reason that colleges have banned credit cards from campuses is to because uncial services provide application letters on a daily basis.

They tend to tint TN information for all individuals living in a household and send applications for the ones who are and are not subscribed. College students will tend to spend more than they can afford, which is not a positive aspect for the campus stores due to the idea that they will receive their payments on a longer timeshare than usual. There Nas also an article from a University in Ohio who partnered with financial services.

Rhea did this in order for the students to be able to buy their necessities such as, school supplies.

Partnering with one or two financial services could be a positive hint for both campuses and credit card suppliers. The reason that it is a good thing for both is because; 1) Credit card services can get loyal customers and 2)

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Campuses will be 99% guaranteed that they will not be in financial problems later due to their agreements with the services. 6) Provide an update of American Express and its current marketing program. One of the things that American express has been trying to do over the past several years is to make the balance of advertising and promotions more seamless.

They have tried to do this from an organizational standpoint, which has helped. The financial service is also trying to do fewer (sports and entertainment) properties. In the past few Hears, the service has been scattered with a number of different things. " Execution is strategy' they are looking at fewer properties with a real emphasis on creating experiences for their card member. They want to reinforce the issue of what it means to be an American Express card member. Even with strong brands such as American express, too many activities for the service are meaningless, it requires really getting into them and trigger the best.