

# [Analysis and marketing plan for thomas cook](https://assignbuster.com/analysis-and-marketing-plan-for-thomas-cook/)

## Introduction to Thomas Cook

Since establishment, Thomas Cook has been a well-known name in the travel industry. The group’s strategy has been to enhance the mainstream of the business. Thomas Cook operates in six geographic segments in 21 countries with 22. 5 million customers. The customers are spoilt with choice of pre-designed travel packages or altering packages as per their requirement. Furthermore, the company also acts as an intermediary between the suppliers and the agents to provide the ability to design holidays/travel for their customers. The main focus of their business is the Customer and they believe in delivering more than what is expected from them. In order to live up to this objective the company engages in hiring expert personnel. (About us, Thomas Cook)

Thomas Cook, being a market leader in travel and tourism service industry, has been chosen for the discussion owing to the huge customer base it possesses. It is vital for the company to keep its customers satisfied for the purpose of customer retention and customer acquisition. With the increase in consumer spending power and rapid burgeoning of new travel agencies in the market, Thomas Cook faces fierce competition in the market. In order to encounter this successfully, it is imperative for the company to be cognizant of the level of satisfaction of its existing customers, the nature of their dissatisfaction (if any) and the areas of improvement.

## Research Approaches

There are a number of both qualitative and quantitative research approaches available which can be used to produce important new insights into travel behavior. Making effective use of one or more of these would increase Thomas Cook’s ability to understand and address problems faced by its customers. Conducting surveys is a widely adopted quantitative research approach. For qualitative approaches, observational data gathering, focus groups and depth interviews and experimentation can be employed. It is imperative to note here that the distinctions between quantitative and qualitative methods and the data derived from them possess an element of obscurity.

Having said this, the research approaches identified to be relevant for Thomas Cook are conducting Surveys (quantitative) and Focus Group and Depth Interviews (qualitative). Thomas Cook’s surveys should increasingly incorporate questions about qualitative factors that may influence a customer’s travel behavior – attitudes about the environment or orientation to leisure, for example. Data gathered using qualitative methods such as interviews and focus groups can also be quantified (although rarely are the samples large enough to yield statistically-significant results).

It is believed that conducting Surveys is a good option for Thomas Cook as it allows data collection from a large number of respondents relatively cheaply, quickly and efficiently. This is particularly important for a large company like Thomas Cook, owing to its huge customer base. Surveys are often used to understand travelers’ views and attitudes towards something and can also ask about behaviors and intentions, which are vital criteria in this case. Also, from a respondent’s (traveler) perspective, the questions and survey design is standardized and easy to answer. Furthermore, answers received post the survey can be easily quantified, administered and further analyzed, making the survey results uncomplicated to comprehend. These surveys would provide large sample sizes which would help in the generalizability of the results and would therefore offer more credibility. Another advantage of having these surveys is that advanced statistical procedures can be used on the gathered results which can facilitate the development of models of how ‘ things’ work.

Since there are a few shortcomings associated with the quantitative methods, it is also advisable to couple the qualitative approach of Focus Groups and Depth Interviews with surveys. This approach would prove beneficial as an exploratory procedure to understand the customers’ problems better since it holds no prior assumptions and is generally unstructured. It is also useful for understanding why and when a rich understanding of perceptions is required. The decision to undertake qualitative research is driven by the desire

“…to search out what people were seeking, hearing, and feeling; to look at them and listen to them in their own words…”(Poulenez-Donovan and Ulberg, 1994: 2).

Moreover, the approach of focus groups proves to be cheap and quick in terms of the response time from respondents. It is insightful and enables understanding the response, and therefore the problem, better as it provides detailed reasons of dissatisfaction or improvement from the respondent’s side.

## Sampling Strategy

Surveys can only be efficient if the sample represents the population of interest i. e. it is generalizable. It is suggested that Thomas Cook should make use of the Probability Sampling Technique. To categorize further, out of the different kinds of Probability Sampling Techniques it is advisable for the company to choose Stratified Sampling Technique.

There are several advantages linked to the use of stratified sampling technique. First, dividing the population into different strata would give the company advantage of drawing input from a more specific subgroup, which otherwise might have been lost in generalized samples (like in Simple Sampling Strategy). Second, it would lead to more statistical estimates. Finally, since the population is divided into small strata, different sampling strategies can be used for different strata, enabling the company to choose an approach which best suited per group.

There are a few disadvantages associated with opting for this approach. First, having such small groups and using a different approach for all, would lead to considerable complexity in sampling and increase the cost. Second, while examining multiple criteria, stratifying variables may be linked to some but not to the others, increasing the complexity further and thereby reducing the utility of the strata. Finally, in some cases (with large number of strata, for example) this approach/technique would require a larger samples than any other approach might require.

## Critical Analysis of the Chosen Research Approaches

As Warwick and Lininger mentioned,

“ The survey is highly valuable for studying some problems, such as public opinion, and worthless for others” (Warwick and Lininger, The Sample Survey p. 5-6).

Though surveys prove to be extremely advantageous (as explained in section 2), they have their disadvantages as well. On one hand, where surveys provide generalizability through large sample sizes, easy to administer results and a scope for the use of advanced statistical procedures, on the other hand they come with a package of difficulties too.

The foremost problem associated with this approach is the difficulty to develop accurate measures based on the results of these surveys. Since they are not restricted to the target market of the company (a sample frame) and includes response from random people, it is likely to receive a misleading result which might vary vastly to the actual one. Surveys also offer only limited in-depth understanding of relationships which might prove to be superficial. These are also coupled with the problem of low and decreasing response rates including response and non-response biases. Moreover, surveys might result in the inappropriate use of statistical techniques.

To compensate the short comings of surveys it has been proposed in this essay that they should be coupled with focus groups and depth interviews. Though this approach covers up for the shortcomings of surveys, it has its own inadequacies too. Focus groups provide small sample sizes and hence there is a lack of generalizability. It is difficult to find well trained investigators, interviewers and observers to implement this approach. Moreover, the results fetched from focus groups and interviews are difficult to quantify.

Quantitative methods seek the answer to the question “ what” through empirical analysis and the mathematical expressions of the results, whereas qualitative methods seek to answer the question “ why” by focusing on small number of groups explored in depth. King et al. argue that these differences are rooted in the research problems being investigated but that both approaches share the common goal of making descriptive or explanatory inferences on the basis of empirical observation (King, et al., 1994: 7). This logic of inference defines the rules for validity, and thus provides a basis for reconciling and combining the approaches, as proposed in the case of Thomas Cook here.

## Survey Questionnaire

The following questionnaire has been prepared for Thomas Cook with an aim to identify the level of customer’s satisfaction with its current service level. The main focus has been centered to seek the nature of dissatisfaction and to determine the area which needs further improvement. The research has been designed simple with no sensitive questions to avoid ambiguity in customer’s response. Furthermore, both open and closed questions have been included as appropriate in the respective contexts. The closed questions aim to save time and involve minimal effort on the part of respondents whereas open questions give the respondents certain flexibility to express themselves.

Was this the first time you travelled through Thomas Cook?

Yes b) No

Approximately, how many times have you travelled through Thomas Cook over the past 12 months?

The start for the questionnaire has been kept basic and general in order to grasp attention of the respondent and build comfort. The initial question identifies the client’s loyalty towards the brand. The question is aimed to know whether the respondent is a first time user or he is an existing client. The response from an existing client and a new client both might help analyze the satisfaction level differently. Further, it is also essential to understand frequency of travel from an existing client. That gives us an idea whether the respondent has trust in the company or there is a need to build it. Once the above has been identified the base task of the survey is done.

How did you hear about us?

Internet/Website

Television Ad

Newspaper

Radio Ad

Friends or Family

Direct mail/Newsletter

Thereafter the questionnaire aims to identify the effective means of advertisement where the company can focus on in order to enhance customer awareness. Furthermore, the friends or family as one of the options in the above question measures the effectiveness of “ word of mouth” marketing strategy and the satisfaction level in the reference groups of the respondent.

Was it easy for you to reach us?

Yes b) No\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(If No, briefly explain the problem you faced)

This question is based on question 3 where the respondent hears about the company but does not know the means to approach. Hence, this question would enable the company to understand how convenient for a client it is to reach them. Thomas Cook might get feedback on the information available on the website, their ease of location and market coverage.

When compared with other travel agencies that you considered for your travel plans, were we any one of the following?

Cheaper b) Quicker c) No other alternative d) Convenience e) Local geographical presence f) Online portal e) Others ( Please specify) \_\_\_\_\_\_\_\_\_\_\_\_

By determining Thomas Cook’s competitive advantage over its competitors, both strong and weak aspects can be identified and if worked on can increase satisfaction and erode dissatisfaction.

How satisfied you were with your travel considering the following aspects?

Extremely Satisfied

Satisfied

Neutral

Dissatisfied

Extremely Dissatisfied

Overall Experience

Ease in booking

Online Portal ( if used)

Local presence

Staffs at local outlets

Cleanliness at the touch points

Quality of service

Did you get what was promised to you

Value for money

Here, the questions are designed directly to recognize the areas which require immediate attention and needs improvement.

Would you prefer to travel through Thomas Cook again in future?

Yes b) May be c) No

The questionnaire indirectly spots the satisfaction level of the respondent in the above question. A respondent who is satisfied with the current service offerings would only prefer it again in future.

If you would not trust Thomas Cook to service you again in future, which among the following would be the most appropriate reason/reasons why you feel that way?

Poor customer service

Poor understand of your travel requirement

Decision made under agent’s influence

Other (Please specify)

Here, the questionnaire gives alternatives to the respondent and also the flexibility to express and to comment on the nature of dissatisfaction.

Based on your experience, how likely would you be to recommend Thomas Cook to your family/friends?

Very likely b) Likely c) Not sure d) Unlikely e) Very unlikely

Once the nature of dissatisfaction is recognized, it is essential to understand its depth. This question will clearly serve the purpose of the questionnaire as how likely it is for a customer to refer the services offered by Thomas Cook to his/her friend/family is the answer to how satisfied the respondent is using its services.

What feedback or suggestions can you give to Thomas Cook to improve the current offering and service?

Above all, the last question gives the respondents complete flexibility to express their views on the company’s services and offerings.

## Improvement required in the Questionnaire & Why

The questionnaire serves the purpose of identifying the customer’s level of satisfaction to a great extent. Though, it does not focus on the customer’s experience with the company’s business partners. The questionnaire only evaluates the customer’s experience with regard to the direct communication with Thomas Cook. Although, the services offered by Thomas Cook’s business partners such as airlines, hotels, bus transport to and from airport, and others also indirectly influences the customer’s dissatisfaction with the company.

Furthermore, there is no option where a respondent can comment on the effectiveness of Grievance Redressal of Thomas Cook. It is essential to understand the effectiveness of post-sale service offered to the customer and how effectively customer’s query has been resolved by the company. The respondent can only comment on these aspects in the open question at the end of the questionnaire.

## Appendix

Survey Questionnaire

Was this the first time you travelled through Thomas Cook?

a) Yes b) No

Approximately, how many times have you travelled through Thomas Cook over the past 12 months?

How did you hear about us?

a) Internet/Website

b) Television Ad

c) Newspaper

d) Radio Ad

e) Friends or Family

f) Direct mail/Newsletter

Was it easy for you to reach us?

a) Yes b) No\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(If No, briefly explain the problem you faced)

When compared with other travel agencies that you considered for your travel plans, were we any one of the following?

a) Cheaper b) Quicker c) No other alternative d) Convenience e) Local geographical presence f) Online portal e) Others (Please specify) \_\_\_\_\_\_\_\_\_\_\_\_

How satisfied you were with your travel considering the following aspects?

Extremely Satisfied

Satisfied

Neutral

Dissatisfied

Extremely Dissatisfied

Overall Experience

Ease in booking

Online Portal ( if used)

Local presence

Staffs at local outlets

Cleanliness at the touch points

Quality of service

Did you get what was promised to you

Value for money

Would you prefer to travel through Thomas Cook again in future?

a) Yes b) May be c) No

If you would not trust Thomas Cook to service you again in future, which among the following would be the most appropriate reason/reasons why you feel that way?

a) Poor customer service

b) Poor understand of your travel requirement

c) Decision made under agent’s influence

d) Other (Please specify)

Based on your experience, how likely would you be to recommend Thomas Cook to your family/friends?

Very likely b) Likely c) Not sure d) Unlikely e) Very unlikely

What feedback or suggestions can you give to Thomas Cook to improve the current offering and service?