Case study lonely planet

Education

Prepare a report in which you analyze the marketing channel conflicts and cannibalization issues that Lonely Planet faces as it is currently operating. Suggest solutions that might reduce revenue losses or operational frictions that result from these issues. Channel Conflict: when sales through the company's web site interfere with sales in that company's retail stores. The potential for significant channel conflict exists in Lonely Planet with the same product (books or content) being sold via multiple channel.

Lonely Planet has worked hard to minimize channel conflict by selling books on their website only at the recommended retail price, therefore it does not undercutting their retail resellers. Moreover, most retailers hold only a small selection of the five hundred Lonely Planet titles, and for the many titles they do not hold, channel conflict is minimal. The CitySync product is also carefully positioned to reduce channel conflict, since it targets a specific segment (time-poor, cash-rich travelers) with a new offering that is somewhat different from the existing Lonely Planet city guidebooks.

However, over time there may be some conflict between CitySync and products such as customized guidebooks.

Cannibalization

The loss of traditional sales of a product to its electronic counterpart. The well-known travel guides company, Lonely Planet gives a lot of guides for free on its website. A few years ago, many major travel-guide publishers were concerned that Lonely Planet website will hurt their sales. If travelers have to travel on board, they could just go on the website in order to read all

the information they need without buying the Lonely Planet travel guide paper version.

But far from cannibalizing sales instead, the net has helped publishers build their brands and expand into new territory. Moreover, giving information on its own website is a way to do free advertising. Without this display of guides on the website, customer would not have bought the travel guide paper version. Lonely Planet and other leading publishers have recorded growth rates of 15% to 25% per year over the past four years, as much as their guidebook content has migrated online.

Prepare a list of a new products that Lonely Planet might introduce to take advantage of Internet technologies (including wireless technologies for mobile devices) and address customer's concerns about the timeliness and currency of information in the printed travel guides. Briefly describe any problems that Lonely Planet will face as it introduces these new products. In 2008, Lonely Planet launched Pick & Mix which enables travelers to go to a section of the Lonely Planet Website , select the country or region to which they are travelling and download the chapter for the place they are visiting. Rather than carry loose pages, chapters (served as PDF files) can be downloaded into a hand-held device or e-book reader. Interactive e-book travel guides.

Emerging the best of both medium – digital and print – into one interactive ebook guide. Lonely Planet introduced e-books on ipad, so the layout and design is to flip through a guidebook and includes signature stunning images, expert author content and tips from local. Unlike traditional print

guide book, the digital format allows to include over 3, 000 hyperlinks so readers can get to a particular chapter or map with just a tap of a finger. Thus, travelers can get information on a particular region, point of interest or hotel/ restaurant without flipping through the pages. More, travelers can search terms inGoogleor Wikipedia for additional content.

Travelers can also bookmark the places they don't want to miss and make notes on the page, just like a print guidebook. Usually traditional publishing cycle for the print guides is every 2 years, but with e-books, it will be updated in a real time. However, unlike apps, ebook updates are not pushed out to end user, and readers will have the opportunity to repurchase the new edition. In addition, due to handheld's limited memory and bandwidth, the new applications focus on cities, not countries.

They obviously can not replace a guidebook for a month-longodysseyin Thailand or an exploration of Italy's Amalfi Coast. But for the traveler who wants to figure out how to spend a free afternoon or where to go for dinner, these mobile guides – plus a good map are ideal substitutes for printed guides. Lonely Planet therefore should continue to invest in product development to work with the likes of Apple, Google, Amazone, Nokia, etc.

Many loyal Lonely Planet customers carry their travel guides (which can be several hundred pages thick) with them as they travel around the world. In many cases, these customers do not use large portions of the travel guides. Also, Internet access can be a problem for many of these customers while they are travelling. Describe a product (or products) that might address this customer concern and also yield additional revenue for Lonely Planet. Your

answer here could build on ideas that you developed in your solution to part2. By using interactive ebook travel guides, travelers doing longer trips do not need to carry three or four guidebooks during travelling. Travelers can buy the content directly and save it in their hand-held or ebook before they are going to travel on board if the current destination does not provide good internet connection. It is also an ease to carry around. Moreover, travelers can bookmark the places they don't want to miss and make notes on the page, just like a print guidebook.