

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.

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**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

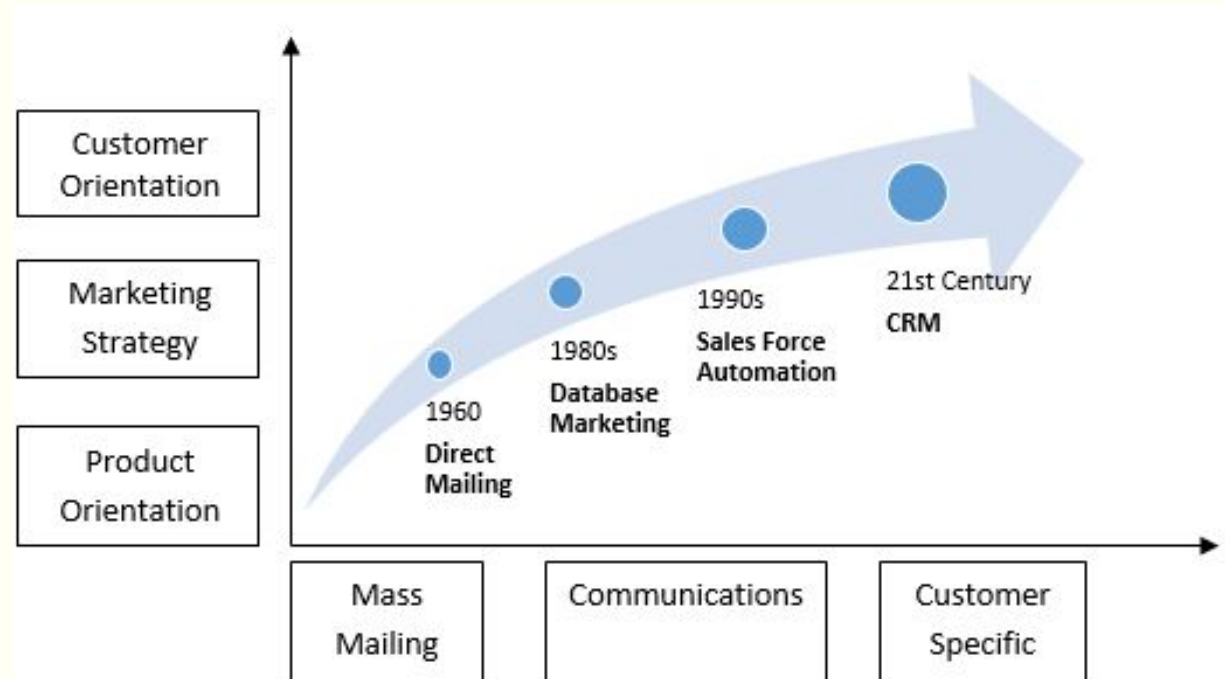
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- Customer-centric approach
- Case company and Industry
- Recommendations

# Customer-Centric Approach

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## Customer Relationship Management (CRM)



# Customer-Centric Approach

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## 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

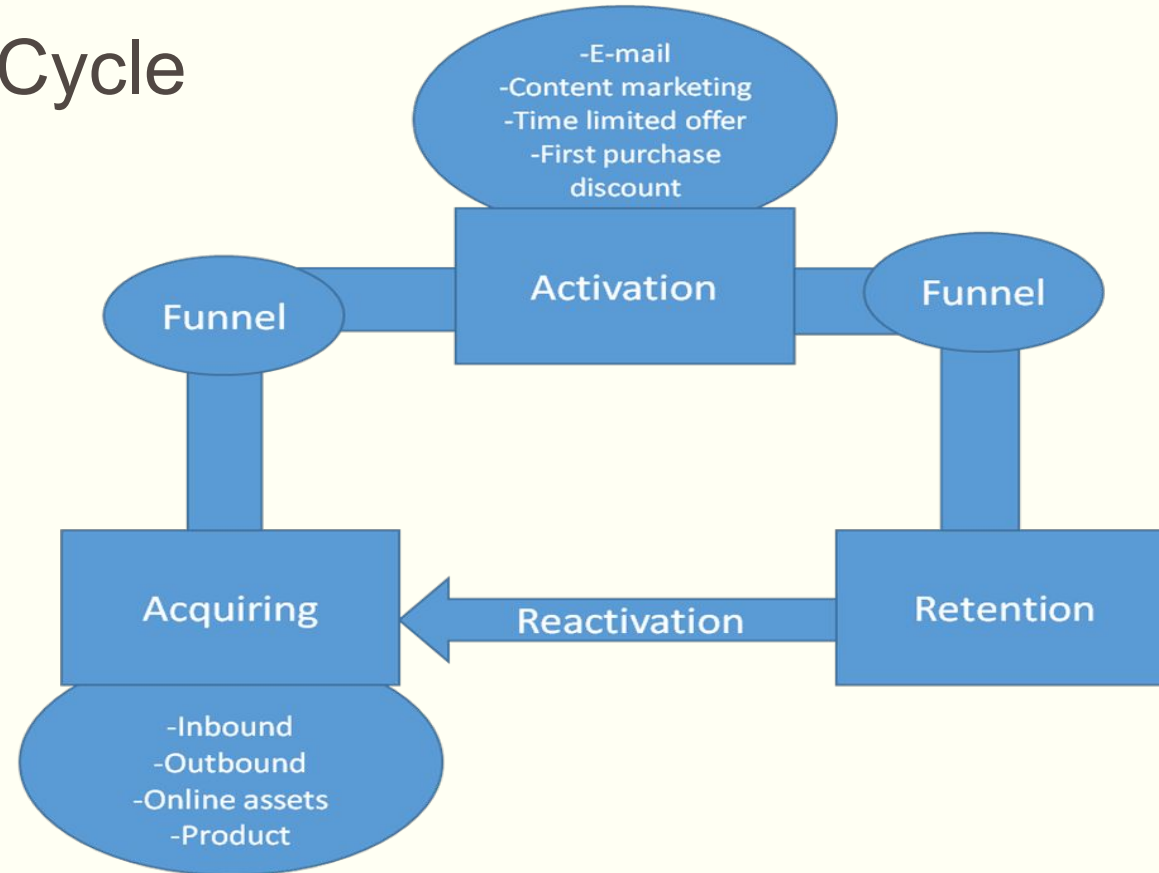
- Listening to customers
- Fair and honest treatment
- Involvement with the company

(Roberts-Phelps, 2001)

# Customer-Centric Approach

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## Client Life Cycle



# Customer-Centric Approach

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## Customer Portfolio and Development

- Demographic
- Geography
- Psychographic
- Shopping behavior



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

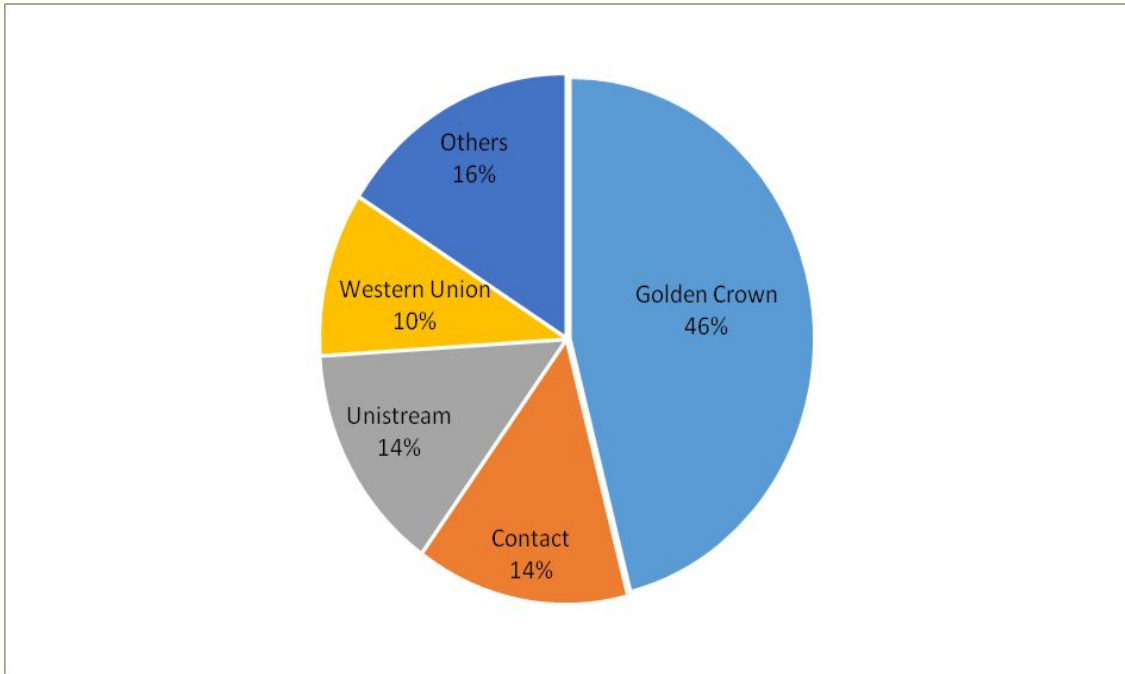
## Loyalty programs

- 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 - <b>1%</b> Foreign currency transfer - <b>0%</b> To Azerbaijan, Ukraine, Armenia - from <b>0.5%</b> To other countries - from <b>1.5%</b>	Few seconds	200 countries
UniStream	Within the Russian Federation - from - <b>1%</b> To the CIS countries - from <b>1%</b>	10-15 minutes	95 countries
Contact	Within Russian Federation - <b>1.5%</b> To the Near Abroad countries foreign countries - <b>2%</b> To far abroad - <b>3%</b> For large amounts less than	From 15 minutes	84 countries

## Case company and Industry

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### 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**

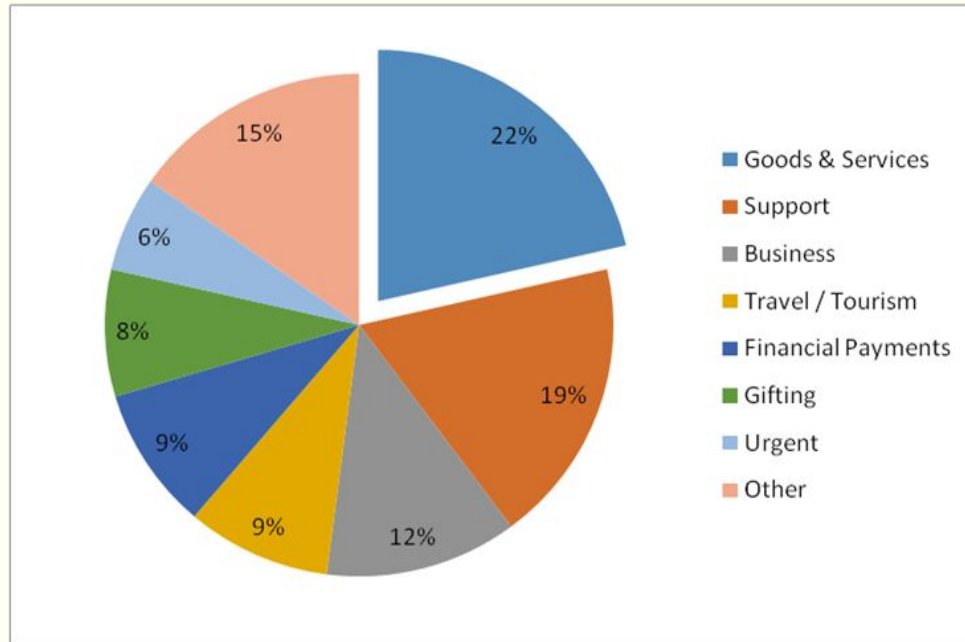
- low financial literacy
- low income
- restrictions in the use of financial products (bank cards / Internet banks)
- low digitalization (insecure Internet users)
- in Russia are solely for the purpose of making money, to send money home
- regularly send money (as a rule, most of the earnings)
- they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

# Case company and Industry

## WU client portfolio

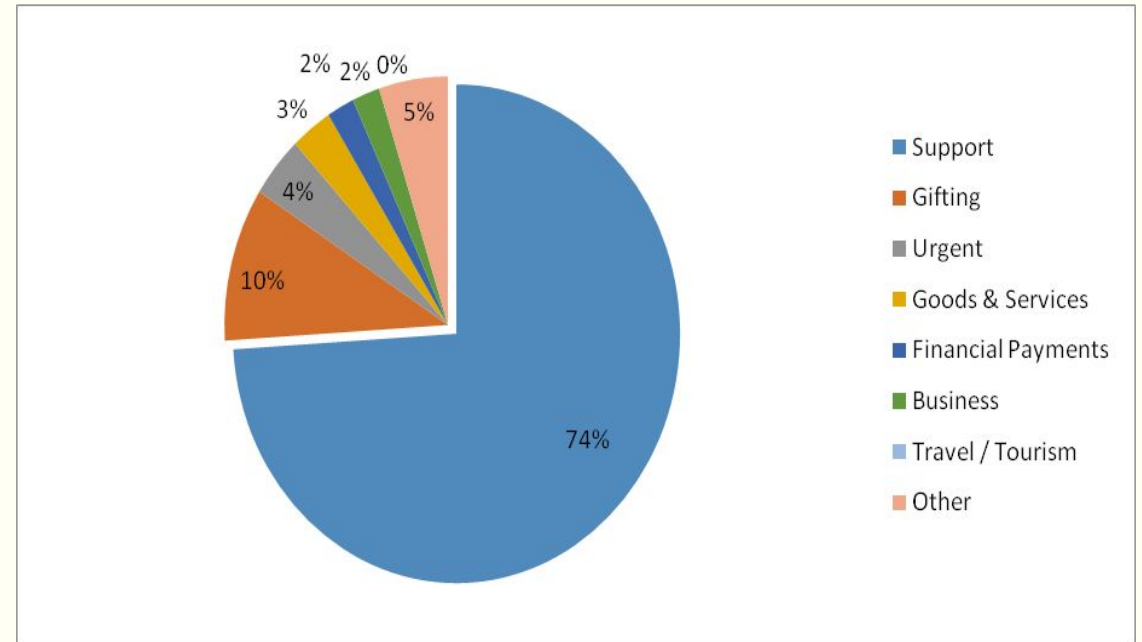
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### Mainstream



Transfer Frequency: 11,5% send once a month

### Migrants



Transfer Frequency: 14,75% send once a month

# Case company and Industry

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## WU client life cycle

Acquiring	Activation	Retention			
<ul style="list-style-type: none"><li>• Search engines (organic search, contextual advertising)</li><li>• Referrals / Native advertising / Content marketing</li><li>• Banner advertising/ retargeting</li><li>• Social Media</li><li>• Online videos (OLV)</li><li>• Out of Home (OOH)</li><li>• Special projects</li></ul>	<ul style="list-style-type: none"><li>• BTL activities</li><li>• Promotional codes (e-mail, SMS)</li></ul>	<ul style="list-style-type: none"><li>• My WU loyalty program</li></ul> <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
1000 WU points = 10% discount					
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# Case company and Industry

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## Answers:

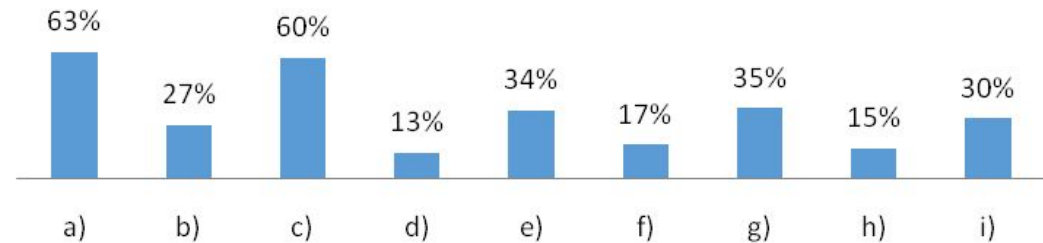
- a) This is the main factor that influenced my long-term relationship with company
- b) This factor has significant influence on my relationships with company
- c) This factor does not have significant influence on my relationship with company, but I perceive it as beneficial
- d) This factor has absolutely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

# Case company and Industry

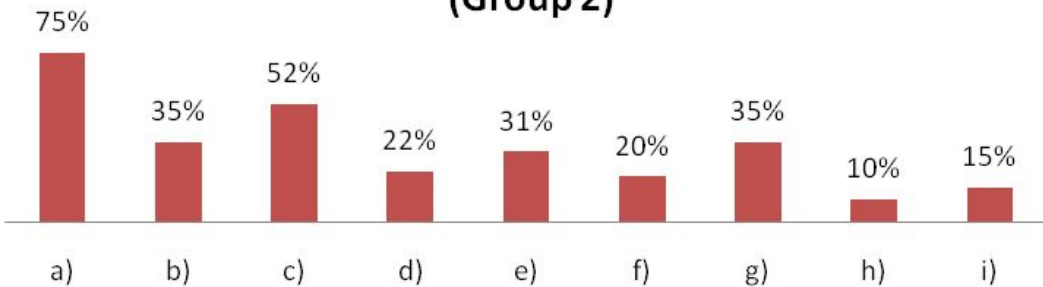
## Answers:

- 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

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

