

CESSNA AIRCRAFT COMPANY

BUSINESS JET CARE

Making It Personal



Definition of PERSONAL

- 1:** of, relating to, or affecting a particular person: private, individual
- 2:** **a:** done in person without the intervention of another; also: proceeding from a single person
b: carried on between individuals directly <a personal interview>
- 3:** relating to the person or body
- 4:** being rational and self-conscious <having the qualities of a person rather than a thing or abstraction>



INCORPORATING PERSONALIZATION INTO A SERVICE ENVIRONMENT

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A LITTLE BACKGROUND

In 1927, when Clyde Cessna founded the aircraft company that bears his name, he was tapping an era fueled by the spirit of a burgeoning new industry and a postwar industrial renaissance. Eighty-plus years later, Cessna Aircraft is the leading manufacturer of business and personal aircraft.

Cessna Aircraft Company, a Textron Company, operates several major lines of business: Citation business jets, Caravan turboprops, Cessna single-engine piston powered aircraft and aftermarket services. In a general sense, the customers who buy and operate Cessna Citation business jets are successful individuals and companies that use their aircraft for business purposes. In both cases, Citation owners and operators have demanding standards – in the multi-million dollar airplanes they fly and in the organizations they select to service their aviation asset.

With the purchase of a Citation business jet, customers gain access to the industry's largest, most comprehensive worldwide service network. Nine Cessna-owned Citation Service Centers worldwide are the flagship aftermarket providers for the Citation business jet line, complemented by a number of authorized non-company owned service centers. Customers can also take their aircraft to independent service providers.

As the economy has struggled recently, the competitive landscape for aircraft service providers has tightened. At the same time, with more than 5,000 Citation business jet operators and hundreds of aircraft service providers, Cessna's aftermarket service persona had become less distinguishable from the competition.



ON-LINE AND PARTNERED RESEARCH

Challenged with industry-wide economic malaise and simultaneously seeking to increase market share and revenue, Cessna partnered with CustomerSat.com to conduct an online exploration of Cessna's business jet customers to identify the most valued Citation maintenance and service attributes in order to increase new and repeat business.

To position the company's owned service centers as the top choice for Citation business maintenance required a thorough understanding of customer needs and behaviors.

REASONS CESSNA IS BETTER (TOP MENTIONS)

Reasons Better	2008 (n=1360)	2009 (n=809)
Personalized service	12%	16%
Knowledgeable staff/well trained	13%	14%
Customer service/staff support	13%	13%
Consistent quality of work	9%	11%
Knowledge of aircraft	9%	9%
Timely service/fast turnaround	9%	9%
Manufacturer support	5%	6%
Parts availability	5%	6%
Good communication	6%	5%
Past experiences	5%	2%
24/7 hours of operation	2%	2%
Attention to detail	2%	2%
Convenient location	1%	2%
Fair pricing/treatment	2%	2%
No surprises/rework	2%	2%
Quality varies by facility	2%	1%

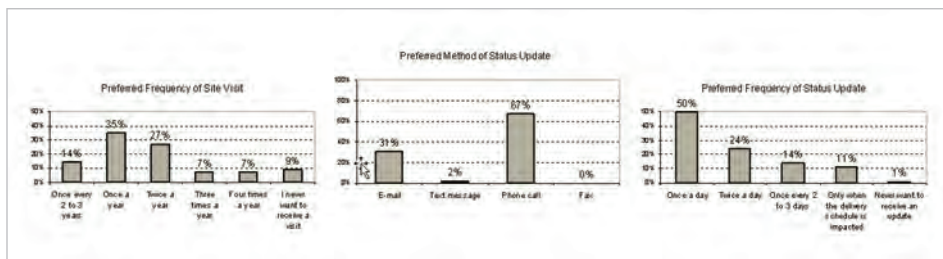
Cessna designed and executed an on-line survey delivered to customers to determine and identify service criteria key to them.

Electronic survey methodology was chosen for its convenience to respondents and cost-efficiency. Eliminating bias was important for getting accurate feedback, and the Cessna Customer Service Marketing team collaborated with CustomerSat.com on questionnaire design. The company and its researchers made the decision to survey all 5,000-plus Citation customers, without specific or random selection that could possibly distort results. Cessna launched an electronic survey campaign, e-mailing Maintenance Visit Satisfaction Surveys (MVSS) directly following each visit.



WHAT DRIVES REPEAT BUSINESS

Specific objectives of the customer research were to determine characteristics that define good customer service and drive repeat business. Personalized service emerged as the primary driver of re-purchase intentions. Additional research was conducted with the help of Syndics research to define the attributes that constitute personalized service for customers. Then Cessna developed delivery plans and executed solutions. Simply, the company sought a way to make every service transaction a personal and rewarding experience for its customers in order to get them to keep coming back for more.



The results indicated that personalized service was defined by a number of factors, including a knowledgeable staff (knowledge of customers' aircraft and needs), timely and proactive communications, and on-time delivery. In addition, the research identified what services represented personalized service and measured interest in a pre-determined list of personalized services, determined the likelihood to use Cessna Citation Service Centers, and indicated preferred frequencies of personal visits from a service representative, and preferred communication vehicles.

FOCUSING ON PERSONALIZED SERVICE

As a company priority, Cessna Aircraft emphasized the delivery of more personalized service to thousands of Citation customers in the most creative ways possible. Because creative without strategy is nothing more than art, the company's Customer Service Marketing Department perfected a strategic approach that encompassed employee knowledge, consistent quality, and timeliness of service.

Accompanying the research project, sales staff training and education determined the proper care and feeding of Cessna's most prized resource: its customers. Armed with new tools and ideas, the Customer Service Team dedicated adequate resources to personalize the customer experience from aircraft touchdown, through the maintenance activities, to takeoff. The strategy took many forms depending on the customer.

AMONG THE ACTIVITIES:

1. Handwritten thank you notes signed by service managers
2. Floral deliveries to mark customer milestones or occasions
3. Cards celebrating the aircraft's "birthday" based on delivery date



AMONG THE ACTIVITIES (Continued):

- 4. **Unsung hero cards** sent to owners recognizing their maintenance personnel who work behind the scenes to ensure aircraft safety and comfort
- 5. **Reminder calls for upcoming maintenance appointments**, with introduction of their Customer Service Representative
- 6. **Preparing maintenance paperwork** that's ready upon customer arrival
- 7. **Handwritten service reminders**
- 8. **Citation Experience campaign** – engaging customers by asking them to submit pictures of themselves with their aircraft. The campaign involved the creation of a new website, so that all customers could enjoy the submittals, a print ad campaign, direct mail, e-mails, POS displays, earned media and press releases. The effort garnered more than 600 photos, and several “this is wonderful” letters from customers to Cessna’s senior leaders.



The screenshot shows a web browser window titled "Your Citation Experience" with the URL "http://www.citationexperience.com/thankyou/". The page features the Cessna Citation Service Center logo with the tagline "Serve - Support - Surpass". Navigation links include "collateral | gallery | find: your photo(s)". Contact information is provided: "Questions? Comments? Scheduling? Call: 877-360-EXPERIENCE (3973) International: 316-517-5800 — and experience Citation one-on-one". A large heading reads "Thank you for sharing - YOUR CITATION EXPERIENCE". Below this, there is a section titled "TRYING TO EXPLAIN WHAT FLYING A CITATION" with text about the joy of flying. To the right, a "DIGITAL PHOTO FRAME" is shown displaying a photo of an aircraft. At the bottom, there is a grid of various photos and a "UPLOAD MORE PHOTOS" button. The footer includes the website URL "www.citationservice.com", "www.cessna.com", and the Cessna logo with "A Textron Company".



AMONG THE ACTIVITIES (Continued):

9. Service Center playing cards – a deck of cards that featured the photos and hobbies of service center employees to breed familiarity and build trust.



Efforts were made to transition customers to increased visit frequencies by reaching out to those customers classified as “never” and “sometimes” visitors. Additional proactive efforts included warranty expiration notifications, to encourage scheduled maintenance, and service bulletins to notify Citation operators of mandatory and recommended service.

With thousands of Citations flying today, it was Cessna’s goal that each customer feel reinforced in their buying decision, and that they feel catered to in ways that are meaningful to them and that drives repeat business. Measuring progress of a subjective campaign is challenging, but more achievable by segmenting customers by behavior. The strategic segmentation was the frequency of visit and ultimately, Cessna was able to move customers along that continuum, giving them more opportunities to deliver face-to-face service that is rewarding and measurable.

INCREASED REVENUE, MORE REPEAT CUSTOMERS

Through personalization and other initiatives, Cessna increased its transaction frequency, netting a 16 percent revenue gain by converting more than 200 “sometimes” customers into “regular” customers and 65 “never” customers to “sometimes” customers.

Moreover, there has been additional residual fallout from the personalization approach. Factors such as customer satisfaction, quick response to issues, personalized service, starting work promptly and handling aircraft carefully all have increased.

Based on customer surveys, personal service is a financial performance driver – it is above average on both the importance and performance quartiles. Overall satisfaction has increased and, in fact, is at the highest level since 2003.

Customer service, which includes knowledge, consistent quality of work, timely service, and personalized service is the top reason for considering Cessna to be better than competitors. Other noticeable improvements are improved customer relationships and decreased attrition. In fact, Cessna’s overall satisfaction scores rose to a seven-year high. In the two years since the launch of its program, personalized service emerged as the #1 edge Cessna holds over its competition.

WHAT IS NEXT?

Cessna Citation Customer Support will continue to use data to drive customer satisfaction and additional business increases. A consistent message will be carried forward and personalized service will be the focus until it stops being the # 1 reason for customer retention. In addition, personalized service attributes are hardest for competitors to replicate. Cessna will continue to leverage the advantage it has through knowing its customers better than the competition. This approach also is more likely to differentiate Cessna from the competition, garner additional customers and increase repeat business.