





Class 4 - Psychology





- Understand the role of recognition and involvement in building brand preference and participation
- How and when to introduce status tiers to recognize best customers
- How fear of losing earned rewards or status impacts behavior
- Why creating an opportunity cost for failure to remain loyal is a key to success
- How to find the "wow" that drives enrollment and participation
- How recognizing the competitor's "unworthy" can shift share







Webster's definition:

the action of <u>understanding</u>, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another [person] ... without having the feelings, thoughts, and experience fully communicated in an objectively explicit manner

A suggested CE definition:

Being visibly interested in, and sensitive to, the interests and needs of the consumer, ideally tailoring a part of the benefits offered to respond to those needs

Comparing Cruise Status









Comparing programs

- If you were on planning your FIFTH cruise, which line would you choose based on the "past cruiser" benefits offered? Why?
- Have they created an opportunity cost for not cruising regularly?
- If you had 75 nights on either, would you try the other cruise line?

Your CE Assignment ...





As a leading European riverboat cruise line, Viking has started ocean cruising

- Viking 4 ships are 1/3 the size of Cunard and Regent, able to access smaller ports
- Viking service is on a par with either line
- Viking has thousands of past riverboat passengers and spends heavily on TV

How can Viking motivate Cunard and Regent passengers to try Viking



