



Business Simulation Role-Play

EVENT
Travel and Tourism

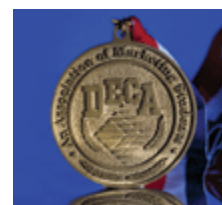
INSTRUCTIONAL AREA
Product/Service Management
Marketing-Information Management

PARTICIPANT INSTRUCTIONS

1. The event will be presented to you through your reading of these instructions, including the Performance Indicators and Event Situation. You will have up to 30 minutes to review this information to determine how you will handle the role-play situation and demonstrate the performance indicators of this event. During the preparation period, you may make notes to use during the role-play situation.
2. You will have up to 15 minutes to role-play your situation with a judge (you may have more than one judge).
3. You will be evaluated on how well you meet the performance indicators of this event.
4. Turn in all of your notes and event materials when you have completed the role-play.

PERFORMANCE INDICATORS

1. Describe current issues and trends in the travel and tourism industry.
2. Conduct a SWOT analysis for use in the marketing planning process.
3. Design frequency/loyalty marketing program strategy.
4. Explain the nature of positive customer/client relations.
5. Determine services to provide customers.



EVENT SITUATION

You are to assume the role of marketing manager at TRANSNAT AIRLINES, a national airline serving over 100 U.S. cities with hubs in Pittsburgh and Salt Lake City. The president of TRANSNAT AIRLINES (judge) has asked you to analyze the airline's frequent flyer program and make recommendations about it.

TRANSNAT AIRLINES, like most major airlines, has offered its customers a rewards program known as *FlyMiles* for 30 years. Registered customers can earn one *FlyMile* point for every mile they fly on TRANSNAT. Once customers have earned at least 25,000 points, they can redeem the points for a roundtrip ticket to anywhere TRANSNAT flies, subject to availability and blackout dates. By redeeming 50,000 points, customers can avoid blackout dates and fly virtually anytime they desire.

Over the past year, there has been a dramatic increase in the number of customers complaining that they find it difficult to receive the free flights that their 25,000 points entitle them to. Most object to having to spend double the points to avoid a blackout. In addition, because of ever-rising fuel prices, TRANSNAT has begun charging \$50 to customers redeeming points to process their free round-trip ticket requests. Customers have not liked having to pay a fee for what was supposed to be a free flight.

The president of TRANSNAT AIRLINES (judge) is very disappointed that a program that was originally to be a perk or reward has turned into a source of frustration and anger for TRANSNAT'S most valued customers. Perhaps it is time to modify or terminate TRANSNAT'S *FlyMiles* program.

The president of TRANSNAT AIRLINES (judge) has asked you to look into the situation and prepare a report addressing the following:

- Modifications to the current *FlyMiles* rewards program where TRANSNAT'S frequent flyers would truly see the program as a benefit. You are to detail the modifications that would take place.
- Termination of the *FlyMiles* rewards program. *FlyMiles* could be terminated altogether or a new program could be introduced that tells frequent flyers how much they are appreciated. You are to detail how the new program would work.
- An analysis of the advantages and disadvantages of the modification and termination options.
- A recommendation of which alternative TRANSNAT should implement along with a supporting rationale.

You will present your report to the president (judge) in a meeting to take place in the president's (judge's) office. The president will begin the meeting by greeting you and asking to hear your ideas. After you have presented and have answered the president's questions, the president (judge) will conclude the meeting by thanking you for your work.

JUDGE'S INSTRUCTIONS

DIRECTIONS, PROCEDURES AND JUDGE'S ROLE

In preparation for this event, you should review the following information with your event manager and other judges:

1. Procedures
2. Performance Indicators
3. Event Situation
4. Judge Role-play Characterization
Participants may conduct a slightly different type of meeting and/or discussion with you each time; however, it is important that the information you provide and the questions you ask be uniform for every participant.
5. Judge's Evaluation Instructions
6. Judge's Evaluation Form
Please use a critical and consistent eye in rating each participant.

JUDGE ROLE-PLAY CHARACTERIZATION

You are to assume the role of president of TRANSNAT AIRLINES, a national airline serving over 100 U.S. cities with hubs in Pittsburgh and Salt Lake City. You have asked your marketing manager (participant) to analyze the airline's frequent flyer program and recommend what to do about it.

TRANSNAT AIRLINES, like most major airlines, has offered its customers a rewards program known as *FlyMiles* for 30 years. Registered customers can earn one *FlyMile* point for every mile they fly on TRANSNAT. Once customers have earned at least 25,000 points, they can redeem the points for a roundtrip ticket to anywhere TRANSNAT flies, subject to availability and blackout dates. By redeeming 50,000 points, customers can avoid blackout dates and fly virtually anytime they desire.

Over the past year, there has been a dramatic increase in the number of customers complaining that they find it difficult to receive the free flights that their points entitle them to. Most object to having to spend double points to avoid a blackout. In addition, because of ever-rising fuel prices, TRANSNAT has begun charging \$50 to each customer redeeming points. Customers do not like having to pay a fee for what was supposed to be a free flight.

You are very disappointed that a program that was supposed to be a perk or reward has turned into a source of frustration and anger for TRANSNAT'S most valued customers.

You have asked your marketing manager (participant) to prepare a report on the following:

- Modifications to the current *FlyMiles* rewards program where TRANSNAT'S frequent flyers would truly see the program as a benefit. The manager (participant) is to detail the actual modifications that would take place.
- Termination of the *FlyMiles* rewards program. *FlyMiles* could be terminated altogether or a new program could be introduced that tells our frequent flyers how much we appreciate them. The manager (participant) is to detail how the new program would work.
- An analysis of the advantages and disadvantages of the modification and termination options.
- A recommendation of which alternative TRANSNAT should implement along with a supporting rationale.

After the marketing manager (participant) has presented his/her report and recommendation, you are to ask the following questions of each participant:

1. Why is any type of rewards program even necessary? Don't most people simply fly whichever airline offers the lowest fare?
2. If we decide to terminate *FlyMiles*, how much time should we give our frequent flyers to spend their points?

Once the marketing manager (participant) has answered your questions, you will conclude the meeting by thanking him/her for the work.

You are not to make any comments after the event is over except to thank the participant.

JUDGING THE PRESENTATION

Evaluation Form Information

The participants are to be evaluated on their ability to perform the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although you may see other performance indicators being demonstrated by the participants, those listed in the Performance Indicators section are the critical ones you are measuring for this particular event. Please note that an overall score of 70% indicates a *minimum level of acceptable performance*.

Evaluation Form Interpretation

The evaluation levels listed below and the evaluation rating procedures should be discussed thoroughly with your event chairperson and the other judges to ensure complete and common understanding for judging consistency.

Level of Evaluation	Interpretation Level
Exceeds Expectations	Participant demonstrated the performance indicator in an extremely professional manner; greatly exceeds business standards; would rank in the top 10% of business personnel performing this performance indicator.
Meets Expectations	Participant demonstrated the performance indicator in an acceptable and effective manner; meets at least minimal business standards; there would be no need for additional formalized training at this time; would rank in the 70-89 th percentile of business personnel performing this performance indicator.
Below Expectations	Participant demonstrated the performance indicator with limited effectiveness; performance generally fell below minimal business standards; additional training would be required to improve knowledge, attitude and/or skills; would rank in the 50-69 th percentile of business personnel performing this performance indicator.
Little/No Demonstration	Participant demonstrated the performance indicator with little or no effectiveness; a great deal of formal training would be needed immediately; perhaps this person should seek other employment; would rank in the 0-49 th percentile of business personnel performing this performance indicator.

JUDGE'S EVALUATION FORM

TRAVEL AND TOURISM SAMPLE

DID THE PARTICIPANT:

1. Describe current issues and trends in the travel and tourism industry?

Little/No Demonstration 0, 1, 2, 3 Attempts at describing current issues and trends in the travel and tourism industry were inadequate.	Below Expectations 4, 5, 6, 7, 8, 9 Adequately described current issues and trends in the travel and tourism industry.	Meets Expectations 10, 11, 12, 13, 14 Effectively described current issues and trends in the travel and tourism industry.	Exceeds Expectations 15, 16, 17, 18 Very effectively described current issues and trends in the travel and tourism industry.
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2. Conduct a SWOT analysis for use in the marketing planning process?

Little/No Demonstration 0, 1, 2, 3 Attempts at conducting a SWOT analysis for use in the marketing planning process were inadequate.	Below Expectations 4, 5, 6, 7, 8, 9 Adequately conducted a SWOT analysis for use in the marketing planning process.	Meets Expectations 10, 11, 12, 13, 14 Effectively conducted a SWOT analysis for use in the marketing planning process.	Exceeds Expectations 15, 16, 17, 18 Very effectively conducted a SWOT analysis for use in the marketing planning process.
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3. Design frequency/loyalty marketing program strategy?

Little/No Demonstration 0, 1, 2, 3 Attempts at designing frequency/loyalty marketing program strategy were inadequate or unclear.	Below Expectations 4, 5, 6, 7, 8, 9 Adequately designed frequency/loyalty marketing program strategy.	Meets Expectations 10, 11, 12, 13, 14 Effectively designed frequency/loyalty marketing program strategy.	Exceeds Expectations 15, 16, 17, 18 Very effectively designed frequency/loyalty marketing program strategy.
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4. Explain the nature of positive customer/client relations?

Little/No Demonstration 0, 1, 2, 3 Attempts at explaining the nature of positive customer/client relations were inadequate or unclear.	Below Expectations 4, 5, 6, 7, 8, 9 Adequately explained the nature of positive customer/client relations.	Meets Expectations 10, 11, 12, 13, 14 Effectively explained the nature of positive customer/client relations.	Exceeds Expectations 15, 16, 17, 18 Very effectively explained the nature of positive customer/client relations.
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5. Determine services to provide customers?

Little/No Demonstration 0, 1, 2, 3 Attempts at determining services to provide customers were inadequate.	Below Expectations 4, 5, 6, 7, 8, 9 Adequately determined services to provide customers.	Meets Expectations 10, 11, 12, 13, 14 Effectively determined services to provide customers.	Exceeds Expectations 15, 16, 17, 18 Very effectively determined services to provide customers.
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6. Overall impression and response to the judge's questions

Little/No Demonstration 0, 1 Demonstrated few skills; could not answer the judge's questions.	Below Expectations 2, 3, 4 Demonstrated limited ability to link skills; answered the judge's questions adequately.	Meets Expectations 5, 6, 7 Demonstrated the specified skills; answered the judge's questions effectively.	Exceeds Expectations 8, 9, 10 Demonstrated skills confidently and professionally; answered the judge's questions very effectively.
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Judge's Initials _____

TOTAL SCORE _____

Tiebreaker: 3, 4, 5, 2, 1, 6