

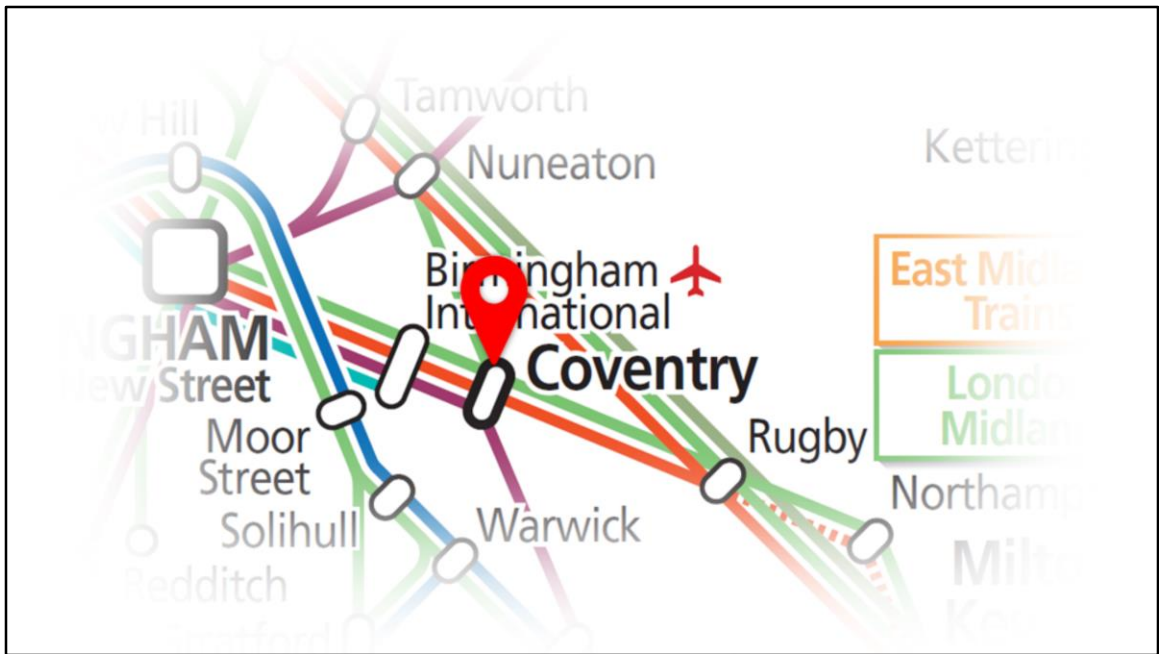


the Virgin case. Here are my group members, Bryan, Bob and Alice. Some of you might think Virgin is an old case study and it has been discussed for so many times. However, in terms of the service perspective, the company still has a lot to say and make our team to dig into. In this presentation, we will be answer this question: "Critically evaluate the effectiveness of their service for the creation of customer satisfaction".

**Critically evaluate the effectiveness of their service
for the creation of customer satisfaction**

Although Virgin is a great company, this presentation will mainly focus on the problematic points on their service delivery process and how these points effect their customer satisfactions.

To begin with, there is a small animation to remind you of service processes that you will go through if you are going to use the Virgin train.



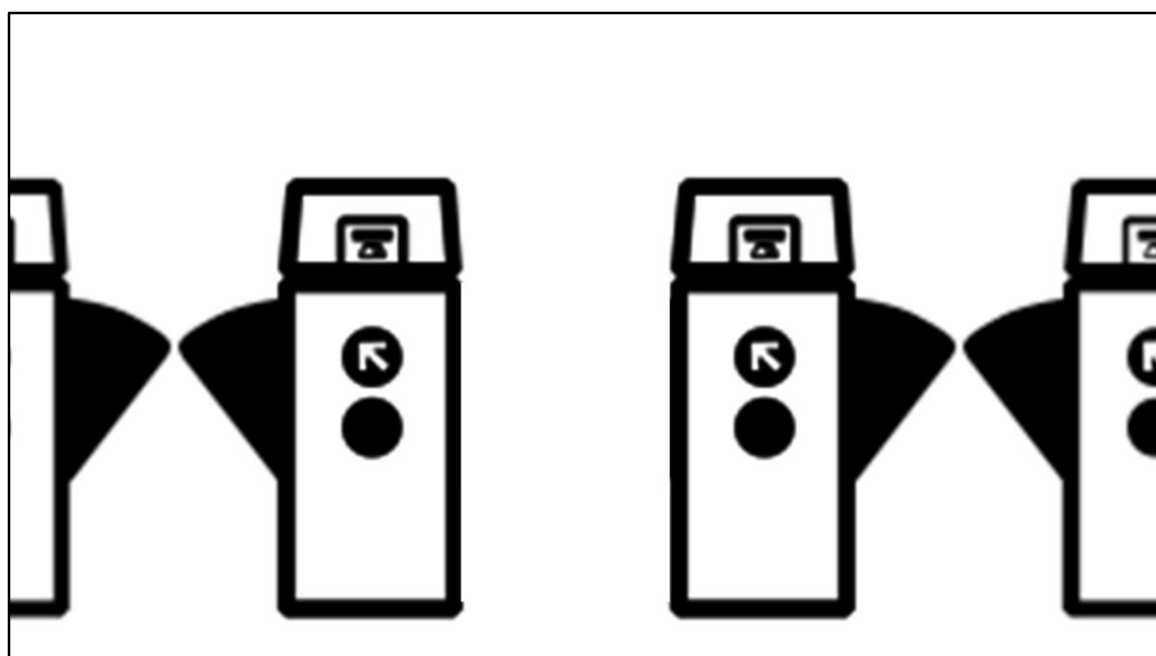


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Time	Destination	Plat
15 : 30	London	7
15 : 45	Manchester	8
15 : 50	London	3
15 : 55	Manchester	5
15 : 57	Manchester	8





Ok, this wonderful animation was actually made by my colleague, Bob Hu. Could we give him some applauses?

Content

1. Introduction & Research Methods

2. Travel Experience with Virgin Trains

- 2.1 Direct points
- 2.2 Indirect points

3. Analysis & Recommendations

- 3.1 Luggage Space
- 3.2 Seating & Tickets

4. Limitations & Conclusion

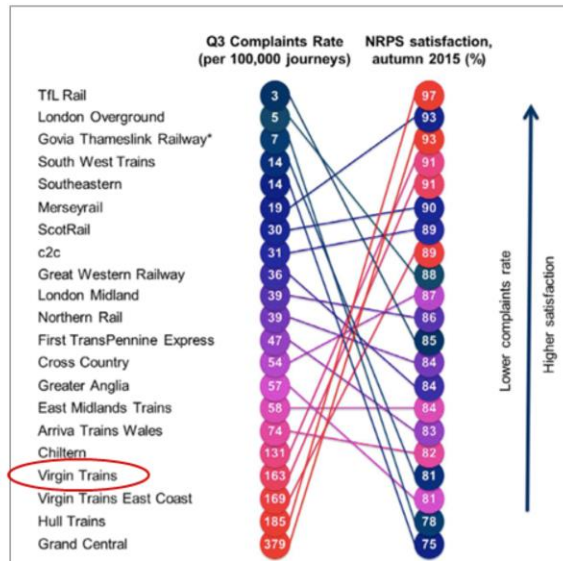


First of all, I'd like to outline the organization of my talk. I will start off by talking about the company/the research frameworks and the methods we used. In the second part, direct and indirect points during the travel experiences will be briefly mentioned. After that, the most important part of this presentation is the analysis and recommendations. Last but not least, limitations and conclusion will be talked about by my colleague.

Part 1

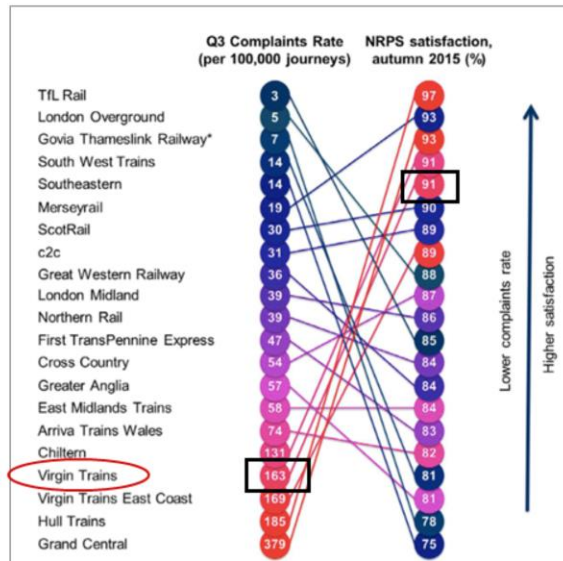
1.1 The Company

1.2 Research Methods & Frameworks



1.1 Introduction

Virgin group is a British multinational corporation venture capital conglomerate. Also, this presentation will mainly focus on Virgin Train, which is Virgin West Coast, and it's performances. The reason why we chose it is because Virgin group operates 51% share of West Coast. From this graph, we can actually see Virgin's performance. Although it has high complaint rate, the overall satisfaction rate is still high. So this presentation will find out the reason why.



Virgin Group

British multinational corporation
venture capital conglomerate

Ownership

Virgin West Coast

Virgin Group: 51%

Stagecoach: 49%

Virgin East Coast

Virgin Group: 10%

Stagecoach: 90%

1.2 Research Methods

Part 2. Travel Experience with Virgin Trains (Qualitative Research)

2.1 Direct Points

2.2 Indirect Points

Part 3. Analysis & Recommendations (Qualitative & Quantitative Research)

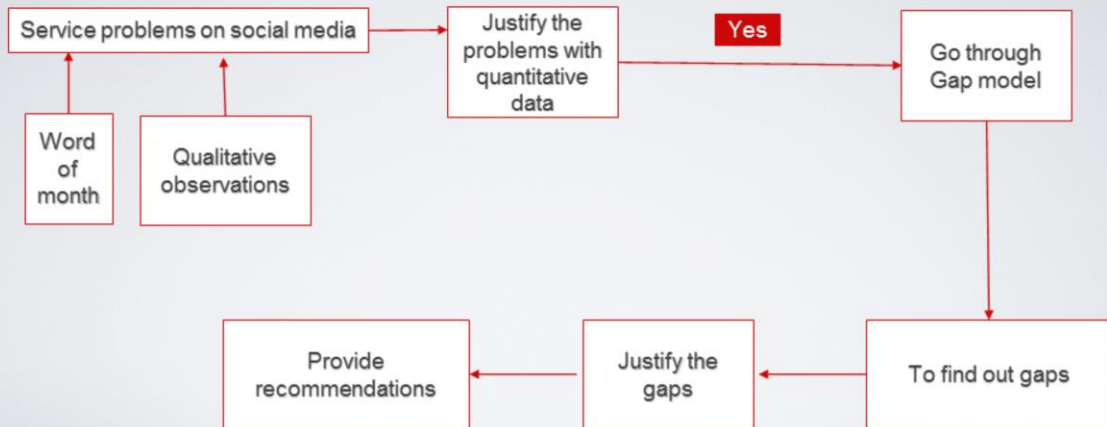
3.1 Luggage Spaces

3.2 Seating & Tickets

Part 4. Limitations & Conclusion

In research method part, when we describe indirect points, we described qualitative research methods.

1.2 Research Framework For Analysis



Here I will mainly talk about the conceptual framework we produced to analyze the two components in terms of customer services.

Part 2: Travel Experience

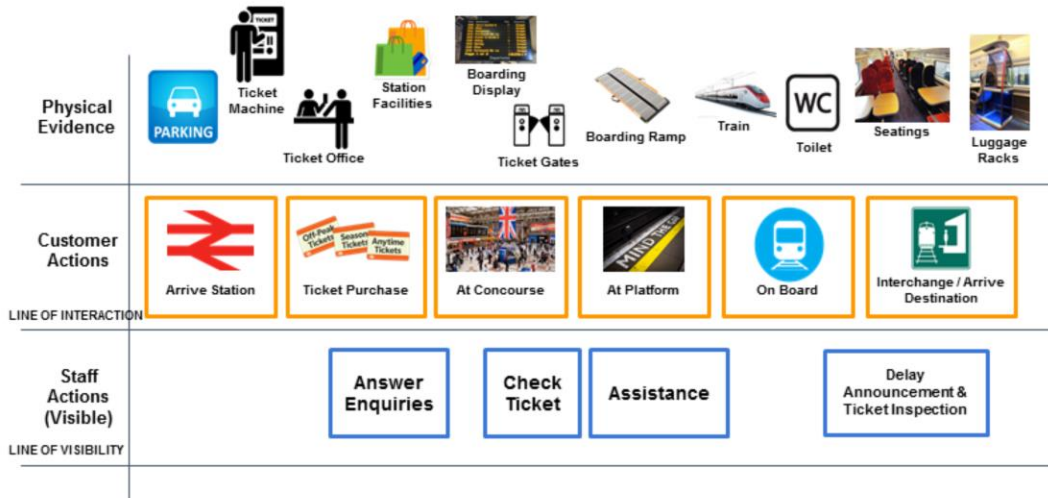
2.1 Direct Points

2.2 Indirect Points



Part two will describe the direct and indirect points. Direct points: like what animation shows
Indirect points: on social media. Virgin is very responsive to each customers' complains on Facebook.
Now my colleague Bob will talk about part 3.1 luggage space.

2.1 Direct Points



2.2 Indirect Points



Facebook

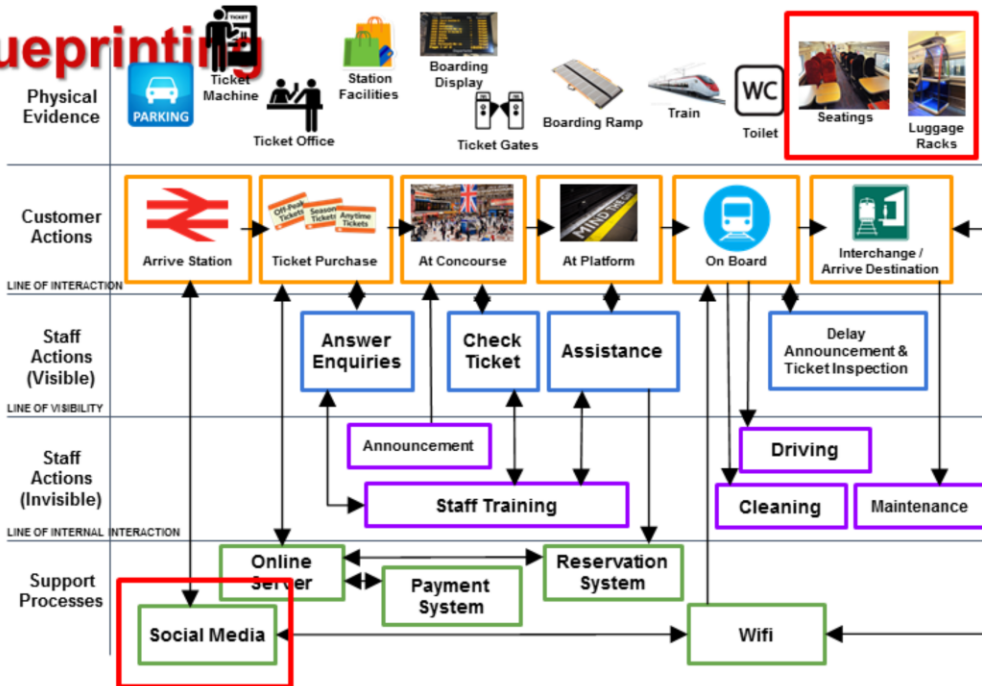


Twitter



Online

Blueprinting



Social Media

**Gareth Bowden** · 2 hrs ·  **Virgin Trains**

Hi. I'm on the 18:24 Crewe to London train, not only is it nearly an hour late , the shop is closed because someone needed to get off and go to Preston. So I'm late, hungry and thirsty now. Toilets are a mess as well. I would say I'm not going to use you again but that would be a lie as I have no choice


2 Comments


 Like  Comment  Share Chronological

**Virgin Trains** · We're so sorry, Gareth. Appreciate this isn't good at all. Please do claim for your delay here: <http://goo.gl/YrF7i3> and we'll be sure to pass along your comments in regards to the service today - Sarah


**Delay Repay - Virgin Trains**
Calculate what compensation you might be due if a delay of 30 minutes or more was made to your...
VIRGINTRAINS.CO.UK

Like · Reply · 2 hrs


 **Very responsive** to messages


 Invite friends to like this Page


Welcome to our official Virgin Trains Facebook page. We're here to chat 24/7.

 **134,580 Likes**
Anum Naeem and **Hina Hasnaini** like this

About [See All](#)

 Typically replies within minutes
[Message Now](#)

 www.virgintrains.co.uk/

 Travel agent

Social Media

The reason I booked the train for this journey was because it would be less stressfull for my elderly mother to travel by train, little did I know the stress that I would have to incur to simply book a seat to sit on for the 4.5 hour journey!

Never again!

2 Comments

Like Comment Share

Chronological

Virgin Trains Hi Shelley, really sorry to hear of your experience. We're unsure as to why the seats weren't displaying as available, we'll be sure to get this reported for you. In future, you can always contact us via Facebook and we can reserve seats for you subject... [See more](#)



Complaint/enquiry - Virgin Trains

If there's something that you'd like to tell us or ask us, you can submit this form to us directly & we will do...
VIRGINTRAINS.CO.UK

Like Reply 4 hrs

Shelley Cormack Thank you for your response, I will send full details to the link attached to be looked into further as I feel this is required.

Like Reply 4 hrs

Stephanie Lowe • **Virgin Trains**

Yesterday at 22:02 • Gram • €

I know it's a long shot but my little boy lost his teddy on the virgin train from Edinburgh to Wigan on the 27th Dec 16, we've bought him a new one but he knows it's not he's Charlie bear he's had from being a baby 😊 if anyone has handed it in anywhere could you please message me, we think he fell out of a bag in the overhead compartments, thanks 🙏



Virgin Trains Hi Stephanie, sorry to hear that your little boy has lost his teddy, from experience I know how distressing this can be, if Charlie Bear was handed in he'd be at one of our Lost Property centres. Please complete this form & we'll see if he can be located goo.gl/yq72s8 - Andy



Lost Property enquiry form - Search for Lost Items - Gatwick, Manchester,...

LOSTPROPERTY.ORG

Like Reply 1 • Yesterday at 22:13

Part 3

3.1 Luggage Space
3.2 Seating & Tickets

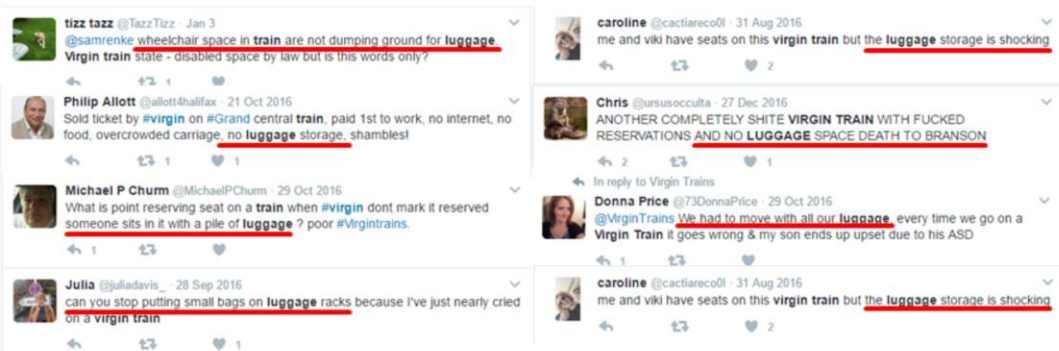
Now my colleague Bob will talk about part 3.1 luggage space.



Part 3.1

Luggage Space

Social Media



We noticed that there might be problems about luggage space when we travelled on the Virgin Train. When searching this problematic point on the social media, we found that, passengers did complain about the luggage space.

So is luggage space a real problem?

 Sort by Satisfied or Good

 Sort by Dissatisfied or Poor

TRAIN FACILITIES	Sample size	Satisfied or good	Neither	Dissatisfied or poor	TRAIN FACILITIES	Sample size	Satisfied or good	Neither	Dissatisfied or poor
How well train company deals with delays	208	58	31	12	The value for money of the price of your ticket	986	62	17	21
The value for money of the price of your ticket	986	62	17	21	The space for luggage	854	63	16	21
The toilet facilities	617	62	16	18	The other services	917	62	19	19
The space for luggage	854	63	16	21	How well train company deals with delays	208	58	31	12
The availability of staff	797	69	22	9	The availability of staff	797	69	22	9
The helpfulness and attitude of staff on train	702	81	15	5	Sufficient room for all passengers to sit/stand	994	81	10	9
Sufficient room for all passengers to sit/stand	994	81	10	9	Punctuality/reliability (i.e. the train arriving/departing on time)	1015	87	6	7
The comfort of the seating area	999	83	10	6	The comfort of the seating area	999	83	10	6
The provision of information during the journey	952	84	12	4	The helpfulness and attitude of staff on train	702	81	15	5
The cleanliness of the outside	825	84	12	4	Connections with other train services	559	85	10	5
Connections with other train services	559	85	10	5	The provision of information during the journey	952	84	12	4
Punctuality/reliability (i.e. the train arriving/departing on time)	1015	87	6	7	The cleanliness of the outside	825	84	12	4
Upkeep and repair of the train	1006	88	9	3	The frequency of the trains on that route	1005	90	6	4
The ease of being able to get on and off	1012	89	8	3	The length of time the journey was scheduled to take (speed)	1020	90	6	4
Your personal security on board	957	89	10	1	Upkeep and repair of the train	1006	88	9	3
The cleanliness of the inside	1027	89	7	3	The ease of being able to get on and off	1012	89	8	3
Overall satisfaction with the train	1027	90	8	2	The cleanliness of the inside	1027	89	7	3
The frequency of the trains on that route	1005	90	6	4	Overall satisfaction with the train	1027	90	8	2
The length of time the journey was scheduled to take (speed)	1020	90	6	4	Your personal security on board	957	89	10	1

Using the data in the survey on their website, we can find that they have a low satisfaction rate and a high dissatisfaction rate.

Yes, and why?

External Communication

Types Of Luggage Areas



Luggage areas on the train are divided into two types. One type is the overhead luggage area, let's call this overhead luggage area, and the other type is the luggage area for large luggage, let's call this large luggage area.

What They Promise

Luggage allowance

If you've got a brand new bag, don't worry. We're not about to cramp your style. Whether you're travelling light or on the road with your orchestra, there should be room for everyone.

You can bring:

- One item of hand luggage that can fit on your lap
- Two larger items of luggage, each not exceeding 30 x 70 x 90 cm in size

We have three spaces for you to store your luggage - above your seat in the small overhead luggage racks, beneath your seat, and the dedicated luggage area by the doorways.

Please be considerate, and remember that luggage can't be placed on seats intended for your fellow passengers (unless the bag has paid for its own seat).

Although there's no weight restriction, you need to be able to manage your luggage without additional help. We can carry anything (within reason) that fits on the train, but if it exceeds your free allowance we may need to charge you extra for it.

As they promise on their website, Virgin Train allows every passenger to take a handbag and two larger suitcases, not exceeding 30*70*90cm in size, that is, passengers are promised to take two pieces of 0.189 m3 luggage, excluding handbags.

Their Ads



And this is a picture from their advertisement on their Facebook. As we can see in the picture, suitcases that can fit in the large luggage area can also fit in the overhead luggage areas. In this way, Virgin Train's external communications to consumers seem that they are capable to provide enough space for luggage.

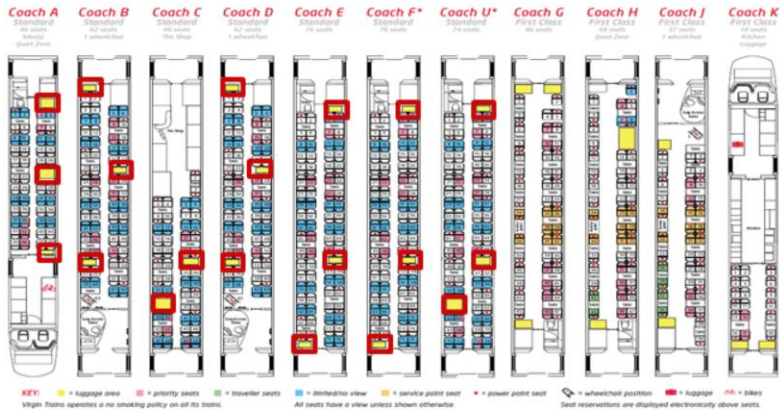
However

Service Delivery

What They Provide: Coach Type 1

*Additional coaches on 11-car trains

Pendolino trains



We found their floorplans of their trains. There are two types of Virgin trains, pendolino and super voyager. As the floorplans show, the yellow area is the large luggage area.

What They Provide: Coach Type 2

*Additional coaches on double length trains

Super Voyager trains



Coach A (& G*)

Standard
42 seats
1 wheelchair
4 bikes
Quiet zone



Coach B (& H*)

Standard
50 seats



Coach C (& J*)

Standard
50 seats



Coach D (& K*)

Standard or First Class
52 seats
One shop



Coach E (& L*)

First Class
28 seats
1 wheelchair
Bicycle



KEY: luggage area priority seats

Virgin Trains operates a no smoking policy on all its trains

internet view

All seats have a view unless shown otherwise

power point point

wheelchair position

Seat reservations are displayed electronically above seats

We found their floorplans of their trains. There are two types of Virgin trains, pendolino and super voyager. As the floorplans show, the yellow area is the large luggage area.

After calculation, we found:

To hold their luggage:

- On the Pendolino, passengers only have 0.049m^3
- On the Super Voyager, passengers only have 0.039m^3

As they promise,

You can bring:

- One item of hand luggage that can fit on your lap
- Two larger items of luggage, each not exceeding 30 x 70 x 90 cm in size

- That is $2 * 0.189\text{m}^3$
- Space for luggage is not enough

Leaving alone the first class, after calculating, we found that every passenger can only have 0.049 m^3 luggage space in the first kind and 0.039 m^3 in the second kind. At this point, there may be not enough space in the large luggage areas.

Luggage Space



The luggage rack is too small and in the wrong place in the centre of the carriage. It ought to be near the doors so that people don't have to cart their bags past other passengers. Owing to the compact interior (crash proofing?) the luggage rack space overhead is pretty mean too.

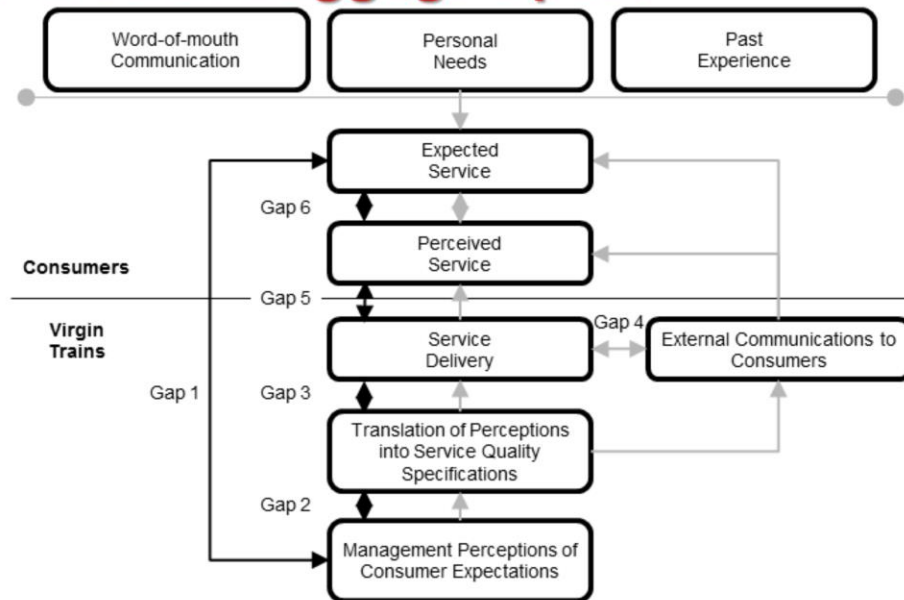
As a result there was difficulty at stations with the result that luggage blocked the aisle. This was not a local service. This was Glasgow-London where people are likely to be carrying luggage, not just a briefcase.

If you're tall or stocky it's not going to be fun. I'm sure it's fine for slim people but the average girth is growing and it's already on the cramped side. However in fairness to Virgin I will say that the seat pitch seemed ok. I'm tall and my knees were not scraping the seat in front.

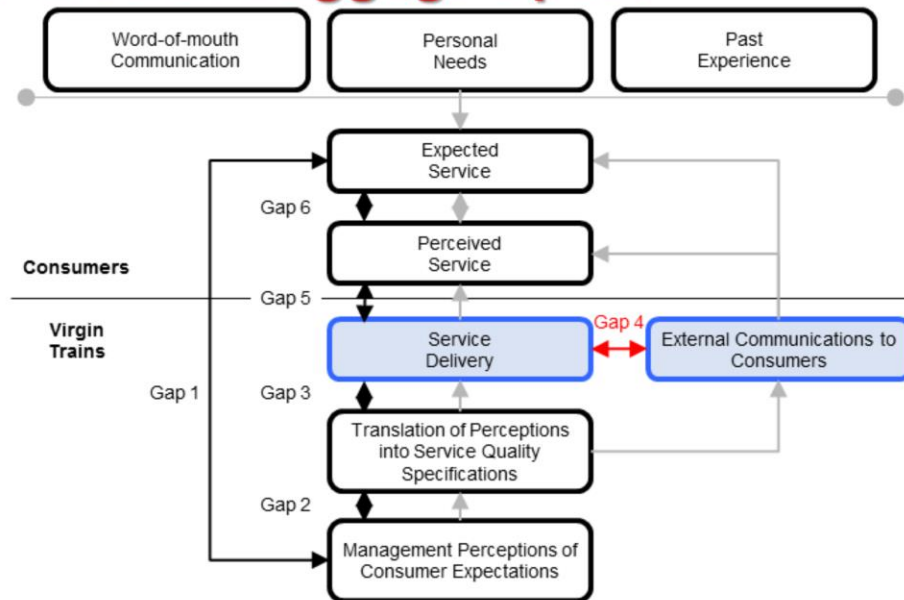
In reality, overhead luggage areas look like this as the picture shows: the overhead luggage areas can only hold some handbags and overcoats.

It's easy to tell that the actual service provided by Virgin Train is very poor. The trains only provide very limited large luggage areas and too small overhead luggage areas, which raises the problem of luggage space. Even worse, some customers may take two or more pieces of luggage. Besides, customers may take oversized luggage, which worsens the problem.

GAP Model: Luggage Space



GAP Model: Luggage Space



As the analysis above, we can see that there is a large gap between external communications to consumers and service delivery, that is the Gap 4 in the Gap model.

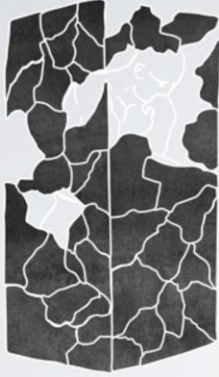
External Communication

- Change their promises in advertisements

Recommendation

Service Delivery

- Enlarge the luggage area → remove chairs



Part 3.2

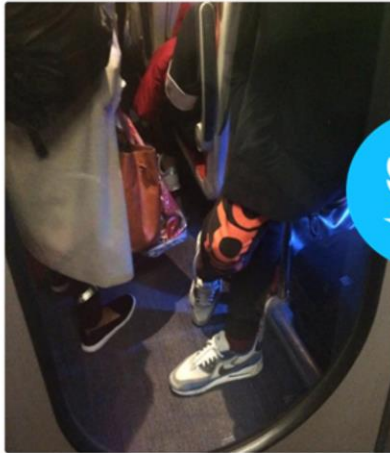
Seating & Tickets

Social Media



Alice Boddy @_AliceElizabeth · Feb 10

ON A VIRGIN TRAIN HAD A SEAT RESERVATION YET HERE I AM IN THE CORRIDOR. RAM PACKED. BAD!



The Word @wordnewspaper · 19 Nov 2016

crowdfunder.co.uk/the-anti-sun
Jeremy Corbyn finds a seat on a virgin train



From Twitter it shows that the carriages are so compact that passengers do not have enough room to sit or stand.

It is one of the most common causes for complaints according to the survey from Office of Rail and Road.

External Communication

The external communication by Virgin, which refers to...

External Communication

In a nutshell, our Passenger Charter is a promise

A promise that we're committed to giving you the high-quality service you deserve. That means basic, but important stuff like:

- Punctual, reliable trains
- Clean, safe trains and stations
- Customer Service team members on each train
- Refreshments on most trains (yum)
- Making sure you have a seat if you've reserved one in advance



Virgin Trains Promise: Passenger Charter

Their advertisement that Virgin promises to make sure the passenger who has reserved a seat in advance to get a seat.

And to provide a high-quality service.

Service Delivery

Situation

On-board experience

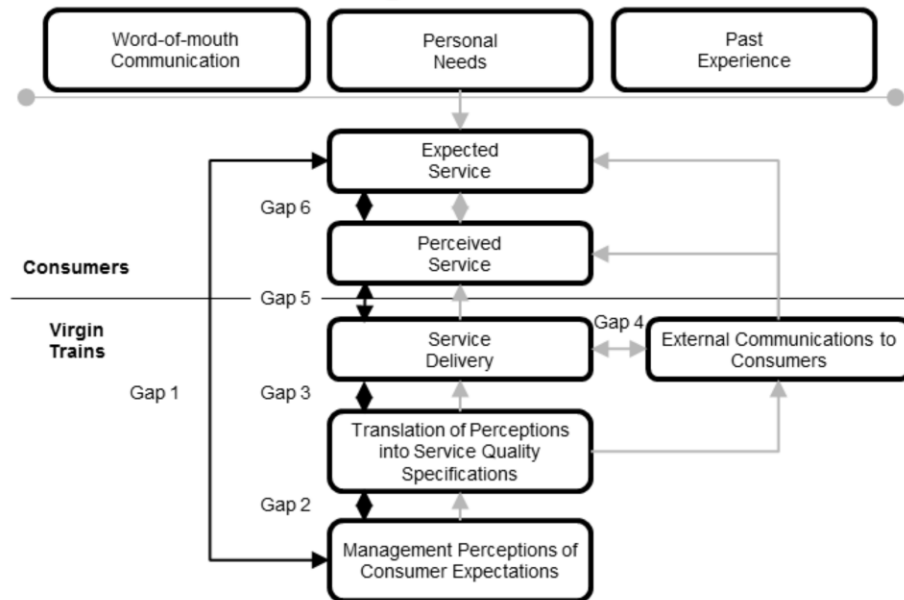
Overall the experience on board is a positive one. Trains are fairly modern, although the lack of sufficient power points is an issue, and they seem to compare well against competitors. Generally people feel comfortable, safe and secure.

Although the passengers in this study, many of whom travel on advance tickets with reservations, usually get a seat themselves, they did have experience of travelling on congested trains. They feel that overcrowding is largely unacceptable and demonstrates a lack of care on the part of the train company.

**InterCity West Coast Rail:
What Passengers Want**
February 2016

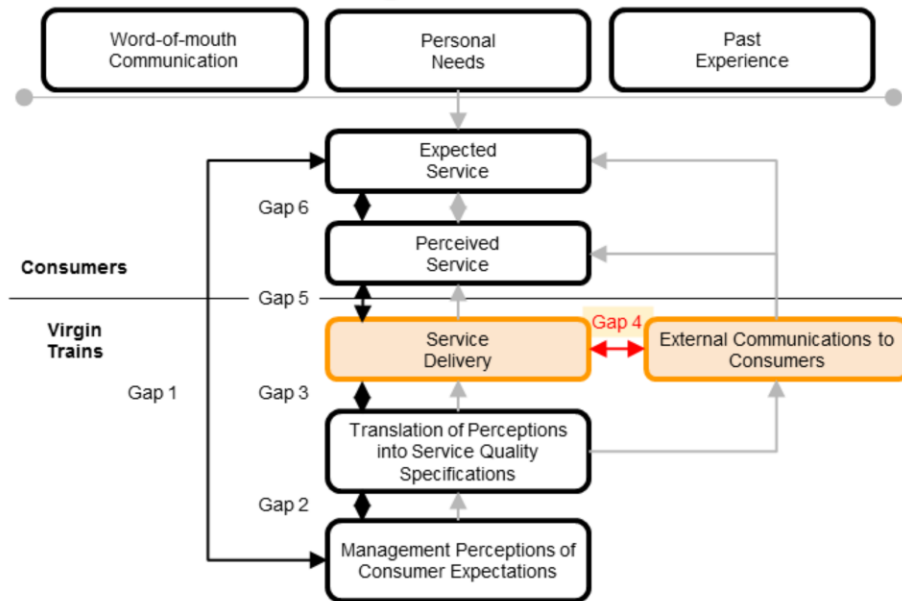
From a survey from InterCity West Coast Rail, it shows that though for those who bought the advance tickets can get a seat, they did not enjoy their travelling experience due to overcrowding in the carriages, meaning that Virgin did not provide a high-quality service that the passenger deserves.

GAP Model: Seating & Tickets



So if we come to the GAP model...

GAP Model: Seating & Tickets



It will be the Gap 4 about the External Communications and Service Delivery.

Expected Service

In another aspect, the expected service...

Expected Service



Be Punctual

→ Depart on time



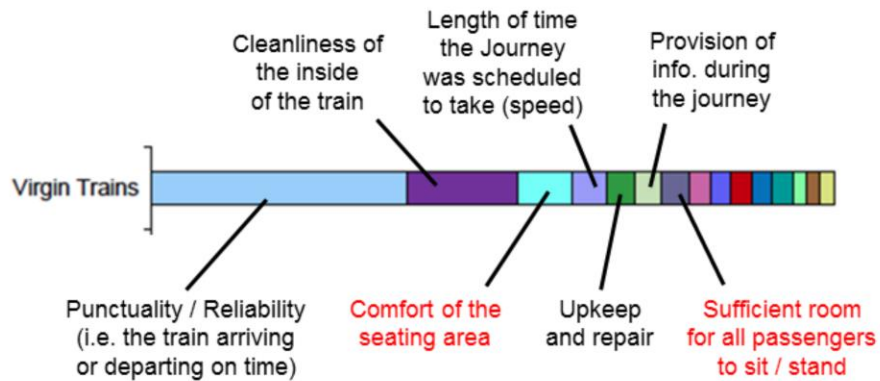
Be Reliable

→ Reach destination on time

National Rail Passenger Survey
Autumn 2016 Main Report

In general, the expected service when passengers travel with a train company is to be punctual, be reliable, and to have enough room to sit or stand.

Drivers of Satisfaction for Virgin Trains



National Rail Passenger Survey
Autumn 2015 / Spring 2016: Virgin Trains & Building Blocks

Other than punctuality, the crucial building blocks to create satisfaction when travelling with Virgin Trains also include the comfort of seating and space within the carriages.

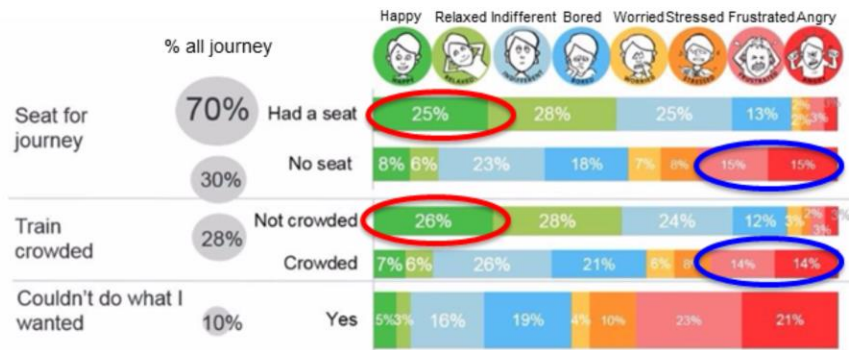
Emotions when Travelling



How Rail Passengers Really Feel
June 2016 by Transport Focus

Research found that there would be 8 emotions when travelling by trains.

Emotions when Travelling

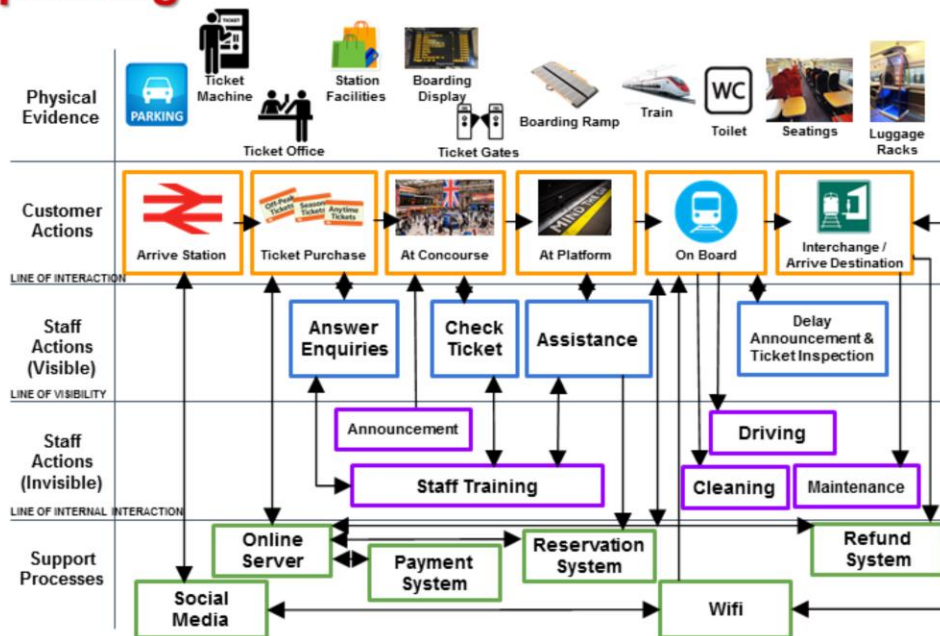


How Rail Passengers Really Feel
June 2016 by Transport Focus

So, if passengers can get a seat for the journey or the train is not crowded, they are more likely to be happy and relaxed.

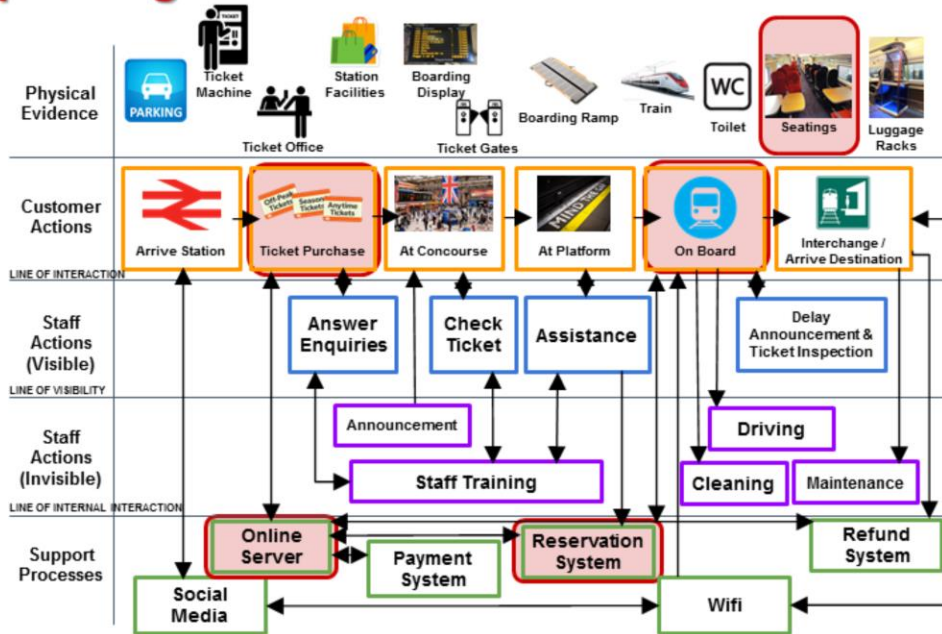
But if they can't get a seat or the train is crowded, it makes them feel angry and frustrated.

Blueprinting



So in the blueprinting...

Blueprinting



The problems lie in ticket purchase, the reservation system and the seating on board.

Management Perspective

For the management perspective...

Types of Tickets



Flexible for customer to travel

The types of tickets that Virgin offers are based on time period, which are Anytime, Off-peak, and Super off-peak.

The ticket policy gives a great flexibility for the customers to travel at the time period, which on the other hand, Virgin has little power in controlling the number of passengers on board.

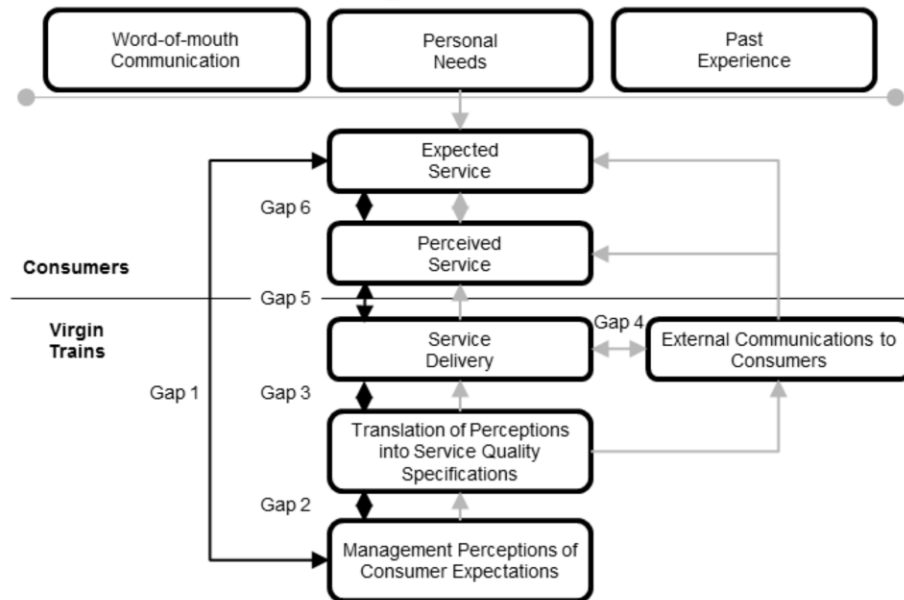
Therefore, this will lead to problems like overcrowding.

Anytime (fully flexible)

Off-peak (Semi-flexible, can be used on any Off-Peak service)

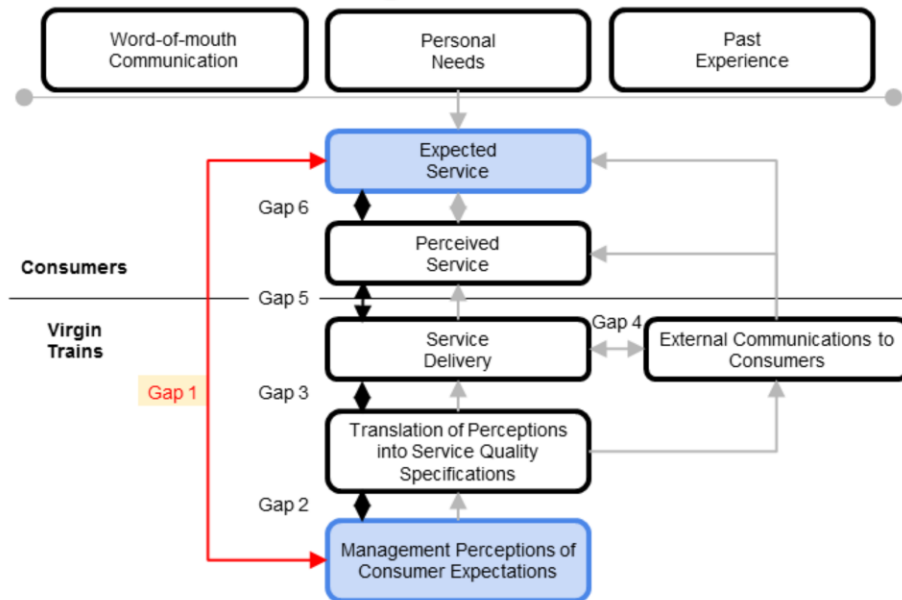
Super off-peak (Can be used on some Off-Peak services on Mon to Thu)

GAP Model: Seating & Tickets



→ that passengers do not have sufficient room to stand or sit and not matching with their expected services.

GAP Model: Seating & Tickets

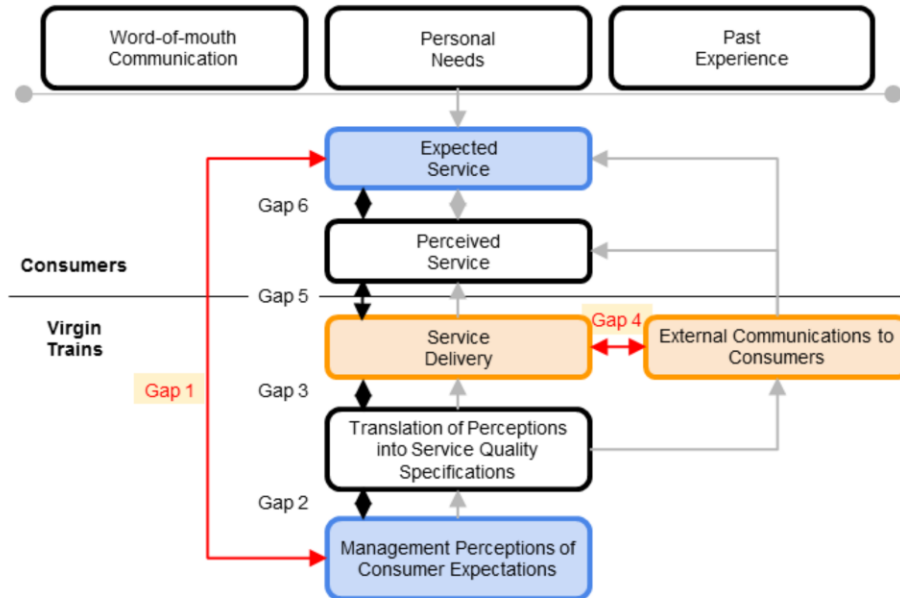


... Which is Gap 1.

Gaps for Seating & Ticket

So the gaps we have talked about...

GAP Model



... are Gap 1 and Gap 4.

Recommendations For Seating & Tickets

To minimise the gaps, Virgin may need to consider introducing a new ticket policy.

Change of the Ticket Policy



Can only travel at specific time slots

... That passengers are only allowed to travel at the specific time they have chosen, rather than travelling flexible during a time period.

Change of the Ticket Policy



Capacity Management

→ **Limit the total number of tickets sold**

And also to limit the total number of tickets sold, which can help minimize the chance to be overcrowding on board, so as to provide better service and

Change of the Ticket Policy

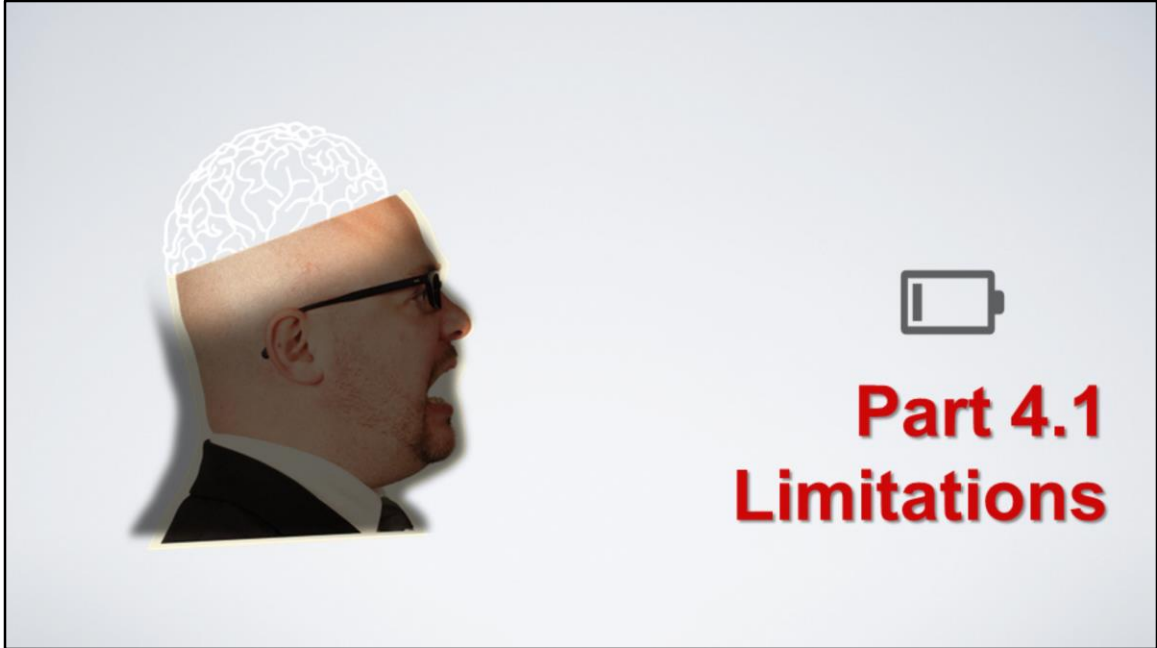


**Small amount of admin. charge
for changing or cancellation**

Also, in order to keep the customer flexible, a small amount of administration charge may be applied for any changes or cancellation.

In the next part, Alice will talk about the limitations Virgin may face.

Alice please.



After my partners' great analyses of two problematic segments of virgin train service, now I want to say something about the limitations of our own group work.

Limitations

1. Lack of primary data

2. Recommendations

The first one is about our data. We collected a lot of secondary data such as customers' comments on social media and official reports of passenger survey. However, there is a lack of primary data. We didn't do the questionnaire or interview others.

Actually, the reason why we choose not to use these methods is because we think it is difficult for us to have enough samples. If the sample size is limited, it may reduce the solidity of our argument. Also, it's hard for us to get in-depth and precise data through questionnaire because the expected service and perceived service is hard to measure as most of people have taken the virgin train before. There is already some perception.

Another limitation is about our recommendations. As my partners mentioned before, virgin trains can reduce chairs to enlarge the luggage area and limit the number of tickets sold. These strategies may influence the company's financial performance. so before the company change their policies, they need to consider the trade-off between customer satisfaction and financial performance. So our group think these recommendations need more in-depth consideration and analyses.



So overall, in general, virgin trains really did a good job in creating customers satisfaction. As we mentioned before, their online services are very timely and considerate. Also their service is much better than the average standard of the whole industry. However, in tickets and luggage space these two parts, virgin train really have a large space to improve.

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That's all about our presentation and these are our references.
Thank u so much and let's go to the Q&A part.

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