

Welcome to IF Consulting's weekly e-mail newsletter

April 8, 2004

Our regular email tackles the topical issues that surround all marketing channels and their underlying strategies.

This newsletter is also available as a PDF on our Website (<http://www.i-f.com/E-comLinks02.htm>) if you want to download a version for your hard copy file.

Postal service delivers more marketing channels

The UK's Royal Mail has announced a joint venture with the Bank of Ireland which will see the postal service offer consumer finance products. The partnership will commence with the offer of personal loans but plans to offer additional financial services products, including car insurance, credit cards and savings accounts within 18 months. The new competitor in the financial services industry will immediately enjoy the benefits of one of the largest branch networks in the UK.

The concept behind postal offices offering financial services is not new. For many years, postal offices in Italy, France and Germany have successfully offered financial services products. Postbank, the financial services arm of the German postal service, for example, acquired a full banking license and has been very successful in establishing a banking business based on its vast branch network and standardized product offerings. Reasons behind postal offices success in this market include; vast branch networks, strong brand awareness and positive reputations - in some instances postal offices may be more trusted than the banks.

<http://www.datamonitor.com/~f7e8c23e5616403b9ea98b07b8260dd4~/industries/news/article/?pid=D4D91F2D-E347-4C2E-B2BD-2069E2DF77A6&type=CommentWire>

(Because of the length of this URL you may need to cut and paste it into the address bar of your browser)

IF Comment

Gone are the days when companies and individuals approached their bank managers for all manner of financial services. Our parents went to their banks for savings, loans, life insurance and all manner of advice. For financial services, the banking channel was the only option in town. How things have changed.

Over the last few years, banks have been very ambivalent about their channels. Three years ago, American and Australian banks were closing branches rapidly. Today, these same banks are re-establishing branches, albeit different models. Bank branches serve as a delivery point of a single set of services, eg. financial services, whereas for the post offices of the world, financial services are simply an add-on to contribute to recoupment of overheads. The UK's Royal Mail has always been a leader in providing new and better services to its customers. For example, the UK's Post Office Counters was among the first post office in the world to franchise its retail outlets.



Marketing Channel
Strategy Consultants
Maximizing shareholder value
through creating the best routes
to market
IF Asia Pacific Pty Ltd
An International IF Company
ABN 38 970 704 536
390 St Kilda Road Melbourne
Victoria 3004 Australia
Telephone +61 3 9867 8822
Facsimile +61 3 9866 3969
email channels@if.com
www.i-f.com

USA
Europe
Australia
Latin America

The challenge for the banks is to determine which new products and services they can distribute to maximise return from all their marketing channels; branches, websites and financial advisers.

Snippets

According to its channel partners, Sun Microsystem's choice of a new president, its decision to make a deep cut in its workforce and its imminent acceptance of a \$1.6-billion payment from rival Microsoft to settle long-running patent and anti-monopoly could be just the ticket to get the company back on track.

<http://www.crn.com/sections/BreakingNews/breakingnews.asp?ArticleID=49151>

A travel industry research firm has found that although online travel agencies, such as Expedia, Travelocity and Orbit, have marketed extensively to consumers in the past year, many Internet bookers remain loyal to the individual sites of their favorite airlines, hotels and car rental agencies.

<http://www.iht.com/articles/513349.html>

U.S.-based RadioShack Corp. went to court this week to sever branding and merchandise agreements with InterTAN Inc., which operates the more than 800 RadioShack stores in Canada. The application for an injunction, which was filed on Monday, stated, "The Radio Shack trade names, trademarks and service marks in Canada are in imminent danger of degradation by a RadioShack competitor who has no right to their future use and who has no interest in preserving and protecting these valuable RadioShack intangible property rights."

<http://www.canada.com/news/business/story.html?id=3bc1cd15-ec3b-435e-89bb-cddcd79f53a7>

Share the Knowledge.

If you have colleagues who would be interested in receiving our weekly email please forward this e-mail to them.

IF Consulting publishes "Our View", a quarterly review of topical marketing channel issues. Samples are available on our website. To receive "Our View", please return this email with your address details.

To unsubscribe, please reply with "unsubscribe" AND a copy of the email address to be removed.

IF Consulting is a leading international marketing channel strategy consulting firm with over 30 years experience in a vast number of industry sectors. See our website for further information.

<http://www.i-f.com>