

Executive Summary

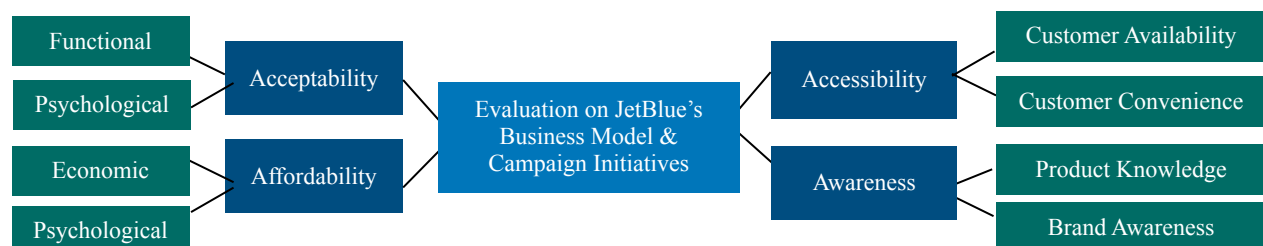
The analysis below focuses on the impact of the digital platform on JetBlue's brand identification and perception. To date, JetBlue has advanced on social media through a series of human-centered marketing. The analysis evaluates the initiatives under the scope of 4A framework, developed by Sheth and Sisodia. Whilst JetBlue seeks to grow its customer, JetBlue should frequently adjust the marketing mix to respond to changes in the marketing environment. Finally, this analysis provides future implications for domestic marketing.

Issue Statement & Performance Overview

With the advent of the internet and emerging technologies, businesses of all fields are integrating social media into their marketing plan to reach millions of customers worldwide. JetBlue Airways, the low-cost airline based in New York, sets a standout of its solid grasp on how social media can fit into the ultimate business objectives and engagement strategies. The cornerstone mission of JetBlue is built on high-quality customer service, popular amenities and egalitarian philosophy of treating everyone the same, with a clear statement of *bringing humanity back to air travel*. Despite its loyal frequent customers and a positive brand halo, JetBlue was neither perceived as a business airline due to its affordable pricing, nor an airline with a differentiated product. To work through the brand perception and identification issue, JetBlue developed a series of human-centered marketing featuring irreverent and creative ads in multipole media. The main campaign focus for getting the branded message across was through humorous YouTube videos and prints that resonate with the domestic culture, value and lifestyle. Using a blend of marketing and non-marketing media resources, JetBlue saw a .20 percent average click-through rate and a .32 percent average click to conversion rate, across the company's portfolio of different display initiatives in 2011.

Evaluation Methods on Campaign Effectiveness & Business Model

Adopting the 4A framework of Sheth and Sisodia¹, the various display initiatives and operation of JetBlue will be evaluated around the values that matter most to customers: *Acceptability, Affordability, Accessibility, and Awareness*. The 4A framework derives from a customer-value perspective allow JetBlue to align the initiatives with the four most essential values that customers seek.



¹ Sheth, Jagdish N. And Rajendra S. Sisodia (2012), *The 4A's of Marketing: Creating Value for Customers, Companies and Society*. New York: Routledge

Affordability

Affordability, as outlined in Sheth and Sisodia's 4A's framework², is the extent to which customers in the target market are able and willing to pay the product's price. The concept is further characterized by two dimensions - economic affordability(ability to pay), and psychological affordability(willingness to pay). From a business perspective, JetBlue started as a low-cost airline, so that the intention of moving up to becoming a value brand that attract business fliers can be difficult. In the airline industry where going assumption among customers is that, air travel is a commodity where the only difference is "price, schedule and frequent flyer miles". Hence, even if the domestic consumers have the economic ability to pay, they may not be willing to do so due to psychological barriers. To convert prospects who have no prior experience with JetBlue, the airline have innovated in many campaign initiatives to make the products and service more psychologically affordable and appealing to the wider public.

Attracting Business Fliers With Economic Affordability

Instead of a traditional multitiered approach in the airline industry, JetBlue operates as a customer-centric, low-cost carrier that had enjoyed unprecedented acclaim from customers for its economic affordability and high-quality services. In an effort to attract prospective business fliers, JetBlue introduced \$599 "*All-You-Can-Jet*" pass for one month of unlimited travel. Public response was unprecedented, with a google search for the keyword returned over 27,000.000 results. JetBlue reported a 12.3% year-on-year increase in passenger number in September, to 1.6 million³. Not only did the pass create millions of dollars of free media, it also successfully converted many prospects to customers. In attempts to snare more business prospects, JetBlue ran additional low-cost pass program with different parameters. JetBlue's promotional approaches and mission reveal affordability as an essential element rooted in its marketing strategy, with a strong emphasis on the economic dimension.

Regaining Psychological Affordability - Valentine's Day Crisis

Evidence of JetBlue performed appropriately in a psychological dimension, is reflected by the Valentine's Day 2007 crisis. JetBlue stranded thousands of passengers on Valentine's Day, that the airline would eventually cancel. This type of public relations disaster is what every airline fears. JetBlue reacted by using traditional and social media to make amends to its customers. To restore its reputation, JetBlue embarked on a bold public-relation campaign that included issuing candid public apologies "*Our Promise to You*"; and a radical new covenant between the company and its customers called the "*Customer Bill of Rights*", which outlined steps the airline would take in response to service interruptions. The "*Customer*

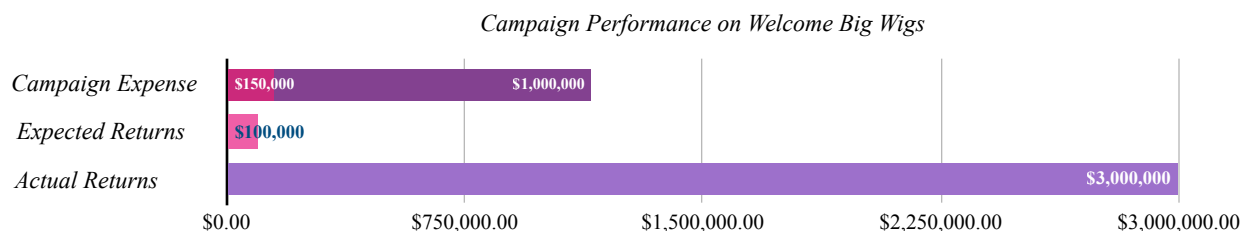
² Sheth, Jagdish N. & Rajendra S.Sisodia (2012), *The 4A's of Marketing; Creating Value for Customers, Companies and Society*. New York: Routledge

³ JetBlue Airways (2009). *JetBlue's 2009 Annual Report on Form 10-K*. Retrieved from <http://blueir.investproductions.com/~media/Files/J/Jetblue-IR-V2/Annual-Reports/jetblue-2009-annual-report.pdf>

Bill of Rights” allowed JetBlue to strengthen its brand among loyal customers, while served as a powerful introduction to countless other air travelers who had yet to fly with the airline. In a sense, the admission of JetBlue’s complete responsibility for the incident and an acknowledgment of the pain it caused passengers, coupled with a credible promise to fix it, amounted to an effective business apology due to its authenticity, genuine, and transparency.

Achieving Acceptability Among The Wider Public

Ever since it was launched in 2000, JetBlue was in most respects superior to rival offerings from other airline companies, especially with its high-quality customer services. Acceptability indicates the extent to which JetBlue’s initiatives meet and exceed customer expectation across functional and psychological acceptability. Within the current challenging industry and economic environments, JetBlue is setting itself apart as the airline that offers “*true value*” for pricing and where great service and product are still included in the fare. While consumers in the United States being value-conscious and highly diverse, JetBlue’s equalitarian philosophy in pricing and customer service alienate the prospects and non-customers who value upgraded services. Among its campaign initiatives, JetBlue clearly emphasized customer needs for airline travel in an innovative and compelling way. To attract business fliers, JetBlue successfully adapted to the domestic environment and consumer needs by emphasizing affordability and quality services in campaign “*Welcome Big Wigs*”. Directly targeting executives who are used to lusher transportation, the ads tout the leather seats in all the planes, along with the private and exclusive entertainment system. Leaning primarily on social media, JetBlue also integrated newspaper, radio, and TV shows. In the midst of an economic meltdown, JetBlue becomes a timely and formidable voice with almost no money spent no paid impression.



A deep integration in the company’s acceptability practice is demonstrated by the volunteer panel “Jet Views”, which made up of JetBlue’s frequent fliers. allows the company to allocate customer feedback on contemplative ideas.

Accessibility Through Social Media

At both human and marketing level, accessibility in the airline industry is a moral imperative. Travel accessibility not only addresses the professional services which fulfill passengers’ assistance requests, but also digital accessibility through timely online feedback. “*Our Promise to You*” gave JetBlue a glimpse of

the power of using social media to establish a two-way dialogue with its customers. Response to JetBlue's creative use of social media was instantaneous and positive. Recognizing how effective social media can be in repairing a damaged image and improving customer relations, plays an essential role in realizing accessibility. JetBlue's social media strategy of first using Twitter to see what people were saying about them, then responding to questions and finally engaging in interactive conversations with their customer base is critical for holding itself accountable for the company's mission statement. Diving deep into JetBlue's specific social traits - a close-knit customer community. Taking advantage of the explosive growth of social media, the JetBlue response team demonstrated efficient two-way communication with fliers in an authentic and transparent way.

Awareness - Building Brand Identity

Awareness, being a prerequisite for establishing a brand identity, is the extent to which consumers are informed regarding product characteristics, are persuaded to try a new product or service, and, if applicable, are reminded to repurchase it⁴. For JetBlue to successfully educate consumers with existing offerings, our company must eliminate any gap between brand essence, as intended by JetBlue's mission; and brand identity, as experienced by consumers.

Internal Product Knowledge- Employee Engagement

In a successful business model, motivating and managing employees are critical tasks since they are the business' greatest assets. In an industry with fierce competition, opportunities are hard to grab. JetBlue successfully galvanizes the employees in a way that spurs them to achieve a high-standard customer service, which advances JetBlue's goal of using customer service as a differentiating feature. Aiming to build internal confidence among employees and refocus on the airline's strategy of delivering a "true value" experience for all customer; "Happy Jetting" campaign was released, featuring JetBlue's approach and attitude to service. "Happy Jetting" captures JetBlue's approach and attitude to service, of more than 12,000 crew members. By using *Jetting*, JetBlue identifies its value proposition that offers to the passengers, sets its apart from other airlines, and further explains to the wide public why JetBlue is unique in a fun way. JetBlue's egalitarian culture is further manifest in the company customs, where prototyping creative ideas, embracing fast marketing failures, and giving employees the chance to have an impact.

External Brand Awareness -Appropriate Channels & Content

With the airline industry comes in last in terms of American customer satisfaction ratings, JetBlue has gained a solid insight into how social media can be a valuable communication tool to reinforce its brand mission, yet make sure that the efforts would contribute to customer satisfaction and business profit. "You

⁴ Sheth, Jagdish N. & Rajendra S.Sisodia (2012), *The 4A's of Marketing; Creating Value for Customers, Companies and Society*. New York: Routledge

Above All”, which took a populist approach to feature real New Yorkers’ struggles with airline services, has elicited an enormous resonates among the wide public. JetBlue has been striving to keep the campaign messages culturally relevant and customer-focused in order to strike a chord with passengers and inspire them to share. In addition to delivering true, unquestioned value to domestic customers, JetBlue wisely selected social communication to a few suitable platforms. JetBlue uses Youtube and Facebook for sharing campaign content and promotion, yet adopt Twitter for customer service. JetBlue has rebuilt its reputation and made enormous strides in improving its relationships with customer through the use of social media. The effective use of video and social networking has played a key role in strengthening its brand. In addition, JetBlue uses its social media properties to attract people to its website, where they can purchase tickets, converting them from fans to customers.

Data Limitation & Strategic Recommendation

Even though JetBlue has demonstrated a great success and potential in the world of media advertising; however, proving the campaign effectiveness in monetary terms is also critical to achieving business goals. For JetBlue’s a series of campaign creatives, it’s vital to evaluate the **View-Through-Conversions**, **Cost-Per-Click**, and **Cost-Per-Action**; and finally the **Return-On-Investment**.

Furthermore, to foster stable customer relationship, JetBlue should frequently adjust the marketing mix to respond to changes in the marketing environment. In other words, JetBlue needs to be sensitive to adapt to the nascent market environment. Observing the current marketing trends, JetBlue could consider the following approaches:

Developing Collaborative Marketing

JetBlue may collaborate with other companies that hold a common purpose, goal, or target audience to share resources, in order to increase leads and brand recognition. The initiative can be invaluable in engaging with multiple stakeholders, or targeting specific demographic. For example, JetBlue may consider to partner with Starbucks to offer passenger quality coffee and snacks at the gate.

Leveraging Unconventional Media

In addition to JetBlue’s successful digital marketing, the company may consider another nontraditional way to reach consumers- guerrilla marketing, where technology often plays a critical role in it. To reinforce the unique company culture of fun and relax, JetBlue may give out ticket discount if people dance along with the dance move on the screen. By involving customers in campaigns instead of using traditional digital advertising, jetBleu not only leave a lasting impression, but also reach a large audience since the videos of the campaign often go viral via social media.