

AIRFRANCE 

Internet Marketing and The Search For Optimization



Overview



Airline Industry Marketing Trends



Competition



Key Performance Indicators



Current Marketing Mix and Insights



Recommendations

Airline Industry Trends

82%

of travel
booking done
online

72%

book online in
48 hours after
research

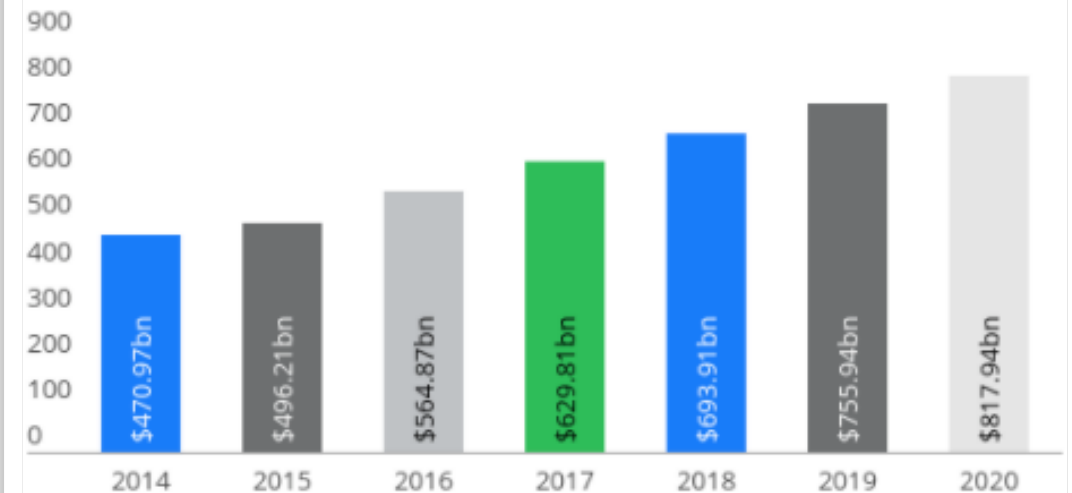
15.4%

Online Sale
Growth
Annually

70%

Customers
research on
mobile

**Global Online Travel Sales
(2014 - 2020)**



Source: Statista, 2018

<https://www.stratosjets.com/blog/online-travel-statistics/#:~:text=The%20process%20of%20online%20travel,market%20shares%20in%20the%20sector.>

Source: Statista, 2018

Competition



More Passengers



Less Expensive



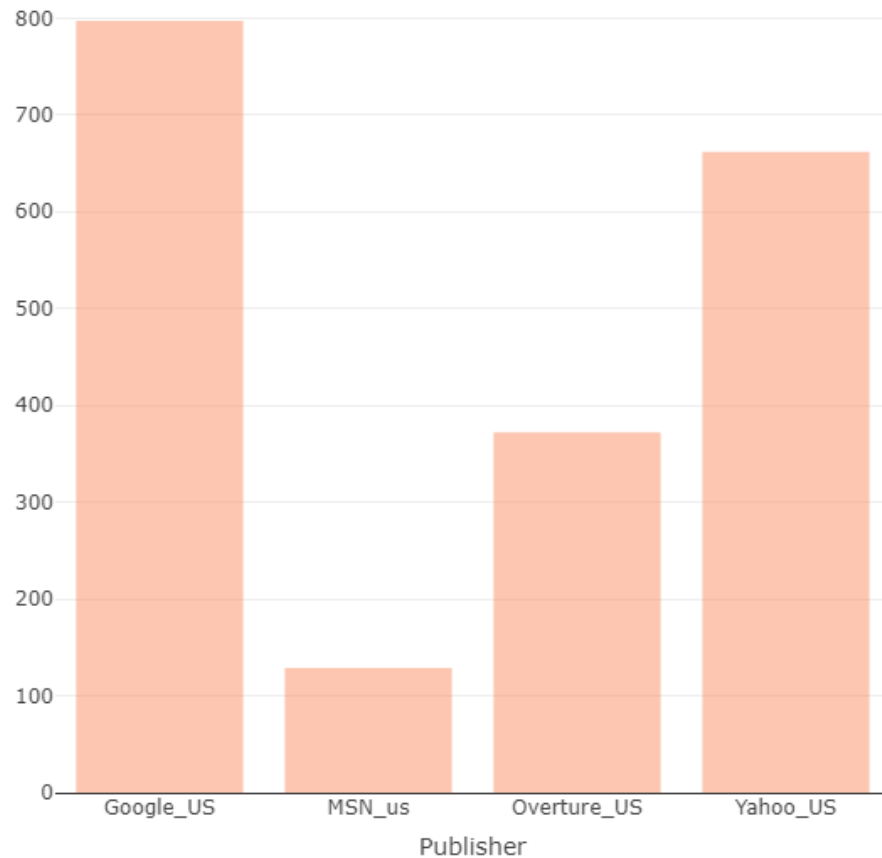
More Expensive

Less Passengers

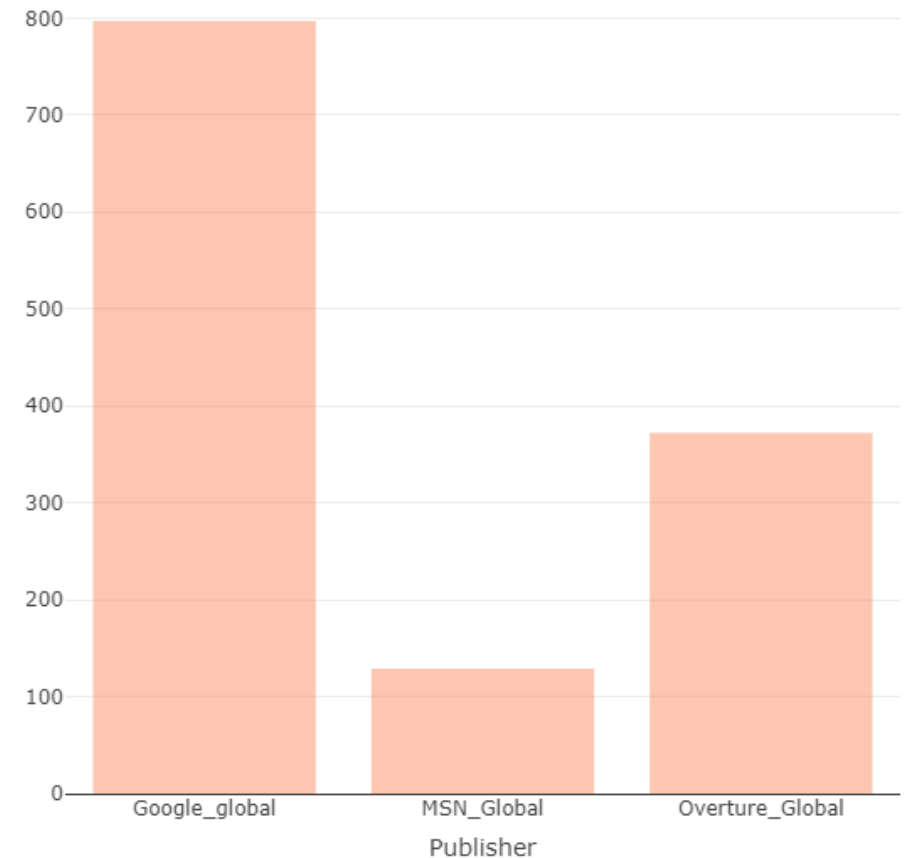


Search Engine Marketing Performance

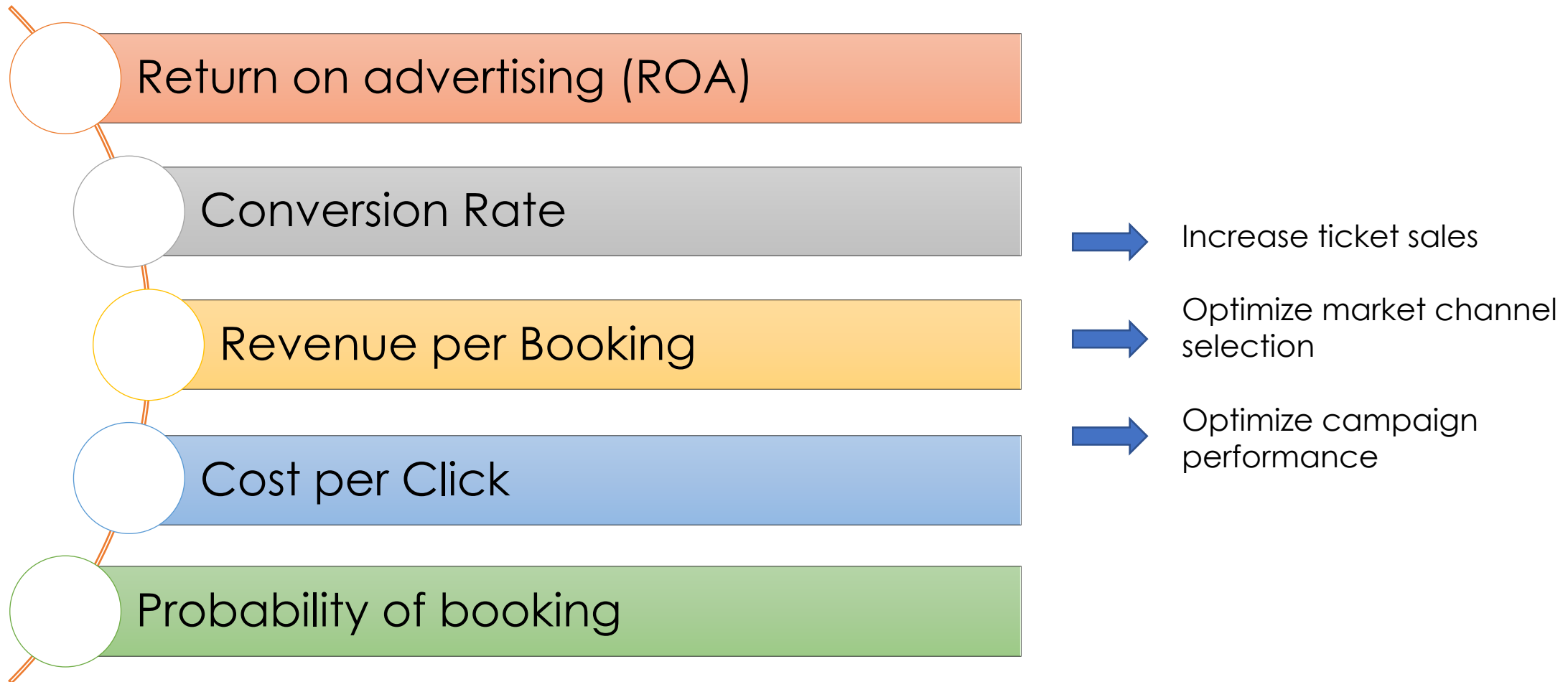
Total volumn of bookings by publisher in US



Total volumn of bookings by publisher in Global

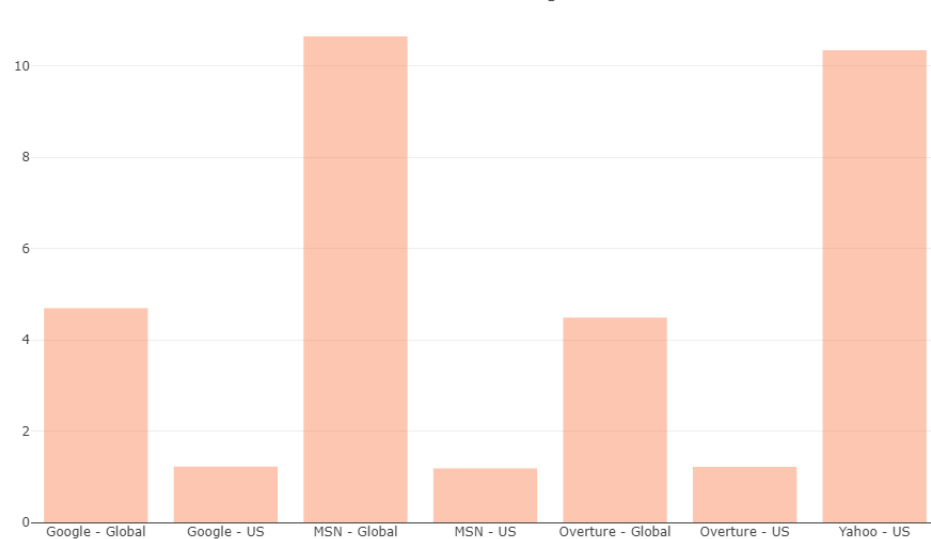


Key Performance Indicators

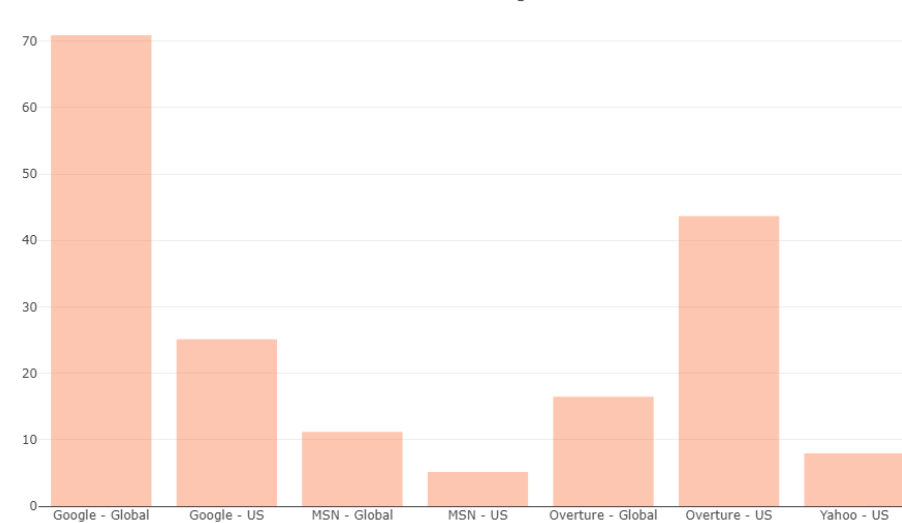


Search Publisher Comparison

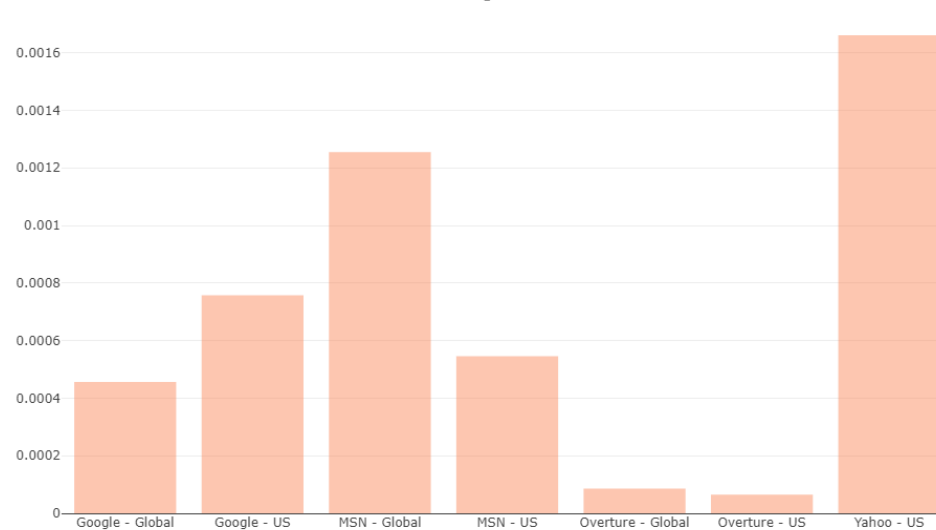
Return on Advertising



Cost Per Booking

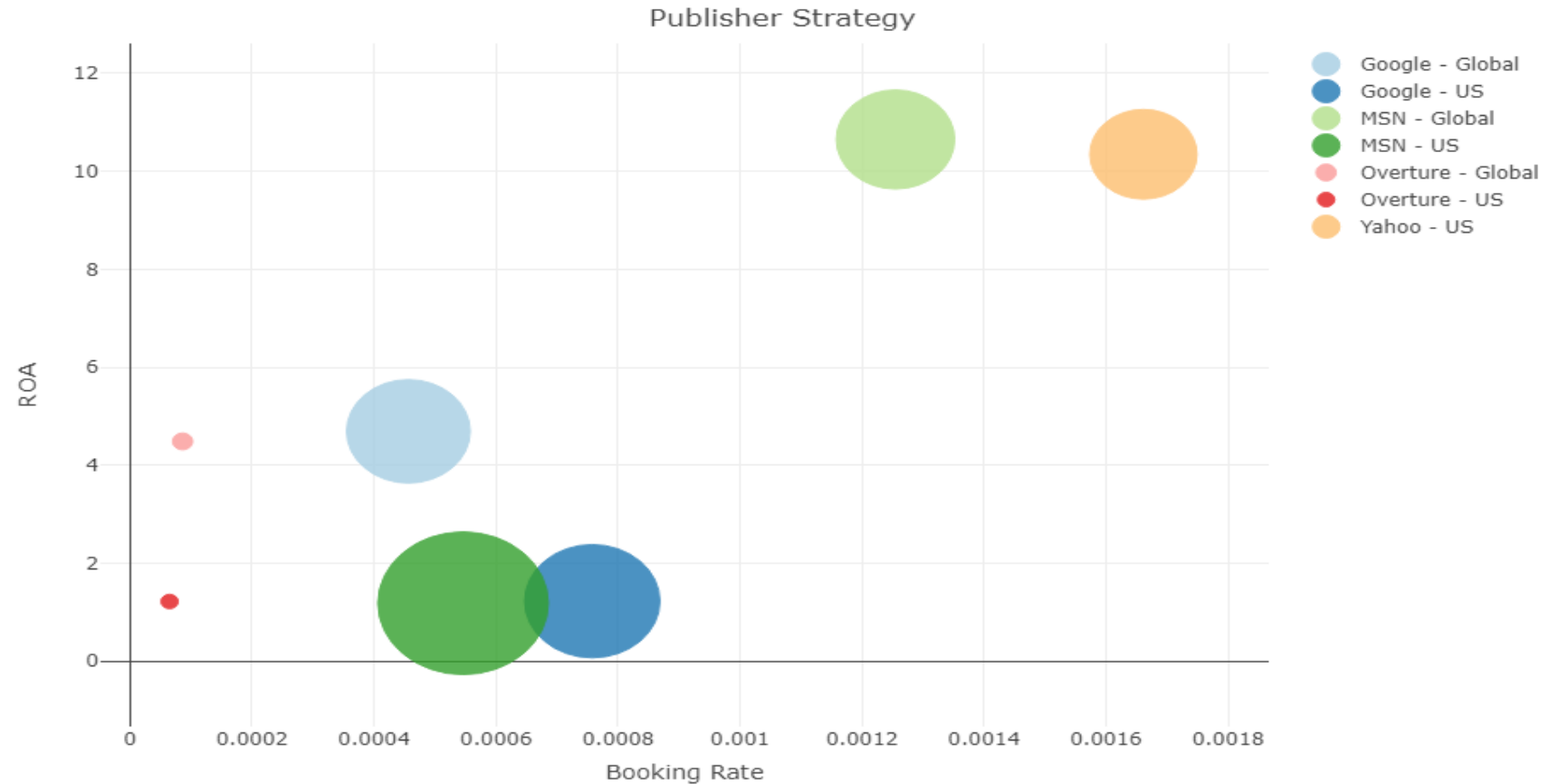


Booking Rate



Publisher ROA Comparison

- **Google** is most expensive ,consumes majority of budget with average rate of success.
- **Yahoo** has the highest conversion rate.
- **MSN** has highest Return on Advertisement for global markets.
- **Overture** has the least chance of booking success



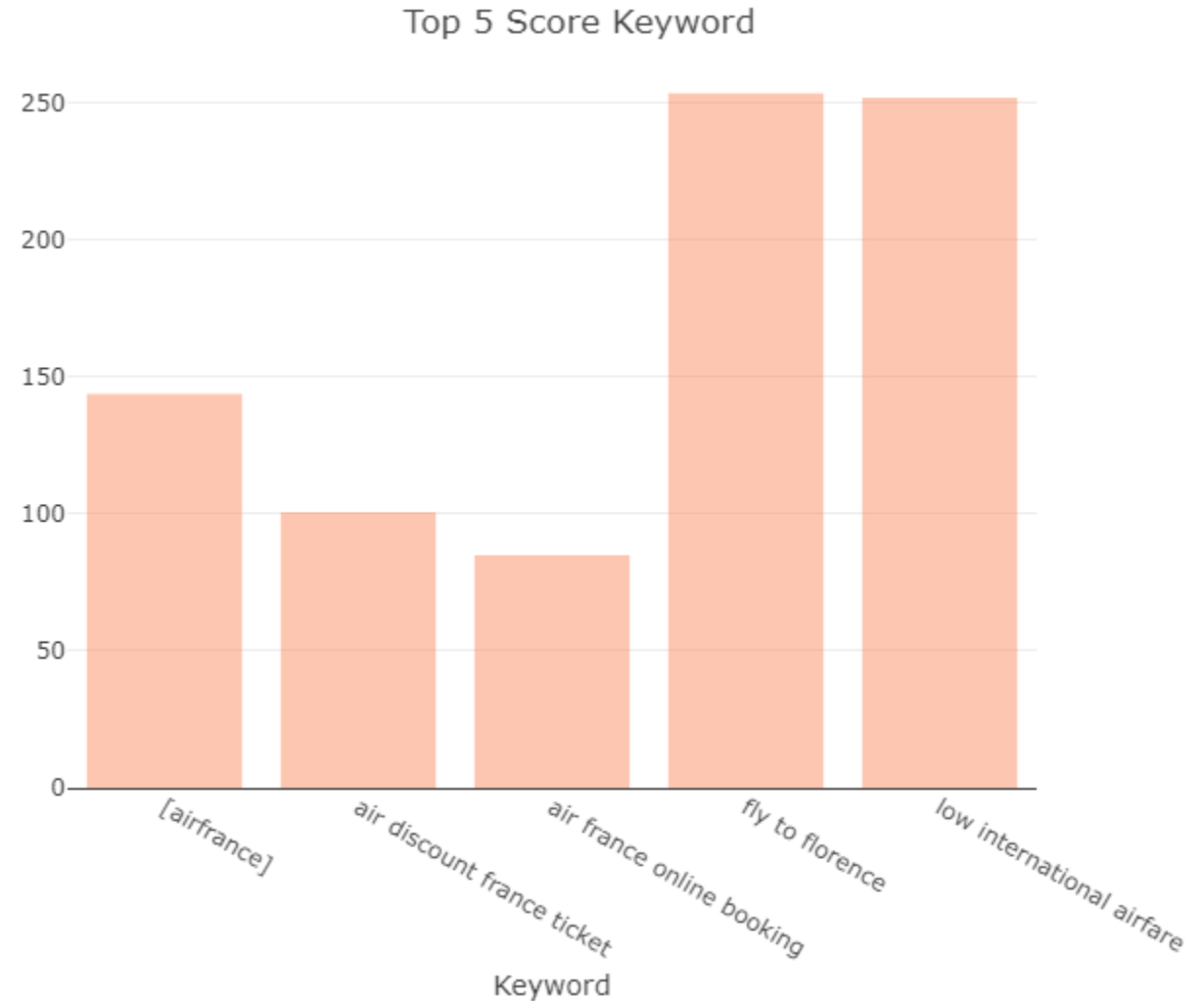
Campaign Efficiency Comparison

- Geo-targeted campaigns with location are the most profitable(ex: "Geotargeted DC")
- Branded campaigns with destination (ex: Air France Brand & French Destination)
- Regional campaigns (Western Europe)also give good return on advertisement



Keyword Efficiency Comparison

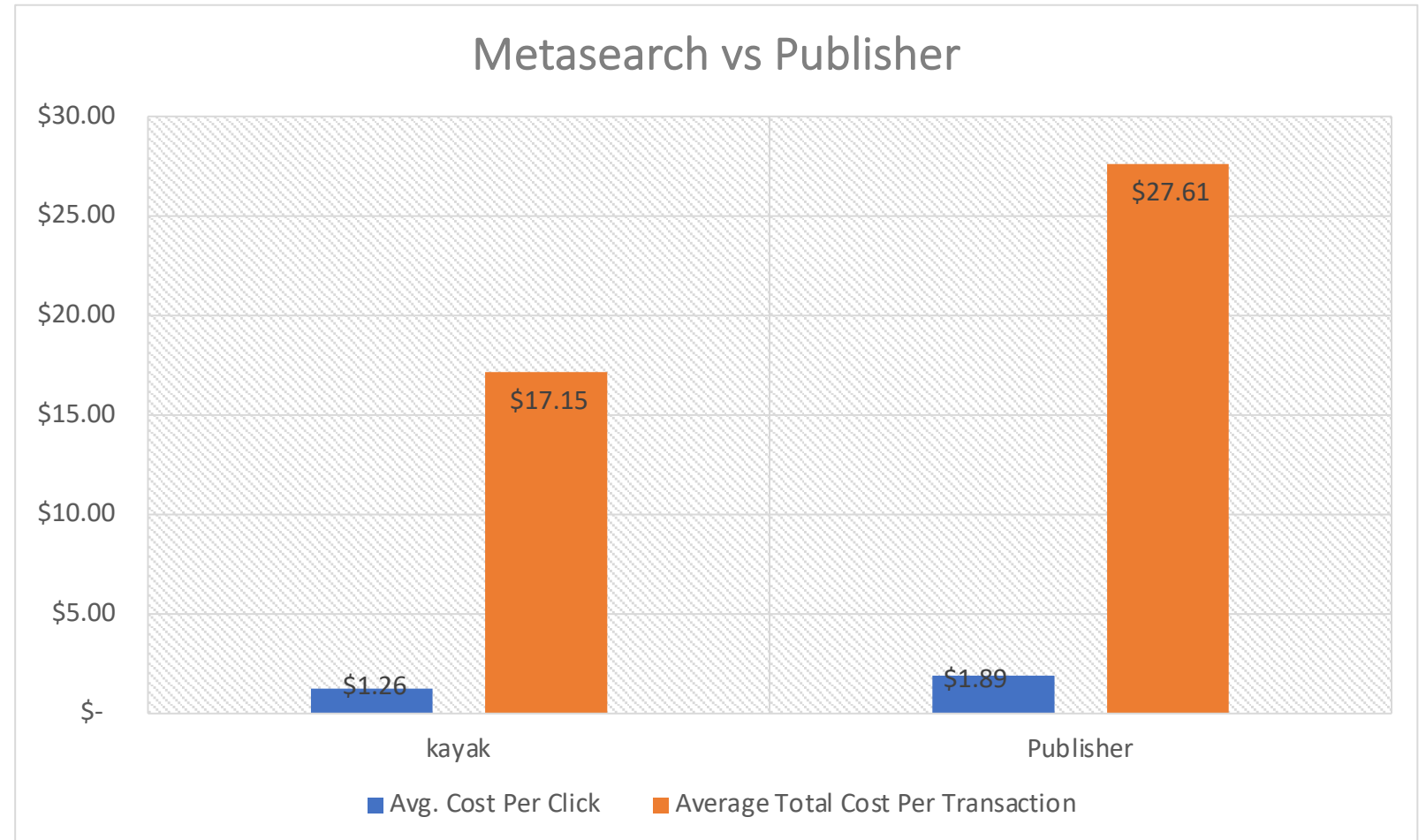
- Destination-specific keywords are the most profitable (ex: “fly to Florence”)
- Bargain related keywords (ex: “low international airfare”)
- Branded exact keywords also give good return on advertisement (ex: Air France)



Metasearch Insights

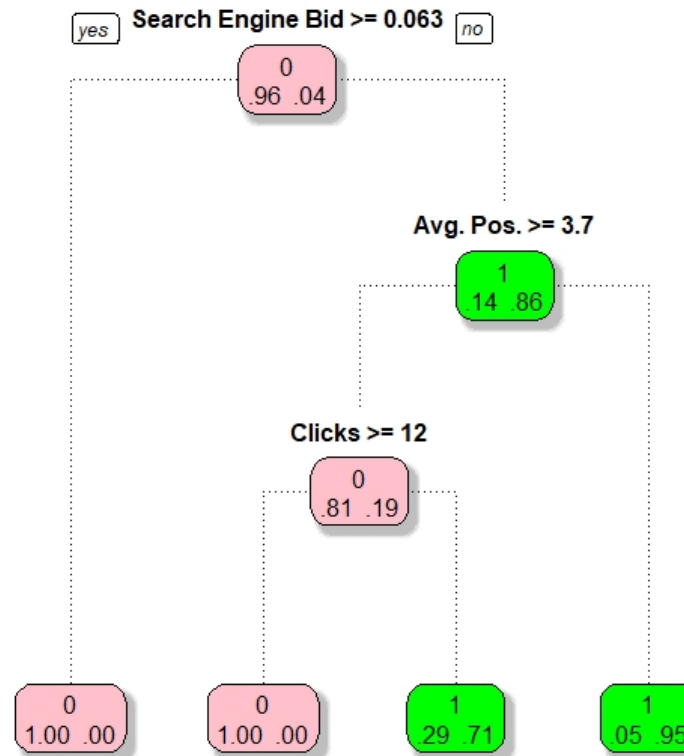
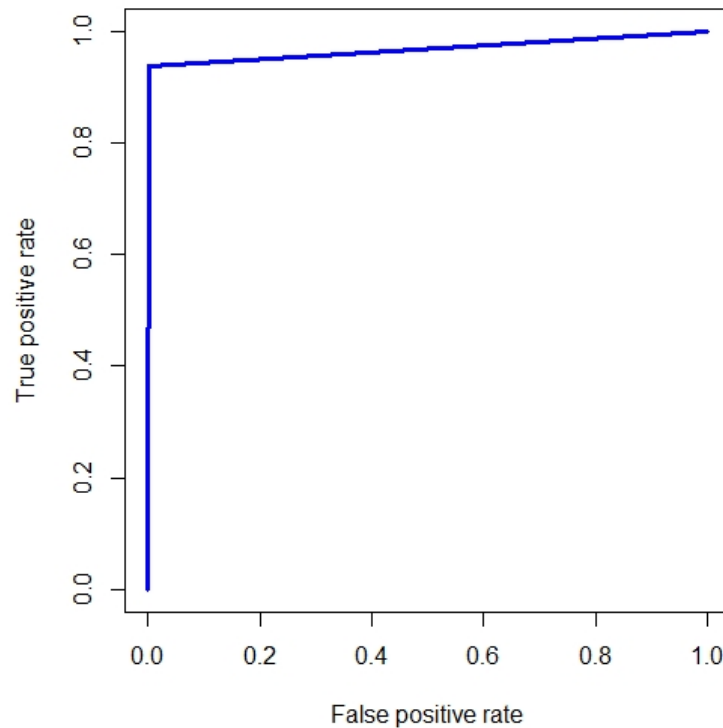


- Kayak is essential
- Lower costs, better results
- Capture bargain seeking customers
- Diversify marketing spend



Statistical Insights - MSN

Search Engine Bid < 0.063, Avg.pos < 3.7 lead to 95% of Odds of success.
Search Engine Bid < 0.063, Avg.pos >= 3.7, clicks<12 leads to 71% of Odds of success.

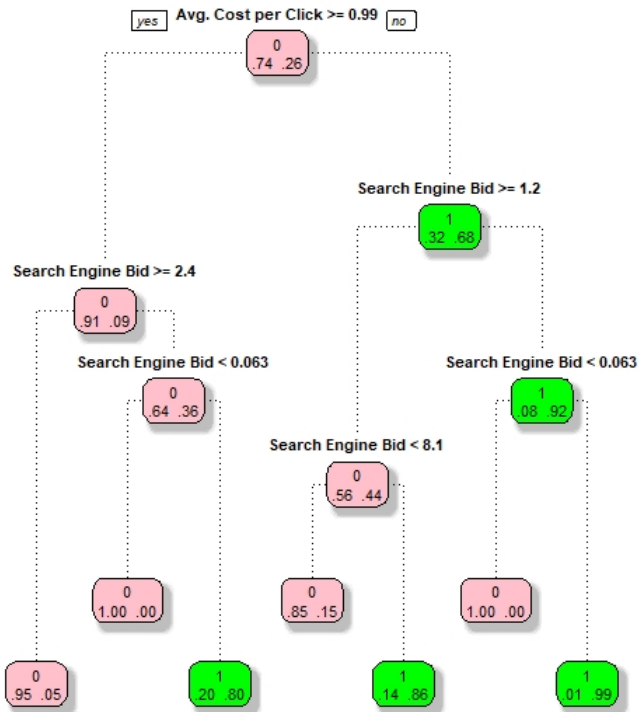
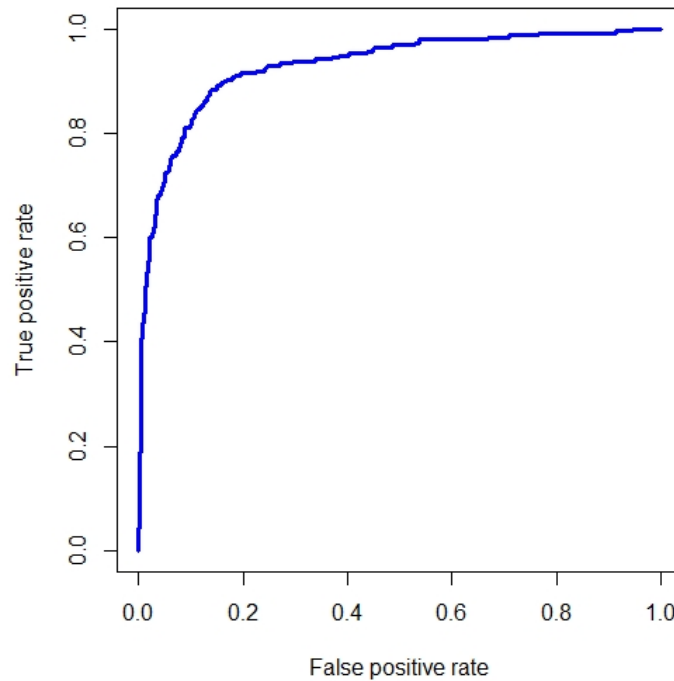


Statistical Insights- Overture

Avg.Cost per Click < 0.99, Search Engine Bid < 0.063 lead to 99% of Odds of success.

Avg.Cost per Click < 0.99, Search Engine Bid >= 8.1 lead to 86% of Odds of success.

Avg.Cost per Click >= 0.99, 0.063<=Search Engine Bid < 2.4 lead to 80% of Odd of success.



Recommendations



- Invest more of budget into MSN for global marketing and Yahoo for US market.
- Maintain strong investment in branding and bargain related keywords (ex: "low international fare")
- Diversify more into Metasearch (Kayak) to capture bargain focused customers & trend.
- Improve pricing policy and user experience on mobile app.



Thank you for your patronage!

Appendix

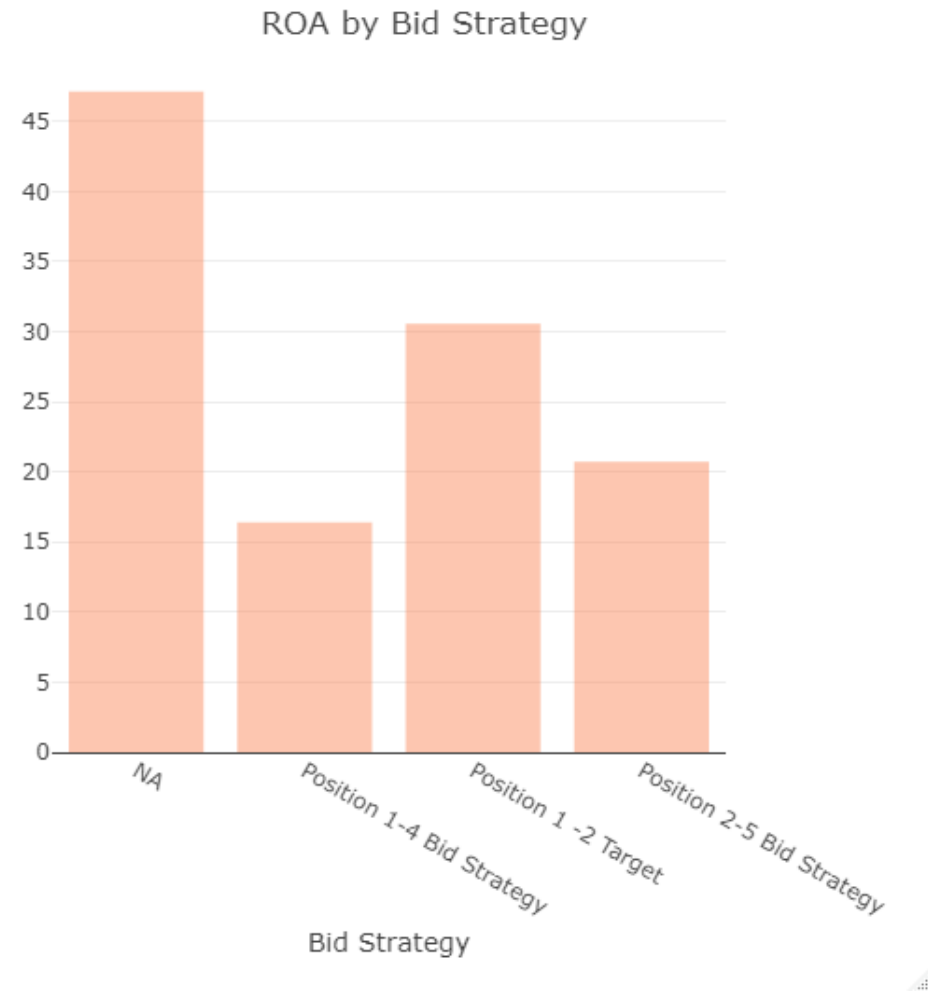


Figure 1: Return on Advertisement by Bid strategy

Appendix

▲	keyword	publisher_counts	total_revenue	avg_cpc	avg_prob	avg_ROA	score_kw
1	fly to florence	3	34.7125	1.56753472	0.272727273	1264.2901	253.56685
2	low international airfare	2	1.3125	0.65625000	0.083333333	1258.3600	251.95950
3	[airfrance]	1	2.3125	0.03919491	0.004987531	719.0649	143.83016
4	air discount france ticket	2	1.6875	0.35625000	0.055555556	502.4194	100.64304
5	air france online booking	1	2.2000	0.27500000	0.003144654	424.0000	84.91094

Table 1: Pivot table for Keyword variable

Statistical Insights- Google

Average cost per click > 1.4
Average. Pos > 1.3 lead to at least 72% odds of success.

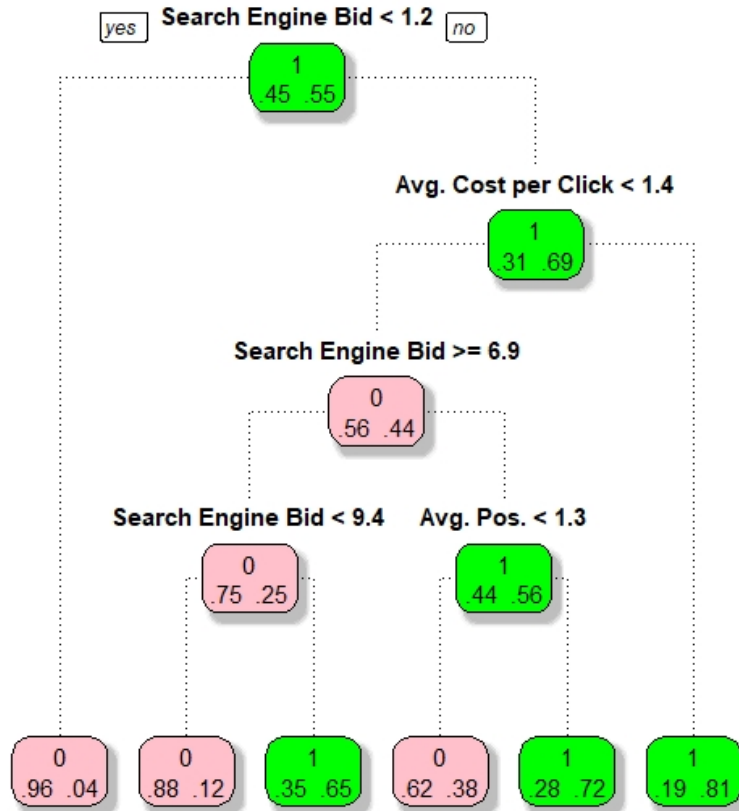


Figure 2: Decision tree for Google

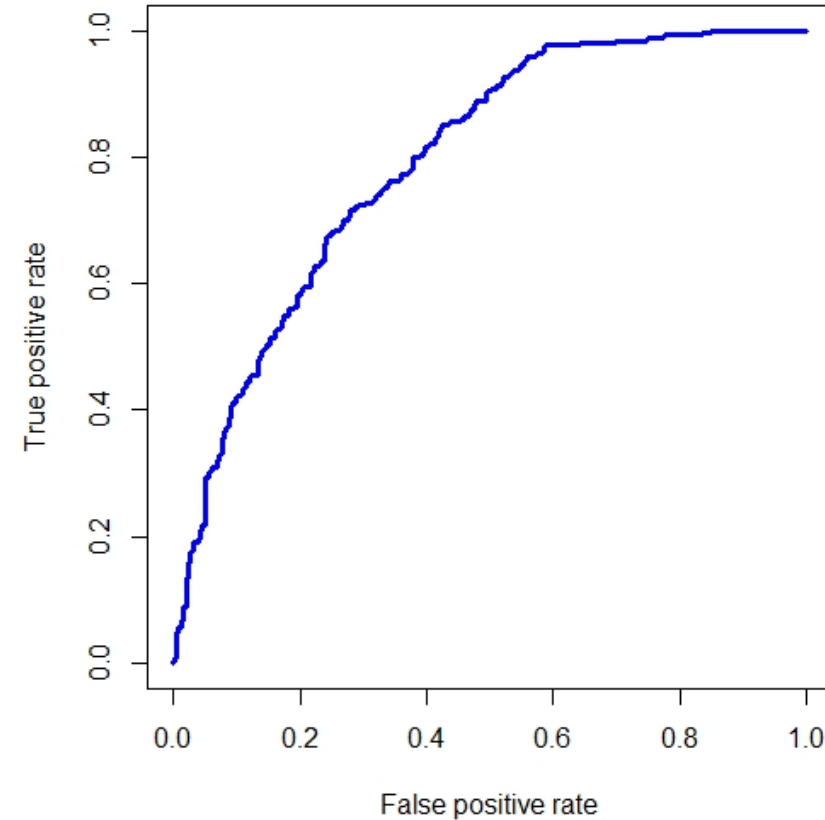


Figure 3: AUC/ROC for Google

Objectives

- Determine if Air France needs a **uniform or tailored strategy for search engines**
- Evaluate search engine KPIs, bid strategy, keywords and groups
- What will **increase ticket sales and improve ROA**?
- Which search engine delivered the most value to Air France?
- Potential **future strategies** Media Contacts should consider for increasing market share and profitability.

Overview

- Airline Industry Trends: **Uniform or tailored strategy for search engines**
- Marketing Mix: Evaluate search engine KPIs, bid strategy, keywords and groups
- Marketing channels and Strategy: What will **increase ticket sales and improve ROA?**
- Which search engine delivered the most value to Air France?
- Key performance indicators FOR optimization potential
- Recommendations **Future strategies** Media Contacts should consider for increasing market share and profitability.

THANK YOU!

REFERENCES

Charlton, G. (2020, December 17). Digital Trends in the Travel Industry: 12 Fascinating Stats. Retrieved December 18, 2020, from <https://www.salecycle.com/blog/featured/digital-trends-travel-industry-12-fascinating-stats/>

Deane, S. (2020, September 24). Over 60 Online Travel Booking Statistics (2020). Retrieved December 18, 2020, from <https://www.stratosjets.com/blog/online-travel-statistics/>

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