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Social Media Marketing: A Case Study on Jet Airways

Abstract:

Social media marketing has begun to play an increasingly important role in the Service Industry, particularly the Travel & Tourism industry. This study studies the usefulness of social networking services, micro blogs and social commerce sites in the field of tourism in India. This study shows that airline companies make a substantial amount of profits from their investments in social media marketing activities. Jet Airways, a leading airline in India, uses a variety of social media for effective social marketing activities. By understanding the characteristics of each social medium, the effectiveness of the company's marketing activities is maximized. As such, this case study provides opportunities to understand consumer behaviors influenced by new information technologies in the travel & tourism industry. This study presents the effectiveness of the social media marketing in a case study of Jet airways which is adopted several strategies at very early stage.

Keywords: Social media marketing; Internet marketing; Micro blogging; Social networking site.

Introduction:

Social media based on openness, connectedness, and participation is reshaping the business paradigm. Today a large number of people use a form of social networking services, such as Facebook, Myspace, and LinkedIn for their personal and or professional function of life. As the consumer recognizes the role social media plays and its popularity grows, the tourism industry has invested in the strategic application of social marketing through social media.

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For example, Tourism Australia recently developed marketing programs through Facebook and went beyond general online advertising. Continental Airlines, a leading airline company, maintains a constant interaction with customers by using instant messages to answer questions from information -seeking customers or “followers”.

Therefore, it is critical to understand consumer behavior depending on changes of new information technologies, because social media marketing is playing an increasingly important role in hospitality and tourism field (Chan and Guillet, 2011; Xiang and Gretzel, 2010). While there is a growing interest in social media marketing in the tourism industry, the degree to which and the quantity of academic studies focused on the topic are negligible. By examining how different social networking services are used in the case study of Jet Airways, this study does not only provide academic foundation through exploratory approach with a case study, but also present managerial implications in the strategic application of social media marketing in tourism.

Review of Literature

Research Method

The Research methods used in this case study consisted of observations and

interviews. Experts in the field have stated that case study is “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence.” Although it may not be possible to portray the whole context, a generalized idea can be partly confirmed in a case study based on particular phenomenon (Robson, 2002). Likewise, using a case study of Jet Airways for this research could be useful for the purpose of verifying a generalized concept of social media marketing in travel industry.

The research consisted of observations in (Phase I) and interviews in (Phase II). During Phase I, a series of observations were made of Jet Airways’ social marketing activities from March 2011 to April 2012. And the online advertisements related to Jet Airways’ social media marketing were reviewed and analyzed. In the course of Phase I, the interview framework for Phase II was developed as well. During Phase II, interviews were conducted with a couple of marketing personnel of Jet Airways.

There are three types of interviews that could be potentially considered: fully structured, semi-structured, and unstructured interviews (Robson, 2002). A

fully structured interview is based on predetermined questions similar to survey questionnaires, and is an opposite concept of open response questions. A semi-structured interview includes predetermined questions, and yet semi-structured interview takes a more flexible format and may switch the order of questions and add explanations as needed. In contrast to structured interviews, an unstructured interview doesn't have a preset of questions or formats and may involve a casual conversation about a specific topic. Among the types of interviews, a semi-structured interview was selected for the study because it was deemed important to make interviewees feel comfortable (Cha 2009). The interview process included the main and follow up interviews with marketing managers of Jet Airways in May 2012 and November 2012, respectively. Table 1 provides the outline of semi-structured interview questions.

Table: 1 Outline of Semi-structured Interview Questions:

- Please describe marketing activities adopted by you in the area of online and social media marketing?
- How does your company manage these social media marketing activities?

- What are the strategies for each social media, such as Twitter, Face book, and Social Commerce etc?
- What events do you promote to the customer, using social media?
- What are the customer profiles of the participants in social media marketing campaigns?
- What are the benefits by doing social marketing for your company?

Case Study Of Jet Airways, The No.1 Among Indian Airlines For Social Media Practice:

About the company:

Jet Airways was formed in 1992, following the open skies policy enunciated by the Indian government in 1992. Jet Airways currently operates a fleet of 83 aircraft, including 10 Boeing 777-300 ER aircraft, 12 Airbus A330-200 aircraft, 47 next generation Boeing 737-700/800/900 aircraft, and 14 modern ATR 72-500 turboprop aircraft. With an average fleet age of 4.57 years, the airline has one of the youngest aircraft fleet in the world. Flights to 64 destinations span the length and breadth of India and beyond, including New York (both JFK and Newark), Toronto, Brussels, London (Heathrow), Hong Kong, Singapore, Kuala Lumpur, Colombo, Bangkok & many more.

Objective of the study:

- How are the social media marketing activities of Jet Airways managed?
- How is Customer analysis done by the company?
- What are the issues in Brand health and awareness and how are they addressed?
- What is the rate of return on investment and potential revenue through social media marketing tools employed by the company?

It is important to understand the nature of each social medium when using social media for marketing purposes. For example, micro-blogs such as Twitter is a very powerful platform to spread information quickly to as many people as possible (Zhao and Rosson, 2009). Jet Airways takes advantage of this property of Twitter and posts products which have approaching deadlines in need of quick sales. The success of social marketing through Twitter can be seen by the sheer number of followers of the Jet Airways Tour on Twitter.

On the other hand, in addition to Twitter, social networking sites such as Facebook are used in order to provide more detailed information to customers and to identify

customer preference and needs through individual interaction with customers (Weber, 2007). Using real-time online communication tools available on such social networking sites, Jet Airways maintains a friendly relationship with its customers. Lastly, social commerce sites allow customers to make a direct purchase online during a limited time period (Rad and Benyoucef, 2010). A jet airway is offering its products for purchase through Autonomy Interwoven. Customers who've had positive experiences with social commerce voluntarily visit social commerce sites. This allows Jet Airways to jump start on social commerce business with minimal investment. By understanding the distinct characteristics of each social medium, the effectiveness of company's marketing efforts is maximized. Moreover, social media marketing serve as an additional revenue source for the company through social commerce.

Detailed marketing process includes providing travel information services twice a day on Twitter or Facebook and promotional events twice a month through other social media by the company staff. Products with approaching deadlines are typically sold at special rates through social commerce sites. Customer inquiries

are addressed via social media, email and phone services, in order to improve the customer relations. Moreover, offering rewards during or after a travel, customer satisfaction is increased which often leads to repurchase through social media.

Customer Analysis:

A comparative analysis of the customers who typically purchase products off-line and those using social media provides important findings. While the people in their 40s or more purchased products off-line, people in their 20s and 30s bought products using social media sites and considered price more than the quality of product (Günther *et al.*, 2009). It is found

that age groups of those who made online purchases through Jet airway's Twitter or Facebook. People in their 20s (27%) and 30s (70%) constituted the majority of on-line customer base. Interestingly, there were more on-line customers in their 50s (10%) than those in their 40s (12%). It is explained that the Internet access in India is easily available to people in their 50s who tend to have financial stability and more free time. No significant difference is found in gender, however; over 70% of those using social commerce are female in their 20s and 30s. Potential customers can be identified based on this analysis.

Age	Kingfisher	Jet Airways
13-20	4	10
20-30	40	27
30-40	79	71
40-50	33	28
50 and above	3	10

Table: 2 Customer Analysis (Source: Simplify 360)

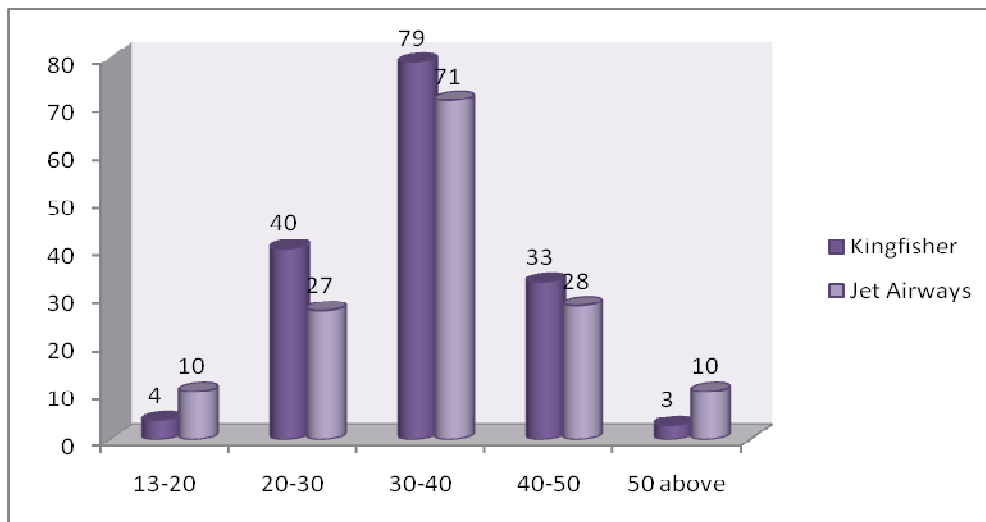
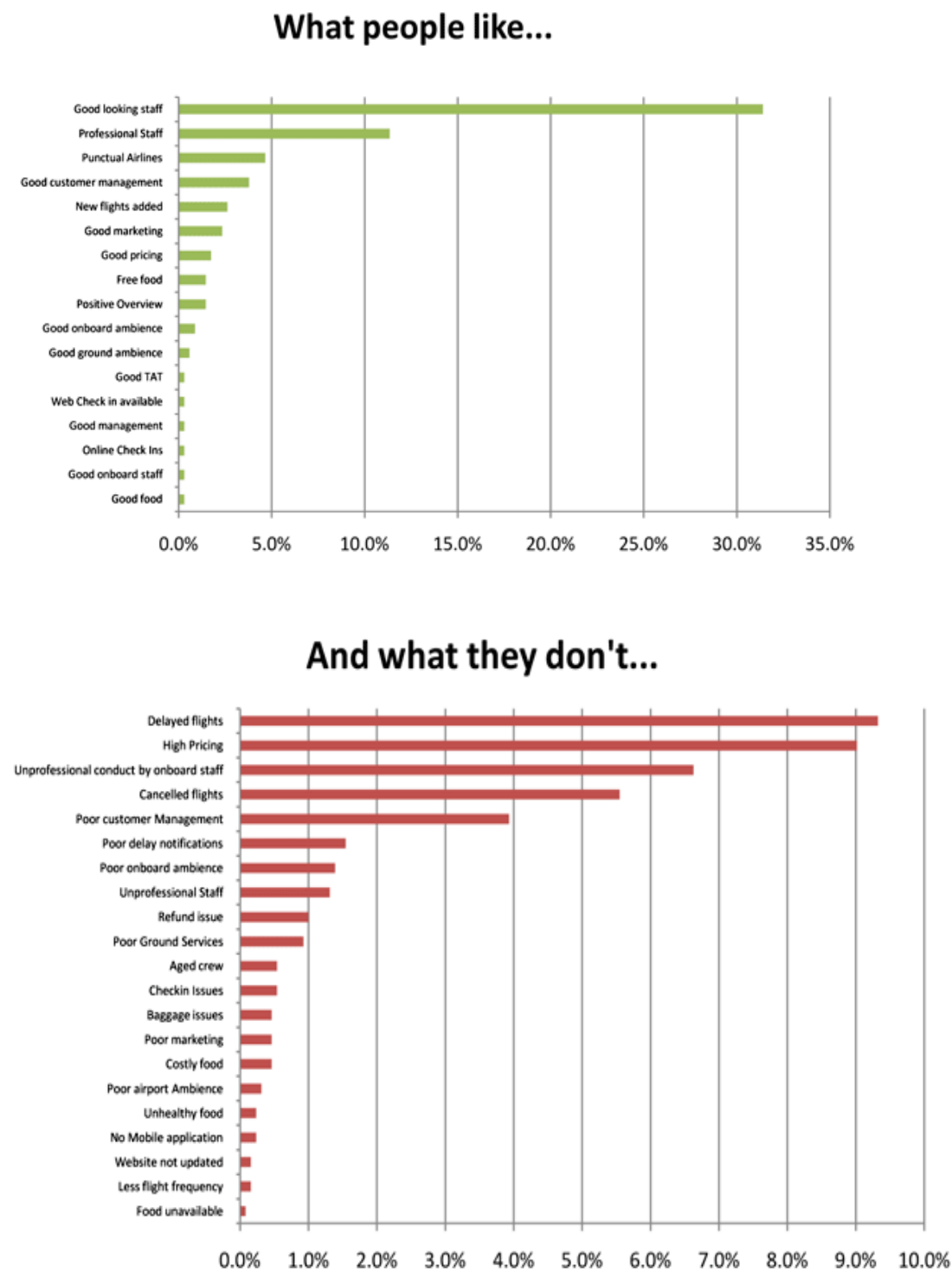


Figure: 2 Customer Analysis (Source: Simplify 360)



This table gives us the likes and dislikes of customers on various parameters. Customers like good looking and courteous staff, Punctuality and excellent customer management. However they do not like high pricing.

Brand Awareness:

Jet Airways has built its brand by focusing on the ingredients required to realize its stated corporate mission – to be the most preferred airlines in India. When Jet Airways entered the market, Indian Airlines was the market leader and was a virtual monopoly as it was state owned. Indian Airlines had built a reputation for providing pathetic service, delayed flights, bad food and grumpy and irresponsible staff. These things initially made it easy

for Jet Airways. Understanding the concerns and requirements of Indian customers, Jet Airways took step to address those and its consistent delivery in a credible and efficient way more than any advertisement could have ever done. While the initial endorsement built the brand awareness in the market, the subsequent brand experience that passengers had with Jet Airways helped to cement close ties. This positive experience spread by word of mouth among the various segments of the market. It created a buzz about Jet Airway's impeccable service, its friendly staff and it's on time flights. All of this enhanced Jet Airways' image in the eyes of its prospective customers.

Airlines	Positive Sentiments	Negative Sentiments	Neutral Sentiments
Kingfisher	67.37%	5.04%	27.59%
Jet Airways	55.71%	13.71%	30.58%

Table: 3 Brand Health Comparisons (Source: Simplify 360)

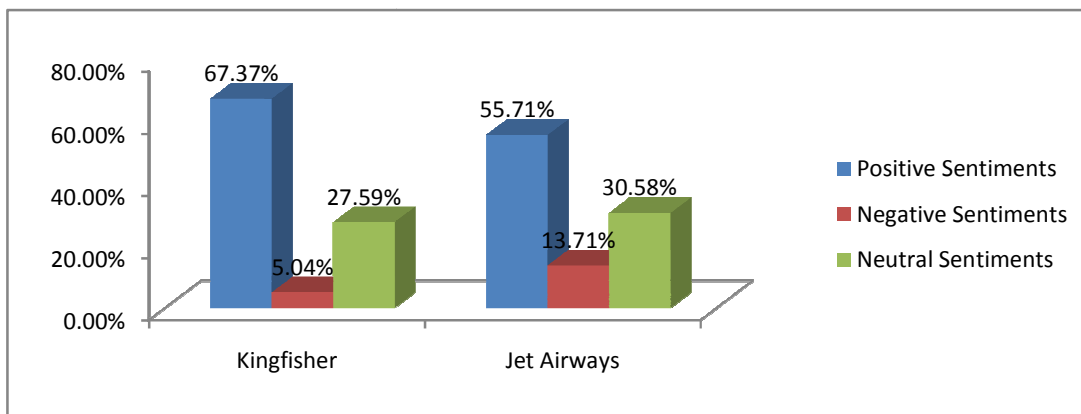


Figure: 3 Brand health Comparison between KingFisher and Jetairways

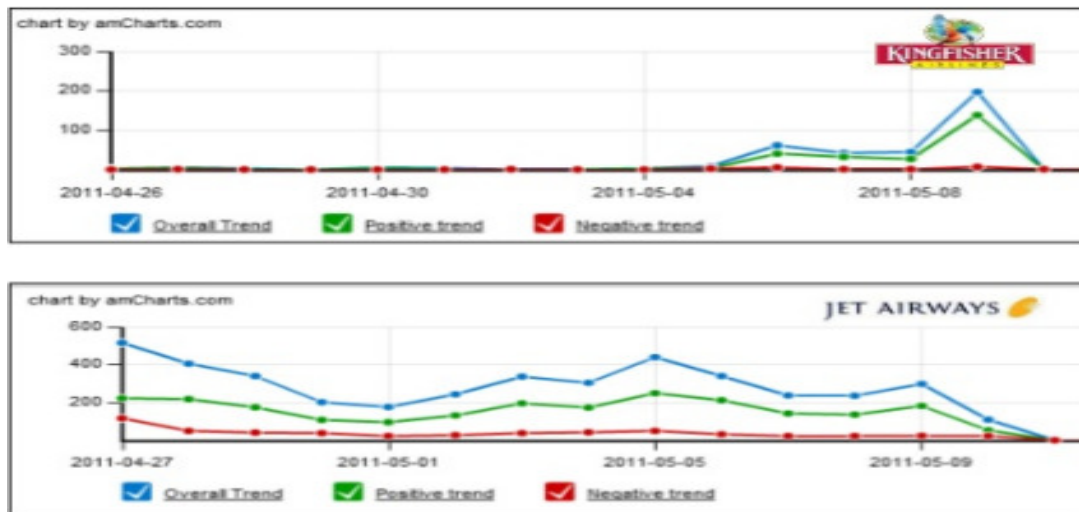


Figure: 4 Number of conversations across the web (Source: Simplify 360)

The analysis of the effectiveness of social media Usage:

Table: 4 Measurement Metrics for Social media marketing (Hoffman and Fodor 2010)

Social Media Application	Examples	Brand Awareness Measurement
Micro-blogging	Twitter	<ul style="list-style-type: none"> Valence of followers number Valence of tweets +/- Number of tweets about the brand
Social networking sites	Facebook, LinkedIn	<ul style="list-style-type: none"> Valence of members/fans Number of reviews / ratings and valence +/- Number of bookmarks, etc.
Product reviews	Amazon, Tripadvisor	<ul style="list-style-type: none"> Valence of reviews Number of reviews posted Number and valence of other users' responses to reviews (+/-)
Video and photo-sharing	Youtube, Flickr	<ul style="list-style-type: none"> Number of views of video/photo Valence of video/photo ratings +/-

Jet Airways regularly updates on Facebook and Twitter about their latest travel deals and offers new flight announcements interesting places to visit Queries/Redressal (about flight timings, luggage

allowance). They have uploaded pictures on image sharing sites such as Flickr and videos on YouTube to showcase their in-flight features. First-time fliers of this airline can now get an insight of

entertainment and other features offered on their flights. Another reason why airlines are watching the social media closely is the fact that 75 per cent of frequent flyers would fly an airline if it is recommended by a friend, rather than flying the cheapest one, as per MindShift data. Face book followers 64,222 and Twitter followers 4,348.

The two most prominent carriers in India by volume on social media are Air India

and Kingfisher Airlines. Together, they accounted for 72 percent of the total volume of results. As observed in many other scenarios, the Pareto rule is found to be true here. (This rule states that, for many events, roughly 80 percent of the effects come from 20 percent of the causes.) Jet Airways and Indigo Airlines come in at the third and fourth positions respectively. JetLite and Spice Jet were found in a very low number of results.

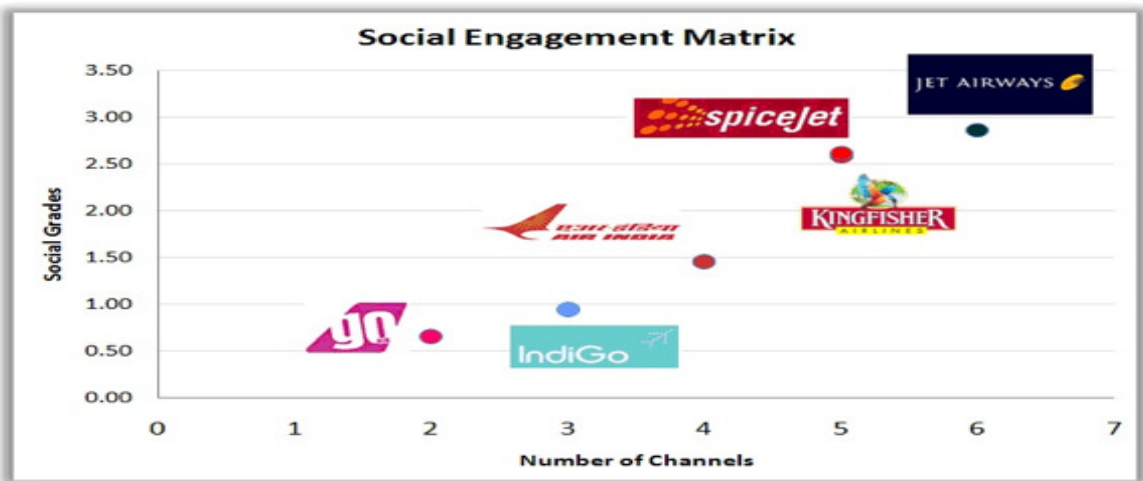


Figure: 5 Social Engagement Matrix

According to the recent study by Buzzom.com on Indian Airlines, Jet Airways has emerged as the most active domestic airline on social media, followed by other airlines like spice Jet, Kingfisher, Air India, Indigo and Go Air. When the online conversations about various domestic airlines were studied. Jet has

beautifully synchronized their presence across social media platforms like Facebook, Twitter, You tube, Flickr, Foursquare and LinkedIn. They have also started using QR codes.

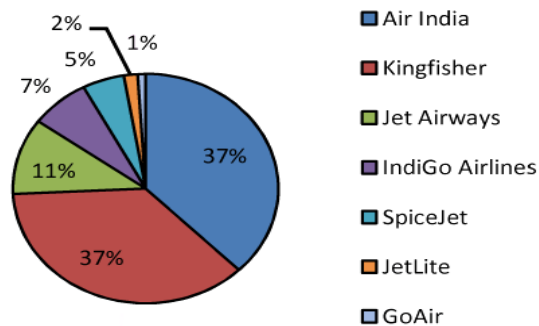


Figure:5 Share of a voice(Source:Simplify 360)

It has also launched an affiliate marketing programme as part of the airline's new digital marketing strategy. Affiliate partners may integrate Jet Airways' booking engine on their site and allow visitors to book tickets online. Apart from getting direct access to the airline's customized booking engine, affiliate partners also get promotional content and banners on a regular basis. Hence, Jet Airways, as one of the early adopters of this model in India, could be setting the stage for others to follow suit.

Face book

On last count, Jet had 211,369 fans on their Face book page, the highest among Indian Airlines. Some of the features on their Facebook page are information on special offers, convenience of booking on Face book through a widget, customized landing page for new fans to get an overview of the airline , flying tips for their guests, crisis updates, awareness of

various products like Jet Mobile, check-in options, online booking etc. Aside from that, Jet are also running contests on the regular basis around events like Valentine's Day, Women's Day etc., throughout the year.

Twitter

Jet uses Twitter to engage with their customers by responding to their queries or complaints and updating them on recent news. No wonder they have the largest follower base among Indian Airlines with more than 8,400 followers, and consequently a high klout score of 53. They re tweet the positive tweets and try to help address the problems in case of complaints or queries. .

YouTubeJet has its official channel on YouTube but they haven't been able to leverage on this platform yet. They have lot to learn from rival Kingfisher Airline's you tube channel which has more than 460,000 channel views. They seriously need to create some interesting videos which viewers feel like sharing with their social networks.

LinkedInJet also recently created a company page on LinkedIn. Again, Jet is the first airline in India to showcase its

products on LinkedIn, keeping guests updated with the latest initiatives and additional services to enhance their travel experience. The LinkedIn initiative will help make the airline an integral part of their guests' (especially the corporate customers') travel plans and also increase awareness among individuals who seek to experience its services. 2800+ followers on LinkedIn Page.

QR Codes



Jet has also been the early adopter of QR codes. It provides synopsis of product features, advertisements, etc with QR codes across our various communication channels including its Face book pages,

Traffic parameters

Departures (Number)

Available seat kilometers (ASKMs) (Million)

Revenue passenger (RPKM)(Million)

Passenger load factor (%)

Revenue passengers (Number)

JetWings (the in-flight magazine), business cards, press advertisements, etc. To access information, users simply need to scan (take a picture) of the QR code (using a QR code reader) with their Smartphone which will redirect them to Jet's mobile site.

Flickr

Jet also has a presence on Flickr where they upload day to day pictures of the Jet's culture, whether it be their ground staff, cabin crew etc. This has been done to have a peek into daily life of Jet which represents a cool image. Although they are yet to gain some substantial traffic to Flickr but continuous updates show their commitment. What comes out from all this analysis is that Jet is very clear with its social media strategy and this is how a brand should openly approach and adopt social media practices into its DNA.

Year ended 31st March

2012	2011
41,992	39,003
5,829	5481
4,543	4,340
77.9	79.2
4,794,658	4,332,469

(Source: Simplify 360)

Conclusion:

This study presents the effectiveness of social media marketing in a case study of Jet Airways, which adopted several social media marketing strategies from the early on. First, different social networking sites, micro blogging and social commerce tools provide distinct features which should be catered to meet different purposes. Therefore, the application of social media marketing strategies requires extensive research on target population and through planning efforts. This study shows that companies make substantial profits from their investments in social media marketing efforts. As shown in the case study of Jet Airways, social media marketing enhances the brand awareness by engaging customers directly. Social media marketing is not only a marketing tool but also a significant profit generator. The use of social media is expected to grow, therefore the hospitality and tourism industry should positively adopting social media marketing in their business model. This study is expected to contribute to social media marketing related studies and provide a cornerstone for similar future empirical studies. In practice this study could present the practical view on how to

use social media marketing tools in hotel and travel business.

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