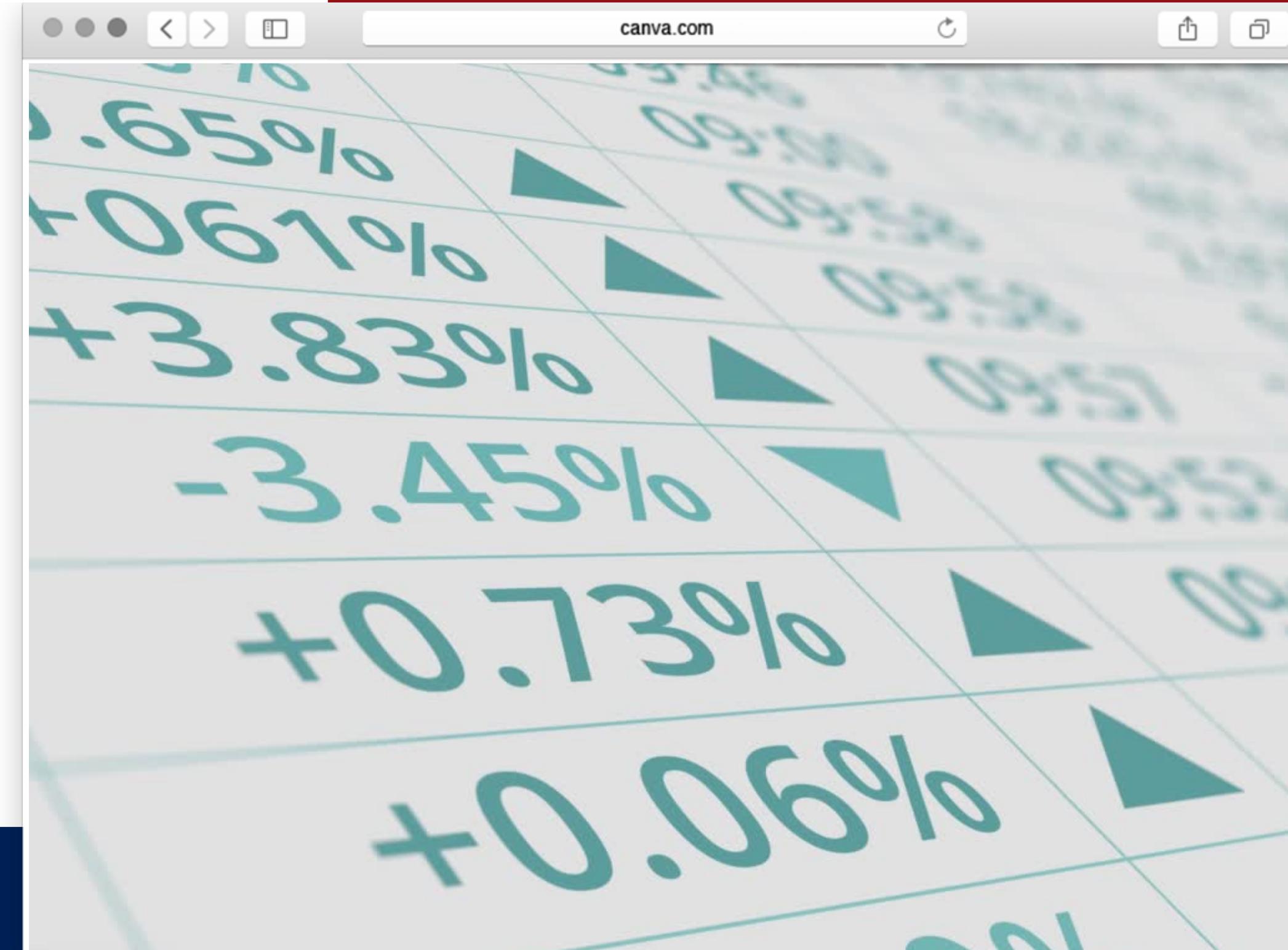


# AIR FRANCE

→ GROWTH STRATEGY COMPETITIVENESS  
IN US AIR TRAVEL MARKET

HULT INTERNATIONAL BUSINESS SCHOOL | TEAM 2

Marianna Babayan · Konstantinos Drallos · Dhruv Gupta ·  
Simbarashe Mariwande · Phuong-Vy Nguyen



# AIR FRANCE

## THE FUTURE MEANS...

- Reach a larger customer segment in multiple countries
- Successful SEM campaigns in the US





# SOLUTION

**Growth strategy to increase their competitiveness in the US air travel market**

Analyze data to find efficient ways to drive visitors to websites and convert them into customers, all whilst keeping costs low





# HOW? AN OVERVIEW

No uniform  
strategy

Different keywords  
and match types

Key Performance  
Indicators

Tap into  
Kayak

# SEARCH ENGINE MARKETING

from Publishers such as ...



Google - US



Yahoo - US



MSN - US

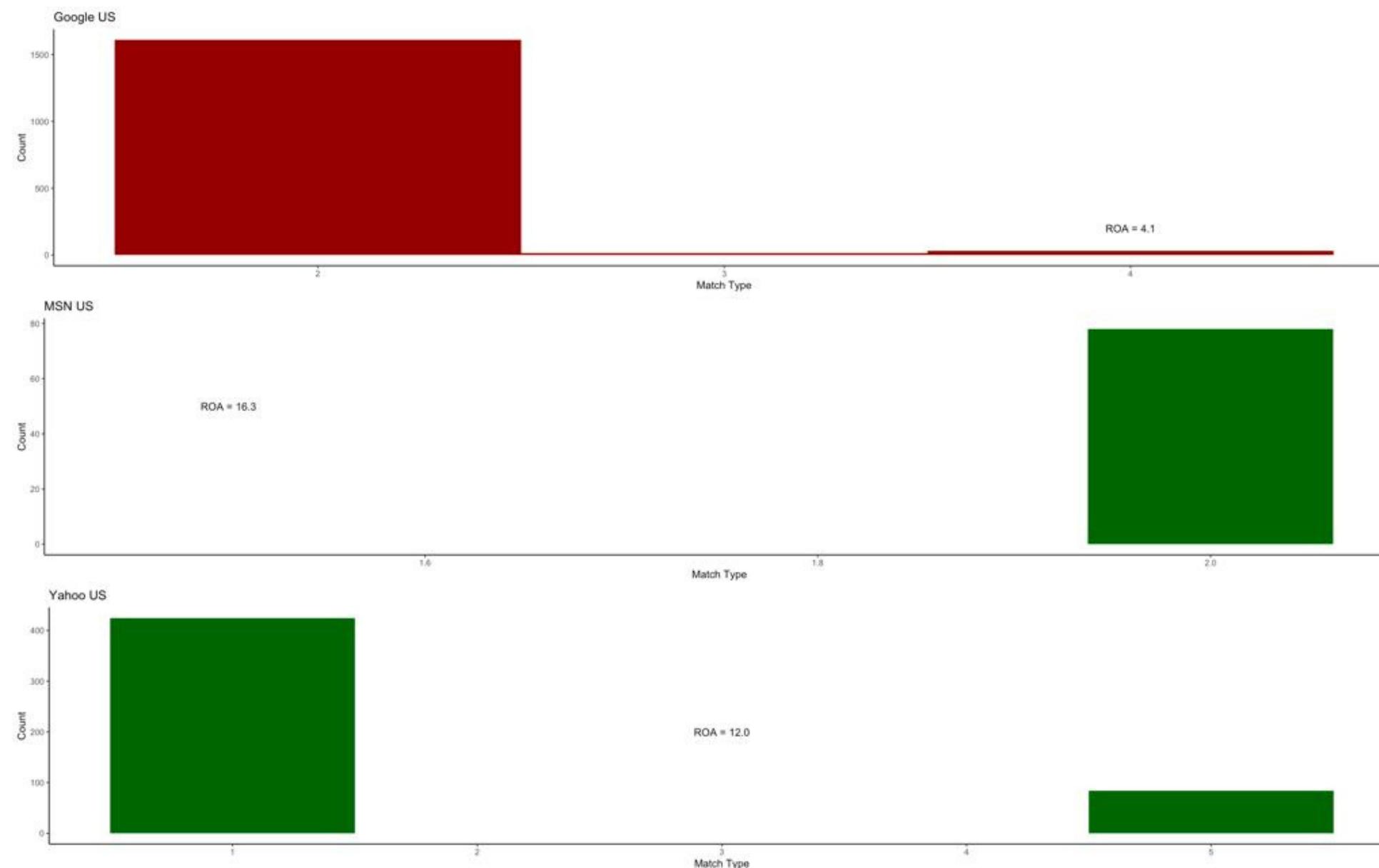
and the Return on Advertising



# UNIFORM STRATEGY?

**Match Types and Return on Advertising (ROA)**  
with Publishers

Broad Match Types seem to bring in good ROA **but ...**

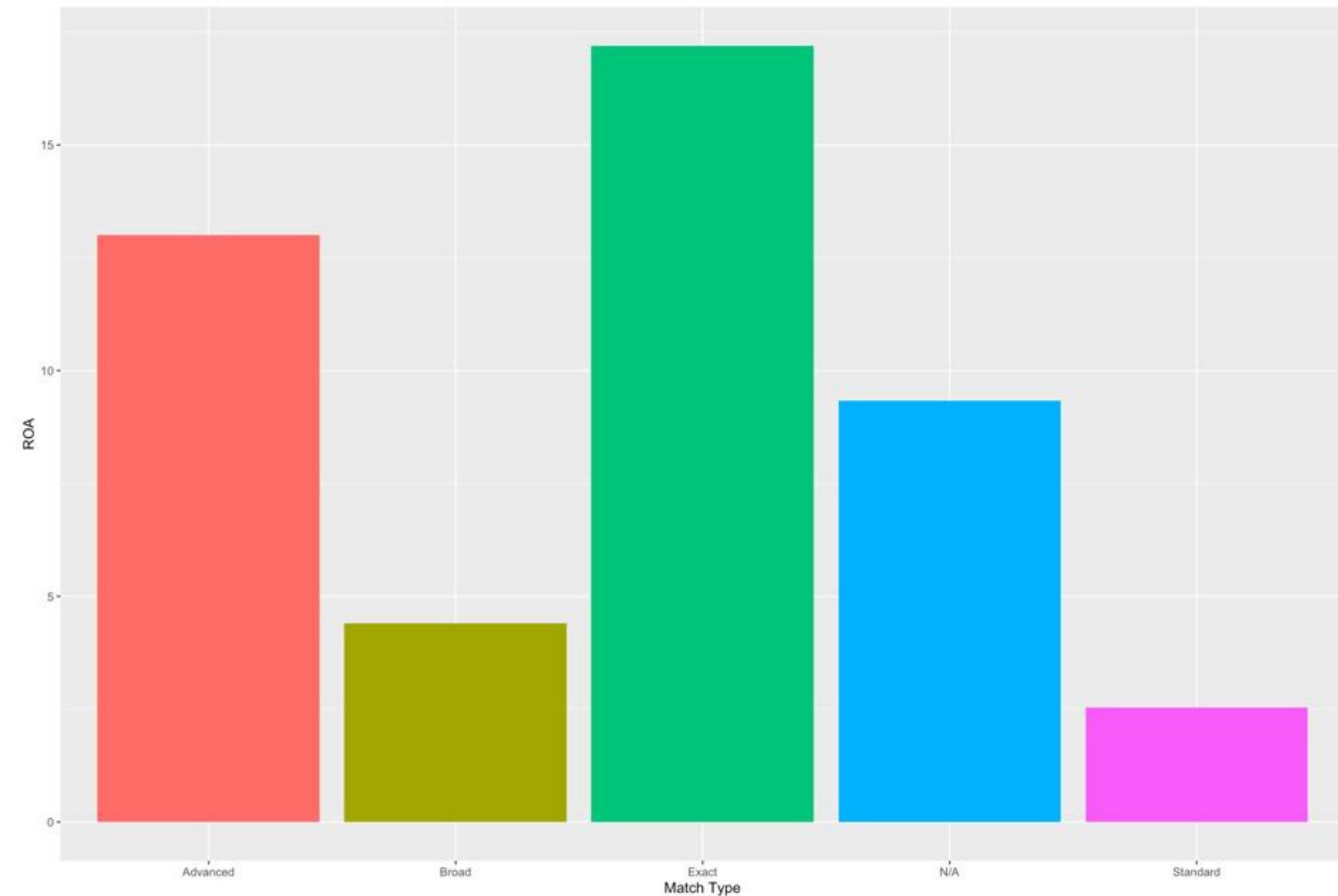




# UNIFORM STRATEGY?

**Match Types and Return on  
Advertising (ROA)**  
without Publishers

Exact Match Types seem to bring  
in the highest ROA



# NO UNIFORM STRATEGY

Match Types  
as a factor →

A logistic regression was completed with business success to be higher than average ROA

Not statistically significant →

Keeping in mind, when not considering the relationship it has with Publishers

Match Type cannot be a unified strategy →

Instead, **a tailored strategy for each Publisher seems more effective** – as seen in 1st graph.

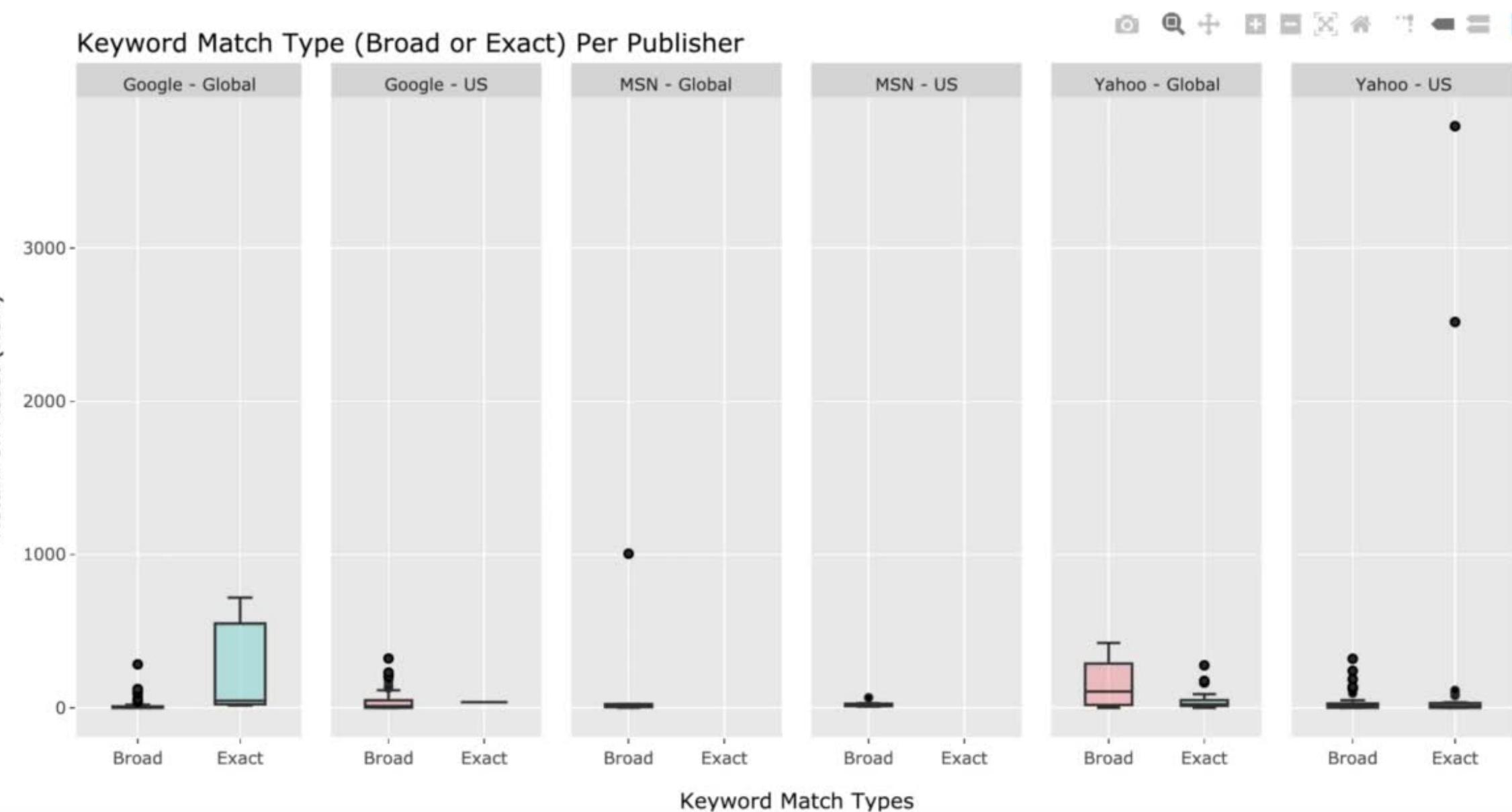
Coefficients:

	Estimate	Std. Error	t value	Pr(> t )
(Intercept)	6.186e-02	8.743e-03	7.075	1.79e-12 ***
`Click Charges`	-1.625e-05	2.805e-06	-5.794	7.46e-09 ***
`Search Engine Bid`	-3.433e-03	9.963e-04	-3.446	0.000576 ***
`Total Volume of Bookings`	9.398e-03	4.768e-04	19.711	< 2e-16 ***
match_factor	-1.272e-03	2.364e-03	-0.538	0.590660

*not statistically significant*



# HOW TO TAILOR MATCH TYPES?



**Highest to Lowest  
Return on Advertising  
(ROA):**

1. Yahoo - Exact Type
2. Yahoo - Broad Type
3. Google - Broad Type
4. MSN - Broad Type



Keyword

<chr>

cheap

flight

paris

france

to

ticket

air

flights

airline

international

Frequency

<int>

787

787

PUBLISHER

Yahoo /  
Google

Yahoo /  
MSN

483

464

396

381

MATCH TYPE

Exact

Broad

EXAMPLE & SYNTAX

[cheap flight to paris]

cheap flight to paris

MATCHED SEARCH

cheap flight to paris

cheap flight travel

# TAILORING STRATEGY



Keyword

<chr>

cheap

flight

paris

france

to

ticket

air

flights

airline

international

Frequency

<dbl>

787

PUBLISHER

Yahoo /  
Google

Yahoo /  
MSN

Yahoo /  
Google

Yahoo /  
MSN

MATCH TYPE

Exact

Broad

Phrase

Modified  
Broad

EXAMPLE & SYNTAX

[cheap flight to paris]

cheap flight to paris

+cheap.flight  
+to.paris

+cheap +flight +to +paris

MATCHED SEARCH

cheap flight to paris

cheap flight travel

cheap flight to paris  
online

ticket flight cheap  
to paris

381



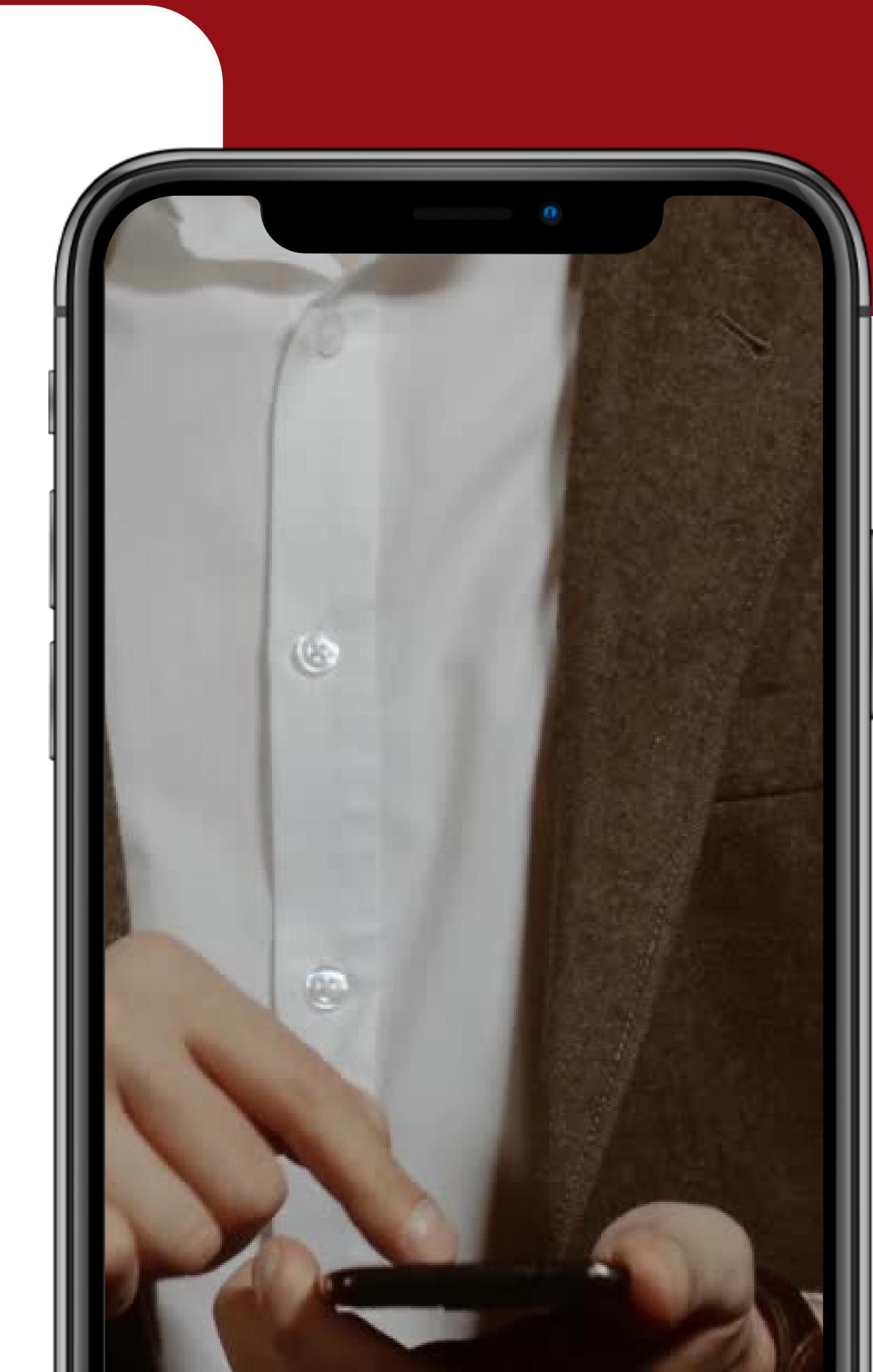
# KEY PERFORMANCE INDICATORS

## Marketing:

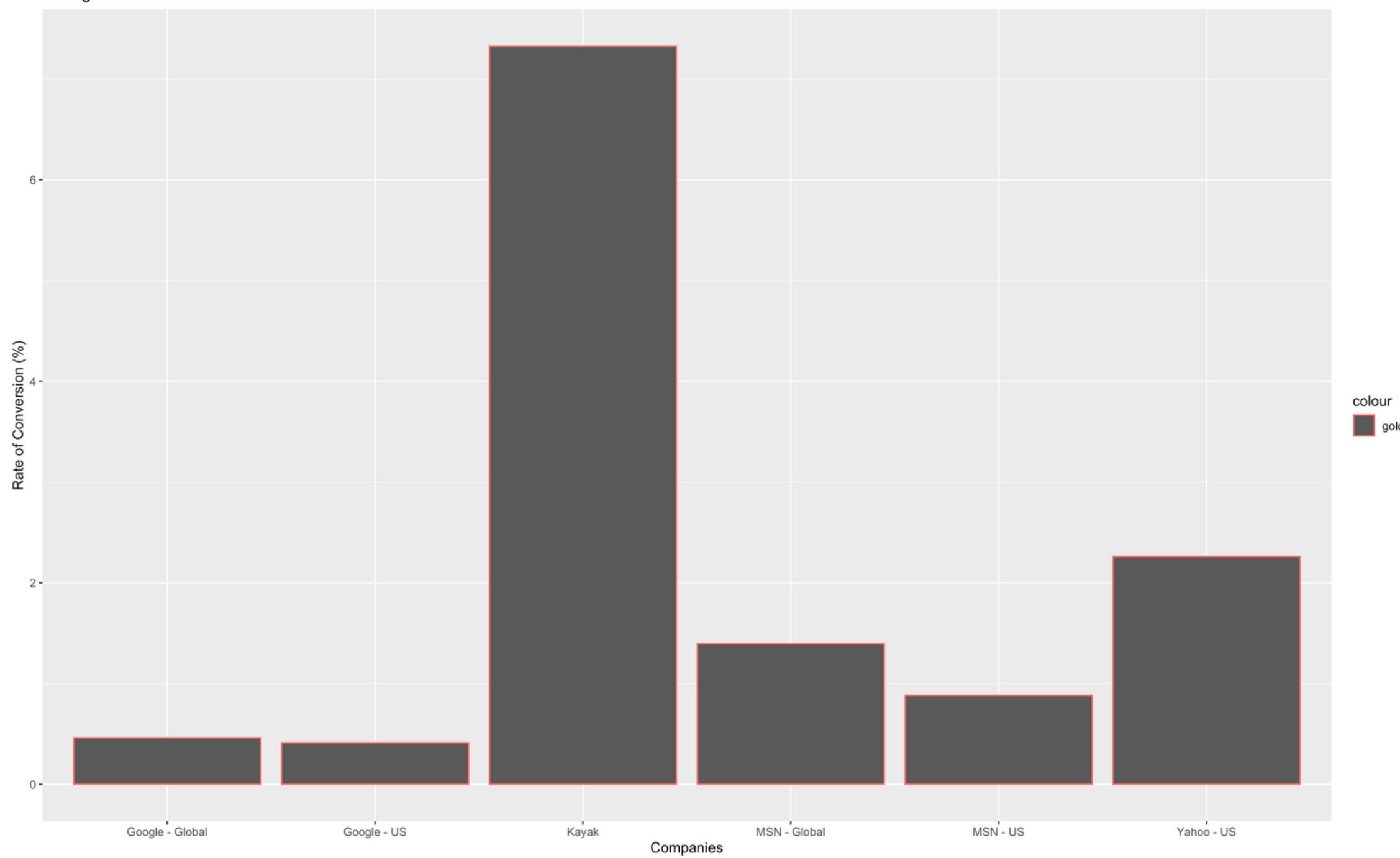
1. Clicks
2. Impressions
3. Total Volume of Bookings
4. Conversion Rate

## Finance:

1. Total Cost per Transaction



Histogram of Conversion Rate



→  
**METASEARCH  
COMPANIES  
IS THE FUTURE**

**Kayak has the highest conversion rate**  
in comparison to other publishers

# Optimize future SEM campaigns... ...with Kayak



BOS - LIH  
Dec 23 - Dec 28, 1 person

PRICE    BEST    DURATION    DEPARTURE

Our advice: Buy

Flight	Departure	Arrival	Airlines	Total Price
9:23p	12:00p		jetBlue	\$1,18
3:15p	10:50a		jetBlue / Hawaiian Airlines / Sun Country Air	
10:40a	10:39p		jetBlue	\$1,27
3:15p	10:50a		jetBlue / Hawaiian Airlines / Sun Country Air	





# GUARANTEED SUCCESS

## No uniform strategy

Tailoring will optimize targeting

## Proper use of match types and keywords

Making search more relevant

## Metrics must not be grouped

Marketing and financial benchmarks are different.

## Consider metasearch companies

Kayak will optimize future SEM campaigns



A new growth strategy is a step in the flight direction.

Thank you for your time