

---

## **Practicum Report**

On

## **AIRLINE MARKETING STRATEGIES IN PAKISTAN**



Submitted in the partial fulfillment of the award of

### **BS-Aviation Management**

University of Management and Technology, Lahore

In

### **Department of Aviation**

June, 2016

### **SUBMITTED TO:SUBMITTED BY:**

Prof. Faiq Ahmad

**Muhammad Adnan Khurshid**

12003001037

**Shazeena Fatima**

12003001019



---

## **CONTENTS**

<b>1. Introduction .....</b>	<b>2</b>
1.1. Marketing .....	2
1.2. Marketing in Pakistan.....	2
1.3. Airline Marketing.....	3
1.4. Airline Marketing in Pakistan .....	4
<b>2. Literature Review .....</b>	<b>4</b>
<b>2.1. Marketing Mix and 7 P's .....</b>	<b>4</b>
2.1.1. Definition.....	4
2.1.2. Product .....	5
2.1.3. Price .....	5
2.1.4. Place .....	5
2.1.5. Promotion .....	6
2.1.6. People .....	6
2.1.7. Process.....	7
2.1.8. Physical Evidence.....	7
2.1.9. Use of Marketing Mix by Pakistani carriers .....	7
<b>2.2. Industrial Buying Behavior .....</b>	<b>12</b>
<b>2.3. Segmentation.....</b>	<b>13</b>
2.1.1. Labor Class .....	13
2.1.2. Time Conscious Passengers.....	13
2.1.3. Tourism.....	14
2.1.4. Business Community .....	14
<b>2.4. Fleet and Schedule Related Product Features.....</b>	<b>15</b>
2.4.1. Aircraft Classes Configuration .....	15
2.4.2. Network and Number of Frequencies .....	16

---

2.4.3.	Punctuality .....	17
<b>2.5.</b>	<b>Customer Related Product Features .....</b>	<b>17</b>
2.5.1.	Point of Sale Service .....	18
2.5.2.	Airport Services .....	18
2.5.3.	In-flight Services.....	18
2.5.4.	Feedback Process .....	19
<b>2.6.</b>	<b>Marketing Environment-PESTLE Analysis.....</b>	<b>19</b>
2.6.1.	Political Factors .....	19
2.6.2.	Economic Factors.....	20
2.6.3.	Social Factors.....	20
2.6.4.	Technological Factors .....	20
2.6.5.	Legal Factors.....	21
2.6.6.	Environmental Factors .....	21
<b>2.7.</b>	<b>Relationship Marketing .....</b>	<b>21</b>
2.7.1.	Advocate Relationship .....	22
2.7.2.	Destroyer Relationship.....	22
2.7.3.	Steps for Developing Advocate Relationship .....	22
2.7.3.1.	<i>Straight Dealing of Airlines</i> .....	23
2.7.3.1.	<i>Delivering Promises</i> .....	23
2.7.3.3.	<i>Caring Attitude towards Customers</i> .....	23
2.7.3.4.	<i>Delight Customers</i> .....	24
2.7.4.	Components for Relationship Marketing Strategy .....	24
2.7.4.1.	<i>Database Management</i> .....	24
2.7.4.2.	<i>Quality Management</i> .....	25
2.7.4.3.	<i>Customer Relations</i> .....	26
2.7.4.4.	<i>Communication with Customers</i> .....	26
<b>2.8.</b>	<b>Porter's five forces .....</b>	<b>27</b>
2.8.1.	Threat of New Entrants.....	27
2.8.2.	Bargaining Power of Buyers.....	28
2.8.3.	Bargaining Power of Suppliers .....	28
2.8.4.	Threat of Substitutes .....	28

---

---

2.8.5.	Rivalry among Existing Competitors .....	29
<b>2.9.</b>	<b>Three Generic Strategies .....</b>	<b>29</b>
2.9.1.	Differentiation Strategy Approach.....	30
2.9.2.	Low Cost Leadership Strategy Approach.....	31
2.9.3.	Niche Strategy Approach .....	32
<b>3.</b>	<b>Research Objective .....</b>	<b>33</b>
<b>4.</b>	<b>Data Collection .....</b>	<b>33</b>
<b>4.1.</b>	<b>Sponsorship.....</b>	<b>34</b>
<b>4.2.</b>	<b>Websites.....</b>	<b>36</b>
4.2.1.	Benefits of having Websites .....	36
4.2.1.1.	<i>Cost saving</i> .....	36
4.2.1.2.	<i>Easily accessible</i> .....	37
4.2.1.3.	<i>Provide convenience to customers</i> .....	37
4.2.1.4.	<i>Enhance sales</i> .....	37
4.2.1.5.	<i>Build advocates for company</i> .....	37
<b>4.3.</b>	<b>Brand Ambassador .....</b>	<b>38</b>
4.3.1.	Importance of Brand Ambassador for Airlines .....	38
4.3.1.1.	<i>High degree of professionalism</i> .....	38
4.3.1.2.	<i>Passion to build relationships</i> .....	38
4.3.1.3.	<i>Increase awareness among customers</i> .....	39
4.3.2.	Examples of Airlines globally .....	39
<b>4.4.</b>	<b>Television Commercial Ads .....</b>	<b>41</b>
4.4.1.	How audience analyze Commercials? .....	41
4.4.2.	Importance of Commercial Ads.....	41
4.4.3.	Six things for developing Effective Commercial Ads .....	45
<b>5.</b>	<b>Data Analysis .....</b>	<b>47</b>
<b>5.1.</b>	<b>Analysis of PIA and Emirates Websites.....</b>	<b>48</b>

---

---

5.1.1.	No Modification .....	49
5.1.2.	Language Translation Option .....	49
5.1.3.	Improper Advertisement of Social Media .....	50
5.1.4.	No promotion of Mobile Application .....	52
5.1.5.	No need of Fare Summary .....	52
<b>5.2.</b>	<b>Airblue and Shaheen Airways Website Analysis .....</b>	<b>53</b>
5.2.1.	Attractive Promotion of Services .....	53
5.2.2.	Deliverance of Message in attractive way .....	54
5.2.3.	Attractive Color Scheme.....	55
5.2.4.	Facility to make Multi-city Reservation .....	55
5.2.5.	Information about Company's News .....	57
5.2.6.	Language Change Option .....	59
<b>5.3.</b>	<b>Air Indus Website Analysis.....</b>	<b>59</b>
5.3.1.	No attractive Color Scheme .....	59
5.3.2.	Boring Graphics .....	60
5.3.3.	Improper use of Social Media .....	61
<b>5.4.</b>	<b>Promotional Setbacks of Upcoming Airlines.....</b>	<b>61</b>
5.4.1.	No Uniqueness in Brand Name .....	61
5.4.2.	No appropriate Address .....	62
5.4.3.	Old Advertisement .....	62
5.4.4.	Copied Uniform from PIA .....	63
5.4.5.	Advertise Wrong Aircraft .....	63
<b>6.</b>	<b>Ethical Considerations .....</b>	<b>64</b>
<b>7.</b>	<b>Results .....</b>	<b>64</b>
<b>8.</b>	<b>Conclusion.....</b>	<b>65</b>
<b>9.</b>	<b>Recommendations .....</b>	<b>65</b>
<b>10.</b>	<b>References .....</b>	<b>72</b>

---

---

## **ACKNOWLEDGEMENT:**

We would like to express special thanks to our University “**University of Management and Technology**” and our “**Aviation Department**” to give us wonderful opportunity to do practicum on “**Airline Marketing Strategies in Pakistan.**” We did a lot of research for this practicum which helped us to come know about so many new things.

We are highly thankful to our supervisor “**Professor Faiq Ahmad**” for his previous time, attention guidance in selecting topic and constantly provide information related to topic which helps us to complete practicum within limited time frame.

We are also grateful to our industry people who gave us their precious time and provide real time information.

Our warm thanks and appreciations also go to our colleagues who help us in completing project by using their abilities.

---

## **OBJECTIVE:**

Marketing is considered as an integral part of any business. Organizations use it as an effective tool for delivering message to customers in attractive way by understanding and satisfying their needs and wants. But unfortunately, Pakistani carriers aren't giving any kind of special attention towards this important tool.

Our objective in selecting Airline Marketing Strategies in Pakistan for final practicum is to discuss the mistakes of marketing that Pakistani carriers are committing, the problems in marketing strategy due to which customers are switching to foreign carriers like Emirates, Etihad, Qatar, Turkish and so many others.

We also quote examples of successful airlines and analyze their marketing strategies with Pakistani airlines and discuss that they should modify or change their ancient marketing strategies.

In the end, we give some recommendations that how Pakistani carriers can make effective marketing strategies to attract more customers and strengthen relations with loyal customers because without loyal customers, no airline will touch the heights of success.

---

## **1. INTRODUCTION**

In the beginning, we will give introduction about the practicum topic **“Airline Marketing Strategies in Pakistan.”** Here, we will discuss that what is the definition of marketing? And why it is an integral part in airline industry?

### **I. WHAT IS MARKETING?**

*Marketing is about putting the right things in the right place in the right time in the right price.*

Marketing is an activity or process for **identifying, anticipating, communicating, delivering** and **retaining** the **customers** by adding **values** in the products.

When we talk about marketing, we can't ignore the concepts of **needs**, **wants** and the **market demand**. **Needs** are **basic necessities** for the customers like clothing food and shelter and **wants** are one step ahead from the needs that **what customers desire to have**. Similarly, organization should understand the **market demands** that when the **customers are ready to accept** the product before launching a new product.