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UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
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Course: Aviation Marketing Management **Semester: III**
Program: MBA(AVM) **Time: 03 Hours**
Course code: TRAV8006 **Max. Marks: 100**
Instructions:

SECTION A

		Marks	CO
I	**Answer All the questions:**		
	A. ________ allows the company to discover who its customers are, how they behave, and what they need or want. It also enables the company to respond appropriately, coherently, and quickly to different customer opportunities. a. Network management b. Strategic management c. Marketing management d. Customer relationship management e. Total quality management	**2**	**CO3**
	B. **The use of online and offline promotion techniques to increase the audience of a site is known as a:** a. Search engine optimisation b. Search engine marketing c. Quality score d. Traffic building campaign	**2**	**CO2**
	C. Successful marketing requires having capabilities such as understanding ________,creating customer value, delivering customer value, capturing customer value, and sustaining customer value . a. customer loyalty b. customer perks c. customer retention d. customer value e. customer benefits	**2**	**CO3**
	D**. RACE is a practical framework to help marketers manage and improve the commercial value gained from digital marketing. The term stands for Reach, Act, C, Engage. What does 'C' refer to?** a. None of the below b. Consolidate c. Collaborate	**2**	**CO4**

	d. Convert e. Collect		
	E. **Selling includes:** a) Advertising b) Transfer of Title from seller to Buyer c) Sales Promotions d) None of these	**2**	**CO3**
	F. . **Which of the following is not an element of Promotion mix** a) Advertisement b) Branding c) Personal Selling d) Sales Promotion	**2**	**CO1**
	G. There are different techniques to both initiate and build relationships with customers by using a combination of online and offline techniques. What is the 'customer life cycle' though? a) An approach to building and sustaining long-term business with a customer b) The stages each customer will go through in a long-term relationship with a supplier c) Techniques to encourage customers to increase their involvement with an organisation d) The answers above are all correct	**2**	**CO2**
	H. The **________** is the central instrument for directing and coordinating the marketing effort. a. strategic plan b. marketing plan c. tactical plan d. customer value statement e. corporate mission	**2**	**CO3**
	I. Using the Internet for relationship marketing involves integrating the customer database with websites to make the relationship targeted and personalised. Through doing this there are many benefits to be gained but which of the below is not an advantage?	**2**	**CO2**

	a. Lower costs b. Achieve mass customisation of the marketing messages c. Targeting more effectively d. Minimises breadth, depth and nature of relationship		
	J. Accepting that a customer has agreed to opt-in to receive further information, with customer profiling the minimum amount of online information that needs to be collected is an e-mail address. What is really required though to decide if the customer is a good potential target for further communications? a. Interruption marketing b. A qualified lead c. Opt-out facilities to be removed d. Permission marketing	**2**	**CO3**
	SECTION B		
Q	**Answer the questions in details: (Answer any four)**		
	1. Explain the "Three Generic Strategies"?	**5**	**CO4**
	2. Differenciate between Fencing and Framing (Concept of Individual Pricing)	**5**	**CO3**
	3. Think of Four technical measures which could be used to shorten the access time for the customer calling a Airline call center?	**5**	**CO1**
	4. What is it so important for the first requirement in designing the relationship policy to be the improvement of the size and quality of the customer database? Explain your answer.	**5**	**CO1**
	5. Explain with examples the Pricing Functions?	**5**	**CO2**
	SECTION-C		
	Answer the below mentioned Question (Answer any three)		
	1. Explain the State "Price Equilibrium" in an Airline Pricing ?	**10**	**CO2**
	2. What do you understand by Multichannel Marketing give few examples?	**10**	**CO4**
	3. Do airline apply Market Segmentation when Pricing? Do they further apply Pricing Strategies?	**10**	**CO2**
	4. Choose one service Provider and reconstruct the dialogue you have conducted within the organization, How could the content of this dialogue be improved so that you would become more loyal to this service Provider.?	**10**	**CO1**
	SECTION-D		

Q	Answer All the questions		

<u>BRANDING STRATEGY AND MARKET SHARE: A CASE STUDY OF JET AIRWAYS</u>

Branding Strategy is considered as an indispensable part of organization's market strategy by managers. However, formulation of a branding strategy is exigent. Branding Strategy becomes, even more, demanding in the event of new product, new service, or for a new market segment. A mistaken branding strategy may lead to shrinking of the market share of an organization. The market share of Jet was 34% in the year 2006, and reduced to 19.6% in the year 2014, and it is believed that the confusion in branding led to the reduction of Jet Airways' market share. This phenomenon prompted this study to investigate the relationship of branding strategy and market share in Indian air travel business, using a qualitative case study approach, with Jet Airways as the case. The data were from the secondary sources including reports of airport authority of India, annual reports of Jet Airways, interviews, and newspaper reports. The qualitative instrument is specifically developed for this paper so that it is relevant to the Indian aviation market. The results of this study indicated that incorrect brand strategy led to the inexact business operation management. The inaccurate business operation culminated in withering market share of the Jet Airways. These are discussed and reported in detail in the study.

Introduction

Branding strategy has far-reaching influence because it builds the vision and strategy for meeting the needs and desires of customers (Urde, 1999). Right, business strategies of a company are developed on a well-designed branding strategy (Davis, 2000). This makes it an imperative for companies to concentrate on branding strategy design so that they remain competitive. This article will provide a brief overview of the impact of branding strategy onto the market share of Jet Airways, an important player in Indian aviation industry, using a qualitative approach. Indian aviation industry is under persistent trouble (Shanker & Deshmukh, 2009). These troubles are a lack of basic infrastructure, shortage of skill workers and professionals, stiff competition, and rising fuel cost (Kanthe, 2012). In the past decade for certain airlines, this trouble was so much that they completely vanished from the scene. The trouble of Indian aviation industry also influenced the Jet Airways. Therefore, Jet Airline continuously observed the diminishing market share after the year 2006. The factors that shrink the market share of Jet Airways and their relationship to branding strategy are the objective of this study. The present research requires the in-depth understanding of their business decisions and its consequences. The historical overview of Jet Airways will be indispensable in this regard.

Jet Airways:

Jet Airways is one of the major players in the Indian aviation industry. The head office of the airline is in Mumbai. It operates over 3000 flights daily to 74 worldwide destinations. Jet Airways started its operation as air carrier on 5th May 1993. In

January 1994, a change in the Indian law enabled Jet Airways to apply for scheduled airline status. Henceforth, Jet was to compete with state-owned Indian Airlines having a monopoly since 1953 in Indian domestic air travel. After that, the first international operations of Jet began from Chennai to Colombo in March 2004. On 12 April 2007, Jet Airways bought Air Sahara for INR14.5 billion (US$340 million) and Air Sahara was renamed as JetLite. Jet positioned JetLite as intermediate service airline. In August 2008, due to the practical difficulty Jet announced its plans to integrate completely JetLite into Jet Airways (Roy, 2008). Furthermore, due to increasing operational challenges Jet Airways and till now their rival Kingfisher Airlines announced an alliance that includes an agreement on following for mutual benefits ("Press Releases," 2008).

1. Code-sharing on both domestic and international flights
2. Joint fuel management to reduce expenses
3. Common ground handling
4. Joint utilization of crew and
5. Sharing of similar frequent flier programs with other airlines.

Due to fierce completion from low-cost carriers on 8th May 2009, Jet Airways launched its low-cost brand, Jet Konnect. Now onwards Jet was operating in two market segments full-service and low-cost. Here we must note a fact that Indian aviation market was still an immature market. Therefore, the load factor was the prime concern for all airlines. Due to two market targets low-cost and full-service, this became, even more, difficult for Jet. Jet Airways launched Konnect brand on sectors having 50% or less load factor with the aim to increase it to 70% or above. Low-fare airlines were also aggressive competing to increase their share. As a result of this contest, Jet lost significant market share to these low fare airlines. Although Jet lost its first position in Indian aviation industry in the year 2012 however, until mid-2014, it was very close to its competitor IndiGo. In the year 2014 the share of Jet in domestic aviation sector suddenly dropped from 25.3% in January to 19.6% in July (Economics Times, August 28, 2014). This decline of 6% within six months was quite significant, and this gave enough reason to the company to rethink their strategy and reorient their business plan to return to the previous shape. In segment analysis of their share reduction, Jet found that the biggest loss of shares on Jet's passenger base has been from its corporate travel division. This corporate share of the passenger is especially in the small and medium enterprises (SMEs) segment. We understand the importance of SMEs by a statement of Indian Prime Minister Mr. Narendra Modi that India's 65% economy is dependent on this sector (Economics Times, August 28, 2014). Further analysis resulted that this decline happened due to the confusion in branding. Jet Airline was unable to target the ruling market segment. US market demonstrated this phenomenon in 2005 that full-service airline lost their market significantly to the low-cost carrier (Connell & Williams, 2005). Without realizing this fact, Jet Airways always kept on increasing its full-service brand image. Therefore, increasing the brand appeal of efficient operations from low-cost airlines like Indi-Go and Go Air destroyed the leadership of Jet.

In this study, the three main constructs relevant to Jet Airways, branding strategy (BS), operation management (OM), and market share (MA) are analyzed. The analysis is based on the qualitative data available in public domain to understand the variations and interdependence of these constructs.

Previous studies indicated that maximization of market share is a key component of management strategy because it may lead to maximization of profit (G. Anderson, 1992). There are innumerable factors that decide the market share of any firm. Few are conclusive but the majority are obscure. Biggest conclusive factors on which market share of firms is dependent is customer satisfaction (E. W. Anderson, Fornell, & Lehmann, 1994). High customer satisfaction is the vital objective of operation management in service industries (Hung, Huang, & Chen, 2003). Therefore, customer satisfaction from the customer viewpoint and operation management from organizations position are the largest concerns of firms (Quezada, Cordova, Palominos, Godoy, & Ross, 2009). Operation management acts as an antecedent to customer satisfaction that shows up in increased market share.

Apart from, operation management, other organization side factors decisive to market share are knowledge and development, production, marketing, and distribution (Casson, 1987). Out of these marketing is most pertinent under certain conditions (Gummesson, 2002). These conditions are:

- Service is ongoing or has periodic desire
- The customer controls selection of the service provider,
- There are alternative service providers

The airline industry has all these conditions present. Therefore, airlines essentially focus on marketing (Asiegbu, Igwe, & Akekue-Alex, 2012). Furthermore, branding is considered the most powerful marketing weapon (Morgan & Pritchard, 2004)**.** Successful branding needs befitting branding strategy. Branding strategy as defined 'a systematically planned and implemented process of creating and maintaining a favorable reputation of an organization and its constituent elements by sending signals to stakeholders' (van Riel & van Bruggen, 2002 p.242) not only dispense signals to consumers but also to itself. Branding strategy is critical for any organizations for multiple reasons. Apt branding strategy connects consumers to the brand (Hart & Mrad, 2013), it secures loyal customers (Herath & De Silva, 2011), and also helps organizations to judiciously position themselves into the market (Jit Singh Mann & Kaur, 2013). However, devising a branding strategy is not a simple task (Nygaard, 2008). Therefore, inapt branding strategy may negatively impact many firms (Ngobo, 2011). The branding strategy constitutes identifying market segment, positioning, and communication of strategy (Frochot, Kreziak, & Safari, 2009). Studies have attempted to provide guidelines for formulating felicitous branding strategy to mitigate future risk. For instance, there are three areas that need to be focused on when formulating branding strategy. These areas include feeling of the consumer, consumer's financial value and his community (Bhatnagar, Maryott, & Bejou, 2008; Jones & Runyan, 2013).

	There are many studies that investigated the relationship of a branding strategy to operation management to the market share. However, there are limited studies pertaining to the airlines context that combine these three concepts in one study. Few papers investigate the relationship of any two of these constructs for air service. For example, Parton & Ryley (2012) demonstrate the case of XL Airways. Rebranding XL Airways helped them to increase general public recognition giving the advantage of increased market share. Gillen & Gados (2008) indicate the conditions within which airline within airline concept or multi-branding may succeed. However, most of the literature are focused on the success stories rather than failure. Whereas, for valuable insights research suggest a failure to be more propitious than success (DeLeon & DeLeon, 2002). Therefore, we select the case of diminishing market share of Jet Airways and investigate the relationship of brand strategy and market share. Furthermore, we have not found any paper investigating the ways brand strategy failure leads to withering market share. As a result, we want to investigate following research question in context of Jet Airways		
1	Question 1-What are the factors of Jet's branding strategy that culminated to its inapt operation management?	**15**	**CO1,CO3**
2	Question 2-What are the factors of Jet's operation management that has affected his Business Operations and Market Share?	**15**	**CO4.CO2**