

2018

Case Study Report – easyJet



Contents

Executive summary	2
Introduction	3
1 Corporate objectives.....	3
1.1 Mission.....	3
1.2 Vision	3
1.3 Values.....	3
2 Methodology	3
3 Macro environment.....	4
3.1 Introduction	4
3.2 Summary	6
4 Micro environment.....	6
4.1 Introduction	6
4.2 Internal to the business	6
4.3 External to the business.....	6
5 Enhanced SWOT.....	7
5.1 Summary	7
6 Integrated marketing communications goals.....	7
7 Integrated marketing communications objectives.....	8
7.1.1 Introduction	8
7.1.2 Summary	8
8 Strategic definition of direction	8
8.1 Introduction	8
8.2 Definition	8
9 Integrated marketing communications mix	9
9.1 Introduction	9
9.1.1 Advertising	9
9.1.2 Public relations	9
9.1.3 Direct marketing	9
9.1.4 Digital marketing.....	9
9.2 Summary	10
10 Cost benefits analysis	10
10.1 Costings (cost benefits analysis)	10
10.2 Summary	10
11 Implementation	10
12 Conclusion.....	11
13 Bibliography	12

Executive summary

This report aims to examine a campaign from a research-based backing. The campaign is a partnership between EasyJet and the Berlin Marathon. The campaign aims to increase the customers of both the partners and expand to a new target audience for easyJet as well as exploring a different kind of market of combo tickets which combines hotel stay and flight.

The report itself is examining this campaign through a through situation analysis of both the macro and micro environment of EasyJet. It looks at the corporate objective of EasyJet and the goal and objectives for the campaign. Furthermore, it defines several terms within marketing communications which has informed the campaign.

It also looks at some of the individual tactics used in the campaign and the impact those may have.

The report reaches the conclusion that parts of the campaign needs to be re-evaluated as they may monetarily not be worth the expense.

Introduction

1 Corporate objectives

1.1 Mission

The mission of any company is to earn money, EasyJet want to do this by being the number one low-cost airline in Europe. (EasyJet Corporate, 2018)

1.2 Vision

“Seamlessly connecting Europe with the warmest welcome in the sky” (EasyJet Corporate, 2018) is a statement from EasyJet’s corporate website which can be seen as a vision. This puts emphasis on their customer focus as well as the efficiency they want to achieve.

1.3 Values

EasyJet define their values by dividing it into six sections,

“Safety: We never compromise on safety

Simplicity: We cut out the things that don’t matter to keep us lean and make it easy

One team: Together we'll always find a way

Integrity: We stand by our word and do what we say

Passion: We have a passion for our customers, our people and the work we do

Pioneering: We challenge to find new ways to make travel easy and affordable” (EasyJet Corporate, 2018).

These six sections show the high focus they want to maintain on customer and employee satisfaction.

A conclusion that can be drawn from the mission, vision and values of the company is that they want to deliver innovative, safe, efficient low-cost air travel with a focus on both employee and customer satisfaction.

2 Methodology

There are many different ideas on how one should go about planning a campaign. Most of them are very similar and utilise the same steps even though they call them by different names. For example, in zero-based planning there are 6 steps, “Identify Target audiences”, “Analyse SWOTs”, “Determine MC [Marketing communications] objectives”, “Develop strategies and tactics”, “Determine budget” and “Evaluate effectiveness”. (Ouwensloot and Duncan, 2008 , pg. 123)

Meanwhile the six steps of the SOSTAC- planning model are situation, objectives, strategy, tactics, action and control (Egan, 2015, pg. 100). When reading the description of each of these steps it becomes apparent that they are quite similar in what they mean.

Both models start off by assessing the current situation and answering the question 'where are we now?', the first two steps of the zero-based planning encompass this while S in SOSTAC does the same. The O in SOSTAC determines 'where we want to be', it is about defining the goals and deciding what we are aiming to accomplish with the campaign in question. The third step in the zero-based planning is doing the same thing. This is where they diverge slightly again, the zero-based planning combines the second S and the T in the SOSTAC model in its fourth step, these are meant to answer the question 'what way is best' and 'how do we get there' respectively. According to the SOSTAC-model at this point we want to answer the question 'getting there?' this implies that the campaign should be implemented at this stage. While in the other model we want to determine the budget, which cannot be discounted as an important step however the SOSTAC-planning model infers that that may already be decided by the organisation ahead of time or it may be included in the previous steps. Lastly comes the evaluative steps in both models. This is the point where you evaluate how the campaign is performing in terms of reaching its goals. If this is a campaign that is running for a longer period this might be the point where you launch back into the start of the model again thereby forming a circular flow throughout the run of the campaign, it may also serve as a point where it is decided that the campaign was not successful and another approach needs to be taken, while evaluating why that was. (Egan, 2015 & Ouwersloot and Duncan, 2008) Looking at a planning model may be useful to ensure that no steps are missed that may have helped the campaign perform to its full potential.

3 Macro environment

3.1 Introduction

The PESTLE-model is a proposed way of research, to find out the current situation that an organisation exist within. It is used within several different communications disciplines, such as PUBLIC Relations, Marketing and Advertising. (Egan, 2015, pg. 101) the model first started out as the PEST-model and the letters stand for different factors that may be influencing an organisation, these factors are as follows: political, economical, societal and technological (Copley, 2014, pg. 16). The two last letters which were added as a development to the model stand for the environmental and legal factors (Copley, 2014, pg. 84). This is a model which help the researcher look at the current situation of an organisation from several different perspectives which may help ensure that they get a more complete picture when conducting their research. What follows in Table 1 is a PESTLE analysis of EasyJets current situation in late 2018.

Aspect	Issue	Impact (opportunity or threat)
Political	<ul style="list-style-type: none"> Brexit will effect EasyJet. Approximately 50% of EasyJet's UK passengers fly within the EU therefore they need to be able to continue flying to EU countries. 	Threat
	<ul style="list-style-type: none"> Terrorist attacks often have a political motivation as well as having airports as a target. If one of the airports which EasyJet fly to becomes a target that may affect their flightpaths. (Merrick, 2018) 	Threat
	<ul style="list-style-type: none"> Europe contains many countries, these will have many different political leaders (EuroNews, 2018), therefore, laws pertaining to each country will be very different. More about this can be found under legal. 	Threat
Economical	<ul style="list-style-type: none"> During the 2009 recession, UK airports experienced a decrease in the number of travellers by 13% (Milmo, 2009). It is speculated that the UK is very likely to suffer from a new recession due to Brexit (Elliott, 2019) this means less disposable income and thereby it will lead to less travelling, since the average British family spends a quarter of their disposable income on holidays (Kubiak, 2018). This may however result in a higher amount of people turning to low-cost air travel. 	Threat/opportunity
	<ul style="list-style-type: none"> Some countries in Europe have been implementing a tax on aviation in an effort to offset global warming, their hope is that a higher price will drive people to choose other means of travel or use the taxes generated for the purpose of offsetting global warming. (Romera, 2018) 	Threat
	<ul style="list-style-type: none"> Buying planes can be expensive (Houston, 2018) and making sure that the fleet is still as efficient as possible within the technological development will then be expensive. 	Threat
	<ul style="list-style-type: none"> Airports charge the airline for the time that their planes are on the ground taking up a space. (Houston, 2018) 	Threat
	<ul style="list-style-type: none"> Fuel costs to fly a small plane for 200 hours will be \$6000 (Houston, 2018) it then stands to reason that a passenger plane will require much larger quantities of fuel and therefore cost more money. 	
Social	<ul style="list-style-type: none"> Travelling by airplane has changed a lot over the last 30 years and so has the customers who buy a plane ticket. It is much more common to travel studies and work now and it is also more common to want to travel and explore other culture (Conde Nast, 2017) therefore, the customer base has increased. 	Opportunity
	<ul style="list-style-type: none"> Business travellers are also more common due to the increase in global companies. (Forbes, 2018) Business travellers will need to travel all over the worlds. 	Opportunity
Technology	<ul style="list-style-type: none"> The amount of websites where you can search for, compare and buy plane tickets online has increased in the last couple of years. When searching for 'compare price plane tickets' on google it generates 96 000 000 results (2019) This allow EasyJet to reach new markets but also allows their competitors to do the same. 	Threat/opportunity
	<ul style="list-style-type: none"> The use of social media has increased in the 21st century therefore it has created another platform for advertisement (Egan, 2015. pg. 379) 	Opportunity
	<ul style="list-style-type: none"> New airplane technology will make their fleet outdated, unless they buy the new technology when it comes out. 	Threat/Opportunity
Legal	<ul style="list-style-type: none"> Due to politics the law will be different in different countries and EasyJet will need to adjust their operations according to the laws in each country that they land in. EasyJet currently fly to over 100 destinations. (EasyJet Corporate, 2018) 	Threat
	<ul style="list-style-type: none"> New environmental impact laws is something that is being introduced in may countries currently and EasyJet will need to follow each of these in every country the operate. (EsyJet Corporate, 2018) 	Threat
Environmental	<ul style="list-style-type: none"> People are becoming increasingly aware of the negative environmental impact that air travel has. (Romera, 2018) this could lead to people choosing more environmentally friendly options. 	Threat
	<ul style="list-style-type: none"> There is a finite amount of oil in the world. (Blumsack, n.d.) Air travel is highly dependent on oil to run the planes, however this can be offset by technological advances. Research in the area of renewable energy sources might be a good opportunity for EasyJet. 	Threat/opportunity

Table 1: Macro environment analysis

3.2 Summary

In the table above you can find many aspects that are currently affecting EasyJet, this shows the complex nature of the current situation that the organisation is facing with the amount of new advances in many of the different aspects. New laws due to environmental impact, new political directions in the different countries that they operate in will all need to be considered by the organisation. Technology seems to continue its forward advancement which will result in increased expenditure but is also an opportunity to meet a new market.

4 Micro environment

4.1 Introduction

“A SWOT analysis is a structured evaluation of internal strengths and weaknesses and external opportunities and threats that can help or hurt a brand” (Ouwensloot and Duncan, 2008, pg. 125) Similarly to PESTLE SWOT is an acronym and it stands for strength, Weakness, Opportunities and threats.

4.2 Internal to the business

EasyJet is attempting to use competitive positioning as defined by Egan (2015, pg. 91), by emphasising how they are different from their competitors, for example they place emphasis on the customer service.

Strengths of EasyJet

- They are a low-cost airline
- They have a wide variety of destinations
- They have a focus on friendly customer service
- They have high standard when it comes to safety and reliability while trying to reduce emissions
- They also have a strong brand that they use to create strong marketing

(EasyJet Corporate, 2018)

Weaknesses of EasyJet

- There are many competitors, within the low-cost airtravel, examples are, Flybe and Norwegian. (Lastminute.com, 2018)
- Their current target audience is restricted, to business travellers and the younger generation (EasyJet PLC, 2018)
- They do not serve free food on their planes (EasyJet, 2018)

4.3 External to the business

Opportunities

- Expand flight plan to other continents, thereby gaining more customers
- Increase the number of partnerships that they have with other companies

Threats

- There are many low-cost airlines and as such it is a highly competitive market (lastminute.com, 2018)
- Customers might choose other forms of transport for environmental reasons (TopYaps, 2016)
- UK citizens spending less on travelling due to possible recession in Europe (Elliott, 2019)

5 Enhanced SWOT

Corporate objectives	Strengths 1. Low cost 2. Wide variety of destinations 3. Friendly customer service 4. Safety, reliability & emission reduction 5. Strong marketing (EasyJet PLC, 2018)	Weaknesses 1. Competitors (Lastminute.com, 2018) 2. Restricted target audience (EasyJet PLC, 2018) 3. No free food service (EasyJet, 2018)
Opportunities 1. Expanding flight destinations to other continents 2. Partnerships with further companies	Action S/O ₅ • Introduce travel packages (S1 + S3 + O2) • Partnerships with hotels outside of their current flight path to promote low cost holidays/hotel stays in further destinations (O1 + O2 + S1)	Action W/O ₅ • Increase the target market (W2 + O1 + O2) • Partner with companies to provide a free food service (O2 + W3) • Fly to other destinations where competitors do not (O1 + W1)
Threats 1. Highly competitive market (Lastminute.com, 2018) 2. Other forms of transport (e.g. trains & boats) (TopYaps, 2016) 3. Brexit reducing European travel/Recession (The Economist, 2016)	Action S/Ts • Flyers may opt for low cost airlines due to Brexit or recession (S1 + T3) • Increase marketing in the UK to reduce impact of Brexit (S5 + T3)	Action W/Ts • Target those using other transport to reach a wider audience (W2 + T2) • Develop a USP to differentiate from competitors (W2 + T1)

Table 2: Enhanced SWOT

5.1 Summary

Several different ideas were generated from performing the enhanced SWOT- analysis and the ones marked in bold will be included in the campaign.

6 Integrated marketing communications goals

The three goals for EasyJet are:

- Reduce the negative impact of Brexit on Sales
- Introduce travel packages to expand market to new target audiences
- Expand the amount of target audience to increase sales

These three goals are overarching to the Berlin Marathon partnership campaign. The campaign is aiming to do all three of these on a small scale to evaluate whether an approach like it would be valid for the future on a larger scale with more locations.

7 Integrated marketing communications objectives

7.1.1 Introduction

SMART is an acronym that helps PR and Marketing professionals ensure that their campaign is going to be successful through reaching its goals. The acronym stands for Specific, Measured, Actioned, Realistic and Timely. Using this acronym when designing the objectives for a campaign will provide direction and focus to the activities, making sure that they reflect the values of the organisation while driving the scheduling of the campaign and showing how success or failure would be measured. (Egan, 2015. Pg. 102) It can be seen as a way of evaluating whether or not your campaign will be successful before having implemented it.

The objectives below are related to the Berlin Marathon Partnership campaign.

Objective	Specific	Measured	Actioned	Realistic	Timely
1.	Increase number of tickets to Berlin sold by 15%	Did we reach 15%	Sales	Both runners and families will want to travel to Berlin during this time if the campaign is successful.	Between 22/9/19-6/10/19
2.	1000 people interacting with #easymarathon on Social media (Facebook, Twitter and Instagram)	Did 1000 people interact with the #?	Interactions	Hashtags can easily gain traction on social media, and with 61,390 participants in the marathon itself 2017, 1000 seems more than realistic	By 6/10/19
3.	To have 70% of customers respond to the follow-up email about the combo ticket.	Did 70% respond?	Responses	Once you have had a good experience with a company you become more loyal to the company and is therefore more likely to respond	Before 1/11/19

Table 3: SMART objectives

7.1.2 Summary

These objectives were chosen because they reflect both the campaign and will help the campaigns direction in an attempt to reach the organisational goals of EasyJet as stated earlier in this report.

8 Strategic definition of direction

8.1 Introduction

According to Egan strategies are “the way that objectives are to be achieved” (2015, pg. 109) Porters generic strategies are: Cost leadership, differentiation and focus, later divided into cost focus and Differentiation focus. (Mindtools, n.d.)

8.2 Definition

If using Porter's generic strategies this campaign would fall in the category differentiation as the brand is trying to differentiate itself from its competitors by offering a new type of combo ticket that they do not.

9 Integrated marketing communications mix

9.1 Introduction

The parts of the Integrated marketing communications mix is: advertising, sales promotion, direct marketing, publicity and public relations, personal selling, packaging, events and sponsorships and customer service. (Ouwensloot and Duncan, 2008, pg 10-13) The Berlin marathon partnership campaign utilise several of these.

9.1.1 Advertising

According to Ouwensloot and Duncan (2008, pg.10) advertising can help differentiate one brand from another, which is what this campaign is trying to do with the advertisements in use.

The campaign will use advertising by placing an ad for the combo ticket in travel magazines. An example of such a travel magazine would be 'Wanderlust' (2018). Furthermore, the campaign will use advertising in the form of an advertorial "Ten Top Tips for Running a Marathon" in the magazine 'Runner's World' (2018), this would be a very useful way of targeting the right audience as they are already interested in running and if they want tip for running a marathon they might be persuaded to join the Berlin Marathon through purchasing the combo ticket. Mock ups of these can be found in the previous presentation, AE2. These tactics will allow the Target audience to find out about the combo ticket and by extension EasyJet.

9.1.2 Public relations

Entering a Partnership with another brand is mutually beneficial, both will get attention from the others current customers and thereby gain a new customer base. Therefore, it was decided that this campaign would entail a partnership with the Berlin Marathon.

Over 61,000 people took part in the 2018 Berlin Marathon and they came from 133 nations. (Reuer, 2004). Therefore, a partnership with them will allow EasyJet to gain traction amongst the participants and increase their sales to Berlin.

9.1.3 Direct marketing

Upon the completion of the campaign there will be follow up email going out to everyone who bought a combo ticket. This will both be an evaluation and a way to retain customers. When customers can express their opinion, they are more likely to develop brand loyalty (Ouwensloot and Duncan, 2008, pg. 13) The email will start by asking how they did in the race and then for them to take part in a small survey, this will allow EasyJet to find out if the any customer perspective on what was good and what could be improved with the campaign.

9.1.4 Digital marketing

There are many forms of digital marketing in this campaign among them are the addition of a page to their website and the use of social media. Throughout the campaign EasyJet will be encouraging

people to interact with the Hashtag #Easymarathon across their social media, by posting with it themselves. For example people will be asked to share how they are getting on with their training ahead of the Marathon this will allow people to share their story and see what others are doing aswell. This will increse the awareness of both the combo ticket and EasyJet as a brand.

9.2 Summary

All the examples above are designed to increase the awareness of the brand and the combo deal will result in more sales and a wider target audience.

10 Cost benefits analysis

10.1 Costings (cost benefits analysis)

In the picture below you can see the full budget for the campaign.

Activity	Detail	Weekly Cost	Total Cost
Billboard (Marketing Donut, 2017)	75 across UK	(£200)	(£120,000)
Adshel (Marketing Donut, 2017)	300 across UK	(£150)	(£360,000)
Web Page (Website Builder Expert, n.d.)	Add page to existing website	N/A	(£1000)
Social Media (Undullify, n.d.)	Boosting posts on Facebook, Twitter, Instagram	Minimum (£7), maximum (£630)	(£7000)
Print advert (Entrepreneur, 2018)	Multiple ad-rate x 4 magazines	(£4000)	(£16,000)
Article	£2000 = upfront cost 4 UK magazines	N/A	(£8000)
Posters (Resource Centre, n.d.)	14,000 posters - upfront cost	N/A	(£3,000)
TOTAL	N/A	N/A	(£515,000)

Picture 1. Budget

One full price ticket to Berlin booked 3 months in advance will cost, £35(easyjet.com, 2018). For this budget to be cost effective they would therefore need to sell 14,714 tickets, which may be more than they will sell in this one event.

10.2 Summary

A campaign like this may led to customer retention and exposure for the the brand leading to new customers and it therefore, has more than a monetary value in the long run.

11 Implementation

In picture 2 you will find the timeline of the campaign. Each of the steps of the timeline is in a way dependent on each other for example social media posts may be referring to the advertorial (called feature article in timeline) by asking people to share if they have read it and whether they agree with those tips while using the hashtag.

Month	Platform
November 2018	Announce campaign on social media (after ballot release date)
EasyJet will post content regularly until marathon to keep audiences engaged	
January 2019	Social media countdown to the webpage going live
	Webpage goes live
	Feature article including training tips (new year goals)
February 2019	Billboard & Adshels (running until April)
March 2019	Article on 'Top Tips for Running a Marathon'
	Advert appears in magazines
October 2019	Email follow-up

Picture 2: Timeline

12 Conclusion

To summarise this report has discussed the integrated marketing communications approach used in the campaign Berlin Marathon Partnership. It was discovered that a campaign will have many more outcomes other than monetary ones. However the tactics of the campaign could use some further looking at to see if the gain of certain tactics are worth the monetary expense for example the billboards and adshels might reach too wide of an audience and therefore not be very efficient in terms of increasing sales.

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