Marketing Communications for Tourism and Hospitality

GRIFFITH COLLEGE DUBLIN

Assignment Cover Sheet

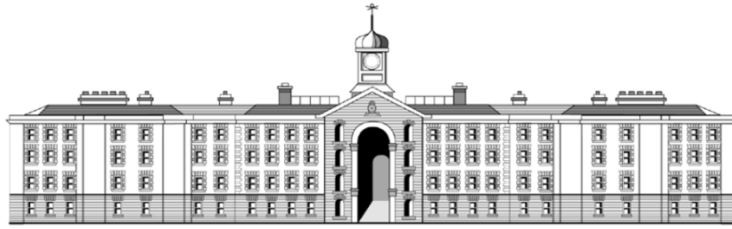|	
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GRIFFITH COLLEGE

MSCIB-MCTH (Marketing Communications for Tourism and Hospitality)

A Study of Marketing Communication Strategy for International Tourism and Hospitality: Case Study of AirlinesM Industry – Emirates Airline

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A Study of Marketing Communication Strategy for International Tourism and Hospitality: Case Study of Airlines Industry – Emirates Airline

I. Overview of the Organisation

Emirates Airline is one of the major airlines in the Middle East and in the world. The airline is a subsidiary of The Emirates Group. Emirates had started the air business with only two aircraft-Boeing 737 and Airbus 300 B4 and had flown its first route of Dubai on 25th October 1985 (The Emirates Story, 2015). Today with a fleet of 137 aircrafts, Emirates Airlines fly to over 100 destinations in 60 countries around the world and almost 700 Emirates flights departs each week from Dubai on their route to destinations on six continents (UK Essays, 2013).

II. Significant Trends in Marketing Communications

As Ghauri and Maqsood (2011) have explained in their study, today communication not only occur as verbal and non-verbal, written way of communicating also has developed to information with technology based. Together, both communication and technology have encouraged the appearance of new communication channels that have upgraded the options available to organizations / companies to build relationships with clients (Albesa, 2007) and also with the customers (Ghauri and Maqsood, 2011).

Koekemoer and Bird (2004) have defined in their research that marketing communication as any collective activities, programmes, materials and media used by a marketer to engage, inform or remind customers of a particular product / services offering and an attempt to persuade them to purchase or use it. At the other hand, Aaker and McLoughlin (2007) simply added in their book that in order to compete and build the better marketing communication, a marketer should consider of the customer value proposition.

However Hamel and Prahalad (1994) argue that it should not be that easy because companies / organizations that think to compete for the present are the ones who make the biggest mistake. Competing is not only for the present but it supposes to be for the future as well,

thinking of the next five to ten years and be aware of the development that may affect the process of the company's growth (Hamel and Prahalad, 1994).

In airlines industry the use of technology is often leads to the innovation of the industry's marketing communications, moreover in 2015 it is not a taboo scene anymore to see how all the airlines companies competing to present to its customers the latest technology that often makes their fliers amazed (Haq, 2013).

Haq (2013) explain based from SITA (2013) research of passengers experience in 2015 from its article *'Flying into the Future'* that there are four trends that likely to be happen according to the airlines industry behaviour in 2013.

Figure 1. Passengers Experience in 2015 (SITA, 2013).

However according to Kollau (2014), the four 'predictions' in Passenger Experience in 2015 not truly focus on the mobile and apps like stated in the first three 'predictions'. Kollau (2014) in the annual report from airlinetrends.com has analysed that the marketing that happened in 2014 can be breakdown into seven types marketing. Nevertheless, based from the findings, it seems that the

Figure 2. The State of Airline Marketing (Kollau, 2014).

last 'predictions' of Haq and SITA (2013) already started to happen. The reason is because the current airlines industry getting more and more creative and intelligent in reaching the customers satisfaction and service.

1.	*Micro Events*	Events created to amaze the customers/passengers i.e. mid-air fashion shows, inflight bingo and product giveaways (WestJet Xmas Presents).
2.	*Cool Tech*	Investing in innovation and technology design.
3.	*Visual Culture*	Creative safety procedure (Air NZ), 360 degrees selfie video (KLM), selfie around the globe (Turkish Airlines)
4.	*People Power*	Using crowdsourcing initiatives to market its activity (Groupon).
5.	*Emerging Market(ing)*	Doing well in launch initiatives tailored to resonate with the local culture as well as being present on local social media platforms i.e. China – Weibo, WeChat.
6.	*The Innovation is Marketing*	Aiming to contribute to the airline's brand, to have people who active in digital world such as bloggers and mass media talk about it to influence and engaging the new target market.
7.	*Outdoor Creativity*	Aim to grab the attention from their daily activity rather that giving them indoor advertisements (television).

Table 1. Seven types of Airlines Industry Marketing in 2014 (Kollau, 2014).

III. How Emirates Reacts with the Existing Trends?

Emirates is consider operating its business in a high competitive market, there are a lot of companies looking at it and rethink their strategy to keep competing with it. Therefore Emirates as an airline company that realize its competitive place have to keep improving its services continuously in order to cope with its competitors (Jammoul, 2014).

III.I. Digital Marketing, Social Media & Advertising

As one of the 'giants' in airlines industry Emirates existence almost can be seen anywhere, especially when it comes to how the company is doing in digital era and social media. The airline appearances is in almost all social media. Emirates is consider doing a good job in handling the current technology, as mentioned before the existence in social media and also its apps in every mobile phones that categorized as user friendly then with the online adds too. This approach can make the user / customers feel closer to the brand and vice versa (Jammoul, 2014). Moreover, according to Digital Strategy Consulting (2012)'s case study, the launch of Emirates Facebook page perhaps was expected by all Emirates' customer, it is because during the first three weeks since the airline company made open its page for public it gained approximately 300,000 fans.

Figure 3. "Hello Tomorrow" by Emirates (Emirates, 2012).

According to Jammoul (2014), to maintain its Customer Relationship Management (CRM) Emirates has used Knowledge-driven In-flight Service (KIS) which runs during the flight in order to maintain the lasting relationship with their customers by delivering satisfaction. Another way to analyse their customers also has been used, the use of Google Adwords by Emirates which allowing them to focus on whose clicking on their ad, from where, when and how many times the customers checked on the ad.

Based from their CRM actions, Emirates in 2012 came with their newest global brand platform and marketing campaign "*Hello Tomorrow*". Emirates (2012) and Burgess (2014) state that the idea of *Hello Tomorrow* is about bringing different people around the world together and make the world a more beautiful and also smaller at the same time. It is designed

to inspiring people to greet tomorrow's unlimited potential, as the world becomes more interconnected and the borders are being blurred with people are more mobile and globally focused than before. Voight (2014) explains that Emirates together with its agency have succeeded to see from the consumer studies that showed frequent fliers and travellers are most passionate to get to know something that new for them.

III.II. Sponsorship

When it comes to talk about their effort in sponsorship, Emirates has an enormous number of sponsorships that they are doing and all the actions are can be said as a very large sponsorship. The reason is because the company believes that when it comes to airline's marketing strategy, sponsorship is a vital element that must be taken seriously and from this actions Emirates knows it is one of the best ways to connect with their passengers through supporting their interests and to build a closer relationship with its customers (Emirates, 2015).

Most of Emirates' sponsorship actions take place in sport categories such as Rugby, Tennis, Motorsports, Horse Racing, Golf, Cricket, Australian Rules Football. However not all sponsorship actions are in sports, Emirates also participates in arts & culture such as Australian Symphonies, San Francisco Symphony, Dubai International Film Festival, Emirates Airline Dubai Jazz Festival, Emirates Airline Festival of Literature and many more. Through the various number of sponsorships, the biggest one is in Football. Based from its website, Emirates is supporting numerous football team in all around the world and also the football event.

IV. Competition

Competitors perhaps can be important to positioning strategy as a firm's own product or services. In these days market, some of successful positioning strategy for a product or brand may focus on the explicit competitors (UK Essays, 2013; Dev, Buschman and Bowen, 2010). Based from Safi (2011)'s research and Dresner *et al.* (2013)'s paper, the competitors can be classified by within the Gulf and the non-Gulf carriers. However, KLM is picked as the

suitable competition for Emirates Airline because KLM is known as its creativity to grab customers' emotion in its marketing strategy.

IV.II. Hello Tomorrow vs #HappyToHelp

Emirates and KLM have been ones of genius players in marketing of the airline industry. However both are competitors to each other and the way of they try to market their brand is not quite the same as they do but with the same of goal, engaging the customers (Loda, Norman and Backman, 2007). Even the goal actually is quite different, the type of customers they approach are not the same.

Emirates launched *"Hello Tomorrow"* that created the brand awareness of how people nowadays tend to look and feel something new while they are traveling. People became more mobile and the world seems to become smaller, as it became smaller and Emirates is there to help to build the bridge that connect one people to another.

In the other hand, KLM in 2014 have had several creative, innovative and digital social marketing campaigns that engaging not only with its customers, but also with people and even another airlines' passengers (Schoultz, 2014). *KLM #HappyToHelp* was considered as a genius marketing campaign that win the feelings and emotions of not only its own customers and people but also another airline's passengers. *KLM #HappyToHelp* was a 24/7 campaigns that created to help all people who encounter issues during travel. KLM working with Twitter to scan all the problems with searching some keywords that related to travel such as "Airport". This campaign is categorized as one of the most innovative airline marketing in 2014 by AirlineTrends.com (Kollau, 2014).

Both airlines can be considered doing a very well marketing communication campaigns throughout digital era. Nevertheless, Emirates and KLM surely see their goal differently. The way Emirates doing its campaigns mostly targeting people who consider the company as the choice of their flight company. Moreover, Emirates also doing its activities in a very large size of marketing such as sponsorships to almost all types of sports and the airlines doing it in very exclusive and elegant way. In the other hand, KLM with all their marketing campaigns try to reach out all types of people which clearly what KLM doing is not only trying to satisfy and maintain its customers but reaching out the new target market i.e. another airlines' customers. KLM understands the needs and activities of people with social media and try to

find the solutions with approaching the people through the social media platforms such as Twitter and help all people to win their heart (Woodrooffe, 2014).

V. Conclusions

As one of the major players in the Middle East and in the world, Emirates has been a profitable airline in the airlines industry (Shahzadi, Qamar and Zareef, 2010; UK Essays, 2013). In 2013, Haq (2013) and SITA (2013) have analyse the trends for airlines industry and came up with four marketing actions that will be stood up in 2015. However in 2014, Kollau (2014) through airlinetrends.com has shared different thought of the trends in marketing communication of airline industry. The research came out with seven marketing trends based from 2014.

Based from the marketing trends this study analysed how Emirates reacts with it and divided by two sections; *III.I. Digital Marketing, Social Media & Advertising*; *III.II. Sponsorship*. In section *III.I.* it explains on how Emirates doing its digital marketing, social media and advertising. The company clearly using the social media to keep interacting with its customers and to monitor them as well. Emirates has been quite active and participating in digital campaign & advertising with its *Hello Tomorrow*. The way Emirates is doing its sponsorship as it already explained in section *III.II.* the company believes that sponsorship as one of the important way to connect with its customers, because supporting what its customers' interest can build a strong relationship.

In this paper, KLM has been chosen as one of the major players which operating in the same level with Emirates. The way both company market its brand and communicating with its customers can be say as innovative and intelligent. However both airlines have different kind of ways to communicate with its target market. Based from the comparison, Emirates communicating with its target market through exclusive way of marketing. In the other hand, KLM with its variation of marketing campaigns is targeting to almost all types of customers such as its own customer, people and even another airline's passengers.

VI. Recommendations from the Case Study

This study has investigated the marketing communication campaigns that have been operated by Emirates Airline. Overall, the company has done several marketing activities throughout the last couple of years and the activities been operated based from its marketing research and

also following the trends in airlines marketing industry. This recommendations part is built in structured in regards to analyse the current trends in the airline industry and Emirates action following the trends.

Based from the investigation, this study highly suggest to the Emirates to not only focus about marketing campaigns based from the marketing research point of view. This is mean that Emirates should consider about get in touch with the customers directly and create a campaign that can successfully win the heart of people. However as McCabe (2012) also point out, it needs to leave the people or the target market with some beneficial things too. Emirates can learn this kind of marketing activities from its competitor, KLM. As already mentioned in the case study, KLM marketing campaigns in 2014 have stood out and gain a lot of awareness from a huge number of people. KLM marketing strategy goal is to win the heart of people and create the emotional feeling based from helping people. Even sometimes a small thing can be a big matter for some people especially travellers such as forget their passport. KLM understands the nowadays situation when people are easily tell almost everything with what happen in their life through the social media such as Twitter and KLM think how they can make some benefits from it and they succeeded by built *KLM #HappyToHelp* campaign. Emirates in the other hand has not really stood out from the use of social media era and therefore the airline can learn something from KLM that has succeeded to maximize the use of social media.

Nevertheless it depends with the willingness of Emirates as one of the biggest airline in the world to whether stay with the same specific target market or try to expand it. Emirates so far has done a beautiful job in raising the awareness of its own brand, however the airline company need to look again with the certain marketing communication trends that happening in order to keep up with the competitive competition.

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Figure

Emirates. (2012) 'Emirates launches new global brand platform – "Hello Tomorrow"', *Emirates.com*, [Online]. Available from: http://www.emirates.com/english/about/news/news_detail.aspx?article=839087 (Accessed: 22 February 2015).

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Appendixes

In airlines industry the use of technology is often leads to the innovation of the industry's marketing communications, moreover in 2015 it is not a taboo scene anymore to see how all the airlines companies competing to present to its customers the latest technology that often makes their fliers amazed (Haq, 2013). Haq (2013) explain based from SITA (2013) research of passengers experience in 2015 from its article *'Flying into the Future'* that there are four trends that likely to be happen according to the airlines industry behaviour in 2013. Firstly *buying behaviour will change*, in here passengers are asking for a more personalised buying experience and the industry is responding to the request i.e. Airlines will focus with the travel app that alerts fliers to airfare deals from their hometown to cities where they heading. Secondly *self-service will come of age*, in 2015 almost 90 percent of airlines will offer mobile check in, the 2D boarding passes on passengers' phones will be used a lot and give the easier access to enter security zones or lounges. Thirdly *customer services will be both mobile and social, by* 2015 nine out of ten airlines will provide flight updates using smart phone apps, in here the industry is also improving the customer experience through their own apps that can help customers to gain information while they travel. Last but not least *better business intelligence will be essential*, airlines will invest more in business intelligence solutions to improve customer service and satisfaction.

Micro events, events that created to amaze the customers / passengers on board i.e. mid-air fashion shows, inflight bingo and product giveaways (WestJet Christmas Presents). A growing number of airline companies are organizing surprise on board events in order to turn an otherwise unremarkable flight into something that passengers would share in their social media, generating earned experience into publicity for the airline.

Cool tech, it is not a secret anymore that technology evolving at rapid pace and many airlines have issues to think from outside the box in order to develop innovative new services. Nowadays in airline industry, the better team is the one that able to combine creativity and technology to create the better services.

Visual culture, from most creative safety procedures (Air New Zealand), 360 degrees video (KLM) to selfie around the world (Turkish Airlines) have gone on to become really popular for the existing target market. Engaging the customers to do certain activities while they unconsciously promote the companies.

People power, rely on crowdsourcing initiatives and inspired by the big number of group deal sites i.e. Groupon.

Emerging market(ing), doing well in launch initiatives tailored to resonate with the local culture as well as being present on local social media platforms i.e. China – Weibo, WeChat.

The innovation is the marketing, aiming to contribute to the airline's brand, some of the airline service innovations are clearly designed for marketing purposes with the goal to have people who active in digital world such as bloggers and mass media talk about it to influence and engaging the new target market, even if the actual adoption by passengers is 1 percent in the end.

Outdoor creativity, due to technological advancements and social changes, outdoor advertising need to change and adapt with today's trends. The aim is to grab the attention from their daily activity rather that giving them indoor advertisements (television).