

JetBlue Positioning Strategy

Zipline Communications

November 17, 2019



JetBlue BRAND ANALYSIS

JetBlue is currently seen as a friendly, young underdog in a heavily competitive market. The brand uses a diverse media mix, runs fantastic promotions and seems to be doing *all the right things*, but struggles to build relationships with its consumers. JetBlue has carved out a niche by making better amenities its standard and by bolstering its customer service model.¹ However, vying for more share in a saturated market that's crowded with the world's largest competitors, it is more important than ever for JetBlue to build relationships and clarify its value proposition to new targets.

JetBlue's mission is "to bring humanity back to air travel"² through:

- Providing comfortable flights, including:
 - Extra leg room³
 - Leather seats⁴
 - Snacks⁵
- Providing generous amenities, including:
 - Direct TV⁶
 - Wi-Fi⁷
 - Sirius XM radio⁸

Quick facts about JetBlue:

- Has a fleet of 235 planes⁹
- Employs about 22,000 people¹⁰
- Carries more than 35 million customers a year¹¹
- Travels to 100 cities¹²
- Has an average of 925 daily flights¹³
- 1000+ daily flights¹⁴



Customer Reviews



My Favorite Airline

"I fly a lot and on many different airlines, but my first choice is always JetBlue. Great planes with free WiFi that works and free movies & TV. Unlimited snacks and great flight attendants.¹⁵"

- leepA2079UQ, Nov. 15, 2019



"Hi Jet Blue! We love your airlines! - sent you a DM ✈️🌟@jetblue¹⁸"

- travelinchic, Feb. 16, 2019



"Hey JetBlue - we are currently on Flight 577 from Fort Lauderdale to San Fran and having THE BEST TIME! The service is impeccable! We have flight attendant Karen with us this AM and could not be more charmed! She was such fun and so gracious... now we are even more hooked on JetBlue- and Mint class!¹⁶" ❤️

- Christy Backus, Oct. 6, 2019



Good Flight

"My airline of preference. Includes WiFi, pleasant staff. Timely flight. I try to only fly JetBlue up & down east coast.¹⁹"

- Ronald A., Nov. 16, 2019



"Their in flight service, customer service and prices are second to none. Whenever I call with a problem they always find a way to help me. They have changed dates, seats and helped me get the best value. They are just awesome.¹⁷"

- Lisa, March 5, 2019



SWOT ANALYSIS

Strengths:

- Award winning premium amenities & customer service²⁰
- Expansive footprint in Latin America and Caribbean²¹

Opportunities:

- Audience specific advertisements
- Increased partnerships with local airlines & travel agencies²²
- Invest in new aircrafts for longer flight durations
- Maximize shoulder season sales²³

Weaknesses:

- Crisis communication difficulties during employee and company scandals²⁴
- Social media customer engagement is inconsistent
- Focus is on promotions versus relationship building

Threats:

- Increased operating costs²⁵
- Local budget air carriers stealing share²⁶
- Heavy one-sided customer traffic in U.S.²⁷
- Aircraft production backlog²⁸



MARKET SITUATION

Domestic airline travel industry in the U.S.:

- Consistent steady growth over the past few years.²⁹
- Increase in U.S. domestic flights from 8.18 million in 2017 to 8.39 million in 2018.³⁰
- Between 1974 and 2010, the amount of air travelers in the U.S. “more than tripled” from 207.5 million to 721 million.³¹
- In 2018, there were 777.9 million domestic passengers.³²
- The U.S. domestic airline industry made \$240 billion in 2018 alone.³³
- Low cost carriers (like JetBlue) hold about 30% of the domestic market share.³⁴

JetBlue's position in the market:

- “The 4th highest-grossing low-cost airline in 2018, based on revenues.³⁵”
- Currently ranked 6th among all domestic carriers.³⁶
- Has an operating revenue of over \$7.6 billion.³⁷
- Controls 5.6% of the domestic market share.³⁸
- Has a market capitalization of \$6.7 billion.³⁹
- Biggest competitors are⁴⁰:
 - United Airlines
 - Delta Air Lines
 - Southwest Airlines
 - American Airlines



BRAND DIFFERENTIATORS

Amenities

JetBlue was built on the foundation of offering “lower fares with a higher standard of service⁴¹” by providing best-in-class entertainment options, more legroom, and quality amenities.⁴² JetBlue has also lead competitors with new technology options with innovations, such as, BetaBlue’s complimentary in-flight email and instant messaging along with being the first domestic carrier to use Apple Pay while in the air.⁴³

JetBlue continues to focus on innovating the industry by providing:

- a variety of fares⁴⁴
- premium amenities⁴⁵
- improved technology for staff⁴⁶
- a more efficient fleet to keep costs manageable⁴⁷

In an industry that is focused on economizing—smaller seats, less snacks, fewer flights—JetBlue is surpassing the competition by evolving the customer’s experience with award winning customer service and premium experiences with Mint.⁴⁸



BRAND DIFFERENTIATORS

Destinations

JetBlue knows that bright colors and other gimmicks aren't going to attract and retain loyal customers.⁴⁹ Quality flights, desirable destinations and flexible scheduling has savvy travelers flocking to JetBlue.

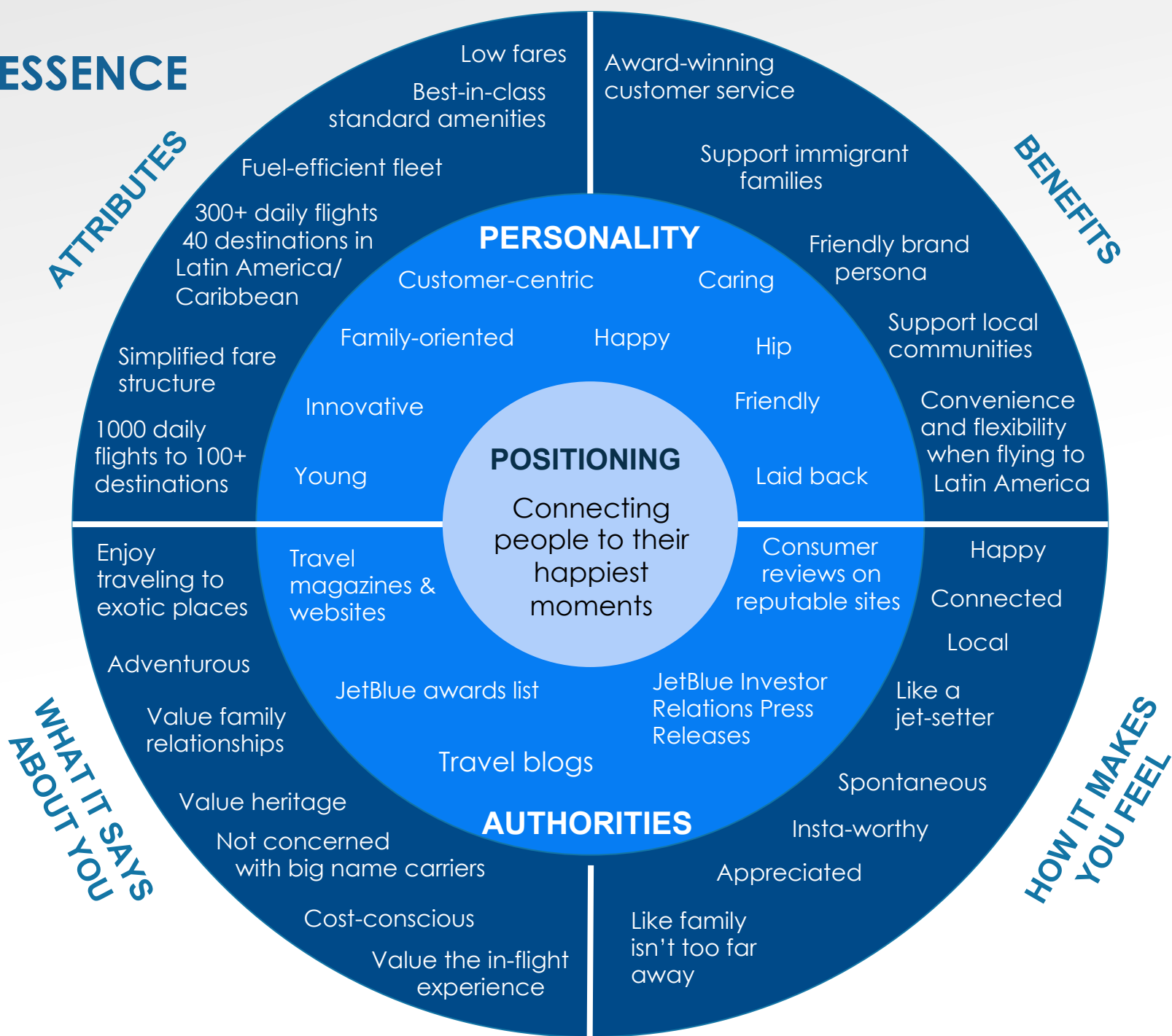
Overall "JetBlue carries more than 42 million customers per year to 100+ cities in the U.S., Caribbean, and Latin America with an average of more than 1,000 daily flights."⁵⁰

JetBlue also leads other domestic airlines with:

- 40 destinations and over 300 daily flights in Latin America and the Caribbean⁵¹
- Plans to expand its international footprint⁵²



BRAND ESSENCE



POSITIONING STRATEGY: MILLENNIALS

Desired Position

JetBlue desires to be the airline that millennials view as their partner in adventure and the airline that helps them fulfill their desire to explore the world.

Position Strategy

To better connect with millennials, we propose JetBlue:

- Establish a perception of the brand as the catalyst for adventure
- Increase awareness of an elevated millennial consumer experience
- Increase trust through relationship marketing

Brand Positioning Statement

For millennials, JetBlue is the airline that best delivers adventurous, life-changing experiences by safely connecting them to travel-worthy destinations. JetBlue sets itself apart from other domestic airlines with its award-winning customer service, premium amenities, and innovative in-flight technology.



POSITIONING STRATEGY: HISPANICS

Desired Position

JetBlue desires to be the airline that understands the importance of staying connected to family and works to keep families together across borders.

Position Strategy

To better reach the Hispanic community, we propose JetBlue:

- Reestablish the brand as the leader in travel to Latin America and the Caribbean
- Nurture brand loyalty by strengthening local partnerships in Latin America
- Increase usage by promoting family travel around Hispanic holidays

Brand Positioning Statement

For Hispanics, JetBlue is the airline that best understands the importance of nourishing culture and family heritage by safely connecting the whole family across borders. JetBlue sets itself apart from other domestic airlines with its 40 destinations in Latin America and the Caribbean, its 300+ daily flights to that region and its commitment to affordable family travel.⁵³



NEXT STEPS

Marketing Strategy

- Audience Personas
- Marketing Objectives

Media Mix

- Creative Recommendations
- Marketing Tactics



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