A Comparative Analysis of the Social Media Marketing Approaches of Ryanair and easyJet

Heidi Mariegaard Poulsen
&
Alice Høst Fowler

Business and Social Sciences, Aarhus University
International Virksomhedskommunikation
Leila Trapp
3 May 2012
99,003 characters (without spaces)
Abstract

The two low-cost carriers Ryanair and easyJet have both experienced a great deal of success in Europe in recent years with rising passenger numbers, increasing profits and high load factors. While the two airliners may appear similar, they have chosen two distinct social media marketing approaches. easyJet has a very elaborated social media marketing strategy, while Ryanair has chosen not to participate in social media. The aim of this thesis is to answer the following problem statement:

Why might Ryanair and easyJet choose two different social media marketing approaches?

The problem statement is answered by the help of three research questions:

1. What are the overall marketing strategies of Ryanair and easyJet?
2. What is the social media marketing strategy of easyJet?
3. How is Ryanair represented on social media?

A qualitative comparative method has been applied in order to answer the problem statement. The primary theory provided in order to answer research question 1, is the Discount Strategy Model from Andersen and Poulfelt’s book Discount Business Strategy and the 7 P’s of the Marketing Mix. The primary theory used in order to answer research questions 2 and 3, is taken from Li and Bernoff’s book Groundswell: Winning in a World Transformed by Social Technologies. The analysis is conducted with help of the primary theory and with secondary sources such as journal and newspaper articles, information from Ryanair and easyJet websites, and different social media websites.
The results, derived from the analysis of the overall marketing strategies of easyJet and Ryanair, suggest that while both companies use discount strategies, easyJet is moving slightly toward more service (also called frills) and sober advertising, while Ryanair is still trying to cut down on frills in order to charge customers any additional services, and using aggressive and provocative advertising in order to attract attention. The efforts of Ryanair to cut down on service also affect their level of customer service, which is probably the biggest difference between the marketing strategies of the two companies. easyJet has won several awards for their customer service, while Ryanair is still cutting down on customer service, e.g. by removing check-in desks at airports in 2009.

The social media marketing strategy of easyJet is to provide customer service, to make customers talk about easyJet online, and to advertise good deals. They do this through a wide range of social media platforms (their own corporate blog and forum, and also on Twitter and Facebook). Although Ryanair does not participate on social media, they are, nonetheless, involuntarily represented on a wide range of social media platforms, for instance personal blogs, a forum, and on Facebook.

The main reason for the two different social media marketing approaches is presumably due to the different approaches the two companies have to customer service and advertising. Ryanair’s aggressive and provocative advertising could most likely have a negative appeal to consumers using social media, and furthermore as long as Ryanair is cutting down on customer service offline, it might be hard for Ryanair to justify investing in customer service via social media. Finally, Ryanair’s rising passenger numbers and load factors, and increasing profits do not indicate that Ryanair customers are moving toward other airlines, on the contrary Ryanair is doing well without any social media marketing strategy, most likely because their customers care more about their low prices than customer service, and because Ryanair has a competitive advantage in flying from secondary airports. For easyJet a social media marketing strategy makes sense, as they have a very high focus on customer service. Also, easyJet operates from primary airports and would, therefore, to a greater extent compete with flag carriers who provide a high amount of service, hence making customer service a more important factor. The easyJet approach is also successful with rising passenger numbers and load factors, and increasing profits.
# Contents

1 Introduction ...................................................................................................................... 1
  1.1 Problem Statement ........................................................................................................ 3
  1.2 Research Questions ...................................................................................................... 4
  1.3 Method ........................................................................................................................ 4
  1.4 Structure ..................................................................................................................... 6
  1.4 Limitations .................................................................................................................. 6

2 Marketing (HEIDI) .......................................................................................................... 7
  2.1 Discount Marketing (HEIDI) ..................................................................................... 8
  2.2 Marketing Mix (HEIDI) ............................................................................................. 9
  2.3 Subconclusion (HEIDI) ............................................................................................ 11

3 Social Media Marketing (ALICE) .................................................................................. 11
  3.1 Traditional vs. Social Media (HEIDI) ....................................................................... 12
  3.2 The Buying Process for Airline Tickets (ALICE) ....................................................... 13
  3.3 POST method (ALICE) ............................................................................................. 14
  3.4 The Social Technographics Ladder (HEIDI) ............................................................. 16
  3.5 Social Media Technologies (ALICE) ....................................................................... 18
    3.5.1 Blogs (ALICE) .................................................................................................... 18
    3.5.2 Communities (ALICE) ...................................................................................... 19
    3.5.3 Micro-blogs (ALICE) ....................................................................................... 19
    3.5.4 Social Networks (ALICE) ................................................................................ 20
    3.5.5 Reviews and Ratings (ALICE) ....................................................................... 20
  3.6 Viral Marketing (HEIDI) ......................................................................................... 21
  3.7 Return on Investment (ROI) (ALICE) ..................................................................... 21
  3.8 Subconclusion (ALICE) ............................................................................................ 23

4 Analyses (HEIDI) .......................................................................................................... 23
  4.1 The Target Group of easyJet and Ryanair (HEIDI) ................................................... 24
  4.2 Social Technographics Profile of easyJet and Ryanair (ALICE) ................................. 25
  4.3 Analysis of easyJet (HEIDI) ..................................................................................... 27
    4.3.1 Introduction to easyJet (HEIDI) ....................................................................... 27
    4.3.2 Discount Marketing (HEIDI) .......................................................................... 27
    4.3.3 Marketing Mix (HEIDI) ................................................................................... 30
      4.3.3.1 Subconclusion (HEIDI) .......................................................................... 33
    4.3.4 Social Media Marketing (HEIDI) .................................................................... 34
      4.3.4.1 Social Media Technologies (HEIDI) ....................................................... 34
      4.3.4.2 The PTOS method (HEIDI) .................................................................. 38
      4.3.4.3 Subconclusion (HEIDI) .................................................................... 40
4.4 Analysis of Ryanair (ALICE) ................................................................................. 40
  4.4.1 Introduction to Ryanair (ALICE) ........................................................................ 40
  4.4.2 Discount Marketing (ALICE) ................................................................................ 41
  4.4.3 Marketing Mix (ALICE) ......................................................................................... 44
      4.4.3.1 Subconclusion (ALICE) ................................................................................ 47
  4.4.4 Social Media Presence (ALICE) ............................................................................ 47
      4.4.4.1 Social Media Technologies (ALICE) ............................................................... 48
      4.4.4.2 Objectives (ALICE) ....................................................................................... 51
      4.4.4.3 Subconclusion (ALICE) ................................................................................ 52
5 Discussion .................................................................................................................. 52
6 Conclusion .................................................................................................................. 55
7 Reference List ............................................................................................................. 57
Appendices ..................................................................................................................... Fejl! Bogmærke er ikke defineret.
1 Introduction

“There is not a choice in whether to do social media; the choice is how well you do it”\(^1\)

Most companies today would probably agree with the above statement. Being present on social media platforms is important. This is probably also why many companies today are to be found on different social media platforms, and many are not just present on one social media platform, they are on several, and some companies even start their own social media platforms. The approaches are different. Some companies are on social media to communicate with customers, they may use social media as an extended customer service as well as to get feedback from customers in order to improve their brand. Other companies use social media to advertise new products, services, or offers. Finally, many companies do it all, they use social media to advertise, to improve customer service, to get feedback, etc.

Companies choose to be present on social media, because of the new technological advances. In recent years, information sharing has been facilitated due to new modern technologies such as cellular phones, low-cost Internet, and open source mixed with new online advances, such as social media. Especially, social media has given consumers the possibility to create and share information, and that is, to a large extent, what they are doing (Kotler, Kartajaya, & Setiawan, 2010, pp. 5-7). Consumers can share information about products and services of companies in no time, and therefore companies are experiencing a loss of control (ibid, p. 10). Because of this development, the buying process itself has

---

\(^1\) Social media expert, Erik Qualman, 2011, p. 254.
changed. Consumers are searching social networks, review sites and so on for reliable information, before deciding whether to buy a given product or service or not (Molenaar, 2012, p. 142).

Being present on social media makes sense. Today, people are online as never before, and they use it for all purposes. In Europe\(^2\), 56% are online every day or almost every day, and in some European countries, such as Sweden, more than 70% claim to use the Internet on a daily basis or almost daily (Seybert, 2011, p. 1). Of those who claim to use the Internet, 52% say that they are using social media (ibid, p. 5), and 58% have ordered goods or services from the Internet during 2011 – a number, which is increasing (ibid, p. 6). Furthermore, 54% of Europeans say that they use the Internet to find information related to traveling or accommodation (ibid, p. 5). With such a high percentage of Europeans buying goods and services online, together with the amount of Europeans active on social media, and so many using the Internet to find information related to traveling, one would believe that social media would be a great marketing opportunity not just for companies in general, but also for airlines.

Many of the major airlines are active on social media. Lufthansa is active on Twitter and Facebook, and even tried starting their own social media platform, GenFly Lounge, in 2008. British Airways is also active on Twitter and Facebook. On Twitter, British Airways answer customer questions and advertise offers (British Airways, n.d.), and in autumn 2011 they released their new advertisement campaign primarily on Facebook, which they complemented with traditional marketing channels, such as television and newspapers (Barnett, 2011). Low-cost carriers (LCCs) have also joined the social media bandwagon. Norwegian Air has a Norwegian and a UK Facebook page, where they, similar to British Airways, answer questions and advertise offers.

easyJet is another LCC which has embraced social media in their marketing strategy. easyJet, which is the second largest budget airline in Europe (Skytrax World Airline Awards, 2011), has seen the potential of using social media platforms in order to engage with their customers and provide them with a higher level of service (easyJet, 2009). They are active on several social media platforms such as Twitter, Facebook and LinkedIn. Furthermore, in 2011 easyJet launched their own blog named blog.easyJet.com (easyJet, 2011a). It seems as if

\(^2\) The data is taken from the 27 EU countries.

Europe’s largest airline and LCC\(^3\) (CAPA, 2012), Ryanair, is however not on social media at all. Ryanair announced in 2010 that they were ready for social media, but only from ryanair.com and not through any social media platforms, such as Twitter or Facebook (Bearne, 2010). Ryanair spokesman, Stephen McNamara, rationalized not using external social media platforms with the following statement, “we don’t have people sitting around to answer questions. With social media you get any and every query and a lot of rubbish, like people asking if they can bring a 10kg bag, which of course you can. The information is there on our site” (ibid, 2010). However, it looks as if Ryanair got cold feet, since no form of social media is to be found on ryanair.com or any other site.

Nevertheless, the different social media marketing strategies do not seem to matter. As can be seen in Table 1, the two LCCs, Ryanair and easyJet, are doing well despite their different social media marketing strategies. Both airlines have an increasing number of passengers, planes are leaving airports almost at full capacity and they are both experiencing increasing profits.

1.1 Problem Statement

Above in Section 1 it was stated that many airlines are using social media for different purposes. Despite their similarities, the two LCCs, easyJet and Ryanair, have chosen very different approaches when it comes to the use of social media, and they are both experiencing increasing profits, passenger increase and high load factors. Based on these findings, this thesis will seek to answer the following problem statement:

Why might Ryanair and easyJet choose two different social media marketing approaches?

---

\(^3\) According to CAPA (CAPA, 2012), Ryanair is the largest airline in Europe measured by number of passengers carried.
1.2 Research Questions

EasyJet and Ryanair are the two largest LCCs in Europe. It is interesting to analyze these two companies, because a general perception of them may be that they use the same strategy. As shown in the previous sections, when it comes to social media marketing, this is not the case.

With this in mind, this thesis will seek to answer the following three research questions, with the objective of consequently answering the problem statement.

1. What are the overall marketing strategies of Ryanair and easyJet?
2. What is the social media marketing strategy of easyJet?
3. How is Ryanair represented on social media?

1.3 Method

With the intention of answering the research questions, and thereby answering the problem statement, a qualitative comparative method is applied. According to Gummeson (Gummeson, 2005, p. 312), “qualitative research is characterised by data collection, analysis and interpretation in part taking place simultaneously, and tentative conclusions being drawn during fieldwork and the reading of archival records” (p.312). Gummeson (ibid, p. 312) argues that a common method for qualitative analysis is through comparison, “a key to qualitative research analysis is comparison. Data are compared with data, with existing theory, and with results from previous research. This continuous comparison is part of a sense-making process where patterns are formed and turned into concepts, categories and eventually theories” (ibid, p. 312). With Gummeson’s definitions in mind, this thesis is based on theories concerning marketing and social media marketing. The data used for the analysis has been collected from various sources, such as annual reports, the Ryanair and easyJet websites, and journal and newspaper articles.

In order to determine why the two LCCs may have chosen different social media marketing approaches, this thesis will analyze whether or not the overall marketing strategies and/or the social media marketing strategy (of easyJet) or presence (of Ryanair), have an influence on their choice of approaches.
Theory on marketing for LCCs or discount businesses in general is limited. Nonetheless, in their book, *Discount Business Strategy* from 2006, Andersen and Poulfelt have made a discount strategy model, which will be explained in Section 2.1. Michael Moesgaard Andersen, was co-founder of the Danish company, CBB Mobil, and is now adjunct professor at Copenhagen Business School (CBS, 2009). Flemming Poulfelt is Vice Dean for Knowledge Exchange and Dissemination at Copenhagen Business School and has published a range of books and articles (Schmidt, 2012). Their discount strategy model is explained with examples of the three discount businesses: Lidl, CBB, and Ryanair. However, it is important to emphasize that although their book gives a detailed description of the Ryanair strategy, this is not used in the Ryanair analysis of this thesis. This is due to the fact that the information provided by Andersen and Poulfelt is outdated, with the newest sources dating back to 2004. Furthermore, the analysis provided in their book is not based on a high number of sources.

In order to give profound analyses of the marketing strategies, the 7 P’s of the marketing mix will also be applied. In respect to the 7 P’s of the marketing mix, the majority of the books cited are published in many editions and from known and respected theorists, such as e.g. Philip Kotler.

The primary literature used to explain social media marketing is from the book *Groundswell: Winning in a World Transformed by Social Technologies* written by Li and Bernoff. The book was first published in 2007, and the latest edition was published in 2011. The work of Li and Bernoff, the Social Technographics Profile, POST method and the 5 corporate objectives, is widely used and is very up-to-date (Li & Bernoff, 2011, pp. ix-x), which makes it relevant in the ever-changing world of social media. Furthermore, their Social Technographics Profile is often updated through surveys (Li & Bernoff, 2011, pp. ix-x), and the updates can be found online at forrester.com, which always makes it current. Secondary sources used to describe social media marketing have been found through the ASB library database, and in newspaper articles as well as independent studies.

The material used in the analyses of easyJet and Ryanair, consists mainly of newspaper articles and articles found through the ASB library search engine, as well as material found on the Ryanair and easyJet websites, as well as their social media profiles on various platforms.
1.4 Structure

The structure of this thesis is the following:

Chapter 2: Marketing

The focus in this chapter will be to explain the relevant marketing theory which is needed in order to answer research question 1.

Chapter 3: Social Media Marketing

This chapter will explain the importance of social media marketing in Sections 3.1 and 3.2. Furthermore, the relevant social media marketing theory which is needed in order to answer research questions 2 and 3 will be explained in Sections 3.3 to 3.5. Finally, this chapter will briefly explain Return on Investment in Section 3.6.

Chapter 4: Analyses

In this chapter this thesis will seek to answer the three research questions. In Sections 4.1 the target group of Ryanair and easyJet will be established, in order to find the Social Technographics Profile for the two LCCs in Section 4.2. The Social Technographics Profile will in part help answer research question 2. In Section 4.3, research questions 1 and 2 will be answered with respective to easyJet. In Section 4.4, research questions 1 and 3 will be answered with respective to Ryanair.

Chapter 5: Discussion

This chapter will join together the two analyses of easyJet and Ryanair and discuss why the two LCCs might have chosen two different social media marketing strategies.

Chapter 6: Conclusion

This chapter will answer the problem statement based on the results provided in the analysis and the discussion.

1.4 Limitations

This thesis will briefly mention return on investment, but will not include any further economic aspects and will, therefore, not include an economic analysis. Also, given that the quantity of social media platforms is innumerable, this thesis will only mention social media
platforms which are relevant to the European market, which is where easyJet and Ryanair mainly operate. Furthermore, due to the page limitations of this thesis, cultural aspects of social media marketing will only be covered briefly.

2 Marketing

This chapter will explain the different relevant models in the area of marketing in general, which are important in order to make the analyses of easyJet (Section 4.3) and Ryanair (Section 4.4). As mentioned in Section 1.4, this chapter will encompass two aspects of marketing. First, the discount strategy model will be explained. This model is relevant, because both easyJet and Ryanair, as LCCs, belong in the category of discount businesses. Subsequently, the 7 P's of the marketing mix will be explained. The 7 P’s of the marketing mix are relevant, because they show which parameters are emphasized in the marketing of the two airlines.

Nevertheless, some of the parameters of these two models will overlap. Since both of them require an analysis of the product and price, therefore, in the analysis, these parameters will only be analyzed once, with focus on elements from both discount marketing as well as from the marketing mix.

Definition of marketing

Kotler and Keller (2009a) provide the following definition of marketing, made by the American Marketing Association:

"An organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders" (Kotler & Keller, 2009a, p. 6)

This definition emphasizes the importance of customer relationships, and states that this should be done through communication and interaction. The emphasis on communicating with the customers is especially important in social media marketing because customers have become active participants, as will be explained later in Section 3.1.
2.1 Discount Marketing

Through their discount strategy model, Andersen & Poulfelt (2006, pp. 265-269) argue that there are four building blocks in the creation of a successful discount strategy. As can be seen in Fig. 2.1 the four building blocks consist of (1) the product, (2) the brand, (3) the customers, and (4) technology.

**Product**

Where conventional products tend to focus on peripheral services, discount products tend to focus only on the core product (ibid, pp. 147-152).

**Brand**

Discount companies will market their products as being cheaper and better than other products. Kotler et al. (Kotler et al., 2010) argue that companies are expected to respect their competitors. However, discount companies will tend to attack competitors, in order to look as if they are securing low prices for their customers. In fact, this very simplistic idea of low prices, better or equal service than found from competitors, and aggression (us against them discourse) towards competitors is the very brand of discount companies, according to Andersen & Poulfelt (2006, pp. 147-153).

**Customers**

The customers of these low-cost companies are from all income classes. They do not just buy the products or services offered by the discount companies because they are cheaper, but because they feel they are paying for exactly what they get and do not mind that they are not offered any additional services (ibid, pp. 153-155). Discount businesses embrace all types of customers and treat them equally (ibid, p. 220)
Technology

Finally, discount companies do not use the newest technology, but use technology that is adequate for the businesses. They use technology which has already been tested and their use of technology leads to a level of self-service for their customers (ibid, 2006, pp. 155-156).

2.2 Marketing Mix

The marketing mix is used by companies in order to attract and maintain customers. Traditionally the marketing mix consisted of the four P’s: product, price, place, and promotion. However, the marketing environment has changed due to an increasing focus on service, and therefore three additional P’s have been added. These are: people, process and physical evidence (Kotler et al., 2009, p. 17). Below, each of the seven P’s will be explained briefly:

Price

This parameter has to do with determining the price of the products and services of the company. In Fig 2.2, Overton (2007, p. 24) offers nine different price/quality strategies.

<table>
<thead>
<tr>
<th>Nine different price / quality strategies</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium strategy</td>
<td>HIGH</td>
</tr>
<tr>
<td>Parking strategy</td>
<td>MEDIUM</td>
</tr>
<tr>
<td>Super bargain strategy</td>
<td>LOW</td>
</tr>
<tr>
<td>Overpricing strategy</td>
<td></td>
</tr>
<tr>
<td>Average quality strategy</td>
<td></td>
</tr>
<tr>
<td>Bargain strategy</td>
<td></td>
</tr>
<tr>
<td>Hit and run strategy</td>
<td></td>
</tr>
<tr>
<td>Shoddy goods strategy</td>
<td></td>
</tr>
<tr>
<td>Cheap goods strategy</td>
<td></td>
</tr>
</tbody>
</table>

What the nine different price/quality strategies suggest is that in the mind of the consumer there will be a comparison between the price paid and the quality of the product. With a high price the customer will expect a high quality (premium strategy), whereas with a low price the customer will perhaps be pleasantly surprised by a high quality. It is important that price and quality correspond, since any dissonance between the two will quickly be revealed by a site for price-comparison or by customer-review sites (Ryan & Jones, 2012, p. 29). The price must always correspond with the other P’s of the marketing mix (Oxholm Zigler, 2006, p. 159)
Place

This parameter refers to the different channels of distribution which a company may choose in order to get the product to the customers (Overton, 2007, p. 14). A common distribution channel for airlines is the Internet.

Promotion

The company must decide on how to advertise its products in order to create awareness, build a long-term personality of the product or service and increase sales (Overton, 2007, p. 39). This may be done through traditional offline channels such as billboards, advertisements in magazines, newspapers and television. However, it may also be done on the online channels, such as the use of a company website, search engine optimization, Pay-per-click search advertising, online public relations, e-mail marketing, mobile marketing, customer relationship management and last but not least social networks (Ryan & Jones, 2012, p. 31).

Product

The product may both be tangible or intangible. In their book “Marketing Management” (2009), Kotler et. al provide a definition of what a product is: “...a product is anything that can be offered to a market to satisfy a want or need, and consists of a set of attributes, including physical goods, services, experiences, events, persons, places, properties, organizations, information and ideas” (2009, pp. 505-506). Kotler (2009, p. 506) further states, that, due to increasing competition on the market, it is crucial that a company provides something extra besides the product itself. These attributes may be both tangible and intangible, such as good customer service (ibid, p. 506).

People

This parameter refers to the employees who interact with the customers of the company, through for instance customer service. It is important for a company to have the right people working for them, in order to keep the customers happy and maintain ongoing relationships with them. The way to secure this is through job design and description, selection, training, and appraisal (Hooley, F. Piercy, & Nicolaud, 2008, p. 363).

Process

This parameter refers to the process which the customers go through when purchasing a product or service. The level of service, systems and processes during the purchase will
influence how customers judge the company and the service which they have received (Hooley, F. Piercy, & Nicolaud, 2008, p. 364). This is important, since the way customers perceive the company may be communicated to other customers through social media, for instance on review sites.

**Physical evidence**

Physical evidence is everything which has to do with the physical appearance of the given product, and the surroundings where the product or service is being delivered (Hooley, F. Piercy, & Nicolaud, 2008, p. 364). In the airline industry, this could, for example, be how customers perceive the cleanliness and general comfort of the plane.

Physical evidence may however also be a visit to the company website, and how the website is perceived by the customer. It is important that the website reassures the customer of the quality of the service/product they are purchasing. This may be obtained for instance through the use of customer endorsements, refund policies and independent reviews (Chaffey & PR, 2008, p. 83)

### 2.3 Subconclusion

The discount strategy model and the 7 P’s of the marketing mix help provide information on different aspects of marketing. The discount strategy model is relevant in order to explain how discount businesses act and what reasons they may have for choosing their marketing strategies. On the other hand, the discount strategy can be very simplistic, and discount businesses may choose to act differently than the model suggests, which is why the 7 P’s of the marketing mix are relevant. Some of the elements found in the 7 P’s of the marketing mix and the discount strategy model overlap, such as, price and product.

### 3 Social Media Marketing

This chapter will cover the aspects of social media marketing. First, the chapter will give a brief overview of the evolution from traditional marketing to social media marketing, the advancement the Internet has experienced in recent years, and the impact the Internet has had on the airplane ticket buying process. Subsequently, this chapter will include a social media marketing strategy, which will be used to answer research questions 2 and 3. The chapter will
be completed with a section on return on investment, and how companies can profit from using social media marketing.

### 3.1 Traditional vs. Social Media

The Internet has evolved immensely over the last ten years, and with the arrival of web 2.0 a democratization of the Internet has taken place. This democratization is demonstrated by the fact that users are now the ones creating the content online by uploading and publishing texts, videos and pictures.

This development is shown in Fig. 3.1 by Edberg and Mayler (Edsberg & Meyler, 2007). In the beginning the web was centered around the search for information and reading, and the number of people creating the content was limited. In the late 90’s and in the 2000nds this began to change. It became possible for people to buy and sell products online on platforms such as amazon.com and ebay, and talk to each other over the Internet via Skype. Finally, the emergence of Web 2.0 took place, and the Internet was no longer about gathering information, it had become a platform for social relations between people.

The shift from gathering to social relations has also changed the way companies choose to market themselves. Weinberg and Pehlivan (2011) argue that with social media the strategy is different from that used with traditional media. When using traditional media, marketers will set a certain amount on marketing campaigns which will be sent from the marketer to consumers. On the contrary, when using
social media, the idea is to start a conversation; make consumers talk about the product and let them spread the word.

Word-of-mouth is essential for social media marketing. Kotler et al. (2010) also argue that the shift marketing has experienced in recent years is partially due to the emergence of social media (ibid, pp. 5-7). During the last decade a new creative society has emerged. This creative society, Kotler et al. argue (2010), is formed by the well-educated class that is ever expanding and is very active on social media platforms. On these social media platforms, the creative class, through their high education, are the leaders when it comes to forming opinions, and they will not hesitate to complain about a brand that lacks social responsibility (Kotler et al., 2010, pp. 17-21). Furthermore, Kotler et al. (2010, p. 30) argue that after the recession in 2008, consumers have lost their trust in large corporations and instead they turn to friends and family or other consumers for advice.

3.2 The Buying Process for Airline Tickets

The Internet has had an important role in how airplane tickets are sold. Until the late 1990’s airline tickets were mostly sold by travel agencies (Koo, Mantin, & O’Connor, 2011, pp. 69-70). Customers would enter the travel agency and speak personally with a travel agent, and once the travel agent had sold a ticket, he would then receive a commission from the airline. With the technological advances on the Internet, these intermediaries have been left out, and instead the tickets are sold online. Airlines have two choices when it comes to selling via the Internet. They can choose to sell tickets through their websites or through Internet intermediaries such as Expedia or Momondo (also known as comparison sites). Flag carriers have a tendency to use both distribution channels, while LCCs usually only sell tickets through their own websites (ibid, pp. 69-70). Koo et al. (2011, p. 74) suggest that some LCCs prefer not to sell through online intermediaries in order to secure low prices. This is mainly due to the fact their customers care mostly about price. Therefore, it is important that LCCs, who choose only to sell through their websites, have a good amount of loyal customers in order to leave out intermediaries, and, also, they need to keep prices low. If prices rise, there is nothing which keeps a customer from going to a comparison site in search for a better price.

The new distribution channels for airline tickets would suggest that people no longer go to brick-and-mortar travel agents as much. Rather they go online for their ticket needs. Price-
conscious consumers, who know and are satisfied with a certain LCC, would probably go directly to the website of the airline and find a ticket. Should the price be too high, the loyal customer could go to a comparison site in search for a cheaper ticket. Consumers who do not already know where the tickets are cheapest, or who rely more on good service than cheap fares, could go to a comparison site, a review site or may even ask friends or family for advice.

### 3.3 POST method

Li and Bernoff (2011, pp. 67-68) suggest that companies use the POST method in order to establish a well-functioning social media marketing strategy. The POST method consists of: people, objectives, strategy, and technology. Li and Bernoff (2011, pp. 73-75) argue that it is important that these are well thought out and that the different elements are coordinated.

The POST method suggests that a strategy should be found before deciding on possible social media platforms. Since this thesis seeks to find the social media marketing strategy of easyJet (research question 2), and easyJet already has a well-established strategy on different social media platforms, this thesis will use the POST method in a different order: people, technology, objective, and strategy. This new order of the elements of the POST method will be referred to as the PTOS method.

**People**

By using the Social Technographics Profile it is possible to figure out what strategies would work on the target group of a particular company.

**Technology**

Li and Bernoff (2011, p. 68) mention that this is the last step companies should take when developing a strategy. Since easyJet already has the technologies, this will be the second step of the analysis of easyJet’s strategies, and will be used together with the previous step (people) in order to look at the next step: objectives. Although Ryanair is not participating on social media, this step will also help examine which social media platforms Ryanair is involuntarily represented on.
Objectives

There are different objectives explained by Li and Bernoff (2011, pp. 67-69) that companies can choose to pursue: listening, talking, energizing, supporting, or embracing. The type of objective should match the general objectives of the company.

**Listening:** Listening to what customers are saying about you online in order to create better marketing strategies.

**Talking:** With this objective the company will use traditional marketing strategies online through banner-ads, e-mail, search ads, and other related online strategies. With this objective there is no two-way communication with customers.

**Energizing:** Using customers who are enthusiastic about your product to spread the word online. This is good for companies with a strong brand such as Lego, and Apple.

**Supporting:** The company can set up platforms which enable customers to support each other.

**Embracing:** Choosing this objective the company not only listens to its customers, but uses their ideas to better their own products.

Strategy

The strategy depends on the relationship the company wishes to have with its customers (Li & Bernoff, 2011, p. 68). The social media marketing strategy of easyJet will be found looking at the people, technologies and objectives.
3.4 The Social Technographics Ladder

As mentioned in the previous section, the Social Technographics Profile consists of 7 groups of people, which Li and Bernoff explain in the Social Technographics Ladder (Li & Bernoff, 2011, p. 43).

In the groundswell⁴ there are different types of Internet and social web-users. It is important for a company to identify these, in order to know which social media strategy will be the most relevant for the company (ibid, p. 46). The different steps on the ladder symbolize a larger involvement in the groundswell, from the inactive in the bottom to the top of the ladder where the creators are found.

**Creators**

Creators are on the top of the ladder, because they are the most active participants on the Internet. They create content online, such as websites, blogs or blogposts and videos.

---

⁴ According to Li and Bernoff (2011) the groundswell is “a social trend in which people use technologies to get the things they need from each other, rather than from traditional institutions like corporations” (p. 9)
Conversationalists

Conversationalists also create, but mostly with the purpose of engaging in a conversation with someone. They express themselves through status updates on sites such as Facebook and Twitter.

Critics

Critics react to the content which the creators have made, by posting comments on status updates, forums, blogs, websites, or posting reviews or ratings. There are more critics than creators, because it is easier only to comment on what has already been created by someone else, than to create something from the bottom yourself.

Collectors

Collectors collect information online, by bookmarking or saving URL’s, or by voting on things and thereby help organize the content made by the creators and critics.

Joiners

Joiners have a profile on one or more social websites. This group is the fastest growing group, and in Europe they make up 41% of the Internet population (Li & Bernoff, 2011, p. 45).

Spectators

Spectators are not active on the Internet themselves, they are merely watching what the other groups are publishing, criticizing and collecting. This does not take a lot of effort to do, and therefore they make out the largest population of Europeans online, with 54% (Li & Bernoff, 2011, p. 45).

Inactives

Inactives are not present on the social networks.
3.5 Social Media Technologies

Social media platforms are important to marketers for several reasons. A recent 2011 study by inSites Consulting of worldwide social media usage may explain why. As mentioned earlier, people are likely to listen to their friends or family before purchasing a product or brand, and social networks such as Facebook are primarily used to connect with friends or colleagues from the offline world. According to inSites Consulting 60% find brand/product information posted by a person from their contact list to be trustworthy, while only 26% of the same people find information from companies trustworthy. Not only this, but many Europeans claim that another reason for joining social networks is to obtain knowledge about (new) products and/or brands (inSites Consulting, 2011). 51% of Europeans follow a brand on a social network (mostly on Facebook), and of these 35% of them follow a brand related to traveling (ibid). Brand information shared online is usually about brand/product experiences from the offline world (ibid), which means that companies should not forget how they might be perceived in the offline world, as negative or positive experiences in the offline world may easily be shared with thousands or even millions online.

The findings made by inSites Consulting are based on social networks, however, there are innumerable different social media platforms available for companies to use, which makes it impossible to mention all of them. The following sub-sections will give a brief overview of different technologies, and only name the most important platforms, those which are the most used in Europe, as this is where Ryanair and easyJet operate.

3.5.1 Blogs

Blogs tend to have a long life span ranging from weeks to a year (Weinberg & Pehlivan, 2011, p. 280). There are two different kinds of blogs: the personal blog and the corporate blog. Companies can use both types of blogs in their social media marketing strategies. They can start their own corporate blog or monitor personal blogs (Li & Bernoff, 2011, pp. 19-21).

Weinberg and Pehlivan (2011, p. 280) state that companies often use blogs to inform about products, and in order to reinforce their brand. People usually have the possibility of replying or commenting on blogs, however, these options, although present, are not often used (Weinberg & Pehlivan, 2011, p. 280).
Li and Bernoff (2011, pp. 19-21) place YouTube in the same category with blogs, and this thesis will do the same. Here the blog consists of video-content and are often commented upon. Again, comments written on YouTube remain for a long time, and the most recent comments are shown first. As can be seen in Table 3.1, YouTube is more popular in Europe than blogs are.

**Table 3.1. European Blog Usage.**

<table>
<thead>
<tr>
<th></th>
<th>United Kingdom</th>
<th>France</th>
<th>Germany</th>
</tr>
</thead>
<tbody>
<tr>
<td>Read blogs</td>
<td>15%</td>
<td>22%</td>
<td>9%</td>
</tr>
<tr>
<td>Comment on blogs</td>
<td>15%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Write a blog</td>
<td>8%</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Watch user-generated video</td>
<td>33%</td>
<td>28%</td>
<td>25%</td>
</tr>
<tr>
<td>Upload user-generated video</td>
<td>5%</td>
<td>3%</td>
<td>1%</td>
</tr>
</tbody>
</table>

*Table 3.1. Adapted from Li and Bernoff, 2011, p. 20. Percentage of online consumers who use blogs and user-generated content. 2010.*

### 3.5.2 Communities

Communities, such as forums, are social media platforms which, according to Weinberg and Pehlivan (2011, p. 280), have a long life-span. This means that what is written on a forum stays there for a long time. People can write on the same community for years on end about a topic they find interesting. In the UK and France 10% claim that they participate in discussion forums, while in Germany 9% claim to participate (Li & Bernoff, 2011, p. 28). Communities can be used by companies for several purposes; e.g. to energize and as customer support (ibid, p. 28).

### 3.5.3 Micro-blogs

Probably, the most known micro-blogging site is Twitter. Twitter is open for all, and anyone can see *tweets*\(^5\) posted by private people or companies. Furthermore, people using Twitter do not have to be accepted in order to follow another user, they are accepted automatically if they wish to follow a person or a company. It is easy for companies to find tweets written about them, and makes it an easy tool both for monitoring what is written about companies, but also for companies to reply to people’s concerns (Li & Bernoff, 2011, pp. 197-198). According to Weinberg and Pehlivan (2011, p. 279) micro-blogs have a short

---

\(^5\) A tweet is a short message of maximum 140 characters.
life-span of sometimes just minutes, and have relatively shallow information, this is most likely due to the fact that tweets have a maximum length of 140 characters, which makes for very short messages.

Twitter is probably the most known micro-blogging site to date. According to a 2011 study Twitter is known by 80% of Europeans, even though a very low percentage of only 16% have a Twitter account (inSites Consulting, 2011). Furthermore, 31% of the Twitter users expected their usage of Twitter to increase in the future, and 28% of the Europeans not using Twitter expected to create a Twitter account in the future (ibid).

3.5.4 Social Networks

According to Weinberg and Pehlivan (2011, p. 280), the life-span on social networks can be very short, but also deep, because some companies choose to have very elaborated Facebook pages. Li and Bernoff (2011, p. 24) argue that social networks can be used in order to listen, energize, and for marketing purposes.

The most important social network to discuss in a European perspective is Facebook. Facebook is the most used social media platform in Europe. According to a 2011 study, 96% of all Europeans are aware of Facebook and 62% have a Facebook profile (inSites Consulting, 2011). What is especially interesting about Facebook is that it is used by all age groups from 15-54 years, with the most dominant age group being that from 35-54 years (ibid). Facebook is the preferred social network for Europeans to share experiences they have had with a brand or product (ibid).

3.5.5 Reviews and Ratings

According to a 2010 report (Nielsen, 2010) 18 % of worldwide consumers with Internet would not buy an airline ticket without reading a review prior to the purchase. Additionally, in Europe 33% would be more likely to write a review about a negative experience they have had with a company online, than about a positive experience (ibid). On the contrary, Li and Bernoff (2011, p. 138) state that 80% of reviews tend to be positive. So although, people may think that they would rather write about negative experiences, there is a tendency to write mostly about positive experiences. Li and Bernoff (2011, p. 138) report that 96 % of consumers use review sites to help them in their buying decisions.
Many companies may be apprehensive when it comes to applying the option of ratings and reviews on their websites, due to the fact that unsatisfied customers are then open to write negative reviews or rating the products, service or website poorly. However, Li and Bernoff (2011, p. 138) argue that companies should not be afraid of opening up for ratings and reviews on their websites, mainly, as mentioned before, because most reviews tend to be positive, but also because negative reviews tend to make the positive reviews seem more credible.

In 2010, in the UK 25% read ratings and reviews, in France 21% read them, and in Germany 18% (ibid, p. 28). At the same time, 7% in the UK wrote reviews, 4% in France, and 3% in Germany (ibid, p. 28).

Reviews and ratings have a long life-span and the information may be comprehensive. For instance, reviews found on the review and rating site Trustpilot (Trustpilot, 2012) can date back a number of years.

### 3.6 Viral Marketing

Viral marketing can be described as an accelerated version of word of mouth, where consumers will forward any message, video, offer and so on if they find it interesting enough to share with others online (Chaffey & PR, 2008, p. 107). Consumers may forward a message, if they find it to be shocking, informative, funny or simply newsworthy. These messages may be spread out to a very broad audience through e.g. bloggers, and in this way it is the consumers who end up telling the stories originating from the companies (Scott, 2010). Viral marketing depends heavily on people sharing the messages of the company with their networks, and therefore social media is an important platform for this kind of marketing (Chaffey & PR, 2008, p. 328).

### 3.7 Return on Investment (ROI)

As mentioned several times during this thesis, social media is a new phenomenon, and this is also why the ROI of social media is discussed widely, and companies may be reluctant to use social media if they do not know the ROI. Qualman (2011, pp. 254-261) argues that the ROI depends on how well a company maneuvers in the social media sphere and on the
Internet. Li and Bernoff (2011) try to explain how a company can generate ROI by using some of the social media platforms available.

They argue that corporate blogs may help generate ROI for several reasons. First, blogs generate ROI, because journalists often write articles with help from information found in the blog. Also, the blog functions as advertising every time a user links to it. Furthermore, an interesting blog can have the ability to create word-of-mouth, and readers thus link back to the corporate blog enticing others to look at it. Users may also find information on the blog that is so informative that they do not need to call the companies call-center. Last, the comments concerning the blog may help the company get new insights from their customers (Li & Bernoff, 2011, pp. 112-113).

Li and Bernoff (2011, pp. 138-149) also acknowledge that ratings and reviews are proven to generate more purchases. This is due to the power of word-of-mouth. People see positive reviews from other users, and as disclosed in earlier chapters, consumers believe the word of other consumers to a larger extent than they believe companies. Furthermore, reviews and ratings give feedback to the company. This helps the company improve products at a quicker rate than businesses that are not online.

Finally, communities, also called forums, have been proven to generate ROI. Communities are particularly conducive for customer support. Li and Bernoff (2011, p. 161) give the example of Dell, where between 20 and 50% of their website users, say that they found the answer they were looking for by using Dell’s community. About 25% of the posts on Dell’s community are answers to questions written by users. Thus, the community saves Dell money on their customer service budget.

A final element which must be mentioned is search engine optimization (SEO). Content, such as keywords, if relevant, make web-sites turn up first in search engines such as Yahoo or Google. However, linking on websites to other websites, or links referring back to own website is also a key factor for turning up first in search engines (Barr, 2010, p. 398). This means that websites should encourage others to link to their website, and make the content interesting so others will want to link to it (ibid, pp. 408-409). This means that people linking to blogs, communities, and other social media platforms are helping that website to turn up first in search engines.
3.8 Subconclusion

Marketing has seen a shift in the last ten years, caused by several important factors, such as a fast changing online evolution from company-generated content to consumer-generated content, combined with a recession, which have made organizations less trustworthy. These factors have changed consumers buying process, and consumers now turn to friends, family or other consumers for advice on products or services, which is often done online. Meanwhile, the distribution of airline tickets have also shifted from being sold by travel agents in brick-and-mortar shops, to being sold online directly from the website of the airline or through online comparison sites.

This chapter suggested using the social media strategy (POST method) put forth by Li and Bernoff (2011), but in a different order. The order suggested in this chapter was: (1) people, (2) technology, (3) objectives, and (4) strategy. The people can be found using the Social Technographics Profile. People act very differently online, and Li and Bernoff (2011) suggest that there are 7 different types of people which they describe in the Social Technographics Ladder. After finding people, the technologies used by easyJet and where Ryanair is involuntarily represented will be looked at. With the people and technology it is possible find the objectives easyJet may have with their social media strategy. Having established people, technologies, and objectives it is then possible to find a possible social media marketing strategy used by easyJet. Finally this chapter mentioned the ROI of social media marketing. There is little concrete evidence yet that social media marketing generates ROI, however, some examples were mentioned on how forums, ratings and reviews, and blogs can generate ROI.

4 Analyses

This chapter will seek to answer research questions 1-3 by an analysis of easyJet and Ryanair, respectively. Research question 1 will be answered through an analysis of the overall marketing strategies of easyJet and Ryanair, based on the marketing theory explained in Chapter 2. Research question 2 will be answered through an analysis of easyJet’s social media marketing strategy, based on the social media marketing theory explained in Chapter 3. Research question 3 will be answered through an analysis of Ryanair’s social media presence, based on theory explained in Chapter 3 as well. Since Ryanair does not have a social media marketing strategy, the PTOS method will not be applicable. However, two of
the elements (people and technology) are possible to analyze. Since the two LCCs have a similar target group and a similar technographics profile, the target group and social technographics profile of easyJet and Ryanair will be explained conjointly in Sections 4.1 and 4.2.

4.1 The Target Group of easyJet and Ryanair

Since it is not possible to find much information about the target groups of Ryanair or easyJet, this thesis will determine the target group based on assumptions concluded from articles and studies concerning the general European use of the Internet.

Since most ticket sales are situated online on the two LCCs’ websites, it must be assumed that their customers are confident buyers online. According to findings from a 2011 report made for the European Commission (Allen & Overy) the most frequent online buyers are aged between 25 and 44 years, and more than 50% of the EU population buy goods online at least once a month. Another report (Nielsen, 2010) suggests that the third most preferred product or service bought online, globally, is airline tickets.

According to a 2002 study (Mercer Management Consulting, 2002, p. 17) the target group for LCCs in Europe are non-business passengers and business passengers who are price-conscious. Furthermore, these passengers are interested in short distance travel within Europe. The same study (ibid, p. 14) would suggest that people traveling with Ryanair do not mind departing from secondary airports, while easyJet passengers would rather depart from major airports.

Both airlines have a range of fees. Some of these fees could be seen as deterrent for some, and could keep them from flying with these airlines and instead choose airlines without a fee. Ryanair (Ryanair, n.d(c)) has a €20 fee for infants, and a €100 oxygen reservation fee. easyJet (easyJet, n.d.(a)) has an infant fee of €24. Ryanair used to have a £18 pound fee for using a wheelchair at the airport, but this was removed after they were forced by law to provide free wheelchair service (BBC News, 2004).

---

6 easyJet can also be found on comparison websites.
All age groups are potential buyers for airline tickets from the two LCCs; however, the most likely to buy tickets online is the age group between the ages of 25 and 44 years. Non-business passengers and price-conscious business passengers are the most likely to buy tickets with the two LCCs. Based on the additional fees for some groups, it seems that the two LCCs prefer passengers who do not require additional assistance and who need the least amount of service possible.

4.2 Social Technographics Profile of easyJet and Ryanair

In order to see who easyJet and Ryanair should aim their marketing toward on social media platforms, it is important examine their online target groups. In the previous section it was stated that the target group consists of non-business passengers or price-conscious business passengers between the ages of 25 and 44 years. In Section 3.3, it was explained how the first step in the PTOS method is to find the target group in order to determine the appropriate strategy. Since the age group and the area, being Europe, have been established, it is possible to use the Social Technographics Profile at forrester.com to determine where Europeans are located on the Social Technographics Ladder (see Chapter 3.4). First, this chapter will look at Europe in general, and then see if there is any difference in the Social Technographics Profile between the largest European countries.

As can be seen in Fig. 4.1 and Fig. 4.2, the majority of European online users consist of spectators. This means that most Europeans read what others write on blogs, Twitter, YouTube, or any other social media platform. The second largest group consists of joiners. This group is on social media, but does not necessarily participate with status updates or comments. In Section 3.5.4 it was stated that 62% of online Europeans (all age groups) have a Facebook profile, so it seems that the amount of joiners is increasing rapidly.
Two other groups which are fairly large are critics and creators. This means that many Europeans write reviews, comment on blogs, and publish websites, blogs, video, and other material on the Internet.

Conversationalists were not to be found on the forrester.com website, however, Li and Bernoff (2011, p. 44) mention that in 2010, 31% of online Europeans were conversationalists. Conversationalists like to write status updates on e.g. Facebook, Twitter, or any other social media platform.

As can be seen in Appendix 24, the social technographics profile varies depending on the country in question. However, although there may be big cultural differences between some countries, the proportions mentioned above are the same no matter the country. Again, some nationalities are much more active online. For instance, 28% of Italians, between the age of 25 and 34, claim to be creators, while in the same age group in Germany only 12% claim to be creators (see Appendix 24). This calls for different marketing strategies within the different countries, because while e.g. Italians may want to actively participate in social media, most Germans would probably feel more comfortable being spectators.

Finally, language would also play a role in the social media marketing strategy. For instance, setting up a blog in English and expecting that Italians would want to read it, or would be capable of doing so would probably be naïve. In Italy 29% speak English, in Germany 51% speak English and in France 34% speak English (European Commission, 2005).

In conclusion, Europeans ages 25 to 44 are most likely spectators, who like to follow what others write. The second largest group consists of joiners, who are on social media, but do not necessarily post or write, they may only follow what others write. However, 31% who are
online do actively participate on social networks with posts and comments. There are also many critics and creators, who are important to have in mind, because all spectators will watch what they write. Companies should also take into consideration that different strategies may be needed for different countries, because not only is there a language barrier, their social media preferences may also differ.

4.3 Analysis of easyJet

This section and its sub-sections seek to answer research questions 1 and 2. They include an analysis of the marketing strategies of easyJet, starting with an analysis of the discount marketing strategies, using the discount strategy model. Thereafter, an analysis of the marketing mix is carried out using the 7 P’s explained in Section 2.2.

Subsequently, the presence of easyJet on social media is analyzed based on the theory described in Chapter 3, and finally this analysis is used as a base for the analysis of the social media marketing strategies of easyJet by using the PTOS method explained in Section 3.3.

4.3.1 Introduction to easyJet

easyJet is a British LCC, which was founded in 1995 by Sir Stelios Haji-Ioannou. During the first year, routes were only within the UK, but the company quickly expanded with international flights to some of the major capitals of Europe (easyJet, 2010a). Since then easyJet has continued growing, and in 2011 the airline operated 547 routes, flying 54, 5 million passengers in 2011 (easyJet plc, 2011a).

In 1998, easyJet took their business online and launched their website, easyJet.com (easyJet plc, n.d(a)), and, as the social media analysis will show, the online presence of the company has only expanded since then.

4.3.2 Discount Marketing

As mentioned in Section 2.2, discount marketing consists of the four building blocks: product, brand, customer and technology. In Chapter 2 it was explained that some of the elements of the discount marketing strategy and the 7 P’s of the marketing mix overlap. Therefore, the analysis of the product/service of easyJet will only be analyzed in the analysis
of discount marketing, drawing from the theory described in Section 2.1 as well as the theory in Section 2.2.

**Product/service**

In Section 2.1 it was described how the product of discount marketing tends to focus only on the core product, and not on peripheral services. For easyJet, however, as this analysis will show, a shift is taking place, moving away from being a discount product and beginning to add additional services to the core product.

easyJet is a no frills airline, which means that the core product/service is a ticket which provides the customer with transportation from A-B and the right to bring a carry-on bag with the measurements: 56 x 45 x 25 cm. There are no weight limitations to the carry-on bag (easyJet, n.d.(b)), and if the customer wishes anything additional to the core product/service, fees will be added to the original price. This information suggests that the product can be defined as a discount product.

However, easyJet has also started selling flexible fares which are aimed at businesspeople, allowing customers to change the departure date into a date which is one week before or three weeks after the original departure date (easyJet, n.d.(c)). The fares are somewhat higher than ordinary fares, but with a flexi fare ticket the passenger is also allowed speedy boarding, 1 piece of carry on (20kg max), seat selection on certain routes and no extra payment fees are added to the purchase (easyJet, n.d.(d)). The ability to change the departure date can be seen as a step away from the no frills strategy, as it is an extra service which is being offered to the customer on top of the original product.

Furthermore, easyJet does not operate secondary but primary airports (Jones, 2005, p. 3), which puts them in competition with the larger airlines who offer additional services on top of the core product.
Brand

As described in Section 2.1, discount companies market their products as cheaper and better than other products, and will tend to attack competitors using an us against them discourse. easyJet also use some of these elements in their branding. For instance, easyJet attacked their competitor Ryanair in a commercial reading “who loves flying you to the place you actually booked?” (Sweney, 2010), and thereafter pointing out the fact that Ryanair uses secondary airports, whereas easyJet uses primary airports (Ibid). Another occasion where easyJet attacked a competitor was in 2011 where easyJet posted a spoof commercial on Facebook, changing the new slogan of British Airways “To Fly. To Serve” into “To Fly. To Save” (see Appendix 1). This shows how easyJet tries to position themselves using a discount marketing strategy, in order to show that they are securing low prices for their customers. However, the Facebook users were asked to comment on what they thought of the spoof commercial, and unfortunately for easyJet the users did not like the campaign at all. Instead they defended British Airways and wrote negative comments on easyJet (Marketing Charts, n.d.). This example suggests that this kind of discount advertising may not be well received on social media platforms.

Currently, easyJet is attempting to attract customers who fly frequently, such as business people, and is therefore in the process of changing their brand from being a low budget airline into a brand of a higher quality (Parker & Jacobs, 2011). Previously the marketing strategy of easyJet was mainly based on price, but with their new campaign, which will be described further under the headline ‘Promotion’ in Subsection 4.3.3, easyJet attempts to brand themselves as being an airline which connects people (Eleftheriou-Smith, 2011a).

Customer

As stated previously in Section 2.1 all customers are welcome and treated equally in discount businesses and this also applies more or less to easyJet. However, easyJet has a preference for online customers, which will be shown in the analysis of the marketing mix below. Passengers can also pay an extra “speedy boarding” fee in order to board the plane before the other passengers. The fee ranges from £4.0 to £10 depending on the airport of departure (easyJet, n.d.(e)). This gives the “speedy boarding” passengers an advantage over other customers, as they get to choose their preferred seats.
As something new, it is also possible for passengers to pay extra fees in order to get allocated seats. The fees vary depending on the placement of the seats and the prices range from £3 to £12 (Ibid). This differentiation in passengers would suggest that passengers who are willing to pay extra are given privileges over other passengers.

**Technology**

Discount businesses use technology which is appropriate for their business, and as mentioned in Section 2.1, the use of technology often leads to a level of self-service for the customer. This is also the case with easyJet. Customers can book tickets online, and also check in online (see Appendix 2). However, easyJet also has check-in counters at the airport, which goes against the concept of self-service in discount marketing.

4.3.3 Marketing Mix

**Price**

As a LCC, price is naturally one of the most important parameters for easyJet. From the beginning, their aim has been to offer competitive low prices and “make flying as affordable as a pair of jeans -£29” (Hinault-Jambor, 2008, p. 36). This is achieved by eliminating all unnecessary costs and removing all frills, such as free meals and in-flight entertainment (Ibid).

When looking at the price/quality strategy (Fig. 2.2), the strategy of easyJet can be categorized as a bargain strategy. They have a strategy of competing on low prices, but at the same time they are attempting to ensure a good experience for their customers through customer service (easyJet plc, 2011b). In this way the customers may be getting more than what can be expected at such a low price.

**Place**

EasyJet does not work with any intermediaries, and therefore there are currently three different ways of booking a ticket with easyJet:

1) Online through their website: easyJet.com. Currently 98% of easyJet tickets are sold here, and easyJet also encourage their customers to use this channel, by for
example offering a £15 discount on roundtrips for the customers using the Internet when booking (easyJet, n.d.(f)).

2) Through their call centers. However, a number of administrative fees increase, when using this channel of distribution (Ibid).

3) By using the new easyJet app for iPhones and Android mobiles.

**Promotion**

easyJet has been very innovative in finding ways of advertising, and use both traditional as well as online marketing channels (Hinault-Jambor, 2008, p. 50). In the beginning easyJet used their planes as part of their marketing, having the easyJet phone number written in orange on the side of them (Jones, 2005, p. 17). They still use their planes for this purpose, but the phone number has now been replaced by the website address.

Previously, easyJet did their own advertising, but are now using professional advertising agencies (Pfanner, 2008), and recently, easyJet launched a new advertising campaign called “Europe by easyJet” which was run across television, print ads, and outdoor billboards. Furthermore, the campaign was also featured on the online media channels (easyJet plc, n.d.(b)). The campaign has been featured in all of easyJet’s European markets, and the focus of the campaign is the customers of easyJet, why they choose to fly with the airline and how easyJet connects people with each other across Europe (easyJet plc, n.d.(b)). This campaign can be seen as an attempt to move away from the discount strategy and trying to establish a new higher quality brand for easyJet.

**People**

As stated in Section 2.2, it is very important for a company to have the right people working for them, in order to secure good customer service. Since most easyJet tickets are sold online, the first people to come into contact with customers are the staff in the airports, and they are thereby the face of easyJet. In a way the crew acts as ambassadors, and the impression and the service which they give the customers, is the impression which they will get of the company itself. easyJet sees the service provided by their staff as extremely important, and they are committed to having their personnel be as service minded as possible, in order to give the customers a good experience and to make the customers choose to fly with easyJet again. (easyJet plc, n.d.(c)). In other words, this parameter is very important for easyJet, and the results described below suggest that they are living up to their ambitions.
easyJet has been awarded several times for their customer service. In 2006 they won an industry award for providing the best online customer service, and in both 2009, 2010 easyJet won industry awards for “best airline cabin crew” (easyJet plc, n.d.(d)) In 2009, 18000 travelers voted for easyJet, and some of their reasons for voting for the airline were the following:

"Excellent customer service, aircraft clean and flights on time."

"Our flights were brilliant: staff polite, friendly and very helpful." (easyJet plc, n.d.(e))

According to easyJet they attempt to fill jobs with the people suited for the exact position they are to fulfill (easyJet, 2010b). On their website, easyJet states that the people working for them should be people with personality, who are customer focused, passionate about easyJet, and who can work in teams and individually (easyJet, n.d. (g)). The cabin crew receives a three week training course, where they among other things are trained in customer service (easyJet, n.d.(h)).

Furthermore, easyJet employees receive performance-driven bonuses, and easyJet believes that this makes the employees work even harder. (easyJet, 2010b) As something new, easyJet also gives out an annual “spirit award” at an easyJet award show, where passengers have voted for an easyJet employee, who they find has given an outstanding customer service (easyJet, 2011b).

Process

In Section 2.1 it was described how the level of service, systems and processes during the purchase will influence how customers judge the company and their service. Therefore it is important that these aspects are in order. The easyJet website won an award in 2009, because it was found to be user friendly among other things (easyJet plc, n.d.(e)). Should the customer, however, choose to book through the easyJet contact centre, the process is somewhat more difficult. The link provided on the webpage is malfunctioning and does not direct the customer to a phone number for the contact center (see Appendix 3). The customer then has to search for the number for the contact center in order to call them, and this may give the customer a negative perception of the buying process.
Aside from the contact center, the customer has the possibility of receiving answers to any questions and doubts through social media, which will be described in Sub-section 4.3.4.1. This suggests that easyJet has a high focus on ensuring that the process runs as smooth as possible for the customers buying their tickets online, but are making the process slightly more difficult for the customers who wish to make a purchase by phone.

**Physical evidence**

As mentioned previously, easyJet sales are made online, by telephone or by using the easyJet app. Therefore the physical evidence consists of the aircrafts of easyJet and the website: easyJet.com.

The fleet of easyJet consists of three different types of aircrafts: Airbus A319, Airbus A320, and Boeing 737. However, the use of Boeing aircrafts terminates by the end of 2012 (easyJet, 2011(b)).

The comfort of the easyJet aircrafts may be disputed. A comment made on YouTube about the song in the new easyJet commercial gives another impression of the comfort level on easyJet aircrafts: “Love the lyrics: "don't you know I'd chop a limb off... just to have good time" With easyJet's lack of leg room sometimes you have to...” (see Appendix 4). Furthermore, on the review site Skytrax, easyJet only received a 3 out of 5 rating for comfort and 2 out of 5 for cabin cleanliness (Skytrax, n.d.) This would suggest that people are not entirely satisfied with the comfort of the plane.

As was described under Process, the easyJet website is very user friendly. However, there are no customer endorsements or reviews to be found on the site. It is difficult to say why this is, but perhaps the reason is that these are to be found on social media and independent review sites instead. This will be explained further in Section 4.3.4. There are however, no links on the website linking to any of the social media platforms on which easyJet is present, which does not facilitate finding these.

**4.3.3.1 Subconclusion**

Despite of their desire to move away from being a discount company, easyJet is still implementing some of the discount marketing strategies. For instance, they are still competing on price and have a tendency to attack other companies in their advertising, in
order to make easyJet seem like the better choice. However, it is not a pure discount marketing strategy, as they are also investing money in creating large marketing campaigns in order to change their brand. Also, they have begun to offer additional service elements to their core product.

Furthermore, from the analysis of the marketing mix it can be seen that service is an important factor for easyJet. The parameter, ‘people’, is especially important, as easyJet is trying to improve their customer service in order to show that their company is of a high quality. This may have something to do with the fact that easyJet operates primary airports, and is thereby also competing against the larger airlines.

4.3.4 Social Media Marketing

easyJet has profiles on Facebook, Twitter and YouTube. Furthermore they have their own blog and are featured in an online customer service community. In Subsection 4.3.4.1, the activities of easyJet on these platforms will be described. Thereafter, this description will be used in Subsection 4.3.4.2, in order to analyze the social media strategy of easyJet by using the PTOS method.

4.3.4.1 Social Media Technologies

Facebook

easyJet created a British Facebook profile in 2008, and currently has 95190 likes, and 2784 who are talking about them (see Appendix 5). Besides the profile in English, easyJet also has several other official Facebook pages in various other European languages (see Appendix 6). This would suggest that easyJet is aware that not everyone in their target audience understands English, the importance of this was also described in Section 4.2. easyJet uses their profile for a number of things. For instance, they use it to provide customer service, by answering questions from customers, and providing updates on, for instance, cancelled or delayed flights and so on.

Some users have posted negative comments on the page (see Appendix 7). However, easyJet has the possibility of responding to these, and thereby improve the impression of the
company. Furthermore, easyJet does not delete negative comments, which may provide more credibility to positive comments.

easyJet is very active on the page, and post questions in order to receive comments from their customers. They also post links to their blog competitions (see Appendix 8), which facilitates sharing them, and thereby create more awareness of the blog. The purpose of the profile is to interact with (potential) customers, and to create a relationship with them. Here the customers can post suggestions and easyJet will respond to these. Even though the suggestions are not implemented, the customers may still get a sense of that easyJet is listening to them. Finally, there is a commercial purpose with the Facebook profile, as easyJet uses it to promote sales and inform customers of new routes and so on (see Appendix 9).

**Twitter**

On their Twitter profile easyJet currently has 34073 followers, and have made 10200 “tweets” (updates) so far (see Appendix 10). This suggests that easyJet is very active on this site, and they use their profile for a number of things. One of these is to offer customer support, or direct people to customer service if their questions are too complicated to answer on Twitter, with the limited amount of characters provided there (see Appendix 11). As mentioned in Section 3.5.3, Twitter is an excellent tool for monitoring what is being said, and to respond to criticism. easyJet sees the negative and positive comments about them, and responds to these. An example of this can be seen in Fig. 4.3, where a dissatisfied customer posts a tweet. easyJet sees the tweet and enters into a dialogue with the customer, promising to pass the information on, in order to make the experience better in the future. The customer may not become satisfied for this reason, but easyJet hereby shows that they are taking in criticism, and that they are listening to their customers. Furthermore, this
may also be seen by potential customers, as tweets are public, and thereby leave them with a positive impression of the company.

**Reviews and Ratings**

easyJet is featured on a number of review and rating sites, however, only one of these will be described here as an example.

On Skytrax, it is possible to see customer reviews for easyJet. The customers have rated easyJet on different areas, namely value for money, seat comfort, staff service and catering. With 1025 reviews they have an overall rating of 6.3 out of 10 (see Appendix 12). Most of the comments shown on the first page are positive, and people would recommend the airline to others. This can be very important, because, as mentioned in Section 3.5.5., potential customers may see these reviews before deciding on whether or not to fly with the company. Furthermore, because Skytrax is an independent site, customers will see these reviews as credible.

**Blog**

In 2011 easyJet created a corporate blog with the address blog.easyJet.com (easyJet, 2011c). easyJet uses the blog to post news about anything concerning easyJet, and also to announce competitions (which is prohibited on Facebook) (see Appendix 13). One of the competitions on the easyJet blog was the blogger challenge, where bloggers could win a seat on the inaugural flight to Barcelona from Southend. The bloggers were to share an idea for an editorial about Barcelona, and the winners would then be invited to Barcelona in order to create these editorials. These would afterwards be featured on the easyJet blog, and in their inflight magazine. Furthermore, the bloggers would be paid for their work (easyJet, 2011a). The blog can be seen as an attempt to reinforce the easyJet brand as an airline which is very customer oriented, and which is interested in the viewpoints of their customers.

As stated in Subsection 3.5.1., blogs are often not commented on. On their blog, easyJet also encourages the readers to comment on the posts. Nevertheless, the number of comments is very limited (see Appendix 14).

The blog links to the other social media platforms on which easyJet is present, and furthermore there is also the possibility of buying tickets on the blog (see Appendix 15). Many city names in the blog posts also link to departures for those destinations. In other
words easyJet has a commercial objective with the blog as well, as they are both describing their product as well as facilitating purchases through this site.

**YouTube**

easyJet is also represented on YouTube, which they use mainly for commercial purposes, meaning that they upload their commercials with for instance information on new features such as their new app, and advertisements concerning sales and so on (see Appendix 16). The TV-commercial which easyJet has posted on YouTube features the music of an indie band called “The Wombats”, and many of the comments for the commercial revolve more around this fact (see Fig. 4.4) than the commercial itself. Nevertheless, this may not be a negative thing, as people may be likely to post the video on for instance their Facebook profile because they like the song, and thereby share it with others.

**Communities**

easyJet has a community on the website getsatisfaction.com/easyJet (see Appendix 17). On this platform, customers can ask questions, share ideas, report problems or give praise to easyJet. The platform thereby fulfills some of the same functions as their Facebook profile, but in a more organized way. There are 8 easyJet employees connected to the group, and they are the ones providing feedback to customers.

There are no unanswered questions on the site, and easyJet has also commented on the ideas which the customers have come up with (see Appendix 18). Many of the suggestions made by customers have been implemented, and this shows the customers that interaction with easyJet has an effect, and that they are being listened to. Even though it is far from certain that the suggestions will be implemented, the customers may still get the feeling that they are being taken seriously, and it is likely that this will leave them with a positive impression of easyJet. This may lead to the satisfied customers energizing the easyJet brand. Unlike the other platforms, this site is only for customer support, and the site also links to other easyJet social media platforms, which also offer customer support (see Appendix 19).
4.3.4.2 The PTOS method

As described in Section 3.3., in this thesis, the POST method has been adapted, in order to determine the social media marketing strategy of easyJet, and will therefore be presented as the PTOS method in this section. In the previous subsection, Technologies were analyzed, and it will therefore not be analyzed again in this section.

People: As described in Section 3.4 the Social Technographics Profile shows that the majority of online Europeans are spectators. Therefore, it is a good idea that easyJet uses platforms where they are active in writing, so that the spectators will not have to do much to participate. This is done with for instance with blog.easyJet.com and Facebook, where easyJet posts news and so on. Since 62% of online Europeans have a Facebook profile (see 3.5.4), this is a social media which is very relevant for easyJet.

As stated in Section 4.2, the groups of critics and creators are also quite large in Europe. Therefore it is also a good idea for easyJet to create sites where people can write reviews and give them the possibility of commenting on what is being posted by easyJet.

easyJet has spotted that there are also creators in their target audience, and they connect with this group by inviting them to be creative. For example, the easyJet blog has had a couple of blogger challenges (one of them is mentioned under the blog section) which has encouraged their customers to be creative and write in order to win prizes. Another example is the new marketing campaign “Europe by easyJet”, which encourages people to become part of the new campaign by submitting their own photographs with their own travelling experiences to europebyyou.eu/submissions/new, which may then possibly be used in advertisements, videos and so on. If the pictures are chosen, the customers will receive payment ranging from £100 to £1500 depending on what the photos are used for (easyJet, n.d. (i)).

Objectives:

Listening: With their presence on Twitter easyJet shows that they wish to listen to what is being said about the easyJet brand online, and to respond to both the negative and positive comments.
Talking: This is also an objective for easyJet, as they use their social media platforms for advertising deals and new routes and so on.

Energizing: By providing customers with good customer service, and engaging with them on the different platforms, their customers are likely to spread the word online, and, for instance, recommend the company by giving positive reviews. Furthermore, their community on getsatisfaction.com/easyJet serves the purpose of energizing, because the customers who have made suggestions which have been implemented by easyJet may give the company a positive word of mouth.

Supporting: As seen in the analysis of the marketing mix in Section 4.3.3, service is very important to easyJet. Therefore supporting is one of the main objectives for their social media strategy. Most of their social media platforms are dedicated to customer assistance, by answering questions from customers. On the easyJet platforms the customers are also able to support each other.

Embracing: This is also an objective for easyJet. On the forum getsatisfaction.com/easyJet, the customers suggest ideas or changes they wish to have implemented, and easyJet not only responds, but also implements some of the suggestions.

Strategy: “Social platforms are part of everyday life for many of the people who fly with us. It is important that we participate in these platforms and make it as easy as possible for our passengers to engage with us, wherever they are online.” (Eleftheriou-Smith, 2011b). These words were uttered by James Lee, who is the marketing manager of easyJet in the UK. This statement shows that the strategy is to interact with customers, and to provide service for them. In other words, easyJet wishes to have a strong relationship with their customers. This can also be seen when looking at their objectives, which are mostly about supporting, energizing and embracing.

The strategy of easyJet is to build good relationships with their customers and get them to remain loyal. This is done by focusing on providing customer service through their online media channels.
easyJet is highly engaged in social media, with presence on every type of platform. The purpose of this strategy is to interact with customers as to increase awareness of the easyJet brand, but also especially to provide customer service to customers and potential customers. The objectives of the social media strategy are varied. They wish to listen to their customers, and to get their customers talking about easyJet online. Furthermore, easyJet has an objective of talking to the customers, which means that they use some of their social media platforms as a place for advertising new deals and services.

4.4 Analysis of Ryanair

This section seeks to answer research questions 1 and 3. First, this section and its subsections include an analysis of the discount marketing strategies of Ryanair using the discount strategy model explained in Section 2.2. As some of the parameters of the marketing mix and discount strategy model are similar, ‘product’ is only mentioned once, and the parameters ‘price’ and promotion, which are part of the marketing mix, have been included in the section devoted to analyzing the discount strategy model of Ryanair, because price and promotion are important elements of the discount business strategy. The discount business strategy is supplemented with an analysis of the marketing mix of Ryanair. Although Ryanair has chosen not to participate on social media, there will be an analysis of the involuntary social media presence of Ryanair and the consequences this may have for the company.

4.4.1 Introduction to Ryanair

Ryanair is an Irish LCC known mainly for its low prices and for its controversial advertising (Witt, 2009). Ryanair launched in July of 1985 with a route from Waterford, Ireland to London Gatwick. During the first year, Ryanair had approximately 5,000 passengers, and has, since then, seen a significant increase during the years (Ryanair, n.d.(a)). When Ryanair first started, it passed through a troublesome time ending each year with a deficit, and as a reaction to this, Ryanair hired Michael O’Leary as their new chief executive in 1988. With inspiration from the American low-cost airline, Southwest Airlines, O’Leary turned Ryanair into a profitable company (Rajan, 2003). In 2010 Ryanair had more than 72 million passengers, 272 aircrafts, more than 1,300 routes located at 44 bases around Europe (Ryanair, n.d.(a)).
4.4.2 Discount Marketing

As mentioned in Section 2.1, discount marketing has four important building blocks: the product, the brand, the customers, and the technology.

Product

The discount strategy model suggests that the discount business product is lean, demand-driven and price aggressive. Price is mentioned separately below.

Ryanair is without a doubt a no-frills airline. Customers only pay for the ticket, which includes a seat on the airplane and one 10kg carry-on bag. Should the Ryanair customer wish to bring any additional luggage or order an onboard meal then additional fees and charges will apply. Some of these were mentioned in Section 4.1, but there are several other fees (see Appendix 20). For instance, Ryanair has fees for checking in online, an administration fee if the ticket is not bought online, a credit card fee for buying online, and an additional luggage fee.

According to Ryanair, they only offer A-B connections, this means no transfers thus saving money that they would have spent on handling luggage transfers (Ryanair, n.d. (b)). Another advantage of only offering A-B connections could be that luggage is also less likely to disappear, when there are no connecting flights. Furthermore, Ryanair prefers secondary airports to main airports for their flights, because secondary airports are cheaper and less crowded (Ryanair, n.d. (b)). Therefore, they provide better services for the airline in form of less delays and faster loading and unloading of passengers (ibid). Also, the Ryanair only sells tickets through the Internet, this way the airline, according to O’Leary, saves 15% by not having any sales staff handling tickets (Rajan, 2003).

Price

Most Europeans will know Ryanair for its low prices and special £1 offers. When Ryanair first began, people were tempted into flying with them because of their £1 flights (Collinson, 2011). However, Ryanair flights are no longer sold at such low prices, and the average price is now approximately £61 per passenger, with extra fees included (ibid). The airline’s average fare has experienced a 30% price increase in the last two years due to increasing fuel costs. At the same time other airlines have not had the same price increase, which only makes Ryanair approximately 30% cheaper than rivals, in comparison with two years ago, when
Ryanair was 44% cheaper than its rivals (RTÉ, 2012). Furthermore, Ryanair is not always the cheapest option, other airlines such as British Airways can at times be cheaper (Calder, 2011).

O’Leary commented on rising fare prices already in 2010 (Milmo, 2010), stating that low fares in the long run would be unsustainable and that Ryanair would have to market itself not just as cheap, as having better service and using young aircrafts (ibid). However, no data encountered during this analysis suggests that Ryanair is improving their service.

When Ryanair only offers the core product, by letting customers pay for any additional services, but at the same time increases fare prices, a consequence could be that instead of being perceived as a company with a cheap goods strategy, Ryanair could be perceived as a company with a shoddy goods strategy in the price/quality strategies (Fig 2.2). This could change customer opinion, from a position where they might feel that they receive what they pay for, to a position where they may feel that other airlines will give them a better service at the same price.

Technology
The technology of discount businesses is based on self-service, value-position, and suitability (Section 2.1).

In contrast to other airlines, Ryanair does not have any check-in counters at airports. Check-in with Ryanair is only done through the website, after Ryanair removed all check-in desks at airports in 2009 in order to cut down on personnel and thus save money (Smith, 2009). This means that all passengers have to print their boarding passes online and bring them to the airport, if a passenger forgets to print a boarding pass or makes a late online check-in, then the passenger will have to pay for the boarding pass at the airport at an additional fee of €40 (Vejle Rejser, 2009).

Customer
Discount businesses embrace all types of customers and treat them equally (Andersen & Poulfelt, 2006, p. 220). This is almost true for Ryanair. As seen in Section 4.1, Ryanair prefers passengers who pay online, and who do not need too much additional assistance.
Ryanair used to have more equality among passengers than today, with still more additional fees being added on to any additional services, passengers can now pay for better seating. Before, passengers would enter the aircraft and have equal seating rights, as no seats were assigned beforehand. However, now passengers can pay a £5 priority seating (see Appendix 20) allowing them to enter the aircraft first. Also, seats next to emergency exits (which have more leg room) can be reserved for an additional £10 fee (see Appendix 20).

Promotion
“The more we can sound nasty, petty and cheap, the more we can reinforce in people's minds that we are extremely bloody cheap and they will choose to fly with us”

In order to attract as much attention as possible, Ryanair uses provocative advertising (Pfanner, 2008). Not only this but according to O’Leary, “the core of our [Ryanair’s] marketing strategy is to spend as little money as possible advertising” (Rajan, 2003). This is the reason why all advertising is made by Ryanair themselves (ibid, 2003). Ryanair most likely is very aware of the fact that provocative advertising may create free publicity through word-of-mouth. When asked why Ryanair is keen to bad publicity, O’Leary stated that “some of the urban legends about our [Ryanair’s] famous cost-cutting attitude aren't actually true but we own up to them anyway because they make very good stories” (Ryanair, n.d.(e)).

Ryanair often come up with extreme initiatives in order to lower prices even further. Whether these initiatives are found in order to attract attention, or because Ryanair truly intends to use them will probably remain unknown, however the initiatives do create much attention to the low-fares airline. Some of the extreme initiatives have been to apply a fee for using the lavatory aboard the aircraft for flights lasting less than an hour (Pawlowski, 2010); to let passengers stand during flights in order to carry more passengers on each flight (Massey, 2010); and to bring only one pilot on board, leaving out the co-pilot and instead train the stewardesses to do the work of the co-pilot (Ostrynski, 2010). None of these initiatives have been enforced yet.

The extreme initiatives are not the only promotion strategy of Ryanair, they also make provocative statements and ads in order to attract attention. In 2012, Ryanair made a cabin crew calendar for charitable purposes, which featured young female cabin crew members in

---

their underwear. The ads for the calendar, which included pictures from the calendar, were banned by the UK Advertising Standards Authority, because they found the ads to be offensive (Eleftheriou-Smith, 2012a). O’Leary’s response to the ban was that it "serves to confirm yet again what a bunch of complete idiots the ASA are" (Eleftheriou-Smith, 2012b), and that "[The ASA] have done more to generate pre-publicity for our 2013 calendar than even photographs of me stripping off into my swimwear" (ibid). Last, Ryanair often compares itself to its competitors with the objective of pointing out the benefits Ryanair can offer. In 2010, Ryanair paid easyJet founder, Sir Stelios Haji-Ioannou, compensation after having compared him to Pinocchio in newspaper ads, due to the fact easyJet do not post their punctuality rate (BBC News, 2010).

**Brand**

According to the discount strategy model the brand of discount businesses relies on low prices, aggression toward competitors and equal service for all (Section 2.1), in this case passengers.

Although Ryanair proclaimed in 2010 that they would start to move away from being a low-cost airline to an airline that relies more on good service and marketing of their young aircraft fleet, Ryanair is still trying to maintain a low-cost image. Prices are still lower at Ryanair than with its competitors. Ryanair is also aggressive toward competitors, and the CEO uses provocative statements in order to attract attention. Ryanair probably offers more equality for passengers than airlines which have first class seating. However, Ryanair allows passengers to book seats with more leg-room, and have the priority option, where passengers can enter the aircraft first in order to, for instance, sit together in groups.

**4.4.3 Marketing Mix**

As mentioned in Section 2.2, the marketing mix consists of 7 P’s: price, place, promotion product, people, process, and physical evidence. The parameters price, product and promotion are mentioned in the previous section.

**Place**

Passengers can book tickets online at ryanair.com, at the airport or by calling their call center. Calling the call center, however, adds an additional charge of £0.10 per minute during
the call plus the normal calling rate (Ryanair, n.d.(e)). Also, tickets bought at the airport or through the call center are added an additional £20 booking fee (Ryanair, n.d.(d)).

**People**

In order to become a member of Ryanair’s cabin crew, newcomers will have to finance it themselves. First, they must take a self-paid training course of £1.400 (Penman, 2008). Furthermore, once newcomers have finished training and begin to work, they are not paid for hours on standby or for time spent preparing flights for take-off, and additionally have to pay £25 a month to rent the workers uniform (ibid). Furthermore, Ryanair does not recognize trade unions, and pay workers according to Irish conditions (Finans/meng, 2012). The working conditions could imply that Ryanair cabin crew may not be as thorough, for instance, cleaning the aircraft when they are not paid to do so.

**Physical evidence**

Since Ryanair mostly has online sales, their physical evidence consists of the aircrafts and the Ryanair website.

The aircrafts used by Ryanair are special in comparison with aircrafts of other airlines. All Ryanair aircrafts are Boeing 737, which can carry 189 passengers (Milmo, 2011). The inside, of the aircrafts, is made so that Ryanair can use as little time as possible during their 25-minute turnaround on cleaning, which means no seat-back pockets where people can store items during flights (O'Leary, 2007). The little time for cleaning and maintenance can be a problem in the word-of-mouth world. A bad incident on a plane can be filmed or photographed and shared online, thus giving the airline a bad reputation. An example of a bad Ryanair incident shared on social media can be seen in subsection 4.4.4.1.

Additionally, in order to save money on repair, the seats are made as non-reclining seats (ibid). Inside the aircrafts, the overhead luggage compartments are decorated with advertisements. The advertisements could help reinforce the idea that Ryanair tickets are so cheap that they need to have advertising within their cabins. Although,

In Section 2.2, it was mentioned that some important elements on a B2C website are customer endorsements, refund policies and independent reviews. The Ryanair website offers
customer reviews under the menu feedback (see Appendix 25), however, as mentioned later in Section 4.4.4.1, as all the reviews are positive, they could be perceived by customers to be untrustworthy. A link to Ryanair’s “General Terms & Conditions of Carriage” is easily found at the bottom of the home page (see Appendix 27). However, the text is long and may be hard to read for customers (Appendix 35). Some of the same information found in the “General Terms & Conditions of Carriage” is found in the FAQ section on Ryanair’s website, however, with more or less the same wording (see Appendix 28). Finally, there are no reviews from independent sources (e.g. newspapers, expert review sites, etc.) on the Ryanair website. Furthermore, Ryanair’s website makes several statements, such as being number one in customer service and that they lose very little passenger luggage, (see Appendix 29) which are not backed by any additional information from independent sources (newspaper articles, expert reviews, etc.). Finally, should any problems arise during the buying process Ryanair’s home page is not very helpful. Should customers encounter a problem during the buying process then, they would most likely go to the ‘contact us’ link at the top of the Ryanair homepage (see Appendix 30), however the link does not lead to the obvious address, email and telephone number, instead it leads to a new range links (see Appendix 31).

Process

The process at Ryanair may vary depending on the circumstances. Customers, who are used to making online purchase, may not encounter any problems buying a ticket via ryanair.com, and may be satisfied finding a cheap ticket. In contrast, customers who encounter problems during the online buying process may have a difficult time receiving any help. Customers who are faced with problems with their tickets may end up paying much more, because of the expensive Ryanair customer service telephone prices.

Since Ryanair flies from secondary airports, customers who have not checked where airports are located beforehand may be surprised when they find that the destination airport is located very far from the final destination. An example could be a customer flying to Barcelona, and ending up in Girona, which is approximately an hour’s drive away from Barcelona.
4.4.3.1 Subconclusion

Although Ryanair has stated that they are planning to change their strategy and offer better service, their actions do not suggest that Ryanair has done so yet. Ryanair has little focus on the working conditions of their employees, and value low prices more than good customer service.

Furthermore, Ryanair uses a “them against us” discourse, and does not offer any free services such as an onboard meal or extra luggage. The analysis of Ryanair’s marketing strategies would suggest that Ryanair is using a discount strategy, and that Ryanair is willing to let passengers pay for services which are normally considered free.

4.4.4 Social Media Presence

“Ryanair can confirm that a Ryanair staff member did engage in a blog discussion.

It is Ryanair policy not to waste time and energy corresponding with idiot bloggers and Ryanair can confirm that it won’t be happening again.

Lunatic bloggers can have the blog sphere all to themselves as our people are far too busy driving down the cost of air travel”\(^8\)

This was Ryanair’s reaction after an employee had a bad encounter with a blogger. The blogger, who was a Ryanair customer, thought that he had found a way to pay £0.00 for a ticket through Ryanair’s online booking system. When the customer blogged about the incident he found himself attacked by Ryanair staff, who commented below the blog that the customer was “stupid” and a “liar”, because of the fact that although the price stated £0.00, the ticket could not actually be bought at that price (The Economist, 2009; Roe, 2009).

This is a good example of how companies, which choose not to be on social media, nevertheless are debated on social media. Choosing not to be on social media, does not leave out the option for other’s to open accounts, make forums, or blogs. If people wish to discuss a product or a service they will do so, no matter what the company thinks, and this is also the case with Ryanair. As mentioned earlier in Section 4.2, Ryanair’s social technographics profile suggests that a high amount of Ryanair customers are creators. Creators will create their own blogs, forums, websites, etc. and this may also be why there are many independent

\(^8\) The Economist, Ryanair insults a blogger, 2009.
websites, forums, blogs, Twitter accounts, Facebook accounts, and other pages about Ryanair.

4.4.4.1 Social Media Technologies

It is not possible to analyze all the social media platforms where Ryanair is represented, so this section will look at some of the technologies mentioned in Section 3.5: blogs, one community, one social network, and one review and rating site.

Social Networks

Whether or not Ryanair is deliberately on Facebook is hard to figure out. There are several pages on Facebook named Ryanair, but the one with the most followers has 148,925 “likes” (see Appendix 21). The page is made, most likely by an employee, and was meant to be for employees. However, by the looks of it all kinds of people use it and they use the page widely: to post pictures, to express their feelings regarding Ryanair, and for other purposes. One example can be seen in Fig. 4.5, which is a screenshot from the Facebook page, and it is a good example of how customers can use social media. A customer wants to know how much luggage she can bring onboard with Ryanair, other customers react to her question and answer it. The first to answer, Stuart Martin, answers her question and serves the purpose of customer support. Stuart saves Ryanair customer support time and thus money. The second comment is from the company, Jaktogo, which makes jackets that can also be used for luggage (Jaktogo, 2012), and can be used on LCCs, where there is a limit on carry-on luggage, possibly causing less passengers to pay for an additional suitcase. They use the
Ryanair Facebook page as a place where they can advertise their product. The third comment (from Derk De Kimpe) is from an unsatisfied customer telling the person not to use Ryanair.

Had Ryanair created their own Facebook page, they would have been able to answer the customer themselves, in case a customer did not react and answer the question. Furthermore, they would have been able to defend themselves from negative comments, and try to better the situation. Finally, they would be able to possibly delete the post from Jaktogo, which is a business undermining their own.

Reviews and Ratings

Ryanair is on several different review and rating sites, however, only one review and rating site is mentioned, and has been chosen, because of the many reviews posted on the site. Ryanair is present on Skytrax, which is a review and ratings site for airlines. With 1166 reviews, Ryanair has an overall rating of 2.6 out of 10 on the site (see Appendix 23), and most of the reviews are of a negative character. The negative comments mostly have to do with bad service, “rude staff”, and additional unforeseen fees paid at the airport (Skytrax, 2012). The positive reviews mostly concern value for money, friendly staff and cheap tickets (Skytrax, 2012). Here, it is not possible for Ryanair to do much about the negative comments directly through the review site, however Ryanair could use the review site in order to listen and see what they could do in order to improve their service in the future.

At ryanair.com under the menu Feedback, Ryanair has a section dedicated to reviews, or customer feedback as they call it (see Appendix 25). The feedback page may appear as slightly confusing for customers, since the term feedback could suggest that the customers would be able to give feedback, on the contrary, the feedback are all received by Ryanair and published to the site by Ryanair. There is not an option for customers to post directly on the site, and there is not one negative feedback. As mentioned in Chapter 3.5.5. negative reviews make positive reviews seem more credible. Taking into consideration that Ryanair receives a low rating and a high amount of negative reviews on Skytrax, it seems peculiar that they have not received any complaints through customer service. Also, all the feedback is written in fairly good English, despite the many non-English-speaking Ryanair customers, again making the reviews seem less trustworthy.
There are two online blogs worth mentioning, and both are of a negative character: I Hate Ryanair – The World’s Most Hated Airline (IHR blog) and the ryanairdontcarecrew blog. The reason for this is that a quick search in Google on ‘Ryanair’ and ‘blog’ (see Appendix 22) will show these two blogs on the first page along with Ryanair’s Feedback page, some German blogs and two links two pages concerning the Ryanair ‘lunatic blogger’ incident.

The IHR blog is about bad Ryanair incidents, and all posts are backed up with links to newspaper articles (I Hate Ryanair, 2012), making statements seem credible. Furthermore, the blog offers suggestions on other airlines they believe offer better services. The other blog suggests that Ryanair treats their employees poorly. The blog-owner, John Foley, is so passionate about his cause that he handcuffed himself to a goalpost during a soccer match where O’Leary was present, wearing a t-shirt that said “Europe's greatest training robbers. Ryanair. Lowest wages guaranteed. Stop. Recruitment scamming our children” (Walford, 2012). Something suggests that Foley is very aware of how blogs function, because his blog is displayed on the first page when doing a search on Google for ‘Ryanair’ and ‘crew’, ‘work’, and ‘career’ (see Appendix 32). Anyone wishing a career at Ryanair and making a search in Google for career possibilities at Ryanair will most likely stumble upon Foley’s blog.

As mentioned in 2.2.4, when something goes wrong on the aircraft it can easily be filmed (or photographed) and be shared online. Doing a search for Ryanair on YouTube (see Appendix 33), there are two videos interesting to mention. The first is “Ryanair Caught Napping”, it has more than 300,000 views, and is a documentary about Ryanair working conditions and safety issues. It also shows how Ryanair personnel do not have time to clean vomit off the floor between flights and, therefore, cover it with aftershave. The comments below are mixed. Some state that it is better to fly on more expensive flights, while others would rather save money and fly with Ryanair.

The second to mention, “Ryanair Long-haul flights have "blowjobs" included!” (KaiFly, 2008), is a good example of how O’Leary’s comments are good at creating attention. This particular video, where O’Leary mentions that, should Ryanair start long-haul routes, then blowjobs will be included on first class, has over a million views, and the ratings connected with the video are mostly positive.
Communities

Ryanair has an online fan club, which has a forum (The Ryanair Fanforum, 2012). April 7, 2012, the site had 1669 registered users and 11296 messages, and there was 1 registered user browsing the forum and 43 guests (see Appendix 26). The forum seems to be very active. In order to write on the forum one must be registered, however anyone can see the comments and posts on the forum. The forum has many subsections, such as news, flight questions, experiences, finding cheap flights, and so on. The forum also has subsections in Dutch, Spanish, Italian, German and French. The forum has an overall positive tone, and it seems that members of the forum answer questions posted on the forum. The forum is used much for customer to customer support, as can be seen in Fig. 4.6, where a user asks for help finding information he cannot find at Ryanair’s own website, and another user answers him. This forum could possibly be a positive social media platform for Ryanair, because loyal Ryanair customers help provide customer support, adding no additional costs to Ryanair.

4.4.4.2 Objectives

Clearly, Ryanair cannot have an objective with social media when they do not engage. However, Ryanair fulfills the objective of talking, which they do through banner advertising (see Appendix 34). They may also be listening. The incident mentioned previously, with the

Fig. 4.6 Screenshot from the Ryanair Fanforum.

How can we contact Ryanair?

Rei: How can we contact Ryanair?

Ryanair don't have a customer service email address. You need to call them:

blogger who was called a liar by Ryanair staff, could suggest that Ryanair is listening in some form. However, it is difficult to see how Ryanair gained from that incident, especially considering that 15% (in the UK) read blogs, and could perceive Ryanair’s outburst as offensive.

### 4.4.4.3 Subconclusion

Ryanair does not spend time on social media, which also leaves out the opportunity for the company to defend itself and to provide customer service. However, a number of satisfied customers are providing customer support instead of Ryanair, by answering customer questions on Facebook and through the fan club forum.

### 5 Discussion

Many would probably look at Europe’s two biggest LCCs and think that their models are more or less the same. However, as seen in the analyses, the two airlines, apart from their social media strategies, have many other differences as well.

Some of their similarities can be found in their target group. As seen in the analyses in Chapters 4.1 and 4.2, there is no significant difference in the target group or the social technographics profile of Ryanair and easyJet. The explanation for the different social media strategies is therefore not to be found here.

At first glance it seems as if Ryanair and easyJet offer very similar products, and they do have very similar offers. They both offer priority seating for a fee, they both have a range of fees for luggage and other services, and neither of them offer onboard meals nor drinks. However, while Ryanair is strongly devoted to the discount strategy model, by continuously implementing additional charges to services in order to lower costs, easyJet has begun to offer frills in form of flexible fares, which can be seen as a move away from the discount marketing strategy. One of easyJet’s ways of doing this is by spending money on big marketing campaigns, in order to rebrand themselves as being an airline of a higher quality. Furthermore, it seems that while Ryanair has a strategy of cutting down on costs anyway they can, easyJet is beginning to add additional elements to its core product, which may be costing them more. One element easyJet is investing in is customer service.
The focus on customer service is probably the biggest difference between Ryanair and easyJet. Ryanair’s level of customer service may be seen by many passengers as poor. In order to keep an image of being extremely cheap, Ryanair has a minimum of personnel dealing with passengers. It is hard to find their phone number on their website and when found there is a calling fee. The option of sending an email to Ryanair is also hard to find on the website. Furthermore, Ryanair has removed all check-in desks at airports making it impossible for passengers to get in contact with them there. This low level of customer service also seems to be one of the main reasons why Ryanair receives negative reviews on the review site Skytrax. easyJet, on the other hand, has a high focus on service. This can be seen through their use of social media, where they offer customer support on many different platforms. Unlike Ryanair, they have check-in desks at airports, where passengers can check in free of charge.

The customer service of easyJet is interlinked with the manner in which they treat their employees. While Ryanair does not recognize trade unions, and let all European personnel work under Irish work conditions and pay them according to Irish regulations, easyJet is very interested in creating a thriving work environment for their workers, in order to provide better customer service for their passengers. The easyJet model has been so successful that they have won several awards for best airline cabin crew and customer service. As mentioned in Section 3.1, one reason for people to complain about companies is if they lack social responsibility. The blog, ryanairdontcarecrew.blogspot.com/, where an angry blogger is attacking Ryanair for their bad treatment of employees, is a good example of how this.

According to Qualman (2011, p. 265), companies which offer mediocre service and have great distribution advantages have a disadvantage on social media. This could be the case with Ryanair. The fact that Ryanair mainly operates from secondary airports creates a competitive advantage for them. At half of the airports where Ryanair operates they offer over 75% of all seats, and on 80% of their routes they do not experience any competition from other airlines (de Wit & Zuidberg, 2012, pp. 18-19). This goes to show, that for some customers Ryanair may not always be the cheapest option, however, they may be the only option. This combined with their prices, which in recent years have changed from very cheap to more expensive, could create conflicts on social media. If Ryanair were to invest in social

9 With the exception of Madrid, where Ryanair departs from a primary airport (de Wit & Zuidberg, 2012, p. 18).
media they could very likely be overclouded by negative comments and questions, and also being on social media could clash with the idea of Ryanair being so cheap that they cannot afford any additional frills. Additionally, Ryanair’s aggressive “us against them” strategy may not work as well on social media as it does otherwise. This is shown in the example of easyJet, which received many negative comments for posting an ad on Facebook mocking its competitor, British Airways. If Ryanair were to create a social media marketing strategy, it would mean that the airline would probably have to review its entire marketing strategy in order to incorporate more personnel and invest more money in better customer service, and promote themselves less aggressively.

Social media is not the only remedy which keeps a company going, especially not for airlines. According to Christensen (2012), social media presence is not enough for companies they must also think of innovation, value creation and social media relevance. Christensen (2012) gives the example of Kodak, a company which filed for bankruptcy despite its hundreds of thousands of likes on Facebook. Kodak is a company which has experienced massive competition from technological advances such as Flickr and mobile phones (Christensen, 2012). The difference between companies such as Kodak and Ryanair or easyJet, is that the core product of LCCs, being air travel, cannot be competed against with any online technological advance. This means that the service provided by LCCs through social media is mostly frills related, as seen with easyJet who uses it to engage with customers and provide customer service. Where easyJet could have a technological advantage is in its online community getsatisfaction.com/easyJet where customers can suggest ideas for how easyJet may improve their service or technology. However, since the community is open for all, there is no reason why Ryanair cannot enter the forum and incorporate the ideas in its strategy as well. easyJet has an important advantage in being the owners of the blog, because the community could create loyalty from the customers and hence make them energize the firm by spreading the word of the good service they have received from easyJet.

In a broader perspective, one reason why LCCs are doing well in recent years could be due to the economic crisis. An American study (Neal & Kassens-Noor, 2011) suggests that Southwest Airlines experienced a rise in business travelers in the US after the recession hit, while flag carriers experienced the opposite. This is most likely due to the fact that companies are cutting on traveling budgets. Both the recession and the social media boom started in 2008. So although Ryanair is receiving negative comments on Skytrax, many of their
customers will probably not care; they just want to get the cheapest flight, and Ryanair has been successful in creating an image of being the cheapest option. Even though, Ryanair receives many negative comments on social media, it seems as if the company is still selling tickets. In fact, Ryanair had more passengers last year than the year before. Ryanair may find itself in a less lucrative situation once the recession is over, because of another important issue for Ryanair, namely growth.

During recent years, Ryanair has opened many new routes, and as a consequence is now reaching a point where it will not be possible to open more routes to secondary airports. This same scenario was what the US LCC, Southwest Airlines, experienced and what finally made them expand routes to primary airports (de Wit & Zuidberg, 2012, p. 19). Should Ryanair choose to open routes to or between primary airports, and suddenly have to compete with easyJet and flag carriers (who offer better service), Ryanair would lose some of its competitive advantage, and it would be likely to see a shift in the marketing and social media marketing strategies of Ryanair.

6 Conclusion

The purpose of this thesis has been to clarify why, easyJet and Ryanair, two seemingly similar low cost airlines, have two different approaches to using social media marketing.

In order to investigate this, an analysis of the overall marketing strategies and the social media marketing strategies (or lack thereof) of the two budget airlines was made. These analyses have shown a number of differences between easyJet and Ryanair, which explain their different approaches. The main differences of the two LCCs can be found in their different use of airports and their different approaches to customer service and advertising.

The marketing strategy of Ryanair is a discount marketing strategy. Price is the essential parameter for them, and they do anything they can to brand themselves as the cheapest possible LCC. They do this by, for instance, announcing ideas which they intend to implement in order to save even more on costs. This strategy does not coincide well with investing money in social media strategies, because it may seem confusing for customers that Ryanair is cutting down on all costs, but at the same time invests in maintaining customer service online. Furthermore, their advertising also consists in being aggressive towards other
airlines. As the example in Section 4.3.2, with easyJet shows, this kind aggressive advertising may be poorly received on social media, and may lead to negative comment on social media platforms.

As long as Ryanair customers care more about price than about customer service, there is no apparent reason why they should invest in this area. Perhaps Ryanair will find itself in a less fortunate situation once the recession is over. However, for the time being it would probably not make sense for Ryanair to make a social media marketing strategy for three main reasons: (1) the discount business strategy does not go well with social media, (2) Ryanair is selling tickets even though they do not actively participate on any social media platform, and (3) Ryanair does not experience much competition from other airlines, which creates a competitive advantage for them.

The analysis of easyJet, however, shows that they have a strong focus on customer service. Therefore, they are making themselves available on the social media platforms where their customers are present and where they can interact with them. By doing this, easyJet is trying to disassociate themselves from other LCCs, and is attempting to establish their brand as that of a higher quality. This is also shown in their promotion, which consists of advertising through a large number of different channels. easyJet is investing money in order to brand themselves as an airline which is customer oriented, which differs a great deal from the discount marketing strategy of Ryanair.

Another reason for easyJet to have a social media marketing strategy may be found in the fact that they are flying to main airports, which, thereby, puts them in competition with larger airlines, who offer customer service and frills as part of their product. In order to compete with them, it is important for easyJet not just to offer low prices, but also to offer good customer service.

In short, the reason why easyJet and Ryanair have two very different social media marketing approaches can be found in their different approaches to customer service, advertising, and use of secondary and primary airports.
7 Reference List


Roe, J. (2009, February 19). Ryanair no credit card fee + 0.00 flight bug. Retrieved February 27, 2012, from Jason Roe: http://jasonroe.me/free-ryanair-free-flight-bug/


