

Background

Jetstar Airways Pty Limited, popularly known as Jetstar, was established as a subsidiary of Qantas Airways Limited in 2003. Jetstar was launched as a low cost domestic carrier by Qantas as a response to competition with lower cost Virgin Blue airline. In February 2004, the first domestic passenger tickets were sold in preparation for its inaugural flight on 25 May 2004. On December 2005, the airline commenced its inaugural international flight to New Zealand.

Initially, the headquarters was based in Avalon Airport near Melbourne before relocating to Melbourne and later to the suburb of Collingwood in November 2013. As part of its growth, the company has continually signed several codeshare agreements with other airlines such as: Japan airlines in 2011, China Eastern Airlines in 2012 and Emirates Airlines in 2014. By the beginning of 2008, the airline reached a market share of fourteen percent and in 2009 the company offered its services to about sixteen percent of passengers worldwide (Roberts et al., 2012). The company is continually focused to increase the number of destinations accessible to its customers.

Brand Inventory

The remarkable Jetstar's financial performance over the years is built on safety standards and operational excellence delivered to its customers at favorable prices. Below are some of the factors the company holds in esteem when marketing or branding its services.

Slogan	One of Qantas brand strategies has been to have Jetstar service the low-cost market. Their slogan is stated as “every day, all day low fares” (Roberts et al., 2012). This indicates that the company is aimed at offering air travel services even to people who wouldn't have managed to pay for a regular air ticket on other airlines.
Pricing	Low-cost transportation has been the market goal for Jetstar. Looking back, Qantas created the Jetstar airline in response to a market threat posed then Virgin Blue which was already offering pocket friendly flights. This set the grounds for the company's tradition: to be the leading airline for cheap flights.
Sports	Rugby is one of the most popular sports in Australia. Jetstar sponsored the Australian Rugby League team from 2008 to 2012 (Connolly 2010). The signing of such partnerships confirmed the commercial strength of the airline in the region. This helped the airline to leverage its brand on a popular national platform.
Philanthropy	As part of its Corporate Social Responsibility, the company gives back to the community through programs such as Jetstar Flying Start 30K. The program invites community based groups or organizations in Australia to apply for grants that would fund projects that is aimed at improving lives of local communities based in Australia (Novella, 2019). This goes in line with the company's strategy to improve the lives of low income earners.

Brand Exploratory

Consumer Knowledge

Jetstar has grown to be the most famous Airline in Australia. The company was voted by Skytrax as the best low cost airline every year between the years of 2011 to 2018. However, the airline has also suffered the downside of having bad customer reviews in regard to service delivery. According to a market research conducted by Roberts et al., customers did not perceive Jetstar as competitive in value to Virgin Blue especially in regards to quality across the board (Roberts et al., 2012). This leaves customers with the preference of paying more on other airlines to get value for their time and money.

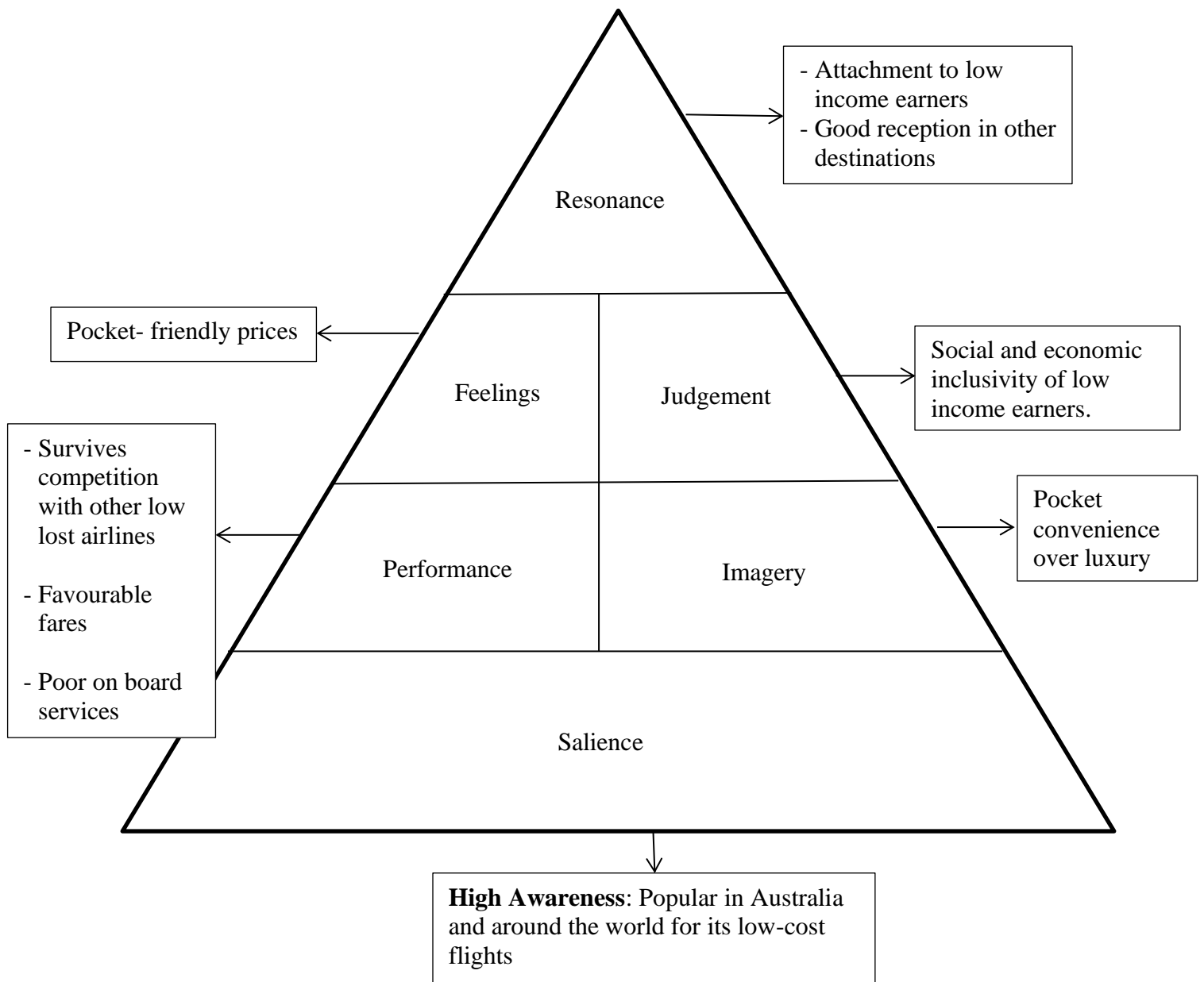
Competitive Analysis

Jetstar competes with other low cost airlines such as Virgin Blue, Go, Song and Tigerair. Virgin Blue scores higher than Jetstar in terms of service delivery. Investigations conducted by the Competition and Consumer Commission (ACCC) in 2018 revealed that Jetstar was the worst airline at misleading customers by limiting refunds (Chau, 2018). This was a setback for the company in the face of its competitors. According to the airlines market research conducted by Roberts et al., the general perception of the airline was that it was more expensive compared to Virgin Blue, regardless of the actual fares being nearly identical (Roberts et al., 2012). This decreased the effectiveness of this fighter brand as well as its financial results.

Brand Resonance

The synergy between the functional and emotional judgments of the brand is not strong. Quality services before, during and after a flight have positive effects on brand reputation (Thakshak, 2018). While many customers are first attracted to the fair ticket prices, most reviews are negative in terms of service delivery (Roberts et al., 2012). These emotional inclinations towards the airline create negative responses. However, comfort and luxury are not the marketing strategies for the airline. Instead, the airline uses low-priced air tickets as the advertising strategy and in response to this, the airline enjoys high brand awareness. Customers who choose to forgo a little comfort to save a few dollars have Jetstar as the airline of their choice.

Brand Resonance Pyramid using Keller's CBBE model



Strategic Recommendations

Leverage the company's partnerships with more airlines

The airline is yet to establish its operations in regions like South America, Africa, Europe and Middle East. Extending its connections with airlines in places like Africa has a big potential for growth because a large population of these regions comprise of low income earners (Cummins 2018). Being a subsidiary of Qantas, a well-established Airline alliance, the airline has potential to venture into these markets and expand rapidly, competing with local and international airlines like Air Asia.

Leverage employment relations

Negative feedback given by travellers indicates that the airline faces management issues (Ivy 2019). Having one hundred and thirteen planes and operating more than 2400 flights per day calls for increased labor. Employment relations affect how any company survives pressures that come with a competitive market (Sarina and Lansbury 2013). Employing more workers will minimize work pressure, enhance customer experience and reduce the number of complains related to delayed flights, cancelled flights and poor service delivery. At present people have busier schedules than previous generations; a delayed or cancelled flight is an unacceptable scenario.

Improve customers based services

Cheap flights have come at a cost for the airlines customers since they have to pay for extra baggage and other services such as on board meals (Roberts et al., 2012). The extra cost for luggage and on board meals when added to the ticket cost mostly exceeds what other airlines such as Virgin Australia offers. Like Virgin Blue, Jetstar has to evolve from a low priced strategy to good quality. Heavy advertising coupled with consistent quality improvement will contribute to better customer feedback. Customer perceptions, wants and needs are dynamic and change over time in regards to the airlines pricing, service processes and communications. Thorough and up-to-date market researches with clear calls to action will enable the airline to make the relevant decisions in regards to service delivery.

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