

**A STUDY ON PREVAILING MARKETING STRATEGIES OF
JET AIRWAYS IN AVIATION BUSINESS**

By

P-2100

ABHIMANYU.M

71206631001

Of

**DEPARTMENT OF MANAGEMENT STUDIES
KUMARAGURU COLLEGE OF TECHNOLOGY
COIMBATORE – 641 006.**

A PROJECT REPORT

Submitted to the

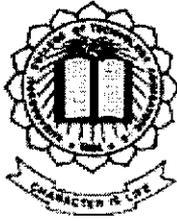
FACULTY OF MANAGEMENT SCIENCES

In the partial fulfillment of the requirements
for the summer internship project

Of

MASTER OF BUSINESS ADMINISTRATION

August, 2007



KCT Business School
Department of Management
Kumaraguru College of Technology
(An ISO 9001: 2000 Certified Institution)
Coimbatore – 641006

BONAFIDE CERTIFICATE

Certified that this project report titled “A Study on Prevailing Marketing Strategies of Jet Airways in Aviation Business” is the bonafide work of **Mr. Abhimanyu. M, (71206631001)** who carried out the research under my supervision. Certified further, that to the best of my knowledge the work reported herein does not form part of any other project report or dissertation on the basis of which a degree or award was conferred on an earlier occasion on this or any other candidate.

Project Guide

Director

Evaluated and Viva-voce held on.. 29/10/07

Examiner I

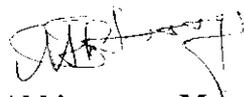
Examiner II

DECLARATION

I, hereby declare that this project report entitled as “**A Study on Prevailing Marketing Strategies of Jet Airways in Aviation Business**” has been undertaken for academic purpose submitted to Anna University in partial fulfillment of the requirements for the summer internship project of Master of Business Administration. The project report is the record of the original work done by me under the guidance of **Dr. B. Subramani** during the academic year 2007 – 2008.

I, also declare hereby, that the information given in this report is correct to best of my knowledge and belief.

Date : 29/10/07
Place : Coimbatore


Abhimanyu . M

19Sep, 2007
Coimbatore

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Mr.Abhimanyu.M Student of *Master of Business Administration*, KCT B School,Kumarguru College of Technology,Coimbatore had undertaken a project work on prevailing marketing strategies in aviation business on Jet Airways,he was in touch with us in connection to the project from 20th Jun 2007 till 31 Jul 2007. His report was found to be satisfactory.

This certificate issued as per students request.



Nayan kumar Suvarna
Manager-Sales

ii EXECUTIVE SUMMARY *ii*

EXECUTIVE SUMMARY

The idea to carry this work has been on my mind for a long period, since I first started my programme in Management Studies. This budding idea was fortified by the concept “**Marketing to Generation Y**” which had inspired me a lot to get myself involved in this project. I being a student had collected much information from different sources.

The influences that have shaped the Gen Y cohort are incredibly important to marketers because Generation Y is the force that will shape consumer and business markets for years to come. Born between 1977 and 1994, Generation Y is three times the size of Generation X.

It’s not surprising, then, that market researchers and advertisers are racing to get a bead on Gen Y’s buying behaviour. Because they are often turned off by overt branding practices and a ‘hard sell’, marketers have tried many different approaches to reach and persuade Generation Y.

The Indian aviation industry, have shown continued growth in recent years with key drivers being positive economic factors (including high GDP growth), industrial performance, corporate profitability/expansion, higher disposable incomes and growth in consumer spending as well as wider availability of low fares.

In the period of April-September 2006, the total aircraft movements witnessed an increase of 29.6% year-on-year to 494.92 thousand aircraft movements, compared to 318.89 thousand during April-September 2005. In September 2006 period, the total passenger traffic has shown an increase of 31.1% year-on-year as compared to September 2005.

The Indian domestic market has been growing at almost 50% in 1st half of 2006. On average, full service carriers are bleeding a remarkable 1.5% of market share every month.

ACKNOWLEDGEMENT

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I foremost owe thanks to God Almighty who blessed me to carry out this work. I express my sincere gratitude to our beloved Correspondent Prof. Dr. K. Arumugam, our principal Dr. Joseph V. Thanikal, Kumaraguru College Of Technology, Coimbatore for encouraging and providing facilities to do this project.

I express my sincere gratitude and thanks to our Director for permitting me to carry out the project.

I wish to place on record my heart felt thanks and sincere gratitude to my guide Dr. B. Subramani for his constant guidance and support throughout this project and for the valuable suggestions given by him in bringing out this report.

I am ever obliged to all the staff members of our Department for the benevolent support and encouragement.

I acknowledge my sincere thanks to Mr. Nayan Kumar Suvarna, Manager, Jet Airways, Coimbatore, for giving me an opportunity for doing the project in their esteemed organizations and encouraged me with his expert counseling and guidance for successful completion of my research study.

I cherish to acknowledge the benevolence of my family and friends for their encouragement, enthusiasm, co-operation and moral support.

I affirm my renewed thanks to everyone who in one way or the other helped me to complete this project.

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≈ INTRODUCTION ≈

CHAPTER 1

Introduction

1.1 Background of the study

The Indian aviation industry, have shown continued growth in recent years with key drivers being positive economic factors (including high GDP growth), industrial performance, corporate profitability/expansion, higher disposable incomes and growth in consumer spending as well as wider availability of low fares. In the period of April-September 2006, the total aircraft movements witnessed an increase of 29.6% year-on-year to 494.92 thousand aircraft movements, compared to 318.89 thousand during April-September 2005. In September 2006 period, the total passenger traffic has shown an increase of 31.1% year-on-year as compared to September 2005. The Indian domestic market has been growing at almost 50% in 1st half of 2006. On average, full service carriers are bleeding a remarkable 1.5% of market share every month.

The India Aviation report provides in-depth analysis, built on 2004 and 2005 year-end market data, and updated statistics for Q1-Q2 2006. Packed with tables and graphs from our own CEIC statistics databases, and expert views from our own on-the-ground analysts, this report delivers a thorough yet easily digested overview of the Indian Aviation market, keeping you up to speed and ahead of the curve on industry developments

Airport Marketing examines the new management vision of airport marketing in the post-September 11th environment, presenting in-depth analysis of current airport management practices for both aviation and non-aviation-related activities. The aviation-related activities section covers how an airport as a company develops its own marketing relationship with carriers and, in a broader sense, with all actors within the air transport pipeline, with the aim of increasing the number of intermediate clients consistent with its chosen positioning. The non-aviation-related section by contrast, focuses on how best-in-class airports have been developing new powers of attraction to customers in their regions, well beyond the simple concept of airport retailing, by use of the so-called commercial airport model. Finally, the impact of September 11th is shown in terms of increased security

measures and the future of the aviation industry as a whole. An analysis of worldwide airport industry is provided in the final chapter. Airport Marketing is essential reading for airport managers, government agencies, airlines, consultants, contributors, advisors and sub-contractors to this industry, as well as both undergraduate and graduate level aviation students.

1.2 Review of literature

This section deals with the review of literature collected from various sources.

The economic potential of tourism is impressive and this integrated marketing plan aims to maximise the benefits tourism can generate.

There are no riders and no undercutting involved. It's all very transparent. We are targeting an entirely new passenger segment through this novel scheme."

- Uttam Kumar Bose, CEO, Air Sahara

Sharing the Wealth¹

This article reports that Japan's Selene lunar orbiters will be the first in a series of four advanced robotic Moon missions that should enrich human understanding of Earth's nearest neighbor in ways that may extend far beyond its dust and deep craters. The upcoming launch of Japan's Selene will be followed next April 2008 by India's Chandrayaan-1. China's Change'e is due to follow sometime after that, probably in fall 2008. U.S. NASA's Lunar Reconnaissance Orbiter (LRO) is on the books for a Halloween liftoff in October 2008. (Morring Jr., Frank, 2007)

¹ Morrings Jr., Frank. Aviation Week & Space Technology, 7/30/2007, Vol. 167 Issue 5, p49-50, 2p, 2c;

News Breaks: Asia-Pacific²

This section offers news briefs related to military and commercial aeronautics. India has completed the design for a new cruise missile called Nirbhay. India and Israel are expected to sign a \$2.5 billion additional development agreement for the Barak surface-to-air missiles. China will move to control what it calls its overheating civil aviation sector. (*Aviation Week & Space Technology, 2007*)

Aerospace Calendar³

A calendar of events in the aerospace industry from July to November 2007 is presented. The American Institute of Aeronautics and Astronautics (AIAA) will hold its "43rd AIAA/ASME/SAE/ASEE Joint Propulsion Conference and Exhibit" at the Cincinnati Duke Energy Convention Center in Ohio. The "A&D Finance Conference" will be held in New York. Meanwhile, the "International Astronautical Congress" will be held in Hyderabad, India. (*Aviation Week & Space Technology, 2007*)

India moves to end flight dispute with Kuwait⁴

The article reports on negotiation between Indian and Kuwaiti officials over a dispute which has threatened to halt flights between the two countries. The Kuwaiti Directorate of Civil Aviation has notified Air India and Indian Airlines that their aircraft will not be allowed to land at Kuwait's international airport from 1 July, following a dispute over flight scheduling between the two countries. Kuwait claims the Indian Civil Aviation Authority has reneged on a bilateral agreement to increase the number of flights between the two countries. (*Middle East Economic Digest, 2007*)

² Aviation Week & Space Technology, 7/23/2007, Vol. 167 Issue 4, p20-20, 1/2p;

³ Aviation Week & Space Technology, 7/2/2007, Vol. 167 Issue 1, p65-65, 3/4p;

⁴ MEED: Middle East Economic Digest, 6/29/2007, Vol. 51 Issue 26, p23-23, 1/8p;

Airline Outlook⁵

This section offers news briefs on the airlines industry. The government of Thailand has directed Thai Airways International to lease eight Airbus A330-300s the carrier had intended to order. United Airlines expects mainline revenues to be 2.75 to 3.25% higher in the second quarter of 2007. The Vision 2020 civil aviation policy in India is under review by the Group of Ministers. (*Aviation Week & Space Technology, 2007*)

India's M&A Season⁶

The article looks at the merger and acquisition (M&A) activities in the Indian airline industry. It lists some of the challenges facing the airline industry including poor infrastructure, labor shortages, low domestic yields and unsustainable losses. It mentions some industry M&A deals including the acquisition of budget carrier Air Deccan by Kingfisher Airlines and the consolidation of Jet Airways and Air Sahara. It also cites the rapid growth of India's airline industry. (*Mathews, Neelam, 2007*)

Merger Mania Reshapes Indian Airlines⁷

The article offers a look at the trend in merger and acquisitions in the airline industry in India. Kingfisher Airlines announced that it will acquire 26 percent stake in Air Deccan. Jet Airways purchased full-service airline Air Sahara for \$354 million. According to the author, the merger trend in India's commercial aviation industry reshapes the industry. (*Lakshman, Nandini, 2007*)

⁵ Aviation Week & Space Technology, 6/25/2007, Vol. 166 Issue 24, p15-15, 1p, 1c;

⁶ Mathews, Neelam. Aviation Week & Space Technology, 6/18/2007, Vol. 166 Issue 23, p142-143, 2p, 1c;

⁷ Lakshman, Nandini. Business Week Online, 6/12/2007, p23-23, 1p;

Indian Airlines Plan Key Tie-Up⁸

The article discusses issues regarding the decision of Indian beer-and-spirits mogul Vijay Mallya to purchase 26 percent of Deccan Aviation Ltd. Mallya's Kingfisher Airlines has been instrumental in transforming the Indian airline industry, getting professionals to pay more for perks. According to analysts, the combination of Deccan Aviation Ltd. and Kingfisher Airlines would have the second-largest market share in India's domestic airline industry, after Jet Airways Ltd. (*Stanley, Bruce; Bellman, Eric, 2007*)

Jet Airways plots £5m UK launch⁹

The article reports that Jet Airways, an Indian domestic airline, is talking to agencies about a £5m launch campaign as it prepares to enter Great Britain market in April. General European manager Raj Desai told that the airline, which claims to be the biggest domestic carrier in India, could be running daily flights from Heathrow to India as early as next month. The company has hired former BA head of Britain sales Dan Brewin as its first general manager for Great Britain and Ireland. He will oversee the company's marketing strategy and development. (*Marketing, 2005*)

⁸ Stanley, Bruce; Bellman, Eric. Wall Street Journal - Eastern Edition, 6/1/2007, Vol. 249 Issue 127, pB4, 00p, 1bw;

⁹ Marketing (00253650), 3/9/2005, p2-2, 1/9p;

1.3 Statement of problem

The Indian aviation industry, have shown continued growth in recent years with key drivers being positive economic factors (including high GDP growth), industrial performance, corporate profitability/expansion, higher disposable incomes and growth in consumer spending as well as wider availability of low fares. This budding idea was fortified by the concept “Marketing to Generation Y” which had inspired me a lot to get myself involved in this project. I being a student had collected much information from different sources.

1.4 Objectives of the study

Primary Objective

To study the prevailing marketing strategies adopted by Jet Airways.

Secondary Objective

To study and analyse the prevailing marketing strategies adopted by Jet Airways.

To analyse various expectations of the passengers.

To study the influence of Demographic variables on expectation and satisfaction level.

To analyse the gap between the level of expectation and satisfaction of the passengers on various services offered.

To provide suggestions to the organisation based on the findings.

1.5 Scope of the study

The study entitled “A Study over Prevailing Marketing Strategies of Jet Airways in Aviation Industry” explores the customer’s attitude towards the organization, which plays a vital role in the highly competitive and challenging field of marketing.

This study helps the company to re-adjust their facilities according to their customer preferences, in order to withstand the competition from tough counter parts. This will also help to identify the major target markets and also the profitable marketing strategies.

1.6 Research Methodology

a) Area of the study

The study is proposed to be conducted in and around the fringes of Coimbatore City.

b) Type of Study

The type of the research is descriptive. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group.

c) Sampling Technique

Convenient sampling method is used to select the respondents, with the number of sample being 100.

d) Data collection methods

- The validity of any research is based on the systematic collection of data and analysis. The data used in this study is Primary data.
- Primary data have been used for this study. Primary data is the data a fresh for the first time and it happens to be original in character.
- The data collected directly from the respondents with the help of structured questionnaire, which covers the various aspects of the study.

e) Tools for analysis:

The statistical tools used for analysis are

- Percentage analysis
- Mean score analysis
- Chi – square analysis

Percentages analysis

Percentages are often used in data presentation to simplify the numbers reducing to 0 to 100 ranges. Through the use of percentage analysis, the data can be reduced in the standard form with base equal to 100.

The percentage analysis is calculated as follows:

Different ratings are listed in the first column.

Number of customers responded to category of ratings are listed in the second column by using the tally mark.

Total of each category of ratings is divided by the grand total to derive the percentage of customers responded to each ratings.

Mean score analysis

In this study mean value is used to identify and rank the factors which influence the level of Expectation and Satisfaction of the consumers.

Chi –square analysis

Chi – square analysis is used when two variables are to be compared. In this study, chi-square analysis is used to make a comparison between the satisfaction level and the expectation of customers of Jet airways.

1.7 Limitations

The study is limited to the area of Coimbatore. The study is limited to the period of six weeks. The method of convenient sampling is also a limitation.

1.8 Chapter scheme

The chapter scheme of the project report consists of the following

Chapter : 1

The introduction part of the report structure includes the background of the study, review of literature, objectives of the study, statement of the problem, scope of the study, the methodology which consists of the type of study, sampling design, method of data collection and the tools for analysis, limitations and also the chapter scheme.

Chapter : 2

The organisation profile includes the history of the organisation, the details of the management, the structure of the organisation, products profile and the market potential, competitive strength of the company, the future plans of the organisation and a brief description of the various functional areas of the organisation.

Chapter : 3

The macro – micro analysis includes the details of the prevailing scenario with respect to the industry and the organisation undertaken for the study. In this study the macro perspective is the recent trends in the aviation industry and the micro perspective is the trend followed in Jet Airways.

Chapter : 4

The data analysis and interpretation chapter comprises of tables and charts, it gives the tabular distribution of the collected data, analyzed percentage values, graphical representation results.

Chapter : 5

This chapter deals with the findings of the study and gives suggestion that the researcher put forward to the management.

Ω ORGANIZATION PROFILE *Ω*

CHAPTER 2

ORGANISATION PROFILE

2.1 History of the organisation

Jet Airways, which commenced operations on May 5, 1993, has within a short span of 14 years established its position as a market leader. The airline has had the distinction of being repeatedly adjudged India as Best Domestic Airline and has won several national and international awards.

IATA Membership: Active Member and a member of the IATA Clearing House. Also a participant of the IATA Multilateral Agreement for Passengers and Cargo Traffic.

IATA Operational Safety Audit (IOSA) Registration: Jet Airways (India) Ltd. has earned the distinction of receiving the IATA Operational Safety Audit (IOSA) Registration. The airline has successfully completed the Operational Safety Audit and has entered into the IOSA Registry.

It is a quality audit programme under the continuing stewardship of IATA (International Air Transport Association). It is a globally recognized and accepted benchmarking and evaluation system for assessing the operational management and control systems of an airline. IOSA uses internationally accepted quality audit principles that ensure the audits are conducted in a standardized and consistent manner. Airlines use IOSA Registration for a variety of benefits, which include improving Safety within the airline, code share facilitation, and audit reduction.

With the implementation and international acceptance of IOSA the industry has achieved the benefits of cost-efficiency through a significant reduction in audits. The focus and scope of the IOSA audit is on proper documentation and implementation of standard operating procedures in various operational areas of the airline such as, Flight Operations, Aircraft Engineering and Maintenance, Flight Dispatch, Cabin Operations, Security, Ground Handling and Cargo.

The IOSA Programme is recognized by the member airlines of IATA as a benchmark for airline safety and quality.

Jet Airways also offers an exclusive portal for travel agents. Whitney 127 engines. The average age of the fleet is 5.3 years making it the operator of the youngest aircraft fleet in Asia. Jet Airways will be the most preferred domestic airline in India. It will be the automatic first choice carrier for the travelling public and set standards, which other competing airlines will seek to match. Jet Airways will achieve this pre-eminent position by offering a high quality of service and reliable, comfortable and efficient operations. Jet Airways will be an airline which is going to upgrade the concept of domestic airline travel - be a world class domestic airline. Jet Airways will achieve these objectives whilst simultaneously ensuring consistent profitability, achieving healthy, long-term returns for the investors and providing its employees with an environment for excellence and growth.

2.2 Management

Naresh Goyal (58), the founder Chairman of Jet Airways, India premier airline, has over 37 years of experience in the Civil Aviation industry. He is the recipient of several national and international awards.

Mr. Goyal served on the Board of Governors of the International Air Transport Association (IATA), from 2004-2006. This is the first time that the Chairman of a private airline of India was elected to IATA prestigious Board of Governors.

After graduating in Commerce in 1967, Mr. Naresh Goyal joined the travel business with the GSA for Lebanese International Airlines. From 1967 to 1974 he underwent extensive training in all facets of the travel business through his association with several foreign airlines. He also extensively travelled overseas on business during this period.

With the experience, expertise and technical know-how thereby acquired, in May 1974, Mr. Naresh Goyal founded Jet air (Private) Limited with the objective of providing Sales and Marketing representation to foreign airlines in India. He was involved in developing studies of traffic patterns, route structures, operational economics and flight scheduling, all of which has made him an authority in the world of aviation and travel.

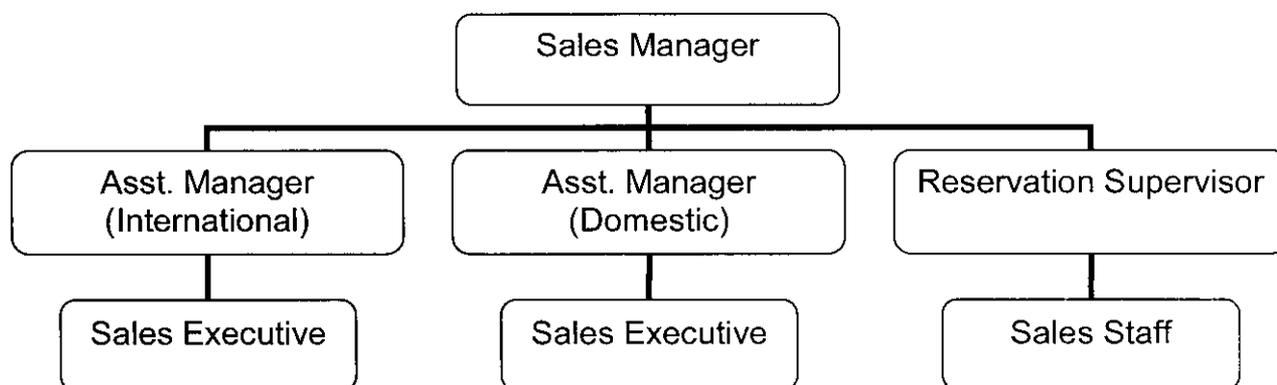
In 1991, as part of the ongoing diversification programme of his business activities, Mr. Naresh Goyal took advantage of the opening of the Indian economy and the enunciation of the Open Skies Policy by the Government of India to set up Jet Airways for the operation of scheduled air services on domestic sectors in India. Jet Airways commenced commercial operations on May 05, 1993.

In 14 years, Jet Airways has emerged as India largest private domestic airline and has been acclaimed by frequent travellers as the most preferred carrier offering the highest quality of comfort, courtesy, standards of ground and in-flight services and reliability of operations. Jet Airways currently operates a fleet of 2- Boeing 777-300 ER, 47 New and Next-Generation Boeing 737s, 2 Airbus 340-300E, 4 Airbus A330-200 aircraft and eight ATR72-500s turbo-prop aircraft. With over 340 daily flights, the Airlines network connects 50 destinations, of which six are international, i.e. London, Singapore, Kuala Lumpur, Bangkok, Colombo and Katmandu.

Chairman, Naresh Goyal received the first BML Munjal Award for Excellence in Learning & Development in the Private Sector category from the Honorable Minister for Civil Aviation, Shri Praful Patel along with a citation at a special function at Hotel Maurya Sheraton, New Delhi on January 6, 2006.

The Prime Minister, Dr Manmohan Singh presented the first NDTV Profit Business Award 2006 to Jet Airways, which was received by the Chairman Naresh Goyal at a glittering function at Taj Palace Hotel on July 28, 2006. The award, in the aviation category, is to salute the men and women who fuel India journey to the forefront of the World Economy.

2.3 Organisation Structure



2.4 Competitive strength of the Company

Jet Airways, India's most preferred airline, is now giving the world a better choice in the skies. The airline operates over 340 flights daily across 44 destinations within India and also operates flights to Nepal, Sri Lanka, Singapore, Malaysia, United Kingdom, Thailand, Belgium & United States of America on one of the youngest and best maintained fleets. Jet Airways plans to extend its international operations further in North America, Europe, Africa & Asia in the coming years with the induction of wide-body aircraft into its fleet.

MACRO & MICRO ANALYSIS

CHAPTER 3

MACRO-MICRO ANALYSIS

Macro perspective

The Indian aviation industry, have shown continued growth in recent years with key drivers being positive economic factors (including high GDP growth), industrial performance, corporate profitability/expansion, higher disposable incomes and growth in consumer spending as well as wider availability of low fares. In the period of April-September 2006, the total aircraft movements witnessed an increase of 29.6% year-on-year to 494.92 thousand aircraft movements, compared to 318.89 thousand during April-September 2005. In September 2006 period, the total passenger traffic has shown an increase of 31.1% year-on-year as compared to September 2005.

The Indian domestic market has been growing at almost 50% in 1st half of 2006. On average, full service carriers are bleeding a remarkable 1.5% of market share every month to LCCs. India Aviation report provides in-depth analysis, built on 2004 and 2005 year-end market data, and updated statistics for Q1-Q2 2006. Packed with tables and graphs from our own CEIC statistics databases, and expert views from our own on-the-ground analysts, this report delivers a thorough yet easily digested overview of the Indian Aviation market, keeping you up to speed and ahead of the curve on industry developments.

Micro perspective

Jet Airways, India's most preferred airline, is now giving the world a better choice in the skies. The airline operates over 340 flights daily across 44 destinations within India and also operates flights to Nepal, Sri Lanka, Singapore, Malaysia, United Kingdom, Thailand, and Belgium & United States of America on one of the youngest and best maintained fleets. Jet Airways plans to extend its international operations further in North America, Europe, Africa & Asia in the coming years with the induction of wide-body aircraft into its fleet.

As an Indian Corporate Body, Jet Airways also recognises its responsibility to the Society and Nation. Consequently, in 1998 Jet Airways launched its Yellow Rose campaign. People are like roses, and like the flower they require friendship, warmth and caring. Jet Airways has striven not only to extend these qualities to its passengers, but also to the country in times of crises or calamities.

≈ DATA ANALYSIS & INTERPRETATION ≈

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

4.1 PERCENTAGE ANALYSIS

Table No. 4.1.1 – Distribution of respondents on the basis of age category

Age	No. of respondents	Percentage
Below 18	9	9
18 – 24	12	12
25 – 34	12	12
35 – 44	13	13
45 – 54	21	21
55 – 64	32	32
Above 64	1	1
Total	100	100

INFERENCE

From the above table it can be seen that most of the respondents belong to the age group of 55 – 64, (i.e. 32%), 21% of the respondents are between the age group of 45-54, 13% of the respondents belong to the age group of 35-44, 12% of the respondents belong to the age category of 25-34 & 18-24 and 9% below 18.

Chart No. 4.1.1 – AGE CATEGORY

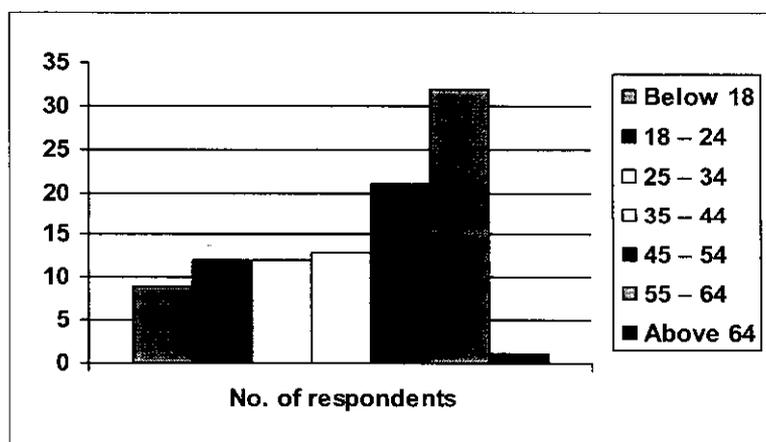


Table No. 4.1.2 – Distribution of respondents on the basis of occupation.

Occupation	No. of respondents	Percentage
Business	15	15
Employed	46	46
Housewife	11	11
Professional	12	12
Student	14	14
Others	2	2
Total	100	100

INFERENCE

From the above table it can be seen that majority (46%) of the respondents are employed. 15% of the respondents belong to the business category, 14% of the respondents belong to the student category, the percentage of professional people is 12% and housewives are 11%.

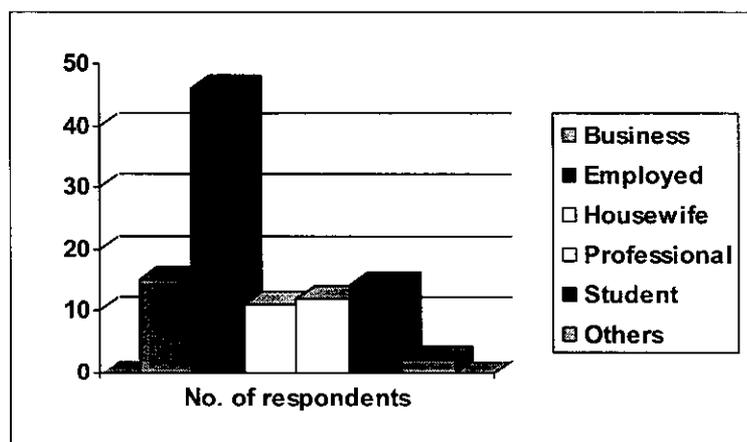
Chart No. 4.1.2 - OCCUPATION

Table No. 4.1.3 – Distribution of respondents on the basis of frequency of using air service.

Usage	No. of respondents	Percentage
Less than 6 months	14	14
6 months – 1 year	20	20
1 – 3 years	33	33
Over 3 years	27	27
Never Used	6	6
Total	100	100

INFERENCE

From the above table it can be seen that most of the respondents use the air service within the period of 6 months – 1 year (46 %), 18% of them use less than 6 months, 16 % more than 3 years and 4 % of the respondents use between 1- 3 years.

Chart No. 4.1.3 - FREQUENCY OF USING AIR SERVICE

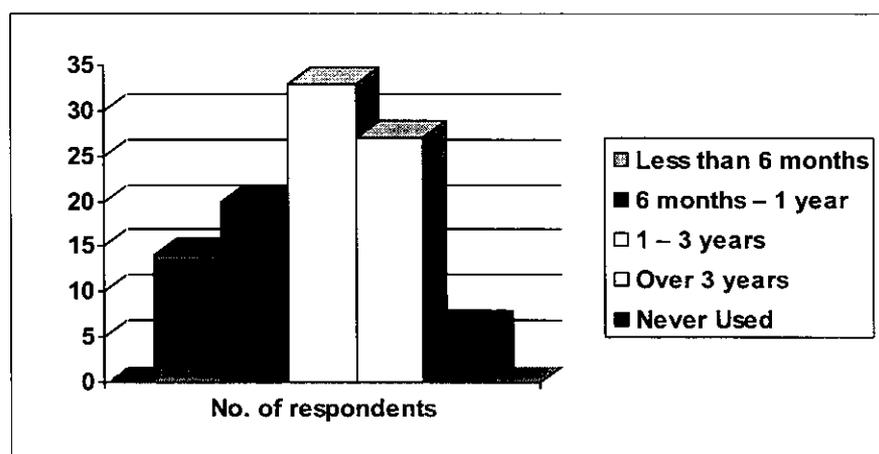


Table No. 4.1.4 – Distribution of respondents on the basis of frequency of service.

Frequency	No. of respondents	Percentage
Frequently	2	2
Once in a while	32	32
Occasionally	12	12
Rarely	44	44
Tourist Package	10	10
Total	100	100

INFERENCE

From the above table it can be seen that frequency of service used by the respondents, 44% of the respondents use the service rarely, 32% of them use the service once in a while, 12 % use occasionally, 10 % use tourist package and 2 % of them use frequently.

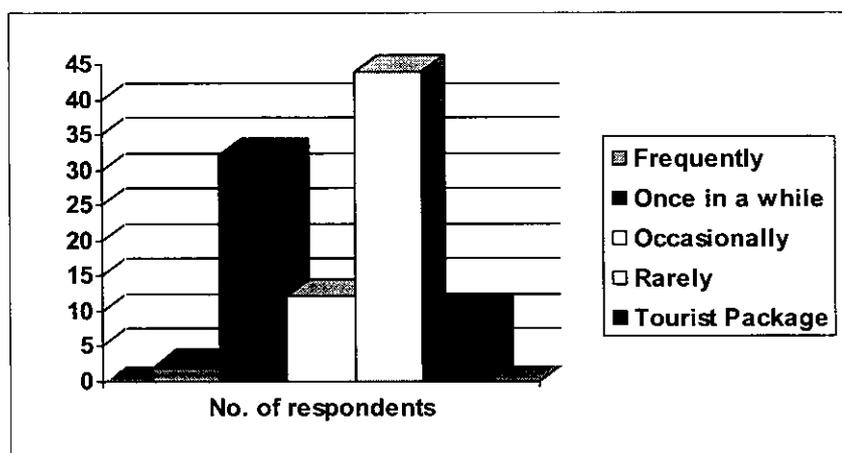
Chart No. 4.1.4 - FREQUENCY OF SERVICE

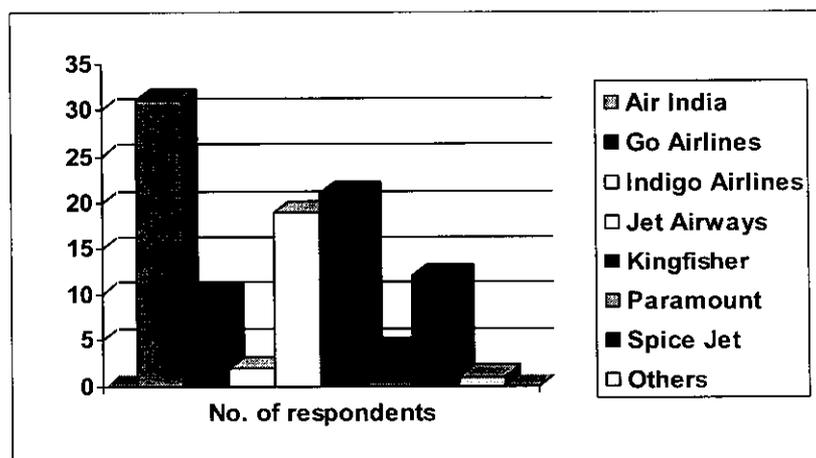
Table No. 4.1.5 – Distribution of respondents on the basis of perception

Perception	No. of respondents	Percentage
Air India	31	31
Go Airlines	10	10
Indigo Airlines	2	2
Jet Airways	19	19
Kingfisher	21	21
Paramount	4	4
Spice Jet	12	12
Others	1	1
Total	100	100

INFERENCE

From the above table it can be seen that 31% of the respondents have planned to use the service of Air India, 21% of them have preferred Kingfisher, 19% of them have preferred Jet Airways, 12% Spice Jet, 10% of them have selected Go Airlines, 4% paramount and 2% indigo airlines.

Chart No. 4.1.5 – PERCEPTION



ANNEXURE

2

ANNEXURE

Questionnaire

Please take a few moments to complete the service satisfaction survey. Your responses will help us to address any issues that you may have as well as to better target the services to meet your needs. Your responses will be kept highly confidential. This questionnaire will take approximately 5 minutes to complete.

1. How long have you been using the air service?

- < 6 months 6 months to 1 year 1 to 3 years over 3 years
 Never used

2. How often do you use the service?

- Frequently Occasionally
 Once in a while Rarely Tourist Package

3. How important are the following characteristics, when availing this type of service?

Characteristics	Extremely Important	Very Important	Somewhat Important	Not much Important	Not at all Important
Quality of service					
Price					
Cuisines					
Duration					
Reputation of the Company					

4. Presently in which Airline you have planned to fly?

- Air India Go Airlines IndiGo Airlines
 Jet Airways Kingfisher Paramount Airways
 SpiceJet Others (specify)

5. Thinking of your most recent experience with your Airline, how much do you agree with the following statements?

	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Somewhat Disagree	Strongly Disagree
Service worth the Price					
Service does what I need					
Cuisines					
Competitively Priced					
Duration taken					
Access to the service					

6. What do you feel about the prevailing services provided by your Airline?

	Definitely	Probably	Not Sure	Probably Not	Definitely Not
Are your expectations met?					
Your opinion over the charges.					
Would you use the same Airline in future?					
Would you recommend someone for a fly?					
Is professionalism required for stewards?					

7. From where did you buy your ticket(s)?

- Agency City Office Web Portal
 Airport Office Other source

8. Which International Airline suits you the best?

- Air India American Airlines British Airways
 Cathy Pacific Continental Airways Delta Airlines
 Emirates Jet Airways Lufthansa
 Qatar Airways Singapore Airlines Others (specify)

9. The fly you're going to make is afforded by

- Self Company/Office Friends/Relatives
 Complementary Awards/Prizes Others (specify)

10. (a) Whom do you prefer as the finest airline to fly in domestic?

- Air Deccan Air India Go Airlines
 IndiGo Airlines Jet Airways Kingfisher
 Paramount SpiceJet Others (specify)

(b) What makes it the finest in your point? (Check all that apply)

- Service Price Duration
 Cuisine Reputation Advertisement
 Brand Name Accessibility Complaint Handling
 Frequency

11. Which category describes your age?

- below 18 18 - 24; 25 - 34;
 35 - 44; 45 - 54; 55 - 64; above 64

12. What is your employment status?

- Business Employed Housewife
 Professional Student Others (specify).....

13. Do you have any additional opinion about your experience or suggestions on how the aviation business can be improved?

Thank you for your time and valuable input.

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Table No. 4.1.6 – Distribution of respondents on the basis of purchase mode.

Mode	No. of respondents	Percentage
Agency	69	69
City Office	0	0
Web portal	18	18
Airport Office	13	13
Others	0	0
Total	100	100

INFERENCE

From the above table it can be clearly seen 69% of the respondents do use the agency services, 18% of them visit web portals, and 13% of them go to airport office to get their tickets.

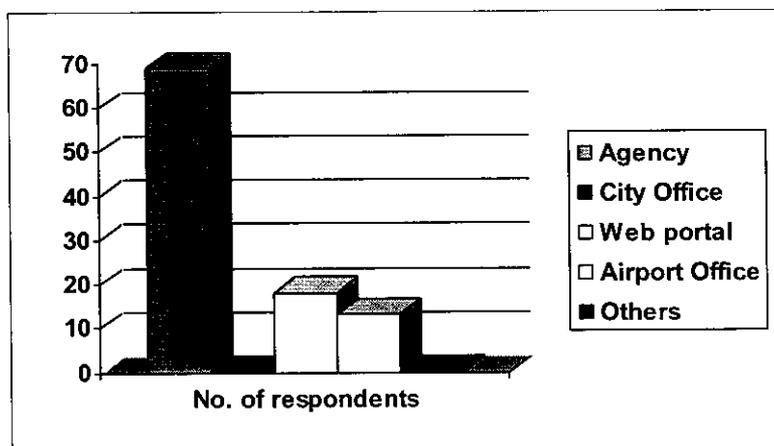
Chart No. 4.1.6 – PURCHASE MODE

Table No. 4.1.7 – Distribution of respondents on the basis of perception internationally

International Airline	No. of respondents	Percentage
Air India	39	39
American Airline	10	10
British Airways	5	5
Cathy Pacific	0	0
Continental Airways	0	0
Delta Airlines	1	1
Emirates	2	2
Jet Airways	30	30
Lufthansa	1	1
Qatar Airways	0	0
Singapore Airlines	12	12

INFERENCE

From the above table, to fly overseas, 39% of the respondents have planned to use the service of Air India, 30% prefer Jet Airways, 12% prefer Singapore Airlines, 10% prefer American Airlines, 5% of them have selected British Airways, 2% Emirates and 1% for Lufthansa and Delta airlines.

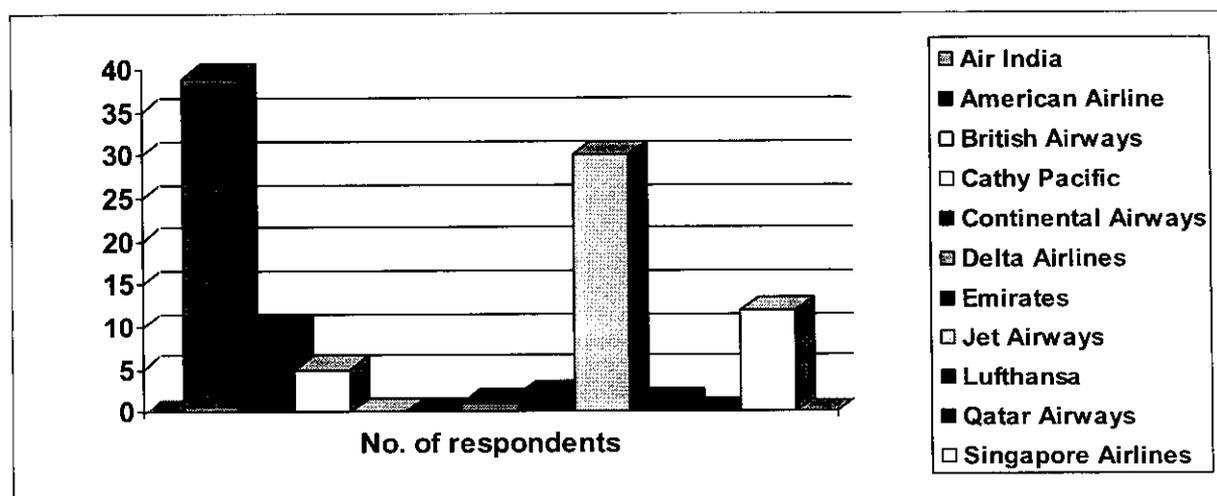
Chart No. 4.1.7 – PERCEPTION INTERNATIONALLY

Table No. 4.1.8 – Distribution of respondents on the basis of affordability.

Affording Sponsor	No. of respondents	Percentage
Self	43	43
Company / Office	19	19
Friends / Relatives	34	34
Complementary	4	4
Awards / Prizes	0	0
Others	0	0
Total	100	100

INFERENCE

From the above table it can be clearly seen that 43% of the respondents do travel on spending personally, 34% travel with the offers from their friends and relatives, 19% travel officially, and 4% use the air service as complementary.

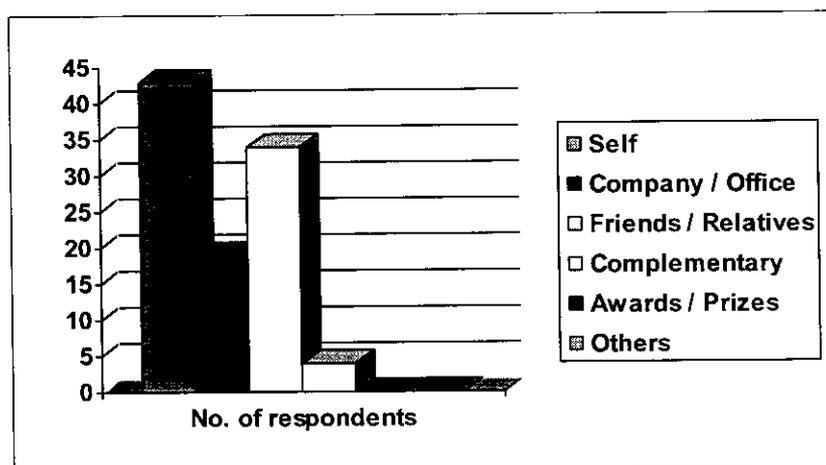
Chart No. 4.1.8 – AFFORDABILITY

Table No. 4.1.9 – Distribution of respondents on the basis of domestic choice.

Source	No. of respondents	Percentage
Air Deccan	3	3
Air India	53	53
Go Airlines	0	0
Indigo Airlines	5	5
Jet Airways	23	23
Kingfisher	13	13
Paramount	3	3
SpiceJet	0	0
Others	0	0
Total	100	100

INFERENCE

From the above table it can be seen that, to travel in domestic, 53% of the respondents have planned to use the service of Air India, 23% of them have preferred Jet Airways, 13% of them have preferred Kingfisher, 5% for IndiGo Airlines, followed by 3% for Paramount and Air Deccan respectively.

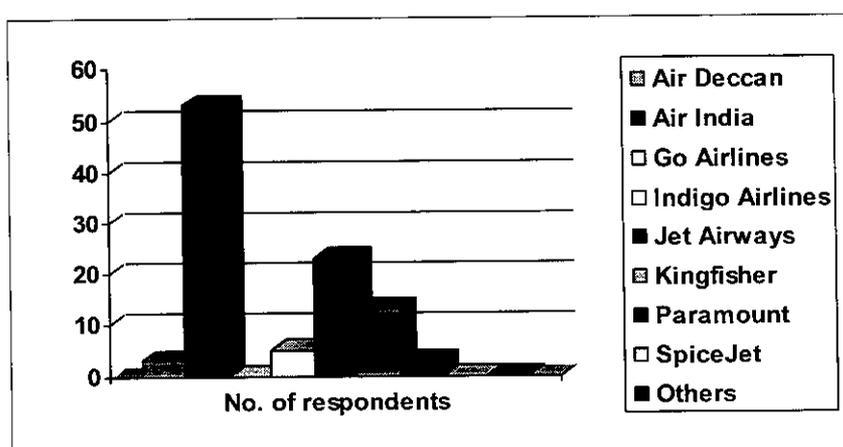
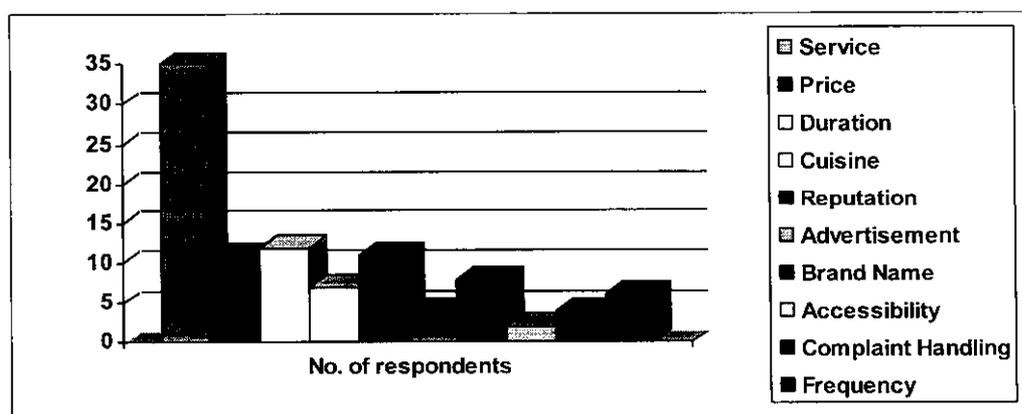
Chart No. 4.1.9 – DOMESTIC CHOICE

Table No.4.1.10 – Distribution of respondents on the basis of certain specifications

Specifications	No. of respondents	Percentage
Service	35	35
Price	11	11
Duration	12	12
Cuisine	7	7
Reputation	11	11
Advertisement	4	4
Brand Name	8	8
Accessibility	2	2
Complaint Handling	4	4
Frequency	6	6
Total	100	100

INFERENCE

From the above table, 35% of the respondents have planned to use the service of Air India, 23% of them have preferred Jet Airways, 13% of them have preferred Kingfisher, 5% for IndiGo Airlines, followed by 3% for Paramount and Air Deccan respectively.

Chart No. 4.1.10 – CERTAIN SPECIFICATIONS

4.2 MEAN SCORE ANALYSIS

Table No.4.2.1 - Perception on various factors on the level of expectations

Factors	MEAN SCORE	RANKS
Phase – 1		
Quality of service	1.55	1
Price	1.76	2
Cuisines	1.91	4
Duration	1.81	3
Reputation	1.96	5
Phase – 2		
Worthiness	1.53	1
Needs Fulfilled	1.83	3
Food & Beverages	2.32	6
Competitively Priced	1.86	4
Duration taken	1.78	2
Access to the service	1.98	5
Phase – 3		
Expectations met	1.59	1
Opinion over the charges	1.89	4
Same Airline usage	1.77	3
Recommendation	2.00	5
Professionalism of Stewards	1.61	2

INFERENCE

From the above table it can be inferred that, Worthiness of service for price is the most expected factor in view of the respondents, followed by, Quality of service, Expectations met, Professionalism of Stewards, Price, Same usage of Airline, Duration taken, Needs fulfilled, Competitively priced, Opinion over the charges, Cuisines, Reputation, Access to the Service and Recommendation.

4.3 CHI-SQUARE ANALYSIS

In order to understand the influence of Demographic Variables on factors leading to the expectations of the passengers, the Chi-Square test is performed at 5% significant level. Demographic variables selected are Age and Occupation and the findings are presented below.

H_0 : Age does not have significant influence on the expectation factors.

The above hypothesis is tested and the findings are presented below.

Table 4.3.1 - Influence on the Demographic Variables Age

Factors	Age	
	X^2	P
Quality of service	23.766	0.001
Price	48.959	0.000
Cuisines	104.600	0.000
Duration	135.545	0.000
Reputation	95.021	0.000

INFERENCE

From the above table, it can be seen that the demographic variable Age has a significant influence on all the factors of expectation.

H_0 : Occupation does not have significant influence on the expectation factors.

The above hypothesis is tested and the findings are presented below.

Table No. 4.3.2 - Influence on the Demographic Variables Occupation

Factors	Occupation	
	X²	P
Quality of service	42.296	0.000
Price	71.465	0.000
Cuisines	66.431	0.000
Duration	68.919	0.000
Reputation	67.152	0.000

INFERENCE

From the above table, it can be seen that the demographic variable occupation has a significant influence on all the factors of expectation.

FINDINGS, SUGGESTIONS
& CONCLUSION

CHAPTER 5

FINDINGS

RESULTS AND DISCUSSIONS

- ❖ Around 33% are travelling for past 1 to 3 years.
- ❖ The Gen-Y (born between 1977 & 1994) is only 12% among the respondents.
- ❖ 44% being majority have travelled rarely.
- ❖ Major respondents pay attention mainly to the service provided, who are also very price conscious.
- ❖ Duration for the travel is considered as a main element.
- ❖ Reputation and Brand Name also plays a very vital role.
- ❖ Passengers are somewhat satisfied in the cuisines with 31%.
- ❖ In both Domestic, as well as, International, AirIndia takes lead followed by Jet Airways.
- ❖ Over 53% definitely agree to recommend others to travel in their preferred airline.

SUGGESTIONS

The recommendations give to the organization are :

- Since 69% buys the ticket from agency, special offers can be made to increase the sales in other modes too.
- Being in second position, it is the high time to make a giant leap.
- The airline is preferred mainly because of its service which is made it, the finest.
- The major flyers are between 55-64 with 32%, and so additional steps are to be made to attract other age group travellers.
- Special focus shall be made on the Generation Y.

CONCLUSION

The economic potential of tourism is impressive and this integrated marketing plan aims to maximise the benefits tourism can generate. *“There are no riders and no undercutting involved. It's all very transparent. We are targeting an entirely new passenger segment through this novel scheme.”* -**Uttam Kumar Bose, CEO, Air Sahara, Commenting on the 'Steal a Seat' campaign.**

Positive perceptions of Jet Airways and its incredibly diverse range of attractions have grown substantially since 1993, through well targeted marketing strategies promoting the State. However, in a dynamic and rapidly growing industry, marketing strategies must also be flexible. Competition for the tourist money is intense.

The findings would enable the organisation to make changes and improvements to the passengers' choice and recommendations.