

Marketing project assignment

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Product's market segmentation 1) Geographic characteristics The geographic characteristics of the target market of AirAsia are obviously Asian people. The name of the company, AirAsia, and its development in all the different countries of Asia is the proof that they target people from all Asia. They try to respond to a domestic demand. Concerning their subsidiary AirAsia X, the target market is not the same as they try to attract people from Australia, Europe and Middle-East who want to visit the Asian region.)

Demographic characteristics Concerning demographic characteristics, AirAsia is not targeting a specific demographic group. It is mostly based on the social status or the average budget of the customers. AirAsia mainly target workers or low pay salaries earners. It could also be categories like students who have not a lot of money. 3) Psychographic and behaviour characteristics AirAsia targets people who want to travel in Asia for leisure or business purposes. Their main purchasing motivations are the price and the simplicity for buying and check-in.

Moreover, as the Chief Executive Officer of AirAsia explained, they target people who would like to travel often to meet their families especially during special occasions but due to how expensive it was that time, their desire are not fulfilled. By introducing a low fare will give all those people opportunity to travel if not more than once in a year. They mostly create a specific target market. III. The corporation's brand positioning comparing with other similar organizations In order to map and measure the AirAsia's brand positioning, I have first decided to compare it with two similar organizations, Lion Air and EasyJet.

Then, I will conclude on the brand positioning of AirAsia. 1) A regional opponent: Lion Air PT Lion Mentari Airlines, operating as Lion Air, is Indonesia's largest privately-run airline. Based in Jakarta, Indonesia, Lion Air flies to cities within Indonesia and to Singapore, Vietnam, Malaysia and Saudi Arabia. It operates scheduled passenger flights on an extensive network from Jakarta to 56 destinations. Lion Air is one of the main competitors of AirAsia and they are on the same market (Asia).

I also decided to make the comparison because I have myself hesitated between these two airlines to make a purchase because they both offer the lowest fares for a flight between Jakarta and Bali. First, Lion Air's positioning is not as clear as AirAsia's one for diverse reasons. Primarily, I thought Lion Air was a low-cost airline because of the cheap prices the airline could offer but in analyzing it seems that Lion Air was composed of different subsidiaries like Wings Air which those could be considered as low-cost airline.

So, we easily understand that their slogan was not focused on the price like for AirAsia: " We make people fly'. In fact, they insist on their core product: flight services. Even if we could imagine that the positioning is completely different, these two organizations are well similar. So, these remarks can lead us to understand many things about AirAsia's positioning. First, their strategy is to emphasize on their advantage, the low price; and they succeed to create a strong brand, even though their diverse subsidiaries, around a unique name and an only image.) An European example: EasyJet EasyJet Airline of the United Kingdom, measured by number of passengers carried, operating domestic and international scheduled services over 500 routes in Europe, North Africa, and West Asia. The airline has been characterised by its <https://assignbuster.com/marketing-project-assignment-essay-samples/>

rapid expansion, a result of the deregulation of the aviation industry in Europe, and the success of its low-cost business model. In 2010, EasyJet carried approximately 43 million passengers and is the second-largest low-cost carrier in Europe.

So nowadays, EasyJet is one of the major actors of the airline industry in Europe and one of the most famous low-cost airline companies. I chose to make the comparison between these two companies for diverse reasons. First, AirAsia is based on the same business model than EasyJet in being positioned on the segment of low fares. They offer the same core product (flight) and a range of similar services (on-flight services, hotel booking, car rental, etc.). The groups have known identical developments by acquisitions and alliances.

In fact, the main differences between these two corporations are their markets in geographical terms (Europe/Asia) and their position in the product life cycle. EasyJet is now a mature product whereas AirAsia is still in the growth phase because the Asian market is fuelled by a consumer demand for low-cost air travel but we will see if there is an incidence on the brand positioning. As far as brand positioning is concerned, the two brands are well-known and recognized in their respective markets.

EasyJet's first marketing strategy was based on "making flying as affordable as a pair of jeans" so there is an obvious similarity with the AirAsia's slogan "Now Everyone Can Fly". The criteria price is the core of their business model. These are low-cost airlines and they have to communicate on that. Now, the EasyJet slogans have evolved to focus on the brand itself. The current

slogans are for example “ Europe by easyJet” or “ Business by easyJet”. They also used “ The web’s Favourite Airline” in order to create a customer’s affiliation to the brand and to make the brand EasyJet something particular.

Concerning AirAsia’s positioning, they still use slogans focused on their main assets: the price and the quality of service (“ Now Everyone Can Fly’, “ The best low-cost airline”). We can conclude that these similar organizations are not at the same stage of their brand positioning as the model of EasyJet is more mature. 3) AirAsia’s Brand positioning From the two previous comparisons, we could profile the brand positioning of AirAsia. First, their marketing strategy is to create a strong brand with a unique image and logo for all their companies.

They build a slogan around the asset of their core product: the low price making affordable flight travel for everyone. It is also a means to target everyone. From the analysis with EasyJet, we also understand that the brand positioning is not at a mature point even if AirAsia is well-known on their market. However, their strategy is to show that the group is a leader in their product category in Asia by making in emphasis that they are “ the best low-cost airline”. <http://rinakurniawati.wordpress.com/2012/12/30/tourism-marketing-the-example-of-airasia/>