



Do Airlines Really Need to Worry About A Consistent Brand Image Across Distribution Channels?

They had better! We've all heard that in real estate it's location, location, location – not price, not color, not size – that sells. Sure all those other things have an impact on consumers' willingness to buy, but make no mistake; it's *location* that sells. And in the airline world, the mantra needs to be brand, brand, brand, not just whose got the lowest price. The success of creative airline merchandising reinforces that the buying decision encompasses a lot more factors—schedule, route structure, network, loyalty program, in-flight services, and all the services/options that make up a traveler's desired trip experience. What do we call that collection of things in the mind of the traveler? Your Brand!

Now I am over doing it a bit to make my point, but an airline's brand is significantly important, and *yet it is far too often considered an afterthought*, relegated to the world of logos and paint jobs (of course, they count too) or erroneously labeled per airline category such as Low Cost Carrier (LCC) or Premium Service Carrier. As many of us prepare to attend this month's World Low Cost Airline Congress, it's appropriate to point out the danger of talking about LCCs as if they all share the same "low cost" brand because like every other airline, Low Cost airlines have a range of differing brands and even sub-brands. There's low cost and fun (remind you of anyone?), low cost and vacation spot oriented, low cost and comfortable, bare bones low cost (the now defunct SkyBus comes to mind here), and so forth. And that's just skimming the surface of how one airline chooses to differentiate itself from others.

So let's assume you have clearly established your airline **Brand** (with a capital B!), and you've managed to successfully reflect that Brand in everything your target customer hears about you, buys from you, and experiences with you... in good times and in bad. You're set up to drive loyalty and repeat ancillary and merchandising revenue through that Brand. Sounds good, right?

But here's the rub. How will this fabulous Brand of yours be translated to your potential customer across various distribution channels and touchpoints? Tricky, isn't it? Boy, this was sure a whole lot easier when all airlines had to worry about communicating was a schedule and a set of static fares. But face it, those days are gone. *Seriously, they are gone so get over it and trying to keep consumers in this world will put serious dents in your brand and probably your revenue as well.*

"But wait, I only sell on my website. I don't have to worry about multiple distribution channels!" Well this may be partly true. If your airline is only distributing through your web site today, you are one of the lucky ones because you actually have some control over the distribution of your Brand (unless of course you have turned that over to a third party that has their interests ahead of yours, and yes there are a few of those out there). The larger question is: how will you stretch your Brand beyond today's generation of dotcom and seamlessly integrate with mobile and other touchpoints without losing brand control? In the current state of affairs, if you have a requirement or even a desire to stretch your distribution reach to other channels such as OTAs, travel agencies, and corporate bookings tools, then it's "Houston, we have a problem". Your brand



control diminishes greatly, maybe even all together. Because in these channels, your Brand—your “crown jewels” of customer loyalty—is reduced to someone else’s view of brand and selling... and maybe in fact, just a two-letter code. Putting it generously, the airline Brand in third party channels has historically been underwhelming.

But there’s good news. Things are changing. Now don’t expect overnight change here, but I assure you change is underway that will give you back that Brand with a capital B. IATA’s ever-so-controversial NDC project is part of it. Airlines bringing in retailing talent is part of it. New technologies that put the airline in control of its merchandising, pricing, and distribution rules across channels (such as the Farelogix Airline Commerce Gateway) are part of it. But arguably the biggest driver here is... wait for it... consumer demand! Consumers are finally getting a taste of how they can customize their trips right to their liking, and they love it! That’s right, consumers are eating up this brand identity thing. And by brand identity I am referring to how an airline positions itself through the various distribution channels and give travelers clear, value-added choices like Fare Families, Branded Fares, Bundled Products (dynamic or preset), ancillary packages, premium all-inclusive deals. These new strategies are revolutionizing the airline Brand – and generating More Revenue and Happy Customers like never before, but don’t take my word for it, look at the numbers. According to a 2013 J.D. Power & Associates study, consumer satisfaction with airlines is at its highest point since 2006, while airlines enjoyed profits of \$7.6 billion in 2012, and it looks like both of these trends are only set to continue on upwards.

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