

# Social Media as a Marketing Tool: Its Effectiveness in Promoting Arline Business

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## Abstract

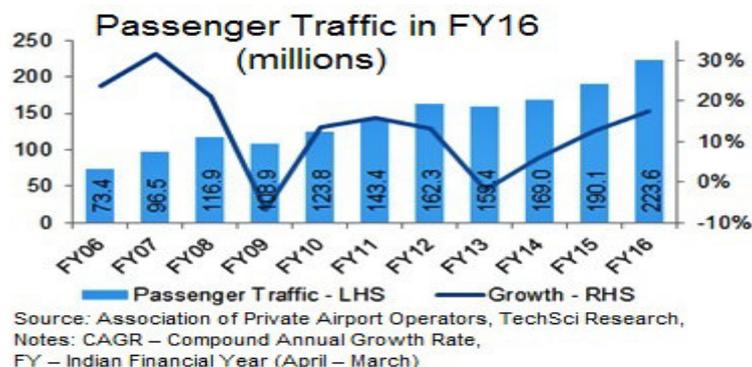
In the digital era, social media is playing a significant role in creating impact on businesses. Its use as a promoting tool on airline business is no exception. In addition to traditional marketing tools, airlines today, have started using digital tools to reach out towards masses (Keith A. Quesenberry Harvard Business Review 2016). Airline business have their official pages on social media sites such as Facebook, twitter, LinkedIn and also promote themselves through e-commerce service providers (Bendik Bygstad - Norwegian School of IT 2010). This helps them to gain competitive advantage and promote customer engagement (Dokyun Lee et al. The Wharton School 2013). This paper explores social media role in e-commerce by systematic review of literature. The findings of the study throws lights on how effective is social media as a tool in promoting airline business. The paper opens discussions on extent to which promotions through social media influence customers in their purchase decision.

**Keywords:** Airline, Digital Marketing, Facebook, Instagram, Social media, Twitter

## 1. INTRODUCTION

### 1.1 Indian Airline Industry:

An airline is a company that offers air transport facilities for passengers travelling and freight movement. Services offered by airlines can be categorized into regional, domestic, intercontinental and international and may be operated as scheduled services or charters (Airline Marketing and Management - Stephen Shaw). Airline Industry in India is growing a rapid pace. India becomes 3rd largest aviation market in domestic traffic (Business Today March 26, 2017). India's domestic air passenger traffic stood at 100 million in 2016 (Business Today March 26, 2017). By 2020, it is likely to become third largest aviation market in the world and perhaps the largest by 2030.



The determinants to quantum growth include Low cost carriers, newer and better airports, potential scope of foreign direct investments in domestic airlines, use of advanced information technology, purchasing power of passengers, use of effective marketing tools and significant growth in business (AIMIA Inc 2013). India's market size of Indian civil aviation is around 16 billion USD. Domestic air traffic in India is expected to surpass 100 million passengers by FY 2017 Centre for Asia Pacific Aviation. According to Crisil Ltd, the airlines industry in India are expected to place on records and operating profit of Rs.8,100 crores.

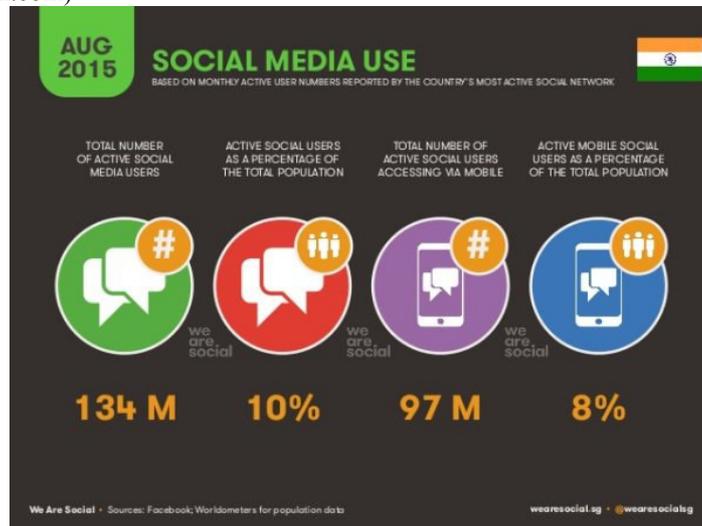
### 1.2 Social media:

Social media refers to the collection of online communications channels reserved to community-based input, interaction, content-sharing and collaboration (Social Media Marketing by Micheal G Solomon 2014). Social media offers digital space for development and exchange of User Generated Content (Aakash Shaw 2016). In commercial sense, the key objective is to promote brands, build preference and increase sales. Few tools to name includes Facebook, Twitter, Instagram, LinkedIn etc.

According to Forbes 'The Developing Role of Social Media in the Modern Business World' (Jessica Bosari, Contributor), 94% of all businesses with a marketing department used social media as part of their marketing platform and 58% of businesses that have used social media marketing for over 3 years reported an

increase in sales over that period.

Social media continues to have a huge influence on business, marketing strategies and the way the business houses keep their customer engaged (How Social Media Can Impact Business, By Mike Kelly - <http://nowsthetimetask.com>)



### 1.3 Use of Social media in airline industry:

Airline Industry in India is adapting to tools and technology offered by social media for growth and development (Jenny Schrader, University of Twente). Social media is used for various reasons including influencing impulse buying (Naveen Gopinathan 2012), communicate about offers and promotions (Andrea Kruszka 2012), product/service marketing, brand building, improve customer experience and enhance travelers experience. It aims at building customer relationships (Megha Y. Patil - IOSR-JBM), interact with customers (Bendik Bygstad 2010), offering real time responses (Keith A. Quesenberry HBR 2016), enhance customer engagement (Charles RUPIN) and gain competitive advantage.



credit: <http://tinyurl.com/pzknrrz>

According to Jay Majumdar, in his writing on 'How Social Media can help the Airline Industry', Published on June 10, 2015, below are few of the primary social media objectives for promoting airline companies business.

- i. Building relationships and creating greater interaction with customers
- ii. Listening and responding in real time
- iii. Building traffic, increasing customer engagement and brand awareness

### 1.4 How The World's Top 7 Airlines Use Social Media:

- i. Qatar Airways: News and events on social and even upselling
- ii. Singapore Airlines: Twitter as a strong tool for branding
- iii. Cathay Pacific: Utilizing social listening to understand their customers better
- iv. Turkish Airlines: Using hashtags to build relevance and authenticity
- v. Emirates: Using a 'theme' on Instagram
- vi. Etihad Airways: Taking audience interaction to the next level, and then some

- vii. ANA All Nippon Airways: Being quirky on Instagram pays off  
Source: <http://www.business2community.com>

## **2. Research methodology**

### **2.1 Statement of the problem:**

Since its inception, social media has played an important role in how people interact with one another. From the business perspective, it contributes as to how organizations communicate and engages prospective customers. As this looks to be a lucrative method for organizations to reach target market, several social media platforms have developed integrated ways to help them to reach their prospective customers. On the other hand companies are facing challenges in driving customers on digital platforms, develop long term relationships, consistently engage customers, communicate about news and events, provide customer responses, building brand and brand loyalty and most importantly on increasing sales. To address the above, this research focuses on understanding the effectiveness of social media in communicating and promoting airlines business.

### **2.2 Research objectives:**

- a. To identify the role of social media in promoting airlines
- b. To measure the effectiveness of social media in promoting airlines business

### **2.3 Tools for data collection and analysis**

- a. Sources of data: Primary and secondary data are used for the study.
- b. Method of data collection: Primary data is collected through questionnaire from travelers available at Bengaluru International Airport, Bangalore.
- c. Secondary data is collected from websites, books, research publication and journals.
- d. Application of Chi-square & SPSS for analysis and hypothesis testing.

### **2.4 Scope of research:**

The research is guided by exploration inquiry into use of ‘Social media as a marketing tool: Its effectiveness in promoting airline businesses’. Social media marketing aims at engaging the customers on the digital space and impacts the choice and decisions made by the customer. The study focuses on understanding the extent to which the use of social media platform impacts Airline business.

### **2.5 Sampling technique:** Non-Probability Sampling - Convenient Sampling

### **2.6 Limitations:**

The implications of research is restricted to the data collected from the survey. The perceptions, opinions, technological progress, digital impacts of/on the customers may vary over a period time. Information collected and analyzed may not reflect the aggregate populace.

## **3. FINDINGS & CONCLUSION**

### **3.1 Finding**

The research finding states that social media plays an important role in promoting airlines. Survey results states that Facebook is the leading social media platform used for promotion, followed by YouTube. To a large extent, social media platforms are used constantly both by airlines and e-commerce service providers to engage customers in promoting airlines. The communication regarding promotional offers are communicated soon after searching about airlines services online. Airline companies and e-commerce players are using social media for influencing people to buy airline services. The test of hypothesis proves that the use of social media acts as an effective marketing tool in promoting airline business.

### **3.2 Conclusion**

The airline and e-commerce companies are exploiting the opportunity of promoting airline business on social media. As larger group of people are connected to and using different social media, they can be accessed easily, faster and at least cost by understanding their specific needs (based on online search). Several analytical tools can be /are being used online to identify and deliver specific needs of customers. However it has to be well understood that, today’s customers are facing the challenge of information overload. This leads to overlooking of certain promotions and offers. Also customer may feel loss of privacy and unnecessary interruption of ads. However, the findings gives a clear picture that use of social media to promote airlines is definitely an essential component. On the contrary, the use of social media should not just end up creating awareness and promotions, but also lead to sale of airline services, thus serving the purpose. The airlines and ecommerce companies should look forward to implement extensively in technology that can track, identify and fulfill the travel needs of

customers. The promotions should lead to sales, thus contributing to revenues.

#### 4. References

##### 4.1 Research Journals

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Flight Plan to Sales Success: New Media Marketing for the Aviation Industry by Paula Williams  
Social Media Marketing by Micheal G Solomon 2014  
Social Media Marketing by Micheal G Solomon & Tracy Tutin

##### 4.3 Weblinks:

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## 5. List of Tables and Charts

### Tables:

**Table. 5.1 Social media plays important role in promoting airlines (Ref: Chart 5.8)**

Opinion	% of Respondents
Yes	86
No	12
Can't say	2

**Table. 5.2 Extent to which different social media platforms play role in promoting airlines (Ref: Chart 5.9)**

Social Media	% of Respondents
Facebook	60
YouTube	28
Twitter	2
LinkedIn	6
Google+	4

**Table. 5.3 Social media is engaging users for promoting airlines (Ref: Chart 5.10)**

Opinion	% of Respondents
Yes	79
No	21

**Table. 5.4 Frequently of communication about promotional offers and news on social media. (Ref: Chart 5.11)**

Opinion	% of Respondents
SOON AFTER SEARCHING ABOUT AIRLINES ONLINE	60
ALWAYS	15
SOMETIMES	20
RARELY	5
NEVER	0

**Table. 5.5 Airline companies and E-Commerce players are using social media for influencing people to buy airline services (Ref: Chart 5.12)**

Opinion	% of Respondents
Yes	75
No	10
Can't say	15

**Table. 5.6 Effectiveness of social media in promoting Airlines (Ref: Chart 5.13)**

Opinion	% of Respondents
Highly Effective	28
Effective	52
Neutral	6
Less Effective	10
Least Effective	4

### 5.7 Hypothesis testing:-

H0: Use of social media does not act as marketing tool in promoting airline business.

H1: Use of social media acts as an effective marketing tool in promoting airline business.

### Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Social Media * Effectiveness	100	100.0%	0	.0%	100	100.0%

### Social Media \* Effectiveness Cross tabulation

Count

	Effectiveness						Total
	.00	Least Effective	Less Effective	Neutral	Effective	Highly Effective	
Social MediaFacebook	1	3	10	6	40	0	60
YouTube	0	0	0	0	12	16	28
Twitter	0	0	0	0	0	2	2
LinkedIn	0	0	0	0	0	6	6
Google+	0	0	0	0	0	4	4
Total	1	3	10	6	52	28	100

### Chi-Square Tests

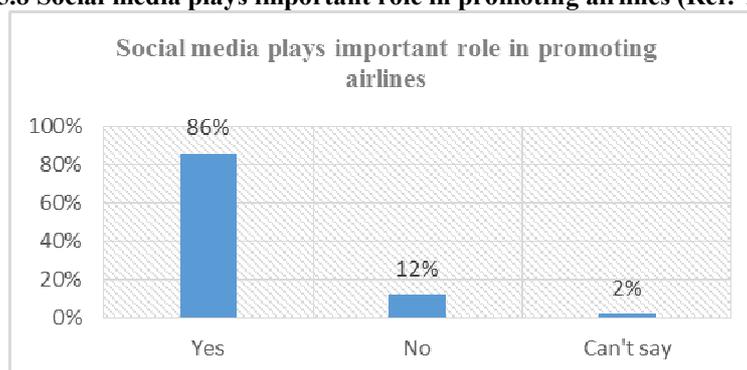
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	70.016 <sup>a</sup>	20	.000
Likelihood Ratio	89.047	20	.000
Linear-by-Linear Association	29.053	1	.000
N of Valid Cases	100		

a. 25 cells (83.3%) have expected count less than 5. The minimum expected count is .02.

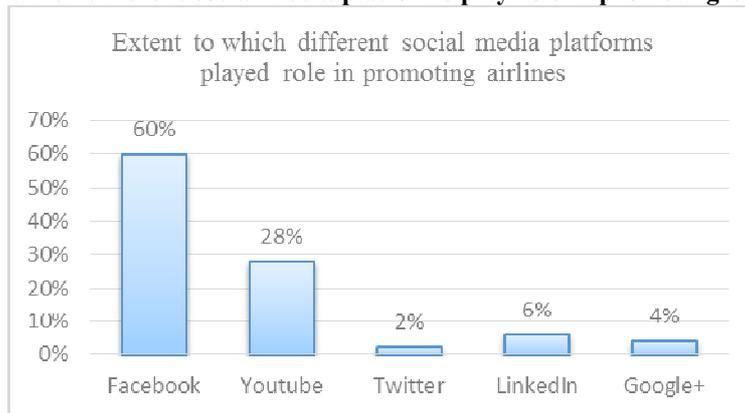
The Chi-square value is 70.016 with 20 degree of freedom and significance value is 0.000 which is less than 0.05. So we reject H0 (Null hypothesis) and accept H1 (Alternate hypothesis). Hence we can say that use of social media acts as an effective marketing tool in promoting airline business.

### Charts

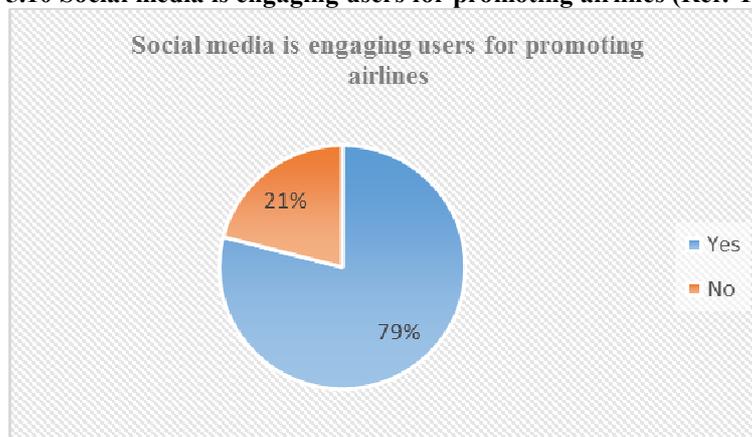
**Chart. 5.8 Social media plays important role in promoting airlines (Ref: Table 5.1)**



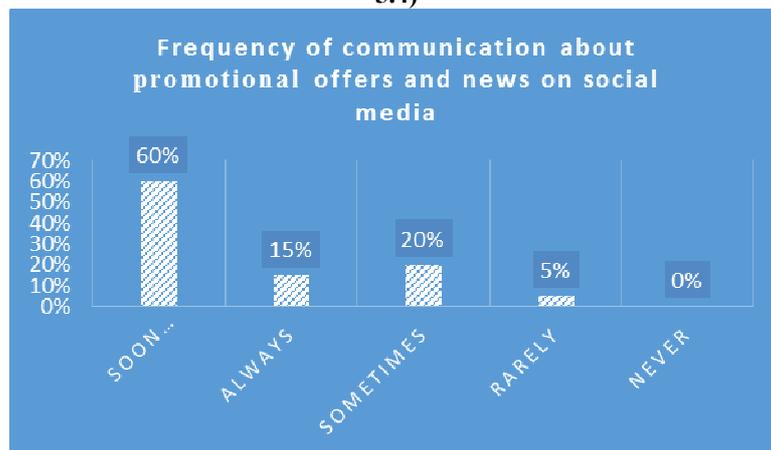
**Chart. 5.9 Extent to which different social media platforms play role in promoting airlines (Ref: Table 5.2)**



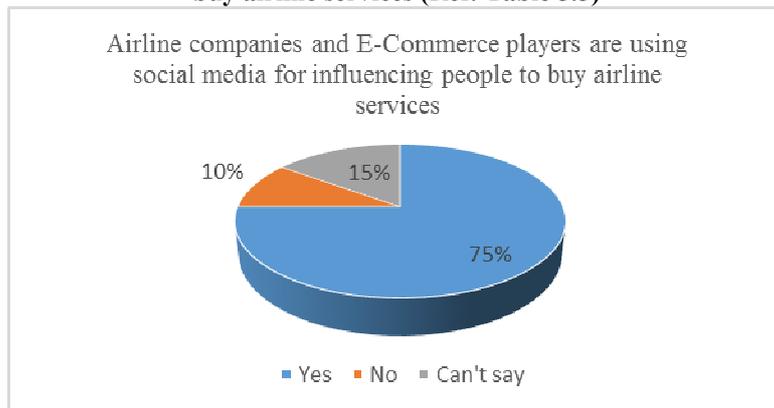
**Chart. 5.10 Social media is engaging users for promoting airlines (Ref: Table 5.3)**



**Chart. 5.11 Frequency of communication about promotional offers and news on social media. (Ref: Table 5.4)**



**Chart. 5.12 Airline companies and E-Commerce players are using social media for influencing people to buy airline services (Ref: Table 5.5)**



**Chart. 5.13 Effectiveness of social media in promoting Airlines (Ref: Table 5.6)**

