

Quadrant II- Transcript

Course Code: COD115

Module Name: Airline Services

Everyone welcome to service marketing class.

In today's session, we'll be covering Airline services, which is a part of tourism and hospitality services.

In this session i will be covering meaning of airline, features of airline product, marketing mix for airlines.

After this session, learner will be able to explain the meaning of airline services, state the features of airline product, discuss the seven P's of airline marketing mix and cite the example of airline product.

So let us begin with the today's session with the **meaning of airline**

Airline is a company that provide air transport services for travelling passengers and freight. It is because of this reason; airline occupies a very significant position in the field of tourism, and especially in the field of international tourism, because international tourism involves the movement of the people from one country to another, travelling thousands of kilometres at one time. So at this stage it is the airlines which help them to make their journey much easier, comfortable, faster and cheapest.

Airlines are basically classified as domestic airlines and International airlines.

Domestic airlines are those airlines which look after the movement of the people within the same country, whereas International Airlines are those airlines which look after the transportation of the people from one country to another.

For example in India, Indian Airlines is domestic airlines whereas International Airlines that is Air India.

Now let us move on to the **features of airline products**

Airline product or services has got the following features.

The first one is **intangible in nature**. Now airline product or services are intangible in nature because they cannot be seen or touched before making a purchase. They can only be felt or experience .For example, the comfort level while travelling in airlines can only be felt after you actually start travelling in airline.

The second feature is **heterogeneous**: Airline product or services are heterogeneous in nature because there is involvement of service personnel while delivering the services and the behavior or social skill of these service personnel tend to vary at every point of time. For example, the person who is checking your baggage is unlikely to treat you in the same manner at all the time. Sometimes he may be very welcoming, polite, but at times he may be very rude. So this indicates service variability.

The third feature is **highly perishable**: Airline products are perishable in nature because they cannot be stored for future. Once they are been offered for sale, if they are not consumed then they are lost forever, for example, an empty seat in airline is lost forever if it is been not booked before the flight takes off and the revenue from such seat is also lost forever and

The 4th feature is **highly personalized**: Airlines may offer the best of the services, but not a single person will be ever ready to buy those services from poor representatives. So therefore the behavior and the social skill of service personnel plays a very significant role in case of airline services. So these are the features of airline products.

Now let us know move on the **marketing mix for airlines**.

Now marketing mix for Airline is nothing but just a mixture of 7P's which are listed on the screen that is product, price, promotion, place, people, process and physical evidence.

Let us see the first P i.e. **product**: product includes basically two types of services.

On the ground services which are basically experienced by the people before they actually board onto the flight. For example, good parking facilities at the airport may be good baggage checking facilities, Good computer reservation system, etc.

The second is in- flight services: These are the services which are experienced by the passenger when they are actually in the flight. It may be like spacious and good seating arrangement, good food which is being served, good entertainment etc.

The second P is the **price**: The pricing in airlines can be classified in three categories.

The first one is premium pricing: In case of premium pricing, Airline basically set a high price for the product, then what he's been charged in the market for the similar product.

This is basically to represent the quality and brand image of their product.

The second one is value for money pricing: under this pricing, the airline basically set the average price for all their products. This is basically to represent that they give a good value for the money of their customers.

And the third one is cheap value pricing: Under this, the airline basically set a very low price than what has been charged into the market. This is basically to undercut the competition.

Now the third P is the **promotion**: Promotion is been basically used to stimulate the interest of the customers in a particular product or service. Airline also stimulate the interest of their customers in their product or service with the help of advertising, maybe on newspaper, television, maybe on social media, magazines, etc.

They also use sales promotion, publicity and word of mouth and in case of word of mouth, the people who have already experienced the airline services, they tend to share their experience with others.

Now the next P is the **place**: place here refers to choosing an appropriate marketing channel involved in making the services available for consumption. Now here place is nothing but it is a place of the marketing channels who are responsible for making the services available without any problem to the customers. Now places are basically divided into 2, that is on ground distribution channel and on-board distribution channel. Now on ground distribution channel like for example this is a place of the ticket counter or booking offices which are located at strategic point where is on- board distribution channel is nothing but these are the crew members who keep on sharing the valuable information with the passengers and maybe the air hostesses who keep on moving from one place to another place continuously serving the passenger throughout the journey.

The next piece is **people**: Now people in case of airlines they are nothing but these are the service personnel who are involved in delivering the services to the passengers.

Now the service personnel in case of a Airline are mostly the air hostesses who come in direct contact with the passengers and of course the cockpit crew who may or may not come in direct contact but yes, they are definitely an important people in case of airlines.

After that, the next P is **process**: The process here is nothing, but these are the actual procedure or mechanism that is being followed while delivering the services to the

passengers. Now airlines also use various procedures, for example computer reservation system, information sharing, baggage handling, meals services, security procedures, etc. Now all these mechanisms are being basically followed in order to provide a good quality of services to the passenger basically to enhance the customer satisfaction.

Next, the seventh P is **physical evidence**: Now the airlines may be providing the best of the services, but the environment into which it is provided is also equally important. Now, physical evidence is nothing, but this is the environment into which the services are provided. For example, you may be having a ticket counter, but if it is very congested, yes of course you are providing the services, but the passenger will not like that congested ticket counter. On the other hand, if the same booking office or ticket counter is being made spacious and well designed, people will start liking it.

Similarly, the elegant interiors and exteriors of the aircraft will also attract the passengers.

So these are the 7P's of airline marketing mix

To conclude: In today's session we have learned about the meaning of airlines. The features of airline products and the marketing mix for Airlines.

For further reference, I have listed down the name of the book and certain links of the website you can go through them and can acquire more knowledge on the same topic.

Thank you for listening patiently.