

D. Airline Marketing

Marketing is concerned with how an airline's service is sold to the consumer, and how loyal the consumer is to a particular carrier.

- Airline tickets can be sold by the airline providing the service, rival carriers or a travel agent.
- 70 percent of airline tickets in Canada are sold by travel agents.
- 80 percent of travel agents in Canada use a computer reservation system (CRS) terminal to access flight and fare information and to book tickets. A travel agent generally uses only one of the five major North American CRS systems.
- The order in which information is presented to the agent on the CRS screen strongly influences the choice of air carrier.
- CRSs are not independent, but rather are owned by one (or more) air carriers. The air carrier owning a particular CRS tends to be preferred by the travel agents using that CRS when booking tickets. This is the so-called "halo" effect.
- Frequent flyer programmes create strong brand loyalty among airline consumers. Large carriers can offer frequent flyer programmes at a lower cost, and can provide the consumer with a wider choice of destinations.