

Record: 1**Title:** All That Twitters.**Authors:** Unnikrishnan, Madhu
Wall, Robert**Source:** Aviation Week & Space Technology. 1/11/2010, Vol. 172 Issue 2,
p42-44. 3p. 1 Color Photograph.**Document Type:** Article**Subject Terms:** *SOCIAL media
*AIRLINE industry
*COMMERCIAL aeronautics
*MICROBLOGS
*ONLINE social networks
*CUSTOMER feedback**Company/Entity:** JETBLUE Airways Corp. **Ticker:** JBLU
VIRGIN America Inc.**NAICS/Industry Codes:** 481215 Non-scheduled specialty flying services
481211 Nonscheduled Chartered Passenger Air Transportation
481112 Scheduled Freight Air Transportation
481111 Scheduled Passenger Air Transportation
481110 Scheduled air transportation**Abstract:** The article focuses on the use of social media in the commercial airline industry. It notes that while airlines, including JetBlue Airways and Virgin America, have invested time and resources in social media, legacy carriers believe that such media still has to prove that it has a significant impact on the corporate bottom line. It mentions that the Twitter microblog account of JetBlue has over 1.4 million followers. Tom Arrix of Facebook states that through Facebook pages, airlines receive feedback and respond to their customers.**Full Text Word Count:** 2156**ISSN:** 0005-2175**Accession Number:** 48026795**Database:** Academic Search Complete**Section:** AIR TRANSPORT

All That Twitters

JetBlue and Virgin America champion social networking, but legacy carriers lag behind

A passenger on a flight notices his reading lamp is broken, so, using his mobile device, he complains on Twitter. Within minutes, the airline's ground staff has dispatched a flight attendant to fix the problem and has alerted maintenance at the destination airport. Corporate communications has passed the Tweet onto the customer service department, which contacts the passenger to apologize for the

inconvenience.

This scenario is not science fiction. It, or one similar to it, happens every day in airline cabins as tech-savvy passengers use social media tools to disperse information among their networks. Are airlines ready for this new world?

Although most of the industry is engaged online to some extent, there remains a lingering notion among a number of legacy airlines that social media is, to quote one senior executive, "just a silly fad." Perceptions like these are reinforced by the fact that social media has yet to make a measurable impact on the bottom line of any carriers. But airlines such as JetBlue Airways and Virgin America are betting that their investments of time and resources in social media will pay off in the not-too-distant future.

While social media continues to evolve and the tools used to reach an engaged online community may change, the paradigm shift in customer habits is here to stay, say media analysts and airlines that have bought into the concept. "Shame on those airlines who think they can ignore this and that it will go away," says Henry Harteveltdt, a travel industry analyst with Forrester Research.

JetBlue has more than 1.4 million followers on Twitter, the micro-blogging site that allows users to update their networks in 140-character posts, called "Tweets." That is more than any other airline, and among the higher number of followers of any corporation. JetBlue's attention to social media requires significant resources. A team of six in the corporate communications department monitors the feed until the last passenger has left the last airport each day, says Morgan Johnston, manager of corporate communications.

JetBlue cannot point to a direct financial benefit from its social media, but company managers see a payoff in two areas that ultimately impact profits, customer satisfaction and brand loyalty. "The utility is not what it does to the bottom line but how it works as a marketing tool," says Marty St. George, senior vice president of marketing and commercial strategy. "Real-time customer feedback is a gift."

The airline's vast Twitter following and its growing presence on Facebook serve as excellent market research, says St. George. JetBlue focuses its energy online to listening to what its customers are saying about the company, and, when appropriate, steps in to resolve customer-service issues. Responding to demand, it also has set up a second Twitter feed to promote fare sales.

But succeeding in social media requires allowing customer control of the message, at least to a certain degree. While that is difficult for most companies, it should not be an excuse to ignore social media, says Harteveltdt. "Guess what--your brand is being discussed online anyway," he argues. Bad messages now have the ability to go viral to thousands, even millions, of people in cyberspace.

A case in point is a video posted to YouTube by musician Dave Carroll about his eight-month struggle to get compensation from United Airlines for a damaged guitar. The battle turned into a public relations nightmare for the carrier, as the video of Carroll's song, "United Breaks Guitars," was viewed more than 6.6 million times. That led to his story being picked up by major television news outlets. He even was called to Washington last year to testify at a congressional hearing on passenger rights.

United eventually offered Carroll compensation, but the episode underscored the need for airlines to be engaged with the online community and to step in quickly when an issue arises. "With social media, the airline has an opportunity to be part of the conversation," Harteveltdt says.

Virgin America sees online communities as a "natural extension of our brand," says Abby Lunardini, director of corporate communications and leader of the airline's social media effort. But the carrier puts an emphasis on listening to what customers are saying about Virgin America and fostering conversations about the brand. "We don't want to make Twitter a marketing spam channel," says Lunardini. However, the airline is moving some advertising and marketing dollars from traditional outlets to social media channels.

Virgin America's fleet-wide Wi-Fi brought the urgency of connecting with passengers through social media into sharper focus. The airline receives more than 350 direct messages on Twitter on an average day, and customers regularly comment on service and delays on Facebook during a flight. "There is no point being on social media unless you can be responsive in real time," Lunardini says. "You have to be able to cede a little control to be in this space. We let people talk about the good and the bad, because people won't engage unless it's a real conversation."

While the approach has its risks, there are also rewards. "Facebook pages allow airlines to listen and respond to people's feedback, which allows companies to build brand loyalty," says Tom Arrix, Facebook's vice president of U.S. sales.

In Europe, Virgin Atlantic observed that media sites were driving more traffic to corporate web sites and wanted a part of the action, says Allison Wightman, head of the airline's e-business. But once the interaction on social media sites began, the U.K.-based carrier found there was also an opportunity to interact with current and potential customers to reinforce the brand image.

The effort did not come without bumps. Virgin Atlantic explored several approaches as it sought to quantify exactly what benefits its social media strategies reaped. "The learning curve is very steep," Wightman says. Search remains the primary objective. Wightman hopes social media ventures eventually will drive 25% of the traffic to the Virgin Atlantic web site.

Alaska Airlines also uses social media to drive traffic to its web site. The carrier has no booking facility on its Facebook page, but it relies on "brand advocates" to interact to drive traffic back to the site, says Andrea Schwarzenbach, manager of interactive marketing. The airline steps in to correct misinformation, but other than that, it lets customers talk freely on Facebook, she says.

Alaska saw a 32% spike in traffic to its web site earlier this year after running a "mystery fare sale" on Twitter, underscoring the power of viral messaging. "We watched the buzz in the Twitter stream, and that's when we saw the value of Twitter," Schwarzenbach says.

What Alaska stumbled onto was a fundamental shift in the way consumers react to advertising messages. "People are no longer going buy the brand because the brand tells them to," says Ludo Van Vooren, a consultant who blogs about airlines and aerospace. "People buy the brand because all their friends are telling them to." Indeed, a Forrester research study found that 27% of travelers use Facebook

for planning their trips because they can share ideas with friends.

Southwest Airlines, which has long had a new media presence through its blog "Nuts About Southwest," learned the value of social media tools last July, when it announced a two-day fare sale through Twitter instead of taking the paid-advertising route. The promotion resulted in the two highest traffic days on Southwest's web site--and the top two revenue days in the airline's history. Those records were broken again when a repeat Twitter sale was held in October. "It's not just sheer volume, but the trend," says Paula Berg, manager of emerging media. "It's setting records."

Legacy network carriers have been slower to adopt social media tools.

"They study it, they're talking about it, but they're not acting on it," says Forrester's Harteveltdt. "The legacies have been caught blindsided," just as they were with online bookings in the 1990s.

United Airlines is a case in point, even after the incident with Dave Carroll. The airline has a Twitter presence, which it uses to advertise fare sales called "Twares" that are handled by its revenue management department. But when it comes to online engagement, United prefers a more controlled approach. It has an invitation-only online community, "1K," for passengers who have flown more than 100,000 mi. a year.

"We use this group for research and to get feedback on potential new products," says Robin Urbanski, an employee who helps to mold the carrier's social media strategy. The 1K community serves as a focus group for the airline, she says, and members are given monthly access to the carrier's senior executives.

Delta Air Lines is still "evaluating additional opportunities" in social media, says Susan West, an airline representative. Delta broadcasts video on YouTube and maintains Facebook fan pages to promote marketing messages. But in terms of active engagement with the community, the airline is taking a wait-and-see approach and is still developing a comprehensive social media strategy, West says.

And while big brand European airlines have embraced various online tools--KLM and British Airways, for instance, maintain Twitter accounts--there remains a lot of skepticism on the value of social media. "It's hype," says Frank Seedorff, head of e-commerce at Condor. He argues that most social media exercises draw far too few hits to warrant the personnel costs associated with maintaining them. "We don't have the money to pay the folks." Only when a social media system breaks the 250,000 regular viewers level does it start to become interesting, he says, noting that search engines such as Yahoo and Google are driving traffic to Condor's web site, not social media.

But Julian Carr, commercial director for BMI Baby, recently noted that establishing a presence in the social networking environment is critical, since bloggers are starting to gain traction. The airline maintains a Twitter account, although he says the primary target is travel media, not the general public.

US Airways' management team learned of the value of Twitter after the crash landing of Flight 1549 in the Hudson River in January 2009, when news of the accident spread across the world in a matter of minutes via Twitter.

The airline typically has not done much direct-to-consumer marketing, so it does not yet advertise fare sales on Twitter, although the marketing team is studying that venue, says Morgan Durrant, a member of the carrier's Twitter team. US Airways launched two feeds in October, one for employees and one to promote news about the airline to the public.

US Airways is not yet on Facebook, although the corporate communications department has "talked a lot about it." Durrant says it is a luxury the carrier simply cannot afford in today's dismal airline industry environment.

"Facebook requires more time investment, and we don't think we can do it well, given the size of our staff," he says. "We're a lean-and-mean team, and Twitter is a better fit for us."

Airlines Going Social

How some legacy, international and low-cost carriers use social media

JetBlue

has 1.4 million followers on Twitter, the most of any airline and among the largest number of followers of any company using the tool. A staff of six monitors the feed and actively engages passengers on Twitter and Facebook.

Virgin America

has begun shifting advertising dollars away from traditional media to social media. The airline answers customer service requests in real-time as passengers Tweet about service issues inflight, via the aircraft's Wi-Fi.

Southwest

uses its blog as an anchor for its social media strategy, but a recent Twitter fare sale resulted in the highest revenue day in the airline's 38-year history.

United

After a public relations disaster last year, United has realized the power of social media, but the carrier derives its most value from an invitation-only online focus group of frequent travelers.

AirTran

is not involved in any social media network yet, although the carrier is creating a Twitter strategy and plans to implement it in early 2010.

Alaska

uses Facebook and Twitter to drive traffic to its web site for bookings. The carrier saw a 32% spike in traffic after running a "mystery fare sale" on its Twitter feed.

BMI Baby

maintains a Twitter account aimed at the media, not passengers. The carrier sees more value in ensuring that Internet searches drive traffic to its own web site.

Virgin Atlantic

is focused on search engine marketing, but it sees the value of social media. The carrier says it hopes that 25% of the traffic to its web site will ultimately be driven through social media.

All Nippon

is not involved in social media. The airline notes that social media has not yet permeated into Japan's corporate culture, but it is watching the sector in order to prepare a strategy.

PHOTO (COLOR): A passenger on a Virgin America flight hooks into social media through the aircraft's Wi-Fi.

~~~~~

By Madhu Unnikrishnan, New York and Robert Wall, Paris

---

© 2010 Penton Media, Inc. All rights reserved.