

Cassies 2006 Cases

Brand/Case: WestJet

Winner: Events, Seasonal & Short Term—Silver Best Insight—Bronze

Client Credits: WestJet

Sean Durfy, EVP, Marketing and Sales
Bob Cummings, VP, Marketing
Richard Bartrem, Director, Brand and Communications
Deseree Kuzek, Advertising Coordinator
Christina Colenutt, Research Director

Agency Credits: Taxi

Zak Mroueh, Executive CD; Lance Martin, Associate CD
Dave Douglass & Pete Breton, Group Creative Directors
Steve Mykolyn, Design & Interactive Creative Director
Jaimes Zentil & Natalie Armata, Art Directors
Liz Mackenzie-Barrett, Writer; Bill Mascall, Print Producer
Jennifer Mete, Eugene Marchio, Christine Pacheco, Sharon Nelson, Agency Producers
Yael Staav, Reginald Pike, Director; Michael Downing, UNTITLED, Director
David Wellington, Steam Films, Director
Josefina Nadurata, Jennifer Walker, Producers
Dan Ford, Ryan Wagner, Andrew Graham, Amalie Bruun, Producers
Tico Poulakakis, John Houtman, Barry Parrell, Rob Barnett, Cinematographers
Brian Wells, Christina Humphries, Editors; Tom Goudie, Rene Bharti, Sound
Maxine Thomas, Agency Planner; Christina Hill, Account Director
Caleb Goodman, Gord Ellis, Account Manager Rob Feightner, Account Managers

Crossover Notes: All winning cases contain lessons that cross over from one case to another. David Rutherford has been identifying these as Crossover Notes since Cassies 1997. The full set for Cassies 2006 can be downloaded from the Case Library section at www.cassies.ca

- Crossover Note 1. What a Brand Stand For.
- Crossover Note 2. Brand Truths.
- Crossover Note 5. The Total Brand Experience.
- Crossover Note 11. The Eureka Insight.
- Crossover Note 13. Immediate versus Long-Term Effect.
- Crossover Note 32. Internal Marketing.

To see creative, go to the Case Library Index and click on the additional links beside the case.

EXECUTIVE SUMMARY

Business Results Period (Consecutive Months): September 2005 – December 2005
Start of Advertising/Communication Effort: September 26 2005
Base Period for Comparison: Spring 2005

Canadians are accustomed to seeing a small group of big companies dominate our business sectors. We have six major banks, a handful of insurance companies, and four telecommunications providers. Unlike bigger markets, we lack a wide array of choice. Arguably, this is most evident in air travel, where we have had a near-monopoly since Air Canada acquired Canadian Airlines in 1999.

This has created a schizophrenic attitude. On the one hand we respond to established companies. On the other we get frustrated by their lackadaisical approach to customer service. Air travel is a good demonstration. Most Canadians feel confident when flying with Air Canada, yet complaining about them is almost a national pastime.

This case is about a national WestJet campaign that took advantage of the situation, with a significant impact on sales and reputation.

SITUATION ANALYSIS

a) Overall Assessment

When WestJet began offering service in Central and Eastern Canada, we had to re-examine the company's positioning. [Crossover Note 1.](#)

WestJet had debuted in 1996, and it was about as small as an airline could be, with three aircraft and five destinations, all in the Western provinces. Over time, though, it had grown so that it had 61 aircraft, more than 5000 employees, and 33 destinations covering half the western hemisphere. (To put this in perspective, it is larger than Canadian Airlines was, domestically, when they were taken over.) For this new, national campaign, we had to consider two high level dynamics:

I. Misperception as a Discount Airline

WestJet's low cost business model has made it one of the most successful and profitable airlines in the world. Its principles are straightforward. Use a single model of aircraft, (the Boeing 737) so that pilots, flight attendants, ground crews and mechanics are trained on a single set of requirements for operations, safety and maintenance. Be zealous about on-time performance, because delays und increase fuel and airport costs. Above all, keep the workforce motivated, to stave off unions. WestJet achieved this last point through its unique culture—treating passengers like guests, and offering staff a share purchase plan and profit sharing. 86% of employees are shareholders, so what's best for the airline is what's best for the workforce. This is the opposite of what's found in most carriers.

Most of this, however, had been lost on the general public. To them “low-cost airline” means a no-frills, bring-your-own-seatbelt kind of experience. Non-triers felt that a trip with WestJet would be a discount experience. We had to overcoming this misconception to develop the business in Central and Eastern Canada. [Crossover Note 2.](#)

II. Complacency of Canadian Air Travelers

A typical flight on Air Canada contains at least one of the following: delays, unanswered questions, complications, impersonal service, long line ups, short tempers, cramped seats, cumbersome luggage, and a lot of people who would apparently do anything except help you out—witness the 486 complaints against Air Canada received by the Canadian Transportation Agency in 2005, versus seven for WestJet. Overall, though, Canadians have been inexplicably tolerant.

With WestJet's expansion into Central and Eastern Canada, Canadians now had the opportunity to experience service the way it should be. Research identified a large group of frustrated travelers just waiting for an alternative to Air Canada. This group, dubbed "Air Canada Defectors," became our primary target.

This was the perfect audience for our first national brand campaign. WestJetters believe wholeheartedly they should do anything for a guest. From simple things like helping guests with their luggage (not allowed on Air Canada because of union rules) to driving people home from the airport if their ride doesn't show up.

b) Resulting Objectives

Begin Establishing WestJet as a National Carrier

As disgruntled as they may be, Air Canada Defectors needed to believe that WestJet is a viable alternative.

Improve awareness levels

Many people did not even have WestJet on their radar screen. .

Show that WestJet offers the service of a tier-one airline

We had to dispel the "discount" misconceptions.

Generate trial

First, we had to build revenue. Margins are extremely tight in the airline business at the best of times, and the capital costs of expanding into Central and Eastern Canada only added to the pressure.

Second, we knew that trial would get us loyal customers and long-term growth, because once people experience WestJet they become believers. [Crossover Note 13.](#)

Internal adoption

Although not a quantitative deliverable, we wanted to capture the imagination of WestJet itself. The company's success has come from the ground up, and we wanted to propel the guest-first philosophy even further. [Crossover Note 32.](#)

STRATEGY & INSIGHT

Our communication strategy rested on three pillars, tied together by a simple insight.

I. Lead with WestJet's sustainable point of difference

WestJet is a culture-driven company, and people drive the culture. We interviewed them from the hangar to the head office, with stops at the baggage ramp, the check-in counter and the cockpit. They all wanted to create a friendly, stress-free, enjoyable experience for guests. This was rare; and compared to the union-driven atmosphere of Air Canada it was remarkable. This passion would anchor the entire strategy.

II. Show concrete things that bring the WestJet experience to life

At WestJet, the guest experience starts long before you get on the aircraft—with the flexibility to change flights and the promise not to overbook. Similarly, how you check in – with an agent, at a self-serve kiosk, or online – gives you a sense of choice and autonomy. Once in flight, Live ExpressVu Seatback TV adds to your enjoyment, while leather seats made you feel that you are getting something usually reserved for first class passengers. Although these points of difference could ultimately be copied, taking advantage of them while they were newsworthy made sense. [Crossover Note 5](#).

III. Pick the right target

The Air Canada Defector was very open to the WestJet promise, but we also found a group that was not worth pursuing. The Elite Business Traveler gets specialized treatment in business class, they are committed to Aeroplan, and they often need flights outside of WestJet's North American footprint. We decided to target people who value a friendly and helpful experience more than being able to get on aircraft before anyone else. This led to a down-to-earth tonality consistent with WestJet's values.

IV. Insight

We had an excellent story to tell, but from a communication point of view, we still had a problem. Air travelers have been bombarded with inflated promises, and they might see ours in that way. Just promising a better experience wouldn't dispel the skepticism. We had to give consumers an unassailable reason to believe. [Crossover Note 11](#).

That reason was a simple truth: **Employees aren't just employees. They are owners.**

In any business, customers believe that owners care more than employees do. This was especially powerful in comparison to Air Canada. They were emerging from bankruptcy, and union demands were widely featured in the national press. The contrast couldn't have been more obvious.

EXECUTION

The campaign asks the question: “Why do WestJetters care so much? Because we’re also WestJet owners.” The attitudes and actions in TV, print, radio and out-of-home, brought the commitment of WestJetters to life, as does the quirky humour that has typified the company since its inception.

The campaign had the flexibility to deliver messages about the newness of the fleet, in-flight features like Live ExpressVu Seatback TV, and new routes. And it has worked its way through the entire organization. The “we care because we’re owners” mantra has been adopted on everything from company-wide e-mail signatures to the annual report.

BUSINESS RESULTS

Results are compared to a benchmark study fielded in April 2005, and are drawn from an ongoing blind panel of 20,000 Canadian travelers. (Note: while this group is more involved in travel by virtue of their participation, relative shifts are statistically reliable and representative of the general public.) Key metrics include brand awareness, TV advertising awareness, brand attributes related to a positive flying experience, and brand attributes related to the airline’s perceived stature. Every performance measure is up.

Top of Mind Brand Awareness: National and Regional Impact

	April 2005	Dec 2005	Shift
National	76	86	+10
West	85	93	+8
Ontario	75	82	+8
Quebec	62	78	+16
Atlantic	74	83	+9

Top of Mind Brand Awareness: WestJet Flyers/Non WestJet Flyers

	April 2005	Dec 2005	Shift
Previously Flown WJ	87	94	+7
Not flown WJ	69	79	+10

Unaided TV Awareness: National and Regional

	Apr 2005	Dec 2005	Shift
National	25	59	+34
West	29	62	+33
Ontario	25	60	+35
Quebec	18	44	+26
Maritimes	18	66	+38

Top of Mind TV Awareness: WestJet Flyers/Non WestJet Flyers

	April 2005	Dec 2005	Shift
Previously flown WJ	31	65	+34
Not flown WJ	23	54	+31

Brand Perceptions: The Traveling Experience

	April 2005	December 2005	Shift
Employs people who treat me with respect	68	77	+9
Goes over and above to provide a positive travel experience	48	68	+20
Provides a stress-free travel experience	51	60	+9

Brand Perception: Airline Stature

	April 2005	Dec 2005	Shift
WestJet is credible	60	69	+9
is professional	61	67	+6
is trustworthy	55	63	+8
is a national airline	37	45	+8

Other Positive Indicators

- Proven recall of the “Owners” message was 38%.
- 16% per cent of people who booked with WestJet following the Owners campaign had not flown with WestJet in the previous year.
- Among those who have flown in the past 12 months domestically, 60% flew with WestJet, an increase of 9% from 2005 (WestJet 2006 Brand Health Study).

WestJet’s Internal Calculation of Campaign ROI

The Owners campaign in Fall 2005 had to drive brand trial from new guests in Eastern Canada. The ROI derived from the campaign was calculated from two segments that recalled the brand campaign and made a booking with WestJet post-exposure to the campaign: incremental guests (trial among those who had not booked WestJet in the past 12 months) and increased travel from existing guests (stimulation of existing base - those who had flown WestJet in the past year). WestJet market research indicated that among those who recalled the campaign and booked a flight, approximately 770,000 new guests booked with WestJet, representing incremental bookings as a result of the campaign.

An assumption is made that 50% of those bookings are attributed directly to the campaign. At an average ticket cost of \$300 this represents an incremental \$115 million in top line revenue. In addition, the average flyer flies three times per year. WestJet research indicates that 90% of WestJet guests that fly us once give us top three box scores (8,9, or 10 on a 10-point scale) that they will fly us again. This would drive further incremental revenue as a result of the campaign.

CAUSE AND EFFECT BETWEEN ADVERTISING AND RESULTS

- Results are drawn from a research study initiated specifically to measure the impact of the campaign.
- The increases noted in the Results section coincide with the campaign's media flighting.