

Marketing Plan



Table of Contents

SolAir's Story

Who We Are

Branding

- Target Markets
- Market Research
- Market Niche
- **Marketing Strategies**
- Short-Term Market Penetration Strategy
- Long-Term Market Penetration Strategy
- Services and Warranties
- Competitive Profile Analysis



Our Story

Two decades ago, Eduardo Gonzalez was planning to visit extended family in his hometown in Tulum, Mexico. Gonzalez was planning to bring his immediate family along and had a flight booked with a domestic Midwest airline. The night before take off, he received a call that the plane was overbooked and there would be no refunds or substitute flights. He called their 24 hour customer service line all night but received no answer until the following morning. Upon returning his call, they told them they had made a mistake and that there was availability for him and his family on the flight. Relieved, the Gonzalezes grabbed their bags and rushed to the airport. Delayed by security, they arrived at the gate two minutes before the first boarding call. Eduardo dashed to the customer service desk where the attendant assured him confirmed seat availability. Although his whole family boarded, not one of them were sitting together, much to the distress of his children. After landing safely, Eduardo decided that air travel should once again be built on compassion, dedication, and consistency. Thus SolAir was birthed, an airline dedicated to its family-oriented culture and commitment to always putting customers first.



Who We Are:

Corporate Mission Statement

SolAir aims to provide outstanding customer service while cultivating a fun, family oriented, and safe flight for all families, business professionals, and pet owners. We are dedicated to:

- ✤ Providing the highest caliber of personalized customer service
- ★ Creating a reputation centered around consistency and trustworthiness.
- ✤ Preserving the environment for current and future generations
- ★ Ensuring the safety of all passengers

We support our mission by cultivating an upbeat, self motivating, and innovative corporate culture emphasizing clear communication and commitment to our consumers.

Public Mission Statement

SolAir's mission is to provide consumers with outstanding customer service by fostering a warm, fun, family oriented atmosphere that makes flying enjoyable for all parties.



To be the commuter airline market leader in customer service in the air and on the ground.



Positioning

SolAir is aimed at traveling families, business professionals, and pet owners. We provide flights with a people-oriented atmosphere paired with best-in-class customer service and low fares to make flying fun, relaxed, and easy.

Unlike conventional airlines we have a dedicated baby room on all flights, we provide aids to make traveling with pets easy and stress-free, we provide discounted rides to and from airports via Uber, and we are committed to lessening our environmental impact.



Branding



Where People Come First.





Minimum Size: The smallest the logo should be displayed is 1.5" wide

Primary Logo

Our logo is a colorful, vibrant, and modern wordmark with a few design elements to enhance its impact. The smooth flowing lines of "Sol Air" bring to mind the smooth nature of our flights, while giving our logo a sense of movement and conveying our fun and down to earth culture.

The wordmark is accompanied by an elegant and abstract sun. The sun has a hand-drawn brushy feel, conveying our personable service and atmosphere. It has been created with great care to embody what we believe the sun, or "Sol," should represent. Our sun has been designed with traditional Mexican art in mind, emphasizing the impact of our name SolAir which draws from the Spanish word Sol for sun. This is largely due to the fact that we are one of the only airlines in our region to fly internationally to Mexico.

We expect this to be the main logo used all brand applications. This trademark helps audiences easily identify SolAir's planes, gates, marketing content, and all other materials. It is essential to our brand that the logo always be applied with care and respect in accordance with these guidelines.

We have a few rules in place to ensure the integrity of our brand stays intact. Our logo is the face of the company, and so the integrity of our company comes through in how our logo is portrayed. Because our logo shows who we are to the world it is essential that it is

Tagline

"Where People Come First." Our slogan reflects our company culture and corporate goals to always have people at the forefront of why we do business. Everything we do is driven by the customer service we provide. In every aspect of our company operations we put people first, be they passenger, employees, or future customers.



Logo Family

We've created a secondary logo which can be used in place of the primary logo, however secondary logos should never be used directly in conjunction with the primary logo. The result is too competitive and unprofessional.

Symbols, such as our sun, can be used when the full primary logo is not necessary, when the brand's name is already displayed in plain text, or where space does not allow for the full logo along with its elements.

A. Simpler Variants



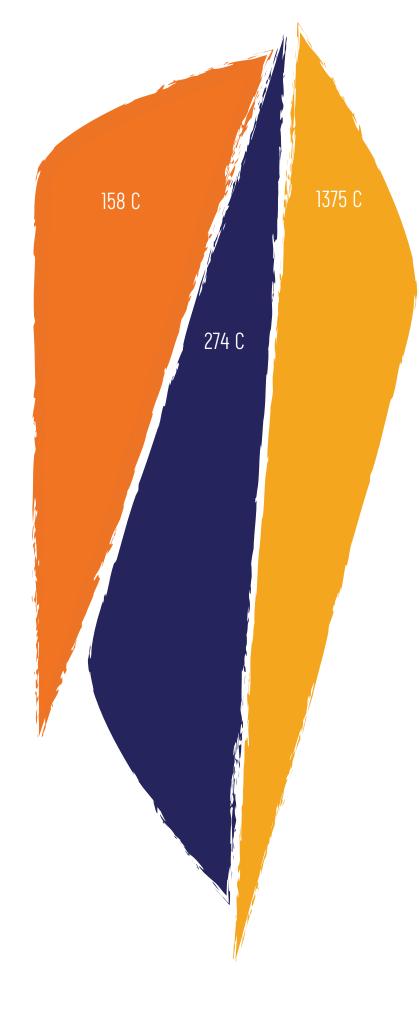
B. Black & White



Clear Space

To ensure legibility, always keep a minimum clear space around the logo. The space isolates the logo from other competing graphic elements like other logos, text, or images that may conflict with, overcrowd, and lessen the impact of the mark. The clear space should be equivalent to one of the existing design elements in the logo to ensure consistent relevant clear space regardless of logo size.





Color Palette

Color is a key element of our brand identity. Consistent use of our color palette will not only reinforce the cohesiveness of the brand but also communicates our energetic, clean, and warm atmosphere to the world. Our warm yellows and oranges convey our sunny disposition, and our company culture focused on warm friendly service both in the air and on the ground. The deep purple we have chosen to compliment our warm tones was selected due to its common association with royalty, because we want everyone who flies SolAir to feel the like royalty.

Typography

Our typography has been selected to ensure that it reflects our brand and our culture while giving our brand cohesiveness. We've chosen a variety of typefaces that best represent the feel of our brand and should be used exclusively across all print and web applications.

Akrobat

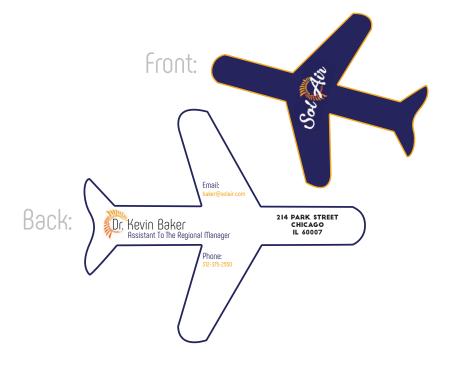
Phenomena

Fondy



Business Card

Our business card has been designed within typical business card dimensions of 3.5" x 2", however it has been designed to be atypical and eye catching. We expect that these business cards will draw attention and stand out to consumers and business partners, making SolAir memorable.



Plane Branding

We have created a specific design language which has been implemented on all our planes. The design implements our colors on the tail wing, as well as wingtips and engines. On the tail wing we've placed our recognizable sun so it's impossible to miss our planes.





Market Research

Primary Target Market - Families

Demographic

Age: 21+

Income: \$30,000+

Psychographic

This target market consists of traveling families with parents 21 and older who value a safe, family-fun oriented environment, and the dependable customer service that SolAir provides.

Geographic

SolAir's entire customer base will be located in the Midwest United States, thus primary, secondary, and tertiary target markets will all have the same geographic location. In 2017, the number of people in the United States who were carried on air transportation rose 3.4% to a new high of 965 million people (Bureau of Transportation Statistics). Following the recession in 2008, the number of passengers on both domestic and international flights has increased resulting in a positive trend and increased growth potential suggesting continued industry and sales growth.



Buyer Behavior

Research from the Journal of Travel & Tourism Marketing shows that 36.5% of travelers are family-oriented and tend to plan their vacations with children.

According to data from the National Center for Health Statistics, 53% of millennials have children, bringing the total number of US women who are mothers up to 16 million (2015). There are 80 million millennials in the US, averaging 2.6 trips per person per year. Millennials with children are traveling internationally more often than any other demographic group, with 64% of millennial families having taken at least one international trip within the past year (TMS Family Travel Summit, 2016). Without the restriction of a school calendar, children under the age of 5 account for 62% of traveling millennial companions (TravelAge West).

According to a popular vacation booking site, HomeAway.com, Generation X, those born between 1965 and 1980, will take the most leisure trips, accounting for one out of every three leisure travelers and averaging three to four leisure trips per year. The reason 66% of Generation X travels is to spend time with family/friends (AARP Travel Research: 2016).

Top 2017 travel trends show that 99% of Baby Boomers will take at least one trip a year, typically average five or more. Most (51%) travel domestically but 43% say they wish to travel both domestically and internationally each year (AARP Travel Research: 2017). Baby Boomers' desire to travel has three motivators: the desire to relax and unwind, get away from everyday normal life, and to spend time with family, tying them to our primary target market (AARP Travel Research: 2016). Air travel is the most popular mode of travel for Baby Boomers, with 87% flying internationally and 66% flying domestically (AARP Travel Research: 2018).

Given this data, we expected that SolAir's family oriented corporate culture will attract families of all generations to fly with us.



Demographic

Age: 21-65

Income: \$50,000+

Psychographic

People in this target market value speed and safety in their travels. Businessmen and women also value flexibility as well as consistency. Although these qualities may seem mutually exclusive, those who travel often for business may need to change flights with short notice. Our service policies offering refunds within 48 hours of booking and insurance against overbooked or cancelled flights, paired with our exceptional customer service will cater to the needs of these individuals. Our service and quality is also consistent throughout company operations so frequent fliers can expect the same level of quality and customer service on every flight.

Geographic

SolAir's entire customer base will be located in the Midwest United States, thus primary, secondary, and tertiary target markets will all have the same geographic location (see page 11).



Buyer Behavior

According to the Expedia Media Group, 69% of business travelers book their flights and hotels less than three days before the travel. This is why they need a consistent airline that offers flexible booking. SolAir offers impeccable customer service as agents are available 24/7 by phone and live chat on our website. We offer a full refund within 48 hours of booking, and insurance for overbooked flights.

Business passengers represent 12% of total airline passengers but are typically twice as profitable, often accounting for 75% of an airline's profits (Investopedia). We have observed an increase in demand for a premium economy class and a future goal of SolAir to serve to this market. In 2017, 462 million US travelers took domestic business trips, and Statista has forecasted that this number to gradually increase to 499.4 million by 2022. Travelling business professionals supply \$282.6 billion to US GDP in 2015, contributing to 28.4% of travel and tourism's overall direct contribution.



Demographic

Age: Millennials (18-34) & Baby Boomers (51-69)

Income: \$70,000+

Psychographic

The American Veterinary Medical Association reported that 36.5% of households in America own dogs and 30.4% of households own cats. As of April 2017, millennials surpassed baby boomers for the primary pet-owning demographic in the United States by approximately 3% (U.S. Pet Ownership Statistics). Therefore, we are targeting both baby boomers and millennials who conjointly comprise over 65% of households that own pets. Safety is an enormous concern among pet owners, especially when traveling. While TSA has compiled a list of flight-approved pet carriers that can be stored underneath or within the cabin, there have still been 40 total incidents of lost, injured, or deceased pets leaving the aircraft (Office of Aviation Enforcement and Proceedings).

Geographic

SolAir's entire customer base will be located in the Midwest United States, thus primary, secondary, and tertiary target markets will all have the same geographic location (see page 11).

Buyer Behavior

Individuals in this target market value the safety, happiness, and appreciation of their animals from the airline. They consider their pets as a part of the family, and expect the airline to treat them as such. According to the American Pet Products Association, pet spending has continually increased since 2014, reaching \$66.75 billion dollars in 2016. In addition to pet spending overall, specific spending on inessential pet supplies increased by 6.5% in 2016 (U.S. Pet Ownership Statistics). While this number does not include families who travel with their pets, it includes families who are willing and able to expend excess capital to non-essential pet expenses which can be paralleled to families willing



According to Inmarsat Aviation, data has supported the growth of low cost airlines entering into the market. This is an advantage for SolAir as we are a small affordable airline trying to enter into these larger markets. Research has shown that millennial consumers are flying more as well as baby boomers who fly most frequently (Gelfeld 2017). The industry has also changed in regards to the entertainment being provided on planes. Traditional seatback screens are being phased out in lieu entertainment on passengers' own personal devices. By offering free WiFi on all SolAir flights, as well as movies and TV shows available for streaming on personal devices, we are ahead of this industry shift.

Growth Potential

Travel by air is the most popular mode of transportation for domestic and international travel (Gelfeld 2017). Baby Boomers have the highest likelihood to travel to or from the Midwest making them a profitable target market for SolAir to increase their ticket sales.

Market Niche

Our niche is focused on catering towards families who travel in the Midwest either domestically or internationally. This may also include individuals traveling for business. The market niche of travelers with young children may want to take advantage of the baby room on board all our planes. Our market niche also lies with pet owners who make up our tertiary marke



Marketing Strategies

Product

SolAir provides safe flights, unparalleled customer service, and a premier lowcost traveling experience. We embody a fun, family-oriented atmosphere to ensure a pleasurable experience for all customers. We value high quality and top-shelf customer service in every aspect of our operations. Our airplanes are staffed with highly trained, knowledgeable, helpful, and friendly support staff to help ease traveling for all parties. We value cleanliness inside our plane cabins, as well as in all of our gates, waiting areas, and check in desks. Most of the planes in our fleet are brand new with greater seat capability to offer our clients more traveling opportunities.

Price

We are competitively priced at \$.38 per seat mile flown. This fare is well within the normal range while still running at an increase from our original price of .34 cents, per seat, per mile flown, thus increasing profits. We have kept our price within this range to ensure affordability while still maintaining our quality and customer service standards. We are slightly above the industry average which is .36 cents due to our increased standards.

Place

SolAir originates and services the Midwest United States extending down as far as, and including, Mexico. Due to SolAir's popularity among traveling families, business professionals, and pet owners, we retain terminals within most major Midwest airports to provide ease of access to your preferred airline. Our terminals will not only have service counters with qualified and knowledgeable personnel available, but automated check-in and ticket printing devices to ensure speed and convenience to all customers.



SolAir's original vision centered around a family oriented environment with a special focus on customer service. We have emphasized the importance of our impeccable customer service by expressing its value in our private and public mission statements. We want to ensure a safe, stress-free flight by embodying a reputation of consistency and trustworthiness. As mentioned in our vision statement, we strive to become the commuter airline market leader in customer service in the air and on the ground. SolAir has customer service agents readily available 24/7 via phone and live chat on our website. We also provide full refunds within 48 hours of booking and insurance against overbooked flights.

In the air, we aim to deliver a relaxing and enjoyable flight from wheels up to wheels down. For consumer amenities, we offer free soft drinks and snacks on all flights. We are notably empathetic of how frustrating crying children can be during flights. With this in mind we implemented a crying baby room on every plane, a sound proof area onboard which parents can use to soothe their children.

Market Share



SolAir adjusted prices so they are marginally less market competitors to attract people to our airline. Then, as a strong and loyal customer base is established the price will slowly increase to match competitors. SolAir will offer discounts promotions when entering new markets to help generate demand. SolAir will have an online mailing list which it will use for email marketing to reach their targeted customers. To maximize ticket sales the firm will partner with websites such as Expedia, AAA. We will employ a number of promotions to specifically market to our primary, secondary, and tertiary target markets, they include but are not limited to:

- A limited time pet promotion, offering free flights for pets with the purchase of a regular, full-price adult ticket.

- A family promotion, which includes discounted tickets when more than three tickets are purchased at one time.

- Partnering with Uber to provide discounted rides for SolAir travelers.

- Partnering with TacoBell to offer coupons for discounted tickets in TacoBell wrappers. Some flights will have TacoBell food available for purchase

- A flipbook style graphics on buildings and trains.

- Mock-ups of our airline cabins as seating areas in malls and airports, emphasizing our clean and enjoyable flight cabins.

- Promotions through social media and online resources.



SolAir aims to increase the branding of the planes with new graphics and customization. We will promote in airports and utilize billboard and/or building street advertising. We also plan to increase flight path options, offer more long distance flights, as well as more flights in current markets. We plan to offer blankets and pillows for all flights over 6 hours which will increase customers cabin service experience. SolAir will also implement a more efficient boarding system, as well as self service bag drop kiosks to improve customer service and increase efficiency.

Servies and Warranties

The firm will provide protection against overbooked flight by extending full refunds or offering another way for customers reach their final destination. These services will help passengers feel like they are able to rely on SolAir. The firm would also like to extend a full refund within 48 hours of ticket purchases. Should our customers checked baggage be misplaced or lost in transit, we offer \$50 USD per traveler for the purchase of clothing until their baggage is delivered to them at their final destination.



Fares

At SolAir we believe in providing a quality service at an affordable price for our customers. A fare of \$0.38 makes SolAir middle of the pack in the "Normal Range" for airline fares. This also makes us two cents less than industry leaders and allows SolAir to remain competitive in the market.

Total Aircrafts & Total Seats

At this time, SolAir provides more seats and has more aircrafts than any other airline in the industry. This allows us to serve the most customers possible while remaining competitive in all of our markets. Having more aircrafts (8) than all other airlines allows us

Employee Pay

At SolAir we aim to provide the highest possible service to our customers, and we recognize that the best way to ensure excellent quality service is to ensure our employees are well trained and happy with their working conditions. SolAir is among industry leaders when it comes to employee pay providing wages to all employees five-percent (5%) above the industry average. Additionally, SolAir has a Quality and Training budgets of \$20,000 which falls above the industry average of \$19,063.

Cargo Business

SolAir is in the customer service industry. Providing customers with the highest level of customer experience is one of our top priorities. This means focusing all of our efforts on our customers and their flight experience. For these reasons SolAir has decided to remain out of the Cargo Business. Ensuring every customer is given the option to check their luggage is more important to us than entering the Cargo Business.



Promotional Items

SolAir will have multiple promotional items featuring the SolAir logo. Promotional items will be given to customers as a free gift for flying with us. The promotional items will not only aim to provide SolAir with advertising but also looks to provide customers with a higher quality experience while flying with us.

One promotional item our travelers will receive is custom SolAir wireless headphones. Compatible with Apple and Android devices these headphones will allow travelers to listen to their favorite music, podcast, or movie while flying with us.

Another promotional item we plan to promote are outlet adaptors to all of our customers flying internationally.

We will also be giving out fidget cubes as promotional items. We understand that flying can be stressful and that some people find release through an object like a fidget device.

Lastly, we will give away backpacks to our fliers. These backpacks will provide plenty of storage for anything our passengers may need for flights with us such as a laptop, tablet, phone, chargers, or headphones.

According to a study by Advertising Specialty Institute in 2016, due to increased exposure, bags create the most exposure of any promotional item in the United States. The same study found that consumers prefer a promotional item that is useful to them and will keep a promotional item for eight months. Also, 63% of consumers in the United States will pass the product down increasing our brand exposure. In 2012, Schreber & Associates found that 39% of people could name the company associated with a promotional product they received in the last six months. Also in 2012, L.J. Market Research discovered that 52% of people did business with a company that gave consumers a promotional item. The other 48% said they would be more likely to do business with that business in the future.











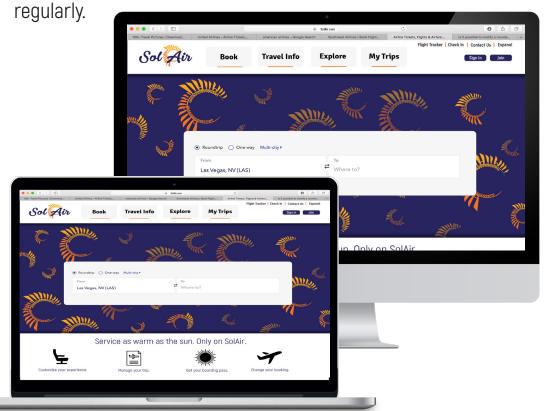




Marketing and Advertising Efforts

Website

The company website is SolAir.com. Our website has been designed with ease of use in mind, emphasizing easy navigation and clarity of topics in all aspects of the design. We want booking a flight with SolAir to be easy and painless. Our website will provide information about the firm and will also be the platform on which customers can do a live chat with a SolAir representative 24/7. We also offer a mobile version of the website which we've specifically designed for mobile use. Our website will offer ticket bookings, check-in, boarding passes, and other vital travel information. We plan on updating our website



Mobile Application

We have designed a mobile app for iOS and Andriod which resembles our mobile website in many ways but provides customers with direct access to SolAir rather than requiring them to navigate to our website via a web browser. On the app users can purchase tickets, check-in, and get their boarding pass. App users will also get live updates regarding flight statuses





Social Media

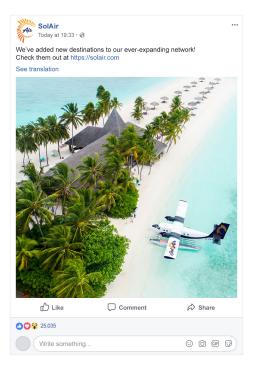
It is important for SolAir to stay connected and communicate with consumers through social media. Social media platforms provide a way for customers to get in touch with our customer service team and also provide a platform on which SolAir can conduct marketing. SolAir maintains Facebook, Instagram, and Twitter accounts on which customers can post feedback, and voice questions of concerns about SolAir products and services. Through social media customers will also be able to stay up to date on the latest product promotions and deals. In addition to running contests, promotions, and deals on social media, we use social media to share new services, routes, and product offerings.

We will reach our target markets on these platforms through paid advertising. Using social media algorithms we can pinpoint all of our target markets by focusing on paid advertising to reach certain demographics, geographics, and psychographics, even those with special interests.

Twitter



Facebook

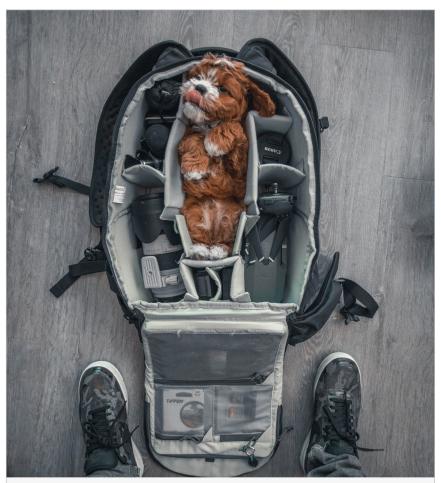


Instagram





As a family-oriented business we recognize that pets are a part of the family. With this in mind we'll be offering a three month promotion where pets fly free with the purchase of a regular adult ticket, targeting our tertiary market. By doing so we'll differentiate ourselves from most airlines who make flying with pets difficult, as well as make loyal customers of pet owners who we expect will continue to fly with SolAir even after the promotion has ended.



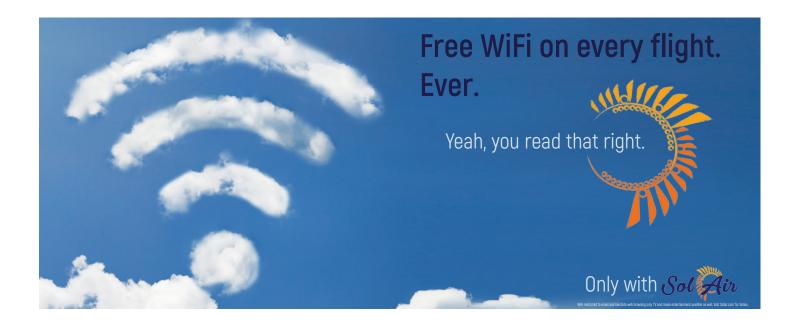
This time, bring him. For a limited time, pets fly free on SolAir with the purchase of any adult ticket.







We will be providing complimentary WiFi for basic browsing on all domestic and international flights, as well as a selection of movies and TV shows which can be streamed. This service will draw in both our primary and secondary target markets. Families will be intrigued by the service because it means children can stay entertained by watching TV shows and movies on their personal devices during flights. In addition, business professionals will be keen to manage their emails, as well as other basic online tasks that will allow them to work even while on the go.





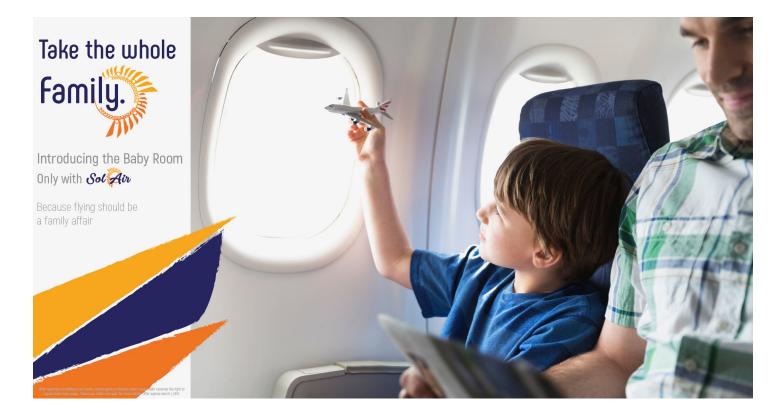
We recognize that flying with small children and babies can make for a largely unpleasant experience for all passengers. Given that we are family oriented, which makes up our primary target market, we expect many babies and small children will be flying with us. To maintain a comfortable flying experience for all passengers we have outfitted all of our planes with a dedicated baby room which parents can use in the event of a loud child.

We've outfitted larger planes with two baby rooms. The rooms take up the space of two seat rows. The rooms are sound proof creating a serene and peaceful environment inside, while maintaining a quiet cabin for other passengers outside. A changing table and chair can be found inside the room, and we welcome passengers to bring in their own toys and blankets inside the room for their own use.

Use of the room is free of charge. If a passenger wishes to use the room they must indicate so when booking their ticket, this way SolAir can account for demand for the room. The room can only be used by passengers with a child five and under, with priority given to babies under one year of age.

Baby rooms are reserved for use only when necessary to calm a child who is disturbing the cabin environment for other passengers. Stewards and stewardesses will closely monitor use of the baby room.









To alleviate the need for SolAir passengers to pay extortionate prices for parking at airports, we will partner with Uber to run regular promotions. Uber promotions will give SolAir passengers discounts when taking an Uber to and from airports on the day of their flights. This will draw in business professionals who fly regularly and are keen to take advantage of a discount on transportation to and from the airport. Through this promotion we expect to reach our secondary target market who will be exposed to our best-in-class service and become loyal customers even when the promotion has ended.





We will be partnering with Taco Bell to bring to market the SolAir taco which will include savings and deals on flights on the inside label of the taco. Taco Bell has grown to \$10 million in sales and has 7,000 stores nationwide and will be an advantageous partner. Since Taco Bell sells a variety of Mexican food, we find it to be a perfect pairing with our name, SolAir, as well as with our international flight paths to Mexico. We will also work with Taco Bell to have fresh SolAir tacos available on select SolAir flights. This promotion is target at our primary target market, but may reach out secondary and tertiary markets as well.





SolAir will engage in the use of a large amount of sequential static images placed which, when viewed quickly, will create the illusion of a moving image. SolAir's target markets are located in the midwest where long freight trains are commonplace. With this in mind we will place sequential static images on individual train cars, then, as trains cross paths with a vehicle at a railroad crossing, the images move fast enough that they looked animated. We call this "flip book advertising." We also will employ flip book advertising on the walls of underground train tunnels in metropolitan areas, as well as on the sides of closely placed buildings where they can be seen from a nearby highway bypass.











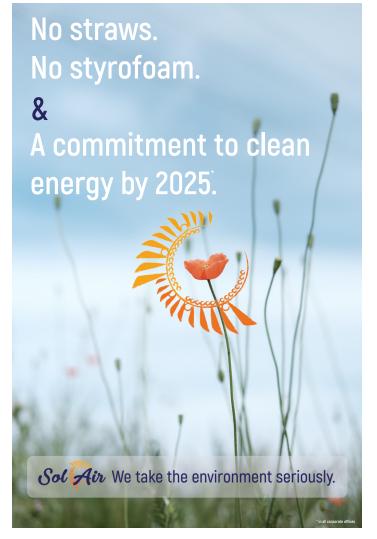




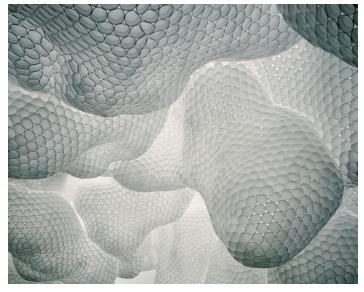
Environmental Comittment

We feel that it is vital that we play our part to lessen our environmental impact wherever possible to help create a better world for current and future generations. To help achieve our goal of lessening our footprint we have put a number of green initiatives into place. All paper products on our flights are made from post-consumer recycled paper whenever possible. We have also eliminated the use of plastic straws on our planes, in their place we will use hay straws. Similarly, we have completely removed styrofoam from all aspects of our company operations, including use on planes. In addition, we are transitioning to having all company offices run on 100% renewable energy sources. We expect to reach this goal by 2025.

To help increase awareness of the dangers of things such as plastic straws and styrofoam cups and to communicate our commitment to lessening our environmental impact, we will be partnering with Brooklyn-based artist Tara Donovan, who is known for making whimsical and intriguing pieces of art out of common materials. We will be working with her to create a piece solely from washed up plastic and styrofoam which will hang in Chicago O'Hare International Airport, a midwestern hub SolAir frequents.



Tara Donovan's previous work using styrofoam cups





In malls, airports, and other public spaces we will be placing booths which will be exact replicas of a section of a SolAir airplane cabins, including the cockpit. The interior of the cabin will serve as a public seating area, showing people how comfortable, clean, and enjoyable SolAir cabins are. The cockpit will also draw in kids who want to play inside, this will subsequently draw in parents. Inside these booths we will advertise our family friendly atmosphere.

We will be calling these booths Casa del Sol, which translates to "house of the sun" which draws from the idea that these are our cabins, cabins of the sun/Sol. When booking their next trip, we expect the idea of Casa del Sol to stay with parents and other consumers who have utilized these booths for seating in airports and malls.

Google AdWords

SolAir will place bids for Google Adwords to help awareness to our airline by directing people to our website. SolAir will bid on Adwords such as 'Cheap Flights', 'Affordable Flights', 'International Flights', 'Family', 'Pet Friendly', 'Mexico Flights', and 'Planes'. The Adwords above cater to our Primary, Secondary, and Tertiary markets.



