# Executive Summary

US Airways is a world-wide company that is ran out of Tempe, Arizona. With over 198 destinations worldwide, US Airways has become one of the most traveled airlines in the entire world. US Airways' mission statement illustrates how they strive to be cooperative with their customers and to offer complete satisfaction to each flyer.

The airline focuses on offering the lowest prices possible to satisfy the market and is becoming more socially responsible within their corporation by going green. However, in recent years, US Airways has been noted as an airline whose customer service is no longer seen. Examples include poor customer service on the plane, a lack of help from employees after a flight delay, and an overall decrease in the enthusiasm in each employee. Additionally, US Airways has sparked attention with their increase in ticket prices, baggage fees, and other unnecessary fees which passengers must pay to walk aboard the plan. We have chosen to issue changes and modifications for the purpose of increasing our customers’ satisfaction and to strengthen our brand name.

US Airways will increase their level of customer satisfaction through an employee training conference in which each employee will be given a handbook. The training conferences will take place in January of 2014 and will cost US Airways $210,000. Although the price is high, US Airways is saving money because if a change was not made, employees would be fired and a hiring process would need to be done to find new employees, which would be detrimental for several reasons. Our second plan to increase customer satisfaction is to partner with General Mills. Although General Mills is known for their cereals, they also are manufacturers of home meals, dairy products, and snacks that US Airways can offer for in-flight purchases. In effect, US Airways will save money because currently, they have to purchase food items from a number of corporations and pay for shipping and their own packaging. With the partnership of General Mills, US Airways will have pre-packaged food items and will only need to purchase directly from one corporation. The total costs for this venture will be $312,000 and will begin in August of 2014. For an added benefit to our customers to increase their personal satisfaction, we have implemented a SmartPhone App, “Track It” to be a helper for passengers who have either missed their flights or who have been delayed for any of the several reasons. This application will cost $9,000 and will be available for download in February of 2014. Our final strategy to strengthen the brand name of US Airways and meet the needs of our customers is adding more flight destinations to countries and islands outside of the United States. The total costs will be $600,000, however based off our statistics and formulated estimates, US Airways should make 14 million dollars based off the number of flights already taken to countries outside the United States. After all taxes and expenses, US Airways will make approximately 6.8 million dollars. US Airways will make more money and they will have more passengers flying on their planes to new destinations.

At US Airways, we are confident in our strategies and decisions to rebrand the company toward a new, customer-oriented focus. With the concentration on customers and our eyes on success, US Airways can make a turn for the best. Customers will continue to fly with US Airways and those who were indifferent or pessimistic on whether to fly with US Airways will be confident in their decision to ‘fly with us’. Additionally, the new training program will prove beneficial after each employee is educated on how to be enthusiastic and professional in their uniform. It is a privilege to be working for US Airways and our employees have one focus; to ensure all customers are beyond satisfied.

**II. Introduction**

1. **Description of the business or organization**

In the early 1900's, when the first plane was created and aviation was becoming popular, it was in 1937 that the first seed was planted for US Airways. The company was formerly called American Aviation but as years went by and mergers with other airlines happened, the name was revised many times. It wasn't until 1996 that US Airways was decided to be the final and official company name. Today, the owner of US Airways is Chief Executive Officer Doug Parker who is also considered the most tenured CEO of any airline in the United States. Parker has helped the airline achieve record revenue growth and profit margins that have outpaced the majority of airway industries. US Airways is a world-wide company that is ran out of Tempe, Arizona. US Airways has four main hub locations, Charlotte Douglas International Airport, Philadelphia International Airport, Phoenix Sky Harbor International Airport, and Ronald Reagan Washington National Airport. Additionally, US Airways has 198 destinations throughout North America, South America, Europe, and the Middle East of which it travels to and from.

US Airways' mission statement illustrates how they strive to be cooperative with their customers and to offer complete satisfaction to each flyer. The airline tries its best to offer the lowest prices possible to satisfy the market and is becoming more socially responsible within their corporation by going green. However, US Airways ranked last out of 20 domestic airline carriers for system wide on-time performance in March, April and May 2007, according to Department of Transportation. In effect, US Airways lost many customers because a consumer wants to be able to depend on a service to meet their needs. Along with this, US Airways is the leader in service complaints with 4.4 complaints per 100,000 customers. US Airways rate of customer complaints is almost eight times the rate of JetBlue and 11 times the rate of Southwest Airlines. US Airways, however, does have more flyers than JetBlue and Southwest Airlines. US Airways has a very poor record of addressing customer complaints, answering only 50% of the telephone calls to its customer service department. US Airways has also changed their slogan on several occasions as well as their company name (on average every 5.5 years). Companies that are very successful often do not require such revisions on such a frequent basis. This exemplifies the problems that US Air has faced in the past years.

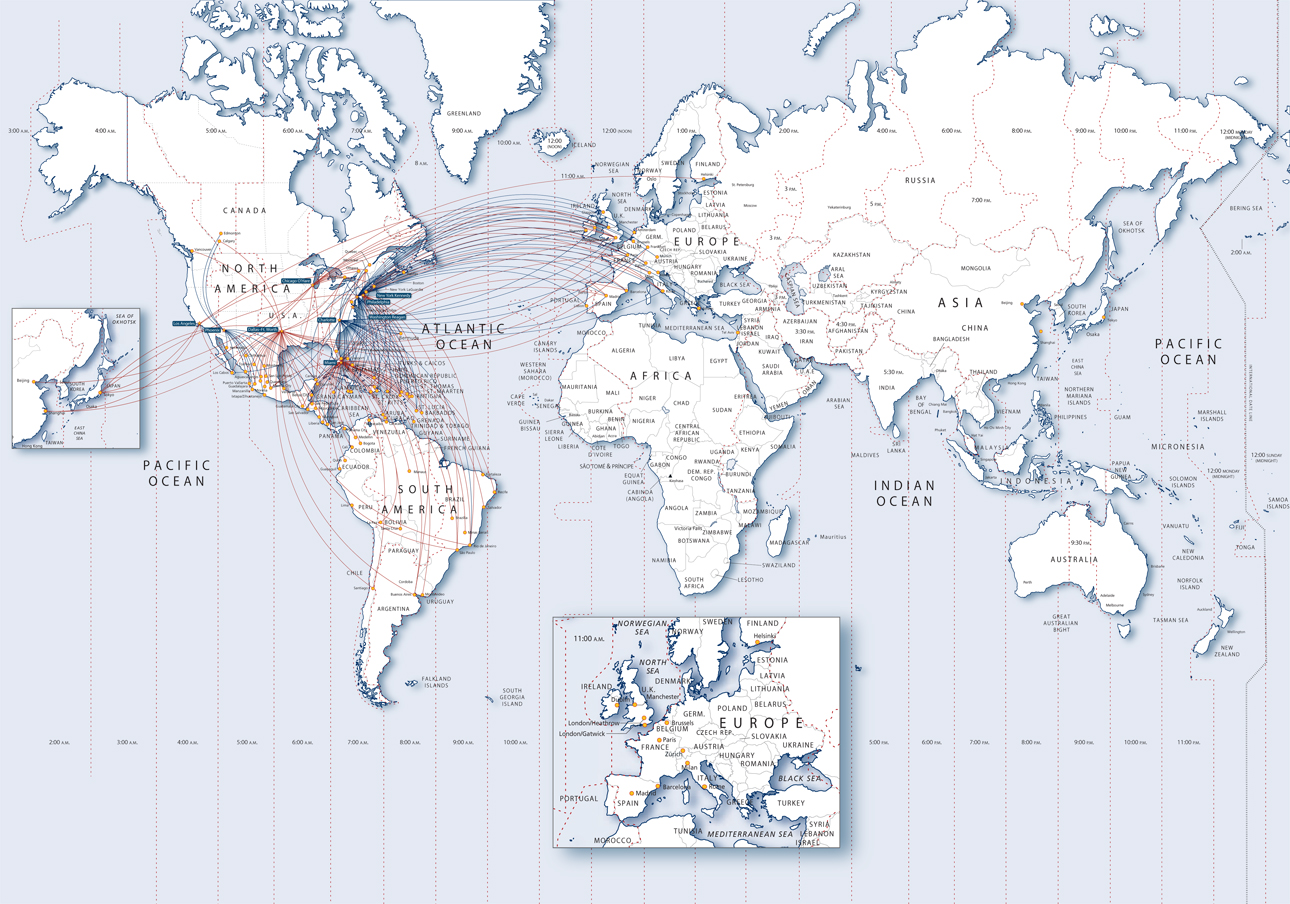
US Airways is an airline service that provides air transport services for traveling passengers and freight. In February 2013, American Airlines and US Airways announced plans to merge, creating the largest airline in the world. A few months later though in August 2013, the merger was put on hold. The government sees it as a threat to create an airline monopoly.

**B. Description of the community (economic, geographic, demographic and socioeconomic factors)**

**Economic:** US Airways employs more than 32,000 aviation professionals worldwide. They operate the world’s largest fleet of Airbus aircraft and are a member of the Star Alliance network, which offers customers flights to 194 different countries. US Airways Express serves approximately 80 million passengers each year. Additionally, the airline is one of the top ten companies offer the most jobs in Charlotte, North Carolina. US Airways posted a $287 million dollar quarterly profit in July of 2013 and are bringing in a large marginal profit. US Airways is also hoping on merging with American Airlines, who is bankrupt, later this year with the hope that it will increase services offered, customer sales, and more destinations.

**Geographic:**  Since US Airways is a world-wide company, geographic has a big range. In the United States though, US Airways has four important hubs, Charlotte Douglas International Airport, Philadelphia International Airport, Phoenix Sky Harbor International Airport, and the Ronald Reagan Washington National Airport. Furthermore, US Airways travels to 194 different countries located all around the world.

**Figure 1.1- US Airways Destinations**



**Demographics:** US Airways' majority of flyers are between the ages of 25 and 54 years old and many of those flyers an annual income of $50,000. US Airways has come to find that 68% of their customers are males as the remaining flyers are female. Over 50% of the customers travel for leisure and about 29% of customers travel for business. Lastly, 85% of US Airways customers own a home or primary residence and 43% own a second property other than a home. The average household price gathered from our flyers cost around $300,000.

**C. Description of the business or organizations mission, target market and existing brand efforts.**

Almost every company has a mission and vision statement. These statements are directed towards the customers and are used to remind the company what its main purpose is. US Airways Customer Service Statement (mission and vision statement) is, “Customer service has always been a priority at US Airways, and we are committed to making every flight count for our valued customers” and “Our promise to you; The safety and satisfaction of our customers is a top priority for our airline. Customers first are the result of a joint effort of the airline industry, the US Congress, and the US Department of Transportation to address the key service elements that affect our customers”. US Airways uses this mission statement to make it clear that customer service and satisfaction is their number one priority along with safety. US Airways implements this statement by building great relationships with passengers. For example, ticket and reservation agents are trained to provide the ticket buyer the lowest fare possible based on the date, flight and class of service where they will be seated. This service occurs when the passenger checks in at an airport ticket counter or contacts the US Airways reservation center. Along with providing the lowest air fare, US Airways practices notifying customers of delays, cancellations and diversions, strives to deliver baggage on time, provides a 24 hour ticket refund, and accommodates passengers with special needs.

US Airways has a primary market that consists of business travelers and international travelers. Our secondary target market consists of leisure travelers and young families. US Airways is a little different from other airlines, instead of mainly targeting vacationers, we target the business travelers in the Northeast region of the United States. Our company doesn’t go after the leisure market even though we provide service to popular vacation spots in the Caribbean and Europe. Through our primary market, we depend on business travelers to buy the more expensive walk up tickets at the ticket counter because the yield and profit is higher when compared to tickets bought 90 days in advance on other airlines.

US Airways is represented by the colors red, navy and white and a facsimile of the American flag (Figure 1.2). Uniforms vary among employees like captains (Figure 1.4, co-captains, Flight Attendants (Figure 1.3), mechanics, ticket agents, and baggage claim agents. US Airways strives to make our employees look professional and put together as possible.

**(Figure 1.2)**

[](http://www.google.com/url?sa=i&rct=j&q=&esrc=s&frm=1&source=images&cd=&cad=rja&docid=WTKojCnvTSyUfM&tbnid=A7tGpLqgwZA_LM:&ved=0CAUQjRw&url=http://twu514.org/blog/2013/02/12/us-airways-contract-and-seniority-lists/&ei=EjIpUvOqOPHa4APMlYGQDA&bvm=bv.51773540,d.dmg&psig=AFQjCNGbGIchiflalMFFftOKoLCKlz5eJg&ust=1378517888617680)

**(Figure 1.3)[](http://www.google.com/url?sa=i&rct=j&q=&esrc=s&frm=1&source=images&cd=&cad=rja&docid=f8CiHeg7kMCkJM&tbnid=-zBIrqd3-_juEM:&ved=0CAUQjRw&url=http://www.afausairways.org/uniform/newuni.htm&ei=XCwpUojoJ7iq4AOxvYC4Cg&bvm=bv.51773540,d.dmg&psig=AFQjCNHAESUQA96dOv2HZ3wR6zpyMAKcnQ&ust=1378516421317797)[](http://www.google.com/url?sa=i&rct=j&q=&esrc=s&frm=1&source=images&cd=&cad=rja&docid=qw73pbVwrDxE5M&tbnid=GjAdCxX6G6MIYM:&ved=0CAUQjRw&url=http://flysunrise.com/2012/01/sunrise-aviation-hires-airline-pilot-from-us-airways-express/&ei=VzEpUu2bKJHH4AOljIGoDA&bvm=bv.51773540,d.dmg&psig=AFQjCNFvyOn-x77aoDCQxUVxquj2FpTXog&ust=1378517709496563)(Figure 1.4)**

To create and build the brand name, US Airways has focused more on community and customer relations rather than public promotion such as commercials and online banners. US Airways has sponsored many businesses and has contributed to nonprofit organizations in our hubs local counties (Charlotte, Philadelphia, Phoenix and Washington, D.C.). They invest in educational systems to support science, technology, engineering and math, human services to provide to those in need and art programs that encourage the development of our community. To find their most relevant customers, the airline sets up reward cards or dividends member plan. US Airways targets adults and anyone over the age of eighteen through in-flight promotions, such as the MasterCard Dividend Miles option, to receive points for round trip tickets on future flights.

**III. Research Methods used in the study**

**A. Description and rationale of research methodologies selected to conduct the research study.**

In order to gain research that would allow us to help and rebrand US Airways, we used both primary and secondary research. For our primary research, we constructed eleven open ended questions and an interview with US Airways Captain David Weeks. Constructing an interview with Captain Weeks is one of the best sources for primary research in rebranding US Airways because he has the opportunity to work directly with customers on a frequent basis. Also, Captain Weeks has been a pilot with US Airways for 33 years so he is very familiar with the company’s missions and standards.

For our secondary research, we found online sources on websites such as <http://www.airlinequality.com>, <http://www.yelp.com> and http://www.airfarewatchdog.com. On these websites, we were able to view customer reviews and feedback from customers who have had experiences with US Airways.

**B. Process used to conduct the selected research methods.**

Through the process of collecting information from our interview we held on October 21, 2013 for 40 minutes with Captain Weeks, we aimed to provide a unique variation of questions. Our goal was to ask questions that provided both positive and negative answers. Recognizing and understanding the productive points of US Airways helps us to understand what US Airways has already modified to ensure success and a satisfaction for customers. Knowing the aspects that US Airways is proficient in limits us from working on things that are already strong in the company. We began with basic open ended questions that focused on the lifestyle of Captain Weeks.

* Approximately, how many times a year do you fly?
* Did you use US Airways/Piedmont Airlines to fly before you began working for the company?

We then included questions that dealt with Captain Weeks’ satisfaction with the airline and its employees. For example, we asked:

* Do you believe US Airways has changed for the better or for the worse over the years?
* When you fly for both work and leisure reasons, do you feel employees enjoy their job and work with a passion to ensure you enjoy your flight with US Airways?
* What types of conflicts have you experienced while flying with US Airways (flight delays, baggage issues, troubles with employees)?
* How do these conflicts compare to those dealt with on other airlines?

We then wanted to ask Captain Weeks about the modifications he would wish to implement.

* How do you feel about the baggage and ticket fees? Are they truly that valuable and beneficial for US Airways?
* If there weren’t baggage, ticket, and other fees, do you believe US Airways would attract more customers? Why?
* What kind of promotional tools do you think would benefit US Airways the most?
* What realistic changes could be made to US Airways to increase your flight satisfaction when you are the Captain or when you are a passenger?
* What are some things US Airways lacks that other airlines such as American, Delta, Southwest and Jet Blue have to offer?

These questions and Captain Weeks’ answers will lead us to ways we can improve and rebrand US Airways. A summary of Captain Weeks’ answer in our interview are provided in a section ahead.

For our secondary research, we gathered information through credible websites such as [www.airlinequality.com](http://www.airlinequality.com), [www.yelp.com](http://www.yelp.com), and [www.airfarewatchdog.com](http://www.airfarewatchdog.com). These websites give customers of US Airways and other airlines the ability to talk freely and rate their experience on airlines, specifically US Airways. These customer reviews and experiences work perfectly to fit our need for secondary research. We believe many of these reviews are credible and give us access to other people’s opinion of US Airways from all over the nation. Through just typing in US Airways in the search bar, we have found sources of compliments and complaints from people all over the nation and even in European countries. This research will give us access to the many of positive and negative aspects of US Airways in order to help us rebrand this airline.

**IV. FINDINGS AND CONCLUSIONS OF THE ST**

1. **Findings of the research study**

For our primary research we conducted an interview with an US Airways pilot, Captain David Weeks. Captain Weeks has been a pilot for the company for 33 years and knows a lot about the airline industry. From our interview, we gained great insight into how US Airways operates and how they could be improved upon. A copy of the interview we conducted is provided below.

**Interview with Captain Weeks:**

* **Approximately, how many times a year do you fly?** “I fly to Europe four times a month for work purposes, and usually fly around five times a year for leisure purposes.”
* **Did you use US Airways/Piedmont Airlines to fly before you began working for the company?** “Yes.”
* **Do you believe US Airways has changed for the better or for the worse over the years?** “We are much doing better off due to cutting expenses and charging ancillary fees such as luggage, food, and ticker fees for company.”
* **When you fly for both work and leisure reasons, do you feel employees enjoy their job and work with a passion to ensure you enjoy your flight with US Airways?** “A majority of them, yes.”
* **What types of conflicts have you experienced while flying with US Airways (flight delays, baggage issues, troubles with employees)?** “Weather delays are the biggest barrier to on-time operations, along with air traffic congestion.”
* **How do these conflicts compare to those dealt with on other airlines?** “Most airlines have the same type of problems.”
* **Is there any particular company that you feel does a better job with minimizing flight delays or customer service problems?** "Lufthansa, Delta and Emirates."
* **How do you feel about the baggage and ticket fees? Are they truly that valuable and beneficial for US Airways?** “I think they are essential to increase airline profitability.”

**How does Southwest airlines manage to offer cheaper flights or comparable flight rates without charging for luggage; yet US Airways is not? Why is it essential for one and not the other?** "Southwest Airlines is an airline that only focuses on getting their passengers from point A to point B. Unlike US Airways, Southwest does not focus entirely on the customer. In order to do so at US Airways, our fees are essential to our company so we are able to have the money to provide upgraded in-flight services."

* **If there weren’t baggage, ticket, and other fees, do you believe US Airways would attract more customers? Why?** “Possibly, but then again we would lose money by not charging those fees.”
* **What kind of promotional tools do you think would benefit US Airways the most?** “Probably sponsorships, like the US Airways Arena in Phoenix, along with the frequent flyer program US Airways offers to create customer loyalty. TV commercials would also be beneficial.”
* **What realistic changes could be made to US Airways to increase your flight satisfaction when you are the Captain or when you are a passenger?** “Customer service training and free internet connection on all the airplanes, no matter the destination or type of plane.”
* **What are some things US Airways lacks that other airlines such as American, Delta, Southwest and JetBlue have to offer?**  “A bigger route structure and more international flights.”

In addition to the interview we conducted with Captain Weeks; we also utilized two online sources that focus on collecting and publishing consumer-generated data. The purpose of using these websites is to look at the feedback customers provide so that we can gain insight into how we can improve US Airways and build upon their brand. Ultimately, we want to create solutions that ensure US Airways is a more successful corporation and a leader in its industry long-term. To accomplish this; we analyzed information posted on <http://www.airlinequality.com> and <http://www.airfarewatchdog.com>. Both offered reviews posted by customers and allowed us to see directly what consumers thought of US Airways customer service, prices, and approach to business.

The first fact or statistic that stood out to us was located on, <http://www.airlineequality.com> and according to the reviews given; 57% of customers did not recommend US Airways Business Class. Business class is also referred to as the back part of the plane, the non-first class seats. Passengers sitting in the business class are given minimum service and do not receive added benefits like special meals, movies, an more economically fitted seats.

In terms of customer service; US Airways seemed to rate low in most categories examined. Numerous passengers posted comments reflecting poor service and incidents that they viewed as signs of low employee morale. An example of such a comment came from a passenger traveling from California to Florida. They noted that “We flew from San Francisco (California) to Jacksonville, (Florida) and the flight crew acted like they hated their job. The crew never smiled once.” Another factor we analyzed were the responses given by customers in regards to the US Airways employees they encountered. In the Charlotte-Douglas airport (a major hub of US Airways) customers reported that the flight attendants did not say hello and that they rarely ever smiled. They were not helpful and it was almost like they were aggravated to have to deal with passengers. Other passengers from various flights complained of having minimal leg room and that there were no onboard amenities, except for the option of a soda or glass of water. Customers provided comments such as, “At least Delta gives you a cookie” or “Pay extra for JetBlue because you will at least get what you paid for unlike US Airways.”. Adding credibility to the comments posted was the fact that the majority of the customers had been frequent flyers of the airline and a significant number of them agreed that the service quality of US Airways has decreased substantially in the past few years. They believe the airline is focusing more on minimizing flight times, rather than focusing on the satisfaction of the flight and overall experience of the customer. A good analogy to compare the current state of US Airways with its previous version would be as follows: US Airways used to be the company that was like being in a limo or a charter bus, but now it is like a city bus or taxi, that just focuses on getting people to their final destination rather than the level of enjoyment that takes place along the way.

Another conflict that is affecting US Airways customers is the setup of the airplane and its lack of amenities. Customers have a shortage of leg room and a deprivation of free-space to feel comfortable. Although customers can purchase first-class seating with more amenities and space, the prices are relatively expensive. One customer noted that he was looking around for the outlet to plug his earphones into, but the stewardess informed him that the flight he was on did not offer music or videos. In addition, all food had to be purchased on that flight. Another customer criticized US Airways saying that “their flight was cancelled after a 4-hour delay and while cancellations happen to all airlines, the way US Airways handled the situation was appalling.” This review in particular seems very honest and is very clear on how US Airways is lacking in employee training. She adds that “Gate agents could not operate their own ticketing system to rebook passengers; the flight’s baggage was delivered two hours late and even worse, to a carousel in a different terminal. Furthermore the employees of US Airways had no idea what was going on and were indifferent to the needs of the passengers”. Finally, a customer quoted that “blankets are now only provided in first-class”. We discovered that US Airways is cutting down on the amenities they are giving out and are only focusing on earning money, which is leaving customers dissatisfied and angry with the company.

In fairness to US Airways; not all comments posted within the websites we analyzed were negative with some passengers actually being quite positive about their US Airways experience and service. Examples of their feedback included statements, such as, “US Airways offers no hassle, no fees, and a reduced cost upgrade to "Envoy" going to Frankfurt and a no-charge upgrade to "Envoy" or first class, on the flights return.” Another flyer’s response included how the food on the round-trip flight was flawless and the service and seating accommodations were exceptional.

1. **Conclusions based on the findings**

As a result of the primary and secondary research we conducted, we were able to take our findings and form several key conclusions. From our interview with Captain Weeks, we concluded that US Airways needed to update a few things such as customer service training for employees, figure out solutions to flight delays and easier solutions to deal with customers, create stronger promotional tools such as Television commercials, and look into new possible locations to offer as a new flight destination.

From our secondary research we researched and found on <http://www.airlinequality.com> and <http://www.airfarewatchdog.com>, we also concluded some few major key points in order to be successful in our rebranding process. The three main points that would be beneficial to focus on are upgrading in-flight amenities, customer service, and updated employee training. We found that there are some current ways that US Airways currently uses that are creating obstacles in the path to moving forward. From the customer reviews that were posted on these review websites, it is clear that many US Airway customers are not satisfied with the special meals, movies, and ergonomically fitted seats. We depicted from responses that several customers were dissatisfied with the service offered by US Airways and that US Airways lacked a competitive advantage. US Airways number one priority is satisfying their customers, and this is a point where US Airways needs revision and is not a selling point of the brand. Based on a specific customer response, the customer's flight lacked even the basic amenities of having music and food to be served midway during the flight for free. We discovered that this conflict could be resolved by analyzing the setup of the airplane and configuring a new way to allow more comfort and space to the flyers. Secondly, we would add a music system to all airplanes, not just on certain airplanes. This way, customers will not complain about the lack of amenities. In effect, we would like to look at the set-up of the planes and find a way to ensure that passengers are comfortable, which in return will make up for the fees for blankets and other amenities offered.

The other main point we centered around was updated employee training and bettering customer service. As we gathered various customer reviews, a majority of them were focused on the unsatisfying service and vibe customer's received from employees while on their flight. Many of our reviews complained how unhappy the employees acted while doing their job and many of the flight stewardess' made it seem like serving the passengers were a pain. As US Airways compares itself to other airline companies like Southwest, JetBlue, Lufthansa, Delta, and Emirates, US Airways falls shorts in this category. As a global and successful airline company, US Airways should not be known for unfair and standard in-flight service. If US Airways does gain this reputation, that means potential downfall for the company. So from our customer feedback, comparison, and analysis, we have concluded that a new employee training program should be implemented immediately. Along with upgrading employee training, comes customer service, outside of the flight. Like stated previously, US Airway has a mission of getting their passengers to their destination happily and worry free. From some reviews we have read and seen on <http://www.airlinequality.com> and <http://www.airfarewatchdog.com>, customer service employees are not fulfilling their service to make our customers satisfied and understanding of all circumstances. The efficiency and handling of conflicts with the employees of US Airways has caused customers to stop using US Airways as their main carrier and has led to marginalized profits and reduced market shares.

Overall, we have learned that US Airways can be successful and many employees have been trained appropriately to satisfy the needs of customers, however there are many changes that can and need to be made. After reviewing various responses, we now have a better understanding of what consumers think and how the US Airways brand has been negatively affected from the services and amenities they offer and the employee training they provide. Customer-service is a key aspect which, if it is modified to better the customers, will in-return greatly benefit US Airways. Secondly, the set-up of the airplane and its amenities offered has been a detriment to US Airways’ and a major contributor to its minor setbacks over the past few years.

**V. PROPOSED REBRANDING PLAN**

**A. Objectives and rationale of the proposed rebranding plan**

US Airways is a noteworthy corporation and is growing at a significant rate. However, with increased airline passengers comes more stress and additional problems. In recent years, US Airways has noticed a decrease in the level of customer satisfaction and this has taken a major toll on the number of repeat flyers. Other problems such as, poor customer relationships, a lack of plane amenities, an increase in fees, poor rerouting policies and a lack of flight destinations have hindered the potential success US Airways is capable of. After analyzing the aforementioned conflicts experienced at US Airways we have recommended new solutions to these issues in the hopes of building a strong US Airways brand. Starting after January 1st, we plan to use the whole year of 2014 to rebrand and create a new image for US Airways.

The level of customer satisfaction has decreased significantly in recent years and change is a must. When making a transaction, research we have found from www.airlinewatchdog.com, explains that customers remember the first three seconds of a transaction and the last two. This fact makes the initial contact with a customer incredibly important because it resonates the most with how a customer will perceive the sales process. For this reason we feel it is extremely important for the employees at US Airways to be welcoming and friendly when they greet their customers. In addition, added importance in completing a customer service request is needed. Whether it be issuing a baggage fee, helping a customer find their gate number, or even helping a child find the restroom, all employees should be respectful and professional because these are the instances customers remember most.

Customers have complained that US Airways employees can seem disinterested and negative while at work. They are not viewed as friendly or even happy a lot of the time. While this opinion may not be reflective of all US Airways employees it is prevalent enough that customers have noticed it and commented publicly on it. A study done by the Academy of General Dentistry found that a smile is the first thing people notice when meeting a person. If we can instill the importance of being more positive while at work and emphasizing the importance of smiling and happy while on the job people’s perception should start to change.

Traveling via an airplane often results in people feeling stuck in a confined area, causing them to feel restless and needing to be entertained. The amount of amenities available on US Airways airplanes is limited. Although US Airways typically offers a personal screen with movies, games, and music to flyers on select flights lasting longer than two hours, people have complained that they should be available on all flights. Furthermore, some flights lasting more than two hours do not offer such amenities causing repeat customers to become upset because of the lack of consistency the airline delivers. On a recent flight I took to Cancun, Mexico (a three hour flight) I was provided with a portable viewing device that enabled me to watch movies and play games. However, on the flight back, my plane was smaller, and did not supply any technological devices for me to use. As a result, the plane trip on the way home seemed like it took much longer and made me much more anxious compared to flight I originally took.

The food amenities offered for free on a US Airways Flight are little-to-none. On all flights passengers receive a free beverage, such as a soda, water, or coffee. Passengers over the age of 21 may purchase an alcoholic beverage. On one experience, I witnessed a nearby passenger ask for a Bloody Mary and the flight attendant informed her that they were out of tomato juice, which means they were unable to make the drink. My mother was not angry or upset, but if this were to happen on a regular basis, the likelihood for some customers to become upset considerably increases.

Over the past decade inflation and rising prices has heavily hit the airline industry. Prices for goods and services have increased significantly. The price of gas has increased 270% in the last ten years. Due to rising travel costs, consumers are traveling less and are finding ways to save money. Additionally, consumers will not want to spend money on unnecessary fees when they are already struggling to pay for other expenses associated with an increase in the cost of living. The number of fees airlines charge customers is causing many customers to rethink their travel preferences. It is understandable that an airline needs to increase prices in today’s economy to earn a profit but the concern is how much should prices increase and how much profit should be earned. One of our goals is to shift the current fees system so that prices increase amongst customers who are purchasing services that are more of a luxury than a need. For instance upgrading to first class will cost more but baggage fees will be reduced by $10. Most people cannot avoid traveling without luggage; however, most people can avoid flying first class. By choosing to increases prices amongst services that cater to wants instead of needs we hope to still earn a fair profit and entice cost-minded customers to take advantage of our new price promotions.

US Airways has been expanding the number of flight destinations since the first day of its operation. The brand name is strong and airports in different countries want US Airways because they believe they can attract tourists, travelers, and employees to fly on US Airways. In addition, US Airways has made it easier for flyers who choose to fly into smaller cities. Rather than flying into high-density airports that often require car rentals and extended time to get to final destinations; US airways is offering more locations to arrive in; resulting in a more efficient traveling timeline. US Airways however, does have destinations that they have yet to make arrangements with. For example, customers cannot fly from smaller airports to the Bahamas or other countries out of the United States unless they travel to a “hub” airport, which, for US Airways would include Charlotte, North Carolina, Arlington County Virginia, Philadelphia, Pennsylvania, and Phoenix, Arizona. As US Airways merges with American Airlines, they will be the largest commercial airline in the world. If the company offered at least ten more destinations, many new markets would open for this American based aviation company.

**B. Proposed activities and timelines**

In order to implement the importance of being happy at work, US Airways will begin an “Increase Satisfaction” employee-training event in the major hubs of US Airways locations starting January 6th 2014. There will be more conferences held on the 13th, 17th, 20th, 25th and 27th  of every year. Usually January is a slow and not busy time for airlines so more employees will be available to attend the employee training conferences. Also doing the training sessions during this time will prepare crew members and US Airways employees for the busy spring break buzz. Employees will have the opportunity to select the dates they would be able to attend the employee training conference. The locations will include Charlotte, North Carolina, Arlington County Virginia, Philadelphia, Pennsylvania, and Phoenix, Arizona. In this training program, all US Airway employees that deal with customers face to face, including pilots and co-pilots, will go through classes in order to learn what is needed to leave the customer 100% satisfied. On December 1st, 2nd, 3rd, 4th, 2014, all employees will be observed by their supervisors. These days of observation will allow supervisors to make sure employees are following their customer training instructions and procedures and will prepare employees for their training sessions in January. Along with rebranding this aviation company, one of our main goals is to make US Airways an identifiable company with employees that greet all customers with a smile. We want the company to be known for its great employee-customer relationships and we feel improving employee performance is critical to this concept. All airline companies offer the same service and get their customers to their destinations, but for US Airways to differentiate themselves amongst their competition, is the customer service they offer.

When someone is probed to decide on who their best friend is, their answer is typically is influenced by the type of relationship he or she shares with that person. The same policy applies to US Airways and the customers in which they serve. People who travel are not always with a group. Sometimes flyers are traveling on a continuous basis and are rarely home to speak with their peers. If our employees make connections with travelers and spend time speaking with them, even for a matter of seconds, customers will feel as if they are important. If US Airways places their customers before themselves, their company image will have a much greater reputation than it has had in the past.

For a solution, US Airways should always pre-stock their beverages before any flight takes off. The only free food options I received when flying to Mexico, Jamaica, Costa Rica, and California were only pretzels in a small bag or a small, single Biscotti cookie in a wrapper. And when flying to Philadelphia, a 1 ½ hour flight, I was given no snack. The food available for purchase is representative of its price. They have snack boxes and a few small meals ranging from $5.00-$9.00. I purchased a snack box for $6.29 on my most recent trip to Cancun, Mexico. It consisted of roasted garlic hummus, pita chips, olives, honey glazed almond mix, a fig bar and a caramel candy. The food was surprisingly satisfying, however the extensive number of items included with the meal sounded more filling than the amount of I was given. For example, the bag of pita chips contained less than a handful of product. The fig bar was a sample size and the Carmel candy was a single, one-bite desert. The prices for amenities have continued to rise over the years. To offset such increases, we plan to pair US Airways with the food company of General Mills. Currently, US Airways supplies their own meals, snacks and drinks from the US Airways Market Place. Creating a partnership with General Mills will lead to a wider variety of food selections for US Airways flyers and will most likely increase the level of satisfactory during flights. General Mills offers many different product lines that range from cereals, to snacks, to packaged and boxed meals, to ice cream, yogurt, nutra-grain bars and other types of food. US Airways must immediately partner with a company like General Mills early this year beginning on March 1st, 2014.

As inflation increases and fuel expenses continue to increase, we recognize that a company must increase prices to offset these expenses. However, the baggage fees, carry-on fees, itinerary fees, high priced food products, and fees to bring animals onto the plane seem to exceed the necessary level of markup. In order to avoid these fees, US Airways will charge first-class flyers more for specialty access and amenities. As a result, animal and baggage fees will decrease starting June 1st, 2014. Additionally, partnering with General Mills will benefit our customers because we will now have the food prepared directly for us, rather than having to buy the products and pay for our own packaging.

One of the most negative things about being in the airline industry are the delays. Even though some delays are unavoidable, it’s often the way these delays are handled by airlines that have the largest impact on passengers. When a customer misses a flight, US Airways will do whatever it takes for the passenger to get on the next flight. To assist in the process of dealing with delays we will implement new technology that helps the customer track their flight and keep them informed so they can better prepare for any issues they encounter. Currently a lot of customers do not learn of their flight delay or cancellation until they arrive at the airport or even their boarding gate. With this new technology customers will be able to track flights whenever they wish and will be automatically alerted when any changes to their flight occurs. The company will create an App for SmartPhones called Track It and that will become available to the SmartPhone market in March 15, 2014.

Our final rebrand proposal is to increase destination options for US Airways passengers. With more destinations, US Airways will have the chance to spread to almost every continent and allow for a more enjoyable travel itinerary. For example, US Airways currently only offers one city destination in Russia, Australia, and the South Pacific and only three destinations in Canada. In comparison to other airlines, such as Delta and Continental, US Airways has a larger destination base, but when flying international, US Airways has a limited number of destinations. In order to maintain the status of being one of the leading airlines in the world, US Airways must offer more destinations. Some destinations that would be valuable to add in benefit to the company and its fliers would be destinations such as; Madrid, Moscow, Dubai, Cabo San Lucas, Honolulu, and Anchorage. These destinations would be reached from the Charlotte and Phoenix hubs and would open in various times of 2014, in either spring or fall.

Customers who have missed their flight or connection flight will receive seniority on the next flight to their destination. In response to those who may ask “How will you fit passengers on a plane that is already full”, our solution is that we will stop overselling. Today, airlines are overselling and when they exceed the number of passengers, they ask for passengers to take the next flight. The airlines take part in this to ensure they do not have any planes with empty seats and to also generate a maximum profit. However, with delays being inevitable, US Airways can stop overselling seats on their planes and can begin placing passengers who have been delayed on previous flights onto the flights with available space. Therefore, US Airways is still filling their seats, continuing to make a profit, and more importantly, providing strong customer service to each passenger. Also, to avoid delays like mechanical failures, weather delays or airspace congestion, US Airways will offer more morning flights, which are flights between the hours of 6:00am-9:00am. If flights are scheduled for the morning but unfortunately are delayed, there will be more chances to reschedule flights later that afternoon or evening.

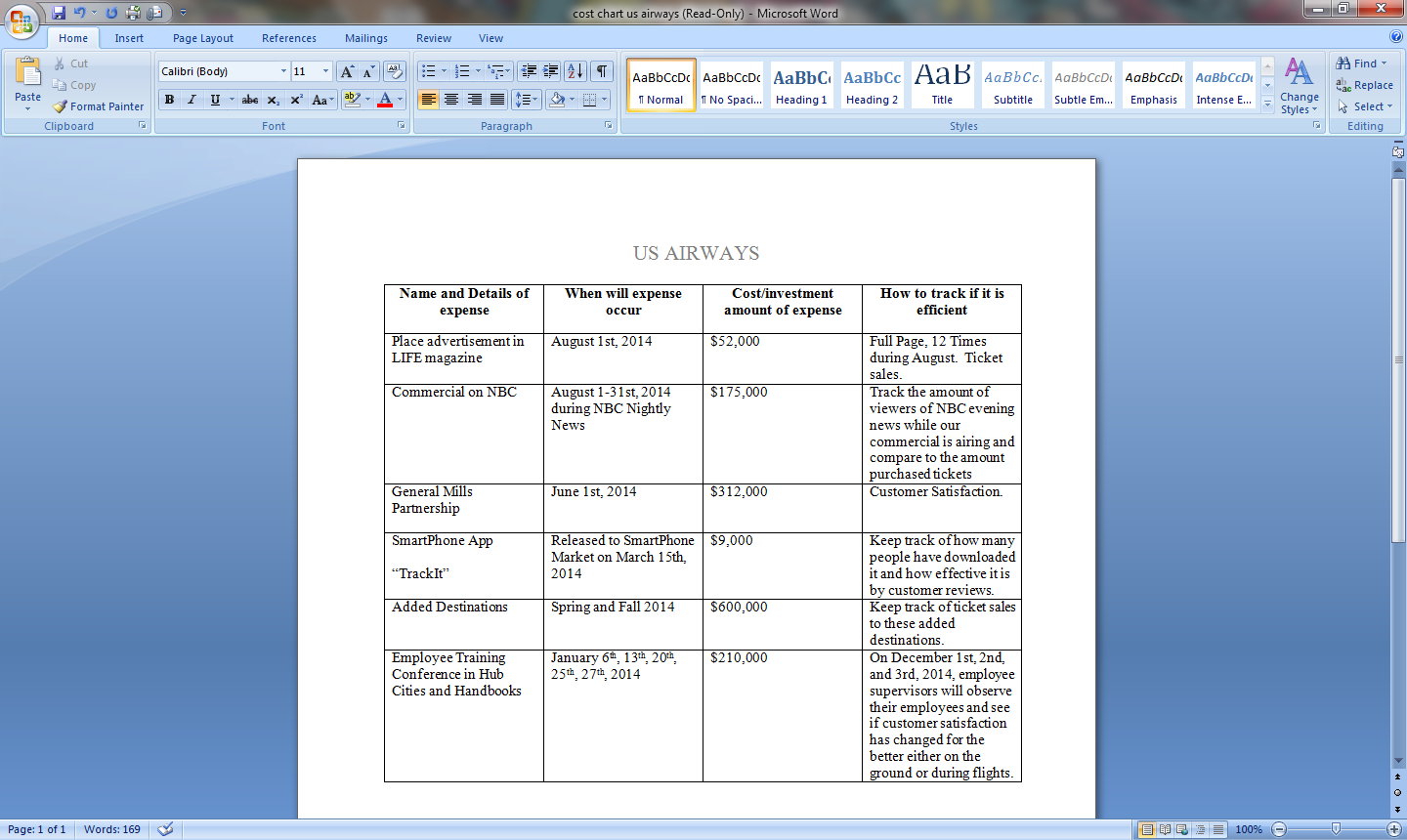
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| Date | Rebranding Effort and Expense |
| January 6th, 13th, 20th, 25th, 27th, 2014 | Employee Training Conference in Hub Cities and Handbooks |
| March 15th, 2014 | Release of “TrackIt” SmartPhone App. |
| Spring 2014 | Added Destinations |
| June 1st, 2014 | General Mills Partnership  Modification in fee schedule |
| August 1st, 2014 | Place advertisement in LIFE magazine |
| August 1-31st, 2014 | Television commercial on NBC |
| Fall 2014 | Added Destinations |

**VI. Cost of Rebrand**

1. **Costs associated with proposed rebranding strategies.**

As of December 8th, 2013, US Airways began their first step in the rebranding process when they officially merged with American Airlines. The merger is predicted to create a whole new company, create the biggest airline in the world and this is only the beginning. Now, as it is time to begin and as the merger is settling in, starting off with the New Year of 2014, US Airways will begin the process as rebranding. The merger is not only bringing in a new name (American Airlines) but new employees. In January 2014, US Airways will hold employee training sessions in its hub cities on the 6th, 13th, 15th, 20th, 25th and 27th. The total expenses will total $210,000. The expenses cover the handbooks, conference fees, and training which will take place at the Charlotte-Douglas International Airport. In June, US Airways will also partner with General Mills to increase the variety of food US Airways has to offer on flights. The cost of this outsourcing will be $312,000. No matter how long the flight is, flight attendants will be required to offer passengers non-alcoholic drinks and snack for free. Items ordered off the in-flight menu will be reduced to reflect our new partnership with General Mills. Our response to the excessive baggage fees has been analyzed and our solution is to lower them through increasing the costs of first-class seats. The costs of baggage will be reduced by $10.00 per bag and will be offset by increased fees for first-class fliers. In January of 2014, US Airways/American Airlines will come out with an updated SmartPhone App that will allow its customers and others to track flights right from their phone. This app will be released to the SmartPhone market in mid March and will cost $9,000.00 to implement. In August, as the fall season approaches, US Airways will also air one of their first television commercials on the NBC Network during the nightly news to reach their specific target market of middle to upper class fliers. The commercial will cost $90,000 to run during the Nightly News Broadcast. Also in August, US Airways will place a magazine, full page advertisement in LIFE magazine because the publication is popular in airports. The total cost will be approximately $52,000. Lastly during this time, many more destinations will be added to major hub cities, which will cost$600,000 but is necessary to accommodate the new merger between US Airways and American Airlines.

**B. Proposed metrics to measure Return on Investment**

 After all of our potential rebranding expenses, we expect to make large returns on our investments. Even though we plan on spending an estimate of $1.3 million on our rebranding efforts, we eventually will make returns through increased tickets sales and new, large opportunities through the merger with American Airlines. US Airways will gain a new market that will be twice as big, increasing sales in every US Airways or American Airlines city, destination and hub.

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