

Ryanair Marketing Mix

Product or Service

- Low cost, no frills air travel to European destinations.
- There is no free food or drink onboard.
- Other revenue fronts — the company has deals with Hertz car rental, hotels, phone cards, and bus tickets. About 16% of profit is made this way.

Price

- 70% of seats are sold at the lowest two fares.
- 30% of seats are charged at higher fares.
- The last 6% are sold at the highest fare

Place

- Ryanair does not use travel agents. You book online over the Internet. This saves them 15% on agency fees.
- It uses direct marketing techniques to recruit and retain customers, and to extend products and services to them.
- They are based in Stanstead in Essex, a secondary airport. It is cheaper to fly from Stanstead than either Heathrow or Gatwick, and since it is less busy Ryanair can turn aircraft around more quickly.
- Many of Ryanair's destination airports are secondary. For example, if you fly to Copenhagen (Denmark) you arrive in Malmo (Sweden), although it is only a short coach trip over the border.
- Keeping aircraft in the air as much as possible is another important part of the low cost jigsaw.

Promotion

- They spend as little as possible on advertising.
- They do not employ an advertising agency; all the advertising is done in-house. They use simple adverts that tell passengers that Ryanair has low fares.
- Ryanair employs controversy to promote its business. For example, in 2009, the company reasoned that passengers would be charged £1 to use the toilets on board.

People

- Pilots are recruited when they are young as pilot cadets. They work hard and take early promotions and then move on after 10-years or so.
- Cabin crew pay for their uniforms to be cleaned. They invest in their own training. They are mainly responsible for passenger safety as well as ancillary revenues onboard.

Physical Evidence

- Planes are the most expensive asset that an airline can make. They get big discounts on aircraft because they buy them when other airlines don't want them, for example after September 11th.

Process

- You cannot select a preferred seat. It is first come, first served.
- There are no air bridges. You walk or are bused to the aircraft.

- Baggage is deposited directly onto the terminal - it's quick. If your bag is broken, don't expect high levels of customer service.

<http://marketingteacher.com/case-study/ryanair-case-study.html>