

ADLIB COMMENTARY

## WestJet decides to take a TAXI

*Airline aims to move its marketing to a higher level*

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Financial Post

With Jetsgo out of play, WestJet Airlines Inc. is set to step up its marketing with a new partnership with one of Canada's hottest advertising agencies.

TAXI Toronto has been hired as agency of record for the Calgary-based airline just in time for a new round of fierce competition with Air Canada.

"This is a company with a grand vision. They want to be one of the iconic brands in Canada," said Rob Guenette, president of TAXI Toronto. "And I think WestJet is positioned for that. They have all the fundamentals in place."

TAXI is a highly awarded agency with clients including Telus Mobility, Nike, Molson and Viagra. The agency also has offices in Montreal and, since the fall, in New York.

TAXI was initially hired to do a single television project last year. The success of the project encouraged TAXI that it and WestJet could have a beautiful future together and so, Mr. Guenette and Paul Lavoie, TAXI's founder, made their pitch to Clive Beddoe, WestJet founder.

Ultimately it was Sean Durfy, WestJet's newly minted executive vice-president of marketing and sales who got an agreement hammered out with TAXI. WestJet ended a long relationship with its previous agency Calgary-based Creative Intelligence.

"We did some research [in central Canada], and 40% of the people who said they plan to travel next year said they know very little about us. We have to create trial and awareness of our product," Mr. Durfy said.

He said price will continue to be emphasized in the marketing with a greater focus to be placed on what Mr. Durfy calls the WestJet experience: "friendly staff, a solid record for being on time and new aircraft."

The challenge now is alter their marketing approach from one that positioned them as the low-price alternative to Air Canada. Like Southwest, the U.S. airline it was modelled on, WestJet initially attracted travellers by offering low fares on routes where high costs encouraged people to favour travel by cars, buses and trains. But what began without frills (the only thing many consumers knew about WestJet was you had to pack a lunch) has been getting frillier, with such additions as a satellite television service installed in the back of each plush leather seat.

WestJet's agreement with Bell ExpressVu enables it to offer a selection of 24 channels including news, sports, children's and leisure programming — all free. Last month it launched a new new inflight publication, up! magazine. And it now offers AIR MILES rewards for WestJet flights booked at [westjet.com](http://westjet.com).

Ted Matthews, a brand expert and president of we want ted inc. in Toronto, said WestJet has terrific people working for it and it should focus its marketing on the experience they offer.

"The public's a little beat up on the price thing after Jetsgo," said Mr. Matthews. "Having an experience you can count on is worth more now."

Mr. Guenette agrees that WestJet's story is not just about price anymore and that's a message they need to get out.

"Being a low-fare operator is not a long-term sustainable position," he said.

"The essence of WestJet is not about price. When they first came to market that was a way to break into the market. But they've grown up since then."

For now, details of the airlines marketing strategy aren't being disclosed; not in this environment.

"The competition between WestJet and Air Canada is going to be fiercer than ever," said Mr. Guenette.

But expect to see some significant changes and touch-ups to all areas of the brand. One of the reasons TAXI jumped at the chance for this chunk of business (besides the fact it gives them another top-tier client alongside Telus), is because the assignment is about more than advertising. TAXI, known for its stable of design talent, has been given the green light to redesign everything from the Web site to uniforms and coffee cups.

Media Experts will handle the media buying, a budget estimated at \$10-million a year.

TAXI and Media Experts also teamed up to pitch on and win the Telus business.

Mr. Guenette says the failure of Jetsgo does not change the marketing strategy.

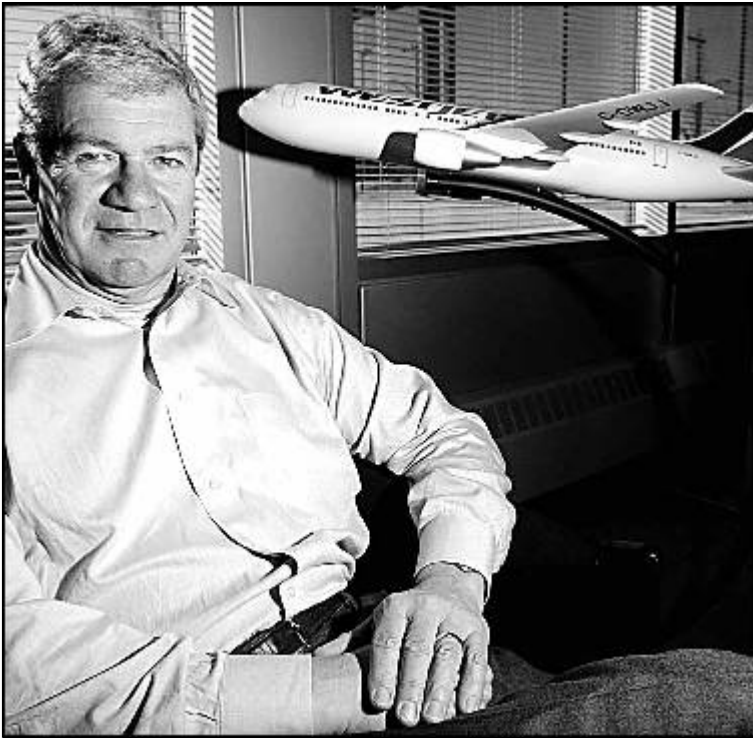
"If anything, the confidence (in WestJet's business strategy) is building," he said. "All this does is prove that WestJet's approach to the market is sustainable."

But not without some turbulence. Publicly traded WestJet posted a \$46.3-million loss in last year's fourth quarter — its first loss since its 1996 launch.

The stakes are high for WestJet and Air Canada as they try to pick up price-sensitive Jetsgo customers and convince others who may be opting out of airline travel as prices rise, that there are attractive alternatives.

Mr. Matthews warns that the current void of a Jetsgo is a bluesky opportunity for WestJet.

"Don't count out the arrival of another discount airline. Now's the time for WestJet to build brand equity based on that experience platform, before it has to battle another low-cost airline." [sheinrich@nationalpost.com](mailto:sheinrich@nationalpost.com)



JENELLE SCHNEIDER / CANWEST NEWS SERVICE Clive Beddoe, WestJet's founder. Marketing approach must change.