



REDEFINING RELIABILITY

Marketing Report

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Executive Summary

Rex Airlines is a domestic Australian airline that has historically focused on regional flights, and it has the highest on-time performance and lowest cancellation rates of any Australian airline. Recently, Rex expanded into the capital city market (trunk routes) and began challenging Qantas, Virgin, and Jetstar for market share. Through meticulous primary and secondary data collection, we have collected valuable marketing insights into the brand. We segmented Rex's customer base into three segments: Frugal Flyers, Smooth Sailors, and Schedule Masters. We identified Schedule Masters as the primary target segment for our marketing campaign. By tailoring marketing towards this segment, Rex could potentially increase revenue by approximately \$31 million on trunk routes.

Our proposed marketing campaign introduces a new positioning strategy aimed at enhancing Rex Airlines' appeal to Schedule Masters: business travelers who prioritise reliability, convenience, and full service over cost. Through targeted messaging, innovative marketing channels, and strategic partnerships, the campaign aims to reinforce Rex Airlines' commitment to punctuality, reliability, and value. It also aims to increase brand awareness from 73% to 85% and drive customer acquisition and retention by adding 103,000 new customers within this segment over the next three years.

The proposed marketing campaign budget is \$12.4 million, with 60% allocated towards brand awareness and 40% towards conversion activities. By leveraging a mix of digital, out-of-home, endorsement, and SEO strategies, the campaign aims to target a return on investment of 150% over the next 3 years.

In summary, this report offers valuable insights and actionable recommendations to strengthen Rex Airlines' market position, enhance customer engagement, and drive sustainable growth in the highly competitive Australian aviation landscape.





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Brand Overview

Rex Airlines is a regional Australian airline founded in 2002 as a result of a merger between Austrawide, Hazelton, and Kendell Airlines¹. Rex operates with the tagline "Our heart is in the country"², which represents their focus on connecting regional Australia ("the bush") with larger cities². For many communities, Rex is the only airline option available, and Rex partners with the Queensland government to fly doctors into rural areas and to fly patients who need specialised medical care to the capital cities³.

In addition to servicing rural communities, Rex's mission is to deliver on-time performance and affordable fares to domestic customers, while offering country hospitality². All Economy tickets include carry-on and checked baggage, seat selection, and snack and beverage service. Business class tickets include these features plus access to Rex's airport lounges. Rex also offers a "Get Me Home" standby feature which places customers on earlier flights if there are seats available (\$33 fee for Economy and free for Business)⁴.

Rex also has a frequent flyer program known as Rex Flyer, in which customers collect points to redeem towards flight tickets. The Rex Flyer program also features status tiers that offer extra baggage, lounge access, and upgrades to top-tier loyalists⁵. Based on its product offerings, Rex strategically positions itself as a full-service airline in direct competition with the full-service Qantas, rather than the nickel-and-dime budget airlines Jetstar, Virgin, and Bonza⁶.

In 2021, Rex entered the capital city market and commenced flight operations between Melbourne, Sydney, Brisbane, and Adelaide¹, and has now expanded into eight domestic truck routes⁷. Once viewed as simply a country person's airline, Rex sought to challenge Qantas for market share and become the airline of choice for capital city transit, particularly among business travellers⁶.

Rex has won numerous awards, such as *South Pacific's Best Cabin Service* in the 2024 Airline Passenger Experience Association (APEX) Awards, as well as *Airline of the Year*, *Safety Innovator of the Year*, and *Flight Training Business of the Year* at the 2023 Australian Aviation Awards¹.



1. "About Rex," [www.rex.com.au](https://www.rex.com.au/AboutRex/), accessed March 14, 2024, <https://www.rex.com.au/AboutRex/>.

2. "Rex Overview," [www.rex.com.au](https://www.rex.com.au/AboutRex/OurCompany/overview.aspx), accessed March 14, 2024, <https://www.rex.com.au/AboutRex/OurCompany/overview.aspx>.

3. Adam Thorn, "Rex Mini Gulf Services to Continue," *Australian Aviation*, January 12, 2024, <https://australianaviation.com.au/2024/01/rex-mini-gulf-services-to-continue/#:~:text=The%20Queensland%20government%20is%20to>.

4. "Fare Rules," [www.rex.com.au](https://www.rex.com.au/specials/fare_rules.aspx), accessed March 14, 2024, https://www.rex.com.au/specials/fare_rules.aspx.

5. "Rex Flyer Home Page," [www.rex.com.au](https://www.rex.com.au/rexflyer/LoyaltyHomePage.aspx), accessed March 14, 2024, <https://www.rex.com.au/rexflyer/LoyaltyHomePage.aspx>.

6. Patrick Hatch, "Rex Says Its Winning Qantas' Corporate Travellers as Airline Fight Heats Up," *The Sydney Morning Herald*, February 25, 2022, <https://www-smh-com-au.eu1.proxy.openathens.net/business/companies/rex-says-its-winning-qantas-corporate-travellers-as-airline-fight-heats-up-20220225-p59zm0.html>.

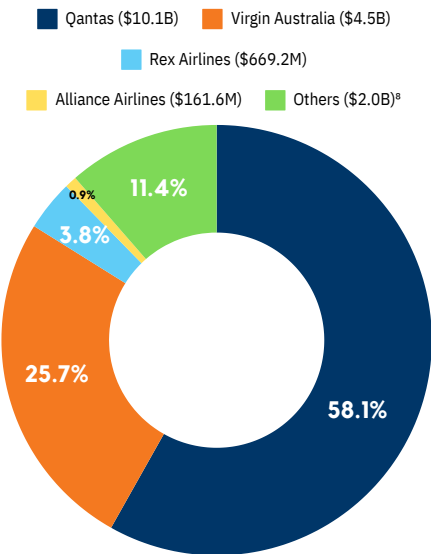
7. "Where We Fly," [www.rex.com.au](https://www.rex.com.au/FlightInfo/Network.aspx), accessed March 14, 2024, <https://www.rex.com.au/FlightInfo/Network.aspx>.

Products and Market Environment

The Australian domestic airline market saw a significant decline in sales during 2020 to 2022 due to COVID-19. Sales have now rebounded and surpassed pre-pandemic levels, indicating a strong recovery in the industry⁸.

As a full-fare and business passenger transport carrier, Rex Airlines comes in third place with a market share of 3.8%, indicating a significantly smaller presence compared to Qantas and Virgin Australia⁸. Similarly, we noticed that only 6% of respondents in our survey consider Rex as their airline of choice.

Both these findings suggest that Rex Airlines operates on a smaller scale or in a niche market to compete with others.



Rex has been recognised by the Bureau of Infrastructure Transport and Regional Economics (BITRE) as Australia's most reliable airline for the 16th consecutive month. In January 2024, Rex's 5,200 domestic and regional flights departed on-time 80.9% of the time. The airline made records in January 2023 by being the first airline group in Australia to surpass the 80% on-time mark, achieving 83.3% of on-time departures⁹.

Airline	Arrivals On Time %	Departures On Time %	Cancellations % ¹⁰
Rex Airlines	77.3	80.9	0.6
Bonza	78.4	78.0	3.3
Qantas	76.6	77.8	2.5
Virgin Australia	67.9	69.4	5.3
Jetstar	78.4	69.0	2.4
Average	73.4	74.2	3.1

8. Disha Kartik Jeswanth, "Domestic Airlines in Australia," IBISWorld, January 2024, <https://my.ibisworld.com/au/en/industry/i4902/at-a-glance>.

9. "Rex Remains Australia's Most Reliable Airline," <https://www.rex.com.au/Corporate/>, February 22, 2024,

<https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attacchtype=MR&filename=4D716E4D74774A2B32785078563867675A385A62514D4572556432776A65387465714F5061727A66782F6350593033564E4F65437633423676434B7A4A6C68316249706334304D554331593D#:~:text=Data%20released%20by%20the%20Bureau,time%20departures%20and%20cancellation%20rates..>

10. Bureau of Infrastructure, Transport and Regional Economics, "Airline on Time Performance Statistics —Monthly," Bureau of Infrastructure, Transport and Regional Economics (The Department of Infrastructure, Transport, Regional Development, Communications and the Arts), accessed March 16, 2024, https://www.bitre.gov.au/statistics/aviation/otp_month.

Current Positioning

Positioning Statement¹¹	The full-service airline for Australians who want safe, reliable, and affordable domestic air travel, delivered with true integrity and country hospitality
Tagline²	Our Heart is in the Country
Customer	Individuals who value safe and reliable full-service air travel at a reasonable price with country hospitality
Value Promise¹²	<ul style="list-style-type: none"> • Commitment to provide customers with safe and reliable air travel • Focus on keeping fares low (particularly for regional Australians) through a commitment to simplicity, efficiency and good value • Commitment to acting with integrity as exemplified by their value statement: <i>"What does it profit a Company if it gains the whole world and loses its own soul?"¹²</i>
Reasons to Believe	<ul style="list-style-type: none"> • Rex has consistently achieved industry-leading on-time performance and the lowest cancellation rates amongst all the major carriers in Australia⁹ • Pricing of Rex is on par with Virgin and comparable to Jetstar (including baggage), and priced below Qantas
Competitors	Domestic full-fare and business passenger transport carriers such as Qantas, Jetstar, Virgin, Bonza, and Alliance Airlines ¹³
Operational Implications¹²	<ul style="list-style-type: none"> • Staffing optimally to ensure delays and cancellations are avoided • Servicing the Rex Flyer loyalty program • Eliminating inefficiencies and waste in order to keep airfares low, particularly for regional customers² • Connecting regional Australia with the world through interline agreements with Etihad Airways and Delta Air Lines¹⁴

Based on Rex's advertising as shown in Appendix A, their current positioning is product-based and focuses primarily on price and on-time performance. Most current advertising focuses on low prices, but since Jetstar regularly offers lower fares (*excluding* add-ons) at a higher capacity on the same routes, Rex does not have an advantage in price competition. The average traveller is unlikely to take the time required to compare Rex's full-service fare inclusions to the final ticket price on Jetstar after add-ons such as seat selection, luggage, and refreshments are added.

Rex's advertising also heavily emphasises Qantas' and Virgin's poor on-time performance, cancellations, and negative customer reviews. Focusing so heavily on competitors' negative performance does not generate much positive brand perception or association for Rex.

2. "Rex Overview," [www.rex.com.au](https://www.rex.com.au/AboutRex/OurCompany/overview.aspx), accessed March 14, 2024, <https://www.rex.com.au/AboutRex/OurCompany/overview.aspx>.

9. "Rex Remains Australia's Most Reliable Airline," <https://www.rex.com.au/Corporate/>, February 22, 2024,

[https://www.rex.com.au/BlobViewer/BlobViewer.aspx?](https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attachtype=MR&filename=4D716E4D74774A2B32785078563867675A385A62514D4572556432776A65387465714F5061727A66782F6350593033564E4F65437633423676434B7A4A6C68316249706334304D554331593D#:~:text=Data%20released%20by%20the%20Bureau,time%20departures%20and%20cancellation%20rates..)

[attachtype=MR&filename=4D716E4D74774A2B32785078563867675A385A62514D4572556432776A65387465714F5061727A66782F6350593033564E4F65437633423676434B7A4A6C68316249706334304D554331593D#:~:text=Data%20released%20by%20the%20Bureau,time%20departures%20and%20cancellation%20rates..](https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attachtype=MR&filename=4D716E4D74774A2B32785078563867675A385A62514D4572556432776A65387465714F5061727A66782F6350593033564E4F65437633423676434B7A4A6C68316249706334304D554331593D#:~:text=Data%20released%20by%20the%20Bureau,time%20departures%20and%20cancellation%20rates..)

11. Regional Express Holdings Limited, "Challenges after COVID: Annual Report for the Financial Year Ended 30 June 2023" (Regional Express Holdings Limited, September 29, 2023).

12. "Rex Value Statement," [www.rex.com.au](https://www.rex.com.au/AboutRex/OurCompany/pdf/valuestatement.pdf), accessed March 14, 2024, <https://www.rex.com.au/AboutRex/OurCompany/pdf/valuestatement.pdf>.

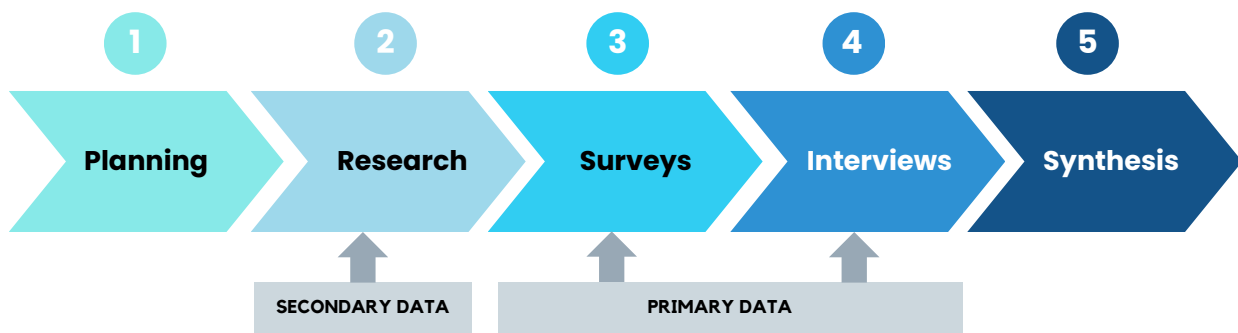
13. Australian Competition and Consumer Commission, "Airline Competition in Australia," Australian Competition and Consumer Commission (Commonwealth of Australia, June 2023), <https://www.accc.gov.au/system/files/Airline%20competition%20in%20Australia%20-%20June%202023%20report.pdf>.

14. "Rex Interline Agreement with Etihad Takes Flight," <https://www.rex.com.au/Corporate/>, March 11, 2024,

[https://www.rex.com.au/BlobViewer/BlobViewer.aspx?](https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attachtype=MR&filename=324C6165566E494C2F31584F4E35653139304E3578324772795775776E56666B4B7441422F5A4647517262656345525A32654D4F3865733557455A444265743678647973584D794450456B2B68696B334163694453513D3D)

[attachtype=MR&filename=324C6165566E494C2F31584F4E35653139304E3578324772795775776E56666B4B7441422F5A4647517262656345525A32654D4F3865733557455A444265743678647973584D794450456B2B68696B334163694453513D3D](https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attachtype=MR&filename=324C6165566E494C2F31584F4E35653139304E3578324772795775776E56666B4B7441422F5A4647517262656345525A32654D4F3865733557455A444265743678647973584D794450456B2B68696B334163694453513D3D).

Research Strategy and Insights



Planning

We initiated our research journey with market insights planning. This involved outlining clear research objectives and strategising the most effective methodologies to collect qualitative and quantitative data.

Research

Secondary data sources such as Rex's annual report and IBISWorld Industry Reports revealed extensive information on Rex Airlines' financial performance, market positioning, and broader industry trends.

Survey

An online survey was developed and deployed through Qualtrics to gather diverse feedback on various aspects of Rex Airlines' services and customer satisfaction levels. We received **120 responses**, providing valuable insights into customer preferences and perceptions of Rex Airlines. Please refer to Appendix B for further information on the surveys conducted.

Interviews

10 face-to-face consumer interviews were conducted to collect nuanced insights directly from selected survey respondents. Of the 10 interviewees, six were identified to be current Rex customers and four non-customers. Please refer to Appendix C for further information on the interviews conducted.

Synthesis

By combining insights from both primary and secondary data sources, we identified distinct customer segments within Rex Airlines' market. These segments include **Frugal Flyers**, **Smooth Sailors**, and **Schedule Masters**.

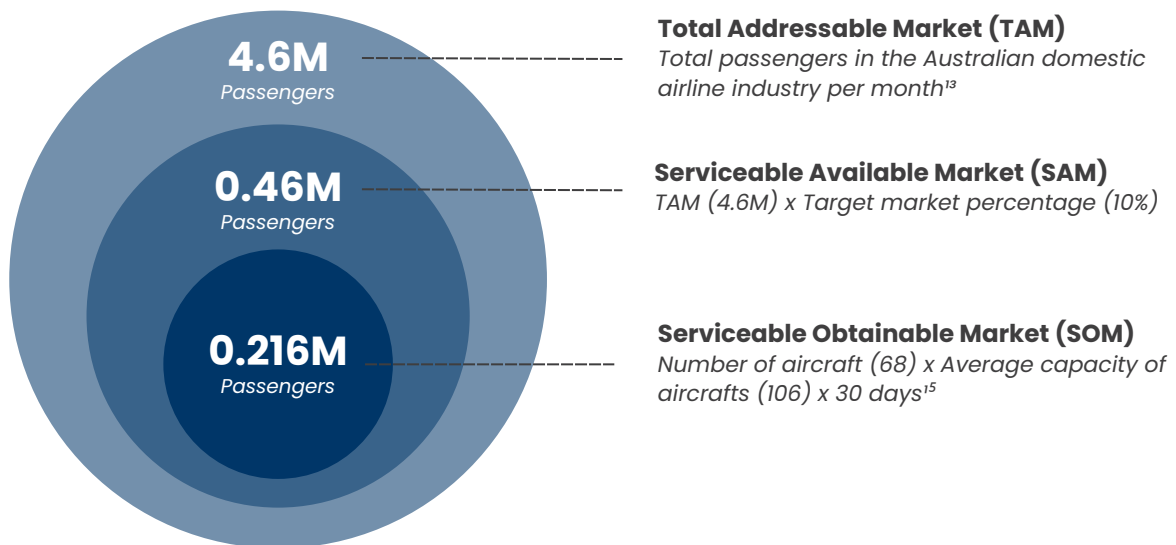
Only a fifth of the respondents in our survey have flown Rex in the past and over a quarter have never heard of Rex. Surprisingly, the average Rex customer is unaware of many of the benefits that Rex has to offer, such as a frequent flyer loyalty program, airport lounges, and interline agreements with Etihad Airways and Delta Air Lines.

Many customers who had flown Rex previously were unaware that Rex had begun flying domestic trunk routes between major cities. One customer who had flown with Rex 15 times was surprised to learn that Rex offered flights between the capital cities of Sydney, Melbourne, Brisbane, and Adelaide, and had done so for three years.

This indicates that there is an opportunity for Rex to better communicate their existing value promises and competitive advantages to both new and existing customers.

Segmentation, Targeting, and Positioning

Market Selection



Bases of Segmentation

Needs-based and behavioural segmentation methods were applied as we believe it is important to understand what factors influence purchase behaviour for air passengers and the primary reason for domestic travel. This helped us identify the segment of air passengers who will most likely appreciate Rex's value proposition.

Survey responses to two key questions were used as criteria for dividing up the obtainable market:

- 1. Needs-based:** Primary reason for travel
- 2. Behavioural:** Factors considered when choosing an airline or flight (1 = Most important, 6 = Least important)

	Frugal Flyers	Smooth Sailors	Schedule Masters
Travels for holiday/visiting friends & family	78%	84%	25%
Travels for business	11%	16%	75%
Travels for education/other reasons	11%	0%	0%
Values flight operations (e.g. on-time performance, route availability, safety record)	3.11	3.33	1.64
Values price	1.13	3.33	3.09
Values passenger services (eg. baggage allowance, on-board/customer service, cancellation policy)	3.11	3.17	3.41
Values loyalty program	4.13	3.58	4.14
Values reputation	4.17	2.58	3.77
Values environmental impact	5.37	5.42	5.00

13. Australian Competition and Consumer Commission, "Airline Competition in Australia," Australian Competition and Consumer Commission (Commonwealth of Australia, June 2023), <https://www.accc.gov.au/system/files/Airline%20competition%20in%20Australia%20-%20June%202023%20report.pdf>.

15. "Rex Fleet," www.rex.com.au, accessed March 17, 2024, <https://www.rex.com.au/AboutRex/OurCompany/fleet.aspx>.

Customer Segment Profiles

53%



Frugal Flyers

"Luggage costs how much?! I'll just shove everything into my carry-on bag."

- Flies for leisure 1-4 times per year
- Highly price-conscious
- Has a flexible schedule and chooses to fly on Tuesday, Wednesday, or Thursday to save money
- Reluctant to spend money on ticket add-ons such as baggage fees, seat assignments, or airplane snacks
- More willing to experiment with a new or smaller airline to save money on their ticket
- Shops around for the best deal
- Below-average employment (students or working holiday visa holders)
- Gender-balanced, unmarried, and childless
- Lives in or near a major city

27%



Smooth Sailors

"Let's fly up to Gold Coast for school holidays!"

- Flies for leisure 1-2 times per year
- Willing to pay a premium to fly at peak times such as school holidays and long holiday weekends
- Family-oriented with very little schedule flexibility
- Less willing to experiment with a new or smaller airline due to concerns about reliability and comfort
- Evaluates the cost of flying the whole family and is more likely to drive (if distance is feasible) than fly
- Average income household with 2 working parents
- Gender-balanced, married, and has young children
- Lives in or near a major city

20%



Schedule Masters

"If I don't get there in time for this meeting, I'm f----d!"

- Flies for business 5-20 times per year
- Not price-conscious since their employer pays for their ticket
- Highly reliability-conscious as they must arrive on-time for business meetings or conferences
- Empowered to select which airline they want to fly with through a corporate travel booking system
- Selects flights based on the most appropriate schedule for their meetings
- Seeks benefits such as lounge access, frequent flyer miles, and free upgrades to business class
- More likely to purchase last-minute fares at a premium price
- Upper middle to high income, predominantly male, and has a family
- Lives in or near a major city currently but many grew up in a regional area

Measures of Segment Attractiveness

We considered four business criteria to evaluate the different segments for selection:

Business Criteria	Frugal Flyers	Smooth Sailors	Schedule Masters
Segment size	53%	27%	20%
Preference for air travel	89%	41%	100%
Typical travel frequency per year	4.2	4.0	6.0
Ranks Rex as airline of choice	2%	0.3%	13%
Overall score	3.90%	0.13%	14.90%

Schedule Masters obtained the highest overall score and represents 20% of our survey respondents, indicating an acceptable market size.

All respondents in this segment prefer to travel by air and also travel more frequently each year compared to Frugal Flyers and Smooth Sailors.

There is an existing awareness and adoption of Rex as airline of choice by the selected segment.

Strengths of Target Segment

- ✓ frequent business travel between major cities
- ✓ prioritises reliability and benefits over price (tickets are covered by their employer)
- ✓ aligns well with Rex's current business strategy to increase revenue among business travellers⁶

Weaknesses of Target Segment

- X reliance on employer coverage
- X potential lack of brand loyalty
- X smaller segment size



6. Patrick Hatch, "Rex Says Its Winning Qantas' Corporate Travellers as Airline Fight Heats Up," The Sydney Morning Herald, February 25, 2022, <https://www-smh-com-au.eu1.proxy.openathens.net/business/companies/rex-says-its-winning-qantas-corporate-travellers-as-airline-fight-heats-up-20220225-p59zm0.html>.



Target Segment Profile

Target Segment	Schedule Master
Customer Name	Adrian
Demographics	40 years old; Male; Married with two young children
Occupation	General Manager
Household Income	AUD 200,000 + Superannuation
Location	Melbourne
Psychographics	<ul style="list-style-type: none"> • Not price-conscious since work pays for his ticket • Empowered to select which airline he wants to fly with through a corporate travel booking system • Values integrity, honesty, and good customer service
Needs	<ul style="list-style-type: none"> • Primarily flies from Melbourne to Sydney and Brisbane • Highly reliability-conscious as he must arrive on-time for business meetings or conferences • Selects flights based on the most appropriate schedule for his meetings
Behaviours	<ul style="list-style-type: none"> • Likely to be repeat customer and is loyal to one airline to maximise loyalty benefits • More likely to purchase last-minute fares at a premium price • Seeks product benefits such as lounge access, frequent flyer miles, and free upgrades to business class

New Positioning

Positioning Statement	The reliable choice for travellers seeking reliability and excellent service quality
Tagline	You Can Rely on Rex
Customer	Business travellers who value reliability, perks of a full-service domestic airline, and a stress-free travel experience
Value Promise	Commitment to provide business travellers with safe and reliable air travel
Reasons to Believe	<ul style="list-style-type: none">• Rex has consistently achieved industry-leading on-time performance and the lowest cancellation rates amongst all the major carriers in Australia⁹• Rex has been named Australia's most reliable airline for 16 consecutive months⁹
Competitors	Full-service airline with exceptional on-time performance track record and service quality
Operational Implications	<ul style="list-style-type: none">• Staffing optimally to ensure delays and cancellations are avoided• Sustain current on-time performance and cancellation rates while servicing more customers and routes

Marketing Communication Decisions

Mission

This marketing campaign aims to:

1. Increase brand awareness from 73% (based on survey responses) to 85%
2. Increase consideration of Rex brand for target segment (Schedule Masters) from 38% to 65%
3. Increase bookings to increase load factor from 76.25%¹¹ to 80.5% by 2026 to match average load factor of Australian domestic flights¹⁶
4. Achieve revenue growth of 2.3% for 2024, 1.9% for 2025, and 1.3% for 2026

Market

Schedule Masters: Business travellers who primarily fly between large capital cities (trunk routes) and value reliability and customer service

Message

Rex is redefining reliability: record-breaking on-time performance, enabling business travellers to get to where they need to be

Media

Branding and Awareness Activities: Programmatic, OOH, athlete endorsement

Conversion Activities: Paid social, paid search, organic SEO

Money

\$12.4M

Measurement

1. Increased brand awareness — future surveys and interviews
2. Increased share of voice — brand tracking
3. Increased bookings to achieve industry average load factor of 80.5% by 2026
4. Revenue growth of 2.3% for 2024

9. "Rex Remains Australia's Most Reliable Airline," <https://www.rex.com.au/Corporate/>, February 22, 2024, <https://www.rex.com.au/BlobViewer/BlobViewer.aspx?attachtype=MR&filename=4D716E4D74774A2B32785078563867675A385A62514D4572556432776A65387465714F5061727A66782F6350593033564E4F65437633423676434B7A4A6C68316249706334304D554331593D#:~:text=Data%20released%20by%20the%20Bureau,time%20departures%20and%20cancellation%20rates..>

11. Regional Express Holdings Limited, "Challenges after COVID: Annual Report for the Financial Year Ended 30 June 2023" (Regional Express Holdings Limited, September 29, 2023).

16. Bureau of Infrastructure and Transport Research Economics, "Domestic Aviation Activity," Bureau of Infrastructure and Transport Research Economics (The Department of Infrastructure, Transport, Regional Development, Communications and the Arts, 2021), <https://www.bitre.gov.au/statistics/aviation/domestic>.

Campaign Overview

Let's forget the competitors and focus on what we do best: offering air travel you can count on. From boardrooms to blue skies, you can rely on Rex to get you where you need to be.

This campaign will use integrated marketing communications to place an aligned focus across channels on Rex Airline's value promise.

Branding and Awareness Activities

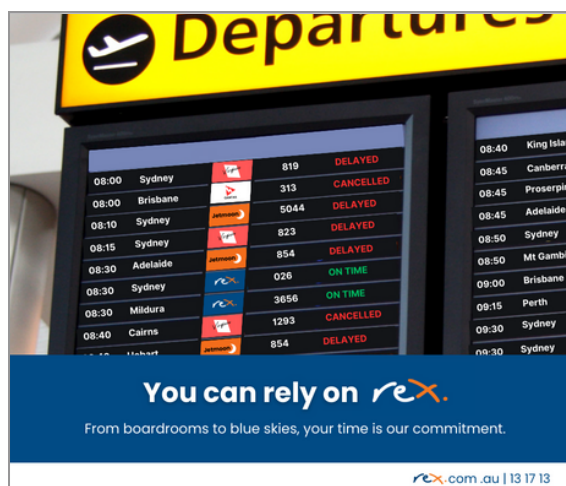
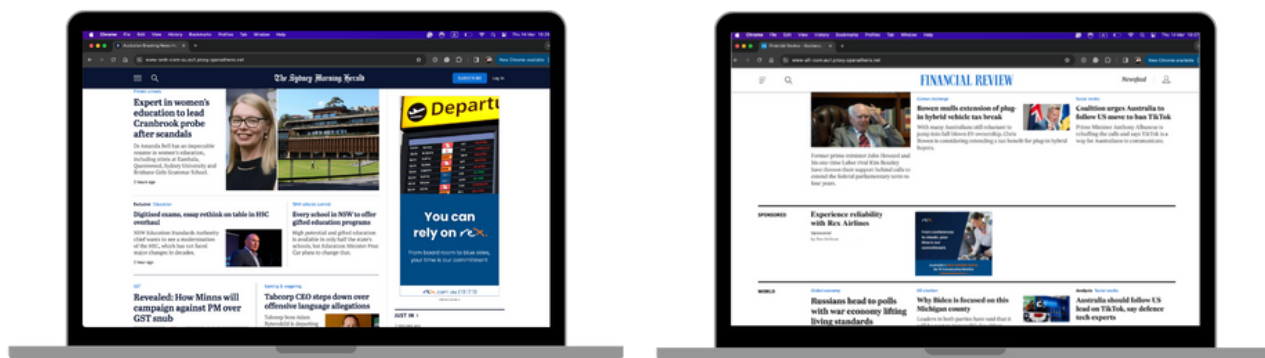
A combination of programmatic advertising, out-of-home (OOH), and an athlete endorsement will help achieve top-of-funnel awareness and aid brand recall. It will also aid in forming a more positive brand sentiment and engagement with the Rex identity.

PROGRAMMATIC ADVERTISING SOLUTIONS

A precise targeted solution with detailed attribution to hone in on our Schedule Masters segment – travellers and young professionals who live in capital cities and who travel for business.

1. Display and site retargeting (news)
2. Streaming Audio (business podcasts)
3. Video – YouTube and ConnectedTV (business and travel categories)

Metrics Considered: click-through rates, website visits, time spent on site, views and completion rates, impressions served



REX AIRLINES: BIRTHDAY PARTY



SCENE: 1
MAN RUSHING THROUGH AIRPORT

Shows target segment and a common pain point



SCENE: 2
RECEIVES TEXT FROM WIFE

Introduces emotional element of rushing home for kid's birthday party



SCENE: 3
ONLY REX IS DEPARTING ON TIME

Introduces value promise and points of difference



SCENE: 4
MAN RELAXING ON REX FLIGHT

Introduces product and desired emotional state



SCENE: 5
MAN ARRIVES ON TIME

Delivers value promise and solves pain point



SCENE: 6
HAPPY BIRTHDAY, KID

Highlights the value of reliability in everyday lives

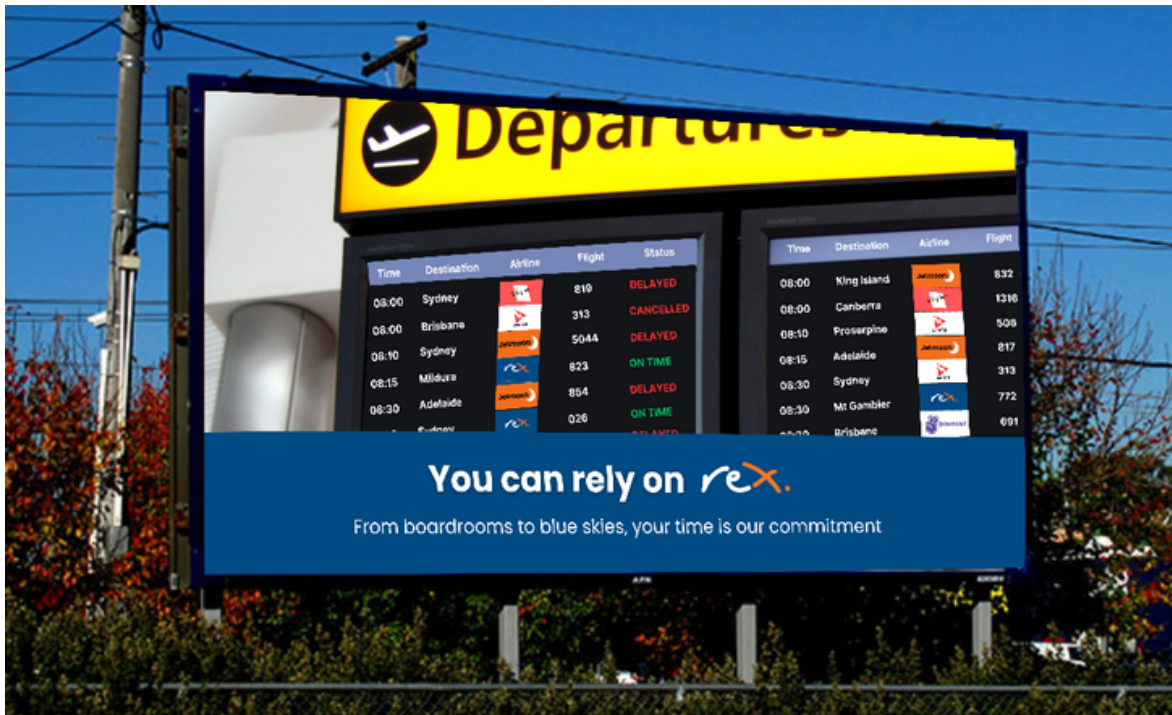
OUT-OF-HOME (OOH) SOLUTIONS

Highly visible and eye-catching signage in locations where business travellers and professionals frequent – public transport when commuting, busy intersections, and airports. All five solutions will be in Melbourne, Sydney, and Brisbane.

1. Airport billboards
2. Billboards on busy intersections (near offices in CBD)
3. Billboards on rail platforms
4. Billboards at tram and bus stops
5. Transit interior banners

Metrics considered: foot traffic, sales (bookings) uplift, brand recall and recognition





ATHLETE ENDORSEMENT

Golf is a beloved pastime for many in our target segment which is mainly comprised of businessmen.

Cameron Smith is an Australian professional golfer who plays for the LIV Golf League and has won numerous international tournaments¹⁷.

His hometown is in Brisbane and travels often – both domestically in Australia and internationally – to compete¹⁷. He relies on air travel to get him to tee time, every time.

A three-year engagement with Cam will see creatives including videos and activations in capital cities in Australia.

"I rely on Rex to get me to where I need to be for my tournaments."

rex.

CAM SMITH
Professional Golfer

17. "Cameron Smith (Golfer)," Wikipedia, accessed March 17, 2024, [https://en.wikipedia.org/wiki/Cameron_Smith_\(golfer\)](https://en.wikipedia.org/wiki/Cameron_Smith_(golfer)).

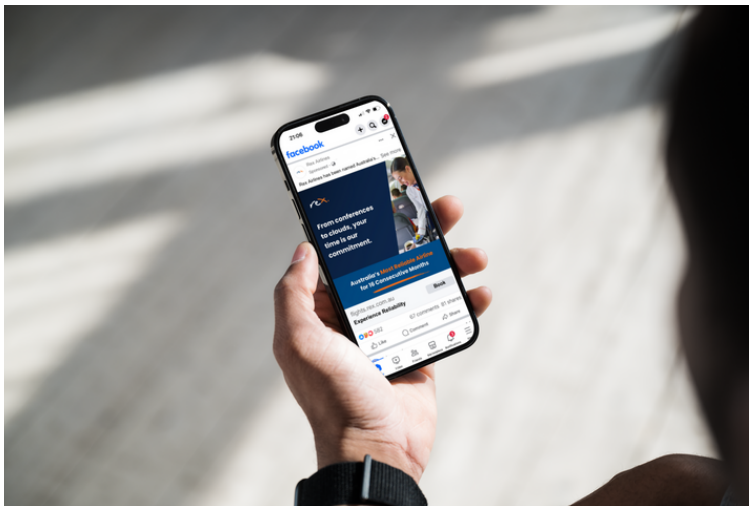
Conversion Activities

Mid-to-lower funnel activities will help push prospective customers further down their customer journey towards consideration, purchase, and retention.

PAID SOCIAL

Sponsored Facebook and LinkedIn ads will be used to reach Schedule Masters where they spend their time online.

Metrics considered: click-through rate, engagement rates, conversion rates



PAID SEARCH

Reach audiences who already display intent and consideration actions by bidding on branded keywords. Strong call to actions should be used to make the purchase experience seamless.

Metrics considered: website traffic, number of clicks, cost per click

Ad · <https://www.rex.com.au/> 13 17 13

Rex Airlines - Experience Reliability

From boardrooms to blue skies, travel smarter with Australia's most reliable airline.

[Plan & Book](#) · [Rex Flyer](#) · [Promotions](#) · [About Us](#)

ORGANIC SEARCH ENGINE OPTIMISATION (SEO)

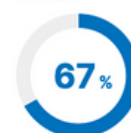
A focus on high-intent keywords will attract prospects ready to convert. However, a seamless customer experience starts and ends with Rex's website, where users are directed for conversion.

A site audit reveals huge room for improvement in Rex's organic SEO to ensure usability and consistently ranking on the first page of search engine result pages (SERPs). Please see Appendix D for the detailed site audit.

Metrics considered: website traffic, time spent on site

Subdomain: www.rex.com.au
Last Update: March 11, 2024
Crawled Pages: 100

Site Health



Crawled Pages

100

Healthy (2) Broken (2) Have Issues (96) Redirected (3) Blocked (3)

Errors

113

Warnings

1886

Notices

119

Campaign Budget

The campaign budget is \$12.4M, keeping in mind Rex's operational capacities. 60% of this budget will be allocated towards branding and awareness activities, and 40% will be to conversion activities. This split is to focus on increasing brand awareness amongst our target segment.

Channel	Locations	Campaign Length	Annual Cost	Cost Allocation
Programmatic Display and Site Retargeting	Digital	12 months	\$776,400.00	6.26%
Programmatic Streaming Audio	Digital	12 months	\$1,033,200.00	8.33%
Programmatic YouTube and CTV	Digital	12 months	\$1,332,399.60	10.75%
OOH Airport billboards	6 total billboards at \$30,000 each ¹⁸ , 2 in each city	1 mo/quarter	\$720,000.00	3.87%
OOH Billboards on busy intersections	6 total billboards at \$20,000 each ¹⁹ near offices in CBD, 2 in each city	1 mo/quarter	\$480,000.00	5.81%
OOH Billboards on rail platforms	60 total billboards at train platforms at \$5,500 each ¹⁸ , 20 in each city	1 mo/quarter	\$1,320,000.00	10.65%
OOH Billboards at tram and bus stops	180 banners each month at \$1,550 each ¹⁸ , 60 in each city	1 mo/quarter	\$1,116,000.00	9.00%
OOH Transit interior banners	450 total banners each month at \$4,500 per 50pk ¹⁸ , 150 in each city	1 mo/quarter	\$162,000.00	1.31%
Athlete endorsement	N/A	3-year contract	\$500,000	4.03%

60%

Channel	Locations	Campaign Length	Annual Cost	Cost Allocation
Paid Social	Facebook and LinkedIn	12 months	\$744,000.00	6.00%
Paid Search	Google	12 months	\$2,232,000.00	18.00%
Organic SEO	Website	12 months	\$1,984,000.00	16.00%

40%

18. "Melbourne Billboards - Billboard Pricing and Advertising Costs in Australia.," Melbourne Billboards, accessed March 17, 2024, <https://www.billboardsmelbourne.com.au/billboard-prices.html>.

19. Omer Bernstein, "Billboard Advertising Costs Australia: The Full Guide," Mindesigns, November 5, 2023, <https://mindesigns.com.au/blog/billboard-advertising-costs-australia/>.

Campaign ROI

The figures below represent forecasted revenue growth based on the single campaign and its impact on short-term and long-term revenue. It does not consider other campaigns and future marketing budgets.

		Fact	Forecast	Forecast	Forecast
	UoM	2023	2024	2025	2026
Passenger revenue	thsd. \$*	556 169	568 934	579 875	587 169
Revenue growth (%)	%		2.3%	1.9%	1.3%
Revenue growth (\$)	thsd. \$		12 765	10 941	7 294
Load factor	%	76.25% ¹¹	78%	79.50%	80.50%
Industry average load factor ¹⁶	%	80.50%	80.50%	80.50%	80.50%
Number of customers	thsd. PAX	1 850	1 892	1 929	1 953
New customers	thsd. PAX	-	42	36	24

* all \$ figures are in prices of 2023

Total effect on revenue	\$31,000,000
Marketing campaign budget	\$12,400,000
Number of new customers	103,000
ROMI	150.0%

11. Regional Express Holdings Limited, "Challenges after COVID: Annual Report for the Financial Year Ended 30 June 2023" (Regional Express Holdings Limited, September 29, 2023).

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Appendices

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Appendix A: Recent Rex Advertising

Rex Airlines
@RexAirlines

Rex today unveiled an incredible \$39 fare between Sydney and Melbourne (Tullamarine). Flights are cheaper than the cost of catching a bus between the two capital cities and will be valid for travel till 28 August!

For more information, visit our website rex.com.au

CHEAPER THAN THE BUS!

from **SYD-MEL \$39**

Refreshments & Baggage Allowance Included

terms and conditions apply. for travel till 28 August 21

rex.com.au | 13 17 13

10:16 AM · May 3, 2021

11 Reposts 3 Quotes 29 Likes 1 Bookmark

Recent advertisement on X²⁰

The left advertisement shows a Rex Airlines aircraft (VH-REX) on a tarmac. The right advertisement is a 'QANTAS REFUND?' infographic titled 'rex COVID Refund Policy'. It details the refund process for Qantas flights, including a table with columns for 'FLY DATE', 'SYDNEY-MELBOURNE AIRLINES', and 'QANTAS COVID CANCELLATION'. The table contains multiple rows of text detailing various scenarios and refund amounts.

Recent newspaper advertisements²¹

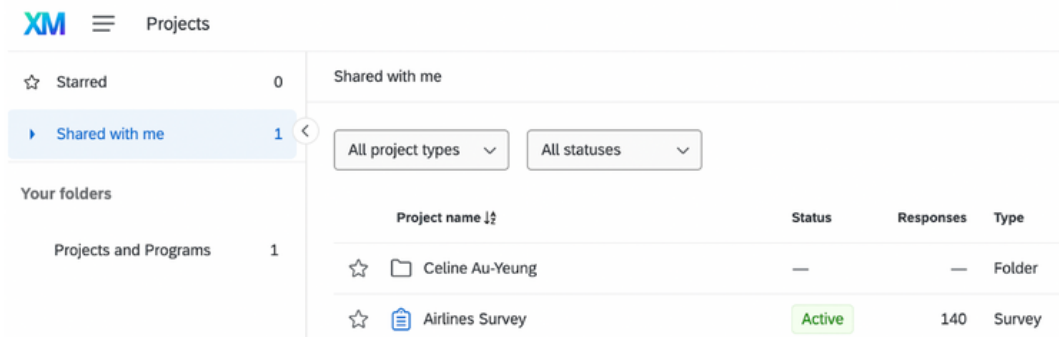
20. "@RexAirlines," X (formerly known as Twitter), May 3, 2021, <https://twitter.com/RexAirlines/status/1389010915383603200>.

21. Adam Thorn, "Rex Prints Qantas Refund Complaints in Newspaper Ads," Australian Aviation, June 2, 2021, <https://australianaviation.com.au/2021/06/rex-prints-qantas-refund-complaints-in-newspapers-ads/>.

Appendix B: Qualtrics Survey and Results

Qualtrics Survey Dashboard

Note that 20 of the 140 surveys were incomplete and hence excluded from the data set.



The screenshot shows the Qualtrics Survey Dashboard interface. On the left, there's a sidebar with 'Starred' (0) and 'Shared with me' (1) sections. The 'Shared with me' section is active, showing 'Your folders' with 'Projects and Programs' (1). The main area displays a table of projects. The table has columns for 'Project name', 'Status', 'Responses', and 'Type'. There are two projects listed: 'Celine Au-Yeung' (Folder) and 'Airlines Survey' (Survey). The 'Airlines Survey' project is highlighted with a green 'Active' status and has 140 responses.

Project name	Status	Responses	Type
Celine Au-Yeung	—	—	Folder
Airlines Survey	Active	140	Survey

The survey questionnaire used to collect data from prospective customers of Australia Rex Airline is provided below:

1. How often do you travel domestically within Australia?
 - a. 0-4 times per year
 - b. 5-10 times per year
 - c. 10+ more times per year
2. Why are you typically travelling domestically?
 - a. Business
 - b. Education
 - c. Holiday/visiting friends & family
 - d. Other
3. What modes of transportation do you mainly use for domestic travel? Select all that apply.
 - a. Train
 - b. Plane
 - c. Car
 - d. Bus
 - e. Other
4. Why do you travel by your chosen mode of transportation?
5. What factors might influence you to travel by plane?
6. What is your airline of choice for domestic travel?
 - a. Qantas
 - b. Virgin
 - c. Jetstar
 - d. Rex
 - e. Bonza
 - f. Other
7. What factors do you consider when choosing an airline or flight? Please rank the factors below.
 - a. Pricing
 - b. Flight Operations (eg. on-time performance, route availability, safety record)
 - c. Passenger Services (eg. baggage allowance, on-board/customer service, cancellation policy)
 - d. Loyalty Program
 - e. Reputation
 - f. Environmental Impact
 - g. Other
8. Have you heard of Rex Airlines?
 - a. No
 - b. Yes, never flown
 - c. Yes, have flown
9. Have you considered flying with Rex Airlines in the past?
 - a. Yes
 - b. No
10. What ultimately led you to choose another airline instead?

11. What factors do you consider when choosing to fly with Rex Airlines? Please rank the factors below.
 - a. Flight availability/route network
 - b. Price
 - c. Reputation for customer service
 - d. Reputation for punctuality
 - e. Reputation for safety
 - f. Commitment to environment and social impact
 - g. Other
12. How many times have you flown with Rex Airlines?
 - a. Fewer than 5 times
 - b. 5-9 times
 - c. 10+ times
13. Please rate your overall experience with Rex Airlines. Rating 1-10, where 1 (Extremely Dissatisfied), 10 (Extremely Satisfied)
14. What factor(s) influenced your experience with Rex Airlines? Select all that apply.
 - a. Price
 - b. Flight availability
 - c. Reputation for punctuality
 - d. Reputation for safety
 - e. Reputation for customer service
 - f. Commitment to environment and social impact
 - g. Route network
 - h. Other
15. How likely are you to recommend Rex Airlines to a friend, family member, or colleague? Rating 1-10, where 1 (Not likely at all) to 10 (Very likely)
16. What is your age group?
 - a. 18-24
 - b. 25-34
 - c. 35-44
 - d. 45-54
 - e. 55-64
 - f. 65 and older
17. What gender do you identify with?
 - a. Female
 - b. Male
 - c. Non-binary / third gender
 - d. Prefer not to say
18. What is your annual household income in AUD?
 - a. Less than \$10,000
 - b. \$10,000 - \$49,999
 - c. \$50,000 - \$99,999
 - d. \$100,000 - \$149,999
 - e. \$150,000 - \$199,999
 - f. \$200,000 - \$249,999
 - g. More than \$250,000
19. What is your employment status?
 - a. Employed full time
 - b. Employed part time
 - c. Unemployed looking for work
 - d. Unemployed not looking for work
 - e. Retired
 - f. Student
 - g. Disabled
20. If you are open to be contacted for a short interview, please provide your name and email below.

Age Distribution

Age Group	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
18-24	3%	4%	0%	5%
25-34	43%	45%	48%	30%
35-44	32%	33%	19%	50%
45-54	16%	10%	30%	10%
55-64	5%	8%	0%	5%
65 and older	1%	0%	4%	0%

Gender

Gender	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Female	54%	57%	56%	45%
Male	45%	41%	44%	55%
Prefer not to say	1%	2%	0%	0%

Employment Status

Employment Status	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Employed full time	57%	55%	44%	80%
Employed part time	20%	16%	33%	10%
Retired	2%	2%	4%	0%
Student	16%	22%	11%	5%
Unemployed looking for work	2%	2%	4%	0%
Unemployed not looking for work	3%	2%	4%	5%

Income Distribution

Household income	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Less than \$10,000	4%	4%	7%	0%
\$10,000 – \$49,999	10%	12%	11%	5%
\$50,000 – \$99,999	17%	18%	15%	15%
\$100,000 – \$149,999	28%	31%	33%	15%
\$150,000 – \$199,999	13%	12%	11%	15%
\$200,000 – \$249,999	11%	6%	7%	30%
More than \$250,000	17%	16%	15%	20%

Frequency of Travel

Frequency of travel	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
0–4 times per year	68%	69%	75%	54%
5–10 times per year	20%	23%	16%	25%
10+ more times per year	12%	8%	9%	21%

Reason for Travel

Reason for travel	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Business	23%	11%	16%	75%
Education	4%	8%	0%	0%
Holiday/visiting friends & family	72%	78%	84%	25%
Other	2%	3%	0%	0%

Preferred Mode of Transport

Preferred mode of transport	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Plane	73%	89%	41%	100%
Car	50%	50%	66%	29%
Bus	12%	16%	6%	13%
Train	17%	14%	19%	21%
Other	2%	2%	0%	4%

Airline of Choice

Airline of choice	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Qantas	33%	25%	62%	42%
Virgin Australia	31%	33%	31%	29%
Jetstar	24%	33%	8%	8%
Rex Airlines	6%	2%	0%	13%
Other	4%	4%	0%	8%
Bonza	1%	2%	0%	0%

Reason for Travel

Factors to choose an airline	Top (1-2)	Middle (3-5)	Bottom (6-7)	Average Rank
Flight Operation - Flight Operations (eg. on-time performance, route availability, safety record)	45%	51%	4%	2.74
Price	75%	23%	3%	2.00
Passenger Services (eg. baggage allowance, on-board/customer service, cancellation policy)	33%	63%	5%	3.20
Loyalty Program	24%	53%	24%	4.05
Reputation	19%	74%	8%	3.83
Environmental Impact	4%	38%	59%	5.28

Awareness of Rex

Rex awareness and usage	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
Yes, have flown	20%	22%	8%	29%
Yes, never flown	53%	49%	46%	54%
No	27%	29%	46%	17%

Consideration of Flying Rex (aware of Rex, did not fly)

Rex consideration	Overall	Frugal Flyers	Smooth Sailors	Schedule Masters
No	64%	64%	83%	62%
Yes	36%	36%	17%	38%

The sample sizes for the remaining questions are small. Hence all data shown are for overall sample and not broken down by segments for these metrics.

Factors Considered While Choosing Rex

Factors	Top (1-2)	Middle (3-5)	Bottom (6-7)
Commitment to environment and social impact	0%	44%	56%
Flight availability/route network	81%	13%	6%
Price	75%	19%	6%
Reputation for customer service	6%	81%	13%
Reputation for punctuality	25%	63%	13%
Reputation for safety	13%	81%	6%

Frequency of Flying with Rex

Fewer than 5 times	61%
5–9 times	22%
10+ times	17%

Overall Experience Flying with Rex

Low (1–3)	0%
Medium (4–7)	28%
High (8–10)	72%

Drivers for Rating Rex's Overall Experience

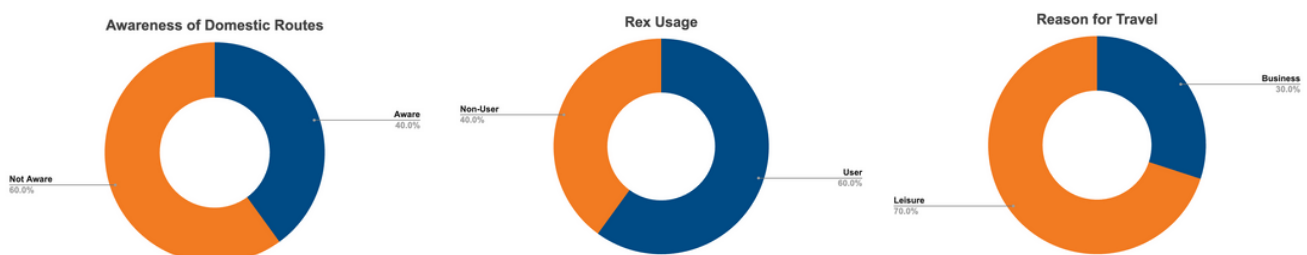
Price	44%	Middle (3–5)	Bottom (6–7)
Flight availability	72%	44%	56%
Reputation for punctuality	44%	13%	6%
Reputation for safety	17%	19%	6%
Reputation for customer service	17%	81%	13%
Commitment to environment and social impact	11%	63%	13%
Route network	72%	81%	6%

Net Promotor Score: Rex

Detractor	22%
Passive	44%
Promoter	33%
NPS – Rex	11%

Appendix C: Interviews Summary

Type of user	Factors to consider while booking - Rex	Flying experience	Reason to consider Rex in the future	Brand perception
Business	Work booked it for me, was the only airline going to the regional town	It was fine, seemed a little bit sketchy, like an older plane (possibly ex-Qantas) and you could see the propellers	No unless it is the only airline to fly to these places	Old planes
Business	Convenient and reliable times, Reliability, great for one-day business trips, Price not generally a consideration as company pays	Good flight time options to get home to the family	Reputation for reliability over other carriers. Rex has some hidden fees but nowhere nearly as bad as Jetstar	-
Leisure	It was the cheapest price on Skyscanner.	10/10 experience. He liked that everything was Included such as bags, and snacks. He thinks it's better than Virgin. Would prefer better loyalty program	As long as the price is reasonable I will choose again	Efficient, full-service-budget, comprehensive.
Business	They were the only airline that flew to places I need to get to for work	Good experience, professional, really good service, no better or worse than its major competitors	They're the only ones that service the remote communities I need to get to for work	Community-focused, regional, professional
Leisure	Price, Time Match, Options to upgrade cheap – additional baggage, popular for short distance Brisbane-Sydney (Relatively popular in eastern Australia)	Cooperative Staff, Price. Chaotic check-in at the airport (process at airport leading to more delays), Seat Congested, Can provide complimentary food like Qantas.	Possibly Yes, but only for leisure. Will still not risk business. Despite the stats of reliable performance , personal experience was contrary	Budget, Uncomfortable , Delays
Leisure	Rex pricing was better compared to Jetstar (luggage and seat selection included)Timing and service was better. Reviews were better in terms of cancellation	Service is good, you get water, coffee, and small snacks. Flights are old. Refurbished planes will be better.	On-time performance is better and competitive pricing to JetStar, and service of staff and in-flight experience is better than JetStar	Worth your money



Appendix D: Organic SEO Site Audit

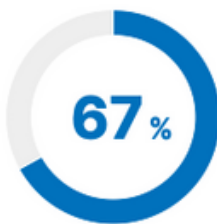


800 BOYLSTON STREET, SUITE 2475, BOSTON, MA 02199
WWW.SEMRUSH.COM

Site Audit: Overview

Subdomain: www.rex.com.au
Last Update: March 11, 2024
Crawled Pages: 100

Site Health



Crawled Pages

100

● Healthy (2) ● Broken (2) ● Have Issues (96) ● Redirected (0) ● Blocked (0)



Errors

113



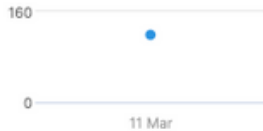
Warnings

1886



Notices

119



Top Issues

51 pages have duplicate content issues	errors	2% of total issues
41 issues with duplicate title tags	errors	2% of total issues
18 pages don't have title tags	errors	1% of total issues

Generated on March 11, 2024

The report data is taken from Semrush

1