



# **ADVERTISING CAMPAIGN**

**Southwest Airlines**

**University of Missouri - Columbia**

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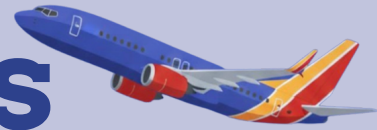
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# I. Executive Summary

**Our background:** Southwest Airlines is a major airline that flies with a unique, friendly spirit every day. This beloved, publicly traded company originated in Texas and now draws a crowd of leisure travelers, families, and business flyers from across the nation. Southwest prides itself on providing warm, welcoming, and straightforward air travel, as well as creating a reliable experience for everyone who steps onboard.

## Target Markets

Primary

Secondary

Ages  
25-44

Ages  
45-65

**Our mission:** Our campaign, “The Southwest Spark,” focuses on highlighting Southwest Airlines’ company benefits and incentivizing customers to choose our airline and rewards program over those of our competitors. We are not just aiming for an increase in revenue and loyalty members, but we are also aiming to create stronger bonds between the consumer and the company. This increases the potential for sales and customer loyalty for years to come. These factors are crucial in expanding the business, as well as promoting a positive company atmosphere.

**Benefits:** In spreading awareness for Southwest Airlines and promoting the business through social media, pop-up stores, and special deals, there is a renewed sense of community within the business as well as with the customers it serves. “The Southwest Spark” will not only strengthen current customer loyalty but also open doors to potential new customers. Our overall efforts help generate increased revenue as well.

**Success:** The evaluation of our success will be determined by analyzing the revenue made in previous years (2020-2024) by Southwest Airlines (approximately \$20.45 Billion a year) to what we generate over the 8-month period from January 1<sup>st</sup> to August 31<sup>st</sup>.

**Time Frame: 8 months (January - August)**

**Budgeting: \$249,800,000**

| Special Events                                                                                                                                                           | Sales Promotional Activities                                                                                                                                    | Advertising Media                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Treat Yourself Trips</li><li>• The Layover Lounge</li><li>• Sand, Sun, and Southwest pop-ups</li><li>• Family Fly Days</li></ul> | <ul style="list-style-type: none"><li>• “Rapid Rewards” deals</li><li>• Student I.D. Discounts</li><li>• Sports Collabs</li><li>• Employee Spotlights</li></ul> | <ul style="list-style-type: none"><li>• Instagram</li><li>• LinkedIn</li><li>• Public transportation platforms</li><li>• Media broadcast</li><li>• Online advertisements</li></ul> |



# Description

**Description of Business:** Southwest Airlines is one of many major American air carriers focused on providing the best and high frequency, short and long hauls, and low cost air transportation all across the nation in a very timely manner. Unlike Southwest's competitors, the airline optimizes asset utilization by avoiding crowded hubs, which minimizes the ground time and maximizes the aircraft productivity. The company leverages a strong fleet strategy, operating solely Boeing 737 aircrafts to streamline maintenance, pilot training, and spare parts inventory. Southwest's value proposition centers on transparent pricing and superior customer service. Currently, Southwest is scaling its revenue model by integrating assigned seating and premium cabin options to capture a larger share of the corporate and a higher yield traveling market.

## S

- **World's largest Boeing 737 operator; single-fleet model lowers costs.**
- **\$3.8B in cash; active \$2B share repurchase program.**
- **Industry leading NPS of +48 (The "LUV" Factor)**
- **Point to point routing with high aircraft utilization.**

## W

- **Boeing 737 MAX delays limited 2025 growth to 1%.**
- **Historically lost revenue (bags/seats) compared to peers.**
- **Union contracts increasing operating expenses.**
- **High risk/complexity in transitioning to assigned seating and premium cabins**

## O

- **Assigned seating and "Southwest Premium" revenues projected at \$1.5B/year**
- **New interline deals with Condor and China Airlines**
- **Launching first airport lounges and basic economy tiers in 2026**
- **Late 2025 rollout of red-eye flights to increase plane usage**

## T

- **Risk of alienating fans by ending "Bags Fly Free" and "Open Seating"**
- **Inflation and domestic leisure demands "softness" in finances**
- **Competitive pressure from both ULCCs (Frontier/Spirit) and Legacy carriers**
- **Exposure to spikes in global oil prices for fuel**

**Southwest Strategic Outlook:** Wall Street is betting a lot on this turn. Despite 2025 profits falling 42% YOY (year over year) due to the changes of the company and their policies. Southwest stock has outperformed each of their peers as the market opens up the 2026 revenue spread.



## II. Objective of Campaign

Our mission of Simply Southwest is to strengthen the connection between Southwest Airlines and potential customers through engaging promotional events and a vibrant social media presence. Our primary objective is to increase the Rapid Reward signups, leading to 20.1% increase in total revenue. This allows for loyalists to fly more frequently and are less prone to the competitor's price drops, creating a divot around Southwest's market share. Our campaign would like to implement monthly employee spotlight highlights, which in short allows Southwest's culture to apply a "secret sauce". For instance, this will allow us to showcase the personality of the flight attendants and pilots. This not only builds emotional resonance, but it differentiates the brand from the corporate standpoint, type of legacy carriers like United or American.

| Objectives                                        | Present         | Future          | Gain           |
|---------------------------------------------------|-----------------|-----------------|----------------|
| Primary                                           |                 |                 |                |
| Optimize total revenue by 20.1%                   | \$24.98 billion | \$30.00 billion | \$5.02 billion |
| Increase Rapid Rewards Sign Ups by 50%            | 50 million      | 75 million      | 25 million     |
| Implement Monthly Employee Spotlight Highlights   | 0               | 9               | 900%           |
| Secondary                                         |                 |                 |                |
| Increase Rapid Rewards Activity by 16.6%          | 15 million      | 17.5 million    | 2.5 million    |
| Increase Flight Bookings through Official Website | 3.5%            | 7.0%            | 50%            |

Different from the sign-ups, by increasing the Rapid Reward activity, meaning that the new people that sign-up have to stay active in the rewards program. As of now, around 15 million estimated users stay active with Rapid Rewards and with our campaign we will achieve that goal by bringing in an additional 2.5 million active users. Currently, the percentage of people that book their flights through Southwest is around 3.5%. With this campaign we are expecting for that 3.5% to increase 50% to bring us to around 7% of people that flight yearly to book their Southwest flights through the actual Southwest website.