BRAND, DIFFERENTIATION & LONG-TERM VALUE

THE VALUE CREATED WHEN PEOPLE MATTER MOST

Prepared by Rahsaan Johnson for the Wharton Global C-Suite Program, September 2026. brandcension.com

About me: My airline industry flight plan

From entry-level public affairs to global brand and communications leadership

US AIRWAYS

Corporate Communications, Government Relations

CONTINENTAL AIRLINES

Corporate Communications

September 11, 2001

US Airways Ch. 11

United Airlines Ch. 11

Delta Air Lines Ch. 11

UNITED AIRLINES

Corporate Communications

2010: United–Continental merger closes

2015: United executive leadership change

UNITED AIRLINES

Marketing

DELTA AIR LINES

International Communications

HARVARD BUSINESS SCHOOL

THUNDERBIRD SCHOOL OF GLOBAL MANAGEMENT

ASU Arizona State University

Wharton UNIVERSITY of PENNSYLVANIA

More than two decades in airline communications and brand leadership, across four of the industry's largest carriers — from entry-level public affairs to global marketing and communications strategy.

The Promise-to-Profit Chain

A practical way to connect marketing and employee engagement choices to enterprise outcomes

1 PROMISE
What leadership and marketing say

›

2 PEOPLE
What employees believe and can deliver

›

3 PERFORMANCE
What the operation consistently does

›

4 PROOF
What customers actually experience

›

5 PREFERENCE
How customer and employee behavior and trust change

›

6 PROFIT
How those choices, experiences and changes affect value

Your reputation is the accumulated proof that the enterprise can or cannot deliver its promise.

My assertion: Inability to deliver on your promise influences financial performance and value.

The potential: “The world’s leading airline”

Continental Airlines Inc. and UAL Corporation — joint news release, May 3, 2010

Continental Airlines
NYSE: CAL

+

UAL Corporation
NASDAQ: UAUA

Definitive merger agreement
All-stock merger of equals

The world's leading airline
370 destinations around the world

What the companies said the combination would deliver

- **Customers**

  Superior service and expanded access to an unparalleled global network

- **Employees**

  Enhanced long-term career prospects

- **Shareholders**

  A platform for improved profitability and sustainable long-term value

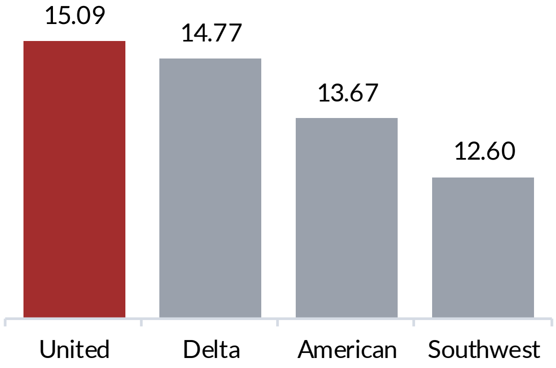
Positioned to compete in an increasingly competitive global and domestic aviation industry

Source: Continental Airlines Inc. and UAL Corporation joint news release, May 3, 2010. Wording reflects the companies' own characterization of the transaction.

The tension: Divergent demands of investors, customers and employees

United Continental Holdings, 2011–2015

Cost per seat-mile, 2013 (¢)



REDUCE INDUSTRY-LEADING COSTS
STRENGTHEN THE BALANCE SHEET
RETURN VALUE TO SHAREHOLDERS

IMPROVE CUSTOMER SERVICE AND PRODUCTS
REDUCE CONTROLLABLE DELAYS AND CANCELS
ACHIEVE LABOR PEACE

2012: 77% on time (4.5 points below avg) | Most complaints to U.S. DOT among 15 carriers | 15.09¢ CASM

Sources: UAL earnings releases and 10-K filings, 2013–2016; U.S. DOT Air Travel Consumer Report, Feb. 2012 and Feb. 2013 editions; 2013 unit-cost comparison vs. Delta, American, Southwest.

The outcome: Suboptimal performance and labor strife

Full-year 2012. All five bars tell the same story: Things weren't good.

Flights arriving late

22.6%
United Airlines

18.1%
Industry average

13th of 15 carriers

Mishandled bags per 1,000 passengers

3.87
United Airlines

3.09
Industry average

11th of 15 carriers

Complaints per 100,000 passengers

4.24
United Airlines

1.42
Industry average

Worst of 15 carriers

Involuntary denied boardings per 10,000

1.83
United Airlines

0.99
Industry average

12th of 15 carriers

Animal deaths reported to DOT

12
United Airlines

10
Delta, next highest

Most of any carrier

Source: U.S. Department of Transportation, Air Travel Consumer Report, Feb 2013 (Jan-Dec 2012 data). Late arrivals are the inverse of DOT's on-time arrival rate. Animal deaths are carrier counts, not rates.

Air Line Pilots Association

UAL, CAL pilots to picket United Continental Holdings shareholders meeting June 12 in New York City

Press release via PR Newswire / US Newswire

Aero-News Network

Continental, United Pilots Vote Overwhelmingly to Authorize Strike

Aviation trade publication

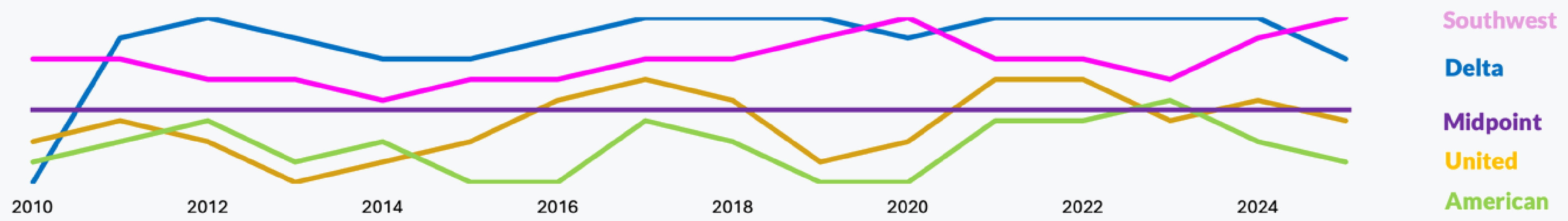
Association of Flight Attendants - CWA

One Year Late United Airlines Contract Draws Worldwide Protest

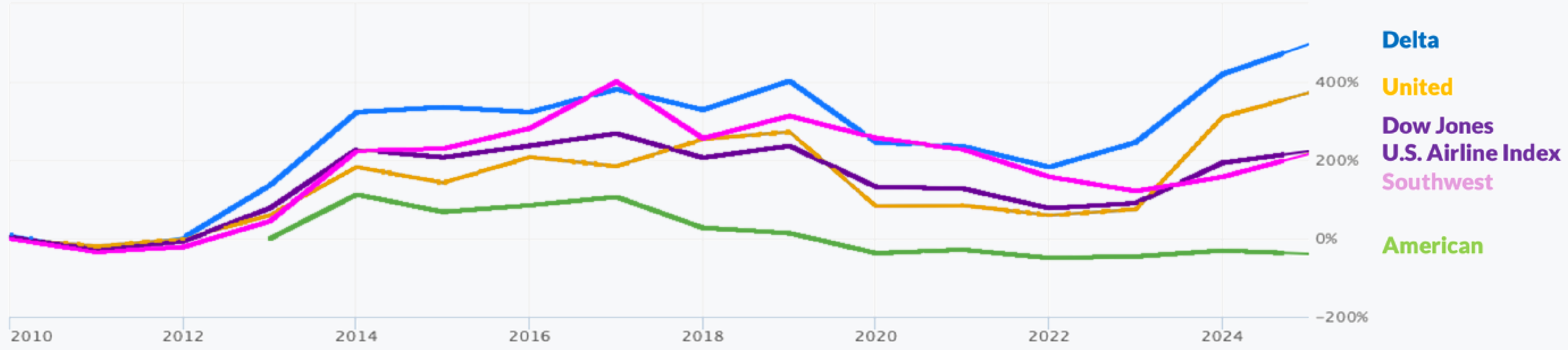
Union media release

The question: Do sluggish operations and service impact value?

WSJ Scorecard



Stock Performance



Source: WSJ. Reflects WSJ Scorecard rankings and WSJ Markets stock performance data.

Stock performance Oct. 1, 2010, to Dec. 31, 2025.

Wrong assumptions — and the one to keep

It would be easy to draw the wrong lesson from the last few slides. Here's what to take instead.

WRONG ASSUMPTION

Given that Delta and Southwest scored better in operations and customer service and had stronger stock performance, a respected brand must be what mainly drives stock price

WHAT ACTUALLY HAPPENED

Executive changes, labor contracts, fuel prices, and macro cycles moved all four stocks in this window too — brand was one input, not the whole story.

Other forces were in play

WRONG ASSUMPTION

United ranked worst in customer complaints, a challenge it could have solved by simply spending more on customer products and services

WHAT ACTUALLY HAPPENED

United already had the highest unit cost of the four majors in 2013 (15.09¢/seat-mile). Ignoring the balance sheet was not an option; the company did in fact have to get "non-value-added costs" out of the system.

Spending alone wasn't the gap

WRONG ASSUMPTION

Scorecard rank and stock performance moved together — so service quality translates to stock price directly and immediately

WHAT ACTUALLY HAPPENED

The relationship shows up principally over 2010–2020, not in any single quarter — and it runs alongside the usual drivers of airline stocks, not instead of them.

True only over time

WRONG ASSUMPTION

The 2010 United-Continental merger promised "the world's leading airline" — so scale alone should have delivered it

WHAT ACTUALLY HAPPENED

The years right after the merger produced United's worst on-time, complaint, and cost record of the group — scale without execution didn't deliver the promise.

Scale ≠ execution

The takeaway: Understanding what makes your company more attractive to consumers than your competitors, investing what's required to deliver peer-leading customer service and reliability, and equipping employees to deliver for each other and for customers are the underpinnings of a formidable brand and of profitable growth.

Prioritizing cost control over people and customers may look efficient in the short run — but it drives a culture and decision-making that destroy value over time.

Investing in people

Employees and community: How United rebuilt trust from late 2015 through the 2017 crises and the pandemic

EMPLOYEE RELATIONS · 2015–2016

A listening tour, then improved labor relations

New CEO meets employees directly after years of stalled merger integration, then advances employee relations.

Trust rebuilt

EMPLOYEE RELATIONS · 2017–2022

Turning crises into a policy overhaul

A law enforcement officer forcibly removes a customer from an airplane. An animal dies in flight more than once. Policy overhauls start with corporate culture: A 10-point customer commitment and expanded frontline authority. Through the pandemic, United works to protect jobs, then rebuilds the workforce as travel recovers.

Crisis to reform

COMMUNITY RELATIONS · 2017–

Shifting marketing assets toward community development

United joins with sports teams and entertainment organizations to rehab youth play areas, to support wildfire recovery in California, and to fund development activities for small businesses.

Showcasing the airline's spirit

The result: Final integration of Continental and United workgroups, employee empowerment to resolve customer issues, and investment in community development — the foundation the rest of the turnaround was built on.

Investing in customers

The customer experience and the global network: What fueled the recovery

CUSTOMER PRODUCT · 2016

The biggest cabin overhaul in more than a decade

United unveils United Polaris business class — new seats, dedicated lounges, and an elevated onboard experience.

Polaris launches

CUSTOMER PRODUCT · 2021–

United Next: A record fleet order

New interiors, seatback screens, and larger overhead bins roll out across the fleet.

300+ new aircraft

GLOBAL NETWORK

The widest reach across the Atlantic and Pacific

United becomes the largest U.S. carrier across the Atlantic and Pacific, with more Boeing 787 Dreamliners on order than any airline in the world.

Widest global reach

The turnaround: By the numbers

2011 to today: From industry laggard to the industry's second-most-profitable carrier

FINANCIAL PERFORMANCE

Profitability and stock performance: Second best among U.S. airlines

United's cumulative stock return of approximately 400% since the 2010 merger is second best.

Behind only Delta

OPERATIONAL RELIABILITY

Record reliability across a bigger network

United reports the lowest per-seat cancellation rate among U.S. network airlines in 2025 while flying its largest-ever mainline schedule.

Best on record

CUSTOMER SATISFACTION

Still behind on customer delight

United's own satisfaction scores are at record highs, but J.D. Power's 2026 study still ranks Delta, Southwest, Alaska, and JetBlue ahead of United in every cabin category. Once a perennial bottom-performer, United has generally been mid-pack in the WSJ Scorecard since 2023.

Gap not yet closed

The lesson: While the turnaround isn't complete, revenue and the stock price improved as United funded investments in people and product rather than treating them as costs to cut.

Sources: United and Delta FY2024–FY2025 financial results; United Q4 2025 and Q2 2026 operational results; J.D. Power 2026 North America Airline Satisfaction Study.

Your questions: A five-question executive diagnostic

Use the case to examine your own promise–performance gap

01	PROMISE	What are we asking customers and investors to believe?
02	PEOPLE	Do employees understand, believe and have authority to deliver on our brand promise?
03	PERFORMANCE & PROOF	Which operating measures prove or disprove it?
04	PREFERENCE	Does what your customers and employees experience change choice, loyalty, trust or pricing power?
05	PROFIT	Can we explain how a stronger brand, reputation, employee experience and customer experience create shareholder value?

If your leadership team answers these differently, the misalignment is already costing you.

Let’s connect

Reach out — by phone, text, WhatsApp, LinkedIn, or online

WEBSITE

brandcension.com

More on brand strategy, customer experience, and long-term value creation.

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LINKEDIN

Scan to connect

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I help leadership teams connect brand, reputation, customer experience and business strategy to create durable enterprise value.