

# EI-al marketing analysis assignment

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1. ELAL is the leading airline in Israel.

In the past it was a government owned company until privatization commenced on 2003. 2. ELAL owned several dozen aircrafts, which are used for international and lately national flights as well. 3. ELAL hires thousands of employees and has several subsidiaries as well. 4. ELAL’s narrative is defined by the ideal of being the number one airline for passengers from and to Israel. ELAL is constantly walking the thin line regarding the political status quo. ELAL maintains its religious crowd by keeping the Shabbat on one hand, and losing potential revenues by doing so.

This narrative is implemented in the outline of ELAL’s marketing agenda, ever claiming that it is Israel’s national company and by launching numerous patriotic campaigns. As part of this agenda, ELAL serves kosher food as default. 5. ELAL is in a satisfying financial situation. ELAL is growing constantly; revenues, stock value, ROE and net value are growing in a healthy manner. The company survived impressively the latest financial crises. 6. ELAL prices its flights relatively expensive, offering the passengers non-compromising security, safety and service standards.

As part of this agenda, ELAL keeps its technology in a state of the art level, using new and improved American planes. 7. ELAL offers transparent and non-transparent services, such as constant flyer benefits on one hand and code-share agreements on the other. ELAL could “hide” its disadvantages by exploiting the benefits that globalization offers, with emphasis on international collaboration and offering combined services to its clients such as hotels, car rentals and others. 8. ELAL’s current and future challenges will be defined and influenced by the constant entrance of national and international competitors.

ELAL will have to emphasize its advantages, maintain its technological and marketing images. Bibliography [http://en.wikipedia.org/wiki/El\\_Al](http://en.wikipedia.org/wiki/El_Al)  
[http://www.bizportal.co.il/shukhahon/bizcompbaalsump.shtml? p\\_id=1087824&am p; c\\_id= 1152](http://www.bizportal.co.il/shukhahon/bizcompbaalsump.shtml? p_id=1087824&am p; c_id= 1152) <http://www.elal.co.il/ELAL/Heasbrew/States/General/> . <http://www.elal.co.il/NR/rdonlyres/2D943294-0735-4E30-9C7C-9FCDA40B23E7/0/FactSheet20092final.pdf> <http://www.youtube.com/watch?v=8nPXttPmNE0> Chapter 2: An overview of the company Overview of the company EL-Al (hereinafter “the company”) is one of the greatest Israeli symbols. It was one of the most famous trademarks of the small state.

The company’s story intertwined with Israel’s origins. The company is operating in a “national” state of mind, aiming towards patriotic emotions based on the Israeli narrative of pride, safety and security. The company markets and considers itself as a national service provider, submitting itself to the whims and needs of the country. Not once the company has been involved in security or social operations (the joint confidential operation of <https://assignbuster.com/el-al-marketing-analysis-assignment/>

bringing Ethiopian Jews to Israel), even in the price of losing money (i. e. not flying on the Shabbat), all in order of keeping the image of the national company.

The company traditionally operated international flights alone, but lately it operates domestic ones as well. The company's headquarters and mother-airport are located in Israel's international airport " Ben-Gurion". The company has evolved and changed throughout the years, and has varied its basic definition from a government organization to a private company. The privatization has been complete mid-2000's (that is less than 50% of company shares are kept in by the government). The 2nd decade of the 21st century will be colored by security issues, ever growing competition and the continuation of the privatization process.

It will be the first decade in the company's history that it will have to deal with strong competition over the Israeli customers, since the monopoly is finally over. EL-Al will have to adapt, and has already started, to a ruthless competitive market. This paper will deal with the company's strategies and marketing agenda and status. History " EL-AL Israel airways LTD. " was incorporated and became Israel's official airline company on November 1948. The company was incorporated as a national company fully owned by the government. The company's fleet was based on second hand American manufactured airplanes.

In the first couple of years the company made only commercial passenger flights, and since 1950 it commenced cargo flights as well. The D. N. A of the company was heavily influenced by the political scene in Israel, creating an

ongoing non-Sabbath flying and kosher food serving. One more influence that helped to position the company's image in Israeli society was "patriotic" and historical flights: bringing Jewish communities to the new states, from Arab countries and India. One memorable flight was the one bringing Nazi war criminal Adolf Eichmann.

In the mid 50's EL-Al conducted two several actions: transatlantic flights and the purchasing of British airplanes. Later on a purchase of Boeing 707 was made. In 1960, for the first time, EL-Al became profitable. The 60's were a successful decade for the company, growing from year to year and demonstrating respectable financial figures. The good fortune of the company commenced at the end of the 60's. Security issues were magnified due to several terrorist attacks. EL-Al took some adventurous decisions, starting with the purchasing of expensive Boeing 747 aircrafts.

The latter purchase was too expensive for the short run, as expenses exceeded revenues in a large magnitude. On top of things, due to inner political reasons EL-Al suffered strikes and some other political influences (see chapter). The most outlined event of the 80's was the collapse of the iron screen, revealing a wide spread bundle of new flight destinations. The 1990's were a decade of coming changes, as privatization voices started to be heard. These voices were boosted thanks to the uprising charter flights and decreasing numbers of tourists in Israel.

Another major negative effect was the 25% increase in fuel prices. The uprising competition and environmental changes forced the company to tend towards the inevitable step of privatization. The privatization of EL-AL

commenced in 2003. 15% of the company was offered to buy in the Tel Aviv Stock Exchange. This process continues as more and more shares held by the government were sold to the public. Definition of the business EL-AL is a publicly traded airline company. It is traded on the Tel Aviv Stock Exchange ("TASE"). EL-AL provides international and domestic flights.

It also provides shipping services and touristic ones as well. General Details The company owns a 37 aircraft fleet, all manufactured by Boeing (737, 747, 757, 767, 777). The company flies to 38 non-stop service destinations worldwide and has 440 weekly departures. The company employs 5,847 workers and is one of the biggest in Israel in that factor. The company has business relationships in the form of code-share agreements () and domestic service tourism providers. The company has a frequent flyer club. The company conducts its financial reports by IAS 34, and has adopted the IFRS international code.

The company is owned by several owners besides the public, and some of its owners are investment houses. The full control list is as follows: The company has increased its equity from 2010 q2 to q3 by 51.65%, its revenues by 12.57%, ROE by 81.81% and net income by 186%. Chapter 3: An analysis of the company's business environment Firms industry and its macro environment The business environment in which ELAL is performing is the civil international aviation arena from and to Israel. Political Environment - The company competes with other 103 flight companies that work within the Israeli territory.

ELAL, which started as a governmental company, worked and still working according to the government decision since 1977, this decision, determined that ELAL will not work or fly neither on Shabbat nor on Jewish holidays and therefore it does not fulfill its maximum revenues potential. ELAL is the leading aviation company that works within the Israeli territory flying in and out of Israel. Social Environment - ELAL owns several subsidiary companies, which deal with a variety of complementary goods and services for the aviation world.

One its main fields is cheap flight to Europe operated by the subsidiary company ??? San d'Or, which in 2009 increased its revenues by 2%, comparing to the previous year. Another major field is the food industry provided by the subsidiary company " Tama" m ; Burenstein Catering". This company deals with producing and supplying food to airplanes ??? controlled by ELAL's management. ELAL has many more subsidiary companies in the following areas: renting flight supplies, transportation of cargo and maintenance, selling duty free products and converting currencies during its flights.

Seasonal changes in this area and the fact that the world is becoming a global village forces ELAL to adjust itself to a hostile and competitive business environment. It obligates ELAL to recognize new niches in the market, following persistency in finding new company skills, improvement in existing ones, and adjusting human resource. These factors can bring ELAL to be a leading company with a competitive advantage that will keep it ahead of its competitors. The PEST Model Political \* ELAL, as a governmental



company that was privatized (2005) still relies on political decisions affecting its business choices.

One of the best examples is that the company was anchored in the Government Companies Law. As a result, there is a consistent political intervention when referring to taking business actions. A few years ago, ELAL had to decide whether to stick with one airplane supplier ??? the American Boeing (Appendix1) ??? and to renounce the European airplane supplier ??? Airbus. After examining the business aspect, it decided to equip itself with the Airbus airplanes due to their more attractive price and cheaper maintenance costs. However, in 2004 the U. S. overnment pressured the Israeli government (ELAL's owner back then) into working exclusively with Boeing and therefore ELAL did not have any other choice but to do just that.

\* Until 1992, ELAL flew seven days a week until a political decision was made - to prohibit flying during Shabbat and Jewish holidays. As a consequence, ELAL's operational time decreased by 15%. In fact, after 2005 when the company was privatized, it was decided that even though they were no obligated to do so, ELAL would keep the Status-Quo by respecting the Shabbat law (a strategic way to gain religious public adherence). Israel is geographically located in one of the problematic areas in the world, surrounded by hostile Arab countries. As a consequence, ELAL is forced to extend its flying course to its different destinations. The fact that Israel does not have good relations with many countries in the world, limits ELAL's destinations. Moreover, the delicate security situation in Israel forces ELAL to make excessive security examinations within Israel and overseas. This

security policy creates a massive cost to the company. As a result, today ELAL is well-known for its security achievements.

Economical \* The Global Village ??? the world is becoming a big global village. People are flying more and more, from and to many places. As a consequence of improvement in financial opportunities and shorter flight duration, they divide their vacations into many small vacations during the year. This economical factor brings to abundance in the financial situation in general and in the flying industry in particular. Nowadays ELAL is focusing on international destinations being affected by the world wide economical changes, such as last financial crisis in 2007. The competition with many other flight companies is growing intensively. ELAL must take action in order not to fail in the competition, usually this means either to lower prices drastically or reducing operating expenses. \* There is an ongoing decrease in the incoming tourism for the last decade. Due to security and political situation in Israel, many tourists prefer either to fly with foreign companies or not to fly to Israel at all. According to statistics, in 2009 2M tourists visited Israel, a decrease of 6% from 2008. \* Increase in gasoline prices had raised ELAL's flight tickets prices by 5% to 10%. Social The financial recession was supposed to decrease the financial options to the public and so decrease the amount of Israelis traveling abroad. Nevertheless, there has been a large increase in Israelis travelers overseas at about 10% a year. This fact shows the change in Israeli consumption habits. It seems the Israeli, men and women, have more free time than ever which allows them to plan their leisure time. \* The climate in Israel enables worldwide tourism to come to Israel in all seasons. The night life is longer and safer than many other places

in the world ??? tourists who visit Israel enjoy this social freedom. The value of life and death is quite different in Israel due to struggle for survivor. Security and safety are very important and are overvalued by the customers and ELAL has a reputation regarding these issues. \* Environmental awareness - \*\*\* Today's social trend is to be green and clean. ELAL collaborates and support many green organizations and encourages youth into creating new green-tech. This promotes ELAL as an environmental friendly company while increasing public's adherence. \* Kosher food ??? one of ELAL's largest audiences is the Jewish religious people.

Their demand is for kosher food and ELAL is one of the only companies which provide such an option. ELAL is very tolerant to this public and therefore it gives a competitive advantage. Technology \* ELAL's airplane equipment is more sophisticated, its activation is cheaper than ever, expenses are lower and the personal service within the plane technologically wise is a step ahead from many other companies. The race over the heart and pocket of the average customers brings ELAL into a major efficiency while decreasing the market price. ELAL's website ??? in the era of internet ELAL began to sell tickets through its website and its entire marketing propaganda took few steps further. In the long run, the website exposes the audience to very important and relevant details that are handier. This obviously minimized the number of flight agents while transforming them into tourist advisors. The revolution of the customer service is relying now on the innovation in technology. This improves the commercial interaction between company and the customer. The industries competitive situation using Porter's 5 Forces  
The threat of the entry of new competitors

ELAL owns the largest market segment in the Israeli aviation field and therefore it has to create many barriers to eliminate new competitors. The company accomplished that by having full control over a variety of goods and services such as transporting passengers and baggage, a variety of destinations and high security level. There are many factors that make it difficult for other competitors to enter the market: \* Initial investment ??? in order to found a new aviation company, it is necessary to have sufficient capital for buying airplane navy and technological infrastructures.

Moreover, there is a large depreciation over the equipment this field. The maintenance of an airplane company can sometimes appear to be luxurious one but not necessarily a profitable one. \* Fuel costs ??? jet fuel costs are 50% out of the operational cost. \* Legal barrier ??? flight companies are responsible for licensing and employees' training in order to keep the pilots and technicians qualified. \* Economic factor- the aviation industry is one of the first to be affected from financial crises and can easily be exposed to bankruptcy.

For instance, the last financial crisis in 2007 made major decrease in the tourism industry and therefore the demand for flying decreased and many aviation companies went bankrupted over the world. \* Aviation Clubs ??? in the last decade, aviation companies have created clubs in which encouraged passengers to fly with certain companies by gaining points and getting free tickets to fly within specific companies. This created a huge barrier for new companies which wanted to enter the market. The competition in this field is very intense and competes on passengers' benefits, flight courses, and variety of destinations and level of service.

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ELAL's strategy for combating this competition is: 1. Flexibility in scheduling flights according to different seasons and international events (holidays, Olympic Games, sport events, high season-low season, etc. ) 2. Increasing flight frequencies to popular destinations by increasing the number of co-sharing flights (cooperation with other companies). 3. A consistent improvement of services within the flight, especially the comfort of the seats, quality of food and entertainment during flights. Most of the focus goes to First Class. 4.

Frequent flyer club ??? ELAL has found a club in which it compensates its member with highly valued benefits like seat-upgrading, flight tickets discounts, etc. 5. Promoting them through worldwide advertisement. The bargaining power of customers (buyers) The customer thrives to push prices down and quality of services up. The power of the customer depends on the added value he gives to the company. The option to choose from a large variety flight companies is a threat to ELAL. A constant recession can decrease the loyalty of one customer to a certain aviation company because some other companies will offer lower prices.

In this case, he will obviously choose the cheaper company to fly with. The bargaining power of suppliers The bargaining power of suppliers is different from the bargaining power of the customers. The suppliers push prices up while decreasing quality of their products and services. ELAL is very much affected from the competition existing in the field and depending on its suppliers that would make it difficult for ELAL to maintain the level of their service quality and competitive prices. Many of ELAL's suppliers have

exclusivity in their field and the knowledge that they have, made them powerful against ELAL.

The fact that many of ELAL's suppliers are also its subsidiaries, increases its profitability and neutralizes the bargaining power of these suppliers.

However, the aviation field has two main suppliers (that are not subsidiaries to ELAL): jet fuel suppliers and airplanes suppliers. In Israel there are only a few jet fuel suppliers whereas abroad the suppliers are many, and the decision of buying fuel from one supplier depends on price and not on an exclusive supplier. Aviation companies in Israel have a weak bargaining power against fuel suppliers as a consequence of political issues that affect the price of fuel.

There are two main airplane suppliers in the world ??? the American Boeing and the European Airbus. ELAL has on its behalf airplanes made by Boeing only, as we mentioned before due to American pressure over the Israelis in the days when the company was owned by the government. This kind of relationships between governments created a dependency on one supplier with a high level of bargaining power in a market which is limited in the first place. The threat of substitute products or services ELAL offers its customers a variety of permanent destinations all over the world.

Moreover, through its subsidiary San D'or, ELAL offers a variety of flights to seasonal destinations flying on weekends and holidays. Goods and services given in parallel fields are called substitute products. These products have a major power influencing management decisions due to the possibility the customer will decide to put his money in another company (in another

substitute product). A substitute can demolish a company. A substitute product for Aviation Company like ELAL is the low cost aviation companies as EasyJet, Arkia Express, etc.

These companies reduce flight ticket's prices (30-50 Euro) by charging only for the flight itself and any other service is being paid extra (luggage, food, drinks, etc. ). ELAL invests millions of dollars in a good and full service that will bring its customers to their destiny. The price factor sometimes defeats the comfort and the quality of service and leads to harming ELAL profitability. The intensity of competitive rivalry The aviation industry has many leading companies all over the world, where each one strives to have a significant differentiation which will attract customers' hearts and pockets and enlarge their market segment.

Barriers to exit - ELAL have " code sharing" with many foreign airlines (Appendix2). As a result, it has full access to internal information of these companies, which enables it to know about the activity of its competitors. Similarly, ELAL's delicate information is accessible for its competitors. If ELAL decides to breach the code-sharing with the other companies, its future is doomed (ELAL may decide the barriers to exit are too significant and will be forced to continue the code-sharing).

As previously mentioned, ELAL has many share-codes with foreign airline which its customers and employees can fly with (with same conditions they would have got from ELAL). This corporation provides full accessible information of flight and price on-line. This accessibility improves ELAL profitability. Target Market Potential Market Addressable Market Target

Market Potential Market Addressable Market Total Market Total Market  
 Market segmentation Macro segmentation Total Market ??? A group of people sharing the same characteristics that cause them to have similar needs - to fly from one place to another.

Potential Market ??? Men and women, all ages, with no prohibition to fly (pregnancy, heart patients, etc. ), who want to fly from one place to another.

Addressable Market - Men and women, all ages, with no prohibition to fly (pregnancy, heart patients, etc. ), who want to fly from and to Israel. Target

Market - Men and women, all ages, with no prohibition to fly (pregnancy, heart patients, etc. ), who want to fly from and to Israel and can afford it.

People who live geographically close to ELAL's destinations. Micro

segmentation ??? potential audience Business \* Age: 30-70 years old.

Occupation: Business men and women who have international businesses. \*

Lifestyle: Usually "Frequent Flyer" members who fly on behalf of their companies. A population who usually flies in Business and First Class.

Pleasure \* Age: 13 to 18: family trips; 21 to 30: backpacking, vacations and trips. \* Occupation: Students and families. \* Lifestyle: Due to the variety of

ages in this segment, there are all kinds of lifestyles (with average+

income). Religion The Jewish religious businessmen family members from all over the world choose to fly ELAL due to its policies regarding kosher food and respecting Shabbat.

This is a very dominant sector among ELAL customers and therefore ELAL treats this segment with delicacy and tries to be as religious oriented as possible. ELAL strives to be as least mass marketed as possible by approaching its different segments that we mentioned separately.

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Nevertheless, its last commercial advertisement with Omri Casspi, approaches all three segments by arousing the sense of Zionism among all. This is an emotional commercial which emphasizes that ELAL is the leading national airline in Israel. ELAL's Attractiveness

ELAL is in the business of civil international aviation arena from and to Israel. It is quite straight forward that the overall industry attractiveness does not apply that every firm in the field will return the same profitability. Firms are able to apply their core competence, businesses model to achieve a profit above the industry average. After examining Porter's five forces, we analyzed ELAL's attractiveness within its industry. Backward vertical integration: dealing with supplier bargaining power ELAL acted wisely when buying most of its suppliers and neutralizing their power.

However, when considering the industry, most of the money is in the jet fuel industry and airplane suppliers. If ELAL could buy these suppliers, it would have a huge competitive advantage among its competitors. Nowadays, ELAL does not have the means to buy such companies (like Boeing) and we would not suggest doing so. Forwards vertical integration: Nowadays, ELAL does not "control" its customers but rather the customers choose ELAL. ELAL has the option of buying tourists companies (such as Ista), online purchasing flying tickets companies (such as netravel. com).

By doing so, ELAL can increase its profitability and customer flow. The fact that tourist-agencies are becoming old-fashioned, more and more people are buying flight ticket via websites, ELAL could create a significant competitive advantage by buying these sites. This would obviously make ELAL more

attractive above the industry average. Horizontal integration: As we mentioned in the threat of substitute products or services, ELAL main threat is the low-cost companies that offer cheaper prices by offering only the flight itself with no additional services. This “ product” is targeted to a segment which ELAL has not addressed yet.

These clients seek for short flights within Europe or the U. S. with the most attractive price. Nowadays ELAL does not offer such product and by merging with such low-cost company, they would probably increase its profitability and addressed a new unutilized market segment. Chapter 4: The Company’s Marketing Overview Mission Statement, Objectives and Values ELAL has set many targets, which the main one is to operate as an integral part in the global aviation competitive world, while keeping its uniqueness as an international airline company of Israel. In addition, ELAL is defining the following goals: 1.

Uncompromising level of service 2. First priority ??? safety and security of the passengers 3. Investing in its employees ??? high level of training, focus on their welfare in order to promote the company’s success. Happy employees = successful company. 4. Promoting profitability by innovation and initiative, maximizing shareholders’ wealth. 5. Be an integral and significant company in the international aviation world, while keeping it uniqueness as the Israeli national leading airline. 6. Prioritizing the destinations according to profitably and customer demand. 7. Maintaining only new airplanes. . Efficiency and saving ??? retirement plans, reducing the number of offices overseas. ELAL defined the aforementioned goals as part of “ ELAL’s 2010 project” and is going to achieve these goals by <https://assignbuster.com/el-al-marketing-analysis-assignment/>

implementing its vision. ELAL's vision \* To lead the aviation market in Israel and to be the first choice for all customers traveling to and from Israel. \* To be a winning, profitable and successful commercial company that excels in all areas of activity. \* To provide the highest level of uncompromised quality service, for the benefit of its customers, employees and share holders.

Marketing Mix (Four P's) The marketing mix is the combination of several techniques that are bring used in order to achieve marketing strategy and goals. Product \* Products - ELAL offers the service of national and international flights. \* Variety of products ??? Different levels of services ??? Economy class, Business class and First. \* Services ??? ELAL is very service oriented. It offers its client a high level of service starting even before flight: purchasing tickets online, express online check in, luggage pick up, duty free on board, lounge and Frequent Flyer Club. Pricing ELAL does not attempt to be a low cost company and therefore its prices cannot compete with such companies but rather with full service flying companies. It is known that ELAL's tickets are not cheap but whoever chooses to fly with ELAL knows he will get a return on his money. \* Frequent Flyer members receive free upgrades and free ticket according to their mileage. \* ELAL "spontany" ??? a new service ELAL offers is the last minutes flights with lower prices. This is oriented for spontaneous people who don't want to settle for service but do not want to spend much on the ticket.

Promotion \* ELAL promoted itself via a various media means ??? TV commercials, outdoor adds, Newsletters for its club members, collaboration with credit card companies which offer ELAL's points \* ELAL promotes itself as the national Israeli airline by being the official transporting airline to  
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public organizations (like the Israeli football delegation) and well known personalities (like the President). Place \* ELAL's destinations are wisely chosen according to demand. It operates in international and principal airports accessible to many other destinations. SWOT Analysis

Strength \* A variety of services and goods (" Fun Day", " ELAL Spontany") that enables to attract many segments in the market. \* ELAL is an international brand in the field of security and safety. \* Kosher food and respecting Shabbat. \* Many corporations with other international airlines. \* Only one airplane supplier. | Weaknesses: \* Does not operate on Shabbat and on holidays. \* Unstable security situation in Israel reduces number of customers. \* High prices relatively to the market. \* ELAL does not maintain constant collaboration with agencies abroad and loses potential market. Geographically Israel is located between hostile countries which extends the flight courses and enlarge the duration of the flights, increase fuel expenses, etc. | Opportunities \* ELAL e-ticket purchased online saves time and money and enlarges potential clients. \* ELAL's high reputation reduces advertisement expenses. \* ELAL's website is a commercial platform which reduces advertisement expenses. | Threats \* Low cost companies offering cheap flying tickets. \* As the Israeli national airline, ELAL is exposed to terror attacks on its airplanes. \* The increasing prices of fuel|

ELAL's main problems Keeping the Status Quo ??? ELAL does not operate on Shabbat and holidays. The company loses 15% of operational time due to its commitment to the status quo which allows other companies to enjoy ELALs customers. Expending variety of services ??? ELAL is exposed to a severe competition with low-cost companies. Such companies offer flights with no  
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other extra services, airplane as an transporting mean and no more than that. Chapter 5: Recommendations and Summary Is the Company's Marketing Mix in ??? tune with its markets and its objectives?

We find the company's marketing mix in tune. The company provides its products in relatively high prices. Following the latter, the prices are a derivative of security and social aspects as described. The company pays relatively high salaries in order to obtain the level of service. Although privatized, the company maintains its objective to be the " national company" of Israel, first by slogans and continued by ads and commercials: i. e. the latest commercial starring NBA player Omri Casspi, who is, as ELAL wants to be, a national pride and patriotic icon.

ELAL has a much focused hub-oriented hub airport destinations, which are by definition very attractive ones. Solutions to ELAL's main problems Keeping the Status Quo Solution: On the one hand, if ELAL decides to break the status quo, it can realize its potential market and become equal to its competitors and even create an additional competitive advantage. On the other hand, this delicate issue can create antagonism among religious passengers who are a dominant factor to ELAL. This is a problematic situation which still should be considered in order to maximize ELAL's profitability.

Expanding variety of services Solution: ELAL should examine the option of offering this kind of service in order to provide its customers a larger variety of services. For example, ELAL can operate a weekly flight to various destinations according to the low cost policy. By entering such a market, ELAL could enlarge its segment markets. This kind of decision could have a

positive effect but also damage ELAL's reputation. Summary and Conclusions  
As a small state, Israel does not have many commercial or social icons.

Maccabi Tel Aviv, high tech and the Dead Sea are few that could be mentioned. ELAL is another one. As part of the Israeli pathos, ELAL played an important role in Israel's short history. ELAL has evolved from a national owned company with all that entails (unions, heavy politics, non-profit environment etc. ) to a profitable and role model airline. ELAL determined a strategy based on the evolving and more competitive environment around it and thrives for profit maximization as well as keeping its image as the national airline in Israel.

To do the latter, ELAL determined prices, strategic agenda and image by the aforementioned guidelines. The future will tell whether ELAL would be able to deal with the challenges of tightened security, growing competition and ever changing political environment; up to now, it seems to be on the right track.

Appendix1 ??? Boeing | | \*Boeing 737 - 700 ; 800| Total in service:?? 11 ; 2  
Range:?? 4870?? km Engines:?? C. F. M. Cruising speed:?? 873kph/Mach 0. 8  
Length:?? 110ft (33. 6m) ; 129ft (39. 5m) Wingspan:?? 112ft,(34. 5m)??| | ??|  
| Boeing 747 - 200??| Total in service:?? 1 Cargo

Range:?? 10000 km Engines:?? Four Pratt ; Whitney Cruising speed:??  
917kph/Mach 0. 84 Length:?? 231ft 11ins,(70. 7m) Wingspan:?? 195ft 9in,  
(59. 6m)| | \*Boeing 777 - 200| Total in service:?? 6 Range:?? 12670 km  
Engines:?? Rolls Royce Cruising speed:?? 864kph/Mach 0. 83 Length:?? 209ft  
1ins(63. 7m) Wingspan:?? 199ft 11ins,(60. 9m)????| | ??| | \*?? Boeing 747 -  
400| Total in service:?? 6 Range:?? 11860?? km Engines:?? Four Pratt ;

Whitney Cruising speed:?? 927kph/Mach 0. 85 Length:?? 231ft 11ins,(70. 7m) Wingspan:?? 213ft,(64. 9m)??| | \*Boeing 767| Total in service:?? 8 Range:?? 10000 km

Engines:?? Two Pratt ; Whitney Cruising speed:?? 873kph/Mach 0. 8 Length:?? 159ft 2ins,(48. 5m) Wingspan:?? 156ft,(47. 6m)??| | ??| | \*?? Boeing 757??| Total in service:?? 5 Range:?? 6100?? km Engines:?? Two Rolls Royce Cruising speed:?? 873kph/Mach 0. 8 Length:?? 155ft 3ins,(47. 3m) Wingspan:?? 124ft, 10ins,(37. 9m)??| | Appendix2 ??? Code Sharing Airlines| Destination| | American Airlines ??? Code Share flights operated by AA from Europe to the USA and flights operated by AA within the USA. To view the list of destinations. | ??| Iberia - Flights between Tel-Aviv and Barcelona or