Analysis on singapore airlines limited marketing essay

Environment, Air



This report will give an overview of the brief history and growth of Singapore Airlines Limited (SIA) throughout the years. It will also cover the fleets, the corporate management of the company, the destinations covered by SIA, the branding and the services of SIA.

I will be using SWOT analysis in identifying the Strength of SIA, the Weakness of SIA, the Opportunities of SIA, and their Threats. Through the analysis, I can understand more in depth of the development of SIA over the years.

Introduction

Brief history

In 1947 Singapore Airlines (SIA) started as Malayan Airlines in a joint venture between the Malaysian and Singapore governments. It serves mainly the South East Asian region. at the year 1965, Malaysia and Singapore was separated. Thus, the two governments agreed to set up two different airlines. Singapore Airlines was formed on the year 1972.

The Singapore Airlines fleet continued to rise, in glorious and remarkable ways. It had the first A300 Superbus, the B757, the B747-300 Big Top, and the A310-200. Singapore airlines were the very first airline in the world to manage an international commercial flight across the Pacific Ocean with the 747-400 Megatop. United States, Canada and European cities became the first few countries to be served by the Singapore Airlines.

Growth

In year 1990s, Singapore Airlines improved their in-flight entertainment and communication through KrisFone, which was the first global sky telephone service.

In 1998, the company was first to involve in world-renowned chefs, the International Culinary Panel, in improving in-flight meals.

In 2004, Airbus A340-500 was used by SIA for non-stop trans-Pacific flights from Singapore to Los Angeles and Newark (New York). It was the first non-stop air services between Singapore and the United States of America. With a flying time of about 18 hours each way from Singapore to Newark, it became the record for the longest scheduled commercial flight. It attracted huge media hype and kept the promise of innovation brand alive.

Over a period of more 50 years, SIA has earned an outstanding reputation as a ground-breaking market leader, having excellent services catered to all customers.

SIA has a route network extending to 35 countries with 63 destinations, serving the Middle East, the South West Pacific Asia, Europe, North America, and Africa.

SIA has always been first to take deliverance of new fleets like Boeing 747 jumbo jets, Boeing 777. In the year 2006, they became the very first airline to fly the Airbus jumbo A-380 which caught the media attentions.

The care and attention that Singapore Airlines gives its customers, symbolised by the Singapore Girl, has helped the airline to claim many award, including Conde Nast Traveller's "Best Global Airline" award for a consecutive of 21 years, Travel and Leisure's "Best International Airline" award for 14 consecutive years, and Wall Street Journal Asia's "Most Admired Singapore Company" for 17 consecutive years.

Comprehensive look of SIA

Fleets

SIA has one of the youngest fleets of any major airline, with an average age of just over 6 years. The following fleets that will be introduced are the reputable fleets in SIA.

3. 1. 1 Boeing 747

The Boeing 747 is a wide body commercial airliner, known as the nickname Jumbo Jet or Queen of the Skies. It the first wide body ever produced and also, amongst the world's most recognizable aircraft. The 747's upper deck was designed by Boeing, to serve as a first class lounge or additional seating. By removing the seats and installing a front cargo door, it allows the aircraft to be easily converted to a cargo carrier.

3. 1. 2 Boeing 777

Boeing 777 is a long range, wide-body twin-engine jet airliner manufactured by Boeing Commercial Airplanes. It is the world's biggest twinjet and also known as the Triple Seven Airplane. The aircraft can take up to 300

passengers and fly up to 9380 nautical miles. It has computer mediated control and is also the first fully computer-designed commercial aircraft.

3. 1. 3 A380

The Airbus A380 is a double-deck, wide-body, four-engine airliner manufactured by the European corporation Airbus. In year 2000, SIA ordered a total of 25 airbuses. On 25 October 2007, the first commercial A380 service, flight number SQ A380, flew 455 passengers from Singapore to Sydney, where it received attention from the media.

The A380 caters daily flights to Sydney, Tokyo, Paris, Hong Kong, Melbourne, Zurich and twice daily flights to London. A380 has better service and comfort compared to other fleets. It has relaxation and mini bar area for the business. Special suites are available for passengers that are willing to pay for better comfort and luxury. At the same time, it has more private space. There are also 12 special suites in each airbus. Each cabin has sliding doors and window blinds. A bed is included in every cabin for better comfort of sleeping.

Corporate Management

The airline is a subsidiary of Singapore government investment and holding company Temasek Holdings. The Singapore Airlines Group comprised of 25 subsidiary companies, 32 associated companies, and two joint venture companies. Singapore Airlines has diversified into related industries and sectors, including aviation engineering, ground handling, aircraft leasing, air catering, and tour operations. It has also restructured itself by making

operational units as fully-owned subsidiaries to maintain its core business as a passenger airline. In order to expand the Singapore base, SIA has invested in other airlines. They entered the low-cost carrier market by establishing Tiger Airways with a 49% stake, in partnership with other investors.

Branding

3. 3. 1 Singapore Girls

The branding of SIA can be found among the males and females air stewardess. They are generally referred to as Singapore Girls. SIA hired French haute-couture designer Pierre Balmain at the launch of the airline in 1972. He created a unique and different version of the Malay sarong kebaya, which later became one of the most renowned signatures of the airline.

The strategy of the Singapore Girls turned out to be a very brilliant idea and has become a very success and well know brand icon. The Singapore Girl carries an almost mythical status and aura around her. The Singapore Girl captured the Asian ethics and hospitality, and could be described as gentle, affectionate, graceful and calm. It is a brilliant characterization of SIA's dedication to service and quality excellence.

Services

Singapore Airlines have received numerous awards for the level of services

In-flight services

First Class

The seats on the first class are about 35 inches wide. It is made from fine-grained leather with Mahogany wood trimming. It is typically wider than any https://assignbuster.com/analysis-on-singapore-airlines-limited-marketing-essay/

other First Class seats. It offers luxury of the upmost order. The exclusive design allows users to stretch and rest in practically any positions. As a relaxing touch, the mood lighting in the cabin is specially designed to improve the surroundings. It also offers the largest and most versatile bed in the sky. Indulge in the freedom of sleeping in any pose on a dedicated sleeping surface, with crisp linen, soft pillows and plush bedding. A personal 23 inch LCD screen with 1280 x 768 pixels, the highest resolution of all, allows users to enjoy clearer images. Together with surround sound and noise-cancelling headphone equipment, it all adds up to an exclusive cinematic experience

Business Class

The special 1-2-1 new Business Class cabin layout offers much more privacy and better access to the aisles. The new Business Class bed allows users to work and relax in a roomy environment. For extra comfort it features a dedicated sleeping surface for extra comfort, it is made to accommodate almost any sleeping positions. Built-in office software allows users to create spreadsheets and presentations, without the use of a notebook. The new Business Class Seat offers better control panel which allows the seat to be transform into a lie-flat seat or a resting position. The seat also includes a six-way flexible headrest and lumbar support.

Economy Class

The Economy Class seat offers more rooms for knees and to maximise individual space. It features a headrest that can be accustomed as desired for better support. For the first time, a personal reading light is built in front

of each seat, creating a cosier atmosphere for everyone. The personal console positioned in front of the users features a coat hook, mirror, spectacle compartment, and the in-flight earpiece. Users are able to get pleasure from the latest movies, TV programmes, music and 3D games on a 10. 6 inch personal screen with the highest resolution in the sky, giving users the sharpest pictures and the clearest sound

In-flight Entertainment

Krisworld was introduced in 1997 as the Singapore Airline's in-flight entertainment system. It refers to services provided on board of SIA planes during a journey. The services in some cases may be free of charge and in other cases offered by Singapore Airlines.

It allows the passengers to enjoy the latest songs, soundtracks and news.

Duty-free shopping are available on all SIA flights. Singapore Airlines offers

10 different types of games on flights. In flight entertainment Singapore

Airlines is incorporated in order to improve quality of life on board and also

meeting the needs of the passengers during the flight as far as possible.

Power ports on board Singapore Airlines are available. In addition, a range of

meals are served on board accompanied by a wide variety of soft drinks,

wines and appetizers.

SWOT Analysis

Strength

- -The successful branding of SIA
- Strong experience of SIA

- The image and reputation of SIA
- SIA have always been the first to take in new fleets

Weakness

- -The prices of SIA
- -The new technologies

Opportunities

- -Partnerships of SIA
- -Manufacturers of SIA

Threats

- -Competitors of SIA
- -International economy

Strength

The brilliant strategy used by SIA for their branding was very successful. It was the key of building the passengers trust. The strategy had proven their wonderful service and quality of SIA. At the same time, the first impression that comes to the passengers mind when it comes to SIA will be the Singapore Girls with their Malay sarong kebaya. The branding has already been well known in their mind which gives a very good impression of SIA.

On top of their branding, SIA has strong experience of more than fifty years from the beginning of the Malaysia Singapore Airlines. Experience is also

strength of SIA, because it was widely known in its services. They have good experience management and managers as well as service crews. Through strong experience, they can come up with new ideas to satisfy their passengers and give customers the best services to them.

SIA have received numerous awards for their services. The image and reputation of SIA have shown high impact on people around the world and not just Singapore. Their services towards passengers encouraged them to fly with SIA again.

SIA have always been the first to take in new fleets which makes passengers having the urge of flying on the new airplanes. SIA was the very first to fly the airbus A380 which caught the media attention. Through the A380 and the 12 suites available, even more passenger flew with SIA. This builds even better reputation for SIA.

Weakness

The prices of SIA tickets were too expensive and not many could afford the high price if they were to travel as a family. Most passengers would rather pay for a cheaper price and not fly with SIA despite of the lower standard of service because of saving cost. Unless passengers are travelling alone or travelling to longer destinations, they are willing to pay more money for better comfort and services.

Whenever there is new technology, SIA have to spend high cost in training their staff and purchasing the machines. This will restrict them from giving out more promotions at a cheaper price. With this, they will not be able to

attract passengers and only regular passengers with continue to fly with them.

4. 3 Opportunities

SIA makes many partnerships with other airlines, world top hotels, cruises, telecommunications, car rentals and credit card companies. This helps by booking all the necessities with SIA for the trip and it helps to save troubles for passengers. At the same time, these companies will get regular customers. SIA will still earn profits and giving quality services to its passengers.

SIA has two major leading commercial aircraft manufacturers known as namely Airbus and Boeing. They are powerful suppliers to SIA. Passengers of SIA will be satisfied with the flights because SIA has priority in getting good quality and high technologies to launch first compared to other airlines. This will help SIA in making more profits and gaining higher reputation.

4. 4 Threats

The top competitors of SIA are Cathay Pacific Airways Limited, Japan Airlines Corporation, and Malaysian Airline System Berhad. Their promotions reduce the growth of SIA market share. This will bring down the reputation and the morale of people in SIA.

When the international economy is not stable, it will affect SIA. Whenever there is war, disaster or protest going on in a country, the economy falls. The pricing of the flights will not be fixed and passengers will not be satisfied.

When this happened, company will reflect badly and they will have to bear any loss.

5. Conclusion

SIA has always been a reputable airline in the world. It is known as the best service provider through the capabilities of meeting every customer's needs. The solid development of services, training and development of employees, market research, organization strategy, excellent quality maintenance, consistent competitors' market research are the main factors that brings about the success of Singapore Airlines Management. SIA always develops new strategies to improve their services so as to avoid market competitions by giving the best quality services to the customers than their competitors. SIA has got strong management with innovative ideas and strategies. SIA keeps up the consistency in its quality of service by going though all the complaints given by the customers. Feedbacks of customers are also discussed among management and during meetings and discussions. To meet the changing needs and requirements of the customers, SIA develops dynamic strategy to boost the satisfaction level of the employees. Building and maintain the trust of its customers has always been a priority. Customers flying with the SIA will definitely have the best experience in the sky.

6. Recommendations

While performing the SWOT analysis, there several key issues are to be recommended to the management. These recommendations can be used for the Singapore Airlines in keeping its top position as it continues to be one of

the best airline companies. The SIA should reduce the price of its ticket so that budget-tight customers are able to afford to fly with them. They should continue to maintain its current position of being the best airline. They should not stop at where they are, but to keep improving their services and to rise among all competitors. Staffs should also go for regular trainings to keep up with their services. More advertising can also be made to attract new customers and to keep loyal customers coming back for more.