

A case study of emirates airline

Environment, Air



Emirates Airline group has started its 1st routes out of Dubai with only two aircraft in 1985 by the Govt. of Dubai and it was supported by the creator of Germania (German Airline). Emirates airline had started their operations from Dubai. These days the industry is measured to be a subsidiary of The Emirates Groups which is headquartered in Dubai, UAE. The group has got diverse recognitions and in 2007 Emirates was noted to be the eight-largest airline in the international marketplace in terms of intercontinental passengers being accepted and also renowned to be the fifth-largest in the global market in accord with the planned international passenger-kilometres flew. Emirates group is also well-known for being one of the only five airline industries that operates in the total wide-body aircraft sense. Emirates have made frequent considerable announcements with allusion to the future projection of its existing state-of-the-art fleet.

Emirates Airlines is one of top six airlines in the world to have a 5-star rating from Skytrax, along with Singapore Airlines, Eithad Airways, Emirates Airlines, Qantas Airways, British Airways, Cathay Pacific. Emirates operates more than 700 weekly flights to over 100 destinations in 60 countries around the world with on going expansion, flights departs from Dubai to six continents with international standards of services. In 2009, Emirates Airlines carried nearly 40 percent of all the flight movements in and out of the Dubai International Airport, and we would like to take this market share to 70 percent by 2010 without any compromise on quality and repute.

Emirates First Class

The International Emirates Airlines First Class has their own safe paradise in spacious personal suites, each capable of with an electrically operated

sliding door, an individual mini-bar, changeable ambient lights, and its own wardrobe, mirror and vanity table.

All the seats have a built-in massage system, with modifiable pace and strength. Our Emirates A380 and B777 crew will renovate your seats to a fully flat bed with a mattress, so one can reach at their destination comfortable and rejuvenated. Each suite in the A380 and B777 has a 23” television screen, allows their customer to look at over 1, 200 on-demand video and audio channels of our award winning ice Digital Widescreen. Entertainment system including Hollywood and Bollywood movies along with other Arabic movies as well and live channels as well. The isolation partition separating the adjacent suites in the middle string can also be lowered, allowing the customers to share the experience with their journey accompanying person.

Dine-on-demand serving of food service, allows the customer to order from our a la carte menu any time they need. Making their understanding of the Emirates A380 and B777 really outstanding, they will be treated to the excellent service from our award winning multilingual crew members from over 100 nations.

Emirates has launched a very high class onboard shower Spawhich in the history of aviation, is the first time one can have an revitalizing shower at 43, 000 feet. Which is located on the upper deck of the Emirates Aircrafts and there are two elegantly designed onboard Showers for our 1st Class customers. Which bring all customers at their destinations refreshed and revived.

The service on board the Emirates First Class cabins include a social area consist of a full-fledged bar staffed with a bartender, a break-out seating area just nearby fitted with two couches and bar stools, a full-fledged chef on board the aircraft and any-time dining. A turn-down service includes the renovation of the seat into a fully-flat bed and an air-hostess making the bed when the passenger is ready to sleep. Emirates provide this kind of a whole new dimension of luxurious air travel to their customers with an outstanding service.

Emirates First Class attributes mood lighting on the Airbus A330-B777 with light schemes correspondent to the time of day and flight situation.

Impact of External Influences

In this era of rivalry, indulgent the consumer is very important for marketers. Consumer desires and preferences are constantly varying, given the changes in factors like their demographics and lifestyles. These changes can bring great business opportunities for attentive marketers and threats for marketers who fail to become accustomed. Consumers obtain, devour, consume and dispose off the products and services created by organizations. They went through a number of cognitive and behavioural processes whilst making their purchases and spending decisions. The awareness of how they make a decision on one brand as a substitute of another and what factors influence their decision-making so crucial for marketers, not only to make available to the existing needs of their consumers but also to prepare for their future needs as well. This information is also vital to make a variety of

business decisions associated with product development, packaging, pricing, distribution, promotions, communication, etc.

Consumer Behaviour helps to comprehend the internal variables like motivation, personality, perception, learning, and attitude, and external variables like reference groups, family, social class, and, culture, and their influence on consumer decision-making process.

Consumers are faced with many external influences, including an individual's culture, subculture, household structure, and groups that he associates with. Marketers and business owners call these external influences because the source of the influence comes from outside the person rather than from inside (which would be internal, or psychological, influences). You also could refer to them as socio cultural influences, because they evolve from the formal and informal relationships, the individual has with other people.

Clearly ours airline Emirate's FIRST Class is an luxury segment service which organizes to the needs of high class executives who wish to fly to their destinations not just the ordinary business class but want an experience which is even more luxurious than the business class. We organize to their needs in the best way possible.

We more than just a airline, we host one of the most luxurious & coziest services available, we are just 1 of the only 6 airlines in the world which enjoy a 5 star rating by SKYTRAX.

But still we have consistently under-performed from our capacity and are running into losses consistently into losses from last 2 years.

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This is a serious issue which needs a timely surveillance to counter the increasing red lines on the balance sheet.

Consumer behaviour can provide an insight of the problem by applying the various theories to the problem. As ours is a service provider company, consumer behaviour becomes all the way more important as one can draw a lot of conclusions by simply studying the psychology of the customers and the great problems can be countered in a effective way.

Behaviour of any customer is derived by basically two factors:-

External Factors 2. Internal Factors

Though the internal factors are totally in control of an individual and are hard to control, but still they can be managed by looking after the external factors which themselves directly affect the consumers buying decisions.

So that`s why we need to take a close look at the External Factors that effect consumer behaviour

In the section below:-

Global & National culture:-

Culture:-

The definition of culture offered in one textbook is “ That complex whole which includes knowledge, belief, art, morals, custom, and any other capabilities and habits acquired by man person as a member of society.”

According to the above mentioned definition we will discuss culture in different ways.

The set of basic values perceptions, wants, and behaviours learned by a member of society from family and other important institutions. Culture is the most basic cause of a person's wants and behaviour. Every group or society has a culture, and cultural influences on buying behaviour may vary greatly from country to country.

Sub Culture :-

A group of people with shared value systems based on common life experiences and situations.

Each culture contains smaller sub cultures a group of people with shared value system based on common life experiences and situations. Sub culture includes nationalities, religions, racial group and geographic regions. Many sub culture make up important market segments and marketers often design products.

Culture is a challenging issue for many marketers since it is intrinsically imprecise and often difficult to understand. One may violate the cultural norms of another country without being informed of this, and people from different cultures may feel uncomfortable in each other presence without knowing exactly why?

So we can understand that how this factor can play an important role in attracting customers if deal with efficiently.

For this our company has already ready by offering 5 star services which is acknowledged by the SKYTRAX agency and this can become our USP if promoted wisely. As our Emirates First Class is an elite class service so we

need to make especially according to the routes on which it operates like Dubai-London flight can keep themselves up to the customer expectation by upgrading their flight services according to the demographics of the passengers travelling.

We`ll have to serve to the needs & expectations of the passengers who belong to the different nationalities like mix of different nationals by maintaining the standards this can be done by taking consideration of the cross cultural factors into consideration and have to check all the possibilities which bring these differences clear from the business point of view.

Family & Household Influences:-

A major factor that affects one`s choice of the services is his family & household income. These factors may include the perception about a service which may be same for the whole family & the complete may think of a service as compliant to their requirements & representing family status or not.

This also makes a chance as if one influencing member of the family is convinced about the service then whole family may become a customer.

So a lot of prospective lies in this factor if intent professionally

For this we may promote our service by:-

Being a sponsored at charity events as higher class people have a good attendance at such events.

We can hold events of massive show-buzz as that will help a lot to promote the service.

Like we have to sponsor or put our big participation in the International Football and Cricket matches and Emirates be the official airline of the main events in the world . This will create a great buzz in the society and at the same time a sample of the service can be given to plausible customers.

Opinion leaders:-

Opinion leaders are one who can be of great help as they lead a lot of people, and their followers either follows them blindly or they affect their followers decision to that extent that the likelihood of the follower consuming that product becomes very high. So if we can ensnare these opinion leaders we a gain a lot on consumer base.

So we can achieve this by asking for review of critics of lifestyle magazines which are read by upper-upper class this can affect decision of a lot of followers.

We may add to this by doing so that some top level executives of some companies can also be asked to travel as their peer group can be affected by this.

Reference Group:-

As for as reference group is concerned, these are the ones with one comes in contact on the basis of his/her interaction in daily life. This interaction may be on a regular basis like viz. Family, work group, friend circle, etc. OR on a

less regular basis like shopping group, virtual group, consumer action group, etc.

A lot of customer base can be gained if dealt with reference group properly since person comes in contact with persons from various aspects of life in his/her reference group & his decision making depends on this reference groups.

Like on is most affected by family & friend group & often if someone in these group appreciates the service the buying decision can absolutely swing in favour

To get this as talked earlier event sponsorship & some personal events can be of great help, as well as doing corporate dealing with companies can be of great help as this can start the buzz in the corporate circle and help get the support of these reference groups.

Income & Social Groups:-

Income group are not of much issue as this is a service in luxury class & one who can afford it will definitely not give a much thought to the cost then & so not much to consider in this section.

Almost every society has some form of social structure; social classes are society's relatively permanent and ordered divisions whose members share similar values, interests and behaviour. Social group are of concern absolutely as these are normally inherited & affects a lot how you distinguish the product & this social class also becomes the reference group & a product's possibility to get a boost from word of mouth publicity increases.

Added to that are some features like a whole class may give preference to a certain product over the other & this can be of great benefits.

To accomplish these same high society events can be a good place to promote, at the same time if we can grab some personal functions of high class society people will also help.

Task 2

CURRENT POSITIONING BY EMIRATES AIRLINES POSITIONING BY PRODUCT ATTRIBUTES AND BENEFITS

Emirates Airlines is Dubai leading luxury airlines. Emirates airlines are anticipated to provide customers luxury and comfort as each aircraft meets the sophisticated and global technical standards so that you can feel like a king of good times, travelling in air for having an experience of lifetime. The extremely high promising characteristics of Emirates Airlines that has made it a truly world-class airline are its peaceful and stunning atmosphere with very comfortable seats. Further to add on is its flight entertainment system and its exciting and vibrantly dressed, professionally trained, multilingual staff and very friendly crew, the comfortable seating, regularity of flights and the overall extra quality service makes the Emirates Airlines most accepted and promising in all over the world.

In a short span of time Emirates Airline has engraved a place for itself. The airline offers a number of unique services to its customers. These include: personal valet at the airport to assist in baggage handling and boarding,

accompanied with refreshments and music at the airport, audio and video on-demand, with extra-wide personalized screens in the aircraft and three-course gourmet cuisine.

Emirates has achieved A 5 Star status acknowledgment, which means that Emirates Airways has the highest standard of product after going through several stern quality evaluations categories. Fly Emirates delivers high values of service in on-board and airport environments. Skytrax also recognizes Emirates Airways to be at the most important position for product and service innovation. This honour makes Emirates Airways one of only 6 airlines in the entire world to have a 5 star rating, so fly with Emirates and enjoy the relieve.

Thus Emirates airline offers luxurious services that having a variety of attributes that brings more benefits to the customers. They have very small size target market and they are trying to grape it. They normally use bolt from the blue and pleasure positioning strategies.

In TV commercial, it is clear that Emirates airline came up with the slogan “keep discovering good times”. It reflects that attributes and customer benefits clear in the mind of customers. They were tried to reflect luxuries, comfort and relaxation benefits of customers. Emirates First Class is the luxurious brand of Emirates airline. They came up with the ideal of touching appeal in the commercial that truly show attributes of airline and customer benefits.

SUGGESTED POSITIONING STRATEGIES

POSITIONING BY QUALITY

Emirates Airline frequently uses excellence characteristics to position their brands. One way they do it is with ads that reflect the image of high-quality brands where cost, while not inappropriate, is considered secondary to the quality benefits imitative from using the brand.

They have all the way through very well laid out marketing strategy effectively accomplished. Today, the air travellers not only want to travel faster but also be entertained. Recently, there are two actions taken by the Emirates airline for the enhancement of their guest ease. The first one is the introduction of the online check in, so a customer doesn't have to wait for long to boarding in a queue, 24 hours before arriving at airport which saves lot of time as well as hassle for their valuable customer. Second one is that at the airport, they introduce a travelling agent. Relatively waiting at the check-in counter to gather their boarding pass, travellers can directly come near the security check-in counters. Deployed outside the security check-in area will be airline's travelling Agent, who will reach out to guests and check them in using a mobile digital device and printer.

The quality provided by Emirates is rated high among all airlines in Dubai. That was the main reason that it covers the market very quickly.

In just over few years, after entered in to the Airline market, Emirates Airlines has achieved a market share of 40% and has one of the most antagonistic growth plans for the coming years and focus to gain the 70% share of the air industry market.

Therefore Emirates First Class must be come up with the new positioning strategies like positioning by quality. It cannot come up with price positioning because it deals with luxury class. But they can increase the quality in the services with insignificant increment in fares.

For this our company has already ready by offering 5 star services which is accredited by the SKYTRAX agency and this can become our USP if promoted intelligently. As our Emirates First Class is a premium class service so we require customizing according to the routes on which it operates like Dubai-London flight can keep their standards up to the customer anticipation by advancement in their flight services according to the demographics of the passengers travelling.

We'll have to provide according to the needs & expectations of the passengers who belong to the different nationalities like mix of different nationals by marinating the values this can be done by taking contemplation of the cross cultural factors into consideration.

In this strategy our most important focus on the personalized services enhancement in term of quality according to customers.

We can come up with the slogan “ fly your own style”. It easy reflects offered personalized services to customers.

POSITIONING BY USE/APPLICATION

An additional way is to communicate an explicit image or position for a brand is to correlate it with a specific use or application.

In today's competitive business environment, the stress on productivity, cost and efficiency are greater than ever before. Emirates First Class offers you special travel solutions. Fly at your own ease anywhere, anytime and decide who flies with you in the extreme comfort, safety and privacy. Be it business or leisure, select from our range of business jets and Euro copters and you are secure of the most superb service complimented with the premier safety standards, allowing you to arrive at your destination stress-free and refreshed.

Key features*

A personal suite with close rest room and shower

Personal & prudent service including VIP, diplomatic and the head of the state flights

Qualified & highly trained and supportive professional crew

Traditionally planned luxurious interiors

Modified service to meet the customer requirements -ultimate flexibility

Highly modern technology to meet the business needs of the customers in a conference room

Separate sections for guests and staff

To maintain all these characteristics at a high brand recall values we will launch our campaign with a central tagline of

“ Paradise onboard; Fly with Pegasus”

POSITIONING BY PRODUCT

We will focus on the service that we will make available to the customers which in spite of being a 5 star rated can gain on customer base by focussed on the demographics of passengers boarding on the route and then customizing our services.

We can come up with the slogan Paradise onboard; Fly with Pegasus: “ Fly your own Style”. It straightforward reflects offered customized services to customers.

POSITIONING BY PRODUCT CLASS

Frequently the competition for a particular product comes from outside the product class. For example, luxury airlines compete with other economy airlines.

In this kind of positioning strategy, the company can come up with the model of influencing the customer to use airline services. The company is totally focusing on niche market of high segment class customers. For these target customers, price factor is not an issue. They normally influences by status.

The Emirates First Class provides customers a high class status in society. To manipulate new customers, the company tries to attach name of the customer with luxurious aircrafts. That's why Emirates Airlines currently operates with a brand new fleet of Airbuses and new aircrafts. Emirates is going to expand their fleet with the entry of 15 new aircrafts, 4 Airbuses A380s and 11 Boeing 777s in 2010. In addition to this Emirates has a plan to bring more 146 aircrafts in pipeline , 50 more Airbuses A380s , 21 Boeing

777s, 5 Boeing 747s and 70 Airbuses A350 XWBs plus 50 more options on the way. Also Emirates having number of awards that create it strong brand value in the market.

The company must be selling its brand image in the market by new positioning strategy by product class.

We can come up with the slogan

Paradise onboard; Fly with Pegasus: " because class can't be compromised".

POSITIONING BY COMPETITOR

Competitors might be as important to positioning strategy as a firm's own product or services. In today's market, a successful positioning strategy for a product or brand may focus on explicit competitors.

The biggest competitors, across the globe are

Singapore Airline

British Airline

Etihad Airline

Qantas Airline

Lufthansa Airline etc

For this kind of positioning, the company can be focused on Dubai attractions for their business and attract the customers across the globe to emphasise on the service and quality. Emirates should have to focus on the high-class

customers which have their own businesses. For example most of the restaurants and hotel industries are focus in this strategy for emotional appeal towards nationality, like Arabic Foods Restaurants, Italian restaurants, Asian food chains etc.

The other strategy could be that the company can tie-up with international hotels and resorts because most of the hotels provide airline services as their services to customers. The company must give prominence on that. It can get our hands on new customers.

We can come up with the slogan

Paradise onboard; Fly with Pegasus: “ because class can’t be compromise with the pair of wings”.

Task 3

Critical Reflective Writing

From this project, it has been a immense learning experience. I have learned a lot about, a variety of this which are different from theory but still the purpose of the theories learnt in the classrooms. The project has helped a lot to come across the real brainstorming progression which requires us to think a lot to use our space to market our product and the constraints of the brand positioning, resources available at your set out, etc just add to the problems.

But still it has been a great satisfaction to work on the project and has positively helped us to brush our skills in the field of marketing.

The trouble of utilizing the perception of consumer behaviour was a real hard-hitting assignment given. You have the constraint of luxurious services in which you have to keep an eye on the base line that you not even by mistake make the product feasible to the general public or even market it as one as then you will loose the customers who take satisfaction in the status of the service provided. So you always have to keep your eyes open to it.

Then there was a good constraint of positioning strategies to be followed under the the policy of positioning by price & quality to be followed in this case.

Also the limitation of resources was a great source of learning as this helps us learn that how in real world; the plans are always governed by the limitation of resources and definite intrinsic liabilities & constraints connected with the product itself.

Generally this has been a great learning experience, has helped a lot by providing us a nagging window into the real corporate world & the real life problems faced by the marketing guys sitting behind the glass walls of the corporate offices.

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