

Swot and pestel of emirates airlines assignment

[Environment](#), [Air](#)



Introduction Emirates Airlines (also known as Fly Emirates) is a major airline in the Middle East, and a subsidiary of The Emirates Group. It is the national airline of Dubai, United Arab Emirates and operates over 1, 990 passenger flights per week, from its hub at Dubai International Airport, to 157 destinations in 55 countries across 6 continents. The company also operates four of the world's longest non-stop commercial flights from Dubai to Los Angeles, Sao Paulo, Houston, and San Francisco, all on the Boeing 777-200LR, & has latest Airbus A380 aircrafts for destinations like Bangkok.

Emirates Airlines is a subsidiary of The Emirates Group, which has over 40, 000 employees from 101 nationalities, and is wholly-owned by the Government of Dubai directly under the Investment Corporation of Dubai. Cargo activities are undertaken by the Emirates Group's Emirates Sky-Cargo division. SWOT Analysis This part of the assignment will analyse the strategic position of Emirates Airline through the use of SWOT analysis. Based on the given case, the strategic position of the Emirates Airline specifically their airline and aviation position has been challenged because of the changing situations of the airline market.

Rival industries of the company has been able to announced the establishment of their business approach in the global market which offers diversified airline industries to cater to the needs of the passengers, cargo and shipment services. The announcement of this company affects the strategic position of the entire Emirates Airline. In order to make sure that the company will not be left behind, Emirates Airline has been able to involve themselves into the expansion to technological developments. Strengths.

As a competitive and globally recognised airline industry, Emirates Airline has been able to have strategic position in the global market. In fact, when Emirates Airline streamlined their business, it already had the advantage of size. With several consecutive years of multibillion profits, the company has outshined its major rival companies to become a model firm. Also, Emirates Airline's decision to focus on diversified market and by considering and entering the cargo shipping and their customer service was a courageous one, but it has led to its current position as one of the top global brands.

The firm has likewise been characterized by many analysts to have an ability to adapt to changing market conditions in order to maximize profit. Listening to and identifying with consumers has allowed Emirates Airline to construct a corporate culture that bears little resemblance to the Emirates Airline of the past. The ability to continuously renew and improve their service in the airline and aviation while effectively managing the needs of their target audience is the key to maintaining Emirates Airline's leader status and the key for succeeding in having strategic position.

Weaknesses. Not all of diversification and approach have been successful and this can be considered as one of the flaws or weaknesses of the company. Analysts have accused the company of focusing too much on their high-end acquisitions and diversification in spite of the risky effects of such decisions. **Opportunities.** The basis for long-term competitiveness is the ability to develop continuously new generations of more advanced airline and aviation services.

Therefore one of the company's opportunities is to tap into more markets as a result of the innovations being introduced in the aviation. Localized capabilities enabling or even enhancing such co-operation will always make a difference when it comes to first-mover advantages. The opportunity to penetrate new growth markets where internet adoption still has room to go, Leveraging Emirates Airline's infrastructure business to get first choice and stronger position against rivals is also an opportunity.

They also have the opportunity to get ahead of their rival companies, and this should be the case, since the said market is a potential sizeable source of income. The trend of considering the internet market also shows cases new opportunities for the company. Threats. Rival companies are major threats to the business. Emirates Airline, in contrast, started out in other lines of business and entered and airline capabilities of the company. The firm's inability to keep up with innovations, or recognize its demand, creates a threat for them, a risk that they could be displaced by other industry leaders.

The legal and political environment in the countries where they operate in could potentially affect the business negatively. Their apparent complacency could be used by their rival companies to their advantage, and take Emirates Airline by surprise, with the latter realizing too late that they are not the industry leader anymore. To summarize it in a few words the table is mentioned below : <http://www.scribd.com/doc/23940073/Swot-of-Emirates-Airlines-Strengths-Weaknessess-Opportunities-Threats-strong-corporate-culture> Not all of diversification and approach have been successful to

<https://assignbuster.com/swot-and-pestel-of-emirates-airlines-assignment/>

develop continuously new generations of more advanced airline and aviation services Rival companies are major threats - Gulf Air, Etihad. has the advantage of size Does not cater a lot of places in US tap into more markets as a result of the innovations being introduced in the aviation The firm's inability to keep up with innovations, or recognize its demand decision to focus on diversified market Does not cater to middle class & budget traveler enetrate new growth markets where internet adoption still has room Rising fuel costs. entering the cargo shipping focusing too much on their high-end acquisitions and diversification Leveraging Emirates Airline's infrastructure business to get first choice Low cost carriers - Air Arabia, Jazeera Airways top global brand. Innovation continuously renew and improve their service in the airline and aviation Personalized services effectively managing the needs of their target audience Budget travelers and tie up

PEST Analysis [http://ivythesis.typepad.](http://ivythesis.typepad.com/term_paper_topics/2009/02/emirates-airlines-leadership-analysis.html)

[com/term_paper_topics/2009/02/emirates-airlines-leadership-analysis.html](http://ivythesis.typepad.com/term_paper_topics/2009/02/emirates-airlines-leadership-analysis.html)

Political Aspects Emirates Airline has been protected by the regulations and policies formulated by the Dubai government and other countries where they are operating. Since Dubai government is the sole owner of the industry the company has been able to adhere to the policies given by each government to make sure that the company will be able to conduct business operations successfully and effectively.

Furthermore, the company also formulates their own protection strategies against any governmental restrictions and limitations. Economic Aspect Being one of the world's largest and competitive industry in terms of airline

<https://assignbuster.com/swot-and-pestel-of-emirates-airlines-assignment/>

and aviation, EMIRATES AIRLINE, is said to have a stable and successful economic stability. In spite of many dangers that they encounter in different parts of the world, the management of EMIRATES AIRLINE sees to it that they would be able to surpass such struggles and strives to have a better economic condition.

Social Aspect EMIRATES AIRLINE is being affected by the situation of the society in which they are operating. Along with this, EMIRATES AIRLINE tries harder to make sure that each society is given equal chances to take advantage of the resources given by the organisation. The company adheres to having good reputation and relations in the society that they belong to .

Technological Aspect The emergence of information technology and internet affects how EMIRATES AIRLINE has been operating in the past years.

The company adopts different IT/IS systems and used internet to reach their customer all over the world and to know the latest trends in the global business. Aside from these, the company also uses facilities which helps them improved their productions and operations. **Legal Aspects** The policies and regulations provided by the government, both local and international allow the company to be more cautious in their business actions. To avoid problems in line with their business practice, the company sees to it that all their actions are legal and aspired to highest standards.

Environmental Aspects Environmental protection is one of the most essential aspects to be considered by many businesses. If an organisation will not be able to consider the environment in their actions, there is a possibility of facing problems within the society. In this regard, EMIRATES AIRLINE

develops environmental protection strategies to adhere to this worldwide need. In addition, the company are always trying to join in environmental protection campaign by sponsoring some organisations having this type of advocacy.