

# A swot analysis of emirates airline tourism essay

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



## **Introduction**

Emirates Airline was founded on October 25th 1985 with a flight from Dubai to Karachi using a leased A300 Airbus. Now the airline has more than 150 airplanes, making 2, 300 flights a week to 103 destinations in 65 Countries on 6 Continents. Emirates Airline is owned by the Government of Dubai, HH Sheikh Ahmed bin Saeed Al-Maktoum is the Chairman and Chief Executive.

## **2. 0 Mission**

Their mission is to be able to carry a passenger from anywhere on this planet, via Dubai, to any other place on the world. Their procurements division mission is ' to provide an innovative and responsive service that positively supports the group in a commercially astute manner. We want to constantly renew ourselves, shedding the past, adapting to change and creating a promising future'.

## **2. 1 Vision**

The vision and the principles which propel the airline forward is for ' a strong and stable leadership team, ambitious yet calculated decision-making and ground-breaking ideas all contribute to the creation of great companies. Of course, these have played a major part in our development, but we believe our business ethics are the foundation on which our success has been built. Caring for our employees and stakeholders, as well as the environment and the communities we serve, have played a huge part in our past and will continue to signify our future'

### **3. 0 Competitors**

When the airline first started, its main rivals were British Airways and Gulf Air. In 2007, Emirates airline dominates the Asian Pacific Continent market share with 39%, Singapore Airlines 26% with Gulf Air reduced to 8%, but with Dubai's tourism soaring, other locally based airlines are trying to increase their passengers. These two airlines are Etihad Airlines and Qatar Airways. Other rivals, jealous of the success of Emirates Airlines have prompted their governments to limit Emirates Airlines access to airports. These are Air France and Lufthansa.

### **4. 0 Stakeholders**

The stakeholders include the groups employment of more than 40, 000 persons. Dnata Airport Operations is responsible for ground handling and Freighter handling. Like its parent company, Dnata is rapidly expanding and now is represented in nineteen international airports in eight countries. Emirates SkyCargo, as the name suggests, handles the cargo side of the business, it has eight freighters carrying 1. 6 million tonnes of cargo a year to 25 destinations. This contributed 17. 2% of the total transport revenue and on March 27th 2011 managed the first ever fully paperless flight having electronic air waybills in line with the groups green policy.

Other stakeholders include Alpha Flight Group Ltd (owned by Dnata) who supply over 120, 000 in flight meals daily at 58 airports in 11 countries. Alpha directly employ nearly 6, 000 persons. Emirates Engineering are responsible for the aircraft maintenance who can proudly boast there has never been a fatal incident involving any of their fleet. Emirates/skywards

handle the frequent flyer programme and e-mail existing customers regarding special offers.

More diverse stakeholders are Mercator; this is the I. T. solutions provider to the global air travel industry for the Emirates group. Exploiting the tourism bonanza, Dnata Travel Services are the travel agents, Congress Solutions International provide professional congress organisation. Emirates Holidays are the official tour operators, Arabian Adventures sell overland explorer escorted trips as well as cruises down the creek and deep sea fishing in the Gulf Sea.

Away from the U. A. E., the group own the Wolgan Valley Resort and Spa in Australia; this is a 4, 000 acre conservation resort

## **5. 0 SWOT Analysis of Emirates**

### **5. 1 Strengths**

One of the strengths of Emirates Airline appear to be their independence, they have resisted the temptation of mergers and acquisitions with other airlines. The thinking behind this is that they think that such actions will strangle their flexibility, being able to change direction quickly without having to seek agreement with outside partners. They also decided to allow free competition, the thoughts behind this decision was they believe encouraging competition would see an overall increase in the standards and the Emirates Airline are in a position to be a good performer, acknowledged within the industry. Furthermore, they wanted to show they were not frightened of any other airline, that they were forerunners not just trying to financially survive but were focussed at the most important part of the airline

industry (with the exception of safety) in giving the customers what they want. This goes beyond the amount of leg room, the quality of the food served and keeping delays and cancellations to a minimum. Nowadays, people are aware of their carbon footprint and Emirates have made key decisions regarding their own environmental programme. Although the average age of the fleet is only 6.5 years, they are investing heavily in the 650 seat A380 Airbus which are the world's most fuel and emission-efficient planes. The on-board kitchens are the most eco-efficient in the world and they recycle more than 100 tonnes of paper, plastic and aluminium a month. As per the official website of Emirates they are named the best airline of the year 2010-2011

## **5.2 Weakness**

-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 for focusing too much on their high end acquisition's and diversification in spite of the risky effect of such decisions

-Another potential weakness is that the operating profit is based on low wages paid to the general workforce for duties such as baggage handlers, cleaners, and caterers. They are generally recruited from India and are non-unionised. These migrant workers face instant deportation if they show resentment to the wage structure.

## **5.3 Opportunity**

-A huge opportunity for growth is the physical location of the Emirates. China has the fastest growing economy in the region and possibly in the world, and

with that growth comes a greater demand for air travel and air-freight movements. If this requirement is aggressively marketed then Emirates Airline could fulfil this demand with its network of air routes and the ability to be flexible as previously described.

## **5. 4 Threats**

-Threats to the airline can come from other established airline companies. As they see their diminishing passenger numbers on their traditional routes, they see the traveller numbers to the U. A. E. increasing and will try to prise the Emirates Airline passengers away by undercutting the ticket price.

-The airline industry is notoriously volatile and subject to cyclical variations of trade. Emirates Airlines seems to weathered the storm in the current global recession, not cutting back on its ambitious expansion plans. Only time will tell if the correct decisions were made.

## **6. 0 Emirates Strategy**

-The cornerstone of Emirate Airline's success is quality control. Creating and maintaining a state of the art airline for the sole purpose of keeping their customers happy.

-Extensive aviation training. The company not only trains young employees but also trains other people within the industry.

-Has successfully created a resort, hotel and tourism strategy. This was done by the creation and acquisition of various resorts and spas, even in this field emphasis was given on quality control and comfort.

-Emirates Airline have always strived to make their passengers satisfied, winning awards for the innovative in-flight entertainment system, immaculately dressed cabin crew. Because of this it is now a brand name globally.

-It has direct routes compared with the much hated stop-over that other carriers frequently use .

-The main reasons for the airline's success is to make creative decisions, a unique business model, thriving on flexibility, made on a sound foundations but it may have to reel in part of its ' open sky ' policy and expand its global market in line with its vision of being able to take any passenger from one place on the planet to any other place on the planet via Dubai.

## **7. 0 Conclusion**

In conclusion, the rise of Emirates Airlines from its inaugural flight in 1985 to the now prestigious airline voted 8th best carrier in the world good luck or good judgement? Has the success been due to excellent planning and vision or merely success on the back of the tourism explosion in Dubai? Has the decision to shun any strategic alliances both regionally and globally, which for decades has been the main business tactic in the airline industry been correct?