

Report researching and analysing british airways

[Business](#), [Industries](#)



The airline industry in the UK has faced a lot of challenges in the recent past. This has mainly been attributed to the global economic crunch and the fluctuating fuel prices in the international market. As a result, many airlines have had to change their strategies or risk running into bankruptcy. Competition among these airlines has become very intense as each company tries to capture the few available customers. This paper is a business report analysing various aspects of the airline industry in the UK market.

It analyses two big rival companies- Virgin Atlantic and British Airways. It begins by carrying out PESTEL Analysis and SWOT Analysis of Virgin Atlantic Airways. The paper then undertakes primary research into Virgin Atlantic's main competitor, British Airways. It analyses British airway's customer base and the target market, its marketing approach and the media it uses. It also looks at the company's organizational structure and type. It then examines British Airways' general culture, especially with regard to customer service and autocracy.

The paper then outlines the key features of the way British Airways markets itself and criticises some of its approaches and makes recommendations. The conclusion section compares various aspects of the two airlines, examining their strengths and opportunities as well as weaknesses and threats. Virgin Atlantic Airways My chosen company is Virgin Atlantic Airways Limited, an airline popularly known as simply Virgin Atlantic (Virgin Atlantic, 2009).

The company has many competitors in the field including Silver Jet, British Airways, Jet2, Easy Jet, Ryan Air, Monarch Airlines, Astraeus, Aero Lingus,
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British Midland, and Brussels Airlines. Others include Aurigny Airline, Eastern Airways, Emerald Airways, Air New Zealand, Qantas, Air Europa, Air Iceland, Swiss International, British Northwest Airlines, Air Atlanta Icelandic and Air Baltic. However, the company's main competitor is British Airways, another leading airline (Virgin Atlantic, 2009).

Virgin Atlantic operates between the UK and Australia, Asia, the Middle East, Africa, the Caribbean and North America. The airline has two main bases of operation in the United Kingdom namely London Gatwick and London Heathrow. This airline is licensed to carry cargo, mail and passengers on any air craft as long as it has a twenty-seat capacity and above (Virgin Atlantic, 2009). Virgin Atlantic was inaugurated in 1984, having been renamed from British Atlantic Airways, a successor to the defunct Laker Airways (Branson, 2006).

The company has had a long standing rivalry with its main competitor, British Airways. For a long time, Virgin could not access the Heathrow Airport until 1991 after the abolishment of air traffic rules following intense pressure from industry players (Virgin Atlantic, 2009). Virgin Atlantic reported profitability within its first year of operation, mainly as a result of a good operating environment. This trend went on for a few more years, creating hope for the new company (Virgin Atlantic, 2009).

However, Virgin Atlantic started experiencing financial problems in the 1990s as a result of the recession and fear of travel among its clients following the Gulf War. The airline has signed code-share agreements with other airlines such as Virgin Blue, South African Airways, Singapore Airlines, Continental Airlines, BMI, Air Jamaica and Air China. Moreover, Virgin Atlantic's has <https://assignbuster.com/report-researching-and-analysing-british-airways/>

partnerships with US Airways, Scandinavian Airlines, Malaysian Airlines, Jet Airways, Hawaiian Airlines, Gulf Air, All Nippon Airways and Air New Zealand (Virgin Atlantic, 2009).