

Airasia weakness

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



"Everybody Can Fly" was the famous tagline of AirAsia, AirAsia was able to fulfil their tagline AirAsia implement the low cost operations into their management. The operating fees were as low as the minimum wage. Low airport fees, for example at Kota Kinabalu International airport most people can see that the technology or systems that was being used by AirAsia was totally different compared to MAs.

Other than that, AirAsia also using only one type of Airplane for every flight this is because AirAsia will only need the same engineers for every airplane in order to save the cost. In the management level, all the staff of AirAsia was the contributors where there are no ranks or hierarchy in the company where the upper management and their staff will be in the same room. However, all the staff was concerned and focused to their customer needs such as offering the lower fares during festive season.

AirAsia business model was also proven that they were able to offer the lowest fares, where in every year AirAsia was holding the highest ranking of demand from the customers, and each year also AirAsia was gaining profit. Other than that, most of the sales of AirAsia were from online, online ticketing was introduced by AirAsia. AirAsia offered a simple product. The fares were not include the meals and if the customers request a meal then additional fee will be charged. Other than that, AirAsia also does not offer a VIP seat.

However, due to the lowest cost of operating by AirAsia the service resources is limited. Limited aircraft causes AirAsia was cannot prepare of standby aircraft if there is any problem in the operation. Due to the limited number of human resources it causes AirAsia could not handle irregular

situation such as when there is high demand from customer they cannot fulfil each demand because there is not enough of workers, it causes some of the customer go to another airlines. Another weakness that AirAsia face is, government interference and regulation on airport deals and passenger compensation.

If government announce that any flight from Malaysia to country that was having crisis, will affect AirAsia and any flight schedule will be delay until there is an announcement again from government. It is compulsory for each airlines to follow the government order. Other than that, AirAsia also must follow each regulations that was been set up by the government and if there is any changes of the regulation AirAsia must changes they operation accordingly to the new regulation on the airport. AirAsia also was also must deal with the passenger compensation if there is any delay of flight and it will causes the passenger/customer facing loss.