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Over the past years South Africans have been faced with disappoints regarding low cost air travelling, air travel was at one stage only for large income earners. South African Airways (SAA) was the recognized and deemed as the loyal carrier for air travelling passengers. Prior to 2006 there were three low cost airlines operating within the country, on 15 November 2006 funded by SAA the emerging of Mango airlines took place. Tickets sales for the airline were sold out for almost a month, the prices of air tickets were either the same or cheaper than any other mode of transport within the country. This boosted consumer confidence and the other airlines weren’t able to compete with Mango’s reduced prices. Mango’s marketing strategies were of international standard and were well thought before they officially opened their doors to the public. They looked at most avenues of attracting consumers and reaping large profits and successfully achieved this. Porter’s five force framework was used in one of my analysis and I looked at all underlying advantages and the gaps. Some of the gaps identified was that Mango airlines offer limited destination routes compared to their competitors who offer a variety of holiday packages and destinations.

A SWOT analysis was also done on Mango airlines and the gaps identified are passengers are willing to pay the lowest price they can get for air tickets therefore Mango would need to up their price checking skills and ensure that they offer the lowest air line fares. Another gap identified is that Mango has an internet booking system, this system sometimes cannot deal with the influx of passenger’s access their system and hence system crashes. From performing the SWOT analysis the following summarises the plans and actions that should be prioritised by Mango: Increase the size of the market, expand the number of new routes, strive for uniform fleet or aircraft to allow routine and standard maintenance procedures, focus on reliable and punctual service, encourage customers to make ticket reservations online, economise costs and only add on services that customers are willing to pay for and place emphasis on creating a culture of continuous improvement on performance.

Mango airlines have been regarded as one of South Africa’s most successful low cost airlines, due to their profit gains and immense marketing strategy. Mango airlines was funded by SAA with a R100 million capital injection, this in turn aided Mango to come into the market with relatively low costing airline tickets and basically won the battle against their competitors. This was deemed as an excellent marketing tactic to gain consumer confidence. By the time the first flight set off most of the South African population were aware of the new airline that South Africans could enjoy. Mango airlines mainly targeted low income earners however this did not stop other passengers from enjoying the discounted prices. Mango only operates locally with the longest flight averaging two hours in duration; hence consumers were not really looking for the comfort on a luxury airline but rather quick travel time at reduced rates. Mango however did not discriminate against consumers wanting to enjoy luxury, they were able to offer prestige lounges at airports with benefits on board for consumers willing to pay extra for luxury.

Refreshments were also offered at an extra fee on board eliminating additional expenditure to airline tickets. This report encompasses a business case, which is concerned with reaping larger profits through improved marketing tactics in a given time frame with a profitable end result. When one looks at Mango airlines there are various initiatives that have been concluded to ensure the smooth running of the airline. However if one looks deeper into the organisation fine tuning would definitely help the organisation grow and become the best. Competitive advantage for organisations comes from an organisation’s ability to perform activities more distinctly or more effectively than its competitors. This gives the organisation an edge over rivals when competing (Pitts & Lei, 2006: 8). The emergence of new competitors like 1time, Kulula, Mango and Nationwide saw SAA’s domestic market share cut back to around 50%”(Tourism RSA n. d.: para 1–62).

Having said that the demand for airline tickets began to increase at a rapid rate, leaving some of the other modes of transport at a standstill. People felt confident in purchasing airline tickets and the fear of being in the air was soon forgotten. Strydom, Cant and Jooste (2000: 132) developed a list of 34 attributes commonly associated with the airline industry, including what they describe as pricing factors, safety, frequency of flights, reservations, baggage handling, staff factors, on-board comfort factors and frequent flier factors. In this report we will discuss the above mentioned factors, which was some of the challenges faced by the Mango airlines in the SWOT and PESTLE analysis.

References:

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