Research paper on classic airlines and marketing

Business, Company



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Classic Airlines and Marketing

Services

Classic Airlines is a company that provides its customers with efficient and effective services in the airline industries. The company is declared the fifth largest airline in the world commanding a fleet of not less than 375 jets which are meant to serve more than 2, 300 flights daily. The Company was invented 25 years ago and has grown to incorporate about 32, 000 employees. The Company has also introduced Classic Rewards program whereby customers acquire Gold and Silver level status which is normally based on the mileage accumulation annually. The Company has delivered these services in a quality style and thus the immediate growth since its formation.

Marketing Challenges

During its practice for the above mentioned services, Classic Airlines has not been able to evade various marketing challenges encountered by other companies or its competitors. Some of these challenges that Classic Airline face include increased uncertainty. This is a vice that has largely affected the

stock prices of the industry seeing the company decrease up to ten percent in the share prices in the previous year. The airline industry has always operated from all sectors under a microscope, subject to scrutiny since it has on the watch a concerned investment community. However, there is always negativity from the media, Wall Street and the public also which has affected the morale of the employees.

Another challenge facing the airline is the rising cost mostly of labor and fuel which have created a limitation on the company's need to compete for the valued frequent flier. There there has been a decrease in the travel downturn that arose after September 11, 2001, Classic and its competitors somehow expanded too quickly due to their overestimation of the reversal. This led the companies to face a structure of cost restrictiveness which was evaded by the younger airlines. The confidence of consumers is also another challenge the airline faces since it seems to be waning. The Classics reward program measured nineteen percent decrease by the year 2005 which was a high decline in the number of members to be rewarded.

Current Corporate Culture

The company is made up of strategic and professional Board Members who play a very important role in running its day to day activities and seeing unto the company's missions, visions and objectives. The major key players include Amanda Miller(CEO), Catherine Simpson(Chief Financial Officer), Kevin Boyle(Chief Marketing Officer), Ben Sutcliffe(Senior Vice President and General Counsel), Doug Sheflin (Senior Vice President and Union Representative), and John Hartman(Senior Vice President, Human Resources). Classic airline is currently focusing on the identification of

efficient and effective delivery of their customers' needs in order to face the current dynamic competition. The Board of directors and the management is highly working on obtaining the companies mission and objectives through changing their external and internal plans in order to improve their capabilities in identifying and delivering of the customer needs. The marketing plans of the company will currently enable the changes in CRM approach to a more efficient process which will integrate the requirements of customers with the needs of the organization.

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