

# Good example of report on emirates airline marketing report

[Business](#), [Company](#)



## **Company Profile**

Emirates group was introduced on the market in 1985, and since then it has remained competitive and relevant in the market. The company is worth US \$12, 000 after rebasing, and it has over 40, 000 employees (Wilson, 2009, p. 8). The government solely owns the company, though it does not engage or make any dealing for the company. The company flies close to a hundred destinations and has increased its effort of increasing its fleet to meet the rising demands of the market. Emirates has its headquarters in Dubai with subsidiaries spread globally. Due to competition, the company has devised some strategies and approaches as a consequence of enhancing its competitive edge in the marketplace (Emirates Annual Report 2010).

## **How Emirates does Market segmentation**

One of the ways through which Emirates does its marketing is through the demographics of a particular segment. The company divides the market based on gender, family, income, education and religion. Consequently, the company focuses on certain behaviors that may require diverse marketing strategies. Emirates do not have a particular age group that it emphasizes on and it has no limitations (Emirates Annual Report 2010). The firm segments the market by categorizing adults, children, and infants. The parents, who travel with the kids, get discount prices on the adult category while the infant pricing remains constant.

Children between six and thirty-six months are allowed on board, provided the seat is purchased under the specified category. Most of the children traveling with parents get discounts from the purchases made by the parent.

Both genders are allowed to use the products and services without discrimination. The company does not have a limitation on the number of family members who can fly. The company focuses on the middle and upper classes due to the luxurious services and products they offer.

Geographically, the company segments the market based on demand exhibited in the market. The airline lays emphasis on Africa, Middle East, Asia and some parts of Europe and America. The company intimates that close to 14 million people make a visit to the UAE. A majority of those who visit Dubai are investors and expatriates (Emirates Annual Report 2010).

### **Segments targeted by Emirates**

Though the company has some of the destinations already covered under its segmentation strategy, emerging markets has prompted it to target other areas. Europe and America are some of the locations that the airline is currently targeting because of the mass populations that visit the UAE occasionally (Emirates Annual Report 2010). Class characterizes the populations of these areas, and they fit the organizations premium incentives. Even though Emirates advocates for average airline costs, it seeks to benefit from the emerging market in America and Europe.

### **Positioning in the market**

In 2010, Emirates won an award as to recognize its effort of revolutionizing the in-flight entertainment. The products and services offered are categorized as premium because of their luxurious nature. Email services, texting and sending messages are some of the technological components that have been introduced by the airline (Emirates Annual Report 2010).

Consequently, there are audio and video products that a customer can use as forms of entertainment. Digital widescreen, entertainment and information are some of the components that set the company above most of its competitors in the market.

## **Current Emirates Marketing Mix**

### **Product**

The Emirates group does not only specialize in flight services, but engages in other services that supplement the core business of the firm. However, the flight is the main product and includes services offered on the plane. The plane has three key divisions that include first, business and economy class. The first class has an airy and spacious aisle that aids the clients to move with relative ease (Emirates Annual Report 2010). The seats are supremely relaxing, and designed to allow the customers arrive at their destinations refreshed. Essentially, the first class allows the clients to personalize their experience while board due to the ease and luxury of operating the items. The cabin crew in the first class has bilingual dialects to the extent that there is no barrier to service delivery, especially in communication.

The business class is built with charging devices that assist clients in charging their phones, laptops, and other electronic devices. The company also provides cargo, hotels and car rental services dispersed on a planetary scale. Most of the services provided by the company are intangible except for the food substances that are presented to customers. It is imperative to underscore that Emirates enhances the quality of its products to deal with the inherent competition in the market. Emirates has introduced technology

to enhance service delivery to the clients. For example, British Broadcasting Corporation (BBC) presented its news items while on flight and flight and Emirates became the first airline to facilitate that incentive. Moreover, Emirates has installed devices that can enable customers to send SMS messages, send and receive emails from remote locations (Emirates annual report 2010). Additionally, Emirates is the first airline to implement Television viewership across the classes. Close to one thousand five hundred channels can be viewed by clients at any given time.

After the 9/11 attack and subsequent increased terrorist attacks, Emirates has introduced and implemented some security measures as a consequence of ensuring the safety of the clients. Safety standards have been enhanced to ensure that the plane and the passengers have the security that is commensurate with the money paid (Emirates Annual Report 2010). All passengers that board the plane have the comfort of accessing email services from all dimensions irrespective of the mode of application. Consequently, clients can receive live news updates while on the plane. Digitalization process has been enhanced to the extent that most of the fleet has digital platforms. Digital windscreens are a major manifestation of the technological intensity that has been enriched by the airline.

## **Place**

The location of the firm and the infrastructure that allows for the distribution of products and services is the essence of place as a marketing mix.

Emirates has its headquarters in the United Arab Emirates, though it has direct links with some of the hubs across the world. Most of the flights that

operates on the company's domain are connected to the headquarters. Terminal three is the designated departure point for the planes attached to Emirates (Emirates Annual Report 2010). Currently, the company has close to eleven travel branches in United Arab Emirates. Consequently, there are about one hundred and twenty branches that are spread on a planetary scale. All the branches provide high and superior products and services to the clients. The physical distribution shop has the all the entities that a customer can require. Besides the physical entities, there is an online platform through which the clients the company can have interactive segments. The website is built using nine different languages.

The essence of designing the online material in different languages is because all of them are oriented to specific segments. For example, while the Arabic website is meant to serve most parts of the Middle East and its environs, the English dialect is used as a conventional language meant to serve a majority (Emirates Annual Report 2010). Through the websites can deal with the company from remote locations and still get the required services. The websites are essential for the customers because those outlets allow them to book flights, check offers, get accommodation and cars assigned to them when they are traveling.

## **Pricing**

Emirates employ a pricing strategy that is concurrent with the services it offers in the market. The firm offers premium pricing because of the luxury and services it offers to its clients. The pricing is, however, based on certain fundamental implications that define the establishment of the company in a

particular segment. Pricing is based on fair action, mileage, value addition, and zone pricing (Emirates Annual Report 2010). Additionally, flight time, target segment and inherent rules and regulations are some of the considerations that are made when enacting a pricing strategy. Pick and mix is the pricing approach that the company uses to strategize as a consequence of staying competitive in the market. However, value added pricing is the preferred valuing scheme that is used by the company.

It is vital to underscore that Emirates has an alcove in the premium category, and it surpasses some of its close competitors such as British Airways, Qatar, and Cathay Pacific. The fares that are charged by Emirates are higher than what other premium entities offer to the clients. The company justifies higher prices because of the overstretched services that it offers to the customers that use their facilities. The company offers inclusive services that contribute to the convenience and travel value of the passengers.

The off and peak season is another pricing strategy that is extensively used by the company. Throughout the year, there are certain festivals that compel people to move from one destination to another. For example, During the Christmas season, people travel from all over the world to reunite with their families and the company takes advantage of the situation by determining their fares. Consequently, the Diwali and Eid festivals are key festivals that cause Indians and Muslims to travel and be with their loved ones. Graduation ceremonies in the US and other parts of the world allow students and parents to travel. Besides the strategies aforementioned, Emirates also introduces offers and rewards on their pricing strategies as and when it is necessary.

Even though the company has in the past considered certain modalities as a way of determining the prices of products and services, jet fuel prices have been a critical influence. For example, the prices in the oil market have increased after a slack in the market. This tendency sometimes has negatively impacted the profitability of the firm effectively making them adjust the fares based on the prevailing oil prices. Emirates target those in the middle class and wealthy with its services. Ideally, the two groups are targeted because most of the individuals in those classes seek better services and products (Emirates annual report 2010).

## **Promotion**

Emirates has established some strategies aimed at advancing the idea, product and services it offers to the various segments. Ground advertising and open skies are some of the ways through which Emirates promotes its products. The company publishes two categories of in-flight magazines. Each of the magazines is strategic in the sense that they reach some of the urbane readers in the world. The promotions from the company are managed and serviced by Spafax and Motivated Publishing. The airline has magazines that are specially designed for passengers who use the first and the business class. The portfolio magazine includes some features that include interviews, airline's destination and profile covers for the firm's engagements in different places around the globe (Emirates annual report 2010). Moreover, the company uses social media to reach millions of people around the world.

YouTube, Facebook, and Twitter are extensively used in advertising some of



the products offered by the company. Emirates appreciate the fact that most of the people who use social media are young people. The Millennials are adventurers and like traveling to various destinations as tourists and students and the airline targets them as a means of widening the customer base. Additionally, the company uses the mainstream media such television and radio in the segmented markets. Major Cable channels such as CNN, BBC and MSNBC are some of the television platforms that Emirates use to market its products to the rest of the world (Emirates annual report 2010). Radio is mainly used due to in nations where the company has large segments and whose population is conscious of the airline's operations. Emirates has started sponsoring some of the events that have international appeal. The airline began its sponsorship of events just two years after its inception, and it is believed that is a strategic marketing approach that allows for the effective integration of passengers. Sponsorships enhance the company's ability to build and, support and share as a consequence of building close relationships with the customers. The company does not just focus on international sponsorship deals, but also promotes local entities. Rugby, soccer, horse racing cricket, and golf are some of the sports that the company sponsors in UAE and around the globe. Emirates also sponsor art and culture majorly in the United Arabs Emirates.

The company is quickly emerging as a global brand, and its Arabic inscription is a signature mark signifying its origin. Besides establishing itself as a force in the international market, Emirates has increased its fleet to meet the demands of the increased customers. The approach is aimed at accommodating new and loyal customers. Quality service delivery is the

benchmark in the operations of the firm (Johnson et al. 2011, p. 23). The Airlines introduces some initiatives to boost its advertising agenda. For example, the company has recently launched a campaign dubbed "Hello Tomorrow" that is aimed at connecting, encouraging and bringing people close. The advertisement is indicative of the positive impact the company is having on the global society. Even though mainstream media has been impeccable in promoting the products and services, the brand has been propagated effectively through sponsorship of sports events (Emirates annual report 2010). The company organizes the events and offer financial incentives to ensure the success of the occasions. However, billboards, newspapers, and television remain key to its advertisement strategy.

## **Additional elements of the extended marketing mix**

### People

The airlines have managed to adopt a positive cultural incentive that has been instrumental in ensuring that different departments work in synergy. The cultural diversity in the company has been used as a source of revitalizing the relationships that employees manifest in the firm. The management of the Emirates has been instrumental in ensuring that all the departments are fused in a common cultural identity while still maintaining the individual orientation. The employees are influenced by the dominant culture in the organization to the extent that they can contribute to the productivity of the organization effectively as they work together on various setups.

The culture of the organization has ensured that the senior management and

the workers are joined in the constant enhancement of the quality of products and services offered to the customers. The employees and the management have a common goal that makes them meet the needs and expectations of the customers. The behavior of the workers is positively heightened by the cultural orientation of the firm. Such tendencies have assisted in ensuring efficiency at every management and human resource management (Kotler et al. 2012, p. 56).

Employee retention is one of the reasons why the company has managed to stay relevant in the market. For example, most of the employees, especially those at the management level have been actively engaged with the company since its inception. Continuity at the management level is an essential component of the continuous productivity of a company. The leadership team at the Emirates has over twenty-eight years of experience (Emirates annual report 2010). Consequently, Emirates has more than forty-five thousand employees, and all of them are exposed to training occasionally. Most of the training focuses on effective service delivery in the organization.

## **Process**

Emirates has operating departments, distinguished into Business and first class lounges. Consequently, the company has provisions where the disabled are assisted both to and from the plane. Minors, who do not have accompanied parents or guardians, are also given appropriate aid. Baggage services check-in, boarding, and customer relations are some of the process inherent in the company (Emirates Annual Report 2010). Customer

experience is determined by their experience while at the airport. At the check in, the client gets the first encounter with the staff of the company and depending on the treatment customers can determine the superiority of the services offered (Kotler, 2012).

## **Physical evidence**

Refers to the immediate environment where clients obtain products and services offered by the organization. While on board, the organization provides video and audio options that ensure that customers stay entertained. There are games that are categorized in all age groups, and each member has a selection to choose.

## **Recommendations for improvements**

The company needs focus on the marketing mix to establish itself in the already competitive market effectively. For instance, the company has to increase efforts towards the extensive application of social media. Social media is one of the dominant technologies to the extent that it has overrun the traditional mainstream media. The use of social media is aimed at building an effective loyal and strong customer base spread across the globe. The strategy is to ensure that the relationship between the customers and the employees is bolstered (Bamber et al. 2009, p. 34). The company has to train the cabin crew continuously, especially in learning diverse languages. The idea is aimed at improving service delivery to the increasing number of clients. The cabin crew has to be trained on how to deal with conflicting situations to avoid the distorting the people's perceptions about the brand when there is a crisis.

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