

# Case analysis

Business



a. and complete mailing address b. Number c. Strategic Business Management, BUS 425 d. 50064100 Case Analysis: Southwest Airlines in : Culture, Values, and Operating Practices

### 1. 0 Case Overview

Southwest Airlines spring from the idea of Rollin King, an entrepreneur from San Antonio, who often hear Texas business people complain about the length of time that it took to drive between San Antonio, Dallas, and Houston, and the expense of flying the airlines currently serving these cities. His business concept for the airline was to attract passengers by flying convenient schedules, get passengers to their destinations on time, make sure they have a good experience, and charge fares competitive with travelling by automobile.

### 2. 0 Strengths

Southwest Airlines is the market share leader in domestic air travel in the United States. It transports more passengers, and it is also offers more regular schedule for domestic flights compared to its competitors. It offers low fares than any other airline because of its low-operating expenses. Chris Lauer accounts “ Southwest Airlines is the largest low-fare carrier in the world” (1). Southwest’s also has a good customer service, a dedicated staff and personnel, and an exceptional management team that keeps on making an excellent pricing and marketing plan for the company. One of Southwest’s successful strategies is serving less congested airports that helped minimize total travel time for passengers, and this allowed the company to avoid paying the higher landing fees and terminal gate costs. Southwest is routinely improving its information system for faster flow of information in order to enhance the airlines function, cut costs, and improve its customer

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### 3. 0 Weaknesses

On account of Southwest's aim to carry out its low-fare strategy continually, the company operated only one type of aircraft. Along with this, Southwest flight attendants were responsible for cleaning up trash left by passengers and getting the plane presentable for the next flight while rival carriers had cleaning crews. The airline also did not have a first-class section on any of its planes. Also, passengers with checked baggage who were connecting to other carriers in order to reach their destinations were not offered baggage transfer services. Southwest also has a tarnished reputation regarding the management's failure to conduct the required inspections for fuselage fatigue cracking.

### 4. 0 Opportunities

Southwest's has growth opportunities by having a first-class section on its planes and by serving more domestic flights and possibly international flights. The airline should also offer a baggage transfer services to passengers who have connecting flights with other carriers in order to improve its customer service. Southwest's biggest growth opportunities come with the acquisition of AirTran Holdings, Inc.

### 5. 0 Threats

The threats faced by Southwest Airlines are the rising costs of jet fuel, which may affect the airlines' operation. The rise and decline of economic conditions may also affect the number of passengers. Also, constant threats to the airline industry are terrorist attacks, changing weather conditions, the increasing number of competitors, and new entrants copying their low-cost and low-fare strategy.

## 6. 0 AirTran Airways Integration

It is possible for Southwest to continue be on top while integrating Airtran into its organization due to the fact that the airline had faced difficult situations before which it had overcome. With this, the merger will provide an opportunity for Southwest to serve more airports through AirTran. Integrating Airtran into its organization will only add another feather in its cap.

### Work Cited

Thompson, Arthur A., and John E. Gamble. " Southwest Airlines in 2010: Culture, Values, and Operating Practices." 2010. PDF file.