Environmental scan essay sample

Transportation, Airlines

1. 1. Internal Factors

The environmental scan of Garuda Indonesia Airlines is starting with the internal factors of the company. 1. 1. 1 Image of the company

Garuda Indonesia Airlines is the national airlines ofIndonesia. They have a very strong image as a national carrier, strong financial support from the government and the existing target market. The image as one and the only national carrier of Indonesiagives a very good image for the local and international passengers. They have a lot of loyal customers that have been suited with their image, service and fares. 1. 1. 2. Routes

Since Garuda Indonesia Airlines is the national airlines ofIndonesia, they have some special advantages compare with other airlines. One of the advantages that they have is special routes. Garuda cater most of the local routes inIndonesia. Besides that, they also cater some of the international routes, which giving another advantage in getting profit for the company. 1. 1. 3. Fares and Technology

Fares and technology of Garuda Indonesia could be described as incompeteable. When some carriers are starting to decrease their price and increasing their services with the highly technological system of ticket booking and check-inn passenger, Garuda is still struggling with their ' old-fashioned' price and manual booking system. When other carriers are fighting with their zero fair and taxes, Garuda is still fighting to increase their price. Even recently most of the carriers have been shifting their booking system to the internet base, Garuda is still using the ' old fashioned' Global Distribution System, which require the personal travel assistant to do that. More man powers mean more cost to spend. 1. 2. External Factors

Some external factors that we can find in Garuda Indonesia Airlines are: 1. 2.

1. Competitors

Garuda has either local or international competitors that operate the same route with them. Examples for local competitors are Merpati Airlines, Air Asia Indonesia, Bouraq Airlines. For international competitors are Malaysian Airlines, Air Asia Malaysia, China Airlines, Korea Airlines, Thai Airways, KLM, 1. 2. 2. Customers

Customers or target market of Garuda Indonesia are very wide spread. For local market, Garuda has no segment. Everyone is willing to pay and choose Garuda as their carriers. But in the international market, Garuda has really depended with the government people, businessman and also Indonesian workers/labors. They haven't touched the students market, even though this segment is a very potential market for them since a lot of Indonesian student study abroad. 1. 2. 3 Market Trends

World market trends now are moving extremely. Because of the economic crisis, now people are preferred to travel in short haul more than long haul. Short haul mean people are travel in regional around the country. 1. 3. Potential Limitation

There are a lot of potential limitations to make success this project. For example 1. 3. 1. Time Consuming

This project is a really time consuming project. First because of this project need a total changing of the booking system, need time for the re-design n re-build the company's website and integrated it with the system in central

(Jakarta), and do the training for the staffs as a supporting agent. 1. 3. 2. Budget

This project also needs a big amount of money. From the beginning, the research of the system that would choose, the amount for changing the whole booking system and integrated it with the system in the central, the budget for re-design n re-build the system in website, budget to do the training for all the staffs to support and budget to do the marketing and get response from the target market. 1. 3. 3. Technology Integration

Technology integration is another limitation of this project. Since Garuda Indonesia is still using the ' old-fashioned' booking system, they have to change all the booking system with the new technology which uses the internet. It's not a simple way; it is almost the same process when analog recording system changed to digital recording system.