

# [Pest analysis swot analysis](https://assignbuster.com/pest-analysis-swot-analysis/)

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Wetjet Westjet have to deal with is whether to maintain its status quo of offering low cost and low fare , whether to venture more in the third party charter segment or whether to be involved in the Trans bs segment . The management has to decide the best strategy it will use to achieve its expansion plan and decision must be made urgently PEST Analysis of the External Environment Political / Legal After the 9 /11 attack operating in the small markets has become uneconomical due to increased costs . Legal measures by the government translated to higher costs to airlines , which were transferred to consumers . Non-profit airport authorities have also led to the increased prices that act as a disincentive to air transportation . Most customers are price sensitive and care must be taken to maintain its competitiveness .

Westjet incurred added costs by providing amenities to its customers like leather seats , snacks leg rooms and television Economic It offers quality services , empowers its employees and shares profits This way it maintains its competitiveness . Having good relationships with employees creates good relationships with customers . Employees can make decisions and solve customer problems without the unnecessary delay of contracting the management . Employees are made to feel as if they are part of the company By offering quality services and on job training it improves its highly motivated employees skills . It employs qualified people who also have a right attitude .

Employees are motivated by the profit sharing where they get additional money from what the company makes . Through its employees share purchase plan , it encourages its employees to invest in the company ‘ s stock Pricing Its fares are 55 lower than air Canada fares . It offers services at a low cost so as to increase the traffic flow . It attracts passengers who would prefer other means of transport as well as those without the traveling idea but attracted by the prices . Westjet intends to expand its scope to serve the central and eastern Canada . By early 2004 , it was serving 24 Canadian cities (P .

76 Environment / Technological In increasing its efficiency Westjet may be obliged to incur high costs but the benefits are worth it . For instance the installation of winglets that cost 635 , 000 per plane would result to 112 , 500 savings . a per plane (p . 379 Social and Cultural Westjet airlines provide passenger , cargo and third party charter services to Canada ‘ s domestic market . It started its operations in 1996 with 3 aircrafts and 220 employees by 2003…