

Pest analysis swot analysis

Business



**ASSIGN
BUSTER**

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 bus 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...