

# Example of qatar airlines and qatar international airport research paper

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



Also referred to as Doha International Airport, Qatar International Airport is the key commercial airport in Qatar. The airport has 60 check-in gates, 8 baggage claim belts, and 42 aircraft parking bays. The airport's runway has been quoted to be the longest among all civil airports measured at 4993 Ft. Even though, the airport has undergone significant changes and expansions, it still suffers from over utilization. Currently, the airport stands a capacity of 12 million passengers on an annual basis.

Qatar International Airport is the core base of Qatar airlines; most Qatar airlines are maintained and parked in the airport as well as the collection of cargo and passengers to destinations around the world. Not until the recent past when the airport was massively used by foreign investors and workers in the gas and oil sector, and Qatar holiday makers. Currently, the airport has shifted from holiday makers, investors and workers to a more commercialized airport where frequencies in cargo and passengers transportation have tremendously increased than in the past decade (Giriprakash n. d, par 2). This has led to a state of monopoly in the usage of the airport by Qatar Airline.

The reduction in usage, in Qatar International Airport, will not only reduce congestion and improve on specialization, but will also impose competition to Qatar Airlines (Giriprakash n. d, par 6). The management in Qatar International Airport is in consensus that Hamad international Airport will be an open airport, where several international airlines will conduct their businesses. This implies that key airlines such as Emirates, US airlines, American Airlines, among others, who have always shown interest in Middle East and its environs, will have access in the region. This poses a

considerable threat to the competitiveness of Qatar Airlines.

Hamad International Airport has been indicated as a replacement airport for Qatar Airport. The airport has new global operating standards in terms of passenger convenience, operation efficiency, and improved levels of service. The management of QIA advocates that the airport should be set free of passengers and caters for cargo while HAI will specialize on passengers. This is based from the modern structures in HIA, which give visitors a lasting and spectacular impression of the country.

The extension of QIA is a symbol of growth and development in the sector. It also implies that Qatar Airways will extend its services to HIA as well as increasing its routes, and possibly increase its number of aircrafts. However, the extension poses a significant threat to the competitive power of the company. This is from the fact that there will be increased number of planes landing in HIA as compared to the number landing in QIA.

Some competing companies offer better services and prices than QIA this implies a losing edge to the company's growth prospects. This is inclusive of KLM, EMIRATES, US Airlines, and Kenya Airways (KQ). Companies like KQ and KLM offer lower prices than Qatar Airways, but their services may not be as efficient as those offered by Qatar Airways. However, passengers may not realize the need for class but may be more skewed to the rates than the services offered (Njau 2012, par 6). This implies that, with the opening of HIA, Qatar Airways should expect increased competition from companies otherwise considered as non-competitors (Porter 2008, pp 17). To cater for the competition, the company may be forced to lower its prices down from their current rates. Considering the increasing trend of oil, gas, and labor

prices, lowering the company's rates may affect their growth objective.

In contrast, opening the HIA might boost the competitive power of Qatar Airways, as the company has already acquired monopoly in the Gulf region. Its demand may increase as investors flock the region in search of oil and gas. This might open its commercial ability to partner with local banks and institutions like hotels. In addition, the changes in QIA will initiate key changes in the company, which will improve its efficiency (Business Management 2012, par 5). For instance, the company will improve on employee recruitment policies, training and retention. This will be aimed at having the best that the labor market provides and hiring experts in every operating field (Porter 2008, pp 25). This means improved efficiency as well as service.

Additionally, there will be changes in the airline market structure, which will initiate policy implementation, and development of new strategies and measures to improve on the airline's efficiency. This will be inclusive of implementing measures against delaying in flights, and on-time performance (Giriprakash n. d, par 6). As a monopolistic company, the airline has been challenged on time and delayed flights.

The modern consumer is keen on time and services offered by any airline company. Having new entrants in the market will, therefore, imply that the airline will increase its efficiency function to deliver the best. However, since the demand for airline travel is inelastic to many customers, in consideration to time and delay factors, it will reduce its utility. This will represent higher costs as compared to the current costs where consumers have other potential alternatives (Porter 2008, pp 23).

Although the airline's global destinations stand at 6, the airline is set to expand further as QIA expands (Business Management 2012, par 8). This accrues from the fact that as QIA expands to HIA, the global capacity, whether in passengers' number or amount of cargo, will also increase. Mr. Al Baker, the CEO of Qatar Airline, in a response to FDI Magazine report on the competitive power of the company, indicated that the company has adopted a flexible attitude to all changes. He indicated that the company has embraced the new Airport in a positive attitude, and will use it as a platform to boost its market competitiveness.

As much as the opening of DIA may pose significant challenges to Qatar Airlines, the companies' management promises that the best is yet to be revealed. The company sets to increase its fleet size to 110 by the end of this year, which is double the current number of fleet. Together with its prestigious international awards, as one in the top ten airlines in the world, the company intends to stand out from its competing rivals by increasing its competitive power in the Middle East. This will be achieved from the increased number of fleets (Njau 2012, par 4).

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