

# Competitive strategies: british airways

[Environment](#), [Air](#)



**Key Messages**

In its Motto, BA commits to look after its customers as it says, “ the world’s favourite airlines. We will take more care of you”. BA is known for its reliability, consistency, and quality. It has gained a good reputation and is renowned for high standard customer service and efficiency. It differentiates with Virgin Atlantic on the grounds of three unique characteristics which include value, service and price. British Airways was voted in the second place compared to Virgin Airlines in an online reputation and was stated as most child friendly airline

**Brand Name And Brand Image**

The brand name and the image of British Airways carry a strong identity and is the largest airline and flag carrier of the UK. Virgin Atlantic has also established a good image. It is highly recognized and competes successfully with BA and other carriers. However, BA is yet the oldest and biggest organisation and maintains its leading edge over Virgin Atlantic in the airline industry.

**Airline Fleet And Destinations**

British Airways has its operational in 147 destinations in 75 countries, with a strength of 234 airplanes. British Airways has planned for further growth of 63 airplanes which includes 12 Airbus (A380) super jumbos, 24 Boeing (787s) which will bring new innovation and efficiency on board. (BBC News, 2007)

BA’s adopted strategy in acquiring a large fleet is seen as a leader in the industry (“ Benchmark”), which to a great extent influences other carrier’s decisions. This strategy has put BA in the lead and thus gives it a

competitive advantage over Virgin Atlantic which is operating with just 38 aircrafts and is limited to 30 destinations (AirFleets. net, Undated).

### **Partners & Alliances, Franchising And Low Cost Carriers**

Another strategy used by BA is its franchising with other airlines; Partners & Alliances airlines. It has proved to be an effective strategy. BA has alliance with other airlines, which include American Airlines, Cathay Pacific, Japan Airlines, LAN, Malev, and Finn air, Iberia, Qantas, Royal Jordanian and Brussels Airlines to form the ‘oneworld’ partner alliance. Virgin Atlantic on the other hand, is beginning to form partnerships or alliances with some of its main competitors such as Malaysia Airlines, and Singapore Airlines, and thereby eliminating rivalry and competition between these Companies.

British Airway’s alliance has proven a positive impact over Virgin Airline and they have gain competitive advantage in the market. Hence, BA business has proved some growth opportunities and spread it operation through 675 destinations, 135 territories and touching in slogan in 500 airport departure lounges globally. (One World, Undated)

Moreover, due to BA’s preferential landing slots at London Heathrow Airport, it has gained competitive advantage over its rival Virgin Atlantic. Virgin appears to be on the weakened position in this respect.

### **Terminal 5 (Include The Design School)**

British Airways has shifted its operations in London Heathrow Terminal 5, to bring out new opportunities. The new terminal proved it to be a state of art, offering fast lane to check-in, reducing long queues and increasing the overall efficiency of the terminal. The new baggage system was considered a

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state of art and was recognized worldwide. They have used New Innovative Technology to gain complete edge as well provide better customers service.

### **Technological Innovations**

Innovation is an ongoing process and BA's competitors like Virgin Atlantic are also in for the challenge. Virgin Atlantic Airlines invested in innovative features that distinguish the airlines. The IT Company Conchango ensured an innovative solution for a smooth take-off for multi-channel booking system build on robust and scalable e-business architecture. This was a winning combination of technical and strategic expertise (Conchango, Undated). Implementation of technological innovations is also a strong hold for BA.

The use of Information Technology and the Internet are key factors in BA's strategy, success and efficiency of the organization. British Airways recognized this opportunity and turned it into one of its strengths.

Today, 76% of all its bookings are carried out via its e-ticket system giving customers the possibility of on-line/Kiosk check-in, getting seats pre-assigned, making special services request and meal requests. BA is always implementing effective IT solutions and is considered today a market leader as is the case for the fare-explorer booking engine (British Airways, Undated) and the in-flight entertainment system which was awarded the ' Best in Europe' (Skytrax Survey, 2007).