

# [Jet airlines analysis of information system business essay](https://assignbuster.com/jet-airlines-analysis-of-information-system-business-essay/)

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## Management Information System

Management Information Systems (MIS) provides information to managers and help them in decision-making based on databases. Data analysis plays vital role in determining which resources to use in order to achieve the mission of an organization. The world is developing an increasingly global market and economy.

The basic management information system measures inputs and/or outputs, allowing managers to analyse the relationship between them and make decisions based on the outcomes they desire. Day to day example can be a speedometer, a speed-measuring system

## Types of Management Information Systems

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The different types of MIS can be classified into the following:

## Transaction-Processing Systems:

With the advent of mainframe computers, Transaction-processing systems were introduced in the 1960s. They are designed for the banks to handle a huge volume of routine, recurring transactions. They record deposits and payments into the accounts, record sales and track inventory..

## Operations Information Systems

After transaction-processing systems, operations Information Systems came into existence. It gathers information, organises and summarises it in a useful form. It access data from TPS and moulds it into suitable form. One can obtain sales report or inventory etc from this.

## Decision Support Systems (DSS)

DSS is an interactive computer system. It hasthree fundamental components:

database management system (DBMS), model-based management system (MBMS) and dialog generation and management system (DGMS) which can be used for decision making.

## Expert Systems and Artificial Intelligence

ESAI use human knowledge encapsulated in a computer to solve various problems that usually requires human expertise. Computer recognizes, formulates and then solves a problem. It also explains the solution and learns from its experience as well.

## Introduction to Jet Airways

Jet Airways is a leading Indian airline with its head quarter in Mumbai, Maharashtra. It is the second largest airline in India and the market leader in the domestic sector. It offers over 400 flights daily to 67 destinations worldwide.

Main domestic hubs: Mumbai and Delhi.

International hubs: Brussels Airport, Belgium.

It is owned by the London-based businessman, Mr. NareshGoyal.

## BACKGROUND

Jet Airways emerged with its first flight in 1993. It is one of the fastest expanding airlines in the world, and in future will become the most preferred airline making your journey enjoyable. Jet Airways offers flights to 24 international destinations and 43 destinations in India.

## OVERVIEW

Jet Airways was incorporated as an air service operator on 1 April 1992. It commenced Indian commercial airline operations on 5 May 1993. On 4th January 1995, Jet Airways was granted a scheduled airline status. The company is registered on the Bombay Stock Exchange. Although, a major portion (80% of its stock) is controlled by Naresh Goyal.

It has over 10, 017 employees (March 2007). Jet Airways currently operates a fleet of 90 aircraft. With an average fleet age of 4. 99 years, the airline has one of the youngest aircraft fleets in the world. Flights to 65 destinations span the length and breadth of India and beyond.

## CORPORATE VISION

Jet Airways will become the most preferred domestic airline in India. Jet Airways will achieve this outstanding position by offering a high quality of service and reliable, comfortable and efficient operations. Jet Airways will uplift the concept of domestic airline travel -to be a world class airline.

It will achieve this objective even while ensuring consistent profitability, achieving long-term returns for its investors and providing its employees with an environment for excellence and growth.

## Information Systems in Airlines

Airlines exist to connect people to distant locations very efficiently and safely while making profit for the shareholders. . There has to be a trade-off between the three aspects.

Thus, the designing of information system is very essential and its management helps them reach the organization’s purpose.

Key indicators in management are required to guide the working of the process and making changes in resource allocation. A management information system regularly provides information about the efficient working and function of the organization.

The ultimate aim of the airline industry is to make the passengers’ journey comfortable and convenient. The different procedures in the airport and airplane should be simplified and highest degree of customers’ satisfaction have to maintained in order to succeed in today’s competitive world.

## The Current Scenario

The airline industry is constantly evolving and incorporating the latest innovations and technologies all with a common aim to make the journey of the passengers more and more comfortable and convenient.

All the different procedures that the passenger goes through in the airport and airplane have to be simplified and highest quality of satisfaction for customers have to maintained by airlines in order to succeed in today’s competitive scenario.

Flying is now-a-days one of the fastest and easiest way to cover large distances. It saves a lot of travelling time compared to other means of transport. For employees this is a huge bonus as business can be carried out at a faster speed as they can reach their destinations in a matter of hours . The 4 basic factors that the airline industry has to carefully tackle are as follows:

Efficiency

Speed

Safety

Comfort

Every year more and more people are resorting to airlines as a mode of transportation and hence constant innovation and establishing a unique relationship with the passengers is the need of the hour. Hence , the importance of the technology of integrated systems has become clearer and unavoidable in the airlines for the future as well.

## Improving Air Transport Information Systems

It has been seen that many vendor companies are doing constant research and development in the technologies which have a prime aim to improve customer satisfaction and provide better services to the customer. Huge investments are also being made in this area which has a lot of scope of improvement.

Example of such service can be self- checking kiosks, in-flight entertainment and connectivity, check-in via mobile phones, airport and baggage management services.

Currently what can be seen as the prime objective of the airlines is: Optimizing revenues while maximizing customer relationships.

## Management Information system in Jet Airlines

## VENDOR: IBM

Jet Airways, , one of India’s premier international airline, and IBM (NYSE: IBM) have announced that the companies have signed a strategic business transformation for ten years and information technology (IT) services agreement. Valued at 62 million US dollars, the agreement is a major step towards Jet Airways’ journey of technology led business transformation, which will help the airline to achieve significant growth by implementing the company’s IT with business strategies.

Jet Airways aims to use IBM’s domain knowledge of the global airline industry and its leadership in technology to meet the group’s business transformation objectives. As part of the deal, IBM will provide with the latest technological solutions to transform the airline’s various business areas such as airport operations, direct distribution and frequent flier programs. This engagement will help Jet Airways to improve and integrate its IT systems to deliver a highly differentiated customer service and to improve the efficiency of its various operations.

“ Constant innovation to stay ahead of industry growth has been Jet Airways’ operating philosophy since it started its operations in 1993,” said Nikos Kardassis, Chief Executive Officer, Jet Airways (India) Ltd. “ We are delighted to partner with IBM, the world’s leading IT services company, and see this as an exciting opportunity to use IBM’s technology to lead business transformation in the Indian aviation sector and augment growth. This association will enable us to focus on our core business and improve our operational efficiencies, besides delivering a seamless customer experience. India, as a country, will take a leading edge position in delivering innovative ideas and solutions in the Global Aviation terrain,” remarked Mr. Kardassis.

IBM has provided Jet Airways with cutting edge IT Infrastructure and application to support services including employee transition, data centre operations, helpdesk support and storage operations, internet security services, network management, SAP and various other operating systems.

Commenting on the developing relationship with Jet Airways, Ashish Kumar, General Manager, Global Technology Services, IBM India/South Asia, said, “ This strategic services deal with Jet Airways will begin a a new era in the Indian aviation industry. It will enable the airline to provide and enhance its business value and gain competitive advantage through innovative use of technology. IBM will bring its global experience and expertise in this industry to deliver services and solutions to help Jet Airways achieve its mission to innovate and lead as it continues to grow and expand internationally.”

The contract was signed in June 2010.

## Customer Relationship Management

CRM stands for Customer Relationship Management. It is methodology used to learn more about customers’ needs in order to develop stronger relationships with them. CRM has always been a matter of great concern for airlines aspiring to improve relationships with the customers.

Airlines that can effectively target, attract, serve and hold the best customers will definitely experience significant benefits. The better the bonding the airline holds with these customers, the more opportunities will be open for selling additional products and services.

However, as the ‘ e-business’ is evolving, the hurdles of establishing customer relationships have become even greater. Airlines must be completely responsible for a customer’s satisfaction whilst the “ want it, buy it and use it” experience.

## Advantage of CRM In Sales and Marketing

CRM defines marketing processes and satisfy customer requirements using functionality to improve management of resources, segments and lists, campaigns, trade promotions, and marketing analytics. It also enables management of accounts, product configuration, opportunities, quotations, orders, contacts, activities pricing, billing, and contracts.

Make smart business decisions with improved customer relations.

Speedy access to databases so faster marketing.

Improve visibility of your entire marketing process

Increase returns on investments.

Grow profitable relationships

Maintain focus on productive activity

Eliminate barriers to productivity

Improve sales efficiency Service

Transform service into a profitable line of business

Increase customer loyalty

Reduce costs of customer service and field service

## CRM in Jet Airways

The figure 5 shows a few special offering from Jet Airlines

The special offerings from it are as follows:

It offers free tickets

Special rates for Students

Special Fares for corporate deals

Jetlite Surprises

The other Customer Relationship Management activities also include:

Rapid Rewards program for all passengers that make all their reservations online.

Incentives include lower rates, express boarding passes, and in-flight bonuses like free snacks & drinks.

Business Rapid Rewards for Business travelers.

Special Benefits and services for Senior

## Vendor For Jet Airways’ CRM: EPSILON

The emerging digital marketing company Epsilon’s email solution will now provide customer and trade communication services to Jet Airways in order to improve their relationship with customers. Jet Airways known for its in-flight services is striving hard to enhance its customer relationship management and loyalty management. .

Various surveys were conducted and was found that customers prefer email as the channel for communication. Thus, in order to be forward it selected Epsilon’s email marketing services. Epsilon is a pioneer in email sevices and provides exact view of all the customers .

Such an overview allows the airways to design solutions for targeted customers which also increase its brand equity and nurtures great profits with loyalty.

“ To provide a world-class customer experience, we chose Epsilon for their best-of-class email marketing solutions that enable us to stay close to our customers throughout the relationship lifecycle and ensure that we are providing the most relevant information, optimised in a timely fashion as and when they want it,” said Rahul Kucheria, GM, Relationship Marketing with Jet Airways.

Epsilon’s email platform speeds up the email delivery. Ithas an intense tracking and report forming features as well as optimisation tools that enable Jet Airways to enjoy the benefits of relevancy in communicating with the customers.

It also allows Jet Airways to monitor and track the position and status of specific email communication all the way from booking to enquiry transaction. This allows the airline to improve its profile and transaction behaviour data to ultimately achieve one-to-one relationship with its customers.

Jet Airways currently publishes a monthly email newsletter to Jet Privilege members, all the travel agency partners and corporate clients. The company is planning to introduce transactional e-mailing through the Epsilon platform, such as registration confirmation, welcome messages and purchase confirmations.

## Conclusion

In general, the airlines have to ensure that they strike a proper balance between the customer services and operating costs. In the aviation industry, the competition is ever increasing as more players enter each year. Effective management of information systems can definitely help in attaining these goals and also assist to incorporate the innovative solutions as well.

In order to meet to meet these challenges, lot of companies and firm are working on different software and solutions with a common objective in mind to make travel both – easy and convenient

It is important to choose the suitable information that will help managers observe their situation clearly. When airlines observed management information systems that included loss in the revenue due to not selling empty seats or rooms, they managed ways to get some value from latecomers at deep discounts.

A good information system in practice can ensure that the operation is able to run efficiently with clear focus on customers. By incorporating better and better technology systems, we can reach out to demands of more customers and also strengthen vital features like security, avoiding delays, reducing the cost of travel. The scope of improvement is virtually endless and the companies will have to keep on evolving in order to survive in the future as well.