

# [Swot on american airlines](https://assignbuster.com/swot-on-american-airlines/)

[Business](https://assignbuster.com/essay-subjects/business/), [Industries](https://assignbuster.com/essay-subjects/business/industries/)

Revenue Drivers AdvantageLoyaltyProgram Air Fare Market Shares LuggageFood/Drink 5 Cost Drivers Fuel Overweight Cargo Plane Repairs Strengths 1 . Advantage Loyalty Program a. With this program American Airlines make a profit because there are so many miles that are given but will not even be used. For the miles that are not used that ismoneyin their pockets right there. Also, since American Airlines is known for one of the best loyalty programs that insures that they will have loyal customers. 2. Loyal Pilots a.

American Airlines have some pilots that have been with them over 20 years. They invest their time and lives into their Jobs. Daily they have the lives of hundreds of people in their hands. The pilots take the time to call the SOC to ensure a good take off, fuel and check the weather for safety. 3. Committed Employees a. Although there was a vote to have a cut in pay and even personal vacation times, most employees have stayed loyal to American Airlines. The employees did not want the company to go bankrupt so they offered a percentage of their pay. Strong Mechanic Crew a. Mechanics used to throw tools away, now they say, " If it cuts, we like to think we can sharpen it. " Reusing the tools helps save quite a bit of money! They are very hard committed workers. Weaknesses 1. Financial Stability a. Financially they are unstable, yes ultimately they have not filed bankruptcy but they have lost $8 billion in the last 5 years. During the video it even showed that one flight only brought in $200 and that if they were one less person on flight they would have lost money. 2. Prices of food/drinks .

The prices of their airline food is so expensive that not a lot of people buy it, yes when they do it helps make a profit but maybe they need to work on something with the prices. 3. Air Fare a. The air fare prices range so dramatically it is shocking. The number of people who pay $1000 for a seat and the person next to them could have paid little as $100 is By volcano's Opportunities 2. 3. 4. Threats 1. Fuel Prices a. With the price of fuel on a constant rise, that will cause a decrease in revenue for American Airlines. 2.