

# Pestle analysis of the airline industry

[Business](#), [Industries](#)



## **POLITICAL**

Government policies could facilitate a flow of dollars into the U. S. By making improvements to speed the visa application process and customs inspections

b. Taxes represent approximately 20% of a customer's airfare

## **ECONOMIC**

a. Macroeconomic cycles, such as the Savings ; Loan Crisis and the sass's boom followed by the dotcom crash, have caused contractions and expansion in the industry

b. With highly unionized workforces, companies have little control over labor costs during periods of demand fluctuations, incurring huge losses without deductions in force. Also read R yanair PESTLE analysis

## **SOCIAL**

a. Wars, political instability, terrorism, diseases, etc. All affect customer demand for passenger air travel

b. Customers value on-time flights. Congestion management has been an ongoing challenge, particularly for large hub airports that are seeing unprecedented levels of demand

a. Newer aircraft provide technological advantages, impacting flight range, fuel efficiency, and passenger comfort

b. Frequent flier programs have allowed airlines to amass a wealth of information on their customers, including flight patterns and travel references

## **LEGAL**

- a. Contractual renegotiation's and mandated procedural methods can significantly drain resources and attention
  
- b. Union strikes always demand quick action by the airlines to resolve the matters as quick as possible to get their labor force back to work. Weather delays not only cost the airlines in excess fuel and operating costs, but it also causes an increase in ICC emissions
  
- c. Similar to technology, advancements in aircraft design/construction has led to much more fuel efficient aircraft

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