

Birmingham international airport – competitors

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Like any other airport, Birmingham International has enough competitors that want their own share of its market. The theory is the bigger the better, and better = more profit. This means that BIA will keep having to continually renew their prices so that they stay ahead of the market, and cause their opposition to loose out. I will now discover how BIA keeps ahead of their game, consistently from year to year.

One way that BIA keeps ahead is making sure that the facilities that they offer are up to scratch at all times, and they constantly update them to meet demand, and maintain them if necessary (such as toilets etc). BIA have also displayed instances where they care for the customer, one by investing in the EuroHub tunnel, and the other by adding an 'Air-Rail' link to the airport, one of this have decreased the flight transfer times dramatically, and the other has made the travelling times lower than they were before. By creating and maintaining these type of facilities, they do not award their competitors the opportunity to beat them at their own game, and therefore will always stay on top, which has been proven in my other parts of work (how big they are).

Referencing to the 'Master Plan' again, they are going to develop the airport fore dramatically which shows again they are always growing bigger, and reducing the opportunity for any other airports to get in edgeways. If you were to contrast this airport against their major rivals you will see that London's Heathrow has become the biggest mainly because of the flights, facilities and the number of runways that are on offer.

An airport that is hardly referenced to is 'Heathrow' whom is growing at a rate like BIA, as they too have released plans to increase their traffic to 30,000,000 passengers flying with them every year, which was named the 'Development Strategy for the year 2005'. Airports are no longer about providing solely the best flights, but they are about providing the best overall facilities to their customers, and if they fail to do this, you may see that in the future, they could lose out on potential customers.

Alike with any business, BIA would encourage all customers to use the facilities more, an implying to use their competitors less! Despite this, you cannot persuade someone to travel from Heathrow to Birmingham so they can fly internationally, as this would not make sense if they could fly from their local airport, unless there were exquisite travel links, which took a fraction of the time that they should have. As a result of this, they would only try to tap the market that are available to them, which may result as far out as London, but if their campaigns produced results, then this would be all worth while.

For example, London's Heathrow have an internal 'train' system that will connect you from terminal to terminal, which I have personally experienced. This is like no other, and the facilities that are provided by them are excellent (not that I have tried BIA's personally), so I would find that hard to beat. On the other hand, if the facilities of BIA are anything like theirs, then they would stand a chance of matching the size of Heathrow, but this would not happen with the right staff motivation, capital and long term experience.

One of the main factors within the competition is the flights, or even the lack off, and prices. For example, if someone in the vicinity of BIA is charged double that to fly to the destination they want that Heathrow is quoting, then it would obviously make sense for them to go to a different airport, which would mean BIA will loose customers quickly. The rule " it's 8 times harder to win an old customer back as to gain a new one" takes a leading role here. Providing that BIA has the right accessibility to their airports, and the fact that they offer good prices would mean that they will be quite successful in the long term.

It is not completely obvious who is the cheapest in the market, because it depends solely upon where the flight's destination is.

For example:

- At the specified time period, BIA was the cheapest to fly to Barcelona
- In spite of this, they were the most expensive to fly to Copenhagen
(When compared to Gatwick and Heathrow)

I believethat the reason that BIA cannot be the cheapest for all of the available flights is because of the fact that if a fly is not popular, they would not fly that often, so tickets may be more expensive (for advanced bookings).

As everyone has witnessed over the past year or so, each of the airports has had to dramatically increase the security due to terror attacks. They've had to reduce the number of liquids that you may carry on a flight, and they have diverted even entire flights because they thought there was a suspected

attack, where 99% of the time, they were wrong. This shows that competition for security is not always good, as it may put off even the most frequent flyers because of all of the security checks that are involved.