

# Competitors analysis airlines industry

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Competitive Analysis Delta Airlines Delta Airlines Delta offers scheduled air transportation for passengers and cargo all through the United States and other parts of the world. It has a global route network that enables it to access the major domestic and international markets (Delta, 2011, p. 2). Their network is focused on the hub system at airports operated in “ Amsterdam, Atlanta, Cincinnati, Detroit, Memphis, Minneapolis-St. Paul, New York-JFK, Paris-Charles de Gaulle, Salt Lake City and Tokyo-Narita” (Delta, 2011, p. 2). Delta’s main strategy is to differentiate itself through offering diverse products and services. It will start a new delta. com platform in 2012, which it expects to produce additional purchases of tickets (Delta, 2011, p. 7). It will also change its “ distribution from a commodity approach to a differentiated and merchandised approach” (Delta, 2011, p. 7). It believes that new merchandising initiatives that it is implementing, chiefly through delta. com, will produce additional revenue opportunities and enhance the purchasing experience of customers (Delta, 2011, p. 7). Its main goal is to provide customers with opportunities to buy what they value, like “ first class upgrades, economy comfort seating, WiFi access and SkyClub passes” (Delta, 2011, p. 7). Delta also aims to reach amplified traffic on delta. com through a mixture of advertising revenue and transactions of third party products and services such as car rentals, hotels, and trip insurance (Delta, 2011, p. 7). Its net income for 2011 was \$854 million, which is \$261 million higher than 2010 (Delta, 2011, p. 27).

#### U. S. Airways

US Airways Group is a holding company whose main business activity is operating a major network air carrier through its 100%- owned subsidiaries “

US Airways, Piedmont Airlines, Inc. (" Piedmont"), PSA Airlines, Inc. (" PSA"), Material Services Company, Inc.

(" MSC") and Airways Assurance Limited (" AAL")" (US Airways, 2011, p. 5). It operates the fifth largest airline in the United States, which is measured by domestic revenue passenger miles (" RPMs") and available seat miles (" ASMs") (US Airways, 2011, p. 6). It had around 53 million passengers for its mainline flights in 2011 (US Airways, 2011, p. 6). For the same year, its mainline operation provided frequently scheduled service or seasonal service at 133 airports while the US Airways Express network served 156 airports in the United States, Canada and Mexico, including 78 airports also served by our mainline operation (US Airways, 2011, p. 6). In 2011, it earned net income of \$71 million, which is down by almost 86% from its 2010 net income of \$502 million (US Airways, 2011, p. 34). Its main strategy is to offer safe and reliable services to clients by purchasing new aircrafts, installing First Class cabins, and installing other services (US Airways, 2011, p. 14). US Airways enhanced its position among the DOT reporting carriers for the fifth successive year, and received a 6th place overall ranking (US Airways, 2011, p. 14).

### Southwest Airlines

Southwest Airlines Co. (the " Company") operates Southwest Airlines, a main passenger airline that provides air transportation in the United States.

Southwest served 72 cities in 37 states throughout the United States (Southwest, 2011, p. 1). According to the U. S. Department of Transportation, as of June 30, 2011, Southwest was the biggest domestic air carrier in the United States, based on the number of originating passengers (Southwest,

2011, p. 1). For the 39th consecutive year, the Company was profitable and earned \$178 million. Their main strategies included: “ AirTran integration, All-New Rapid Rewards® frequent flyer program, the addition of the Boeing 737-800, fleet modernization, and replacement of reservation system” (Southwest, 2011, “ Letter from Gary Kelly”).

#### American Airlines

American Airlines (AMR) (2011) operated 1500 daily operations to more than 175 destinations in North American, the Caribbean, and Mexico in 2010 (p. 1). AMR Eagle Holding Corporation is a wholly-owned subsidiary of AMR. AMR also contracts with AmericanConnection, an independently-owned airline. AMR had a net loss of \$471 million in 2010. The main strategy of AMR is to improve services through expanding alliances with other airlines and entering into marketing agreements with other companies and airlines.

#### References

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