

# Speech word to word

[Business](#), [Management](#)



Speech Presentation The strategic alliance between Northwest Airlines and Royal Dutch KLM The strategic alliance between KLM Royal Dutch Airlines and Northwest Airlines was awarded the global 2007 Association of Strategic Alliance Professionals (ASAP) Award. The award essentially recognizes and celebrates firms which have attained major success in their alliances and alliance programs. The judges established that Northwest/KLM has shown true commitment to advancing and sharing alliance management practices in their relationship, which has led to tangible business results by means of alliance innovation and implementation (EasierTravel).

The 2 firms have managed the complex and very interdependent relationship in a successful way. They have built on setbacks and successes to materially better their position. Before the alliance was implemented, travelers were forced to change airlines and airplanes severally, recheck luggage, and keep track of multiple tickets to get to their final destination. After the alliance, a flight from Cairo to Des Moines is as simple as 1 ticket, a single luggage check-in, and an easy connection through Northwest/KLM hubs.

WHAT: the what is therefore the strategic alliance between Northwest Airlines and KLM.

HOW: By merging; sharing of routes and joint operation of flights.

WHY: To improve seating capacity and increase revenue. The deregulation of transatlantic flights during the 1990s resulted in increased air traffic, but with reduced prices for tickets, and this meant a decrease in revenue for airlines. The strategic alliance between Northwest Airlines and KLM signified a strategic sharing of routes as well as a joint operation of flights. This

resulted in better use of seating capacity and revenue growth.

The key framework and model is a joint venture.

Through this framework and model, Northwest and KLM have been able to demonstrate true commitment to sharing and advancing management practices in their particular relationship. This has led to concrete business results through alliance innovation and implementation.

Moreover, through a joint venture, the firms have been able to exploit and cope with the dynamics of the airline industry for over 16 years now.

The strategic alliance includes coordination of capacity, prices and schedules to offer the best possible customer convenience whilst creating significant monetary benefits for both companies.

Work cited

EasierTravel, Alliance Award for KLM & Northwest Airlines, 2007, Web. Link  
<http://www.easier.com/47900-alliance-award-for-klm-northwest-airlines.html>