

Us airways group - going global

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US Airways operates in an industry that is tailored made to transfer the service the firm offers from the domestic to the global market. The company offers air travel services to different destinations in the United States. The company has decided to penetrate other marketplaces. In order to transfer the operation to the global marketplace the company simply has to create new routes in a foreign market. The EU has been identified as the perfect expansion marketplace for the company to enter. A characteristic that can help US Airways obtain customers in a global market is by offering top quality customer service. In the airline industry price is no longer the top differentiating factor among airlines. Companies that are able to satisfy the needs of the customer by offering better service are able to achieve higher customer retention rates. The barriers of entry in the airline industry are high. One of the top barriers of entry is capital. Companies need to have a lot of money to invest in airplanes and a large staff of employees to run the airport operations, customer service, sales, maintenance, and air crew personnel. US Airways is in an advantageous position over a company starting out because the firm already has a presence in the airline industry. For instance if the company wanted to continue its path towards penetrating the EU marketplace the company can transfer its knowledge of the US industry to the EU global expansion plans. Another barrier of entry for a company in this industry that wants to enter into a new marketplace is the cultural factor. It takes a lot of time and effort to learn about the culture of a new country. This element can only be mastered by the learning curve which takes time. The learning curve can be defined as graphical representation that depicts the rate of learning of a person, group of people, or organization (Answers, 2011). A third barrier of entry for US Airways or any other

company that seeks to establish an air transport operation in a foreign location is finding specialized talent for key jobs such as aircraft pilots and aviation engineers. Technology is a factor that affects US Airways in its operations. Technology has impacted the airline industry in regards to the security measures that are implemented at airports. Airport security crews are now using full-body scans to detect firearms, drugs, or other illegal substances that might be carried by a passenger through the airport (Jaunted, 2010). A technological advance that has helped airline companies such as US Airways reduce their operation costs, while at the same time increasing its customer reach is the internet. The internet is now being used by all major airline companies as the primary technological tool to sell the air travel tickets. The airline industry faces regulatory challenges due to the high emissions airplanes generate. Technological advances in the manufacturing of airplanes have greatly reduced the emission airplanes released into the air. For instance the Airbus 380 releases 17% less CO₂ than any other major commercial airplane (Greenaironline, 2010). References Answers. com (2011). Learning Curve. Retrieved May 28, 2011 from [http://www. answers. com/topic/experience-curve-effects](http://www.answers.com/topic/experience-curve-effects) Greenaironline. com (2010). New fuel and emission savings procedure for A380 superjumbo departures from Heathrow. Retrieved May 28, 2011 from [http://www. greenaironline. com/news. php? viewStory= 776](http://www.greenaironline.com/news.php?viewStory=776) Jaunted. com (2010). Full-Body Scanners 101: How Naked Is Full-Body Scan Naked? Retrieved May 28, 2011 from [http://www. jaunted. com/story/2010/1/6/165831/7563/travel/Full-Body+Scanners+101%3A+How+Naked+Is+Full-Body+Scan+Naked%3F](http://www.jaunted.com/story/2010/1/6/165831/7563/travel/Full-Body+Scanners+101%3A+How+Naked+Is+Full-Body+Scan+Naked%3F)