

Porter's fourth force
is bargaining power
of buyers



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Porter's fourth force is bargaining power of buyers. Buyers are known to have high bargaining power over firms when they are very sensitive towards prices and this is the case here with Fly Emirates and other airlines in general. Buyers have too many choices to pick from when prices of a certain airline rise, because most of the times they are not keen to pay that extra amount as they believe it does not give them much value in relation to what they are paying for, or just because they feel that the flight is just a mean to take them where they want to go and any airline can do the job so they prefer to cut travelling costs.

We can discuss porter's fourth force it in the case of Emirates airlines along the following lines, the buyers' ability to influence the prices and demand higher quality and value for the price, also their ability to trigger competition especially in a very high competitive environment like airlines industry, in many ways this ability forces airlines to bring down prices in order to compete which gives the buyers the advantage of enjoying lower prices and different promotions.

Buyers have the choice between tickets or airlines that are within budget or luxurious flights like Emirates for the destination they want to travel to, it can also be referred to as bargaining leverage. Buyers also influence the Volume of purchases or in other words the number of tickets sold to a certain destination, for example to choose to travel to one country more often than another. They also have an easy access to all different offers and promotions over tickets from different airlines to various destinations which allow them to switch costs, as they choose their priorities for example better services vs. cheaper tickets. Emirates airlines try to play along those lines and balance or

influence buyer's bargaining power by providing world class services that is proven to be the best, also differentiate themselves by offering a traveling experience rather than just a flight that will take buyers from one place to another, they have new highly technological airplanes, service that is highly customized and personalized to match their customers need and lately they opened their own terminal which gives their clients great privileges and advantages. References: <http://www.scribd.com/doc/23940023/Emirates-Porter-s-5>