



SWOT Analysis Of Emirates

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Abstract

SWOT stands for strengths, weaknesses, opportunities and threats and it is a planning tool which helps companies to self-evaluate across a number of parameters and this furthers the strategic positioning of the company (Helms & Nixon, 2010). SWOT is being conceived as a robust mechanism for appreciating the company's competitive advantage by harnessing the potentials and capabilities in an optimum manner (Agarwal, Grassl & Pahl, 2012).

Strengths:

The strengths of Emirates Airlines lie in its strong brand positioning and providing value to the customers. Right from its inception, the airlines has been ensuring that air travel is smooth and safe for its travelers. Therefore, the company has been attempting to provide a lot of services to the customers.

The brand value of the company has risen to US\$ 7.7 billion in 2016. The company has a fleet of more than 230 aircraft which is a sizeable number by all counts. Further, it runs its operations by covering around 150 destinations across 80 countries. It is worthwhile to note that the company has more than 1500 flights departing from Dubai each week to cover six continents. Undoubtedly, the company has been named as the World's Best Airline and has received its twelfth consecutive award for best in-flight entertainment at Skytrax World Airline Awards. It has a robust advertising pitch and its brand ambassadors count Jennifer Aniston who showcases the quality services of the airlines across all classes of the airlines. Its supply chain management is well-established and this is validated by its procurement of A380 engines from Rolls-Royce.

Emirates Airlines has its own social media networking forum and its app is suitable for getting on-demand services. Emirates Airlines has been sponsoring sports events like tennis, football and cricket which are a testimony of its brand worth. With its SkyCargo division, cargo and logistics are being well-managed by the company. Finally, the company's launch of wi-fi was the maiden launch by any airline and its in-flight mobile phone service provider, AeroMobile, was successful in garnering five million users.

Weaknesses:

The company's weakness lies in not being able to attract the middle-class segment of the society. Primarily speaking, the airline is more famous for its luxurious in-flight services and the same may not be affordable by all. Therefore, the company must gear up to work in this area. Second, while the airlines have been sponsoring a number of events, there are chances that the company may lose its sales pitch in the long run. Therefore, it would be appropriate if the company focuses on selected areas as sponsorship entities.

Opportunities:

Emirates has the opportunity to forge into backward and forward integration. For instance, the company may build alliances with fuel supplying companies and extend operations in the automobile sector. Likewise, the company is known for its in-flight services and the best match could be in the hospitality sector where the company may launch its hotels catering to the needs of luxury and middle-class populace. Besides, the company may foray into interior designing and furnishing space conceding the fact that the ambience of the aircraft is noteworthy and much-appreciated by the travelers. As far as forward integration is concerned, it is possible that the company may provide health services through its specialized aircrafts equipped with all amenities. Likewise, the company may own a few sports' teams which would give a further push to the branding of the company.

Threats:

The company faces threats from its competitors operating in UAE and other destinations. While this is true for any sector, in airlines industry, there are low-cost airlines which leave a dent on the profits of bigger players like Emirates Airlines. Further, with the plunging of oil prices, the environmental challenges lurk around. The company has been registering profits till now but it is possible that further dip in oil prices may spell doom for the company. Finally, with newer and sophisticated models of aircrafts, the management and training of human resources may pose significant challenges for the company.

References

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