

Presentation Ass 2

by Emma Jones

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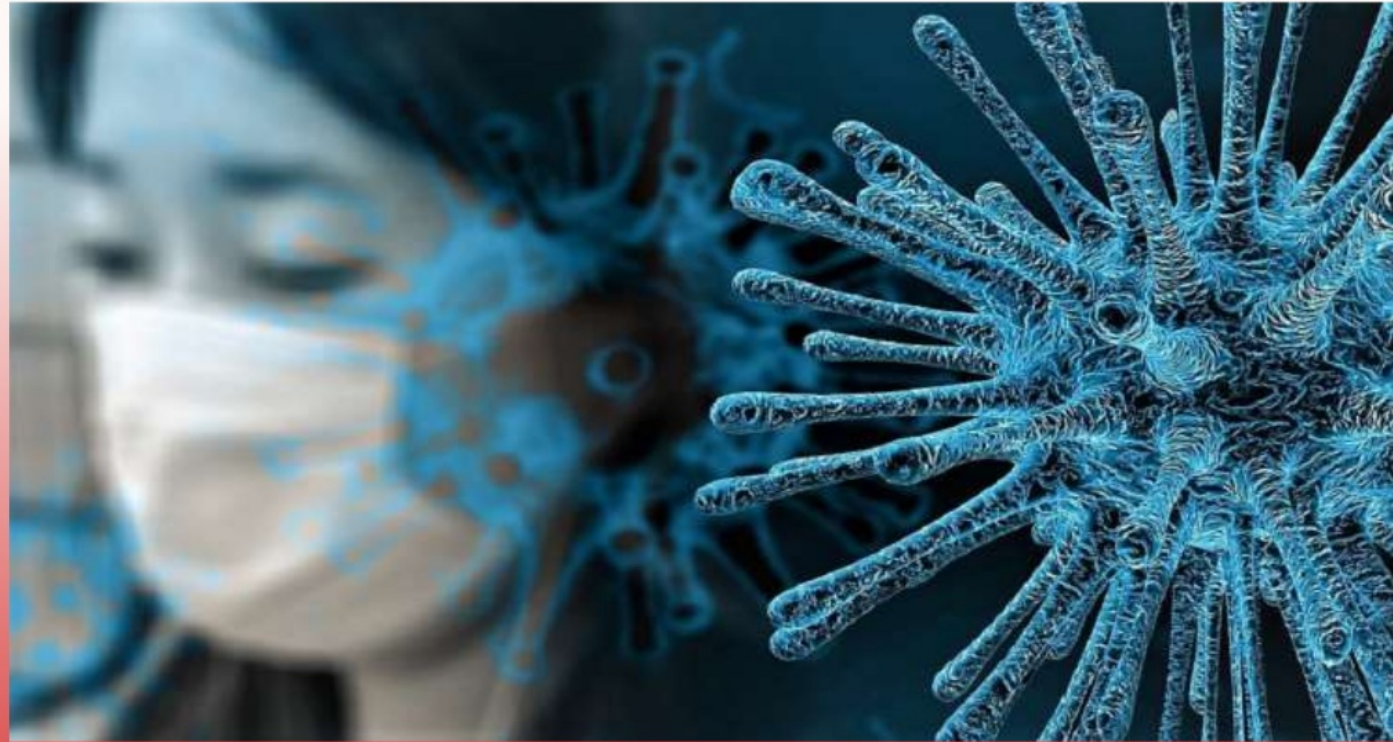
Strategic analysis of Qatar Airways



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Introduction



**STAY AT
HOME** 

**PROTECT
THE NHS**



**save
lives**



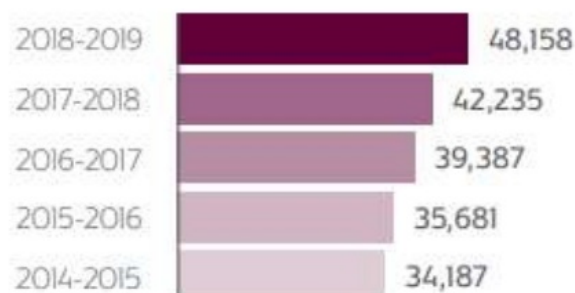
Company overview

- Headquartered in Qatar Airways Tower in Doha
- Founded in 1993
- Qatar airways are owned by the Qatari Government
- Akbar Al Baker has been group chief executive since 1997
- 2011 reaches a milestone of 100 destinations
- Since then they have won many awards and accolades
- Now linking over 160 international destinations using a fleet of more than 200 aircrafts
- Travel today involves a mix of short, medium and long-haul segments

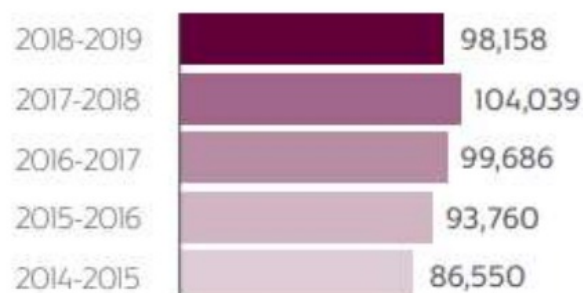


Qatar Airways financial results 2014 – 2019

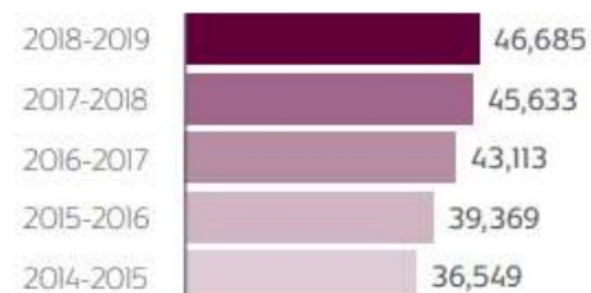
Revenue and other operating income



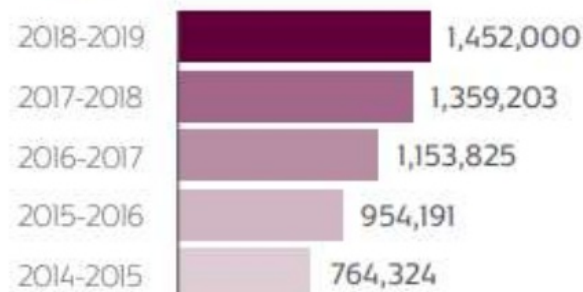
Total assets



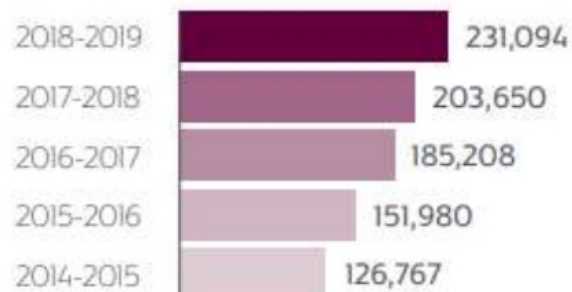
Employees



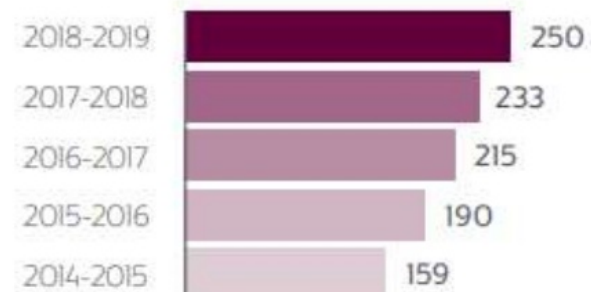
Cargo carried



Available seat kilometres



Number of aircraft



(Source: Qatar Airways 2, 2019)



External analysis - PESTLE

Political

- Poor relationship with neighbouring countries resulting in closed transport connectivity from Qatar
- Trump travel ban impacting Gulf airlines on US routes

Technological

- Social media and mobile applications platforms being used more and more to communicate with customers
- Innovation technology provide solutions to improved efficiency e.g. check in, security, airline operations
- Technological advancement in entertainment enhances on-board experience

Economical

- Declining oil prices has a negative impact on Qatar's economy
- A downturn in the economy reduces the number of business visitors
- Recent appreciation of the USD causing exchange rate fluctuation impacting on airline earnings

Legal

- EU airline lobbyists are attempting to implement viable legal means to curb Gulf airlines' growth in the European market
- Increased travel policies implemented in response to growing terror threats and to ensure the safety of passengers

Social

- Airline industry being clobbered by the Covid-19 pandemic impacting on business and leisure travel
- Growing number of middle class citizens in emerging countries such as China and India provide opportunities for airlines to grow in these areas.
- Established market consumers seek a more exclusive and premium service from airlines as wealth grows in these areas
- Upcoming sport events in Qatar e.g. 2022 world cup

Environmental

- The airline industry's high amount of carbon emissions has a significant impact on climate change
- Pressure on airlines to modernise its fleet to be more fuel efficient
- The increased demand for air travel in recent years increases pollution and the industry's carbon footprint



Industry analysis – Porter's five forces



Forces driving competition in the global airline industry



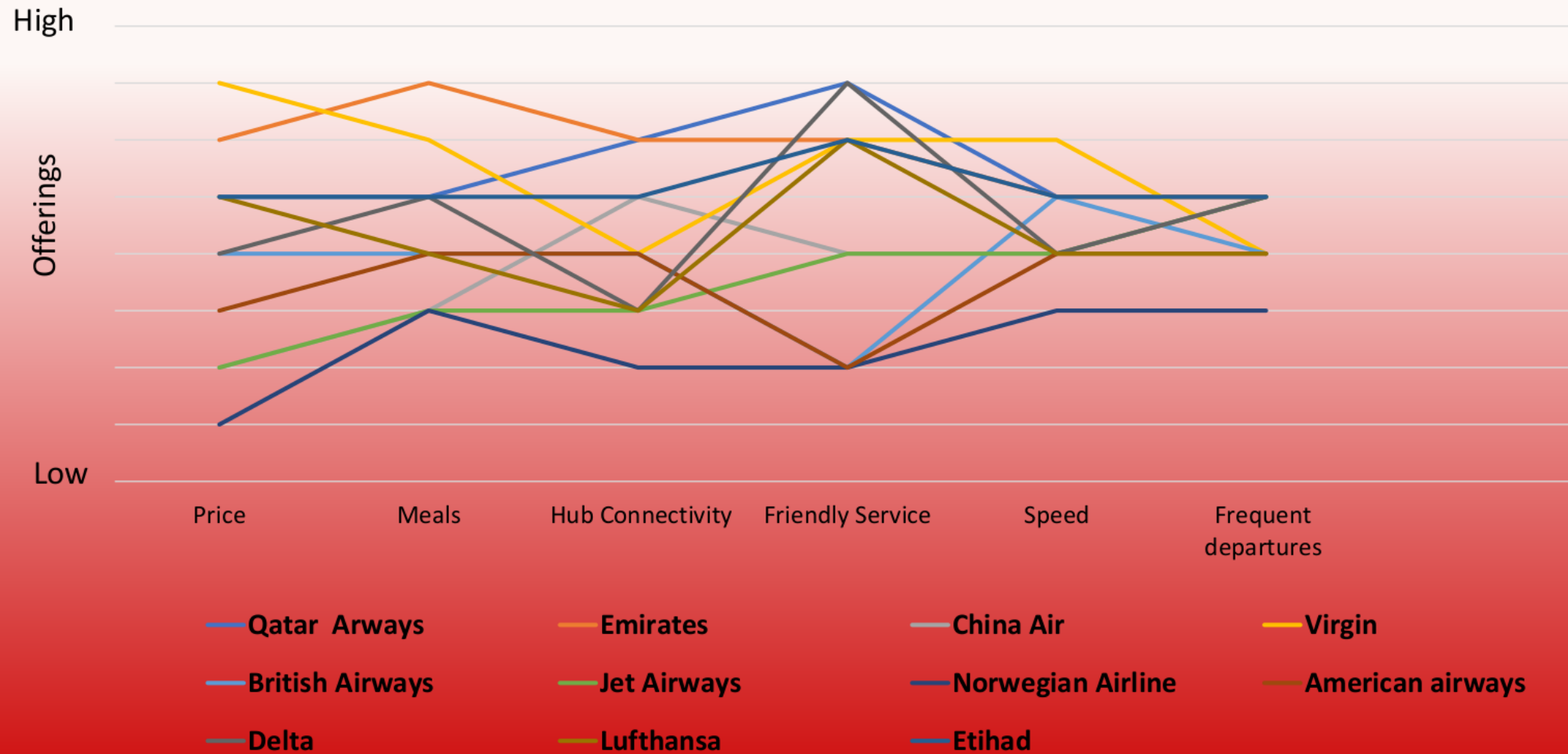
(Source: MarketLine 2, 2019)



Market Position – Perceptual mapping of global airlines



Strengths of airline offerings – strategy canvas



(Adapted from: Mauborgne and Kim, 2005)



Qatar's internal capabilities and resources – VRIO model

Resource/Capability	Valuable?	Rare?	Hard to imitate?	Organized to capture value?	Competitive implications
Financial resources	Yes	Yes	Yes	Yes	Sustained competitive advantage
Employees	Yes	Yes	No	No	Temporary competitive advantage
Customer experience	Yes	Yes	No	No	Temporary competitive advantages
Location of Hamad International airport	Yes	Yes	Yes	Yes	Sustained competitive advantage
Brand name	Yes	No	No	No	Competitive parity

(Adapted from: Barney, 1991)

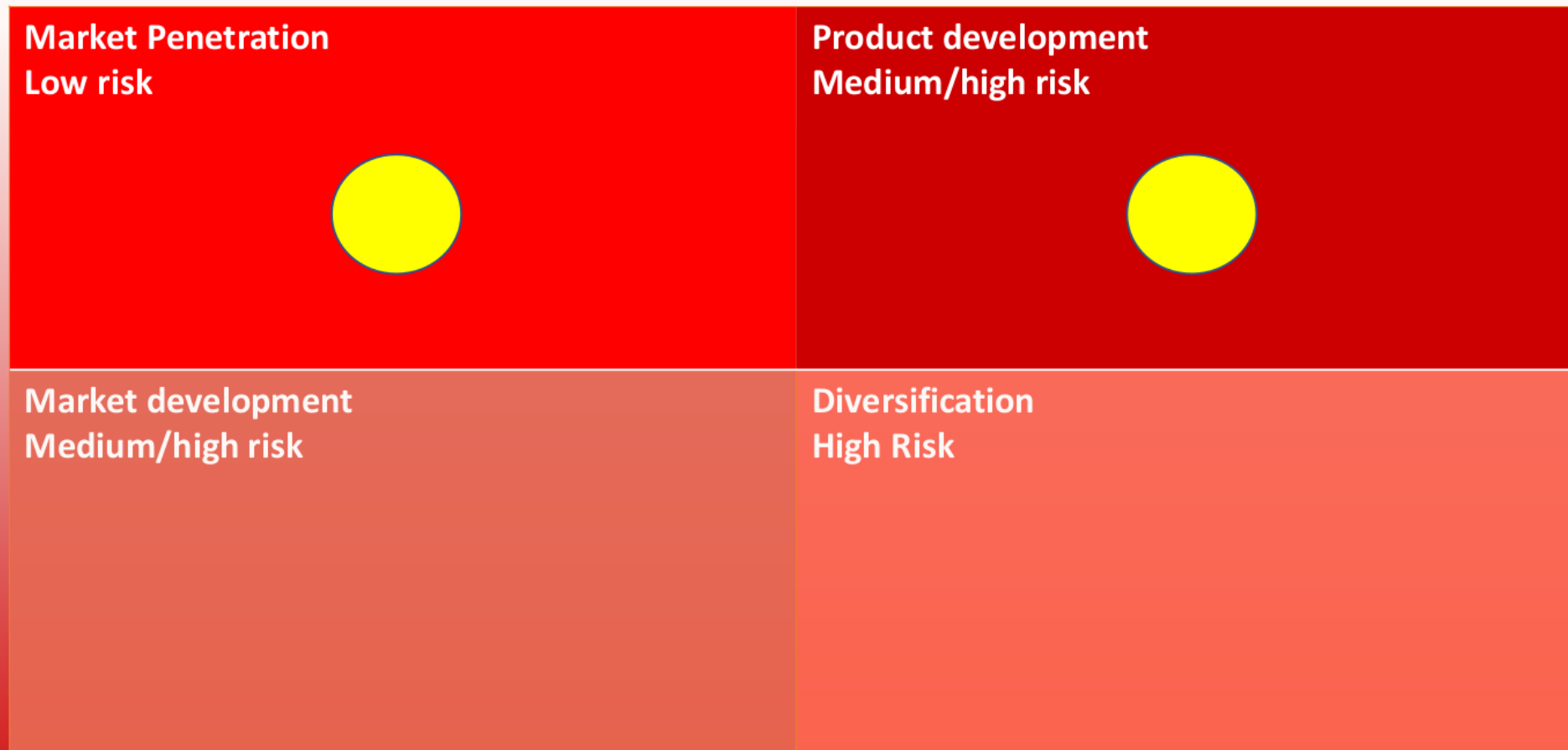


Qatar Airways SWOT/TOWS matrix

	Strengths 1. Financial strength due to strong profitability and growth 2. Consistent support from the state of Qatar 3. World class airline offering a premium service 4. Global network coverage with huge modern fleet and well trained staff	Weaknesses 1.Brand image not unique enough 2.Too dependant on business travellers and not focused enough on holiday travellers
Opportunities 1.2022 world cup in Qatar to fuel aviation growth 2.Development of Doha as a financial centre, tourist destination and connectivity hub for airlines 3.Technological advancement continues to provide opportunities for the aviation industry 4.Air travel demand from emerging and developed countries has grown in recent years	Strengths and opportunities strategies 1. Promote flights to Doha for world cup 2. Enhance premium service using advanced technologies 3. Implement strong marketing activities to target emerging market middle class population	Weakness/opportunities strategies 1. Use world cup event to boost brand image 2. Implement new marketing activities to target holiday makers rather than business travellers
Threats 1.Terrorism and political factors could impact on travel demand to and from Gulf countries 2.EU lobbying groups trying to implement restrictions on gulf airlines 3.A fall in oil prices will have a negative impact on Qatar's economy as a whole 4.Uncertainty around Covid-19 pandemic having a huge impact on travel demand 5.Strong competition from other international airlines 6.Environmental concerns around air travel and pollution as the demand grows	Strengths and threats strategies 1. Create more environmentally friendly fleet to reduce carbon footprint 2. Aggressive marketing through promotion and advertisement to gain higher market share across Asia	Weaknesses and threats strategies 1. Focus on building a brand which is more environmentally friendly than other airline companies



Strategic direction - Ansoff Matrix



(Adapted from: Ansoff, 1957)



Conclusion and strategic recommendations

The 2022 World Cup Strategy:

Launch aggressive marketing strategies for the 2022 world cup by exploiting advanced technologies and creating partnerships with external companies



The environmental awareness strategy:

Create an environmentally friendly company by scraping plastic products and becoming the first fully electric fleet airline.



Additional recommendation

Emergency Covid-19 strategy:

- Reduce operational costs
- Lay off staff
- Grow cargo business



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Presentation Ass 2

GRADEMARK REPORT

FINAL GRADE

/100

GENERAL COMMENTS

Instructor

Congratulations Emma on an excellent presentation, You consider the micro and macro issues regarding strategic mgt using a variety of effective tools and models.

You include some highly related research and apply issues to the Covid-19 situation which was current in March when you submitted this assignment.

It is a shame that on occasions your voice over cuts off at the end of some slides. It is important to proof read/check your work to avoid these issues as this could have improved your grade further but is a very good first time recorded presentation.

In order to improve your grade further you needed to consider the strategic aims and objectives of QR in terms of competition and not providing premier economy like so many of the carriers and the service provided. This could have been linked further to the competition with Etihad Airlines and Emirates and the relevancy of competition within the gulf nations & their relationship due to the blockade,

Some excellent use of stats and relevance to the developments at Cardiff Airport however this could be further linked to the One World Alliance and the changing relationship with BA however I appreciate that you needed to stay focused and were limited with time.

You discuss the 5 star image and awards which is good however as well as looking at this strategically it could be improved further by considering the prestige product . This is central to the Airlines Strategy.

The other strategic development which needed further focus is the hub and stopover destination development. QR and Hamad are working together with Discover Qatar as part of the Qatar 2030 Strategic Plan to market Doha as a stop over destination marketing incentives for 24-48 hr luxury stop overs at low cost in order to develop the hub and stop over niche tourism. This is related to cultural and sports tourism developments and is to work in competition with Dubai and Abu Dhabi for the gulf market. Hamad and QR are however currently contained in the gulf due to the blockade.You could have used the Singapore Airport strategic module from the field trip to consider this although I appreciate you had time constraints and needed to consider QR in depth.

Whilst your work is very well researched and used underpinning models and stats to critically consider QR's positioning and

strategies this presentation could have been improved further by using additional video clips from the Qatar events we attended which could have supported the luxury niche market role and your considerations of perceptions,

Very good analysis of key issues regarding financial resources, impacts and opportunities regarding the world cup as well as Covid and terrorism risks.

ASSESSMENT CRITERIA FEEDBACK

1.RESEARCH INFORMED LIT

A very well researched answer which includes a wide range of academic and industry based sources to underpin the presentation

14/20

2.KNOWLEDGE & UNDERSTANDING

An excellent knowledge and understanding of QR's positioning and strategic aims along with academic models which you have used to analyse and consider the macro and micro market issues

15/20

3. ANALYSIS

Some excellent analysis of the issues facing QR and discussions are highly relevant and use academic underpinning to develop and underpin

15/20

4.PRACTICAL APPLICATION & DEPLOYMENT

Excellent use of a range of academic models to underpin the assignment these are well applied and are highly relevant both in terms of management and marketing

16/20

5.SKILLS FOR PROFESSIONAL PRACTICE

Overall a very well presented

recorded presentation, a shame you cut off a couple of slides quickly but as a first try at video recording this was good. Your slides are very well presented and professional however the presentation would have benefited from the use of some short video clips to scene set and underpin discussions.

15/20

Provisional mark subject to moderation 75%

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