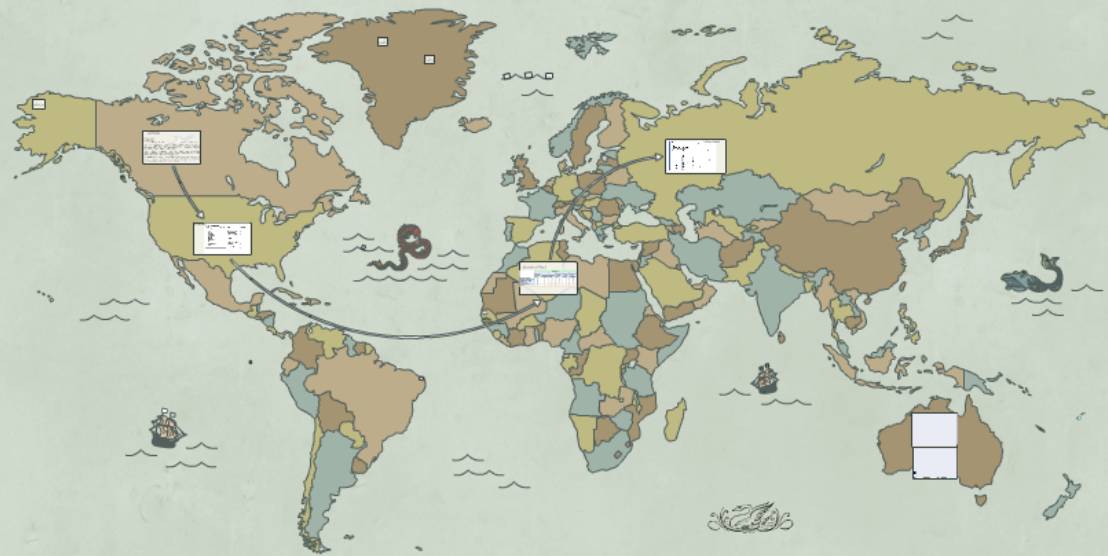
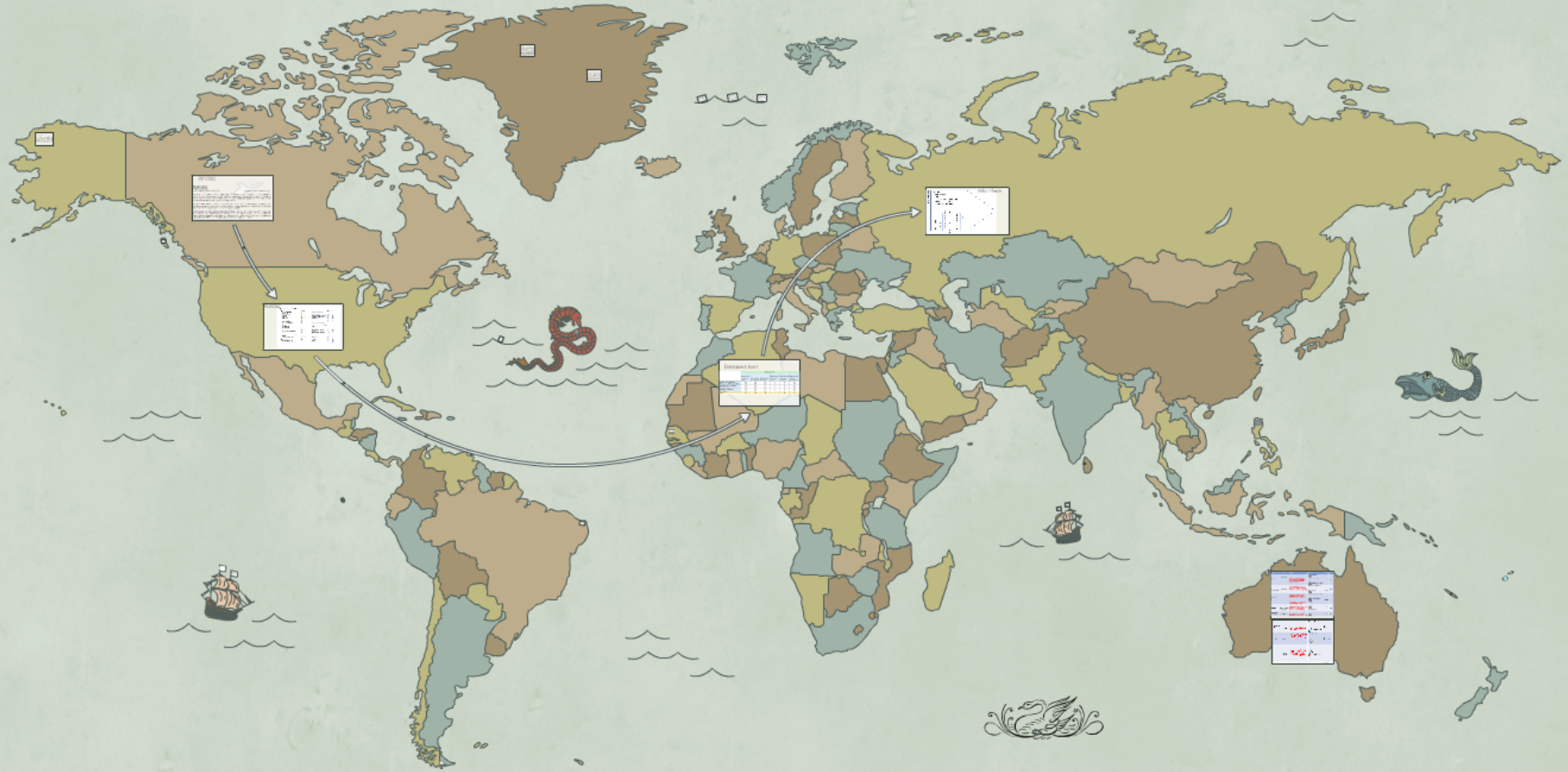


Air Canada & West Jet Group Assignment Case Solution



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Solution



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Problem statement:

What strategy will deal with the new competitors entering, high supplier power, intense competition and rivalry while dealing with positives such as a demand for quality, increasing demand for better customer service and more social demographics?



What is a wave?
A wave is a disturbance that travels through a medium, carrying energy from one point to another without the permanent displacement of the medium itself. The particles of the medium only move in a small circle perpendicular to the direction of the wave's motion.

Transverse waves
In a transverse wave, the particles of the medium move perpendicular to the direction of the wave's motion. Examples include electromagnetic waves and waves on a string.

Longitudinal waves
In a longitudinal wave, the particles of the medium move parallel to the direction of the wave's motion. Examples include sound waves and seismic P-waves.

Threat of New Competitors

The threat of new competitors in the Airline industry is low because of the industry's competitiveness. In order to survive, West Jet has to keep a strong customer base while maintaining a large amount of capital. The company has to keep their customers trust and loyalty to keep them from switching, especially when the switching cost is very low.

Quality

The threat of substitute products is quite high in the airline industry. There are air lines that are similar to West Jet with very low switching cost and convenient access. However they all differ from the quality of service they all offer.

Determinants of Supplier Power

The supplier power is the pressure that they can put on West Jet by changing quality, availability or prices or their products. Because of the bargaining power of supplier this affects the industry's competitiveness. A strong supplier can change a buyer's price and quality on the other hand the relationship is reversed when the supplier is weak.

Customer Service

West Jet sells services for customers and this comes with complex rules and regulations. Customers often have a lot of questions when they buy the ticket that is sold 24/7. By having a 24/7 customer service, West Jet can answer customer inquiries from all over the world anytime to accommodate different time zones.

Market of Non-Competing
The market of non-competing is the market where the products of different companies are not similar. The market of non-competing is the market where the products of different companies are not similar. The market of non-competing is the market where the products of different companies are not similar.

Characteristics of Perfect Power
The perfect power is the market where the products of different companies are not similar. The market of perfect power is the market where the products of different companies are not similar. The market of perfect power is the market where the products of different companies are not similar.

Industry Market Competition
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Industry Internal Competition

the airline industry is highly competitive. WestJet already had large competitors such as Air Canada. The companies in the industry need to keep their users' loyalty or it will result to them switching to another airline since the switching cost is low.

Demographic

By predicting the impact of population and age structure we can analyze population trends and use this data for the company's advantage. WestJet has a specific target market for their regular prices but their average flights are only 80% full. By taking a look at the demographic of the 80% of the passengers, we can make a strategy to target the minority.