Automotive And Transport Marketing: Ryanair

Introduction

In this report I will be discussing the following statement: “Marketing is the achievement of corporate goals through meeting and exceeding customer needs better than the competition”. I will be discussing this statement with reference to how to the company Ryanair conducts its marketing and business. I will be breaking the above statement down in to what I think are its keywords in order to better understand the statement as a whole. I think the keywords in the above statement are “corporate goals”, “meeting and exceeding customer needs” and “competition”. In this report I want to find out what corporate goals are and what are Ryanair’s own corporate goals. I want to find out what Ryanair’s customers’ needs are and how Ryanair meet and exceed these needs. And finally, I want to know where Ryanair’s competition comes from.

Corporate Goals

So, what are corporate goals anyway, that this statement I’m discussing refers to? Simply put corporate goals are the goals a company sets out that it wants to achieve. These goals can be the company’s values and its mission to do something. The goal’s a company sets will include what it wants for its customers, its investors and all of its employees. Some examples of goals that a company might set are leadership and commitment to employees, growth of the company, customer and employee satisfaction and loyalty and of course profit. In fact, improving profitability is a very common goal for companies. This makes perfect sense as if a company was not making a profit they would not realistically be in business for long. Companies will try to raise the prices of their goods or services, change suppliers of the raw materials or equipment that they use and try to reduce as many unnecessary costs as they can find all in the pursuit of making a profit. A company will try to make sure that all of their employees understand that making a profit is one of the company’s main goals and that it is important in order for the business to survive and continue to be a source of employment for many people. If a company doesn’t have goals it may struggle to find direction and purpose. (Duggan, 2018)

What are Ryanair’s corporate goals?

Ryanair’s main goal is “to firmly establish itself as Europe’s leading low fares scheduled passenger airline through continued improvements and expanded offerings of its low-fares service” (Mayer, 2007) Ryanair is very good at providing its customers with low fares. They are able to do this because of a strategy they use in which they fly to regional and secondary airports which can be very far away from city centres but would have point-to-point ground transportation services available. These airports will have deals made with Ryanair so the airline will only have to pay low fees for the landing and handling services at these airports. Another big goal of Ryanair’s, that also happens to be a current global issue, is that they are trying to reduce their carbon footprint in order to help combat global warming and climate change. Ryanair is trying to reduce their production of carbon dioxide emissions by using the latest aircraft and engine technologies. This is not only helping the company become more environmentally friendly and receive good publicity for doing so, but it is also saving the

company on running costs by reducing the fuel consumption of their fleet of planes. The costs of the newer planes will be regained by Ryanair over time through the savings they will make on fuel costs. Another thing that Ryanair do to help the environment and their own profit margins is to not offer any free food or beverages to the passengers so as to not generate waste in the form of disposed packaging and leftover food. (ukessays.com, 2018)

What are Ryanair’s customer’s needs?

Due to the fact that Ryanair is an airline company, the number one priority of the company is to get their passengers (customers) to their chosen destination. This is what the customers need the most. The customers also need to be able to fly to these destinations as cheaply as possible, this is why they chose to fly with Ryanair. After all it is a budget airline. Ryanair are deliberately a budget airline and advertises itself as just that. The thing with Ryanair is that they seem to focus on what their customer's needs are as opposed to what their customers wants are. For example, every customer, of any airline, wants a free meal or drink during their flight but they are not going to get this with Ryanair. However, they will likely not complain about this and they will probably continue to use Ryanair’s services in the future as the flight tickets are so cheap and they need to fly but they do not necessarily need the free food and drink that they want. (Golding, 2017)

How do Ryanair meet and exceed their customer’s needs?

Well as I was discussing in the previous section Ryanair is a budget airline. They meet their customers’ needs by offering them very cheap tickets in comparison to what other airlines charge their passengers. To put this in some perceptive I have been comparing the prices of flights from Dublin, Ireland to London, United Kingdom. At the time of writing this I could book a flight from Dublin to London with Ryanair for as little as €42 or I could buy a ticket from Aer Lingus and pay €124. Now these prices are both for a round trip ticket, but the difference is a stark €82. The flights are departing on Thursday the 16th of April 2020 and returning on Sunday the 19th of April 2020. The only difference is the Ryanair flight will go from Dublin airport to London Stanstead airport whereas the Aer Lingus flight will go from Dublin airport to London Heathrow airport. I was discussing earlier how Ryanair go for the airports with the cheaper landing and handling fees. For this trip there is also an option to go to London Gatwick airport from Dublin airport with Ryanair for €47 which is only €5 more than to go to London Stanstead with Ryanair. (www.google.com/flights, 2020)

Where does Ryanair’s competition come from?

It seems straightforward enough that Ryanair’s competition comes from other airlines that operate in the same countries that Ryanair operates in. “Ryanair serves 5 domestic destinations and 223 international destinations in 40 countries, as of April 2020”. (FlightConnections.com, 2020) Now as this statement would suggest Ryanair will gain many competitors as they operate in so many countries and regions. Now Ryanair’s competition comes from all airlines not just the other budget airlines. Due to the fact that the more premium airlines can offer much more in their packages than just the flight ticket, Ryanair needs to make their ticket prices low enough to make up for what the customer will be missing out on had they flown with one of the premium airlines. Ryanair then also has to remain competitive with the ticket prices of the other budget airlines as well. I have already compared prices for flight tickets

in the previous section of this report between Ryanair and Aer Lingus. I did this because Aer Lingus is one of Ryanair's competitors and the ticket prices gives the reader of this report a good idea of how Ryanair try to attract customers by offering them cheap tickets. Aer Lingus is not a budget airline, so this goes to show how much more expensive these premium airlines are in comparison to budget airlines. Some examples of airlines that are considered to be competitors of Ryanair "include EasyJet, Finnair, Flybe, Vueling Airlines, Wizz Air, Norwegian Air Shuttle and Pegasus Airlines". (Craft.co, 2020)

References

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