

Case Study: Development and Analysis of Delta Air Lines



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Porter's Generic Strategies

“Michael Porter presented three generic strategies a firm can use to overcome the five forces and achieve competitive advantage.” (Dess, G. 2023, p. 142). Overall cost leadership, differentiation, and focus strategy.

Delta Air Lines employs a differentiation strategy that is fundamental to its competitive stance in the airline sector. Instead of merely competing on price, Delta sets itself apart by providing an exceptional customer experience, bolstered by exclusive services and technological advancements. A prime illustration of this is the Delta Sky Club; luxurious airport lounges that offer business and frequent travelers' comfort, privacy, high-speed internet, and complimentary food and beverages. The existence of these lounges in key domestic and international airports strengthens Delta's premium brand image and attracts high-value customers.

Delta prioritizes digital convenience to boost customer satisfaction. They are at the forefront of technological innovations like in-flight Wi-Fi and mobile booking options. Additionally, a key feature on their mobile app is its mobile bag tracking system, enabling passengers to track the status and location of their checked luggage in real-time via the Delta mobile app. This innovation alleviates customer concerns about lost baggage and highlights Delta's dedication to transparency and reliable service.

Another essential element of Delta's differentiation strategy is its SkyMiles loyalty program. This rewards initiative encourages repeat business by providing redeemable miles for flights, upgrades, and various services. The elite tiers within the program offer additional benefits such as priority boarding, complimentary upgrades, and fee waivers. By fostering long-