# SWOT analysis for Buddha Air

Buddha Air is one of Nepal’s prestigious domestic airlines which has already maintained its image as a symbol of its safety and trustworthy in aviation business. It has a long history dating back to 1996 and has been consistent with the quality of travelling. It has maintained its unwavering dedication towards the environment and passengers. We have conducted a SWOT analysis of the company’s existing position and explained strategies and recommendations to strengthen its global presence while resolving problems connected to its current position.

SWOT Analysis

Strengths:

Buddha Air has a solid reputation in the Nepali aviation market for safety and dependability.

Having aircraft that are well maintained and efficient hanger operations.

The company’s monopoly in the Nepali passenger market.

Active presence and interactions in social media along with a user-friendly mobile application.

Weakness:

Limited International Presence: Buddha Aur has a limited world-wide presence, which can be perceived as weakness in contrast with larger international carriers.

Dependency on Nepal’s Tourism: The company’s revenue is subject to variations in tourist numbers as it has high dependency on Nepal’s tourism industry.

Technology Dependency: The reliance on technology for numerous activities may expose it to IT related disruptions affecting the company’s efficiency and customer service.

Opportunities:

International Expansion: Diversifying revenue streams and reducing the dependency on Nepali tourism market can be accomplished through international expansion.]

Leveraging Technology for Efficiency: Embracing sophisticated technology like data analytics and AI-driven operations, can boost efficiency in flight scheduling, maintenance, and customer support. This can lower costs while improving overall consumer experience.

Eco-friendly Initiatives: Given the present emphasis on sustainability, investing more in environmentally friendly operations may improve the image of the company in consumers perspective.

Threats:

Competitive Market: In new markets, the company will face competition from various domestic and international airlines which can reduce the value it currently have in the market.

Economic downturns: Economic instability, like the COVID-19 pandemics can influence the tourism industry, might constitute a substantial hazard.

Shifting Technology and Cybersecurity Threats: The airline is subject to data breachers and other cyberattacks, which might interrupt operations and compromise consumer information. This may require companies to upgrade their existing technologies to more evolved mechanisms.

## Analyzing Weaknesses of Buddha Air

### Limited International Presence

In an increasingly competitive global aviation sector, Buddha Air’s comparatively small global footprint can limit its expansion and growth prospects. The airlines need to have a comprehensive foreign expansion strategy to solve this, which can eradicate such weakness from the company. Being only limited to one small nation, limits the revenue factor for the company and its growth. Identifying undeserved routes that correspond with the airline’s capabilities and experience should be part of the ongoing plan to deal with such weakness. This may also entail evaluating destinations with increasing tourism, commercial or diaspora ties to Nepal. Furthermore, limiting a service to a nation limits the formation of alliances with other foreign airlines through which Buddha Air can research and learn new and modern implementations in airlines sector. The Reliance on the economy and tourism of a one single nation minimizes the revenue streams and limits the growth of overall company globally.

Dependency on Nepal Tourism Industry

Buddha Air’s reliance in the Nepalese tourism industry exposes it to economic volatility and shocks like those encountered during worldwide crisis such as the COVID-19 pandemic. Any effect that leads to economic disruption or operation of Nepalese tourism industry will directly hinder the economy of the Buddha Air as one of the main sources for revenue for Buddha Air is the tourism in Nepal. It has already happened during the COVID-19 crisis when the Nepalese tourism industry shut down due to pandemic and all the domestic flights had no international passenger, which was the main source of revenue. Even a small change in the regulation by Nepal Tourism Board on the tourism industry that downgrades the numbers of incoming tourists in Nepal can affect the major source of revenue for Buddha Air. Therefore, expansion of services beyond passenger flights locally can be planned to be dealt with this sort of problems.

## Solutions to overcome Buddha Air’s weaknesses based on Porter’s Competitive Advantage Strategy

### Cost Leadership Strategy through International Expansion

Buddha Air’s minimal worldwide footprint is a cost efficiency problem. The airline can pursue a cost cutting strategy through global expansion to address this issue. The strategic planning can be done by identifying undeserved routes where the airline can benefit from economies of scale and lower costs. The company can offer cheap prices to travelers by picking destinations with high traffic potential and employing efficient operation process. Furthermore, connecting and collaborating with foreign airlines or codeshare agreements can aid in optimization of route networks, reduction of operational costs, and increase efficiency. This can allow airlines to recruit a bigger client base and strengthen its competitive edge by becoming a cost leader in international market.

### Differentiation Strategy through Service Diversification

To offset the risk regarding the reliance on the Nepal’s tourism business, Buddha Air can implement a service diversification plan. This concept includes going beyond traditional flights in terms of services. For example, the airline can provide premium flight alternatives such as business class cabins with personalized services, resulting in a distinct and differentiated travelling experience than that of competitors. Furthermore, by providing services like cargo service, Buddha Air can accommodate to the individual demands of shippers, assuring secure cargo delivery. This diversification not only offers the airline numerous revenue streams, but it also distinguishes the company from its competitors. This will help Buddha Air to increase its competitive advantage and lessen its exposure to economic volatility in the tourism industry by focusing on service differentiation.

# Possible security threats for Buddha Air that may occur while expanding to new market.

## Cybersecurity Threats

Because the aviation business is increasingly reliant on new digital technologies, Buddha Air can be exposed to the cybersecurity threats. These threats may include hacking attempts, data breaching attempts or system interruption activities. These certain threats can interrupt and compromise important company and customer data, interrupt flight operations and can easily downgrade the reputation of the airline.

### Recommended solution for cybersecurity threat

Buddha Air should incest in a strong cyber security plan to mitigate the cybersecurity threats. Regular security assessments, the adoption of advance encryption and intrusion detection systems, and employee training on cybersecurity best practices should all be part of this approach. Furthermore, the airline should implement incident response methods to address any potential breaches as soon as possible.

## Political and Social Unrest in Overseas Markets

As Buddha Air develops into new international markets, it may experience political and social upheaval in some areas. Protests and strikes are examples of such disturbances, as are more serious occurrences such as political instability or conflict. Such incidents could interrupt airline schedules, cause flight cancellations, and jeopardize the safety of passengers and crew.

### Recommended solution for political and social unrest threat

To address this issue, Buddha Air should do rigorous risk assessments for each global market into which they intend to expand. This evaluation should consider political stability, societal considerations, and the airline's ability to adapt to changing circumstances. To lessen reliance on high-risk regions, the airline should also develop contingency measures and potentially diversify its route network. Furthermore, comprehensive insurance coverage that includes political risk.

# Critically analyzing how IT can leverage Buddha Air’s Supply Chain in the new market.

In following points, critical analyzation on how IT can leverage Buddha Air’s supply chain in the new market is done.

## Real-time Tracking and Optimization

IT is critical for offering Buddha Air's supply chain operations with real-time tracking and optimization capabilities. The airline can keep track of the motion of planes, cargo, and maintenance activities in real time thanks to innovative software and tracking systems. This continuous surveillance improves efficiency in operations through enabling the airline to make dynamic changes, including redirecting aircraft to prevent delays or optimizing maintenance plans based on actual circumstances. This feature decreases disruptions, lowers costs, and guarantees that passengers as well as freight are moved as efficiently as possible.

## Data Analytics for Informed Decision-Making

Data analytics is a strong IT technology which assists supply chain managers make informed decisions. Buddha Air can gather and analyze massive volumes of data pertaining to customer preferences, cargo quantity, flight efficiency, and maintenance requirements. The airline may make data-driven choices on planning routes, crew time management, and allocation of resources by employing data analytics. This helps save money, but it also enables proactive answers to future difficulties, such as altering flight schedules in reaction to variations in demand or optimizing routes to minimize fuel use.

## Customer Relationship Management (CRM)

Efficient IT-based CRM could considerably help Buddha Air's supply chain operations. The airline can get understanding of passenger actions, tastes, and opinions by collecting and analyzing consumer data. This data allows for the creation of specialized services, bespoke flight alternatives, and loyalty programs. These CRM activities improve the customer experience, increase customer loyalty, and add to the airline's overall performance. Customers who are satisfied are more inclined to use Buddha Air for their trips, resulting in higher demand for flights and cargo services.

## Enhanced Communication and Collaboration

IT allows for easy communication and collaboration throughout the supply chain network. This is especially relevant in the setting of international expansion when collaboration with numerous stakeholders is critical. Cloud-based collaborative platforms, for example, may link airlines, ground workers, repair crews, cargo handlers, and various other partners. This enhances communication, simplifies information exchange, and guarantees all parties in the supply chain is on the same page. Timely communication and teamwork are essential for properly managing complicated supply chain activities in a new market.

# Conclusion

To summarize, Buddha Air's strategic utilization of technology and information technology when a supply chain enabler enables the travel company to streamline activities, improve its client experience, and handle possible issues as it grows into new markets. The airline remains adaptable and competitive in the growing aviation business by employing real-time tracking, data analytics, and customer relationship management, preparing itself for long-term success.