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# Introduction

To demonstrate use of business intelligence tools, complete a fictitious business case using tables, graphs, dashboards, or programs, as applicable

# Prompt

JetBlue Airways Corporation is a New York-based air carrier which received revenue of $7.7 billion in 2018. However, in recent years, JetBlue has seen its operating income decrease as its operating expenses have increased.

Determine whether JetBlue’s competitors, American Airlines Group Inc., Delta Air Lines, Inc., and United Airlines Holdings, Inc., have experienced similar effects using the excerpts of income statements below. (See Table 1)

The COO suspects the increased expenses are related to compensation passengers may receive when a flight is delayed. To start, she wishes to better understand delays at the carrier’s New York hub.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date: | 12/31/2018 | 12/31/2017 | 12/31/2016 | 12/31/2015 |
| **DAL Income Statement** | | All numbers in thousands | | |
| Total Revenue | 44,438,000 | 41,138,000 | 39,450,000 | 40,704,000 |
| Operating Expenses | | | | |
| Total Operating Expenses | 39,032,000 | 35,481,000 | 33,226,000 | 34,203,000 |
| Operating Income or Loss | 5,406,000 | 5,657,000 | 6,224,000 | 6,501,000 |
| **UAL Income Statement** | | All numbers in thousands | | |
| Total Revenue | 41,303,000 | 37,784,000 | 36,558,000 | 37,864,000 |
| Operating Expenses | | | | |
| Total Operating Expenses | 37,524,000 | 33,937,000 | 31,469,000 | 32,372,000 |
| Operating Income or Loss | 3,779,000 | 3,847,000 | 5,089,000 | 5,492,000 |
| **JBLU Income Statement** | | All numbers in thousands | | |
| Total Revenue | 7,658,000 | 7,012,000 | 6,584,000 | 6,416,000 |
| Operating Expenses | | | | |
| Total Operating Expenses | 6,935,000 | 6,019,000 | 5,324,000 | 5,221,000 |
| Operating Income or Loss | 723,000 | 993,000 | 1,260,000 | 1,195,000 |
| **AAL Income Statement** | | All numbers in thousands | | |
| Total Revenue | 44,541,000 | 42,622,000 | 40,142,000 | 40,990,000 |
| Operating Expenses | | | | |
| Total Operating Expenses | 40,784,000 | 37,519,000 | 34,282,000 | 33,706,000 |
| Operating Income or Loss | 3,757,000 | 5,103,000 | 5,860,000 | 7,284,000 |

# Analysis

Comparing JetBlue cost growth to competitors

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Annual growth in operational expenses and income since 2015 for select airlines | | | | | |
| Carrier | Year | Opn. Expense, millions of usd | Opn income, millions of usd | Opn. expense growth, percent | Opn. income growth, percent |
| AAL | 2015 | 33,706 | 7,284 |  |  |
|  | 2016 | 34,282 | 5,860 | 2% | -20% |
|  | 2017 | 37,519 | 5,103 | 9% | -13% |
|  | 2018 | 40,784 | 3,757 | 9% | -26% |
| DAL | 2015 | 34,203 | 6,501 |  |  |
|  | 2016 | 33,226 | 6,224 | -3% | -4% |
|  | 2017 | 35,481 | 5,657 | 7% | -9% |
|  | 2018 | 39,032 | 5,406 | 10% | -4% |
| JBLU | 2015 | 5,221 | 1,195 |  |  |
|  | 2016 | 5,324 | 1,260 | 2% | 5% |
|  | 2017 | 6,019 | 993 | 13% | -21% |
|  | 2018 | 6,935 | 723 | 15% | -27% |
| UAL | 2015 | 32,372 | 5,492 |  |  |
|  | 2016 | 31,469 | 5,089 | -3% | -7% |
|  | 2017 | 33,937 | 3,847 | 8% | -24% |
|  | 2018 | 37,524 | 3,779 | 11% | -2% |

Table