



**HMT801**

**TRAVEL AGENCY AND TOUR OPERATION**

**SECTION:K0E35**

**REG NO.:11914642**

**ROLL NO.:RK19KPB54**

**SUBMITTED BY:NAVNEET CHAUHAN**

**SUBMITTED TO:DR. V.YADAV MAM**

## Travel Agency: MMT



MakeMyTrip is an Indian online travel company founded in 2000. Headquartered in Gurugram, Haryana, the company provides online travel services including flight tickets, domestic and international holiday packages, hotel reservations, rail, and bus tickets. As of 31 March 2018, they have 14 company-owned travel stores in 14 cities, over 30 franchisee-owned travel stores in 28 cities, and counters in four major airports in India.

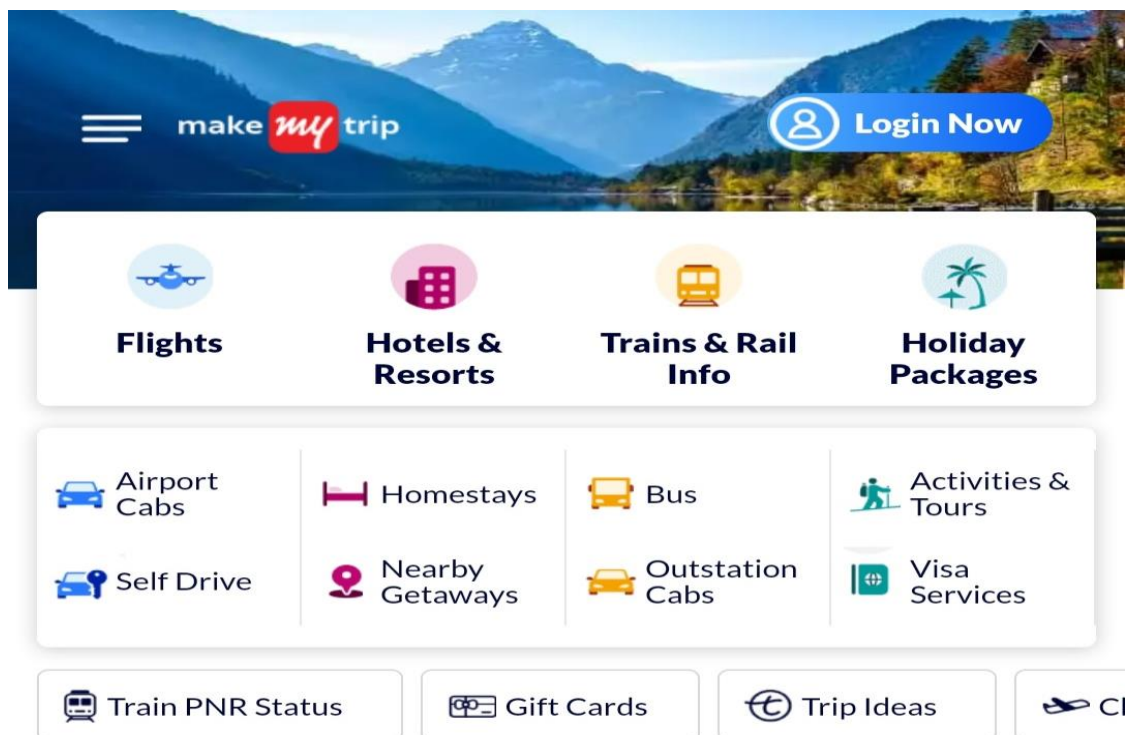
MakeMyTrip has offices in New York, Singapore, Kuala Lumpur, Phuket, Bangkok, and Dubai.

Nurtured from the seed of a single great idea - to empower the traveller - MakeMyTrip went on to pioneer the entire online travel industry in India. MakeMyTrip has revolutionised the travel industry over the years. This is the story of MakeMyTrip, India's Online Travel Leader. MakeMyTrip.com, India's leading online travel company was founded in the year 2000 by Deep Kalra.

Created to empower the Indian traveller with instant booking and comprehensive choices, the company began its journey in the US-India travel market. It aimed to offer a range of best-value products and services along with cutting-edge technology and dedicated round-the-clock customer support. After consolidating its position in the market as a brand recognised for its reliability and transparency, MakeMyTrip followed its success in the US by launching its India operations in 2005.

With the foresight to seize the opportunities in the domestic travel market, brought on by a slew of new airlines, MakeMyTrip offered travellers the convenience of online travel bookings at rock-bottom prices. Rapidly, MakeMyTrip became the preferred choice of millions of travellers who were delighted to be empowered by a few mouse clicks!

MakeMyTrip's rise has been lead by the vision and the spirit of each one of its employees, for whom no idea was too big and no problem too difficult. With untiring innovation and determination, MakeMyTrip proactively began to diversify its product offering, adding a variety of online and offline products and services. MakeMyTrip also stayed ahead of the curve by continually evolving its technology to meet the everchanging demands of the rapidly developing global travel market.



## **EXTERNAL ENVIRONMENT (MINOR AND MAJOR ENVIRONMENT)**

### **MINOR FACTORS:**

#### **COMMUNITY WELFARE:**

- MakeMyTrip Foundation also supports community welfare projects, depending on need and scope of impact.
- This includes support to disadvantaged and/or underprivileged groups of society.

#### **SUSTAINABLE AND RESPONSIBLE TRAVEL:**

- Travel that creates positive value for local communities, the environment and travellers by:
- Being kinder to our planet and in harmony with nature
- Promoting local livelihoods
- Promoting local culture and heritage
- Protecting, preserving and celebrating places people love to travel to
- Educating travellers about sustainable tourism habits

#### **COLLABORATION AND PARTNERSHIPS:**

- Together, we are greater than the sum of our parts.
- We collaborate with strong grassroots partners, civil society, social enterprises, innovators, local communities, the travel value chain, local stakeholders, other corporates and philanthropies, government, and travellers themselves.

## **MAJOR FACTORS**

### **Political Factors:**

- Political stability and importance of General Entertainment sector in the country's economy.
- Risk of military invasion
- Legal framework for contract enforcement
- Intellectual property protection
- Trade regulations & tariffs related to Services
- Anti-trust laws related to General Entertainment
- Pricing regulations – Are there any pricing regulatory mechanism for Services
- Taxation - tax rates and incentives
- Wage legislation - minimum wage and overtime
- Work week regulations in General Entertainment

### **Economic Factors:**

- Type of economic system in countries of operation – what type of economic system there is and how stable it is.
- Government intervention in the free market and related Services
- Exchange rates & stability of host country currency.
- Efficiency of financial markets – Does MakeMyTrip Limited needs to raise capital in local market?
- Infrastructure quality in General Entertainment industry
- Comparative advantages of host country and Services sector in the particular country.
- Skill level of workforce in General Entertainment industry.
- Education level in the economy

### **Social Factors:**

- Demographics and skill level of the population
- Class structure, hierarchy and power structure in the society.
- Education level as well as education standard in the MakeMyTrip Limited's industry
- Culture (gender roles, social conventions etc.)
- Entrepreneurial spirit and broader nature of the society. Some societies encourage entrepreneurship while some don't.
- Attitudes (health, environmental consciousness, etc.)
- Leisure interests

### **Technology Factors:**

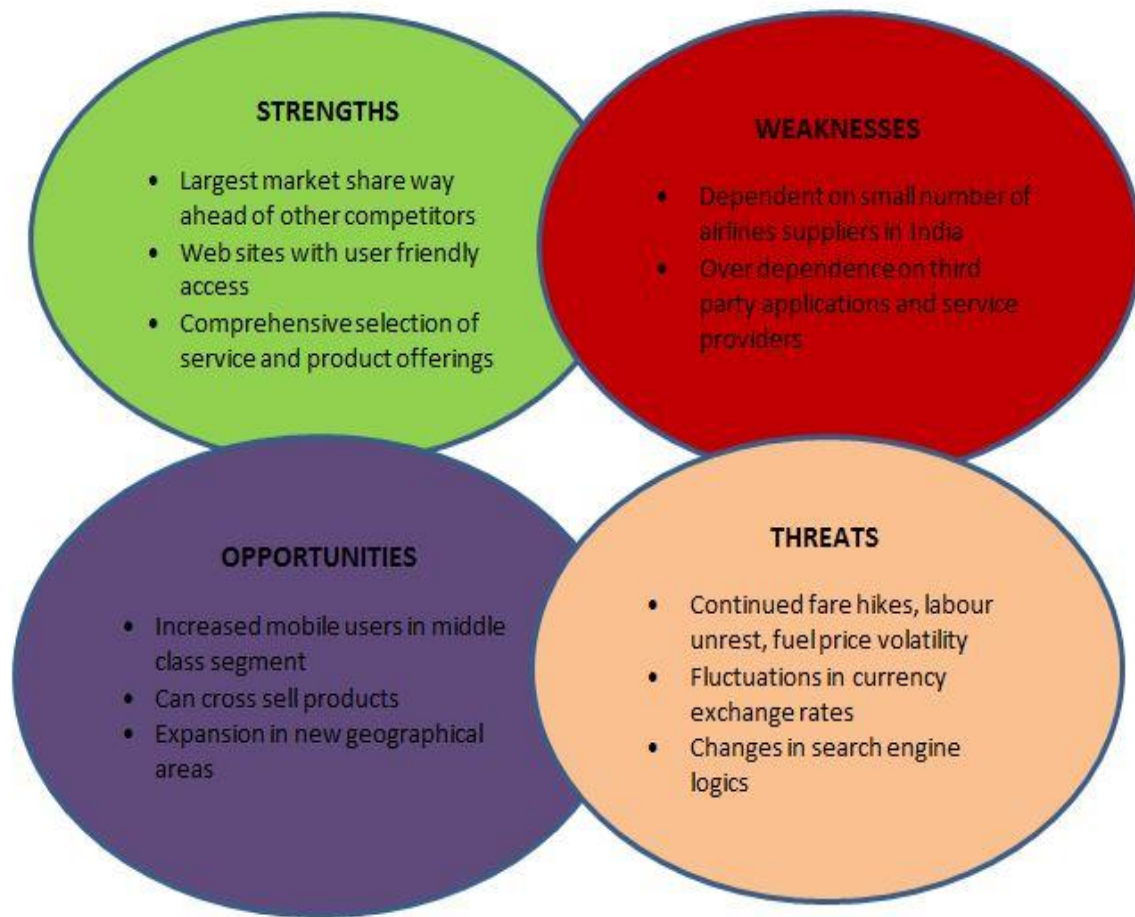
- Recent technological developments by MakeMyTrip Limited competitors
- Technology's impact on product offering
- Impact on cost structure in General Entertainment industry
- Impact on value chain structure in Services sector
- Rate of technological diffusion



## **SWOT ANALYSIS FOR MAKEMY TRIP**

SWOT analysis is a vital strategic planning tool that can be used by MakeMyTrip Limited managers to do a situational analysis of the organization. It is a handy technique to map out the present Strengths (S), Weakness (W), Opportunities (O) & Threats (T) MakeMyTrip Limited is facing in its current business environment.

The MakeMyTrip Limited is one of the leading companies in its industry. MakeMyTrip Limited maintains its dominant position in market by carefully analysing and reviewing the SWOT analysis. SWOT analysis an immensely interactive process and requires effective coordination among various departments within the organization such as – marketing, finance, operations, management information systems and strategic planning.



## **STRENGTHS**

- Good Returns on Capital Expenditure – MakeMyTrip Limited is relatively successful at execution of new projects and generated good returns on capital expenditure by building new revenue streams.
- Reliable suppliers – It has a strong base of reliable supplier of raw material thus enabling the company to overcome any supply chain bottlenecks.
- Highly skilled workforce through successful training and learning programs. MakeMyTrip Limited is investing huge resources in training and development of its employees resulting in a workforce that is not only highly skilled but also motivated to achieve more.

## **WEAKNESS**



- High attrition rate in work force – compare to other organizations in the industry MakeMyTrip Limited has a higher attrition rate and have to spend a lot more compare to its competitors on training and development of its employees.
- Financial planning is not done properly and efficiently. The current asset ratio and liquid asset ratios suggest that the company can use the cash more efficiently than what it is doing at present.
- Limited success outside core business – Even though MakeMyTrip Limited is one of the leading organizations in its industry it has faced challenges in moving to other product segments with its present culture.
- Need more investment in new technologies. Given the scale of expansion and different geographies the company is planning to expand into, MakeMyTrip Limited needs to put more money in technology to integrate the processes across the board. Right now the investment in technologies is not at par with the vision of the company.

## **OPPURTUNITIES**

- Decreasing cost of transportation because of lower shipping prices can also bring down the cost of MakeMyTrip Limited's products thus providing an opportunity to the company - either to boost its profitability or pass on the benefits to the customers to gain market share.
- New trends in the consumer behaviour can open up new market for the MakeMyTrip Limited. It provides a great opportunity for the organization to build new revenue streams and diversify into new product categories too.
- New environmental policies – The new opportunities will create a level playing field for all the players in the industry. It represent a great opportunity for MakeMyTrip Limited to drive home its advantage in new technology and gain market share in the new product category.

## **THREATS**

- Growing strengths of local distributors also presents a threat in some markets as the competition is paying higher margins to the local distributors.
- Imitation of the counterfeit and low quality product is also a threat to MakeMyTrip Limited's product especially in the emerging markets and low income markets.
- Changing consumer buying behaviour from online channel could be a threat to the existing physical infrastructure driven supply chain model.
- New environment regulations under Paris agreement (2016) could be a threat to certain existing product categories.