

RYANAIR HOLDINGS

DISCUSSION QUESTIONS

1. Ryanair has been highly successful in the past with its low cost leadership strategy in spite of poor customer service. What conditions in the market most likely facilitated this successful strategy? Are those conditions changing? In other words, is Ryanair's strategy likely to continue to be as successful in the future?
2. Does Ryanair possess any unique and hard-to-imitate resources that give the company a sustainable competitive advantage over other European airlines?
3. What are the most important factors in the external environment that are relevant to the European airline market? How does the company deal with each of these factors at present?
4. Briefly describe the strategies of each of the major competitors included in the case, making assumptions where necessary. Can you make a case that any of these companies is in an especially strong position moving into the future? An especially weak position?
5. The case mentions that Ryanair may be considering an acquisition. From among the competitors described in the case, who do you think Ryanair should consider and why? Would you expect that company to be interested in merging with Ryanair? What would Ryanair offer that they don't already have?
6. To what extent does size seem to matter in this industry? In other words, are economies of scale important?
7. The case mentions that government regulation is strong in the European airline industry. Does a high level of regulation favor a particular type of strategy over another?
8. What are the greatest risks Ryanair is facing?
9. Would you invest in Ryanair as of the time of the case? Why or why not?