

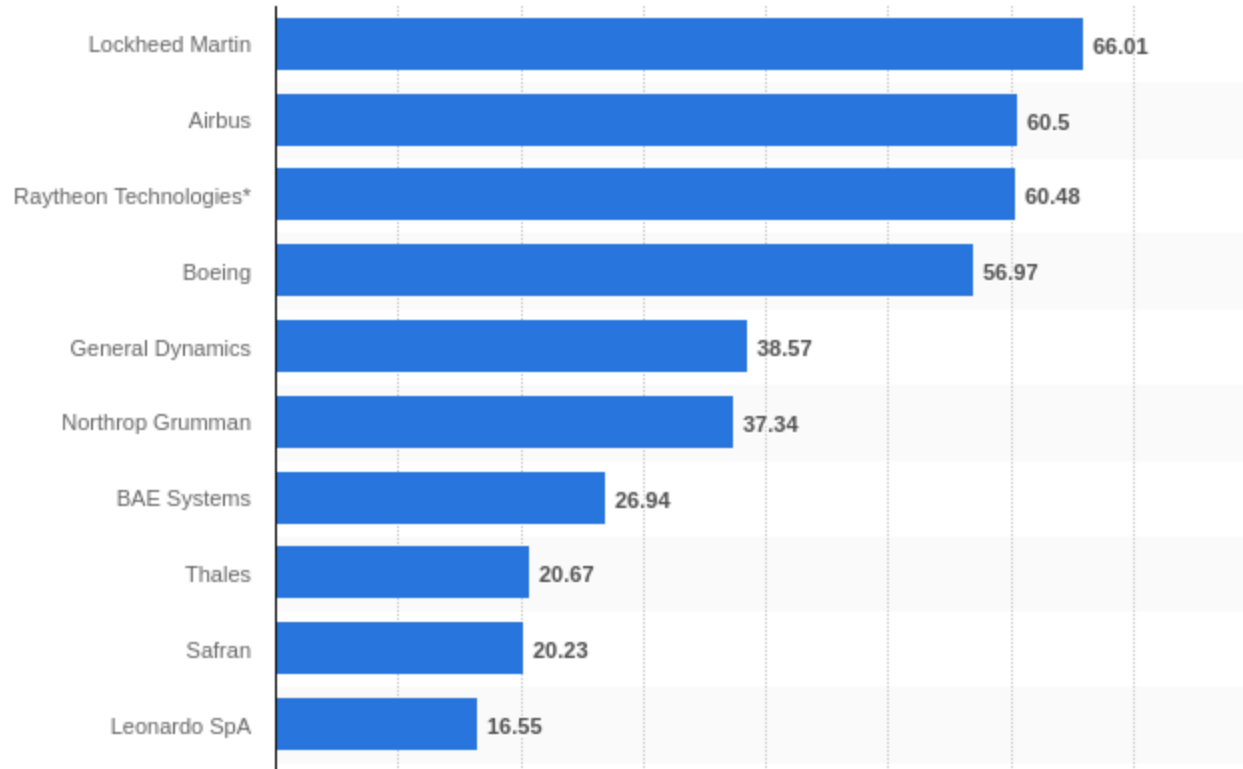
Boeing Roleplay

Please take out your homework

Welcome!



Top Aerospace companies



Airbus offers new fuel saving engine options for A320 Family

EN

FR

DE

ES

Summary

Customers will benefit from up to 15 percent reduction in fuel consumption

Airbus A320neo



Boeing 737 NG

01-Dec-2009 5:40 AM

Global economic crisis has cost the aviation industry two years of growth: IATA

Analysis

KNOWLEDGE @ WHARTON

TOPICS ▾

REGIONS ▾

RESEARCH

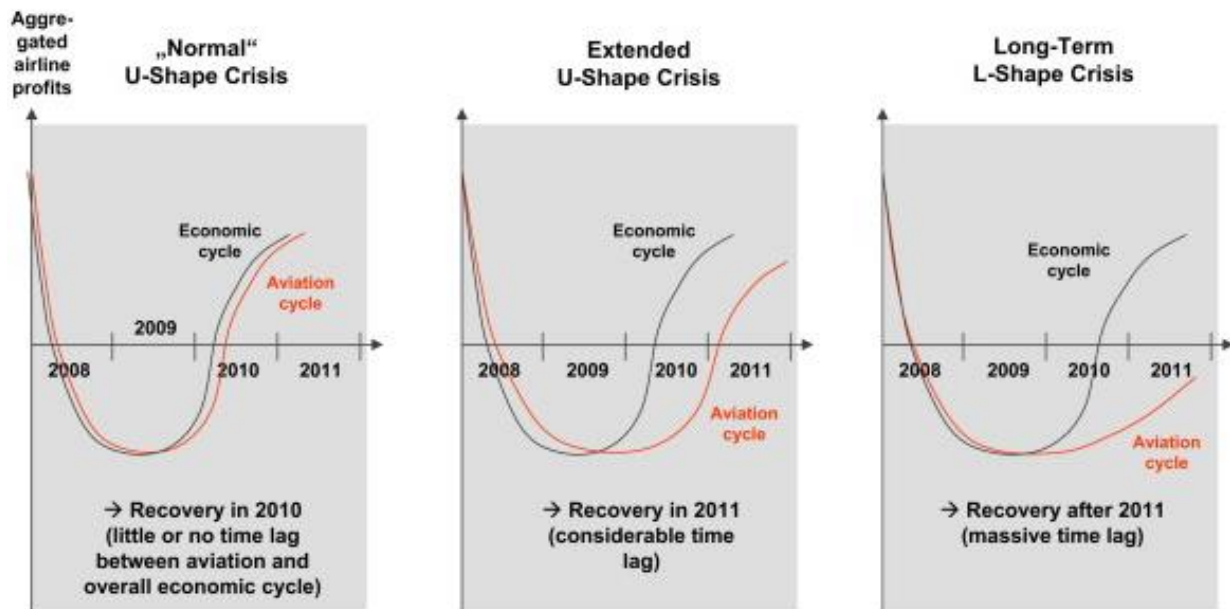
PODCASTS

MANAGEMENT

The Airline Industry's Rising Crisis

Aviation cycle seems to lag behind overall global economic cycle

Illustrative



[Download](#) : [Download full-size image](#)

Fig. 2. Possible shapes of the future economic and aviation cycle.

Questions?

Roles

Role 1 - CEO

Key points of knowledge:

- Boeing is suffering since the 2008 financial crash. The investment into large trans-Atlantic aircraft such as the 747 has not paid off and travelers are preferring smaller regional flights.
- Customers are looking for more efficient aircraft that can have larger takeoff weight and use less fuel
- American Airlines is threatening to drop Boeing in favor of ordering the new and more fuel-efficient Airbus A320neo

Goals:

- Maximize Boeing revenue
- Ensure Airbus (Boeing's primary competitor) does not capture market value

Disincentives

- Destabilize Boeing's income

Role 2 - CTO

Key points of knowledge:

- It will take around 10 years to develop a new alternative to the 737
- The 737's design is becoming dated. Originally released in 1967, it's becoming increasingly difficult to modernize the aircraft iteratively.
- The 737 could likely compete with the new a320neo by re-engining the aircraft with more efficient engines. This would take roughly 5 years but will be tricky to do so given the dated design.

Goals:

- Meet business goals of Boeing by building an effective aircraft on time that meets the needs of customers
- Develop aircraft features determined by higher up while adhering to any safety standards set forth by FAA/others

Disincentives

- Develop any systems that will hinder/prevent delivery of Boeing aircraft in a timely manner.

Role 3 - CMO

Key points of knowledge:

- Customers want an aircraft that is efficient, requires minimal training, and can be maintained alongside an existing fleet of Boeing 737 aircraft
- Customers view the Boeing 737 as dated compared to the Airbus A320

Goals:

- Develop a marketing campaign that will make customers want to buy the "new" 737 over the A320neo

Disincentives

- Develop any marketing material that makes Boeing look old, slow, or in any way worse than Airbus.

Activity 1

You will now have 15 minutes to discuss with each other and complete the following:

- Based upon your **Role Card**, and **Homework** what would you believe your course of action would be given all that you know?
- Document your answer to the above question individually after group discussion.

Activity 2

- Count off into randomized groups
- Document what your group (with various roles and incentives) will decide to do as Boeing Corporation (rather than your individual selves).

Homework

CEO -> Aerospace engineer

CMO -> Software Engineer

CTO -> Sales Executive