

Digital Transformation And The Future Of Qantas Airways: Facing The Challenges

Shallom Felicia Bastian^{1*}, Titania Devani², Soetam Rizky Wicaksono³

^{1,2}Ma Chung University, 65151, Malang, East Java, Indonesia

Email

112210064@student.machung.ac.id¹, damanhur@unimal.ac.id³

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Abstract

This study explores Qantas Airways' digital transformation in addressing the challenges of a dynamic global airline industry. Using a SWOT analysis, the study identifies Qantas' key strengths, including its advanced technology infrastructure and premium brand reputation, as well as its weaknesses such as high operating costs and limitations in the low-cost carrier segment. Opportunities such as low-cost service expansion, strategic partnerships, and digital transformation to enhance customer experience are examined in depth. Threats from intense competition, economic volatility, and environmental regulatory pressures are also discussed. The results show that digital transformation is key to Qantas' success in improving operational efficiency, sustainability, and global competitiveness. This study provides insights for other airlines to leverage technology to support business sustainability and growth.

Keywords: Digital Transformation, Qantas Airways, SWOT Analysis, Sustainability, Operational Efficiency, Aviation Industry, Technology, Customer Experience

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1. Introduction

The global aviation industry is facing increasingly complex challenges, including intense competition, economic pressures, and sustainability demands. In this context, digital transformation has become an urgent need for airlines to remain relevant and competitive. Qantas Airways, as Australia's national airline, has demonstrated a strong commitment to technological innovation to improve operational efficiency, customer experience, and environmental sustainability.

As one of the world's leading airlines, Qantas continues to adapt to global market dynamics. Investments in advanced technologies, such as artificial intelligence (AI) and cloud computing, have enabled the company to optimize its operations and strengthen its brand reputation. However, challenges such as high operating costs, geographic isolation, and competition from low-cost carriers require an integrated strategy to ensure business sustainability.

This study aims to analyze how Qantas leverages digital transformation to address these challenges, while exploring opportunities that can be utilized to increase competitiveness in the global market. Using a SWOT analysis approach, this study provides in-depth insights into Qantas' strategy in facing the changing landscape of the aviation industry.

2. Literature Review

Research on digital transformation in the aviation industry has become a relevant topic as the need to adapt to technological changes and market dynamics increases. According to Smith (2023) in "Digital Transformation in the Airline Industry: A Case Study of Qantas Airways," digital transformation plays a key role in improving operational efficiency and customer experience. The study highlights how Qantas leverages technologies such as cloud computing and artificial intelligence (AI) to optimize flight routes, predict aircraft maintenance, and fuel management (Smith, 2023). Brown (2022) in "Navigating Technological Disruption: The Role of Digital Transformation in Aviation" explains the importance of technological innovation to ensure the sustainability of airline operations. The study highlights the challenges faced by airlines such as Qantas in dealing with environmental regulatory pressures and global competition. The article also notes that investment in environmentally friendly technologies, such as sustainable fuels (SAF), can be a competitive advantage in the modern market (Brown, 2022).

In addition, the annual report (Limited, 2023) provides in-depth insights into the company's strategy in adopting digital technologies to support business sustainability and growth. The report identifies that a focus on personalizing customer service through data analytics and improving operational efficiency are key factors in Qantas' success (Limited, 2023).

This literature review provides a strong theoretical basis for understanding the role of digital transformation in enhancing competitiveness and sustainability in the aviation industry. By integrating findings from various sources, this study contributes to the existing literature by providing new insights into Qantas' adaptation strategy in facing global challenges.

3. Research Design and Method

This study uses a qualitative approach with a descriptive-analytical method to examine the digital transformation carried out by Qantas Airways. The data used are sourced from the Qantas Airways annual report, related case studies, and relevant journal articles. The literature review that forms the basis of this study includes three main sources. First, the annual report (Limited, 2023) which provides the latest information on the company's performance, digital strategy, and sustainability efforts. Second, scientific articles such as "Digital Transformation in the Airline Industry: A Case Study of Qantas Airways" (Smith, 2023) and "Navigating Technological Disruption" (Brown, 2022), which are the main references in understanding the company's strategic approach. Third, policy and regulatory documents that provide insight into external pressures, especially related to carbon emissions and international regulations faced by Qantas. The data analysis process was carried out using the SWOT framework, which involves identifying internal and external elements that influence Qantas' strategy. This analysis aims to provide an in-depth interpretation of the effectiveness of digital transformation in facing challenges while taking advantage of opportunities in the aviation industry. Through this approach, the research is expected to provide strategic insights that are relevant to the development of Qantas' sustainability and competitiveness in the global market.

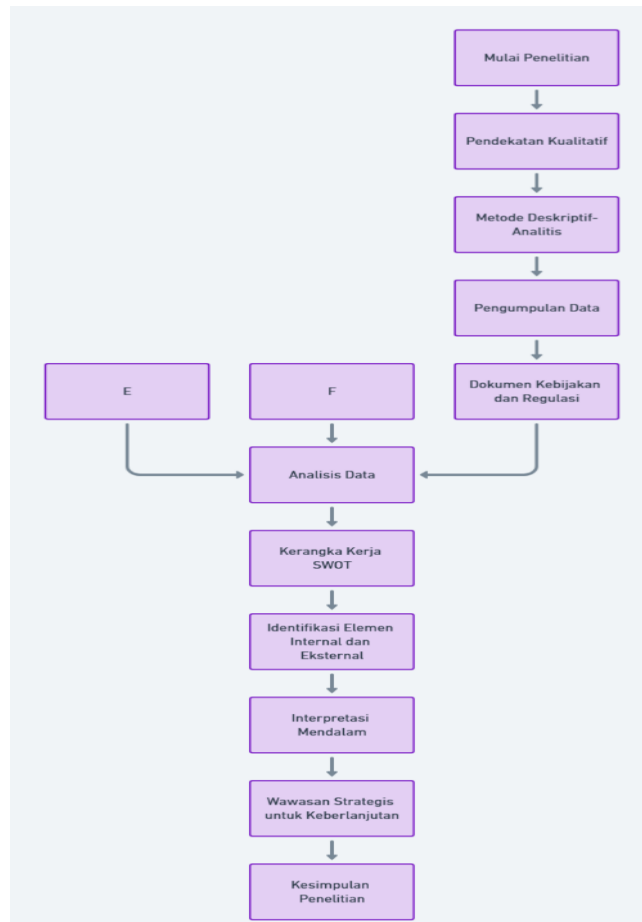


Figure 1.

4. Results and Discussion

SWOT Analysis for Qantas Airways

Strengths:

Infrastructure and Technology:

Qantas Airlines has successfully leveraged advanced technology infrastructure to strengthen its position in the global aviation industry. The digital transformation involved adopting cloud technology for data and application management, enabling greater flexibility and scalability. In addition, the use of artificial intelligence (AI) has helped Qantas optimize flight routes, predict aircraft maintenance, and fuel management. These technology systems not only improve operational efficiency but also support sustainability by reducing fuel consumption and carbon emissions. Qantas has also introduced features such as free Wi-Fi on domestic and international flights, which enhances the customer experience. This innovative digital infrastructure is a key competitive advantage for Qantas in facing the challenges of a dynamic market.

Brand Reputation:

As Australia's national airline, Qantas is known for its strong reputation for premium service and commitment to sustainability. Through digital transformation, Qantas has significantly improved the customer experience by providing a more personalized and efficient service. The user-friendly mobile

application allows customers to check-in, select seats, and access real-time flight information. Further personalisation is achieved through data analytics, which enables promotions and services to be tailored to individual preferences. Qantas’ global reputation is further strengthened through innovations such as Project Sunrise, which aims to provide long-haul non-stop flights. This demonstrates Qantas’ dedication to providing high-quality service while meeting the needs of an evolving global market.

Benchmarking Against Competitors:

In the face of global competition, Qantas has demonstrated its ability to compete with other major airlines such as Emirates and Qatar Airways. The use of cutting-edge technology has enabled Qantas to improve its operational efficiency and competitiveness. For example, the implementation of a predictive system for aircraft maintenance helps prevent breakdowns, improve safety and reduce downtime. In addition, Qantas has integrated digital features for a better customer experience, such as real-time access via a mobile app. These steps ensure that Qantas remains relevant and competitive in the international market. Digital transformation has also helped the airline forge strategic partnerships with technology companies to expand services and provide added value to customers.

Strengths (Kekuatan)	Opportunities (Peluang)	Threats (Ancaman)
Infrastruktur dan Teknologi	SO Strategies: Memanfaatkan infrastruktur teknologi digital, seperti cloud dan AI, untuk meningkatkan efisiensi operasional dan layanan pelanggan.	ST Strategies: Mengintegrasikan teknologi untuk menghadapi persaingan dari maskapai global seperti Emirates dan Qatar Airways.
Reputasi Merek	SO Strategies: Memanfaatkan reputasi global Qantas untuk menarik lebih banyak pelanggan premium melalui layanan personalisasi berbasis data.	ST Strategies: Menjaga kepercayaan pelanggan dengan meningkatkan keandalan layanan dan memenuhi kebutuhan pasar premium.
Benchmarking terhadap Pesaing	SO Strategies: Mengembangkan strategi baru berdasarkan analisis terhadap inovasi pesaing untuk tetap relevan di pasar global.	ST Strategies: Meningkatkan daya saing operasional dengan memanfaatkan teknologi untuk pemeliharaan prediktif dan integrasi fitur digital yang inovatif.

Figure 2. SWOT; Strengths Qantas Airways

Weakness:

Weakness High Operating Costs in Full-Service Airlines

Qantas, like other full-service airlines, faces significant challenges in the form of high operating costs, which include expenses for labor, fuel, and aircraft maintenance. Labor costs, which include salaries, benefits, and flight crew training, are one of the largest components in the operational cost structure. In

addition, the volatility of aviation fuel prices adds pressure on expenses, given that fuel contributes a significant percentage of total operating costs. Aircraft maintenance, which is essential for maintaining safety and regulatory compliance, also requires significant investment. In an academic context, high operating costs are often associated with challenges in maintaining profitability, especially during periods of economic uncertainty or increased competition. Therefore, Qantas needs to adopt a cost-efficiency strategy without sacrificing service quality to remain competitive.

Limited Presence in the Low-Cost Airline Segment

Although Qantas has Jetstar Airways as a subsidiary in the low-cost airline segment, its reach and influence are still limited compared to other airlines that focus on similar business models. Airlines such as AirAsia and Ryanair have successfully developed extensive networks with a primary focus on the budget market, allowing them to dominate this segment globally. Qantas' limited presence in this segment could hamper the company's ability to compete effectively in a market increasingly dominated by price-sensitive consumers. In its business strategy review, the low-cost carrier segment is considered a potential growth area, especially in regions with increasing numbers of middle-class travelers. As such, Qantas faces an urgent need to expand and strengthen its position in this market through strategic investment and service innovation.

Impact of Geographical Isolation on Operational Efficiency

As an Australian-based airline, Qantas faces the unique challenge of geographical isolation which has a significant impact on its operating cost structure. The long distance from global economic centers requires long-haul flights that consume more fuel and resources. In addition, environmental factors are also a major concern, as long-haul flights produce higher carbon emissions. In the context of sustainability, this geographical isolation requires Qantas to invest in more fuel-efficient and environmentally friendly aircraft technology. However, such investments require large capital outlays that can put additional pressure on the company's finances. In terms of operational efficiency, other airlines based in strategic locations, such as the Middle East or Europe, have the advantage of offering more cost-effective connectivity than Qantas.

Dependence on the Australian Domestic Market

Significant dependence on the Australian domestic market is another major weakness that Qantas faces. The majority of the airline's revenue comes from domestic routes, making it highly vulnerable to economic fluctuations and changes in travel trends in Australia. When the domestic economy weakens or travel demand declines, the impact can be felt directly on Qantas' revenue. In business risk analysis, dependence on a single market is considered a structural weakness, as it reduces revenue diversification. To mitigate this risk, Qantas needs to expand its penetration in international markets by increasing its route network and building strategic alliances. However, this expansion requires careful planning to ensure that it generates significant added value for the company.

Weaknesses (Kelemahan)	Opportunities (Peluang)	Threats (Ancaman)
Tingginya Biaya Operasional	WO Strategies: Mengadopsi teknologi hemat bahan bakar dan manajemen operasional berbasis AI untuk menekan biaya tanpa mengorbankan kualitas layanan.	WT Strategies: Menekan dampak volatilitas harga bahan bakar melalui diversifikasi sumber energi dan efisiensi manajemen rantai pasokan.
Keterbatasan di Segmen Maskapai Berbiaya Rendah	WO Strategies: Memperkuat kehadiran Jetstar Airways di pasar internasional dengan memperluas jaringan rute dan inovasi layanan anggaran.	WT Strategies: Menghadapi dominasi maskapai berbiaya rendah seperti AirAsia dengan membangun aliansi strategis dan peningkatan daya saing di segmen ini.
Dampak Isolasi Geografis	WO Strategies: Berinvestasi pada pesawat jarak jauh hemat bahan bakar dan memperkenalkan rute inovatif yang menghubungkan Australia langsung ke pusat ekonomi global.	WT Strategies: Mengatasi tekanan biaya dan emisi karbon melalui kolaborasi dengan industri teknologi ramah lingkungan untuk menciptakan solusi inovatif.
Ketergantungan pada Pasar Domestik	WO Strategies: Meningkatkan diversifikasi pendapatan dengan ekspansi ke pasar internasional, khususnya kawasan dengan pertumbuhan wisatawan kelas menengah yang tinggi.	WT Strategies: Mengurangi risiko ketergantungan pasar melalui kolaborasi global dan diversifikasi layanan yang tidak hanya berbasis penerbangan domestik.

Figure 3. SWOT Analysis; Weakness Qantas Airways

Opportunities:

Expansion of Low-Cost Services as an Opportunity for Revenue Diversification

The expansion of low-cost services through Jetstar Airways provides a strategic opportunity for Qantas to expand its market share in the growing budget travel segment. Increasingly price-sensitive consumers, particularly in the Asia-Pacific region, are creating high demand for affordable air travel. In this context, expanding Jetstar’s route network could be a strategic move to attract customers from a wider demographic group, while also diversifying the company’s revenue streams. In market studies, the low-cost segment is often identified as an area with significant growth potential, supported by the global trend of increasing middle-class travellers. However, this expansion requires a well-planned approach, including thorough analysis of target markets, tight management of operating costs and the development of competitive product offerings.

Opportunities in Strategic Partnerships and Alliances

Strategic partnerships and international alliances are an important opportunity for Qantas to increase its global reach, expand access to new markets and strengthen its service offerings. As a founding member of the Oneworld alliance, Qantas has leveraged its global network of partners to provide a more integrated journey for customers. In the context of the collaborative economy, alliances with other airlines not only improve operational efficiency through resource sharing but also create opportunities for joint product innovation. This opportunity is becoming increasingly relevant in the face of global competition, where airlines that are able to build strong collaborative networks have a higher competitive edge.

However, the effectiveness of these partnerships depends on the alignment of strategic visions and the ability to overcome operational challenges that arise from cross-border collaboration.

Digital Transformation for a Better Customer Experience

Investment in digital transformation offers significant opportunities for Qantas to improve customer experience, optimize operations and increase overall efficiency. With the development of technology, airlines can develop sophisticated mobile applications, intuitive online booking systems and engaging digital-based in-flight entertainment. In business technology studies, digital transformation is often associated with increased customer satisfaction and long-term loyalty. For Qantas, the implementation of this technology can also reduce administrative costs, increase service speed and provide deep data-based insights for strategic decision making. However, the success of this initiative requires significant initial investment and effective organizational change management to ensure optimal technology adoption.

Focus on Sustainability to Meet Modern Market Expectations

The growing awareness of global environmental issues provides an opportunity for Qantas to focus more investment in sustainability practices. The use of more fuel-efficient aircraft, the development of a carbon offset program, and the reduction of operational waste can help the airline meet the expectations of customers who are increasingly concerned about their environmental impact. In addition, the focus on sustainability also allows Qantas to comply with increasingly stringent environmental regulations, while building a reputation as an industry leader in environmental responsibility. In an academic context, the adoption of sustainable practices is often associated with long-term competitive advantage, as companies that are proactive in this issue tend to be more preferred by customers and investors. However, implementing a sustainability strategy requires careful planning to ensure that the initiatives generate economic benefits that are commensurate with the investment made.

Opportunities (Peluang)	SO Strategies	WO Strategies
Ekspansi Layanan Berbiaya Rendah	Memanfaatkan potensi pasar anggaran dengan memperluas jaringan Jetstar Airways untuk menarik pelanggan dari demografi yang lebih luas.	Mengelola biaya operasional dengan ketat dan merancang produk kompetitif untuk meningkatkan profitabilitas di segmen maskapai berbiaya rendah.
Kemitraan dan Aliansi Strategis	Memperkuat kolaborasi melalui aliansi Oneworld untuk meningkatkan jangkauan global dan menciptakan inovasi produk bersama.	Memastikan kesesuaian visi strategis dengan mitra untuk mengoptimalkan potensi kolaborasi lintas batas dan efisiensi operasional.
Transformasi Digital untuk Pengalaman Pelanggan	Mengembangkan teknologi digital seperti aplikasi seluler dan hiburan dalam penerbangan untuk meningkatkan loyalitas pelanggan dan efisiensi.	Mengelola perubahan organisasi untuk memastikan implementasi teknologi secara efektif dan mengoptimalkan investasi awal yang besar.
Fokus pada Keberlanjutan	Berinvestasi pada pesawat hemat bahan bakar dan pengurangan limbah operasional untuk memenuhi harapan pelanggan modern dan membangun reputasi.	Meningkatkan efisiensi energi dan memanfaatkan inisiatif keberlanjutan untuk mematuhi regulasi lingkungan sekaligus mengurangi biaya jangka panjang.

Figure 4. SWOT; Opportunities Qantas Airways

Threats:

Fierce Competition in the Aviation Industry

Like other full-service airlines, Qantas faces significant pressure from the intense competition in the aviation industry. The intense competition comes from full-service and low-cost carriers that continue to expand their networks and offer competitive fares. In this context, airlines that are unable to compete on price, service quality or operational efficiency often lose market share. For Qantas, this competition not only puts pressure on profit margins, but also forces the company to adopt marketing and pricing strategies that can attract customers. In an industry that relies heavily on customer loyalty and consumer preferences, Qantas faces the challenge of maintaining its competitiveness while maintaining its signature service standards.

Vulnerability to Economic Fluctuations

Economic fluctuations, particularly in the domestic Australian market, can pose a serious threat to Qantas. When the economy weakens or a recession hits, consumer spending power for air travel often declines dramatically, especially for non-essential travel. Qantas' reliance on the Australian market makes it more vulnerable to these impacts than airlines with a more diverse international route network. In academic contexts, this type of dependency is often associated with higher business risk due to lack of revenue diversification. Furthermore, during tough economic times, airlines face the dilemma of keeping ticket prices affordable to attract customers or maintaining profitability amidst rising operating costs.

Fuel Price Fluctuations

Fluctuating fuel costs are one of the major threats affecting Qantas' operational sustainability. As the largest cost component in the airline industry, changes in fuel prices can directly affect the company's profit margins. Although hedging strategies are often used to mitigate this risk, significant fluctuations can still create instability in long-term financial planning. Furthermore, Qantas' ability to pass on these cost increases to customers is often limited by consumers' price sensitivity. In an increasingly competitive industry, airlines must continue to look for ways to improve fuel efficiency through technological innovation and fleet modernization, even though such steps require significant investment.

Regulatory Pressures and Environmental Policies

Changes in regulatory and environmental policies place additional pressures on Qantas' operations. As a global airline, Qantas must comply with a range of international regulations covering carbon emissions, noise, and safety standards. Tougher environmental policies, such as carbon taxes or lower emissions targets, could significantly increase operating costs. In addition, the need to adopt environmentally friendly technologies, such as sustainable fuel aircraft, requires significant investment that may not immediately result in cost savings. In this regard, Qantas faces the challenge of balancing environmental sustainability with long-term profitability. As part of its long-term strategy, the company needs to collaborate with stakeholders to develop innovative solutions that support environmentally friendly operations without compromising competitiveness.

Threats (Ancaman)	ST Strategies	WT Strategies
Persaingan Ketat dalam Industri Penerbangan	Meningkatkan efisiensi operasional dan inovasi layanan untuk bersaing dengan maskapai lain pada kualitas dan harga.	Memanfaatkan teknologi canggih untuk meningkatkan keunggulan kompetitif sambil mempertahankan efisiensi biaya.
Kerentanan terhadap Fluktuasi Ekonomi	Memperluas jaringan rute internasional untuk mengurangi ketergantungan pada pasar domestik Australia.	Mengembangkan diversifikasi pendapatan dengan memasuki pasar baru atau segmen pelanggan yang kurang tereksplorasi.
Fluktuasi Harga Bahan Bakar	Mengadopsi pesawat hemat bahan bakar dan meningkatkan efisiensi bahan bakar untuk mengurangi dampak fluktuasi harga bahan bakar.	Menggunakan strategi lindung nilai (hedging) yang lebih canggih untuk meminimalkan risiko perubahan harga bahan bakar.
Tekanan Regulasi dan Kebijakan Lingkungan	Berkolaborasi dengan regulator dan perusahaan teknologi untuk memenuhi standar lingkungan dengan solusi inovatif.	Berinvestasi pada teknologi ramah lingkungan yang sesuai dengan kebijakan baru sambil menjaga stabilitas keuangan perusahaan.

Figure 5. SWOT; Threats Qantas Airways



Figure 6.

Discussion

Qantas Airways has a number of strengths that support its position as a global premium airline, including a reputation for high-quality service, advanced technology infrastructure that enhances operational efficiency, and customer-centric innovation. However, Qantas also faces weaknesses, such as high operating costs, heavy dependence on the domestic market, difficulty competing in the low-cost

segment, and geographical isolation that impacts its efficiency. Significant opportunities arise through the expansion of low-cost services with Jetstar, strategic partnerships, digital transformation, and a focus on sustainability to meet the needs of the global market. On the other hand, significant threats come from intense competition in the airline industry, vulnerability to economic fluctuations and fuel prices, environmental regulatory pressures, and the dominance of low-cost carriers that further increase competitive challenges.

PEST Analysis for Qantas Airways

PEST analysis is a framework used to identify and analyze external factors that can affect business strategy and operations. In the context of the airline industry, Qantas Airways, as one of the world's leading airlines, faces various external dynamics that affect the sustainability and growth of its business. This article will analyze the political, economic, social, and technological factors that are relevant to Qantas Airways.

Political

Environmental Regulation and Carbon Emissions

The Australian Government strongly encourages environmental sustainability through a national target of carbon neutral emissions by 2050. Qantas Airways has adopted this policy by designing the "Fly Carbon Neutral" program, which allows customers to voluntarily offset their carbon emissions through investment in environmentally friendly projects. In addition, Qantas has worked with Airbus to develop energy-efficient aircraft as part of its long-term strategy to meet global environmental regulations.

Political Stability in the International Market

As an airline operating globally, Qantas is affected by political stability in the international market, including the Asia-Pacific region which is the company's main focus. Geopolitical tensions, such as between China and the United States, can affect demand for Qantas' international routes. However, the Australian government has provided support through domestic and regional tourism promotion policies post-COVID-19, which provides an opportunity for Qantas to strengthen domestic and intra-regional routes.

Aviation Security Policy

Strict aviation security policies from international aviation authorities, such as ICAO, affect Qantas' operational standards. The company must continue to comply with these regulations, including the adoption of advanced security technology to ensure the safety of passengers and crew. Qantas' investment in predictive maintenance technology helps improve operational efficiency and safety.

Economic

World Oil Price Fluctuations

The price of aviation fuel is one of the biggest economic factors affecting Qantas' profitability. World oil price fluctuations, which peaked during the global geopolitical crisis, have prompted Qantas to improve fuel efficiency and use SAF (Sustainable Aviation Fuel) as an alternative. This program not only reduces dependence on fossil fuels but also helps reduce operational costs.

Impact of Recession and Global Economic Uncertainty

Global economic uncertainty due to the COVID-19 pandemic, inflation, and geopolitical tensions has reduced consumer purchasing power. However, Qantas has adopted a diversification strategy,

including increasing revenue from frequent flyer loyalty programs, airport management, and additional service offerings. This diversification helps the company maintain financial stability amid market volatility.

Domestic and Regional Tourism Trends

Domestic tourism in Australia has seen a post-COVID-19 resurgence due to international travel restrictions. Qantas has capitalized on this trend by offering flight and tourism packages designed to attract domestic travellers. This strategy has contributed significantly to the company's revenue during the global economic recovery period.

Social

Environmental Awareness

The growing public awareness of environmental issues is putting pressure on Qantas to improve the sustainability of its operations. Modern consumers are more likely to choose airlines that demonstrate a commitment to sustainability. The "Fly Carbon Neutral" program and investment in environmentally friendly aircraft have attracted customers and strengthened their loyalty.

Social Engagement and Community Empowerment

Qantas plays an active role in empowering communities through social programs, such as training local workers and collaborating with educational institutions to create employment opportunities. These initiatives not only strengthen the company's image as an entity that cares about the community but also help meet the need for a quality workforce in the aviation industry.

Post-Pandemic Consumer Behaviour Changes

The COVID-19 pandemic has changed consumer priorities, with more passengers seeking convenience, flexibility and personalised services. Qantas has responded to this change by launching digital services that allow customers to manage their travel online. This initiative has increased customer satisfaction and enhanced the travel experience.

Technology

Adopting Digital Technologies

Qantas is leveraging digital technology to improve operational efficiency and customer experience. The "Qantas App" platform provides features such as online check-in, baggage tracking, and personalized services based on customer preferences. In addition, big data and AI are used to analyze consumer behavior and predict market demand.

Innovation in Sustainability

Qantas' investment in sustainability technology includes the development of energy-efficient aircraft and the use of SAF. A strategic partnership with Airbus to develop low-fuel long-range aircraft demonstrates Qantas' commitment to carbon neutral emissions by 2050. Predictive maintenance technology is also used to minimize aircraft downtime and improve fuel efficiency.

Cybersecurity and Data Protection

With the increasing cyber threats, Qantas has enhanced its security systems to protect customer and operational data. The implementation of cloud technology and data encryption ensures the integrity of corporate information, which is a critical element in maintaining customer trust.

Qantas Airways demonstrates strong adaptability to external factors through innovation and digital

transformation. By combining sustainability strategies, operational efficiency, and personalized customer experiences, Qantas is not only able to face challenges in the aviation industry but also seize opportunities to maintain competitiveness in the global market..

Qantas Airways PEST Analysis Discussion

Political:

Qantas faces stringent regulations related to carbon emissions and flight safety that encourage companies to innovate in sustainability, such as the use of environmentally friendly fuels (SAF). International political stability and Australia's domestic tourism policy provide opportunities to strengthen local and regional routes. Government support for sustainability strengthens Qantas' position as a responsible industry leader.

Economic:

Fluctuations in oil prices and global economic uncertainty affect operating costs and customer demand. However, revenue diversification through loyalty programs and domestic tourism helps maintain financial stability. The growth of domestic tourism trends is a key opportunity post-COVID-19 to increase profitability.

Social:

Consumer awareness of sustainability encourages Qantas to increase environmentally friendly initiatives, such as the "Fly Carbon Neutral" program. Social engagement through community empowerment and post-pandemic behavioral changes, such as the demand for flexible and digital services, are important elements in improving customer experience and brand loyalty.

Technology:

Qantas leverages digital technologies, such as the Qantas App and AI, to improve service efficiency and personalization. Sustainability innovations, such as low-fuel aircraft and predictive maintenance, support carbon-neutral emissions. Investments in cybersecurity ensure customer data is protected, strengthening trust in the digital age.



Figure 7. Bagan PEST

5. Conclusions

This study concludes that digital transformation has become a key element in Qantas Airways' strategy to address the challenges of the airline industry. The SWOT analysis shows that Qantas' key strengths lie in its advanced technology infrastructure and premium brand reputation. However, weaknesses such as high operating costs and limitations in the low-cost carrier segment remain significant challenges. Opportunities to expand low-cost services, strategic partnerships, and focus on sustainability offer significant growth potential. Threats such as intense competition, economic fluctuations, and environmental regulatory pressures require innovative adaptation strategies.

The novelty of this study lies in the emphasis on the importance of environmentally friendly technologies, such as sustainable fuels (SAF), and the integration of data analytics for personalizing customer service. The strength of this study is the comprehensive approach through a SWOT analysis that covers various internal and external factors. However, the limitation of this study lies in the lack of primary data that can provide deeper insights.

For further research, it is recommended to examine the long-term impact of digital transformation on Qantas' profitability and sustainability, as well as explore comparative studies with other airlines to expand the generalizability of the findings

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