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by Sebastian Cortes

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Sebastian Cortes
Professor Nevile
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With all the technological advances and the fast way that the world is growing it started to the development more issues for the environment and one of the most important is the Carbon Footprint we are going to analyze what is the carbon footprint and in this case, we are going to talk about one company that produces a lot of carbon footprint and how is dealing with this problem, how affects the business, how they adapt the company for the new requirements that the environment needs and his plans to reduce the carbon footprint that the company produces in the environment.

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Introduction

Today the world is changing dramatically and with the technological advances that the world is experimenting with, an issue in our environment is starting to alert society. This problem is called a carbon footprint, but do we really know what is the carbon footprint and how it affects us? The carbon footprint represents the total volume of greenhouse gasses (GHG) produced by human economic and daily activities. Exists different types of carbon footprints for example

THE PERSONAL CARBON FOOTPRINT

The personal carbon footprint is the footprint of a single individual in his or her daily life as he or she moves around, consumes, eats, and uses resources such as energy. The environmental NGO The Nature Conservancy estimates that each inhabitant of the planet generates an average of almost four tons of CO_2 per year, while in countries such as the United States this amount quadruples per person per year.

The Nature Conservancy states that the personal carbon footprint must be reduced to less than two tons per year by 2050. Experts argue that this is the best way to prevent the temperature from continuing to rise and reaching the dreaded 2°C thresholds, which would aggravate climate change and make it an irreversible problem.

THE CARBON FOOTPRINT OF COMPANIES

Like individuals, entities also engage in activities that produce greenhouse gasses, for example during manufacturing, transportation, or energy consumption. The corporate carbon footprint measures all GHG emissions of companies and their extent, whether they are direct and can be controlled or not.

Companies often have the option of reducing or offsetting their carbon footprint by improving their energy efficiency, consuming 100% renewable energy, conducting awareness campaigns, investing in environmental projects, paying green taxes, or buying tons of CO_2 on the international emissions market, among other actions. The carbon footprint in companies damages the environment and the amount of Carbon Footprint that produces. That's the reason that many companies have established a commitment to reduce their carbon footprint.

Based on this the main focus is on the aviation sector because the Globally aviation industry is responsible for 2% of annual CO_2 emissions. The amount of carbon footprint generated is determined by different facts like the duration of the flight, the size of the plane, and the model of the plane. That's the reason why many Air flight companies are working to reduce the carbon footprint they produce. One of the companies with a big commitment to reducing that is called Alaska Airlines. It is considered one of the companies with more commitment to reducing its carbon footprint. It has been ranked by the International Council on Clean Transportation (ICCT) as the most fuel-efficient airline in the United States for 7 years in a row.

Main

Alaska Airlines is a major American airline headquartered in SeaTac, Washington, in the Seattle metropolitan area. It is North America's sixth-largest airline in terms of fleet size, scheduled passengers, and the number of destinations served. Alaska Airlines, along with regional partners Horizon Air and SkyWest Airlines, operates a large domestic route network, primarily connecting the Pacific Northwest, West Coast, and Alaska with over a hundred destinations in the United States, Hawaii, Belize, and Canada. The airline operates from five hubs, with Seattle-Tacoma International Airport serving as the primary hub. Alaska Airlines is a member of Oneworld, the world's third-largest airline alliance. As of 2020, the airline employs over 16,000 people and has been in business since 1946.

Competition in the industry

Alaska Airlines has 3 primordial competitors and they are Southwest, Delta, and United.

Southwest Airlines is one of Alaska Air's top rivals. Southwest Airlines was founded in Dallas, Texas in 1967. Like Alaska Air, Southwest Airlines also competes in the Passenger Airlines & Freight space. Compared to Alaska Air, Southwest Airlines generates $14B more revenue.

United Airlines is Alaska Air's #2 competitor. United Airlines was founded in 1926 and is headquartered in Chicago, Illinois. Like Alaska Air, United Airlines also operates in the Passenger Airlines & Freight space. United Airlines generates $32.1B more revenue vs. Alaska Air.

Delta is a top competitor of Alaska Air. Delta's headquarters is in Atlanta, Georgia, and was founded in 1925. Like Alaska Air, Delta also works within the Passenger Airlines & Freight sector. Delta generates 538% of Alaska Air's revenue.

Potential of New entrants in the industry

If there is a big threat from new entrants in the aviation industry, existing players will be willing to make lower profits to reduce threats from new players. Some new companies' bases in the routes and the competitors are these ones Aeroflyer and Jetlines

Power Of Supplies

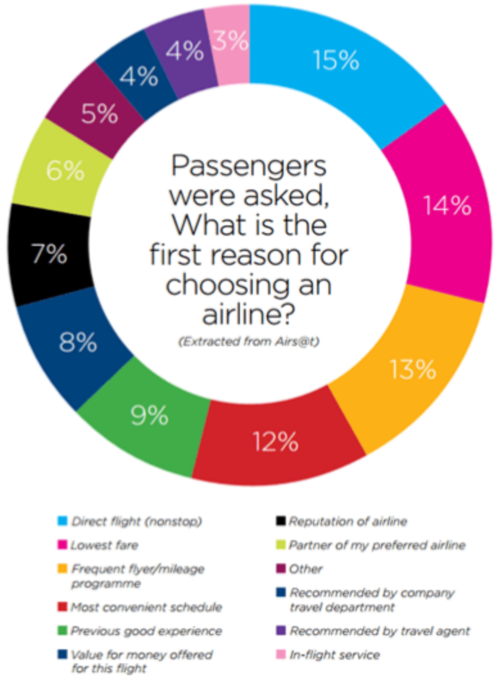
The company primarily needs two basic supplies that make up the bulk of its fixed costs. Planes and gas. In any case, these are products with few suppliers and few substitutes. As a result, airlines have little bargaining power with suppliers. It should also be noted that the business cycle and the oil price cycle do not necessarily coincide. Therefore, the air operation doubles.

Power Of Customers

The main customers are individuals and businesses. So mainly B2B and B2C business.

They tend to be unreliable. However, there are loyalty programs. Alaska Airlines has one card that gives benefits to its clients to try to stay loyal to the company that tries to retain customers who have some influence on the final decision.

Here is a graphic that explains how the customer decided which airline to take



Threat Of Substitutes

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Potential new entrants to the market pose a minimal threat to Alaska Airlines. The barriers to entry in the airline industry are very high. The operating costs are enormous and the government regulations that companies must face are There are many and they are very complex. No airline founded in the 21st century has a 2% market share. Founded in 1998, JetBlue is the latest airline to impact the industry.

SWOT ANALYSIS

Strengths Great experience Long term plan Geographical expansion Achievements in Customer services	Weakness Slow to adapt to social media marketing High bargaining power of channel partners High operations costs
Opportunities Partnership with IT companies New routes More investment in planes Market development in new geography areas Low-interest rates	Threats Economic instability Failure of supplies New competition Technology disruption Environment challenges

CORPORATE STRATEGY

Alaska Airlines Offers attractive long-term business strategies

1. Adding depth to its expansive network: Alaska intends to grow at a 4-8% annual rate through 2025, in part by investing in network depth. Alaska Airlines operates 1,200 flights per day to 120 destinations in North and Central America, including nonstop flights to transcontinental business routes and four Hawaiian Islands. Throughout its history, Alaska's network has consistently produced industry-leading margins, and its measured approach to restoring capacity post-pandemic enabled a return to profitability ahead of the industry. Guests can reach over 1,000 destinations while earning and redeeming miles on flights to locations all over the world through the airline's global partners in the Oneworld Alliance.

2. Operating a single, more efficient fleet: The company will share plans today to accelerate the transition of its 300+ aircraft fleet to all-Boeing 737 mainline operations and all-Embraer E175 regional jets by the end of 2023. These transitions are expected to generate significant economic benefits, in keeping with Alaska's low-cost, high-productivity mindset. As the fleet grows to 400 aircraft by the mid-decade mark, these benefits will be realized through operational simplicity, flexibility, and scalability, improved fuel efficiency, and lower maintenance costs. In addition, the company is expanding its cargo operations by converting two passenger 737-800s to freighters, bringing the total freighter fleet to five.

3. Providing world-class care: Care is at the heart of Alaskan culture, fueled by its people and evident in everything they do. It has resulted in high guest satisfaction and long-term loyalty for the airline. Through its Pathways program, which cultivates talent from regional to mainline operations, the company will continue to invest in its people. Furthermore, through its Ascend Pilot Academy, it is developing the next generation of pilots and training existing employees for new jobs. In addition, the company is committed to making measurable progress on initiatives that promote diversity, equity, and inclusion.

4. Alaska's award-winning loyalty program is being expanded through a renewed co-branded partnership: Alaska and Bank of America announced today that their co-branded credit card agreement has been extended until 2030. This agreement will improve guest benefits while also increasing the airline's profitability. As part of the OneWorld Alliance, Alaska's Mileage plant is the industry's most generous loyalty rewards program, with miles earned based on flight distance rather than dollars spent and the ability to earn and redeem to over 1,000 global destinations. Alaska's co-branded credit card with Bank of America currently provides cardholders with Alaska's Famous Companion FareTM, a free checked bag, the ability to earn 3x the miles on eligible Alaska purchases, a 50% discount on day passes for Alaska Lounge access and 20% back on all in-flight purchases and many other travel benefits.

5. Maintaining a robust business model for long-term value creation: Alaska's legacy of industry outperformance is guided by strong management and performance principles. Today, the company published the guidelines that drive its financial sustainability and performance, adding transparency to its financial management principles and capital allocation strategy. The following are important components:

-Providing capital returns that consistently outperform the industry and the company's cost of capital

-Managing the company and allocating capital with a long-term view and a consistent set of priorities.
Putting a premium on consistently and sustainably producing free cash flow.

Previous Close	43.73
Open	43.41
Bid	41.07 x 1100
Ask	44.62 x 900
Day's Range	43.27 - 44.51
52 Week Range	38.19 - 61.55
Volume	3,204,886
Avg. Volume	1,467,704
Market Cap	5.609B
Beta (5Y Monthly)	1.44
PE Ratio (TTM)	107.85
EPS (TTM)	0.41
Earnings Date	Jan 25, 2023 - Jan 30, 2023
Forward Dividend & Yield	N/A (N/A)
Ex-Dividend Date	Feb 14, 2020
1y Target Est	61.67

Graphs source from Yahoo finance

Alaska Airlines and the carbon footprint

Alaska Airlines continues its plan to reduce the Carbon footprint that the company produces by 2040 to be a Net Carbon Zero. But for a company that produces 750 million gallons of fuel every year, it's going to be a challenge that the reason Alaska Star Ventures comes in, our new LLC, will help us discover, partner with, and enable technologies to help us take real and meaningful steps toward reaching net--zero carbon emissions within the next decade or sooner also another goal that the company has is to become the most fuel-efficient U.S airline and cut the climate emissions and the company join to amazon and over 100 companies in signing the Climate Pledge a commitment to be net zero carbon across the business 10 years ahead of the Famous Paris Agreement. The company has five parts plan to become a net zero company

-Fleet renewal
-Operational efficiency
-Sustainable aviation fuel
-Novel propulsion
-Credible High-Quality carbon

This is a clear reason to believe that Alaska Airlines have clear goals for the future and a specific plan to have the success to become a net zero company.

Conclusion

In conclusion Alaska Airlines has great challenges to confront in this couple of years. But the fact of how his business plan and the incorporation of IT and other technologies to reduces the carbon footprint it's pretty interesting and depends on how the company manages its strategies in these years but at least right now they are the best environment-friendly in his industry, that's the reason that this company in the couple past years have been archive many awards and considered his diversification and how they plan to reduces cost in the future with the technologies that are implementing and reducing his carbon footprint to in the future reduce cost it's a very interesting proposal and also consider the financial aspects in this couple of years been a consistent company and that is hard, especially for the Airlines industry. So with all these Alaska Airlines is considered a great company that has a great proposal to be 2040 a completed Clean carbon footprint company.

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