

ABSTRACT

SHAPING THE COMPETITIVE POSITION OF A NETWORK CARRIER ON THE POLISH AIR TRANSPORT SERVICES MARKET BASED ON THE EXAMPLE OF LUFTHANSA AG

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The thesis focuses on the market of air carriers and specifically the passenger traffic in regular service in Poland. The functioning of air carriers on the market is conditioned by their ability to gain a competitive advantage in the constantly changing local and global conditions. Obtaining a competitive advantage is a prerequisite for achieving a leading competitive position. Whereas, evaluation of the current competitive position is necessary to develop successful competitive strategies in order to compete, not only within the market, but also with inter-industry competitors.

Traditional approaches for evaluation of carrier's competitive position have numerous limitations. They often focus on a single evaluation criterion, such as market share (number of passengers), industry-specific carrier rankings, or an analysis of the company's financial condition. Such a one-dimensional assessment of the competitive position may not reflect the full picture of the market reality and thus lead to suboptimal or even erroneous conclusions. Therefore, the main goal of the thesis was to develop a comprehensive model of shaping of the competitive position of air carrier on the aviation market in relation to its competitors.

Primary and secondary data were used to achieve the assumed goal. Secondary data was retrieved from reports published by air carrier and aviation organizations. The primary data was obtained from the proprietary study "Selected air carriers in Poland. Passengers' perspective". The study was carried out at the turn of 2019/2020 and captured the state of the passenger transport market in Poland just before the crisis caused by COVID-19. The survey

was conducted in the form of an on-line questionnaire with a quota-random sample of 501 respondents from the Kantar Polska online research panel. The selection of the sample was based on the results of the nationwide representative reference consumer survey TGI.

The proprietary study took into account the importance of competitive factors both declared directly by the respondents and modeled on the basis of their choices. The importance of the factors was determined with the support of *MaxDiff* and *Conjoint* questionnaire techniques and analytical methods such as logit models and Plackett-Luce models dedicated to rankings data. Individual hierarchies of competitive factors were then used to develop a new, proprietary segmentation of passengers. The thesis also presents the application of the method of recursive partitioning trees to indicate subgroups of passengers with different ratings of air carriers.

The model of shaping of the competitive position proposed in the thesis consists of:

- 1) evaluation of the competitive position of the carrier compared to its competitors (using the perspective of passengers, financial condition and market shares);
- 2) evaluation of external factors that affect the development of the air carrier;
- 3) development of competitive strategies;
- 4) implementation of competitive strategies;
- 5) return to point one and start of a new cycle.

Based on the developed model, the competitive positions of the largest air carriers on the Polish market were examined, with particular emphasis on the Lufthansa AG. Based on the proprietary study and analysis of secondary data, recommendations were prepared for development of competitive strategies for the aviation market in Poland and the air carrier Lufthansa AG specifically. Part of the conclusions are of methodological nature and can be used by market analysts and authors of future research related to topics of aviation market and shaping of competitive position of an air carrier.

Key words: air transport services market, air carrier, competitive position, passenger research, Poland, Lufthansa AG