A Study On the Impact of Airline Alliances Through Connecting Flights On Passenger Ticket Choice

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Abstract:

This study examined how airline alliances influenced ticket-purchasing choices among passengers in Chennai. Airline alliances offered passengers better connectivity, shared loyalty programs, and competitive ticket prices. The research focused on factors such as network expansion, code-sharing convenience, frequent-flyer benefits, ticket pricing, and brand image. The study adopted a descriptive and quantitative research approach. Primary data were collected through structured questionnaires administered to passengers in Chennai, while secondary data were obtained from airline reports and academic sources. Convenience sampling was used, with a target sample size of 159 respondents. Statistical tools such as percentage analysis, correlation, regression, chi-square test, and ANOVA were applied using MS Excel to analyze the data. The findings helped to understand how passengers in Chennai perceived airline alliances and how these alliances influenced their ticket-buying behaviour.

Keywords: Airline Alliances, Passengers, Ticket Choice, Frequent Flyer Programs.

1. Introduction:

The global aviation industry has undergone a remarkable transformation over recent decades, with airline alliances emerging as one of the most influential strategies shaping competition. These alliances allow carriers from different regions to collaborate in offering extended connectivity, joint marketing initiatives, shared frequent-flyer programs, and seamless travel experiences for passengers.

Airline alliances have redefined global air transport by linking networks, optimizing capacity, and improving overall passenger convenience. They create mutual benefits—airlines gain market reach, cost efficiency, and brand visibility, while passengers enjoy wider route access, smoother interline connections, and the ability to earn and redeem loyalty points across member airlines.

In India, rapid economic growth, urbanization, and tourism have driven a surge in air travel demand. Chennai, as one of the country's major aviation hubs, plays a vital role in both domestic and international connectivity, making it a suitable location to examine alliance impacts on travel behavior. This study aims to analyze how airline alliances influence passenger ticket choice in Chennai. It

focuses on key factors such as network expansion, code-sharing convenience, frequent flyer programs, ticket pricing, and brand perception, providing insights into passenger preferences and airline competitiveness.

2. AIRLINE ALLIANCES – CONCEPT AND EVOLUTION

An airline alliance is a cooperative agreement between two or more airlines to provide coordinated services and operational integration without full mergers. Alliances allow airlines to share codes, coordinate schedules, integrate frequent flyer programs, and offer passengers a seamless travel experience across multiple carriers.

The evolution of alliances has passed through several stages:

- Code-sharing agreements (1980s): Airlines began sharing flight codes to sell seats on each other's flights.
- Global alliances (1990s): Formal alliances like Star Alliance and Oneworld were created to enhance international cooperation.
- Strategic integration (2000s): Alliances began sharing airport lounges, check-in counters, and customer data systems.
- Digital and sustainability focus (2020s): Alliances are now using technology for real-time booking integration, carbon offset programs, and personalized travel experiences.
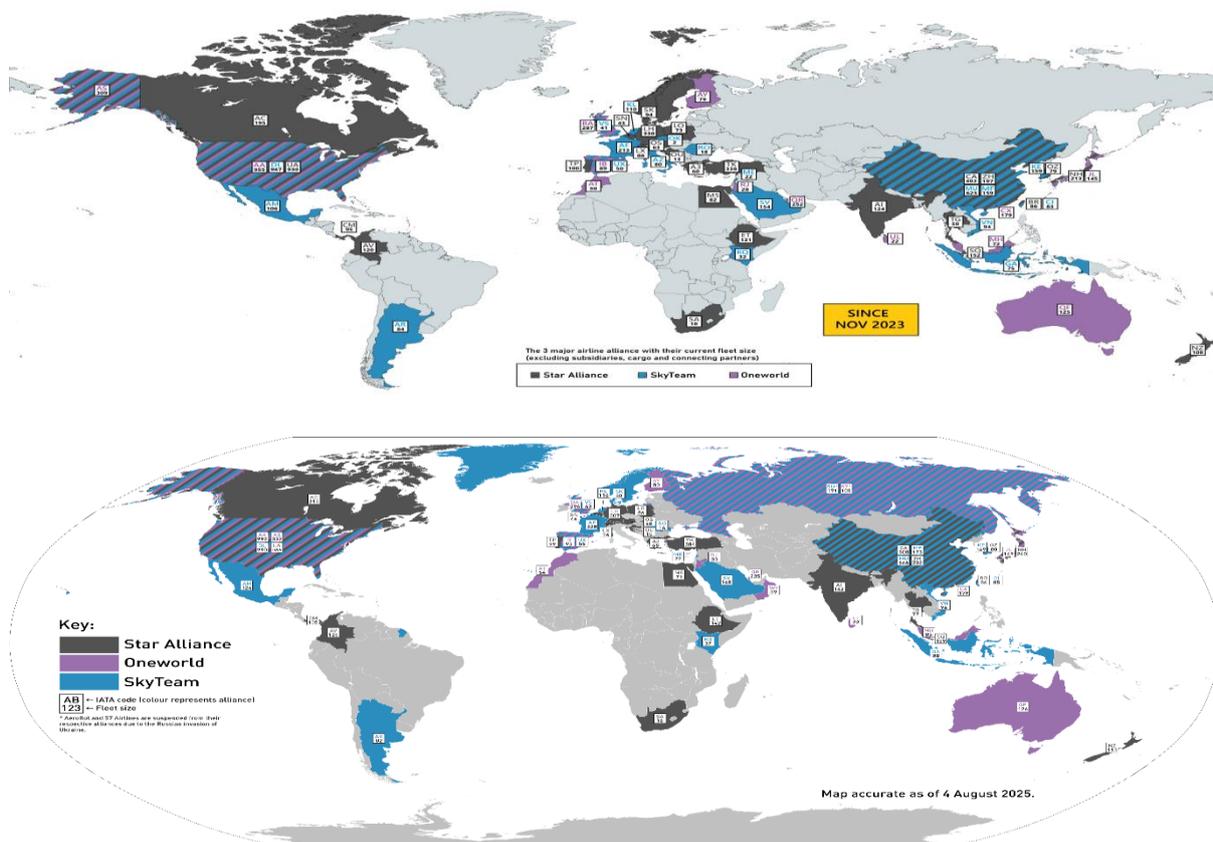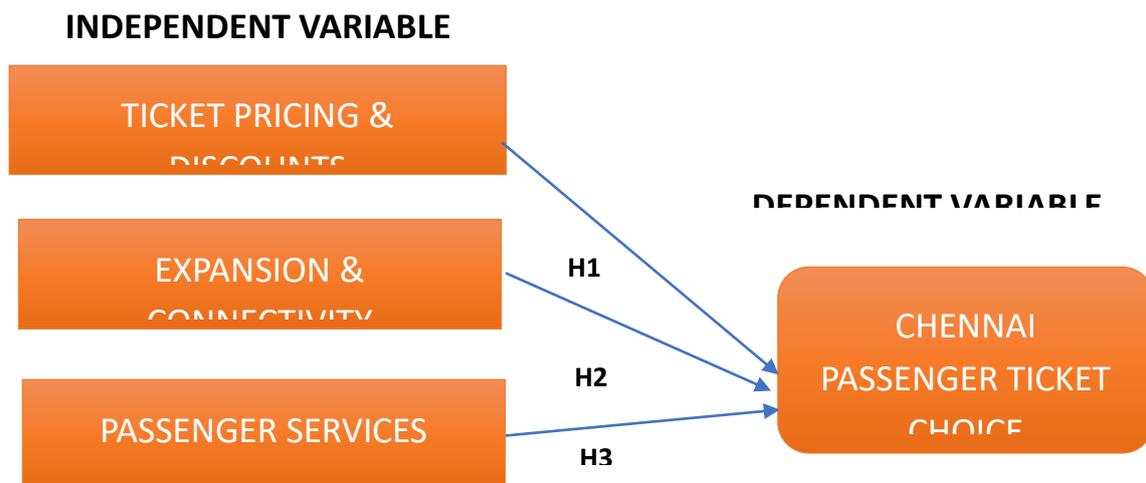

Figure 1.1: Conceptual Illustration of Airline Alliances

Alliances also play a crucial role in customer retention. A frequent flyer enrolled in one member airline's loyalty program can accumulate miles and redeem rewards across all alliance partners, creating long-term brand loyalty and influencing ticket choices.

3. Objective of Study:

- To study on alliance-member airlines impact on Chennai passengers' ticket preference and booking behavior.
- To examine the influence of airline alliances on passenger ticket purchasing decisions in terms of pricing, convenience, and connectivity.
- To evaluate passenger satisfaction with services experienced during alliance-based travel like check-in process, baggage handling, customer support
- To assess the impact of code-sharing and network expansion on passenger's route and airline choices

4. Conceptual Framework:

INDEPENDENT VARIABLE

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TICKET PRICING &
DISCOUNTS

EXPANSION &                          DEPENDENT VARIABLE
CONNECTIVITY           H1
                                      CHENNAI
                       H2             PASSENGER TICKET
PASSENGER SERVICES                    CHOICE
                       H3
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5. HYPOTHESIS:

HYPOTHESIS 01:

- H0: There is no significant relation between Ticket pricing & Discounts among alliance member airlines and Chennai passengers ticket choice.

- H1: There is significant relation between Ticket pricing & Discounts among alliance member airlines and Chennai passengers ticket choice.

HYPOTHESIS 02:

- H0: There is no significant relation between Expansion& Connectivity offered by airline alliances and Chennai passenger ticket choice.

- H2: There is significant relation between Expansion& Connectivity offered by airline alliances and Chennai passenger ticket choice.

HYPOTHESIS 03:

- H0: There is no significant relation between Passenger services quality among alliance member airlines and Chennai passenger ticket choice

- H3: There is no significant relation between Passenger services quality among alliance member airlines and Chennai passenger ticket choice

6. SCOPE OF THE STUDY

- The scope of this research extends to analyzing the impact of airline alliances on passenger ticket choice within the context of Chennai International Airport (MAA). The study encompasses both domestic and international passengers who are aware of or have experienced flights with alliance-member airlines.
- Geographically, the scope is confined to the Chennai region, though the results may provide insights relevant to other major Indian airports with similar operational patterns. Conceptually, the study focuses on variables such as:
- Ticket pricing and discounts offered through alliances,
- Network expansion and connectivity resulting from code-sharing agreements,
- Passenger services including baggage handling, check-in processes, and customer support,
- Brand image and trust associated with alliance-member airlines.
- The scope does not extend to analyzing airline profitability, financial performance of alliances, or government aviation policy. Rather, it emphasizes the passenger's viewpoint—their awareness, perception, and satisfaction concerning alliance-based travel.
- Furthermore, the study adopts a quantitative, descriptive, and analytical approach using structured questionnaires, enabling the measurement of passenger attitudes and preferences. The insights drawn will be valuable for airline marketing managers, airport authorities, and academic researchers aiming to enhance service integration and customer loyalty within alliance networks.

7. Review of Literature:

- **Wang, (2014);** Stated that the body of research on international airline alliances emphasizes how these partnerships strategically increase airline competitiveness through collaborative marketing, expanded networks, and pooled resources. According to earlier research, international collaborations boost brand visibility, perceived value, and trust, all of which increase brand equity. Purchase intention is greatly impacted by consumer brand choice, which is influenced by brand equity. Few research, nonetheless, have specifically looked at how alliances affect key brand constructs from the viewpoint of the consumer

- **Darin Lee, (2006);** Stated that the literature on low-fare airline growth emphasizes infrastructure access and competitive behavior as critical factors influencing market entry and sustainability. While early research attributed slow growth between 1995 and 1999 to predatory pricing by

incumbent airlines, empirical evidence suggests otherwise. Most low-fare carriers succeeded despite minimal fare reductions by major airlines. Instead, limited access to airport facilities—due to restrictive gate leases, landing slot allocations, and long-term contracts—emerged as a more plausible barrier.

- **Christian Lechnerc, (2002);** Stated that the literature on multilateral airline alliances highlights the complexity of managing derivative networks such as frequent flyer programs (FFPs), cargo partnerships, and distribution systems. While alliances offer long-term synergies—like cost savings, operational integration, and enhanced brand coherence—airlines remain hesitant to fully merge FFPs due to concerns over control, compromise, and alliance volatility. Studies suggest that successful FFP integration is more likely when partners are similar in size, database scope, and strategic alignment.

- **DGCA. Aviation consumer survey findings Report publication (2023);** Expressed that Empirical analyses using airport passenger surveys highlight information asymmetry as a barrier: many travelers do not fully understand alliance benefits. Educational marketing and clearer signage at airports can raise awareness and increase alliance utilization. Surveys at regional airports often uncover low recall of alliance brand names despite experience with member carriers.

- **Srinivas, S., et al (2020);** Stated that Studies of crisis response (e.g., during pandemics) reveal alliances can coordinate repatriation flights and flexible rebooking, positively influencing passenger trust. Passengers who experience smooth alliance-coordinated recovery tend to exhibit higher post-crisis loyalty. Crisis management capabilities of alliances therefore form part of perceived reliability and can affect future ticket choice. Documenting alliance performance during disruptions provides managerial lessons for reputation management.

- **Hess, et al (2007);** Stated that Empirical airport-level studies show passenger heterogeneity: business travelers value schedule convenience and loyalty, while leisure travelers prioritize price. As such, alliance effects are segmented: stronger among business and frequent flyers; weaker among leisure price-sensitive travelers.

- **IATA Report Publications, (2019).** Expressed that Code-sharing enhances perceived convenience by offering single-ticket itineraries across carriers, improving passenger willingness to choose alliance flights. Operationally, code-share reduces connection risk and enables through-check of baggage, which are highly valued by transfer passengers. Quantitative analyses link code-share availability to higher booking probabilities on multi-legitineraries. However, service disparity across members can reduce perceived reliability and dampen loyalty transfer effects. Passenger awareness and clear communication of code-share benefits is crucial for alliance value realization.

- **Park, et al (2000).** Stated that Airline alliances have been shown to reshape global route networks by enabling member carriers to offer extended connectivity via code-sharing. Passengers benefit from through-ticketing and reciprocal frequent-flyer accrual, which can reduce perceived travel cost and increase convenience. Empirical studies indicate alliances alter competitive dynamics without full mergers, affecting pricing strategies on overlapping routes.

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