

Handbook of Low Cost Airlines

Strategies, Business Processes
and Market Environment

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Preface

Whoever was the first low cost airline and, thus, the pioneer of the low cost idea – the Pacific Southwest Airline (PSA), Southwest Airlines or Laker Airways – this business idea has revolutionized the international flight market, and, with the appearance of Ryanair in 1985 and a multitude of follow-up airlines, the business model was also established in Europe and has become part and parcel of today's (European) flight market. Ever since then, the subject of "low cost airlines" has been largely analyzed and controversially discussed in the press and among economists and scientists.

Our book "Low Cost Airlines in Europa – eine marktorientierte Betrachtung von Billigfliegern" (Low Cost Airlines in Europe – a market-orientated study on no frills carriers) published in 2005 has met with great approval from research and practice, so that its first edition was quickly out of print. Consequently, we had to ask ourselves the question whether we should allow for the quick changes in the air traffic industry by preparing a revised edition. However, through several discussions and meetings with cooperation partners and business friends (a special acknowledgement in this respect is due to Thomas Büermann), the idea of publishing a more comprehensive handbook came about, with not only two authors taking the floor, but including the views of several experts from the field of research and (of particular importance for us) practice. In order to cover the numerous aspects of the low cost airline issue, it was our aim to not only integrate articles written from the low cost airlines' point of view, but also provided by cooperation partners and competitors. With the desire of not limiting the impact of our digest to the German-language market while accounting for the general practice used within the "airline branch", the present publication was written in English.

For this reason, we would like to extend our gratitude to all authors for their contributions to the success of this handbook. Our thanks go in particular to the field professionals for giving readers an insight into their companies and philosophies and for taking time off from their daily business to write an article for this handbook.

We also owe big thanks to our publisher, Dr. Joachim Schmidt, for showing great interest in the topic right from the start and for supporting us at all times with help and advice. Furthermore, we would like to thank the publisher of our first publication on the low cost airline subject, Prof. Dr. Walter Freyer, for encouraging us to produce another publication. Another particular thank you goes to our language advisors Kate Otter and Klaus-Dieter Bosse.

Finally, we would like to thank our families for providing us with the necessary support to compile this handbook.

Dresden and Wernigerode, April 2007

Sven Groß and Alexander Schröder

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