

41061 Identify business principles for commercial airlines

Kaupae Level	3
Whiwhinga Credit	4
Whāinga Purpose	<p>This skill standard is primarily for those preparing for employment in the aviation industry.</p> <p>People credited with this skill standard will be able to identify business principles for commercial airlines, including key factors affecting strategy, profitability, and sustainability.</p> <p>This skill standard is primarily for use in micro-credentials and programmes intended to provide introductory knowledge of the aviation industry.</p>

Hua o te ako me Paearu aromatawai | Learning outcomes and assessment criteria

Hua o te ako Learning outcomes	Paearu aromatawai Assessment criteria
1. Identify business principles for commercial airlines.	a. Identify different types of airline business models.
	b. Describe the key factors that affect airline strategy, profitability, and sustainability.
	c. Explain the importance of airline branding.

Pārongo aromatawai me te taumata paearu | Assessment information and grade criteria

Assessment specifications:

Explanations of two different types of airline business models must include their function, services offered, and their target markets.

External factors that affect airline profitability and internal factors that affect strategy and profitability must be described.

Airline branding must include the attributes that make it successful and its ability to be competitive in a selected market segment.

Definitions:

Airline is inclusive of both fixed wing aircraft and helicopters.

Sustainability includes not only the sustainability of the workforce, organisation, and industry but also continuous improvement, risk assessment and mitigation, environmental considerations such as fuel, and consideration of impacts on wildlife and people (such as noise).

Ngā momo whiwhinga | Grades available

Achieved

Ihirangi waitohu | Indicative content

Airline business models

- Full service, value-based, and not-for-profit models.
- Loyalty schemes.
- The purpose and value of interlining.
- Interlining versus code sharing.

Key factors affecting airline strategy, profitability, and sustainability

- External factors:
 - fuel price and availability
 - epidemics
 - pandemics
 - terrorism
 - competition
 - passenger booking methods
 - foreign exchange
 - social license and sustainability
 - long term global aspiration goals
 - fuel types
 - current and proposed developments in improving aviation sustainability.
- Internal factors:
 - changes to costs
 - pricing structures
 - distribution channels
 - network
 - product
 - resilience.

Branding

- Attributes of successful branding:
 - value for money
 - customer service
 - on-time performance
 - breadth of route network
 - national flag carrier
 - reputation for safety
 - options within seat classes
 - reputation of taking steps to improve care for the environment
 - in-flight products such as entertainment systems and internet and phone connectivity.

- Competitive advantage in a selected market segment:
 - high-value customers
 - business travellers
 - budget travellers
 - long haul
 - short haul
 - inbound tourism
 - outbound tourism.

Rauemi | Resources

Where the following resources have been updated, please refer to the latest version:

- Airline Ratings (<https://www.airlineratings.com/>).
- Civil Aviation Authority Rules Part 121, 125 and 135 (www.aviation.govt.nz/rules/rule-part/part-121/, www.aviation.govt.nz/rules/rule-part/part-125/, and www.aviation.govt.nz/rules/rule-part/part-135/).
- International Air Transport Association, *One Size does not Fit All: A Study of how Airline Business Models have evolved to meet Demand in Europe* (www.iata.org/en/iata-repository/publications/economic-reports/one-size-does-not-fit-all---airline-business-models/).

Pārongo Whakaū Kounga | Quality assurance information

Ngā rōpū whakatau-paerewa Standard Setting Body	Transport Industry Skills Board
Whakaritenga Rārangi Paetae Aromatawai DASS classification	Service Sector > Aviation > Aviation - Core
Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga CMR	0112

Hātepe Process	Putanga Version	Rā whakaputa Review Date	Rā whakamutunga mō te aromatawai Last date for assessment
Rēhitatanga Registration	1	26 February 2026	N/A
Kōrero whakakapinga Replacement information	This skill standard replaced unit standard 21835.		
Rā arotake Planned review date	31 December 2030		

Please contact Transport Industry Skills Board at qualifications@transportisb.nz to suggest changes to the content of this skill standard.