

Title	Describe business principles for commercial airlines		
Level	3	Credits	4

Purpose	People credited with this unit standard are able to describe: different commercial airline business models; the key factors that affect airline strategy and profitability; and the importance of airline branding.
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Classification	Aviation > Aviation - Core
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Available grade	Achieved
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Guidance Information

None.

Outcomes and performance criteria

Outcome 1

Describe different commercial airline business models.

Performance criteria

- 1.1 The function, services offered and target market of different business models are described.
- Range business models must include but are not limited to – full service, value based.
- 1.2 Loyalty schemes are described in terms of their purpose and value to airlines.
- 1.3 Interlining is described in terms of its purpose and value to airlines.

Outcome 2

Describe the key factors that affect airline strategy and profitability.

Performance criteria

2.1 External factors are described in terms of their effect on airline profitability.

Range external factors may include but are not limited to – fuel price, epidemics, pandemics, terrorism, competition, passenger booking methods, foreign exchange, industry supply and demand.

2.2 Internal factors are described in terms of their effect on airline strategy and profitability.

Range internal factors may include but are not limited to – changes to costs, pricing structures, distribution channels, network, product.

Outcome 3

Describe the importance of airline branding.

Performance criteria

3.1 The attributes that make branding successful in the airline industry described.

Range may include but is not limited to – low cost; customer service excellence; national flag carrier; reliability; on-time performance; broad route network; reputation for safety; environmental concern; in-flight products such as entertainment systems, internet and phone connectivity.

3.2 Airline branding is described in terms of its ability to assist airlines to be competitive in a selected segment.

Range may include but is not limited to – high value customers, business travellers, long haul, short haul, inbound tourism, outbound tourism.

Planned review date	31 December 2025
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	22 August 2005	31 December 2020
Review	2	9 December 2010	31 December 2020
Review	3	26 April 2018	N/A
Rollover and Revision	4	25 May 2023	N/A

Consent and Moderation Requirements (CMR) reference	0028
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.