

**"Why do services fail, keeping in view the  
airline industry of Pakistan?"**



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# Approval Sheet

# Abstract

The airline industry is the field that has grown tremendously in the 20<sup>th</sup> century, becoming a major part in our everyday life. This industry itself has tendency to project itself as a major economic force, both in terms of its impacts on the immediately related industries such as tourism and aircraft manufacturing, to the down the line industries such as hotel industry etc. This project highlights airline industry of Pakistan with major issues like services failure and the impact of that failure on aviation policy, and the customers. It looks at the prevailing market condition for the investors. What causes the investors to shy away from such a high yielding and attractive sector? What steps a new investor take to avoid the craters on which a number of airlines that have been guzzled. A critical in-depth analysis of each airline working in Pakistan; their history, facts and figures, comparisons, growth is discussed in this report. Therefore, to find out the main imperative in the eyes of the customers' researcher have conducted survey through questionnaires by taking a number of questionnaires survey in vicinity of Rawalpindi and Islamabad only. Exploratory research is used in this project. The major tools that are used for our research includes interviews from the bigwigs of the industry, researcher have also taken help from a number of journals, in addition to that researcher have used secondary source for data collection i.e. newspapers, internet, magazines, books, reports, articles etc. Researcher have also used the MS excel for the calculation of the data available. Another reason for us to go for this report is to elaborate the causes of failure in airline sector in Pakistan; as well as to find the much needed

improvements from the who and who of local airline industry to become competitive and unique.

To get a comparative analysis of major players of our local airline industry researchers have selected four airlines; to do a number of analysis on them and the environment in which they operate, the airlines selected are PIA, Air blue, Shaheen air and Aero Asia. The criteria for selection are the customers believe in them and the rate at which they are growing without any external support. PIA is leading the market domestically by 73% shares.

What researchers think is the main causes of failure are poor economic situation, political instability, and law & order situation, but the actual reasons researcher have to find through this report. In the end, researcher has also suggested some recommendations in order to cope up with the current downgraded situation of our airline industry.

# Acknowledgements

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Then we would like to thank our project co-coordinator Mr. Junaid Tariq for providing the necessary support during this project.

# Dedication

To my dear father Col(r) Muhammad Iqbal Khalid Late who was the real inspiration behind every achievement of my life, and the one person who supported me no matter how bad I performed.

Who really wanted me to do my MBA but life did not gave him time to attend my convocation.

Love you dad, may your soul rest's in peace (Ameen)



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