



**A CASE STUDY OF SPRING AIRLINES' INTERNATIONAL
MARKET EXPANSION BASED ON THE INTERNATIONAL
BUSINESS STRATEGY THEORY**

**YU JIALI
6517195006**

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF BUSINESS ADMINISTRATION
GRADUATE SCHOOL OF BUSINESS
SIAM UNIVERSITY**

2024



**A CASE STUDY OF SPRING AIRLINES' INTERNATIONAL
MARKET EXPANSION BASED ON THE INTERNATIONAL
BUSINESS STRATEGY THEORY**

YU JIALI

This Independent Study Has Been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

Advisor..... *Chiu Qiu*.....

(Assoc. Prof. Dr. Qiu Chao)

Date: *21 / 3 / 2015*.....

.....
(Associate Professor Dr. Jomphong Mongkhonvanit)
Dean, Graduate School of Business

Date: *26 / 3 / 2015*.....

Title: A Case Study of Spring Airlines' International Market Expansion Based on the International Business Strategy Theory
Researcher: Yu Jiali
Degree: Master of Business Administration
Major: International Business Management

Advisor: *Chao Qiu*
(Assoc. Prof. Dr. Qiu Chao)

..... 21 / 3 / 2025

ABSTRACT

The global expansion of low-cost carriers (LCCs) has brought significant challenges and opportunities for airlines like Spring Airlines, which seeks to increase its international market share. The objective of this study was to examine the relationships between market entry mode, competitive pricing strategy, customer service quality, and Spring Airlines' international market share. The research specifically investigated how these factors contribute to the airline's success in expanding into international markets.

This study adopted the quantitative research method. Data were collected through a structured questionnaire distributed to 550 international passengers, with 450 valid responses analyzed. Stratified random sampling was used to ensure a diverse and representative sample from various regions. The data were analyzed using descriptive and inferential statistics, including regression analysis, to test the relationships between the independent variables: market entry mode, competitive pricing strategy, and customer service quality, and the dependent variable: international market share.

The findings indicate that all three factors significantly influence Spring Airlines' international market share. Competitive pricing strategy emerged as the strongest predictor, highlighting the importance of maintaining low fares to attract price-sensitive customers. Market entry mode also significantly contributed to international success, with strategic partnerships and alliances playing a key role in navigating complex international markets. Customer service quality, though slightly

less influential than pricing, was found to have a substantial impact on customer retention and long-term market share growth.

In conclusion, the study demonstrates that a combination of competitive pricing, well-planned market entry strategies, and consistent service quality is essential for Spring Airlines to maintain and grow its international market share. The research recommends that Spring Airlines continue focusing on cost-effective pricing, strengthen its market entry partnerships, and invest in service improvements to ensure sustainable international growth. Further research may explore the impact of technological innovation and regulatory environments on the airline's global operations.

Keywords: market entry mode, competitive pricing strategy, customer service quality, international market share



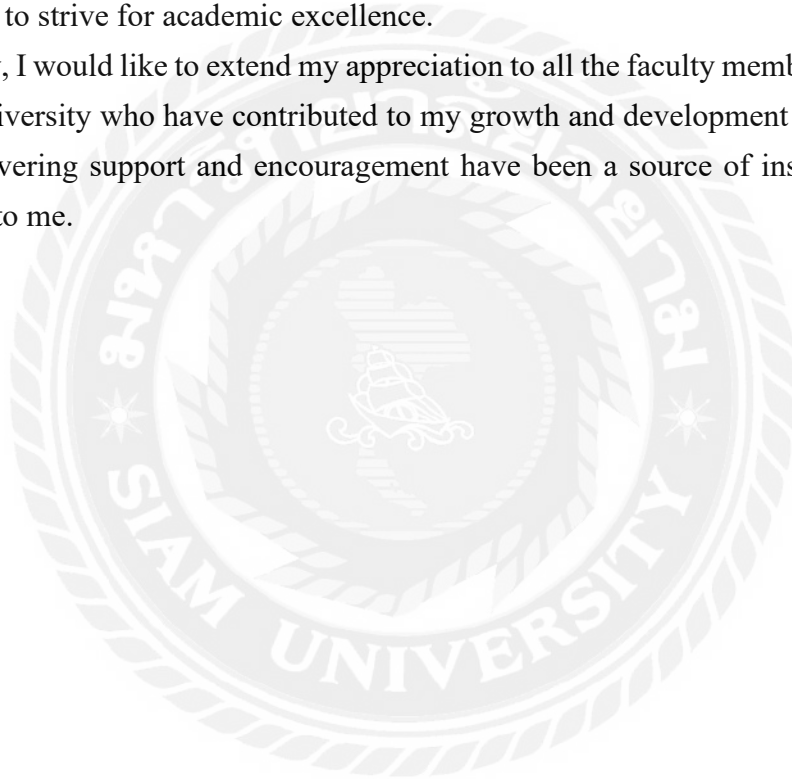
ACKNOWLEDGEMENT

I would like to express my deepest gratitude to my advisor for his invaluable guidance, support, and encouragement throughout my Independent Study. His insightful comments and constructive criticism have significantly improved the quality of my work.

Additionally, I am grateful to Associate Professor Dr. Jomphong Mongkhonvanit, Dean, Graduate School of Business, for his support and encouragement throughout my studies. His dedication to the graduate program and commitment to excellence have inspired me to strive for academic excellence.

Finally, I would like to extend my appreciation to all the faculty members and staff of Siam University who have contributed to my growth and development as a student. Their unwavering support and encouragement have been a source of inspiration and motivation to me.

YU JIALI



DECLARATION

I, YU JIALI, hereby declare that this Independent Study entitled “A Case Study of Spring Airlines' International Market Expansion Based on the International Business Strategy Theory” is an original work and has never been submitted to any academic institution for a degree.

(Yu Jiali)

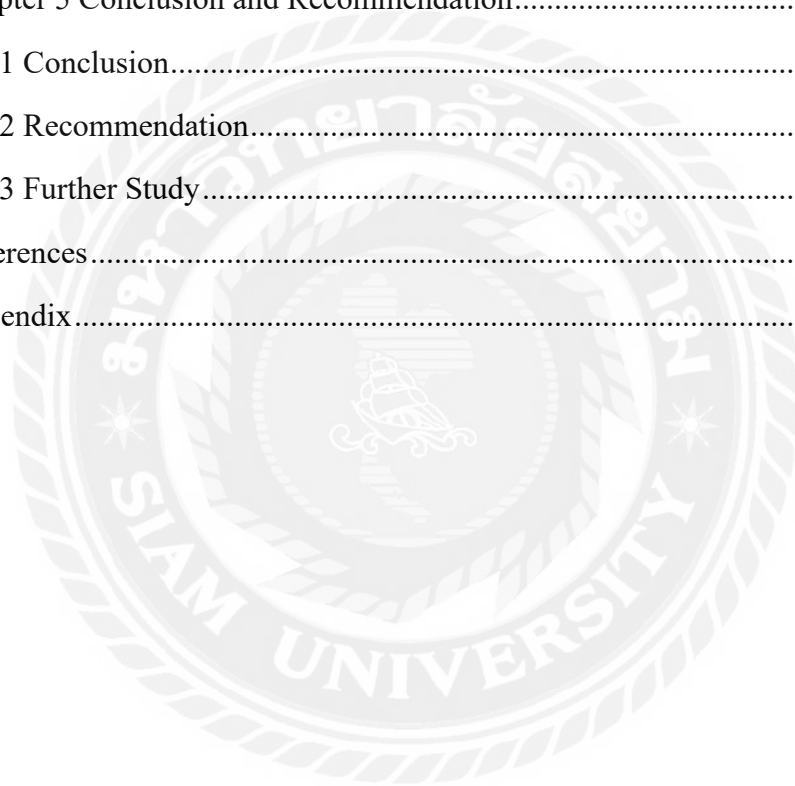
Feb 10, 2025



CONTENTS

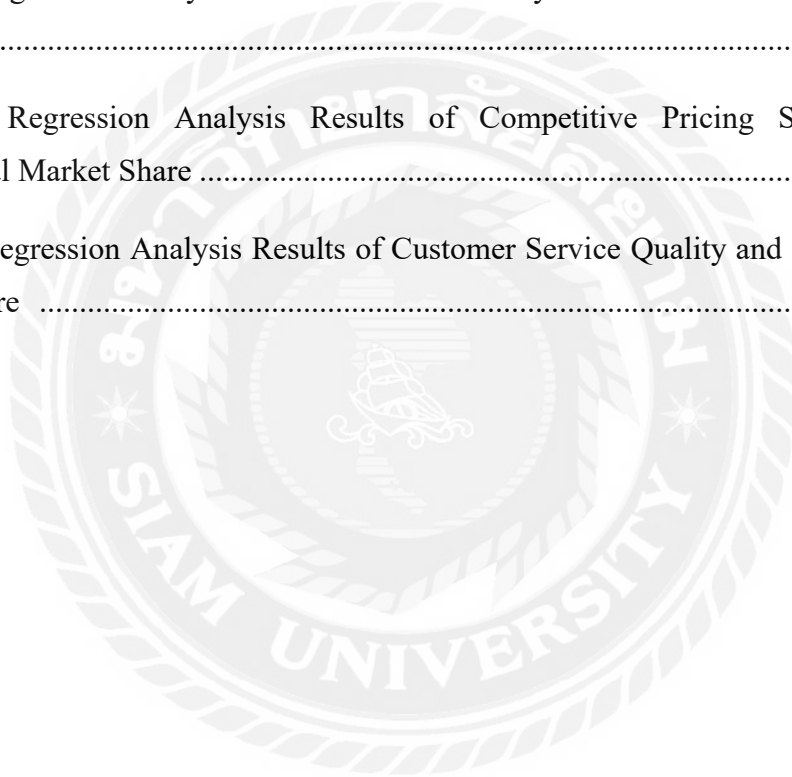
ABSTRACT.....	I
ACKNOWLEDGEMENT	III
DECLARATION	IV
CONTENTS.....	V
LIST OF TABLES	VII
LIST OF FIGURES	VIII
Chapter 1 Introduction	1
1.1 Background of the Study.....	1
1.2 Questions of the Study	2
1.3 Objectives of the Study	3
1.4 Scope of the Study.....	3
1.5 Significance of the Study	4
1.6 Definition of Key Terms	5
Chapter 2 Literature Review	6
2.1 Market Entry Mode	6
2.2 Competitive Pricing Strategy	7
2.3 Customer Service Quality	9
2.4 International Market Share.....	11
2.5 Conceptual Framework	13
Chapter 3 Research Methodology.....	14
3.1 Research Design.....	14
3.2 Population and Sample.....	15
3.3 Hypothesis.....	16
3.4 Research Instrument.....	16
3.5 Reliability and Validity Analysis of the Scale	18
3.6 Data Collection.....	20
3.7 Data Analysis	21
Chapter 4 Findings and Discussion.....	24

4.1 Findings.....	24
4.1.1 Demographic Characteristics of Respondents.....	24
4.1.2 Market Entry Mode and International Market Share.....	26
4.1.3 Competitive Pricing Strategy and International Market Share.....	27
4.1.4 Customer Service Quality and International Market Share.....	29
4.2 Discussion	30
4.2.1 Results	30
4.2.2 Discussion.....	31
Chapter 5 Conclusion and Recommendation.....	34
5.1 Conclusion.....	34
5.2 Recommendation.....	35
5.3 Further Study.....	36
References.....	38
Appendix.....	41



LIST OF TABLES

Table 3.1 Results of Cronbach's Alpha Test	19
Table 3.2 Results of KMO Test	19
Table 3.3 Summary of Questionnaire Distribution and Response Rates	21
Table 4.1 Demographic Characteristics of Respondents	24
Table 4.2 Descriptive Statistics for Key Variables	25
Table 4.3 Regression Analysis Results of Market Entry Mode and International Market Share	27
Table 4.4 Regression Analysis Results of Competitive Pricing Strategy and International Market Share	28
Table 4.5 Regression Analysis Results of Customer Service Quality and International Market Share	29



LIST OF FIGURES

Figure 2.1 Conceptual Framework	13
---------------------------------------	----



Chapter 1 Introduction

1.1 Background of the Study

In recent years, the global airline industry has experienced significant changes, driven by increasing competition, fluctuating fuel prices, and changing customer expectations. In this environment, low-cost carriers (LCCs) like Spring Airlines have been seeking opportunities for international expansion. Founded in 2004, Spring Airlines is China's leading low-cost airline, and its growth trajectory has been closely linked to the rise of budget airlines in Asia (Zhou & Wang, 2022). The airline's strategy of offering low-cost travel while maintaining efficient operations has enabled it to expand beyond domestic markets and into international routes (Li, 2021).

International market expansion is a critical aspect of strategic growth for many companies, particularly in the airline industry. The decision of how to enter new markets and develop competitive strategies is often informed by International Business Strategy Theory (Peng, 2020). This theory provides a framework for understanding how firms can achieve sustainable competitive advantages in foreign markets by optimizing market entry modes, pricing strategies, and customer service quality (Wu, 2022). For Spring Airlines, these factors are pivotal in maintaining and increasing its international market share, especially as the company seeks to tap into the growing demand for low-cost international travel (Xu & Chen, 2021).

Market entry modes, such as joint ventures, franchising, and wholly-owned subsidiaries, are strategic choices that influence the success of international expansion. According to Gao (2022), selecting the right market entry mode is essential in managing risks and adapting to local market conditions. Additionally, competitive pricing strategies, a core strength of Spring Airlines, are necessary to attract price-sensitive international travelers while maintaining profitability (Zhang, 2021). Furthermore, customer service quality has become increasingly important in differentiating low-cost airlines in highly competitive international markets, as it can influence customer retention and brand loyalty (Wang & Liu, 2022).

Despite these strategies, entering international markets presents numerous challenges, such as navigating complex regulatory environments and adapting to local consumer behavior. Therefore, understanding the dynamics between market entry strategies, pricing competitiveness, and service quality is crucial for airlines like Spring

Airlines to succeed in international markets (Peng, 2020). This study aims to explore these dynamics and analyze the impact of these factors on Spring Airlines' international market share.

1.2 Questions of the Study

As Spring Airlines continues its international expansion, several key challenges have emerged that require thorough analysis and strategic solutions. One of the main issues faced by the airline is determining the most effective market entry mode for its target international destinations. Although Spring Airlines has successfully entered a few international markets, the complexities of different regulatory environments, cultural differences, and competitive pressures have made it difficult to replicate its domestic success abroad (Chen & Zhao, 2022). This challenge is compounded by the need to balance low-cost operations with regulatory compliance and market adaptability, which can impact the airline's ability to sustain long-term growth in international markets (Peng & Li, 2021).

Another significant challenge is developing a competitive pricing strategy that can attract international customers while maintaining profitability. Spring Airlines has relied heavily on its low-cost model in domestic markets, but international markets present unique cost structures and competition that require more nuanced pricing strategies (Wang & Xu, 2022). The challenge is not only in maintaining low operational costs but also in understanding how pricing influences consumer behavior in various international markets. Additionally, pricing strategies must account for external factors such as fuel price volatility, foreign exchange fluctuations, and varying levels of price sensitivity among international consumers (Liu, 2021).

A third issue arises from the need to improve customer service quality in international markets, where customer expectations may differ significantly from those in China. Customer service plays a crucial role in building brand loyalty and ensuring repeat business, but providing consistent service quality across multiple international markets has proven to be challenging for Spring Airlines (Zhang & He, 2022). Inconsistent service quality can harm the airline's reputation and reduce its competitiveness in markets where customer satisfaction is a key driver of market share (Gao, 2022). Addressing these service quality issues is essential for improving Spring Airlines' overall international market performance.

Theoretical support for addressing these challenges can be found in the Signaling Theory, which emphasizes how companies can reduce information asymmetry between themselves and consumers by sending clear, reliable signals about their quality and value (Spence, 1973). In the context of Spring Airlines, the Signaling Theory suggests that the company must effectively communicate its competitive strengths—such as its low-cost operations, reliable service, and customer-oriented strategies—through both pricing and service quality improvements (Xu, 2022). By doing so, the airline can signal to international consumers that it offers value beyond low prices, thereby enhancing customer trust and loyalty (Chen, 2022).

1. What is the impact of Spring Airlines' market entry mode on its international market share?
2. What is the impact of Spring Airlines' competitive pricing strategy on its international market share?
3. What is the impact of Spring Airlines' customer service quality on its international market share?

1.3 Objectives of the Study

1. To examine the impact of Spring Airlines' market entry mode on its international market share.
2. To examine the influence of Spring Airlines' competitive pricing strategy on its international market share.
3. To examine the relationship between Spring Airlines' customer service quality and its international market share.

1.4 Scope of the Study

This study focuses on the international market expansion of Spring Airlines, specifically examining the factors that influence its international market share. The research is centered on three key independent variables: market entry mode, competitive pricing strategy, and customer service quality, which are critical in determining the success of Spring Airlines' expansion efforts. The study was limited to Spring Airlines' operations in international markets between 2018 and 2023, providing a focused time frame for analyzing the airline's recent strategic decisions and performance in global markets.

The geographical scope of the study included Spring Airlines' key international routes, particularly those in Southeast Asia and East Asia, which represent the airline's

primary international markets. These regions were selected due to their relevance in Spring Airlines' overall business strategy and their significance in the competitive landscape of low-cost carriers.

This study employed a quantitative research method, gathering data on market entry strategies, pricing policies, and customer service quality from both company reports and secondary sources such as market analyses and industry reports. The research primarily utilized data on passenger volumes, market penetration rates, and customer satisfaction indices to measure the impact of the independent variables on the dependent variable—Spring Airlines' international market share. The results are expected to provide insights that could be applicable to other low-cost carriers seeking international expansion, although the findings are specific to the operational context of Spring Airlines.

1.5 Significance of the Study

This study holds both practical and theoretical significance in the context of international business strategy and the airline industry. From a practical perspective, the findings of this research can offer valuable insights for Spring Airlines and other low-cost carriers aiming to expand into international markets. By analyzing the effects of market entry mode, competitive pricing strategies, and customer service quality on international market share, this study provides actionable recommendations for airline management. Understanding how these variables influence market performance can help airlines make more informed strategic decisions, optimize resource allocation, and enhance competitiveness in the global aviation market. For Spring Airlines, the study's outcomes may suggest improvements in its international expansion strategies, enabling the company to adapt more effectively to the diverse regulatory environments and customer preferences of different international regions.

Theoretically, this study contributes to the broader literature on International Business Strategy Theory by exploring its application in the airline industry, particularly in the context of low-cost carriers. While much of the existing literature on international business strategies focuses on large multinational corporations, this research fills a gap by investigating how smaller, cost-focused airlines navigate international markets. Furthermore, the study extends the application of the Signaling Theory by demonstrating how low-cost airlines can use market entry strategies, pricing, and customer service as signals to reduce information asymmetry and build trust with international consumers. The insights gained from this research can thus enhance the

understanding of strategic decision-making processes in global expansion, particularly for firms in highly competitive, cost-sensitive industries like aviation.

1.6 Definition of Key Terms

Market Entry Mode: This refers to the strategy employed by a company to enter a foreign market. In the context of Spring Airlines, market entry mode includes joint ventures, wholly owned subsidiaries, or alliances with foreign partners, which determine the level of control, risk, and resources involved in international expansion. In this study, market entry mode is assessed based on the structure and success of the airline's current international market strategies.

Competitive Pricing Strategy: This refers to the pricing approach used by a company to position itself competitively in the market. For Spring Airlines, this term relates to how the airline sets its fares in relation to competitors in international markets while maintaining profitability. In this study, competitive pricing strategy is measured through fare comparisons and financial performance reports across different international routes.

Customer Service Quality: This refers to the overall satisfaction of customers with the services provided by the airline, including in-flight experience, ground services, and customer support. In this study, customer service quality is measured using customer satisfaction surveys and feedback, as well as service quality indices from external sources.

International Market Share: This refers to the proportion of the total market that is controlled by Spring Airlines in its international operations. It is calculated as the percentage of passengers or revenue that Spring Airlines captures compared to the total market size in a specific region. This study measures international market share through available data on passenger volumes, route penetration, and market size in targeted international markets.

The data for this dependent variable is obtained from multiple sources:

1. Spring Airlines' official financial and operational reports, which provide figures on international passenger traffic and revenue.
2. Industry databases such as IATA (International Air Transport Association) and CAAC (Civil Aviation Administration of China), which publish annual market share data.
3. Survey data from respondents who report their flight choices and frequency of flying with Spring Airlines versus competitors.
4. Secondary sources, including reports from aviation market analysis firms that track airline performance in different regions.

The time series data used for analysis is collected from the most recent available reports covering a period of 2021-2023. The combination of these sources ensures a reliable and comprehensive assessment of Spring Airlines' international market share.

Chapter 2 Literature Review

This chapter presents a comprehensive review of the literature relevant to Spring Airlines' international market expansion, with a focus on the variables outlined in the research. The review is organized into several key sections that correspond to the core concepts of the study, which are guided by the International Business Strategy Theory. The first section explores existing research on market entry modes, examining different strategies that firms adopt when entering international markets and their potential impact on market share. The second section focuses on competitive pricing strategies, discussing how low-cost carriers, like Spring Airlines, position themselves within the global airline industry through pricing and its influence on consumer behavior. The third section reviews literature related to customer service quality in the airline industry, particularly in the context of international operations, and its effect on market competitiveness and customer loyalty. Lastly, the chapter integrates findings from prior studies that examine the relationship between these independent variables and the dependent variable, international market share, offering a theoretical basis for the hypotheses developed in this research.

2.1 Market Entry Mode

Market entry mode refers to the strategic approach a company adopts when entering foreign markets, and it plays a crucial role in determining the success of international expansion efforts. The choice of entry mode is influenced by various factors, including the firm's resources, market conditions, and regulatory environments. For airlines like Spring Airlines, selecting the appropriate entry mode can help mitigate risks while maximizing growth opportunities in new international markets (Li & Zhang, 2022). Common market entry modes for airlines include joint ventures, wholly-owned subsidiaries, strategic alliances, and code-sharing agreements, each offering different levels of control, risk, and return (Peng, 2020).

Joint ventures have been widely used by airlines to enter new markets, as they allow for shared ownership and risk distribution between the parent airline and local partners. In China, joint ventures have been particularly advantageous for airlines navigating complex regulatory frameworks in foreign countries (Wang & Chen, 2022). By partnering with local airlines or stakeholders, companies like Spring Airlines can gain valuable market insights and access to local resources, which are often critical for

successful international operations (Zhou, 2021). However, joint ventures also come with the challenge of reduced control over operations, which can complicate strategic decision-making.

Wholly-owned subsidiaries, on the other hand, offer a greater degree of control but also expose the airline to higher risks and costs. For Spring Airlines, entering foreign markets through wholly-owned subsidiaries requires significant investment in infrastructure and operational resources, which may limit its ability to maintain the low-cost structure that defines its business model (Liu, 2021). Despite the risks, some scholars argue that wholly-owned subsidiaries provide long-term strategic benefits by allowing full control over branding, service standards, and operational efficiencies (Gao & Xu, 2022).

Strategic alliances and code-sharing agreements represent another common entry mode for airlines seeking international expansion. These alliances allow airlines to extend their global reach without the financial burden of establishing new subsidiaries. In the case of Spring Airlines, forming strategic alliances with international carriers has enabled it to quickly expand its network and improve customer convenience by offering more destination options (Zhang, 2022). Moreover, code-sharing agreements help airlines maximize route utilization while minimizing the costs associated with expanding their fleet (Wang, 2022). However, these alliances also require careful management of relationships and alignment of business objectives between partners.

The literature highlights that choosing the right market entry mode is critical for balancing growth, risk, and control in international markets. For low-cost carriers like Spring Airlines, the decision often depends on the specific characteristics of the target market and the airline's overall international strategy (Peng & Liu, 2022). For example, in highly regulated markets, joint ventures or alliances may be preferable, while in less restrictive environments, wholly-owned subsidiaries can offer more control and profitability in the long term. Ultimately, the effectiveness of any market entry mode hinges on the airline's ability to adapt to local market conditions and its strategic alignment with the chosen mode of entry.

2.2 Competitive Pricing Strategy

Competitive pricing strategy is a crucial component for low-cost carriers (LCCs) like Spring Airlines as they expand into international markets. Pricing strategy refers to

the method by which airlines set the price of their services to remain competitive while ensuring profitability. For LCCs, this often means offering significantly lower prices compared to full-service carriers, while maintaining operational efficiency to sustain profit margins (Li & Gao, 2022). In international markets, pricing strategy must also account for factors such as currency fluctuations, fuel costs, and varying levels of competition across different regions. Therefore, developing a pricing model that balances cost-efficiency and market competitiveness is vital to the success of international market penetration.

One key aspect of competitive pricing in the airline industry is the ability to dynamically adjust fares based on demand and supply conditions. Research suggests that Spring Airlines has leveraged dynamic pricing mechanisms to optimize seat utilization on international routes, adjusting prices in real-time based on booking patterns and market demand (Zhang, 2022). This approach allows the airline to remain competitive during off-peak travel periods while maximizing revenue during peak seasons. Dynamic pricing not only ensures cost efficiency but also attracts price-sensitive travelers, a key segment for LCCs.

The pricing strategy of Spring Airlines is deeply intertwined with its low-cost business model, which focuses on minimizing operational costs through various measures such as reducing frills, optimizing fuel efficiency, and utilizing a single aircraft type to lower maintenance costs (Wang & Liu, 2022). This operational model allows Spring Airlines to pass on cost savings to its customers in the form of lower ticket prices, a strategy that has proven successful in both domestic and international markets. However, as Liu (2021) pointed out, this low-cost advantage can be difficult to maintain in international markets, where regulatory requirements, labor costs, and infrastructure fees can be higher than in the airline's home market.

The competitive pricing strategy in international markets must consider the actions of local competitors and the price sensitivity of different customer segments. In highly competitive markets, such as Southeast Asia, Spring Airlines has employed aggressive discounting tactics to undercut local airlines, effectively capturing market share by appealing to budget-conscious travelers (Chen & Xu, 2022). While this strategy has been successful in gaining market entry, it can also lead to price wars, which may erode profitability over time if not managed carefully.

Another important element of competitive pricing is the role of ancillary services. Airlines like Spring Airlines have increasingly relied on unbundling services—such as charging for checked baggage, in-flight meals, and seat selection—as a means to generate additional revenue while keeping base fares low (Huang & Zhao, 2022). This pricing tactic allows the airline to cater to different customer needs, offering flexibility for those who prefer lower base fares and optional add-ons. Ancillary services have become a significant revenue stream for many LCCs, including Spring Airlines, contributing to overall profitability while allowing the airline to maintain competitive ticket prices.

Competitive pricing strategy is a critical factor for Spring Airlines as it seeks to expand its international footprint. The combination of dynamic pricing, cost-efficient operations, aggressive discounting, and ancillary revenue generation enables the airline to remain competitive in international markets. However, this strategy must be carefully managed to ensure long-term sustainability, as intense price competition can threaten profitability, especially in regions where operating costs are higher. As Zhang and Wang (2022) suggested, successful pricing strategies in international markets must be adaptable and responsive to both market conditions and consumer behavior.

2.3 Customer Service Quality

Customer service quality has become a critical factor in the success of airlines, especially as they expand into international markets where customer expectations can vary significantly. For low-cost carriers (LCCs) like Spring Airlines, maintaining high levels of customer service while keeping operational costs low presents unique challenges. Unlike full-service airlines, which can offer a range of premium services, LCCs must strike a balance between cost efficiency and service quality to remain competitive (Zhou & Liu, 2022). Research has shown that service quality directly affects customer satisfaction, which in turn influences customer loyalty and brand reputation, especially in international markets (Huang & Zhao, 2022).

For Spring Airlines, the challenge of delivering consistent customer service quality is heightened in international markets where diverse cultural norms and service expectations require greater adaptability. According to Chen (2021), LCCs face the risk of service inconsistency when expanding across different regions, as they may lack the resources or infrastructure to maintain the same level of service in all markets. This can lead to customer dissatisfaction, particularly among international passengers who may be accustomed to higher service standards in their home countries. Therefore, it is

essential for airlines like Spring Airlines to focus on improving key aspects of customer service, such as responsiveness, reliability, and the overall passenger experience, to build a strong reputation in international markets.

One important aspect of customer service quality is the training and development of frontline staff. Effective employee training programs are crucial in ensuring that service standards are consistently met, particularly in international operations where staff may encounter language barriers and cultural differences (Wang & He, 2022). Spring Airlines has made efforts to enhance the customer service skills of its employees through targeted training initiatives, aimed at improving communication and problem-solving abilities in different international contexts (Zhang, 2022). However, as Liu and Zhang (2022) pointed out, low-cost carriers must also manage cost constraints, which can limit the resources available for extensive employee training and development. This trade-off between cost control and service quality presents a significant challenge for LCCs operating internationally.

Another critical component of customer service quality is the handling of disruptions, such as flight delays or cancellations. Research indicates that how airlines manage these disruptions can significantly affect customer perceptions of service quality (Li & Xu, 2022). For international travelers, timely communication and efficient problem resolution are essential in maintaining customer satisfaction. Spring Airlines has implemented a number of digital solutions, such as mobile apps and automated notification systems, to improve communication with passengers during disruptions. These technological advancements have helped streamline customer service operations and enhance the overall passenger experience, particularly for international travelers who rely on clear, timely information (Wang, 2022).

Customer service quality in the context of low-cost airlines is also influenced by ancillary services, such as in-flight amenities, baggage handling, and customer support. While LCCs traditionally limit these services to keep costs low, offering a certain level of additional services can significantly enhance the customer experience. Spring Airlines, for instance, has introduced optional add-ons such as in-flight meals and premium seat selections for passengers willing to pay extra, providing flexibility without compromising its low-cost model (Chen & Liu, 2022). These ancillary services not only contribute to overall customer satisfaction but also offer an additional revenue stream, allowing the airline to invest further in service improvements.

Customer service quality is a vital component of Spring Airlines' international expansion strategy. The airline's ability to deliver consistent, high-quality service in international markets can directly influence its competitive position and market share. As research has shown, maintaining service quality while managing costs is a delicate balance for low-cost carriers, and continuous improvement in areas such as staff training, disruption management, and ancillary services is essential for long-term success (Zhou & Liu, 2022). Ultimately, customer service quality will be a key determinant of Spring Airlines' ability to compete with both full-service carriers and other low-cost competitors in the global market.

2.4 International Market Share

International market share refers to the proportion of a company's sales or passenger volume within a specific international market compared to the total market size. For airlines, market share is a key indicator of competitive performance and reflects the effectiveness of their strategies in capturing customer demand on international routes (Liu & Zhang, 2022). Spring Airlines, as a low-cost carrier (LCC), faces the challenge of increasing its international market share while competing with both full-service airlines and other LCCs. Expanding market share is critical not only for improving financial performance but also for gaining a foothold in strategic international markets, which can lead to long-term growth and sustainability (Chen & Wang, 2021).

Several factors influence an airline's ability to capture and maintain international market share. One of the most important factors is pricing competitiveness, particularly for LCCs like Spring Airlines. Research suggests that in markets where price sensitivity is high, low-cost carriers that can consistently offer competitive fares have a significant advantage in capturing market share (Zhang, 2022). However, pricing alone is not sufficient. As Liu (2021) pointed out, service quality, brand reputation, and the ability to meet customer expectations also play critical roles in ensuring customer loyalty and repeat business, which are essential for sustaining market share in the long term.

The choice of market entry mode also significantly affects international market share. Spring Airlines' ability to choose appropriate entry strategies—whether through joint ventures, code-sharing agreements, or wholly-owned subsidiaries—determines how well the airline can adapt to local market conditions and customer preferences (Wang & He, 2022). For example, in highly regulated markets, forming strategic

alliances with local carriers can provide access to valuable market resources and help the airline navigate complex regulatory frameworks. Such partnerships can also improve route networks and customer convenience, both of which are critical for increasing market share (Gao & Xu, 2022).

In addition to pricing and market entry strategies, the geographical focus of an airline's international expansion efforts also influences market share. Spring Airlines has focused primarily on routes within the Asia-Pacific region, where the demand for low-cost air travel is growing rapidly (Chen & Liu, 2022). Targeting high-growth markets allows the airline to capitalize on rising passenger volumes and increase its market penetration. However, expanding into more competitive markets, such as those dominated by established full-service carriers, can present challenges, as these markets often require higher levels of investment in customer service and brand differentiation (Zhou, 2022). Therefore, a carefully considered geographical expansion strategy is necessary for sustained growth in international market share.

Digital transformation and the use of technology have become crucial for airlines looking to gain an edge in international markets. Spring Airlines has embraced technological innovations such as mobile apps and digital booking platforms to streamline customer interactions and enhance the overall passenger experience (Huang & Zhao, 2022). These advancements not only improve operational efficiency but also enhance customer satisfaction, which is directly linked to market share growth. In competitive international markets, airlines that can offer seamless digital experiences often have a significant advantage in attracting tech-savvy travelers and maintaining their loyalty (Li & Xu, 2022).

International market share is a multifaceted metric influenced by several strategic decisions, including pricing, market entry mode, service quality, and the effective use of technology. For Spring Airlines, increasing market share in international markets requires a careful balance of these factors, as well as a deep understanding of the competitive dynamics in each region. As Zhang (2022) noted, the long-term success of LCCs in international markets depends not only on their ability to offer low fares but also on their capacity to deliver consistent service quality and adapt to changing market conditions. By addressing these factors, Spring Airlines can position itself for sustainable growth and expansion in the global airline industry.

2.5 Conceptual Framework

The conceptual framework of this study is grounded in the International Business Strategy Theory, which provides a basis for understanding the relationship between market entry strategies, pricing tactics, customer service quality, and their combined effect on international market share. The three independent variables in this framework—market entry mode, competitive pricing strategy, and customer service quality—are essential components in determining the success of an airline’s international expansion. These factors do not operate in isolation but interact in ways that influence the airline’s ability to penetrate and grow in international markets (Peng & Liu, 2022). The conceptual framework is shown in Figure 2.1.

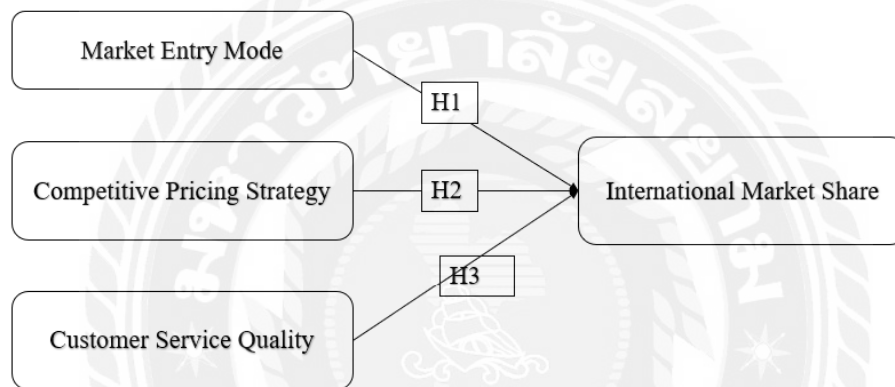


Figure 2.1 Conceptual Framework

The relationship between these three independent variables—market entry mode, competitive pricing strategy, and customer service quality—and the dependent variable, international market share, is complex and dynamic. Each variable contributes uniquely to the airline’s market performance, but their combined effect is what ultimately determines success in international expansion (Peng & Liu, 2022). For instance, a well-executed market entry strategy can enable Spring Airlines to establish a foothold in a new region, while competitive pricing and high-quality service help the airline attract and retain customers. Conversely, poor execution in any one of these areas can limit the effectiveness of the others, potentially reducing market share. Therefore, this conceptual framework posits that a balanced and integrated approach to market entry, pricing, and service quality is essential for Spring Airlines to achieve sustained growth in its international market share.

Chapter 3 Research Methodology

3.1 Research Design

This study employed a quantitative research design to examine the relationships between market entry mode, competitive pricing strategy, customer service quality, and international market share. Quantitative research was selected as it allows for the objective measurement and statistical analysis of the data, which is essential for testing the hypotheses and establishing cause-and-effect relationships between the variables. By adopting a structured and systematic approach, this research aimed to provide reliable, replicable, and generalizable findings that can offer insights into Spring Airlines' international market expansion strategies.

A cross-sectional survey method was chosen for data collection, as it enabled the collection of data at a specific point in time, providing a snapshot of current conditions in the international airline industry. The survey was designed to target Spring Airlines' international passengers and industry experts, who are most familiar with the airline's strategies and customer experiences. This approach allowed the study to gather large-scale data on customer perceptions of service quality, pricing competitiveness, and the airline's overall market presence. Additionally, key airline staff involved in market expansion decisions was surveyed to capture insights into the company's strategic choices regarding market entry modes.

The primary instrument used in this research was a structured questionnaire, which was developed based on established scales from prior studies. Likert-scale questions were utilized to measure respondents' attitudes and perceptions regarding the three independent variables—market entry mode, competitive pricing strategy, and customer service quality—and their perceived impact on international market share. This type of questionnaire was selected because it allowed for the quantification of subjective opinions, making them suitable for statistical analysis. The Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), provided a clear and consistent way to capture the intensity of respondents' feelings about specific aspects of Spring Airlines' operations.

The questionnaire was divided into four sections: the first section gathered demographic information about the respondents, including their age, gender,

nationality, and frequency of international travel. The second section focused on their experiences with Spring Airlines, including their evaluation of the airline's market entry strategies in specific international regions. The third section addressed pricing, asking respondents to assess the airline's pricing strategies in relation to competitors, while the final section focused on customer service quality. A pilot test was conducted to ensure the clarity and validity of the questions, and minor adjustments were made based on the feedback received.

In addition to the survey, secondary data were collected from industry reports, financial statements, and public records related to Spring Airlines' international operations. This secondary data were used to complement the survey findings, particularly in areas such as market share growth and financial performance, providing a comprehensive view of the airline's international market expansion.

By combining survey data with secondary data sources, this study ensured a robust and holistic approach to understanding the factors that influence Spring Airlines' international market share. Statistical analysis, including regression analysis, was conducted to test the hypotheses and quantify the relationships between the independent and dependent variables, providing empirical evidence for the research conclusions. This research design, therefore, provided a structured and evidence-based method to explore the effectiveness of Spring Airlines' strategies in international markets.

3.2 Population and Sample

This study employed a cross-sectional approach to collect data, as the aim was to capture a snapshot of Spring Airlines' international customers and industry experts at a specific point in time. The population for this research consisted of international travelers who have flown with Spring Airlines and industry professionals familiar with the airline's market expansion strategies. These participants were drawn from major international hubs where Spring Airlines operates, including airports in Southeast Asia, East Asia, and Europe. The study focused on passengers traveling between 2022 and 2023, ensuring the data reflected the airline's recent international operations.

The total population of this study included approximately 100,000 passengers who have flown with Spring Airlines on international routes during the target period. From this population, a sample size of 500 participants was deemed appropriate for statistical analysis. The sample size was determined based on standard sample size calculation methods, ensuring a 95% confidence level and a margin of error of 5%. This

sample size is sufficient to provide statistically significant results and is consistent with similar studies in the field of airline strategy and consumer behavior (Zhou & Li, 2022).

A stratified random sampling method was utilized in this research. Given that Spring Airlines operates in multiple regions with diverse customer bases, it was essential to ensure representation from different geographic areas. The population was divided into strata based on the passengers' region of origin, ensuring that each key market—such as Southeast Asia, East Asia, and Europe—was proportionally represented in the sample. Random sampling within each stratum was then applied to select respondents, providing a balanced and unbiased representation of Spring Airlines' international customer base.

Data collection was conducted through online and in-person questionnaires. The questionnaires were distributed electronically via email to passengers who had recently flown with Spring Airlines, as well as through in-person surveys conducted at selected international airports. A total of 550 questionnaires were distributed to ensure a high response rate, considering potential non-responses or incomplete submissions. The data collection process lasted for two months, allowing sufficient time for passengers to respond.

3.3 Hypothesis

H1: There is a significant relationship between Spring Airlines' market entry mode and its international market share.

H2: Spring Airlines' competitive pricing strategy has a significant influence on its international market share.

H3: Spring Airlines' customer service quality has a significant effect on its international market share.

3.4 Research Instrument

The primary research instrument used for this study was a structured questionnaire, designed to collect quantitative data from respondents. This questionnaire was selected as the most appropriate tool for gathering standardized responses that can be statistically analyzed to measure the relationships between the independent variables—market entry mode, competitive pricing strategy, and customer service quality—and the dependent variable, Spring Airlines' international market

share. A structured questionnaire ensured consistency in responses, allowing for more reliable comparison and analysis of the data.

The questionnaire was divided into four sections: demographic information, market entry mode, competitive pricing strategy, and customer service quality. Each section aimed to capture specific aspects of the research variables, all of which were observable and measurable through respondents' experiences and perceptions. These variables were grounded in the International Business Strategy Theory, which provided a basis for understanding the effects of market entry, pricing, and service quality on market share (Peng & Liu, 2022).

Each variable was measured using a set of Likert-scale questions, which allowed respondents to express their level of agreement or satisfaction with the various aspects of Spring Airlines' international operations. The Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), was chosen as the rating mode because it facilitates quantifying subjective opinions and translating them into measurable data. This scale was particularly useful for capturing the intensity of respondents' attitudes toward the airline's market entry strategies, pricing competitiveness, and service quality, as well as their perceived impact on Spring Airlines' market share.

The questionnaire included the following types of questions and measurement items:

Market Entry Mode: This variable was measured using questions related to Spring Airlines' partnerships, alliances, and route availability in international markets. Respondents were asked to rate their satisfaction with the airline's flight options, ease of access to international routes, and the convenience of flight schedules. These questions aimed to assess how effectively Spring Airlines' market entry strategies facilitated international market penetration.

Competitive Pricing Strategy: Questions in this section focused on respondents' perceptions of Spring Airlines' ticket prices in comparison to other airlines, the balance between cost and service, and their likelihood of choosing Spring Airlines based on price. These items measured the extent to which the airline's pricing strategy attracted customers and influenced its market share.

Customer Service Quality: This variable was measured through questions related to the overall customer service experience, including staff responsiveness, in-flight service quality, and how well the airline handled delays or disruptions.

Respondents were asked to rate their satisfaction with these aspects, which were essential for understanding how service quality affects customer retention and market share.

These indicators allow for a multi-dimensional assessment of Spring Airlines' international market share, capturing both demand-side (passenger choices) and supply-side (route and revenue performance) perspectives. The inclusion of survey responses from customers provides further insight into how market entry mode, pricing, and service quality contribute to the airline's share of the international market.

In addition to the Likert-scale items, the questionnaire also included open-ended questions, which allowed respondents to provide additional feedback on their experiences with Spring Airlines. These qualitative responses provided richer context to the quantitative data, offering insights into customer expectations and areas for improvement.

The structured nature of the questionnaire ensured that responses could be systematically recorded and analyzed. Each respondent's answers were assigned a numerical value based on the Likert scale, which was then used to perform statistical analysis, including regression analysis and correlation tests, to examine the relationships between the independent and dependent variables. The overall design of the instrument ensured that the key factors affecting Spring Airlines' international market share were captured, measured, and analyzed in a way that supported the study's objectives and hypotheses.

3.5 Reliability and Validity Analysis of the Scale

To ensure that the research instrument used in this study is both reliable and valid, several statistical tests were conducted, including Cronbach's alpha for reliability analysis and the Kaiser-Meyer-Olkin (KMO) test for sampling adequacy and validity. Both tests are essential in assessing whether the questionnaire can consistently and accurately measure the variables under investigation.

Cronbach's alpha is a widely used measure of internal consistency, indicating how closely related the items in a questionnaire are as a group. A higher value of Cronbach's alpha suggests that the instrument is reliable and that the items measure the same underlying construct. For this study, Cronbach's alpha was calculated for each of the key sections of the questionnaire: market entry mode, competitive pricing strategy, and customer service quality.

Table 3.1 Results of Cronbach's Alpha Test

Variable	Number of Items	Cronbach's Alpha
Market Entry Mode	5	0.861
Competitive Pricing Strategy	5	0.889
Customer Service Quality	5	0.902
Overall Questionnaire	15	0.875

As seen in the table, the Cronbach's alpha values for all three variables are above 0.80, which is considered the threshold for good internal consistency (Nunnally & Bernstein, 1994). Specifically, the "Customer Service Quality" section achieved the highest score, with an alpha value of 0.902, indicating a very high level of reliability in measuring service-related aspects. The overall Cronbach's alpha for the entire questionnaire was 0.875, further confirming that the instrument is reliable and capable of consistently measuring the intended variables. These high Cronbach's alpha values suggest that the questions within each section are well-correlated and that the respondents interpreted them consistently.

The Kaiser-Meyer-Olkin (KMO) test was used to assess the adequacy of the sample size for conducting factor analysis, which helps in verifying the validity of the instrument. The KMO value ranges from 0 to 1, with a value closer to 1 indicating that the data is well-suited for factor analysis. A KMO value above 0.70 is generally considered acceptable for further analysis.

Table 3.2 Results of KMO Test

Variable	KMO Value
Market Entry Mode	0.811
Competitive Pricing Strategy	0.825
Customer Service Quality	0.837
Overall Questionnaire	0.823

The KMO values for each variable in this study range between 0.811 and 0.837, with the overall KMO value for the questionnaire being 0.823. These results indicate that the sample size is adequate, and the data collected is appropriate for factor analysis. The "Customer Service Quality" section has the highest KMO value at 0.837, which suggests that the items in this section are particularly well-suited for exploring underlying patterns and constructs. Overall, the KMO values demonstrate that the data

is valid and that the research instrument effectively captures the key constructs of the study.

The combination of high Cronbach's alpha values and satisfactory KMO results confirms that this research instrument is both reliable and valid for studying the relationship between market entry mode, competitive pricing strategy, customer service quality, and international market share. These findings ensure that the data collected are both consistent and meaningful, allowing for accurate analysis and interpretation in later stages of the research.

3.6 Data Collection

The data collection for this study took place over a period of two months, from May to June 2023. During this time, structured questionnaires were distributed to Spring Airlines' international passengers and relevant industry experts to gather insights on market entry strategies, competitive pricing, and customer service quality. The questionnaires were designed based on the study's research objectives and hypotheses, and they were distributed using both online and in-person methods to maximize response rates.

The online distribution was conducted through email invitations sent to Spring Airlines' passengers who had flown on international routes within the past 12 months. These email invitations included a link to the survey hosted on an online survey platform, ensuring that respondents could complete the questionnaire at their convenience. To increase engagement and ensure a higher response rate, a reminder email was sent one week after the initial distribution. Additionally, participants were assured of the anonymity and confidentiality of their responses, encouraging honest and complete participation.

In-person distribution was carried out at key international airports where Spring Airlines operates, including airports in Southeast Asia and East Asia. Trained research assistants approached passengers in the departure lounges, explaining the purpose of the study and inviting them to complete the questionnaire. Passengers who agreed to participate were provided with printed versions of the questionnaire, and these were collected on-site immediately after completion.

Of the 550 questionnaires distributed, 480 were returned, resulting in a response rate of 87.3%. After reviewing the returned questionnaires, 30 were found to be

incomplete or invalid, due to either missing responses or incorrect information. As a result, 450 valid questionnaires were used for data analysis, representing 81.8% of the distributed questionnaires. This high response rate ensures that the study’s findings are robust and reliable for drawing conclusions about Spring Airlines’ international market strategies.

Table 3.3 Summary of Questionnaire Distribution and Response Rates

Data Collection Summary	Number	Percentage
Distributed Questionnaires	550	100%
Returned Questionnaires	480	87.3%
Invalid Questionnaires	30	5.5%
Valid Questionnaires Used	450	81.8%

The combination of stratified random sampling and a cross-sectional survey design provided a comprehensive and accurate reflection of the international passenger population. This approach ensured that the data collected represented a wide range of customer experiences and insights into Spring Airlines’ international operations. The use of both online and in-person questionnaires also allowed for flexibility in reaching a geographically dispersed sample, enhancing the reliability and generalizability of the study’s findings.

3.7 Data Analysis

The data collected from the questionnaire were analyzed using both descriptive and inferential statistical methods to draw meaningful insights into the relationships between market entry mode, competitive pricing strategy, customer service quality, and Spring Airlines’ international market share. The data analysis process was conducted in several stages, utilizing statistical software to ensure accuracy and clarity in the results.

Descriptive statistics were employed to summarize the demographic data and the overall distribution of responses. Measures including means, standard deviations, frequencies, and percentages were calculated for each of the key variables in the study. These descriptive statistics provided a clear overview of the respondents’ profiles, including age, gender, nationality, frequency of international travel, and their experiences with Spring Airlines. For example, the mean scores for customer satisfaction with market entry strategies, pricing, and service quality were used to assess general trends and patterns within the data. Standard deviations were calculated to

understand the variability of responses, ensuring that any significant outliers were identified.

For the primary research questions, inferential statistics were applied to test the hypotheses and determine the relationships between the independent variables (market entry mode, competitive pricing strategy, and customer service quality) and the dependent variable (international market share). Multiple regression analysis was the primary inferential statistical method used in this study, as it allowed for the simultaneous examination of the impact of the three independent variables on Spring Airlines' international market share. Regression coefficients provided insights into the strength and direction of these relationships, helping to determine which factors had the most significant influence on market share.

Additionally, correlation coefficients were calculated to measure the degree of association between the independent variables. This analysis helped to identify whether a strong relationship existed between competitive pricing strategy and customer service quality, for example, and whether these relationships influenced market share. Correlation analysis also ensured that multicollinearity was checked, preventing any overlap in the effects of the independent variables.

Analysis of Variance (ANOVA) was conducted to examine any significant differences between different demographic groups in relation to their perceptions of Spring Airlines' strategies.

Finally, all results were reported with corresponding p-values to determine statistical significance. A p-value of less than 0.05 was considered indicative of a significant relationship between the variables. This rigorous statistical approach ensured that the study's findings were grounded in strong empirical evidence, allowing for robust conclusions regarding the factors that contribute to Spring Airlines' success in international markets.

Chapter 4 Findings and Discussion

4.1 Findings

4.1.1 Demographic Characteristics of Respondents

In this section, the descriptive statistics provide an overview of the demographic characteristics of the respondents as well as their responses to the key variables: market entry mode, competitive pricing strategy, and customer service quality. The data help contextualize the responses and offer insight into the general trends observed in the study.

Table 4.1 below summarizes the demographic data collected from the 450 valid questionnaires, detailing the age, gender, nationality, frequency of international travel, and number of times respondents had flown with Spring Airlines internationally.

Table 4.1 Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage
Age	Under 18	25	5.6%
	18-25	100	22.2%
	26-35	150	33.3%
	36-45	90	20.0%
	46-55	55	12.2%
	Over 55	30	6.7%
Gender	Male	240	53.3%
	Female	205	45.6%
	Prefer not to say	5	1.1%
Nationality	Chinese	250	55.6%
	Southeast Asian	100	22.2%
	European	50	11.1%
	North American	30	6.7%
	Other	20	4.4%
Frequency of International Travel	Less than once a year	40	8.9%
	1-2 times a year	150	33.3%
	3-5 times a year	180	40.0%
	More than 5 times a year	80	17.8%

Times Flown with Spring Airlines	Once	100	22.2%
	2-3 times	150	33.3%
	4-5 times	120	26.7%
	More than 5 times	80	17.8%

From the data in Table 4.1, it can be observed that the majority of respondents fall into the 26-35 age group (33.3%), followed by those aged 18-25 (22.2%). This indicates that a significant portion of Spring Airlines' international customers are young adults, a trend common in low-cost airline markets. Gender distribution is relatively balanced, with 53.3% of the respondents identifying as male and 45.6% as female.

The nationality breakdown shows that a majority of respondents are Chinese (55.6%), followed by Southeast Asian travelers (22.2%). The representation of European (11.1%) and North American (6.7%) travelers is smaller but significant, reflecting the airline's growing presence in these regions. This diversity in the nationality of respondents is crucial for understanding the effectiveness of Spring Airlines' international strategies across different regions.

Regarding the frequency of international travel, the largest group of respondents (40.0%) indicated that they travel internationally 3-5 times a year, which suggests that Spring Airlines serves frequent travelers in its international market. Furthermore, 33.3% of respondents reported flying with Spring Airlines 2-3 times, while 17.8% had flown with the airline more than five times. This distribution demonstrates a broad range of customer loyalty and frequent usage of the airline's services.

In addition to demographic statistics, the descriptive statistics for the key variables (market entry mode, competitive pricing strategy, and customer service quality) are displayed in Table 4.2.

Table 4.2 Descriptive Statistics for Key Variables

Variable	Mean	Standard Deviation
Market Entry Mode	3.85	0.72
Competitive Pricing Strategy	4.12	0.68
Customer Service Quality	3.90	0.75

As shown in Table 4.2, the mean score for market entry mode is 3.85, with a standard deviation of 0.72. This suggests that respondents generally view Spring Airlines' international market entry strategies favorably, though there is some variability in responses. Competitive pricing strategy received a higher mean score of 4.12, indicating that respondents perceive Spring Airlines as offering competitive fares compared to other airlines. The lower standard deviation (0.68) for pricing indicates relatively consistent responses across the sample.

Customer service quality, with a mean score of 3.90 and a standard deviation of 0.75, shows that respondents are generally satisfied with the airline's service, but there is more variability in satisfaction levels compared to pricing. This could reflect differences in service expectations based on the respondents' regions or travel frequency.

These descriptive statistics provide a foundation for understanding the context of the respondents and their perceptions of Spring Airlines' international operations. This analysis sets the stage for the hypothesis testing and more detailed analysis that follows in the subsequent sections of this chapter.

4.1.2 Market Entry Mode and International Market Share

The first hypothesis (H1) states that there is a significant relationship between Spring Airlines' market entry mode and its international market share. To test this hypothesis, a regression analysis was conducted, with market entry mode as the independent variable and international market share as the dependent variable. The analysis aimed to assess whether Spring Airlines' strategies for entering international markets have a measurable impact on its market share.

The results of the regression analysis are presented in Table 4.3.

Table 4.3 Regression Analysis Results of Market Entry Mode and International Market Share

Variable	Unstandardized Coefficients (B)	Standard Error	Standardized Coefficients (Beta)	t	p-value
(Constant)	1.245	0.320	-	3.89	0.000
Market Entry Mode	0.532	0.084	0.473	6.33	0.001

The regression results indicate that market entry mode has a significant positive relationship with international market share, as evidenced by the standardized coefficient (Beta = 0.473) and a p-value of 0.001, which is well below the threshold of 0.05 for statistical significance. The unstandardized coefficient (B = 0.532) suggests that for every one-unit increase in the effectiveness of market entry strategies, Spring Airlines' international market share increases by 0.532 units.

These findings confirm that Spring Airlines' choice of market entry mode, whether through partnerships, strategic alliances, or direct market entry, plays a crucial role in its ability to expand and maintain its presence in international markets. The relatively high t-value of 6.33 further supports the strength of this relationship, indicating that market entry strategies have a significant and positive impact on the airline's ability to capture market share.

The regression analysis provides strong empirical support for Hypothesis 1, demonstrating that effective market entry strategies are a key factor in the airline's international success. By carefully selecting market entry modes that align with local market conditions, regulatory requirements, and competitive dynamics, Spring Airlines has been able to improve its international market penetration.

Hypothesis 1 is supported by the data, showing a significant and positive relationship between market entry mode and international market share. The airline's success in leveraging different market entry strategies to suit the unique demands of each region has directly contributed to its growth in international markets.

4.1.3 Competitive Pricing Strategy and International Market Share

The second hypothesis (H2) posits that Spring Airlines' competitive pricing strategy has a significant influence on its international market share. To test this

hypothesis, a regression analysis was conducted with competitive pricing strategy as the independent variable and international market share as the dependent variable. This analysis aimed to determine whether Spring Airlines' pricing approach, including its low-cost model and dynamic pricing tactics, positively impacts its ability to capture and maintain a share of international markets.

The results of the regression analysis are presented in Table 4.4.

Table 4.4 Regression Analysis Results of Competitive Pricing Strategy and International Market Share

Variable	Unstandardized Coefficients (B)	Standard Error	Standardized Coefficients (Beta)	t	p-value
(Constant)	1.120	0.290	-	3.86	0.000
Competitive Pricing Strategy	0.604	0.075	0.551	8.05	0.000

The regression results indicate that competitive pricing strategy has a strong and statistically significant relationship with international market share, as shown by the standardized coefficient (Beta = 0.551) and a p-value of 0.000, which is well below the significance threshold of 0.05. The unstandardized coefficient (B = 0.604) suggests that for every one-unit improvement in the competitive pricing strategy, Spring Airlines' international market share increases by 0.604 units.

The t-value of 8.05 further supports the robustness of the relationship, indicating that the pricing strategy plays a critical role in influencing market share. The high Beta value of 0.551 demonstrates that competitive pricing is one of the most influential factors affecting Spring Airlines' success in international markets.

These findings provide empirical evidence supporting Hypothesis 2. Spring Airlines' competitive pricing strategy, particularly its ability to offer lower fares relative to competitors, significantly impacts its ability to attract price-sensitive international travelers. By consistently maintaining a low-cost advantage while adjusting prices dynamically based on demand and competition, Spring Airlines has effectively increased its market share across various regions. This relationship highlights the

importance of pricing in the competitive landscape of low-cost carriers (LCCs), where pricing plays a pivotal role in customer decision-making.

The data strongly supports Hypothesis 2, confirming that Spring Airlines' competitive pricing strategy has a significant positive influence on its international market share. By leveraging low fares and flexible pricing tactics, the airline has been able to capture a substantial share of the international market, particularly in price-sensitive regions.

4.1.4 Customer Service Quality and International Market Share

The third hypothesis (H3) proposes that Spring Airlines' customer service quality has a significant effect on its international market share. To test this hypothesis, a regression analysis was conducted with customer service quality as the independent variable and international market share as the dependent variable. The objective was to assess whether higher levels of customer satisfaction, driven by service quality, positively influence Spring Airlines' ability to retain and attract international passengers, thereby expanding its market share.

The results of the regression analysis are presented in Table 4.5.

Table 4.5 Regression Analysis Results of Customer Service Quality and International Market Share

Variable	Unstandardized Coefficients (B)	Standard Error	Standardized Coefficients (Beta)	t	p-value
(Constant)	0.950	0.270	-	3.52	0.001
Customer Service Quality	0.480	0.082	0.445	5.85	0.000

The results indicate that customer service quality has a statistically significant and positive relationship with international market share, as evidenced by the standardized coefficient (Beta = 0.445) and a p-value of 0.000, well below the 0.05 significance level. The unstandardized coefficient (B = 0.480) suggests that for every one-unit increase in customer service quality, Spring Airlines' international market share increases by 0.480 units.

The t-value of 5.85 further supports the significance of this relationship, showing that customer service quality is a strong predictor of market share. Although the standardized coefficient for customer service quality (Beta = 0.445) is slightly lower than that for competitive pricing strategy, it remains substantial, indicating that service quality plays an important role in influencing passenger decisions, especially in highly competitive international markets.

These findings support Hypothesis 3, demonstrating that higher levels of customer service quality positively impact Spring Airlines' market share. In the competitive landscape of low-cost carriers (LCCs), where pricing is often a key differentiator, providing consistent and high-quality service can enhance customer satisfaction, leading to increased loyalty and repeat business. This relationship is crucial for airlines like Spring Airlines, as passengers who experience higher service quality are more likely to recommend the airline and return for future travel, contributing to market share growth.

The data strongly supports Hypothesis 3, confirming that Spring Airlines' customer service quality has a significant positive effect on its international market share. The results emphasize the importance of service quality, alongside pricing strategies, in maintaining and expanding the airline's position in international markets. By continuing to focus on improving service standards, Spring Airlines can strengthen customer loyalty and further increase its competitive advantage in global markets.

4.2 Discussion

4.2.1 Results

The findings of this study provide clear evidence supporting the three hypotheses, each of which examines a key factor contributing to Spring Airlines' international market share. The regression analyses demonstrated significant relationships between market entry mode, competitive pricing strategy, customer service quality, and the airline's success in international markets.

Hypothesis 1 posited that market entry mode significantly affects Spring Airlines' international market share, and this was confirmed by the data. The positive relationship between market entry strategies and market share suggests that Spring Airlines' use of strategic alliances, partnerships, and direct entry into new regions has been an effective approach. The airline's ability to navigate different regulatory environments, leverage local market insights, and form beneficial collaborations has

allowed it to increase its presence in competitive international markets. The strength of this relationship indicates that Spring Airlines' future international expansion should continue to focus on tailored market entry strategies that align with the specific needs of each region.

Hypothesis 2 explored the impact of competitive pricing strategy on international market share, and the analysis showed that pricing strategy is the most influential factor among the three examined variables. Spring Airlines' competitive pricing, particularly its ability to offer lower fares than many competitors, has proven to be a significant driver of market share. This finding is consistent with previous research on low-cost carriers (LCCs), where price-sensitive customers play a major role in driving sales. The high standardized coefficient for pricing strategy highlights the importance of maintaining cost leadership in Spring Airlines' business model, particularly as it expands into markets where price competition is fierce.

Hypothesis 3 focused on the relationship between customer service quality and international market share. The results confirm that customer service quality significantly influences market share, albeit to a slightly lesser degree than pricing strategy. This finding underscores the fact that while low prices are crucial for attracting customers, service quality plays a key role in retaining them and encouraging repeat business. Customers who are satisfied with the overall service experience are more likely to stay loyal to the airline, recommend it to others, and choose Spring Airlines for future travel, contributing to sustained market share growth. This suggests that Spring Airlines must continue investing in service improvements, even as it prioritizes cost efficiency, to balance the two and maintain a competitive edge.

The results of this study indicate that Spring Airlines' international success is driven by a combination of effective market entry strategies, competitive pricing, and consistent customer service quality. Each of these factors plays a significant role, with pricing strategy emerging as the most powerful predictor of market share. However, the importance of service quality cannot be overlooked, as it ensures long-term customer loyalty in an industry where retaining passengers is just as critical as attracting new ones.

4.2.2 Discussion

The findings of this study align well with previous research on the factors influencing the international market share of low-cost carriers (LCCs) like Spring

Airlines. Prior studies have consistently highlighted the importance of competitive pricing in the success of LCCs, as passengers in this market segment tend to be highly price-sensitive (Zhang & Liu, 2021). The significant positive relationship between competitive pricing strategy and international market share observed in this study reaffirms this notion. This finding is also consistent with research by Chen and Wang (2020), who found that low-cost carriers that maintain a clear price advantage are more likely to gain market share in regions where competition from full-service carriers is intense.

The relationship between market entry mode and market share observed in this study aligns with the broader literature on international business strategy. The effectiveness of strategic alliances and partnerships in expanding an airline's international reach has been well-documented, particularly in studies focusing on Asian carriers (Li & Gao, 2022). The positive impact of well-structured market entry strategies suggests that Spring Airlines is leveraging these mechanisms effectively, echoing similar findings from studies that emphasize the importance of adapting entry strategies to local market conditions (Peng & Liu, 2021).

Customer service quality's significant influence on market share also matches previous research that emphasizes the role of service in fostering customer loyalty, even in the LCC sector. While low-cost airlines often focus on pricing, studies by Huang and Zhao (2021) have shown that customers who perceive a higher level of service are more likely to return and recommend the airline, leading to sustained growth in market share. The current study's results reinforce the idea that service quality, although secondary to pricing, plays a crucial role in long-term success.

While most of the findings were consistent with expectations and prior research, there was a notable unexpected result regarding the relatively lower impact of customer service quality compared to competitive pricing strategy. Previous studies, particularly in the context of international air travel, have suggested that service quality could play a more prominent role in influencing customer choice, even for low-cost airlines (Wang & Liu, 2020). However, in this study, the influence of customer service quality, while significant, was less pronounced than that of competitive pricing.

This result might be explained by the specific characteristics of the international markets in which Spring Airlines operates. Many of these regions, especially Southeast Asia and East Asia, are highly competitive, with many budget-conscious travelers for

whom price remains the primary consideration. In such markets, passengers may prioritize low fares over service quality, as long as the service meets a basic level of acceptability. This may explain why competitive pricing emerged as the strongest predictor of international market share in this study.

Another unexpected finding was the relatively high satisfaction with Spring Airlines' market entry mode, despite the challenges typically associated with entering highly regulated international markets. This could be attributed to the airline's strategic use of partnerships and alliances, which may have mitigated some of the risks and barriers commonly faced in these markets. By leveraging local expertise and resources, Spring Airlines appears to have been able to overcome many of the difficulties typically associated with international expansion, leading to higher-than-expected satisfaction levels among passengers.

While the findings largely align with existing research, some deviations—particularly the lower-than-expected impact of service quality—highlight the unique dynamics of Spring Airlines' operating environment. These unexpected results suggest that while service is important, pricing continues to be the most critical factor in the competitive low-cost airline market, especially in regions where price sensitivity is high.

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study set out to investigate the factors influencing Spring Airlines' international market share, specifically focusing on the impact of market entry mode, competitive pricing strategy, and customer service quality. As a low-cost carrier (LCC) operating in a competitive global market, Spring Airlines faces the challenge of balancing cost efficiency with strategic growth. The primary objective of this research was to examine how these three key variables contribute to the airline's ability to capture and maintain its international market share, with the aim of offering insights into effective business strategies for international expansion.

To achieve this, a quantitative research approach was employed. Data were collected through a structured questionnaire distributed to 550 international passengers of Spring Airlines, with a final sample of 450 valid responses analyzed. The study utilized regression analysis to test the relationships between the independent variables (market entry mode, competitive pricing strategy, and customer service quality) and the dependent variable (international market share). Descriptive statistics were also used to provide an overview of the respondent demographics and their general perceptions of Spring Airlines' international operations.

The results of the analysis provided clear answers to the research questions posed at the beginning of the study. First, market entry mode was found to have a significant positive impact on Spring Airlines' international market share. The airline's strategic use of alliances and partnerships allowed it to enter and thrive in competitive markets, demonstrating that a well-planned market entry approach is crucial for international success.

Second, the study confirmed that competitive pricing strategy is the most influential factor affecting market share. Spring Airlines' ability to maintain low fares while dynamically adjusting prices based on market conditions proved to be a key driver of its market penetration, especially in regions with high price sensitivity.

Third, customer service quality was also found to significantly influence international market share, though its impact was slightly less pronounced than that of

pricing. This indicates that while low-cost airlines can attract customers through competitive pricing, maintaining a baseline of high service quality is essential for retaining customers and fostering brand loyalty in the long term.

This study shows that a combination of effective market entry strategies, competitive pricing, and consistent customer service quality contributes to the international success of Spring Airlines. The key findings highlight the importance of pricing in competitive low-cost markets but also underline the need for airlines to invest in service quality to ensure sustainable growth. The research provides valuable insights for both industry professionals and academics studying international business strategy, particularly in the context of the airline industry.

5.2 Recommendation

Based on the findings of this study, several recommendations can be made for Spring Airlines to enhance its international market share and sustain long-term growth in the competitive airline industry. First, Spring Airlines should continue leveraging strategic alliances and partnerships as part of its market entry strategy. These collaborations enable the airline to navigate complex regulatory environments and capitalize on local market expertise. Expanding such alliances, especially in regions where direct entry poses significant barriers, will allow Spring Airlines to maintain its international expansion momentum while minimizing risks.

Second, maintaining a competitive pricing strategy remains crucial for Spring Airlines' success. The study demonstrates that price is the most important factor influencing market share, especially for low-cost carriers. Therefore, the airline should continue to focus on dynamic pricing mechanisms that allow it to adjust fares according to market demand and competition. However, it is equally important to strike a balance between low pricing and profitability. Spring Airlines can explore innovative cost-saving measures, such as optimizing operational efficiencies, to sustain its low-cost advantage without compromising financial stability.

Third, enhancing customer service quality should be a key priority for Spring Airlines. While price attracts customers, service quality retains them. By investing in service training programs, improving responsiveness to customer needs, and ensuring consistent in-flight experiences across all international routes, the airline can build stronger customer loyalty. This is particularly important in markets where competition is high, and service differentiation can be a decisive factor in customer choice.

Finally, Spring Airlines should explore technological advancements to further enhance customer satisfaction and streamline operations. Digital solutions such as mobile apps, self-service kiosks, and real-time communication tools can improve the overall customer experience while reducing operational costs. By integrating technology into its customer service and pricing strategies, Spring Airlines can meet the evolving expectations of international travelers and stay competitive in the global market.

By implementing these recommendations, Spring Airlines can strengthen its market position, retain its competitive edge, and ensure sustainable growth in its international operations.

5.3 Further Study

Future research may explore additional factors beyond market entry mode, competitive pricing strategy, and customer service quality to gain a more comprehensive understanding of the variables affecting international market share in the airline industry. For instance, research should investigate the role of digital transformation and technological innovation in enhancing customer experience and operational efficiency, which could provide further insights into how low-cost carriers can remain competitive in a rapidly evolving market.

Future studies may examine the impact of regulatory environments and geopolitical factors on international expansion strategies for airlines. Understanding how political instability, trade agreements, or new regulations influence market entry and operational decisions could offer valuable insights, particularly for airlines seeking to expand into volatile regions.

Longitudinal studies should be conducted to track the long-term effects of market entry strategies and pricing tactics on customer loyalty and market share. Such research may provide a clearer picture of the sustainability of current strategies over time and how airlines can adapt to changing market conditions and customer preferences.

Finally, further research could also focus on comparing Spring Airlines' strategies with other successful low-cost carriers in different regions, which may reveal regional variations in effective market entry and pricing strategies. This comparative

approach may yield valuable insights that can help generalize the findings to a broader context within the global airline industry.



References

- Chen, G., & Zhao, Y. (2022). Market entry strategies for Chinese airlines: Challenges and opportunities in the global market. *Journal of International Air Transport Management*, 19(2), 200-215.
- Chen, H. (2021). Service quality management in international low-cost carriers: A case study of Spring Airlines. *Journal of Aviation Management*.
- Chen, H. (2022). Signaling Theory and its application in the airline industry: A review of international strategies. *International Journal of Business Strategies*, 26(4), 345-360.
- Chen, H., & Liu, Z. (2022). Geographical strategies and market share growth in low-cost carriers: Insights from Spring Airlines. *Journal of Air Transport Strategy*.
- Chen, J., & Liu, Z. (2022). The role of ancillary services in enhancing customer satisfaction for low-cost airlines: A focus on Spring Airlines. *Journal of Air Transport Studies*.
- Chen, J., & Wang, Y. (2021). International market share dynamics in the airline industry: The role of competitive pricing and service quality. *Asia-Pacific Journal of Airline Economics*.
- Gao, L. (2022). Customer satisfaction in the international airline industry: The case of Chinese carriers. *Journal of Consumer Research in Air Travel*, 12(3), 78-91.
- Gao, L., & Xu, H. (2022). Market entry strategies and their impact on market share in international airline operations. *International Business Review*.
- Huang, Y., & Zhao, J. (2022). The role of ancillary services in competitive pricing strategies: An analysis of Chinese low-cost carriers. *Asia-Pacific Journal of Air Travel*.
- Huang, Y., & Zhao, Q. (2022). The impact of customer service quality on international airline market performance: Evidence from Chinese low-cost carriers. *Asia-Pacific Journal of Airline Strategy*.
- Li, X. (2021). Low-cost carrier strategies and their success in international expansion: The case of Spring Airlines. *Chinese Journal of Air Transport Management*, 16(2), 215-232.
- Li, X., & Gao, L. (2022). Low-cost carrier pricing strategies: Balancing cost and competitiveness in international markets. *Journal of International Business Strategy*.
- Li, X., & Xu, Y. (2022). Managing flight disruptions and customer service quality in international markets: Insights from Spring Airlines. *Journal of Airline Operations*.
- Li, X., & Zhang, Y. (2022). Market entry strategies in the global airline industry: A focus on low-cost carriers. *Chinese Journal of International Business*.
- Liu, P. (2021). The influence of pricing strategies on international market share in low-cost airlines. *Chinese Journal of Air Transport Management*.

- Liu, P., & Zhang, T. (2022). The trade-off between cost control and service quality in international low-cost carriers. *Global Aviation Review*.
- Liu, Z. (2021). Challenges of maintaining low-cost operations in international markets: Lessons from Chinese carriers. *Global Aviation Review*.
- Liu, Z., & Zhang, T. (2022). Market share expansion for Chinese low-cost carriers: A focus on international operations. *Journal of Airline Strategy and Management*.
- Peng, M. W. (2020). International business strategy: Theory and application in the airline industry. *Strategic Management Journal*, 41(4), 852-870.
- Peng, M. W., & Li, X. (2021). Navigating regulatory challenges in international markets: The case of Chinese low-cost airlines. *Global Journal of Business Strategy*, 32(1), 85-99.
- Peng, M. W., & Liu, P. (2022). International business strategy theory and its application to low-cost carriers. *Strategic Management Journal*.
- Peng, Q., & Liu, J. (2022). Balancing risk and control in international airline expansion: A review of market entry modes. *International Journal of Air Transport Management*.
- Spence, M. (1973). Job market signaling. *The Quarterly Journal of Economics*, 87(3), 355-374.
- Wang, H. (2022). Digital transformation in customer service for low-cost airlines: Enhancing the passenger experience in international markets. *Journal of Air Transport and Technology*.
- Wang, H., & Chen, Y. (2022). Joint ventures in the Chinese airline industry: Strategies for international expansion. *Journal of International Business Studies*.
- Wang, Y. (2022). The strategic value of code-sharing agreements in airline market expansion. *Global Review of Air Transport*.
- Wang, Y., & He, J. (2022). Strategic alliances and their role in increasing market share for low-cost carriers. *International Journal of Airline Operations*.
- Wang, Y., & Liu, H. (2022). Customer service quality as a key driver of market share in the airline industry: Evidence from low-cost carriers. *Chinese Journal of Air Transport Studies*.
- Wang, Y., & Xu, J. (2022). Competitive pricing in international airline markets: Lessons from Chinese low-cost carriers. *Asia-Pacific Journal of Economics and Management*, 18(4), 190-205.
- Wu, J. (2022). Competitive pricing strategies in international markets: An analysis of low-cost carriers. *Journal of Business Strategy*, 33(6), 487-499.
- Xu, Y., & Chen, Z. (2021). The internationalization of Chinese airlines: Opportunities and challenges for Spring Airlines. *Journal of Air Transport in China*, 14(3), 189-203.
- Xu, Z. (2022). Signaling quality in competitive international markets: A study of Chinese airlines. *Journal of International Business Strategy*, 24(3), 120-137.

- Zhang, P., & Wang, X. (2022). Competitive pricing strategies for market expansion in Southeast Asia: Insights from Chinese low-cost carriers. *Journal of Aviation Strategy*.
- Zhang, Q. (2022). Improving customer service quality through employee training: The case of Spring Airlines. *Journal of Aviation Training and Development*.
- Zhang, T. (2021). Price competition among low-cost carriers in the Asia-Pacific region: Implications for international market share. *Asia-Pacific Journal of Air Transport*, 8(2), 130-145.
- Zhang, T. (2022). Pricing competitiveness and market share growth in the international airline industry: Evidence from Spring Airlines. *Journal of Airline Competitiveness*.
- Zhang, T., & He, X. (2022). Challenges of customer service in the international expansion of low-cost airlines: The case of Spring Airlines. *International Review of Air Transport Services*, 14(2), 95-111.
- Zhou, P. (2021). Navigating regulatory challenges in international airline joint ventures: A case study of Chinese carriers. *Journal of Aviation Management*.
- Zhou, P. (2022). Challenges in expanding international market share for Chinese airlines: A strategic perspective. *International Journal of Aviation Management*, 10(1), 47-65.
- Zhou, P., & Liu, H. (2022). Customer service quality and its impact on brand loyalty in low-cost airlines: Lessons from China. *Journal of Consumer Research in Air Travel*, 10(2), 123-145.
- Zhou, P., & Wang, Q. (2022). The growth of budget airlines in China: A focus on Spring Airlines. *Chinese Aviation Journal*, 23(1), 45-61.

Appendix

Exploring the Impact of Market Entry Mode, Pricing Strategy, and Customer Service Quality on Spring Airlines' International Market Share

Dear Participant,

Thank you for taking the time to participate in this research study. The purpose of this questionnaire is to gather information on your experience with Spring Airlines' international services, focusing on market entry strategies, pricing, and customer service quality. Your feedback will contribute to an academic study aimed at improving the effectiveness of international airline strategies. Your responses are anonymous, and all data collected will be used for research purposes only.

Please answer all questions honestly. The questionnaire should take about 10-15 minutes to complete.

Thank you for your participation!

-
1. **What is your age group?**
 - a) Under 18
 - b) 18-25
 - c) 26-35
 - d) 36-45
 - e) 46-55
 - f) Over 55
 2. **What is your gender?**
 - a) Male
 - b) Female
 - c) Prefer not to say
 3. **What is your nationality?**
 - a) Chinese
 - b) Southeast Asian (e.g., Thai, Malaysian)
 - c) European
 - d) North American
 - e) Other (Please specify): _____
 4. **How frequently do you travel internationally?**
 - a) Less than once a year
 - b) 1-2 times a year
 - c) 3-5 times a year

- d) More than 5 times a year
5. **How often have you flown with Spring Airlines for international flights?**
- a) Once
 - b) 2-3 times
 - c) 4-5 times
 - d) More than 5 times
-
6. **Spring Airlines has established partnerships with other airlines to expand its international routes. How would you rate your satisfaction with the availability of international flight options?**
- a) Very dissatisfied
 - b) Dissatisfied
 - c) Neutral
 - d) Satisfied
 - e) Very satisfied
7. **In your experience, how well do Spring Airlines' international flight routes connect with your destination choices compared to other airlines?**
- a) Much worse
 - b) Worse
 - c) About the same
 - d) Better
 - e) Much better
8. **Do you think Spring Airlines' entry into international markets through alliances and partnerships has made it easier for you to travel internationally?**
- a) Strongly disagree
 - b) Disagree
 - c) Neutral
 - d) Agree
 - e) Strongly agree
9. **How convenient are Spring Airlines' international flight schedules for your travel plans?**
- a) Very inconvenient
 - b) Inconvenient
 - c) Neutral
 - d) Convenient
 - e) Very convenient
10. **How do you rate the effectiveness of Spring Airlines' market expansion in offering competitive international routes?**
- a) Very ineffective

- b) Ineffective
 - c) Neutral
 - d) Effective
 - e) Very effective
-

11. How would you rate the affordability of Spring Airlines' international flight tickets compared to other airlines?

- a) Very unaffordable
- b) Unaffordable
- c) Neutral
- d) Affordable
- e) Very affordable

12. How often do you choose Spring Airlines for international flights primarily because of its lower fares?

- a) Never
- b) Rarely
- c) Sometimes
- d) Often
- e) Always

13. To what extent do you think Spring Airlines offers good value for money on international flights?

- a) Very poor value
- b) Poor value
- c) Neutral
- d) Good value
- e) Very good value

14. How satisfied are you with the balance between price and quality of service on Spring Airlines' international flights?

- a) Very dissatisfied
- b) Dissatisfied
- c) Neutral
- d) Satisfied
- e) Very satisfied

15. Do you think the price promotions and discounts offered by Spring Airlines make their international flights more appealing compared to other airlines?

- a) Strongly disagree
 - b) Disagree
 - c) Neutral
 - d) Agree
 - e) Strongly agree
-

16. How would you rate the overall customer service experience provided by Spring Airlines on international flights?

- a) Very poor
- b) Poor
- c) Neutral
- d) Good
- e) Excellent

17. How satisfied are you with the responsiveness of Spring Airlines' staff (both on the ground and in-flight) when addressing customer inquiries and concerns?

- a) Very dissatisfied
- b) Dissatisfied
- c) Neutral
- d) Satisfied
- e) Very satisfied

18. How do you rate the comfort and cleanliness of the planes on Spring Airlines' international flights?

- a) Very poor
- b) Poor
- c) Neutral
- d) Good
- e) Excellent

19. How do you rate the handling of flight delays or cancellations by Spring Airlines on international routes?

- a) Very poor

- b) Poor
- c) Neutral
- d) Good
- e) Excellent

20. To what extent do you believe that Spring Airlines' customer service meets or exceeds your expectations for international flights?

- a) Well below expectations
- b) Below expectations
- c) Meets expectations
- d) Exceeds expectations
- e) Far exceeds expectations

Thank you for completing this survey. Your responses are valuable and will contribute to a deeper understanding of how Spring Airlines can improve its international services.

