

Abstract

Aviation industry of Thailand has been undergone many stages of development from military air service under strict control by government to the liberalization on domestic routes today. All players and stakeholders in the industry also have been through various difficulties due to changes in regulatory environment from time to time.

At present where the domestic routes have been liberalized and private airlines are permitted to operate concurrently with national carrier like Thai Airways International on the same domestic routes, there are many effects to various parties.

General findings on studied phenomenon (liberalization) revealed that confidence over the airline, airfare, route and monopoly status over the route, and regulatory environment are factors to be taken into consideration for the study of private airline and domestic aviation industry in current liberalized environment.

The research findings finally are able to confirm that

- the government policies have direct or indirect impact on the industry and related parties.
- The route network matters for airline business development
- The interplay between private airlines and government shape and reshape the environment of the industry from time to time.
- Related and supporting industries also contribute to private airlines' competitiveness.

Considering all the facts and findings, the suggestion for further research study is to quantitatively study the importance of the four factors defined in conceptual model from the findings. Also the researcher of further study needs to bear in mind the fact that the aviation industry may change from time to time. The research findings which are presented here, therefore, may not be applicable for the future study if the liberalization step moves forward and regulatory environment changes.