U.S. AIRLINE INDUSTRY: CONSULTING ANALYSIS ON JETBLUE AIRWAYS

AGENDA

OVERVIEW

Our Industry

The **U.S. airline industry** comprises passenger air transportation, including scheduled flights but excluding air freight transport.

The **low-cost carrier (LCC) model** is based on high seating density and aircraft utilization at low fares.

Our analysis will focus on the mainline passenger transportation services.

JetBlue Airways

Founded in 1998, JetBlue is a low-cost passenger airline. It operates primarily on point-to-point routes spanning 108 destinations, with the majority of operations center in the northeast corridor of the U.S.

The company owns 5.5% market share in the U.S. airline industry, and is one of the leading firms in the LCC segment.

THE U.S. AIRLINE INDUSTRY AND LCC MARKET

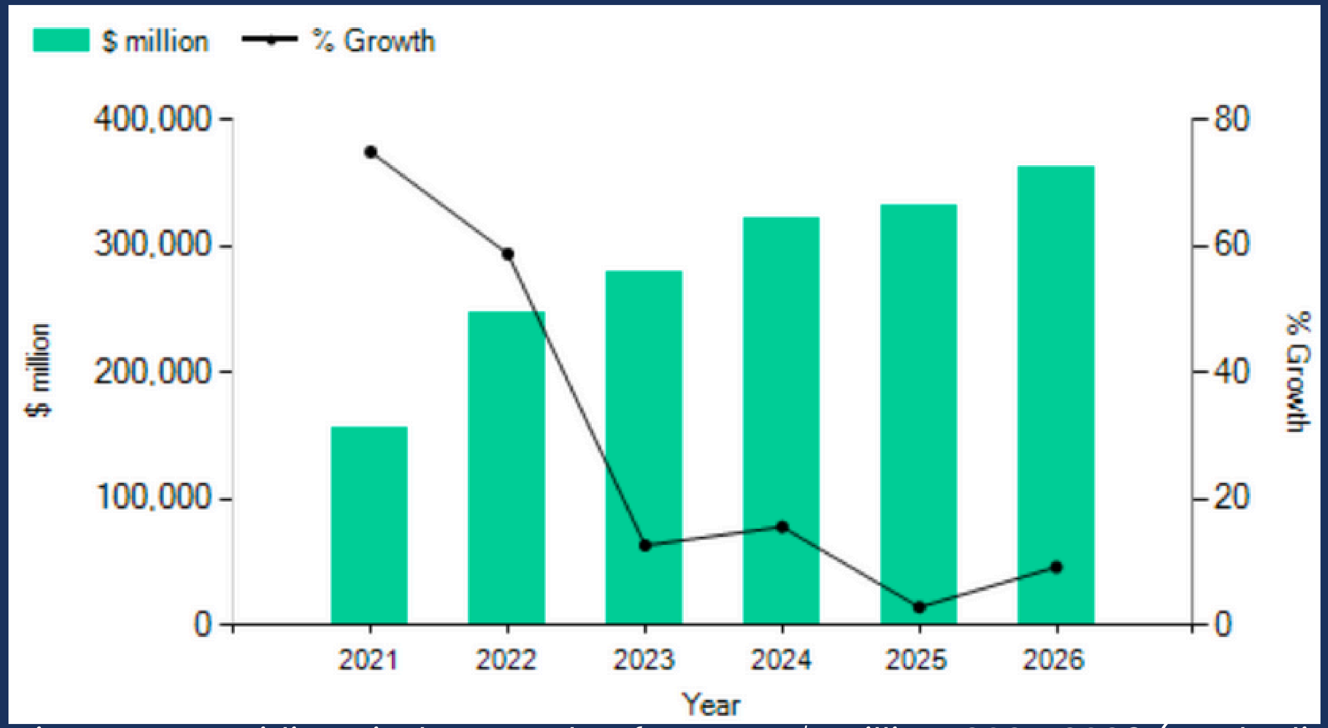


Figure 1: U.S. airlines industry value forecast: $ million, 2021–2026 (Marketline)

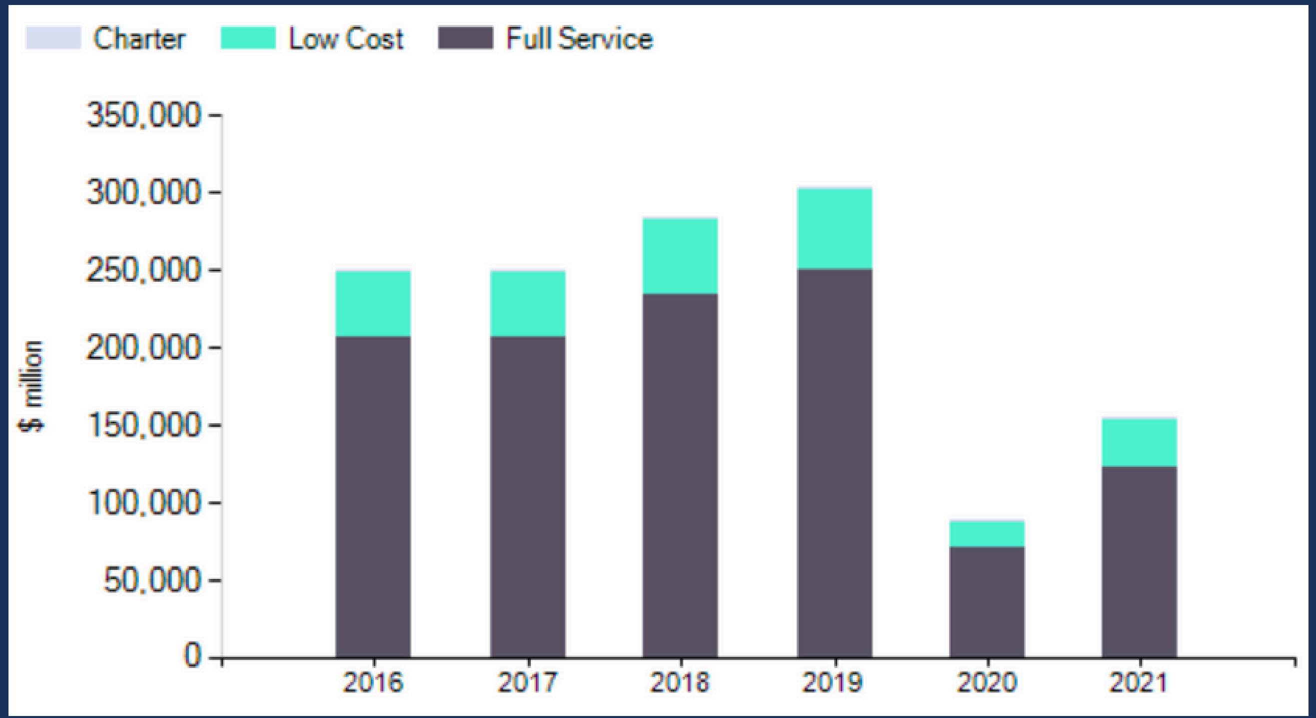


Figure 2: U.S. airlines industry category segmentation: $ million, 2016-2021 (Marketline)

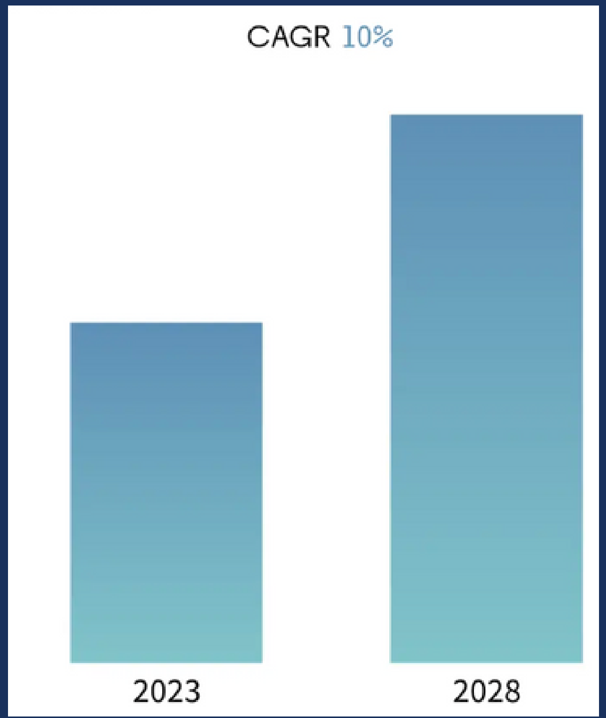


Figure 3: LCC Market Size Forecast, 2023-2028 (Mordor Intelligence)

Industry Trends

- The industry revenue decline by 70.7% in 2020 due to the COVID-19 pandemic. But the industry performance is forecast to accelerate, with an anticipated CAGR of 18.4% over 2021-26.
- Operating costs remain volatile due to macroeconomic conditions.
- Full service and LCC segments account for 79% and 20.5% of the industry's total value.
- LCC market size is projected to register a CAGR of 10% during 2023-28.
- The rise of low-cost carriers threatens basic-class ticket sales, driven by high inflation and pandemic-related losses.
- Increased competition prompts companies to adopt new strategies, with legacy carriers offering basic economy tickets for lower-priced fares.
- The industry continues to advance technologically, focusing on enhancing the guest experience, increasing operating efficiencies, reducing costs, and safeguarding information.

SUPPLY CHAIN

Raw Materials	Suppliers of raw materials, such as Aluminum, Titanium, as well as other metals and fuel.
OEM'S	Engine, avionics and interior equipment manufacturers.
Aircraft Manufacturers	Aircraft manufacturers, such as Boeing and Airbus.
Airlines	Airline companies, such as JetBlue, Delta, American Airlines, etc.
1st Tier Buyers	Companies that sell airlines tickets, such as TRIVAGO, or companies that supply airlines with F&B services or ground handling services.
2nd Tier Buyers	Consumers who buy the airline tickets.

FIVE-FORCE ANALYSIS

Threat of Entry (Low)

→ Potential Entrants: New airlines that seek to operate in the U.S.

- Capital-intensive industry while companies leveraging economies of scale ↓
  - High fixed costs and operational costs (staffing, landing slots and routes, maintenance, etc)
- Overall very thin profit margin for airline companies ↓
- Industry is vulnerable to macroeconomic changes (political events, natural disasters, global economic conditions, etc) ↓
- Compliance with stringent government regulations on safety, security, staff training, and other procedures. ↓

Overall: Given high BTE, potential entries into this industry are likely limited. This reduced competition can translate into higher profit margins for the existing companies, as they have greater control over pricing and market dynamics.

Power of Buyers (Moderate)

→ Key Buyers: mostly individual buyers and travel agencies

- Low switching costs ↑
- Undifferentiated industry products ↑
- **High price-sensitivity** for **low-fare flights** ↑
- Lower customer concentration than the industry ↓
- Most flights are bought directly from airlines via websites, with LCCs having pioneered the use of online booking; agencies may secure discounted prices through bundled offerings →

Overall: Buyers' power is moderate due to high price sensitivity in the LCC market, while travel agencies wield slight bargaining power through bundled offerings. The moderate buyer power may not be sufficient to significantly impact the profitability of industry firms.

Power of Suppliers (High)

→ Key Suppliers: Boeing and Airbus, Fuel companies (Chevron, Exxon Mobil, etc.)

- Duopoly suppliers for high volume aircraft - Boeing and Airbus - have high bargaining power ↑
- High switching costs due to high capital investment required and the lengthy process of purchasing and manufacturing aircrafts ↑
- Fuel costs are highly volatile (an increase of 28% from 2021 to 2022) ↑
- Suppliers of goods (maintenance and food) could be substituted but are tied to specific airports →

Overall: Suppliers' strong power as a result of duopoly can exert upward pressure on costs, potentially affecting the profitability of industry firms.

Threat of Substitutes (Moderate)

→ Key Substitutes: Rail transportation, driving

- No alternatives to traveling by airplane over particularly long distances ↓
- Switching costs are high for long-haul routes ↓
- Some short haul routes can be substituted for rail or car travel, which can be less expensive ↑
- Video-conferencing apps serve as an alternative for business travelers, **BUT** have a weaker competitive power post pandemic ↓

Overall: The lack of alternatives for long distance travel weakens the threat of substitutes. It's difficult for substitutes to exert pressure on industry firms' profitability in this low-threat environment.

Extent of Rivalry (High)

→ Key Rivals: Spirit, Southwest, Alaska

- Increasing demand post-pandemic ↑
- High exit barriers (high fixed costs, elevated operating costs) ↑
- Undifferentiated and perishable product leads to price competition ↑
- The overall airline industry is concentrated (C4>80%), and the **LCC market** is fragmented (C4=33.5%) while many 'legacy' carriers have also entered with new subsidiaries ↑
- Thin profit margin owing to intense competition to hinder market growth →

Overall: High rivalry potentially results in firms competing away potential profit; companies may engage in price wars to gain market share, which can negatively impact profitability.

OVERALL,

Despite the low risk from new entrants, the industry's profitability conditions are unfavorable and below the economic average. This is primarily driven by the amount of capital required, accompanied by intense price competition, strict regulatory interventions, duopolistic suppliers, and the influence of external factors (natural disaster, political unrest, etc).

JETBLUE IN THE U.S. AIRLINE INDUSTRY

Our analysis focuses on the ***Lower-Cost Carrier (LCC)*** *market*

JETBLUE VS. SOUTHWEST - COMPETITIVE POSITIONING

Jetblue

- Low cost carrier, customer experience focus targeting a narrow market
- Both domestic and international flights
- Considers themselves hybrid carrier, offering some premium services while trying to compete among the cost leaders in terms of price point

Southwest

- Well established opertational efficiency in low cost targeting a broad market
- Mainly just domestic flights
- Focus on simplicity and tranparency
- Low fares and and straightforaward

Explanation for Performance Difference

- Offers both domestic and international which may raise costs and add complexities
- JetBlue, with its hybrid model, charges their customers more for the added services they provide
- Striking a balance between cost competitiveness and proving additional ammentites can be challenging

- Only domestic flights allows for cost savings
- Southwest is a lowcost carrier with short haul-routes known for their cost efficiencies
- Operates a single aircraft (Boeing 737) which further
- Controlling practices such a fuel hedging, having high aircraft utilization, and quick turnarounds

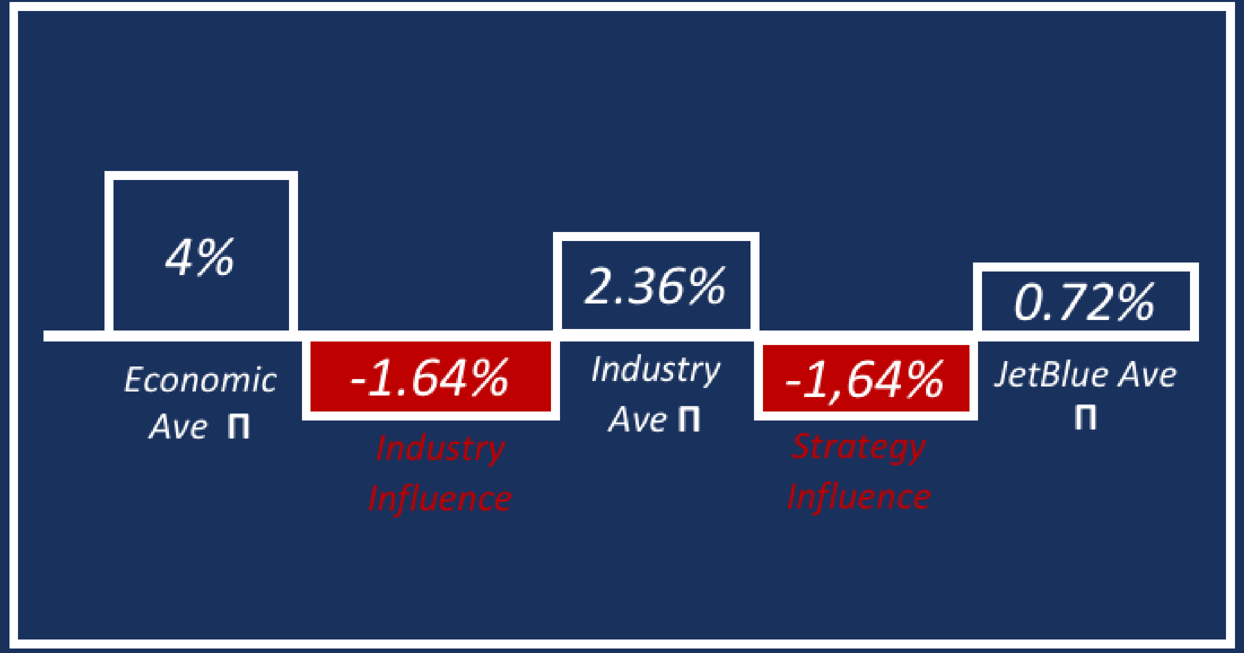
PROFITABILITY PERFORMANCE OF THE U.S. AIRLINE INDUSTRY

Year	Alaska Airlines	Southwest Airlines	Spirit Airlines Inc	JetBlue Airways Corp	Average
2023	2,11%	2,87%	-3,52%	-1,13%	0,08%
2022	0,40%	1,50%	-6%	-2,80%	-1,73%
2021	3,40%	2,80%	-5,50%	-1,30%	-0,15%
2020	-9,40%	-10,20%	-5,10%	-10,10%	-8,70%
2019	6,40%	8,80%	5,50%	5,00%	6,43%
2018	4,00%	9,60%	3,30%	1,80%	4,68%
Average	3,23%	5,69%	-0,18%	0,72%	2,36%

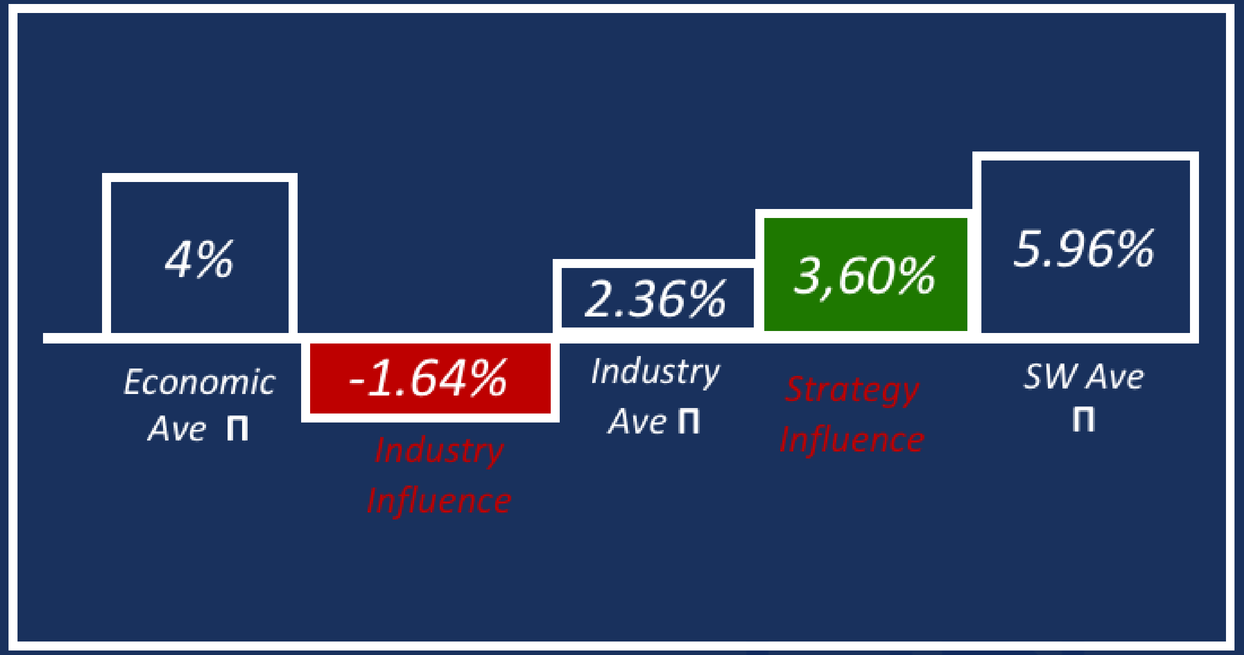
Year	Alaska Airlines	Southwest Airlines	Spirit Airlines Inc	JetBlue Airways Corp	Average
2023Q3	3,68%	2,80%	-5,90%	-1,40%	-0,21%
2023Q2	6,68%	7,60%	-0,10%	0,20%	3,60%
2023Q1	-4,04%	-1,80%	-4,55%	-2,20%	-3,15%
Average	2,11%	2,87%	-3,52%	-1,13%	0,08%

Note: Covid-19 years (2020 and 2021) are excluded from the calculation, as they would skew the actual performances of the companies too much.

Analysis of Financial Performance JetBlue (Return on Assets)

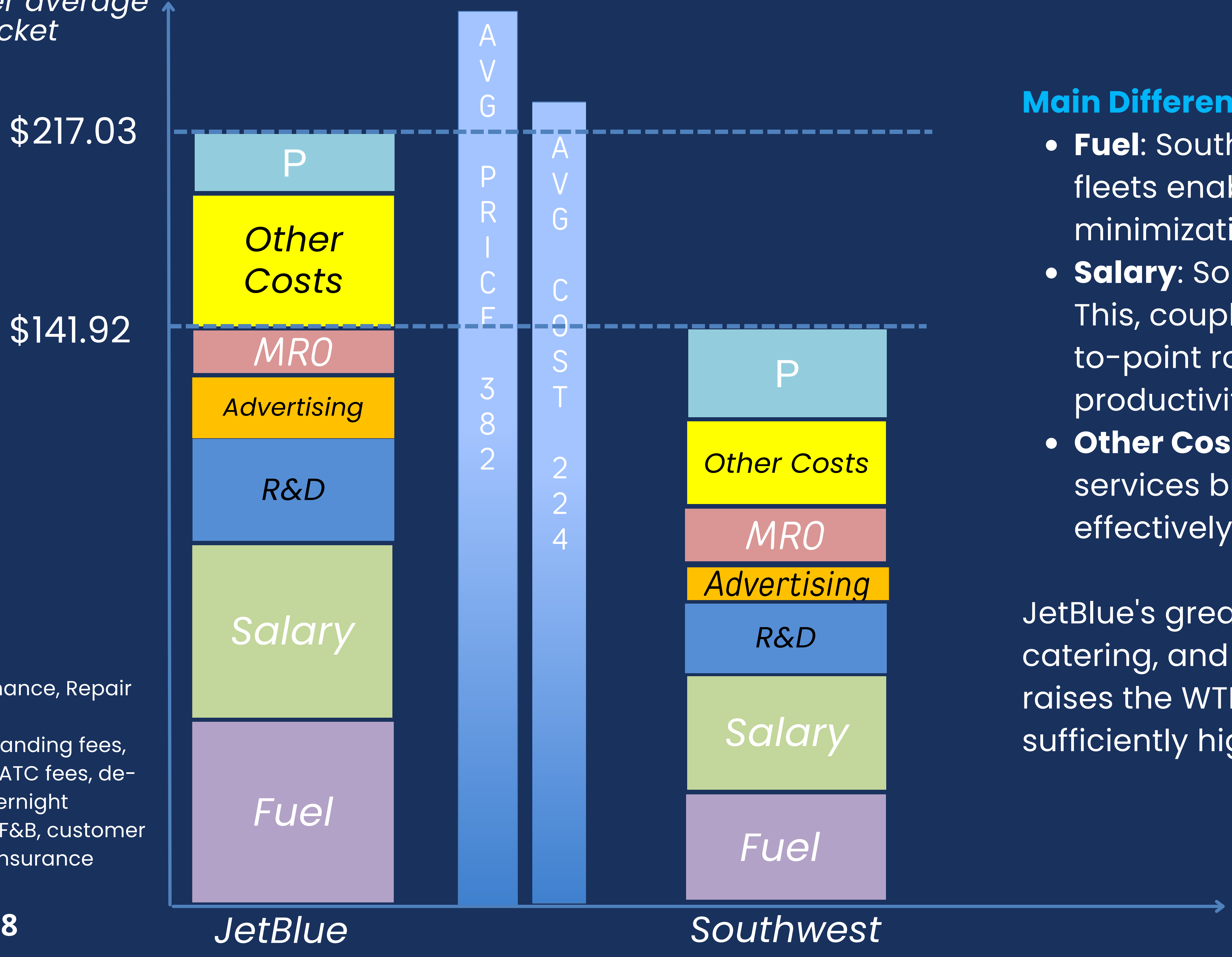


Analysis of Financial Performance Southwest (Return on Assets)



RELATIVE COST ANALYSIS

Average price & cost per average flight ticket



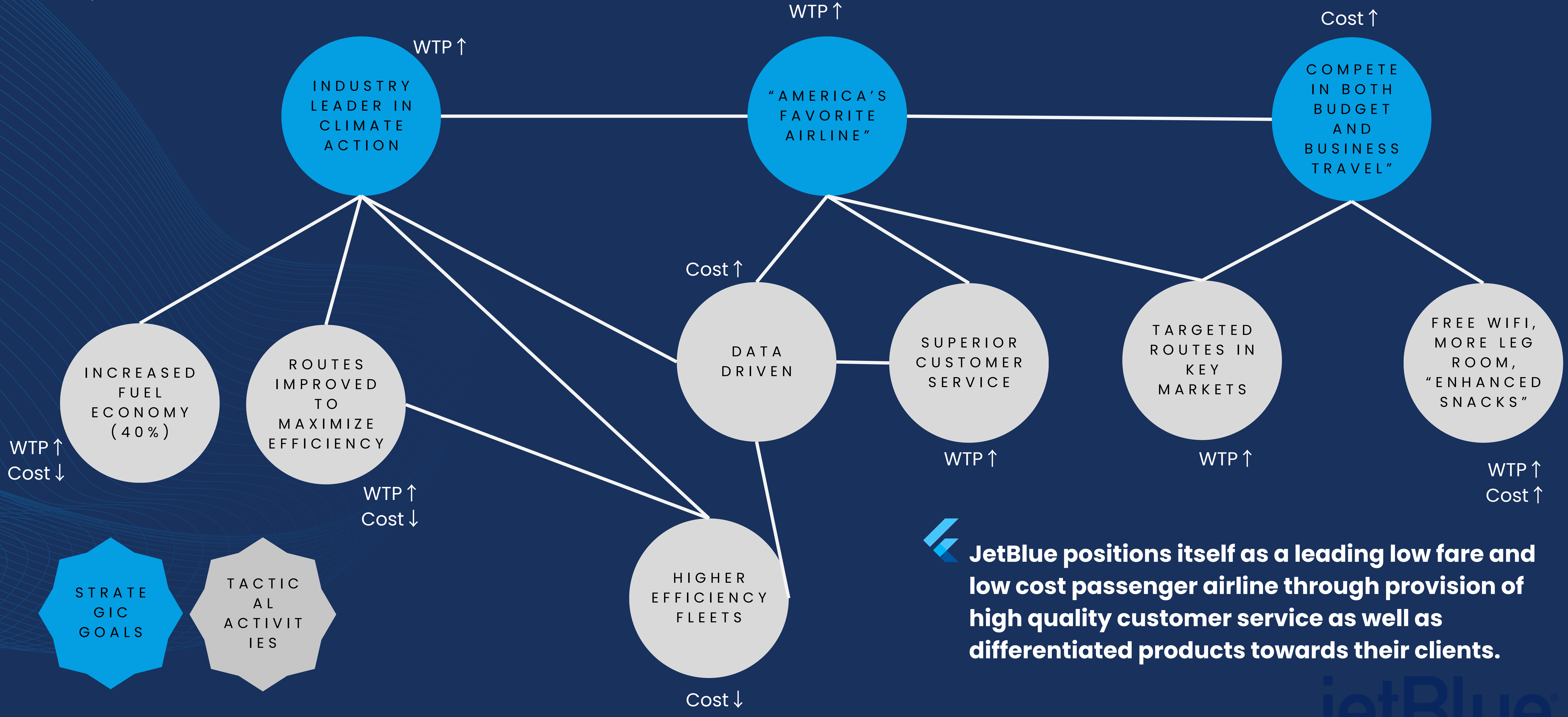
- **MRO**: Maintenance, Repair and Overhaul
- **Other costs:** landing fees, parking fees, ATC fees, de-icing fees, overnight parking fees, F&B, customer service, and insurance

Main Differences in Cost Composition

- **Fuel**: Southwest's larger and more fuel-efficient fleets enable better fuel hedging and usage minimization.
- **Salary**: Southwest, unlike JetBlue, is not unionized. This, coupled with a standardized fleet and point-to-point routing, contributes to high employee productivity.
- **Other Costs**: JetBlue offers complementary in-flight services but has not streamlined its operations as effectively as Southwest.

JetBlue's greater emphasis on in-flight amenities, catering, and more inclusive packages (e.g., luggage) raises the WTP of its customers. However, it may not be sufficiently high to achieve high profitability.

STRATEGIC MAP



JetBlue positions itself as a leading low fare and low cost passenger airline through provision of high quality customer service as well as differentiated products towards their clients.

CORPORATE STRATEGY

HORIZONTAL SCOPE

1. **Cargo on JetBlue:** Carries all types of shipments (regular cargos, fresh or food packages).

2. **JetBlue Technology Ventures (JBV):** Invests in early stage startups with goals of improving the travel, hospitality, and transportation industries.

3. **JetBlue Travel Products (JBTP):** JetBlue Vacations® brand for hotel or cruise packages, and other non-air travel products such as travel insurance, car rental, and lodging.

4. **Paisly™ :** A travel website where customers get access to savings and earn TrueBlue points on cars, hotel stays, and activities. A complement to JBTP.

5. **Troupe:** A free trip planning app designed to ease the stress of planning a trip.

VERTICAL SCOPE

Within the industry, hardly any companies are vertically integrated, including JetBlue.

Concerning airplane manufacturing, the industry standard is to outsource the production of physical planes. Major manufacturers - Boeing and Airbus - dominate this aspect. Rather than engaging in in-house manufacturing, airlines opt for strategic partnerships and joint ventures with these manufacturers.

B&O TESTS

Horizontal Scope

- **Better-Off Test**: JetBlue's initiatives pass test because
  - The cost of doing them together is DOWN as they share an operating system & marketing/advertising
  - WTP of operating these activities together increases due to the integration of system and provide a more seamless travel experience.
- **Ownership Test**: Benefits could not be realized if these activities were operated as separate firms – the information must be developed and shared across the system at the same time.

NON-MARKET STRATEGY

Open Skies Agreement are agreements between the U.S. Government and foreign governments, allowing U.S. carriers to fly specific international routes.

Opportunity

- Gain access to new markets in order to expand the route network
- Increase market share
- Enhance brand reputation and global presence

Interests

- All major American passenger Airlines
- Cargo Carriers – FedEx, UPS

Targets

- Legislators – Members of congress and other governmental members (promote the open skies agreement by advocating for the benefits of travel and trade)
- Public – Communicate the advantages of the agreement to the public
- Trade Negotiators – U.S. Trade negotiators to develop and negotiate these agreements

Tools

- Financial Resources – Lobbying efforts, Campaign contributions and support for organizations that advocate for the agreement
- Information Provision – Sharing of information with governments as well as the public
- Human Capital – JB leveraged their experienced executives and employees
- Legal Strategies – Filed lawsuits against governments that imposed restrictions on US airlines

jetBlue

GLOBAL STRATEGY

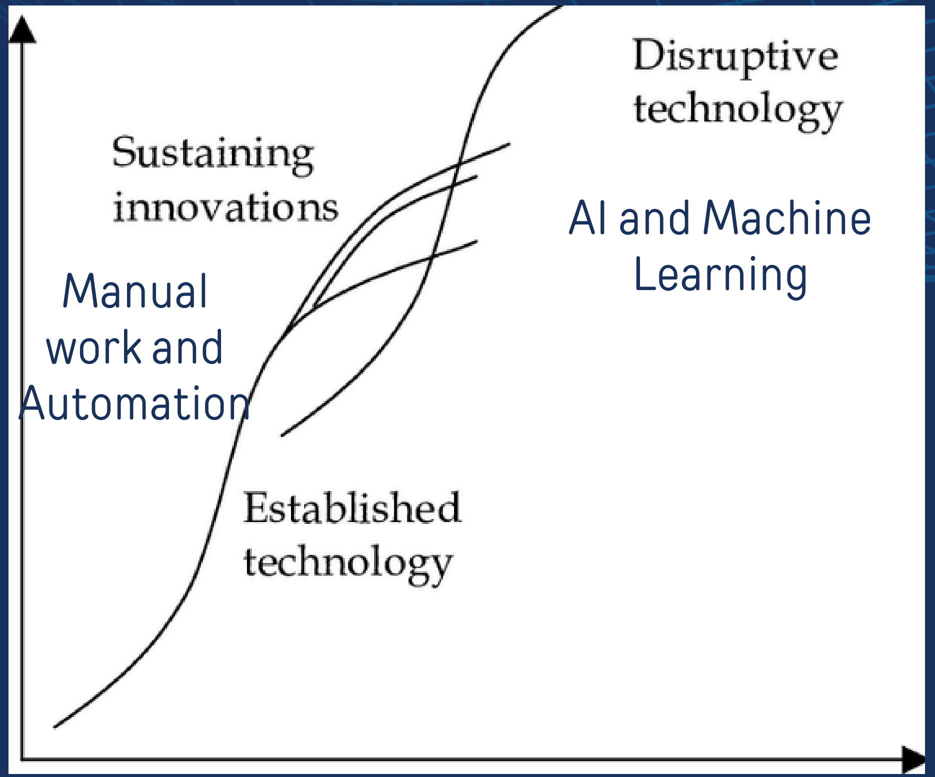
3 A'S: AGGREGATION → An Aggregation focus for JetBlue would build on their strength of operational efficiency. For JetBlue, aggregation could include maintaining operational processes across different regions, consistant brand image, and service quality.

DYNAMIC PRICING → Involves adjusting prices based on demand, time of booking, and competitive dynamics. This allows them to adapt their pricing strategy to maximize revenue.

CUSTOMER FOCUS → JetBlue stands out among other players in the LCC industry by prioritizing passenger comfort and experience. They offer free amenities in hopes to build customer loyalty.

TECHNOLOGY STRATEGY

(X) S CURVE - IOT AND MACHINE LEARNING



PRESENT EFFORTS

JetBlue leverages AI and machine learning for internal operations.

Databricks Lakehouse
Models JetBlue's digital footprint.

BlueSky
Utilizes open-source models to offer feedback to JetBlue regarding flight information.

FLYR LABS - Revenue Optimization

JetBlue implemented AI earlier than competitors. While low-cost competitors have only implemented AI in one or two areas, JetBlue has more extensively leveraged AI, providing a temporary competitive advantage if they can continue to improve efficiency through AI utilization.

COMPLEMENTARY ASSETS

JetBlue has well-run information systems and a website for smooth bookings and transactions.

Point Partnerships
JetBlue has partnerships with various airlines, allowing customers to earn JetBlue points while flying with a different airline.

Paisly
Offers trip planning services, including budget hotel and car bookings.

These are important for capturing profits, as they incentivize cost-saving customers to choose JetBlue over competitors. Partnerships also contribute to brand promotion.

AI as a Disruptive Technology

Before AI, airlines relied on manual and automated labor. Despite the initial cost, AI offers superior advice with less manpower. JetBlue now benefits from improved revenue optimization, flight coordination, servicing, and customer experience through AI implementation.

CSR STRATEGY

Sustainable Aviation Fuel (SAF) and Fuel-efficient Fleets

- JetBlue is the only U.S. carrier to be flying regular domestic flights with SAF.
- JetBlue's growing Airbus A321neo fleet enhances fuel economy by ~20%, while the arrival of Airbus A220s reduces emissions by up to 35% per seat compared to the aircraft they replace.

Electric Ground Operations

- JetBlue is converting its Ground Service Equipment ('GSE') to electric and maximizing electric ground power and air systems for its aircraft to minimize fuel use and emissions on the ramp.

Technology Partnerships

- JetBlue supports and invests in alternative energy aircraft technologies through JBV.

Carbon Offsetting

- JetBlue voluntarily offset over 11 million metric tons of carbon emissions through 2022.
- JetBlue is the first airline member of the Business Alliance to Scale Climate Solutions (BASCS), providing opportunities for investment and policy influence with other organizations aligned in scaling climate solutions.

JetBlue for Good

- JetBlue supports and advance STEM and aviation education and careers, with a particular focus on communities historically underrepresented in the aviation space, including people of color and women.

Friedman's View of CSR

- Argues that businesses should only be concerned with maximizing profit and that CSR initiatives and other tangential activities should not be emphasized.
- One of Friedman's biggest arguments was for the free market. For him, a firm's pursuit of profit would ultimately lead to the highest and most efficient allocations of resources, profits, and the best outcomes for society.

JetBlue and Friedman Comparison

- While JetBlue engages in traditional CSR initiatives, their activities (fuel efficient planes/carbon off-setting) are to help to increase profits.

KEY ISSUES

1

- **"Stuck in the Middle"**: As an LCC, JetBlue offers a premium product in markets that are very price sensitive, while not offering a premium enough product in markets where there is more premium demand.
    - JetBlue doesn't attract nearly as much premium business traffic as the legacy carriers, primarily due to its airline type and route network.
    - JetBlue has a major cost disadvantage compared to other LCCs by offering more legroom, free WI-Fi, personal televisions, etc.
    - As an LCC, JetBlue doesn't have nearly as many revenue opportunities, as these airlines often make a majority of their revenue through ancillaries.

2

- **JetBlue-Spirit Merger**: JetBlue's proposed acquisition of its largest LCC rival, Spirit Airlines, is currently the subject of a civil antitrust lawsuit initiated by DOJ, in conjunction with the Attorneys General of the Commonwealth of Massachusetts, the State of New York, and the District of Columbia.

Recommendation: Pursuing a cost leadership position and targeting narrow market in the U.S. airline industry.

JETBLUE–SPIRIT MERGER

In July 2022, JetBlue announced its plan to acquire Spirit Airlines in a $3.8 billion transaction, aiming to compete with the four largest U.S. air carriers with this acquisition. In October 2023, DOJ filed a trial to block the merger in the District Court of Massachusetts in Boston.

The likelihood of a successful acquisition and the potential benefits from the merger are limited due to following reasons.

Political Pressure and Public Condemnation

- The DOJ has recently succeeded in challenging JetBlue's anticompetitive conduct – JetBlue and American Airlines recently lost an antitrust case brought by the DOJ challenging their "Northeast Alliance " merger to collude in the New York City and Boston markets.
- The White House is throwing down the merger, stating JetBlue is "intent on removing seats from planes and charging higher fares."
- The DOT announced its opposition to the acquisition in March 2023, based on its own regulatory authority.

A More Unfavorable Industry Environment After the Acquisition

- The acquisition would enable JetBlue to eliminate its primary LCC competitor, further consolidating an already concentrated airline industry and significantly reducing nationwide competition.

Harms to Cost-Conscious Travelers in the U.S. due to Higher Fares and Fewer Choices

- The merger will exacerbate regional inequality and limit access in air travel.
  - Both airlines are expected to experience reductions in routes, services, and jobs in their respective hub cities following the merger.
  - Spirit is already eliminating 37 routes in anticipation of the merger.
- Passengers would suffer roughly $1 billion in net harm annually if JetBlue absorbs Spirit, causing fares to rise.
  - LCC'S low-cost flying option brought more options to routes across the country, making it possible for more Americans.
  - LCCs like Spirit exert strong competitive pressures on airfares, even for the largest carriers. According to MIT, the presence of a LCC on a route forces fares to drop by an average of 21%.
  - JetBlue anticipates 30% average price increases from other airlines across Spirit-served routes and cut up to 15% of Spirit's capacity.

JETBLUE-SPIRIT MERGER

Figure 4: JetBlue Airways share price (Mergent Online)

Figure 5: Spirit Airlines share price (Mergent Online)

- As the trial began with opening statements for both sides, shares of JetBlue were **falling to their lowest levels** in more than a decade after the airline **reported a wider loss than expected** in the 3rd quarter and predicted another surprisingly large loss for the 4th quarter.

RECOMMENDATION #1

Corresponding to the risks and potential deficiencies resulting from the pending acquisition, JetBlue can diversify its route network by shifting gears toward **acquiring smaller-scale regional carriers**.

1. Acquiring regional carriers is significantly more feasible for JetBlue than acquiring Spirit, providing the airline with the opportunity to expand its network while maintaining a healthy brand reputation.
    - Previous cases: United Airlines / ExpressJet Airlines, Alaska Airlines / Virgin America, Southwest Airlines / AirTran Airways, etc.

2. Both companies represent the LCC sector, operate similar fleets and have minimal route overlap, which minimizes the risk of government disapproval

3. Acquiring regional airlines will allow JetBlue to pursue a more competitive position in the narrow market.
    - JetBlue will be able to diversity network outside of the congested Northeast, giving them greater operational resiliency.
    - Having a more diverse route network that connects secondary and regional airports will allow the company to further pursue a narrower market.

MESA AIRLINES

envoy

Republic Airways

RECOMMENDATION #1

Challenges & Investments

Regulatory Scrutiny

Due to strict government regulations and DOJ's past interventions, JetBlue may face political uncertainties and leverage non-market strategies to mitigate risks. However, compared to acquiring larger carriers like Spirit, a merger with regional carriers is significantly more feasible, as evidenced by previous successful cases involving both LCCs and legacy carriers.

Organization

Operational changes should be expected, including reallocation of aircraft utilization, adjustments to fleet capacity and route network structure, and adoption of harmonizing standards systems to merge employee groups into a joint service.

Technology

The company will consolidate customer support activity, product offering, and even talent pool following the merger.

The company may also encounter amassing technical debt that will lead to increased costs down the road.

Implementation Assessment

Impact on Industry Average Profits

The consolidation can potentially lead to increased market power for the remaining airlines and increase industry profitability, particularly if it results in improved operational efficiencies and cost savings. On the other hand, consolidation might lead to reduced competition in the markets where the regional carriers operated.

However, this is not a universal outcome and depends on various factors, including the conduct of the airlines and the competitive dynamics of the market. A price war among the companies to maintain market share could lead to compressed profits. Alternatively, if the industry moves towards a more oligopolistic structure with stable pricing, average profits could increase.

Impact on Rivals

Other LCCs that target broad markets, such as SouthWest, are less likely to emulate JetBlue's new strategy as regional carriers primarily serve smaller markets and operate smaller aircraft with a lower passenger capacity.

However, Spirit, JetBlue's largest rival also targeting a narrow market, may replicate the company's strategy and engage in similar operations.

RECOMMENDATION #2

To overcome the inefficiencies currently faced by JetBlue “stucking in the middle,” we recommend that the airline pursue a cost leadership strategy targeting a narrow market to compete with other dominant industry incumbents.

Through relative cost analysis, we identify the most critical cost brackets for alteration as:

- **Other Costs**
- **Salary**
- **Fuel**

These are the cost brackets that have the most substantial impact on JetBlue's higher costs, and the airline should prioritize efforts to reduce them.

Opportunities

- Reducing costs will allow JetBlue to further compete with Spirit
- Reducing costs will allow JetBlue to reallocate residual funds as needed
- Pursuing a cost leadership strategy in the fast-growing LCC market provides JetBlue with viable opportunities to increase profits in the long-term

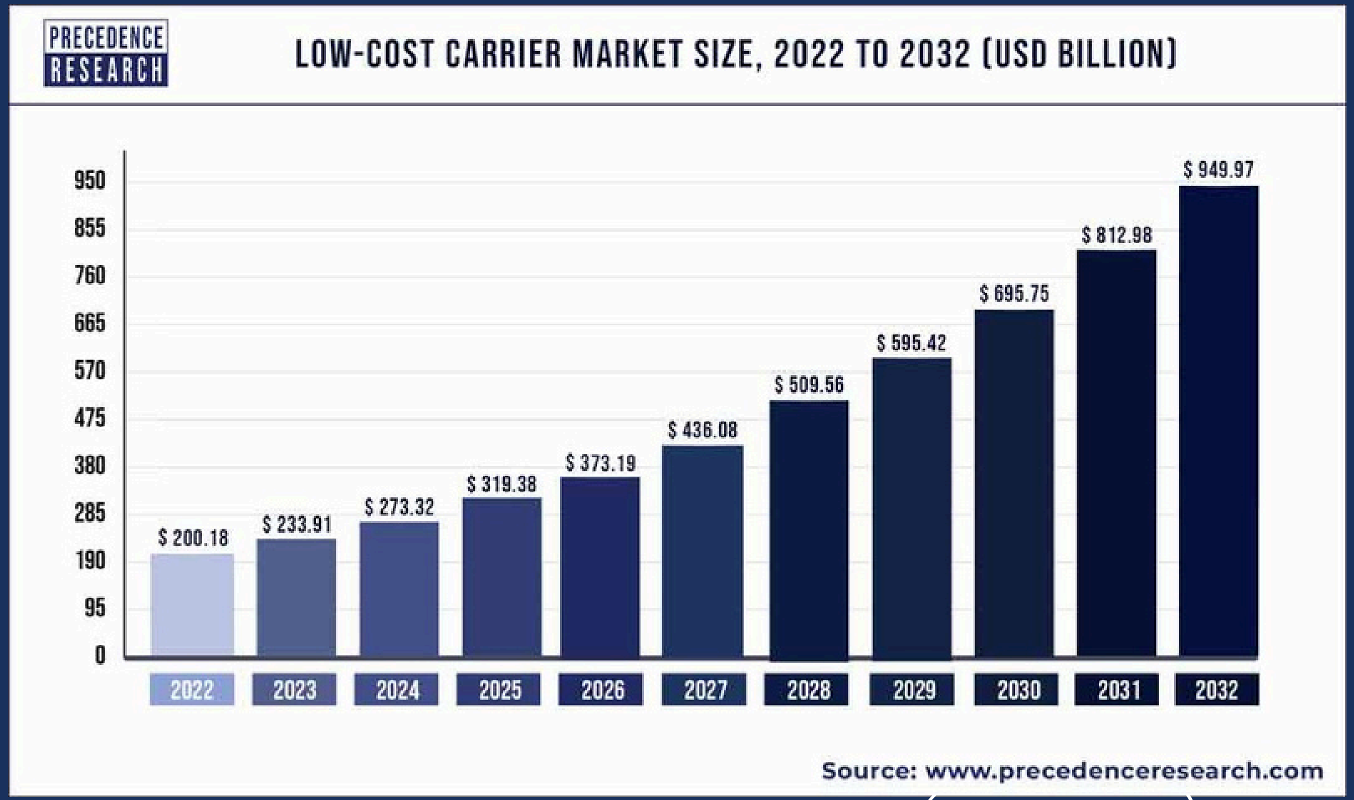


Figure 6: Low-cost carrier market size forecast (in USD Billion), 2022-2032 (Precedence Research)

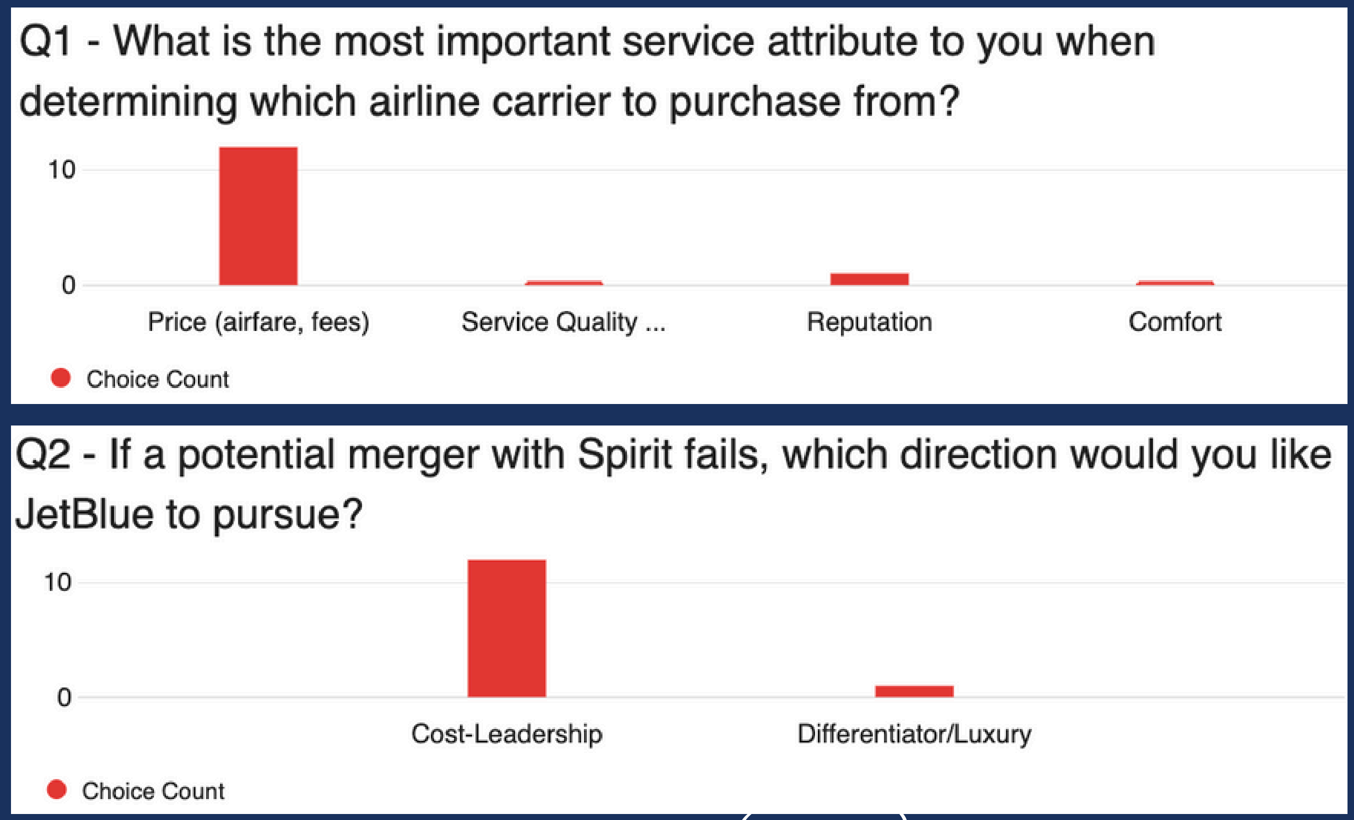


Figure 7&8: Survey results on JetBlue (Team 3)

RECOMMENDATION #2

Implementation Roadmap

Streamline Operational Efficiency & Optimize Supply Chain Management

- Eliminate any redundancies and implement lean production to eliminate waste
- Utilize AI/IoT for continuous monitoring of the supply chain
- Negotiate favorable contracts with suppliers
  - Increase efforts to hedge fuel more effectively (possibly in cooperation with other airlines to utilize economies of scale).

Optimize Labor Costs

- Incentivize employees with performance-based compensation.
- Implement cross-training for employees to enable them to fulfill alternative roles in the event of shortages.

Actively Decrease “Other Costs”

- Stop serving complementary meals and beverages.
- Don’t include luggage in the ticket price.
- Work towards a “no frills” service model.

Reduce International Activity

- Cut down on long-haul international flights, and focus more on shorter and domestic flights.

Implementation Assessment

Impact on Industry Average Profits

By adopting a low-cost strategy, JetBlue's cost leadership may exert downward pressure on prices, potentially triggering price competition among other incumbents competing for market share. This could lead to a decline in industry average profits and reduced profit margins for all airlines in the industry.

Impact on Rivals

- Rivals may adopt new strategies regarding offerings and services to differentiate.
- Rivals may imitate JetBlue’s new strategy by further lowering costs and prices.
- **Reduced Average Profits: JetBlue's cost leadership strategy is expected to contribute to a decline in rivals' average profits, driven by price pressure and the potential for price wars.**

jetBlue

BIBLIOGRAPHY

"Airlines in the United States." *Marketline*, 19 Nov. 2019, store.marketline.com/report/airlines-in-the-united-states/.

"Annual Reports." *JetBlue Airways Corporation - Financials - Annual Reports,* ir.jetblue.com/financials/annual-reports/default.aspx. Accessed 15 Nov. 2023.

"Accelerating Innovation at Jetblue Using Databricks." *Databricks*, www.databricks.com/blog/accelerating-innovation-jetblue-using-databricks. Accessed 29 Nov. 2023.

"Domestic Airlines in the US." *IBISWorld Industry Reports*, Oct. 2023, www.ibisworld.com/.

"Fact Sheet: How a Jetblue-Spirit Merger Will Hurt Travelers, Working People, and Local Communities." *American Economic Liberties Project*, 16 Oct. 2023, www.economicliberties.us/our-work/fact-sheet-how-a-jetblue-spirit-merger-will-hurt-travelers-working-people-and-local-communities/#:~:text=In%20July%202022%2C%20JetBlue%20Airways,Court%20of%20Massachusetts%20in%20Boston.

Flyr. "JetBlue Partners with Flyr for Improved Revenue Performance." *FLYR*, 30 Sept. 2023, flyr.com/resource-hub/jetblue-partners-with-flyr-for-improved-revenue-performance/.

Friedman, Milton. "A Friedman Doctrine-- the Social Responsibility of Business Is to Increase Its Profits." *The New York Times, The New York Times*, 13 Sept. 1970, www.nytimes.com/1970/09/13/archives/a-friedman-doctrine-the-social-responsibility-of-business-is-to.html.

"Jetblue Airways." JetBlue Airways - Statistics & Facts, *Statista*, 31 Aug. 2023, www.statista.com/topics/2829/facts-and-figures-about-jetblue-airways/

"Justice Department Sues to Block JetBlue's Proposed Acquisition of Spirit." *Office of Public Affairs | Justice Department Sues to Block JetBlue's Proposed Acquisition of Spirit | United States Department of Justice*, 7 Mar. 2023, www.justice.gov/opa/pr/justice-department-sues-block-jetblue-s-proposed-acquisition-spirit.

"LCC Market - Low Cost Carrier - Share & Research." *Mordor Intelligence LCC Market - Low Cost Carrier - Share & Research*, www.mordorintelligence.com/industry-reports/low-cost-carrier-market. Accessed 17 Nov. 2023.

BIBLIOGRAPHY

Mergent Online. "Spirit Airlines Inc. ." *Mergentonline.Com, Mergent,* www.mergentonline.com/companyfinancials.php?pagetype=ratios&compnumber=132182. Accessed 21 Nov. 2023.

Mergent Online. "JetBlue Airways Corp." *Mergentonline.Com, Mergent,* www.mergentonline.com/companyfinancials.php?pagetype=ratios&compnumber=132182. Accessed 21 Nov. 2023.

Placek, Martin. "Low Cost Carrier (LCC) Market in the United States." *Statista*, 22 Nov. 2023, www.statista.com/topics/2849/low-cost-carrier-lccs-market-in-the-united-states/#:~:text=In%20the%20United%20States%2C%20LCCs,behind%20legacy%20carrier%20American%20Airlines.

Sadou, Abderrahmane Moubarek, and Eric Tchouamou Njoya. "Applications of artificial intelligence in the Air Transport Industry: A bibliometric and systematic literature review." *Journal of Aerospace Technology and Management,* vol. 15, 2023, Your paragraph text.

Southwest. "Annual Reports." Annual Reports – Southwest Airlines, www.southwestairlinesinvestorrelations.com/financials/company-reports/annual-reports. Accessed 20 Nov. 2023.

Taylor, Mia. "JetBlue Files Open Skies Complaint against the Netherlands." *Travel Pulse*, www.travelpulse.com/news/airlines-airports/jetblue-files-open-skies-complaint-against-the-netherlands. Accessed 23 Nov. 2023.

Team, Trefis. "What's next for JetBlue Stock after a 35% Fall This Year?", *Forbes Magazine*, 28 Nov. 2023, www.forbes.com/sites/greatspeculations/2023/11/27/whats-next-for-jetblue-stock-after-a-35-fall-this-year/?sh=338f76e02416.

"The Complete Toolbox for Investors | Finbox.com." *Finbox.com*, 2023, finbox.com/DB:SWN/explorer/roa/#:~:text=Southwest%20Airlines%27s%20return%20on%20assets%20decreased%20in%202018%20(9.6%25%2C. Accessed 20 Nov. 2023.

US Government . "Open Skies Agreements." U.S. Department of State, U.S. Department of State, 2009-2017.state.gov/e/eb/tra/ata/. Accessed 23 Nov. 2023.