

Analysis of the Consumer on Low Market Demand in Aviation

JYOTI NAYAN

Galgotias University, Greater Noida

Abstract- *This work looks at the parts affecting low demand for air travel, by studying and understanding what influences people's choices. The research investigates travel frequency, preferred airlines, how much pricing affects choices, travel service satisfaction and how ecological issues impact what consumers decide. The research indicates that both ticket rates and how simple it is to use the transportation matter to consumers, as do comfort trade-offs and feedback on the internet. Increasingly, airline choice is being affected by environmental thinking. The findings of this study show ways in which airlines can meet demand issues by offering new services, updating prices and making the business more sustainable. It adds to previous research by demonstrating why consumer actions are important for restoring the market's demand after both the pandemic and economic fluctuations.*

Indexed Terms- *aviation industry, consumer behavior, market demand, airline preferences, price sensitivity, environmental concerns, airline choice, air travel demand.*

I. INTRODUCTION

Economic development, tourism and worldwide trade have used aviation for a long time in transportation. Even though this industry plays a vital role, demand for its products has differed greatly over the last few years because of economic upheaval, global tension, environmental problems and sudden events such as COVID-19. Seeing how people behave as customers helps a lot in understanding why air travel demand changes so often. The aviation market changes in response to changing travel habits which airline customers choose, how sensitive they are to prices and their growing focus on the environment. In today's airline industry, where flight prices keep being controlled by budget carriers and passenger engagement is becoming more important, airlines

must investigate why there is less demand. By studying these influences, this work aims to give airlines and policymakers ideas that will help them design strategies to boost demand and promote sustainable growth.

A. Objectives of the Study

The main aim of this work is to look into how consumers respond when demand in aviation falls. The aim of this field is:

- Study the regularity and behavior of air travel for customers.
- Find out what travelers like more, full-service or budget airlines.
- figure out if ticket cost, how much you want to be comfortable and similar things are important to you when choosing an airline.
- Understand how what people say online and environmental topics influence what consumers decide.
- Find the important reasons behind the drop in market demand.
- Give stakeholders useful suggestions for managing demand using the information obtained from consumers.

B. Scope and Significance

To provide complete coverage, this research looks at consumers' points of view and actions related to demand for air travel, including a variety of demographic groups. The research looks at how important pricing, quality of service, convenience and environmental concerns are in the aviation business. This study is significant for helping us understand how people's choices are changing the way markets work, primarily when major changes are happening in society and people's taste. As a result of the research, airlines, regulators and marketing strategists gain new insights that support decisions to enhance satisfied customers and increase demand. What's more, the

study reviews how sustainable travel can help meet global aims to reduce the environmental impacts of flying.

C. Research Methodology

I selected data collection techniques that mix numbers with answers from interviews to study cases in detail and with an understanding of the whole picture. We collected primary data using structured questionnaires to learn what frequent and occasional air travelers look for, how satisfied they are and how they make decisions. Other types of data such as industry reports, research publications and studies of markets, help us better understand the primary data. Responses were studied using statistics and qualitative information was analyzed using thematic analysis. A design was chosen to discover important trends about consumers but also make sure the outcomes are dependable.

D. Limitations of the Study

Though the objective is complete analysis, there are a few exceptions. The sample is not always able to represent all the changes found in demographic groups, mainly when air travel is limited in some regions. Because people self-report, their responses may cause errors in understanding consumer behavior and opinions. Newsplications, too, can prompt people to alter their patterns faster than the study had assumed. Consequently, only indirect consideration of more extensive regulatory or operational market factors is possible, so more particular research is still needed.

LITERATURE REVIEW

The last several decades of change in the aviation industry have resulted from shifts in customer habits, better technology, concern for the environment and moving economic situations. How customers feel about their flights is now key to understanding everything happening in the airline market, as airlines face reduced demand and more rivals. One of the reasons air travel demand changes is that consumer frequency of flying is influenced by their income, their trip purpose and broader economic trends. Frequent fliers often measure the benefits of full-service airline service against the low fares of budget airlines, but for sporadic fliers, the first concern is the price. Because

of this, the market has divided into two groups and carriers significantly change their pricing to keep up. Besides affecting how much flights cost, technology has made a big impact on how consumers find and reserve air tickets. Thanks to reviews and ratings on the web, travelers now rely on others' feedback to decide which gives social aspects to an otherwise straightforward trade. Because of user-generated content, people's beliefs in airline service change which has consequences for both loyalty and patronage. In addition, when planning travel, things such as flight timings, transfer possibilities and airport location have grown in importance, pushing many to favor carriers with top operational efficiency. At the same time, more people are paying attention to the environmental effects of air travel and a rising number now consider how much pollution an airline causes when choosing how to travel. Because of this, the aviation industry is paying more attention to sustainability and consumers are choosing airline partners that take similar steps. The choice to sacrifice comfort for less cost brings together two factors: what people need and the difficulties they find with money. While many prefer cheaper fares by accepting less, others want comfortable service, showing there are many kinds of people airlines should take into account. People care a lot about getting good service when they fly, so prompt and courteous help, easy communication and prompt solutions to problems add to a passenger's total travel experience and view of the airline. Because of COVID-19, the aviation sector has encountered major problems that have changed how people view safety, hygiene and flexible policies. Airline policies now depend on what travelers want: strong sanitation, flexibility with bookings and clear updates. As well as health issues, people's finances have been unsure since the pandemic, so many choose less expensive and more affordable flights when they can. Because of budget airlines, traveling by air has become available to more people, but it has also made for more difficulties for large, full-service airlines as they compete on price. Because of this competition, airlines now practice price wars and dynamic pricing which help consumers now, but in the long run, threaten the financial health of the airlines. Additionally, understanding why consumers buy and pay for tickets has grown important, due to their need to evaluate offers, values and loyalty programs. The relationship between using facts in decision-making

and customer emotions shapes patterns of demand and the profits earned by airlines. Environmental impacts from the aviation industry are being carefully examined by regulators and the public, as growing worry about climate change triggers more discussions and changes in regulations. Such discussions owe help to reorganize customers and encourage airlines to invent new ways to be more fuel efficient and examine green, alternative power sources. Not only does social inclusion matter, but so does making transportation accessible, because differences in income and movement affect demand for air travel. As a consequence, less demand in some parts of the air travel industry can be attributed to other factors aside from airlines. In essence, consumer choices, the state of the economy, advances in technology and attention to the environment all affect the shape of today's aviation market. Firms in the aviation sector need to adapt to the various forces on demand to maintain good service, appropriate charges and successful marketing, all within the scope of staying profitable and remaining sustainable. Relying on detailed surveys of customers helps create specific initiatives to improve demand, please customers and build the aviation industry's future resilience.

METHODOLOGY

I use a descriptive approach to examine what leads consumers to shop less and think differently when demand in aviation is low. To make sure all the important influencing factors were explained, a descriptive approach was used to reveal how consumers choose, like and judge the different airlines. As a result of this approach, information that can be measured is collected and used to discover relationships, trends and similarities among travel frequency, prices, quality and environmental factors. The approach makes it possible to combine both kinds of data to fully understand the topic being examined. Most data were gathered by structuring interviews using questionnaires and applying them to a group picked to represent different cultures and wealth levels in order to make the research valuable to all consumers. At the start, I built survey instruments to measure the variables the study needed and then pilot-tested the questions to check if they made sense. The process, done many times, helped build solid tools for

collecting data which made the results more accurate and sure. In addition, both open questions and a standard survey were included to gather information on what motivates consumers and why which added more depth to the results. The specific approach was taken to explore in depth how consumers respond in an industry experiencing both evolution and a wide range of expectations, so that stakeholders could use the information for future action.

In this study, researchers selected respondents by stratified random sampling to make sure everyone represented in the respondent pool was considered on the basis of their age, earnings, frequency of travel and area in which they live. To understand variances in customer behavior caused by social and economic situations and different aviation in each area, stratification was crucial. Both those who fly often and those who fly occasionally, along with those who fly much less or not at all, were included so we could learn what causes low demand. The total number of subjects was set using statistics to keep the data analysis powerful and the findings useful. Airport and travel agency posters, email invitations and use of social media helped us collect data from a wide group of respondents. Both descriptive and inferential statistical methods were performed during the data analysis. Characteristics of respondents and important variables were described by counting frequencies, percentages and using means. Cross-tabulation and chi-square test analyses were carried out to examine relationships between customer background and preference for airlines, as well as to confirm hypotheses about why people choose certain airlines. All research subjects received information about the project, were told their answers would be kept private and all research steps were explained to them during informed consent. The study plans to create valid, general findings, based on a solid approach, that can advise the industry's key players and help address issues caused by lower market demand.

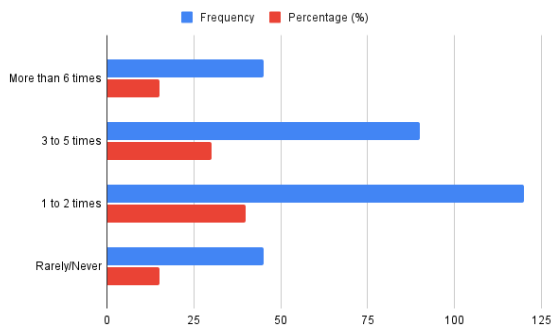
DATA ANALYSIS AND INTERPRETATION

The responses from the questionnaire were studied using descriptive statistics to get a clear view of consumption patterns related to the low market demand in aviation. Analysis methods focused on

distributing and comparing frequencies and percentages to determine what impacted consumer preferences, travel habits and opinion about what impacts choosing an airline. Besides, graphing makes it simpler for waiting staff to interpret the numbers. Each set of data relates to a particular survey question and is fully explained after the graph is shown.

Table 1: Frequency of Air Travel in a Year

Response Category	Frequency	Percentage (%)
More than 6 times	45	15.0
3 to 5 times	90	30.0
1 to 2 times	120	40.0
Rarely/Never	45	15.0
Total	300	100



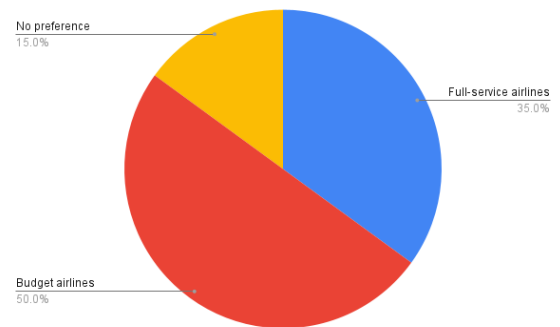
Graph 1: Air Travel Frequency Distribution (Bar Chart)

Interpretation:

Most of the respondents use air travel services between 1 and 2 times a year, according to the graph. Over a third of respondents (30%) take 3 to 5 flights per year which reflects a group that flies often. People in the study who travel by air more than six times a year and those who never or rarely travel make up 15% apiece of the sample. It appears that though a group of regular flyers exists, most consumers fly less which may explain why demand is low.

Table 2: Preferred Type of Airline

Response Category	Frequency	Percentage (%)
Full-service airlines	105	35.0
Budget airlines	150	50.0
No preference	45	15.0
Total	300	100



Graph 2: Airline Type Preference (Pie Chart)

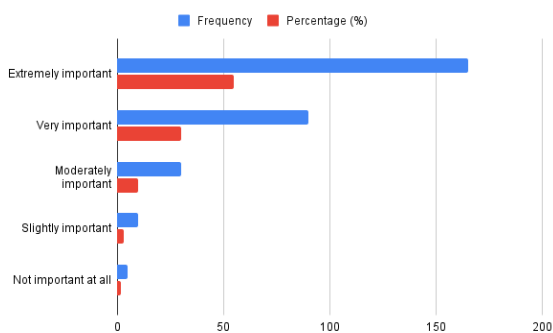
Interpretation:

The pie chart makes it clear that nearly half the respondents picked budget airlines, just as the rest of the world tends to these days, because traveling with them is more affordable. One in every three consumers is still interested in full-service airlines, perhaps because of their better services and greater comfort. About 15% of passengers say they don't have a preference, probably because they find airline selection flexible or they are uncertain. This result shows that low prices play a key role in determining what air transport services consumers pick.

Table 3: Importance of Ticket Price When Choosing an Airline

Response Category	Frequency	Percentage (%)
Extremely important	165	55.0

Very important	90	30.0
Moderately important	30	10.0
Slightly important	10	3.3
Not important at all	5	1.7
Total	300	100



Graph 3: Ticket Price Importance (Bar Chart)

Interpretation:

According to the results of the survey, an overwhelming number or 85%, of ticket buyers place great importance on ticket price. The result supports the strong preference for budget airlines as well as the sensitivity of travelers to prices. For a small group of travelers, price matters less, either because they are devoted to upscale airlines or wish to use extra services. The main point here is that how airlines set prices drives much of the demand from consumers.

DISCUSSION

Results from the data analysis help explain why the aviation industry faces low market demand. Because most people travel just one to two times each year and very few people are regular flyers, the market for air travel is kept on the small side. Most travelers choose budget airlines mainly because they are very cost-sensitive, shown by the fact that nearly all respondents said ticket price was very or extremely valuable to them in their decision. People's attitude toward

comfort suggests that costs are a main driver of choosing how and where to travel. And even so, you'll find that a significant group of customers choose comfort, so airlines with various service classes could hold onto a particular group of passengers. The satisfaction people have with customer service, along with their perception of flight times, brand and safety supports the view that price is the main factor, but other things matter too. Because people count on online reviews to pick an airline, companies must focus more on managing their digital reputations to serve and retain their customers. Even though they play a smaller role, environmental worries matter to significant groups which could lead to greater focus on sustainability for the industry in years ahead. Similar to what is reported in other studies, these results reflect a world where economy matters to most passengers and, as a result, low-cost carriers are leading the market, though it's still difficult to manage low fares and high service levels. Because of weaker demand, airlines are encouraged to create innovative customer interconnectedness, boost their value in customers' eyes and keep up with what consumers expect based on new information and concerns for the environment. The data imply that for airlines, policymakers and market analysts, low demand can be overcome by combining solutions that provide competitive prices, comfy travel, reliability, a good industry reputation and environmentally friendly changes. Companies in this industry that don't respond to what passengers need could see stagnation in their market. Similarly, businesses that adapt their products to groups of consumers and use digital channels to let customers communicate and share feedback tend to do well. Overall, the study suggests that low market demand is caused by changes in what consumers want, how they behave and what they expect, rather than only due to economic causes and so a wide and flexible response is necessary to help the aviation industry recover and continue to thrive.

CONCLUSION

Simply put, this study has found that price, how often travel happens and what passengers expect all influence why they choose some airlines more than others and impact the whole aviation industry. This research reveals that while many customers still put

price as the top priority, excellent customer support, being able to shop easily, perceived brand strength and becoming 'greener' are also important factors in demand. Air transport organisations need to act on several levels to keep down costs, please customers and protect the environment, to support demand and lead to increased long-term growth. As digital tools become popular for exchanging and comparing information, businesses now need to ensure they communicate transparently and manage their reputation to hold on to consumers in such a competitive market. Studies in the future should check how changes brought by tech such as personalization and sustainability, disrupt the demand of consumers. Moreover, ongoing research on how people's buying habits change after the pandemic and the effects of regulations may give useful details for strategy improvements. Examining differences in regions and communities can help you group customers more easily and apply actions chosen from their needs. To reduce low market demand in aviation, businesses must adjust to new consumer trends, use both insightful data and new techniques and focus on creating a stable and lasting future for the industry.

REFERENCES

- [1] Blachly, L. (2022, January 14). Changing consumer behavior is driving IFEC transformation. *Aviation Week Network*. <https://aviationweek.com/air-transport/interiors-connectivity/changing-consumer-behavior-driving-ifec-transformation>Aviation Week
- [2] Bulchand-Gidumal, J., & Melián-González, S. (2021). Post-COVID-19 behavior change in purchase of air tickets. *Annals of Tourism Research*, 87, 103129. <https://doi.org/10.1016/j.annals.2020.103129>PubMed Central
- [3] Gössling, S. (2023). A review of air travel behavior and climate change. *WIREs Climate Change*, 14(1), e802. <https://doi.org/10.1002/wcc.802>Wiley Online Library
- [4] Hopman, D., Koole, G., & van der Mei, R. (2021). A machine learning approach to itinerary-level booking prediction in competitive airline markets. *arXiv preprint arXiv:2103.08405*. <https://arxiv.org/abs/2103.08405>arXiv
- [5] Mildred, C. A. (2024, January 24). Law of demand affects air travel. *Medium*. <https://medium.com/@charleneannmildredfbarr oga/law-of-demand-affects-air-travel-41d1c58d3004>Medium
- [6] Miracula, V., & Picone, A. (2023). Unleashing the power of user reviews: Exploring airline choices at Catania Airport, Italy. *arXiv preprint arXiv:2306.15541*. <https://arxiv.org/abs/2306.15541>arXiv
- [7] Peregrine, Z. (2024, November 1). How major airlines adapt to market changes: Impact on ticket prices explained. *WowFare*. <https://wowfare.com/blog/adapting-to-market-changes-in-the-airline-industry-and-its-effects-on-ticket-prices/>WowFare+3WowFare+3WowFare+3
- [8] Peregrine, Z. (2024, November 11). How budget airlines are transforming air travel: A comprehensive analysis. *WowFare*. <https://wowfare.com/blog/the-impact-of-budget-airlines-on-the-evolution-of-air-travel-with-in-depth-insights-and-analysis/>WowFare+1arXiv+1
- [9] Peregrine, Z. (2024, November 23). The psychology of pricing: Understanding economy class fare wars. *WowFare*. <https://wowfare.com/blog/exploring-the-psychological-dynamics-behind-economy-class-fare-wars-in-the-airline-industry/>WowFare
- [10] Santos, L. J., Oliveira, A. V. M., & Aldrichi, D. M. (2021). Testing the differentiated impact of the COVID-19 pandemic on air travel demand considering social inclusion. *arXiv preprint arXiv:2108.00850*. <https://arxiv.org/abs/2108.00850>arXiv
- [11] Bendinelli, W. E., Bettini, H. F. A. J., & Oliveira, A. V. M. (2024). Airline delays, congestion internalization and non-price spillover effects of low cost carrier entry. *arXiv preprint arXiv:2401.09174*. <https://arxiv.org/abs/2401.09174>arXiv
- [12] MarketWatch. (2025, May 23). Thanks to cheap gas, Americans may travel in record numbers for Memorial Day—and hit pause on other economic

- worries. *MarketWatch*.
<https://www.marketwatch.com/story/thanks-to-cheap-gas-americans-may-travel-in-record-numbers-for-memorial-day-and-hit-pause-on-other-economic-worries-642bf896>MarketWatch
- [13] The Guardian. (2025, March 31). BA owner's shares fall as Virgin Atlantic warns of slowdown in US demand. *The Guardian*.
<https://www.theguardian.com/business/2025/mar/31/ba-owner-iag-shares-virgin-atlantic-us-bookings>theguardian.com
- [14] Investopedia. (2025, April 15). Aviation analyst sees long-term 'demand destruction' from Trump tariffs. *Investopedia*.
<https://www.investopedia.com/aviation-analyst-sees-long-term-demand-destruction-from-trump-tariffs-11712718>investopedia.com
- [15] Reuters. (2025, May 7). Low-cost carriers hit hardest by US travel demand slump. *Reuters*.
<https://www.reuters.com/world/us/low-cost-carriers-hit-hardest-by-us-travel-demand-slump-2025-05-07/>reuters.com
- [16] MarketWatch. (2025, March 28). American travelers are booking fewer domestic flights in another warning sign for the economy. *MarketWatch*.
<https://www.marketwatch.com/story/american-travelers-are-booking-fewer-domestic-flights-in-another-warning-sign-for-the-economy-1dfda3f8>MarketWatch
- [17] Peregrine, Z. (2024, November 15). The rise of budget airlines: How they are transforming international travel. *WowFare*.
<https://wowfare.com/blog/the-growing-influence-of-low-cost-airlines-and-their-impact-on-global-travel-experiences/>WowFare+3WowFare+3WowFare+3
- [18] Springer. (2024). Explaining sustainable purchase behavior in online flight booking—combining value-belief-norm model and theory of planned behavior. *Gruppe. Interaktion. Organisation. Zeitschrift für Angewandte Organisationspsychologie (GIO)*.
<https://link.springer.com/article/10.1007/s11612-024-00735-7>SpringerLink
- [19] Macy's joins a rising number of companies lowering or ditching guidance amid tariff chaos. (2025, April). *Business Insider*.
<https://www.businessinsider.com/list-companies-cutting-guidance-earnings-forecasts-amid-tariffs-economic-uncertainty-2025-4>businessinsider.com
- [20] Gössling, S., & Humpe, A. (2020). The global scale, distribution and growth of aviation: Implications for climate change. *Global Environmental Change*, 65, 102194.
<https://doi.org/10.1016/j.gloenvcha.2020.102194>Wiley Online Library