

case. The second is whether passengers will be offered *more convenient service*. Here, a properly operated global carrier could offer some advantages. By coordinating flight schedules, passenger ground time for connections might be reduced. A key to a convenient operation will be ease of changing flights, including all the challenges of moving from one gate to another, passing through customs, no requirement for the passenger to retrieve and re-check baggage, etc. Also related here, is a requirement that the global carrier offer a minimum of backtracking or circuitous routing, in order to minimize travel times for the customer.

The third key to the success of a truly global carrier depends on building *customer loyalty*. A global carrier needs such loyalty to insure that a customer will choose it for all air travel, even if routings may be a bit circuitous at times. Perhaps one way to build loyalty is via superior service. However, the U.S. experience with frequent flyer programs suggests that they are more powerful in that they reward the passenger for loyalty. If carriers are thwarted in spreading frequent flyer programs worldwide, or if they are unable to design other loyalty inducing rewards, then perhaps globalization will never come about. However, a carrier which invents the right formula in this regard could reap enormous advantages and profits.

4. Conclusion

In conclusion, it can be observed that there are market forces inducing the airline industry toward increasing international airline connectivity. Consumers prefer to deal with a single large-network airline. Artificial incentives such as frequent flyer programs provide additional stimulus. There are a number of different levels or degrees to which this interconnectivity can take place. Simple carrier alliances are already taking place, as are code-sharing agreements. There are some moves to stronger carrier alliances