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JATS publishes the following categories of papers written in <u>scholarly</u> English: a) Full Research Papers, b) Conference Reports, c) Book Reviews, d) Industry Perspectives. Papers should be submitted electronically to <u>a.papatheodorou@aegean.gr</u> in MS-Word format ONLY using British spelling, single-column, 1.5 line spacing, Tahoma letters, font size 11. Section headings (and sub-headings) should be numbered and written in capital letters. Upon acceptance of a paper and before its publication, the corresponding author will be asked to sign the *Transfer of Copyright* form on behalf of all identified authors.

Full Research Papers should contain original research not previously published elsewhere. They should normally be between 4,000 and 7,000 words although shorter or lengthier articles could be considered for publication if they are of merit. The first page of the papers should contain the title and the authors' affiliations, contact details and brief vitae (of about 50 words). Regarding the following pages, papers should generally have the following structure: a) title, abstract (of about 150 words) and six keywords, b) introduction, c) literature review, d) theoretical and/or empirical contribution, e) summary and conclusions, f) acknowledgements, g) references and h) appendices. Tables, figures and illustrations should be included within the text (not at the end), bear a title and be numbered consecutively. Regarding the referencing style, standard academic format should be consistently followed. Examples are given below:

- Airbus (2003), Global Market Forecasts 2003-2022, Toulouse: Airbus.
- Fragoudaki, A., Keramianakis, M. and Jancovich, S. (2005) The Greek PSO Experience. 4th International Forum on Air Transport in Remoter Regions. Stockholm, May 24-26.
- Forsyth P. (2002a), 'Privatization and Regulation of Australian and New Zealand Airports', *Journal of Air Transport Management*, 8, 19-28.
- Papatheodorou, A. (2008) The Impact of Civil Aviation Regimes on Leisure Market. In Graham, A., Papatheodorou, A. and Forsyth, P. (ed) *Aviation and Tourism: Implications for Leisure Travel*, Aldershot: Ashgate, 49-57.
- Skycontrol (2007) easyJet welcomes European Commission's decision to limit PSO abuse in Italy. 23rd April. Available from: http://www.skycontrol.net/airlines/easyjetwelcomes-european-commissions-decision-to-limit-pso-abuse-in-italy/ (accessed on 22/08/2008).

Conference Reports should be between 1,000 and 1,500 words. They should provide factual information (e.g. conference venue, details of the conference organizers), present the various programme sessions and summarize the key research findings.

Book Reviews should be between 1,000 and 1,500 words. They should provide factual information (e.g. book publisher, number of pages and ISBN, price on the publisher's website) and critically discuss the contents of a book mainly in terms of its strengths and weaknesses.

Industry Perspectives should be up to 1,000 words and provide a practitioner's point of view on contemporary developments in the air transport industry. Contributors should explicitly specify whether their views are espoused by their organization or not.

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Full Research Papers

The European Union (EU) has defined seven regions as outermost (or ultraperipheral), of which three are located near the European mainland (the Azores, Madeira and the Canary Islands). These regions benefit from certain relaxations in EU law to promote economic development such as extended duration on tendered contracts for subsidised air transport routes subject to public service obligation. This article aims to determine the peripheral status of Norwegian municipalities hosting airports with subsidized air transport routes in order to assess whether they qualify for a similar extension of contract length. Evidently, a majority of the route areas can be classified as equally or more peripheral than the outermost regions. The method for assessment can be transferred to PSO-routes in other peripheral regions of the EU as well as for considering relaxation of other laws promoting the development of such areas.

Ten years after the implementation of the Public Service Obligations (PSO) scheme in Greece, the mechanism has not led to the desired results. Among others, the state has imposed PSOs onto a number of routes that are either of questionable social value or which could prove financially self-sustainable without the need for a PSO after appropriate consultation with key stakeholders. In this context, and given the dearth of resources during a period of severe economic recession, it is necessary for the government to reconsider the structure of the PSO programme and adjust it to the new reality in Greece. In fact, as a first step towards this direction, the present paper seeks to gather all necessary information using the tools of marketing research, to study customer satisfaction and fulfilment of passenger needs on the PSO routes from/to Thessaloniki, the second largest city in Greece. Based on the results of primary data research, the paper aims at contributing to the effective communication of the value of the PSO routes to the passengers and set the fundamentals for a subsequent undertaking of a full marketing plan on how to render such routes financially viable.

This article presents a set analysis of European airlines. The main results reveal that ARIMA models have better performance than the Holt-Winters method in time series of Revenue Passenger Kilometres in nineteen airlines members of the Association of European Airlines (AEA). Only seven airlines have been influenced by the September 11th terrorist attack, SARS and the ash crisis, while none of the analysed airlines has been influenced by the economic crisis that began in 2008. The results obtained might suggest, on the one hand that airlines can find the flexibility to meet demand, despite their difficulty to adjust capacity. On the other hand, given the heterogeneity of resources and flight destinations, the business environment does not affect the airlines in the same way or with the same intensity.

This study hypothesizes that, as a result of government's bilateral agreements and regulations that limit the impact of globalization, a set of components which constitutes the airlines' business strategies have a direct effect on airlines' revenues. The hypothesis is tested on a sample of 15 US airlines, which substantiates that three out of four suggested components have a positive significant influence on the airlines' revenues. Markets - confirms that international flights help to increase the airline revenue; Product - with a significant positive impact on revenue when the airline offers low cost flights; and Operation - flights from hubs where found to have a significant negative affect on airlines' income while point-to-point flights, characterized by low cost airlines, are more advantageous. The fourth component, Generic Competitive Advantage, was found to be a choice component; namely, an airline may succeed by being either a cost leader or a differentiator in the markets and products it is serving.

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This paper discusses the question whether passengers are fully aware of the efforts taken by airlines to protect the environment and if this knowledge in turn influences potential customers in choosing a certain airline. The topic is analysed by taking the case of Swiss International Air Lines (SWISS) passengers at Zurich Airport. It was found that these efforts are not apparent to passengers. However, passengers are interested in an airline's environmental responsibility. It was also found that the airline's action is appealing to customers. Nevertheless, price plays an important role for passengers when choosing an airline even in the case of it being more environmentally-aware. Furthermore, there is a relation between the environmental activities of an airline and the brand image. The brand of the airline is strengthened if it is engaged in environmental activities and communicates them efficiently to passengers.

Editorial

This issue of the *Journal of Air Transport Studies* includes five papers. Kjærland and Mathisen assess the peripheral status of local airports in Norway using five graded scales, namely, remoteness, insularity, size, topography/climate, and economic dependence. It is then discussed whether the regions currently receiving state aid for PSO-routes in Norway satisfy the criteria relevant for the application of five-year contracts which is restricted to outermost regions only. In another paper, Papatheodorou and Koura study customer satisfaction and fulfilment of passenger needs on the PSO routes from/to Thessaloniki, the second largest city in Greece. Customer profiles have been explored and an appropriate market segmentation exercise has been undertaken setting the fundamentals for the development of a marketing plan to make these routes financially self-sustaining.

In the following contribution, Moreno applies ARIMA models to examine RPK (revenue passenger kilometres) for nineteen European airlines. The results suggest that airlines can find the flexibility to meet demand; external shocks do not affect the airlines in the same way. Then, Aharoni and Noy examine the components of airline business strategy and find that Markets, Product and Operation have a significant influence on a sample of fifteen US airlines' revenues, while the fourth component, Generic Competitive Advantage, is found to be a choice component. Finally, using Swiss International Air Lines passengers at Zurich Airport as a case study, Wittmer and Wegelin discuss whether passengers are fully aware of the efforts made by airlines to protect the environment and if this knowledge in turn influences potential customers' choice of an airline.

May we take this opportunity to thank all our authors and referees for their support in publishing this sixth issue of the Journal. Our continuing partnership with Air Transport News in conjunction with the open access character of the journal aim at ensuring that JATS can get a significant exposure to the academic and business audience and raise its profile accordingly. Enjoy reading!

Dr Andreas Papatheodorou, Editor-in-Chief Dr Kostas Iatrou, Associate Editor Dr Zheng Lei, Assistant Editor