

## **BIG TROUBLE FOR THAI AIRWAYS AS LOSSES DOUBLE**



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### **Abstract**

Thai Airways is Thailand representative same as a logo of Thailand that present about Thai on board such as staff's uniform, Thai identity, Thai food and greeting "Wai" to people around the world who come to used the service. Thai Airways is a premium airline and that make Thai Airways have higher price than another airline in Thailand and now a day in our country have many airlines in the same route but lowest price that is the one of reason why Thai Airways have losses. In fact, the airline reported a quarterly loss of 3.69 billion baht (\$111,548,700). That's just for the third quarter and 103% higher than the same period year-on-year from 2017. Full service of Thai Airways made an impact on the higher price of the ticket that make the passenger chooses other airlines to journey.

**Keywords:** "Loss" "Higher" "Lowest" "Service"

## **Introduction**

Excellent services, Ranked among the world's great airlines, but the reason that is the properties of the loss. It is undeniable that the main factor causing heavy losses Airways is the cost unduly high and the airline industry is highly competitive, whether they are competitors of Low Cost Airlines airline to a large extent but with Thai Airways flight to the world. Whether it is Europe, Australia, and Asia, thus making aviation business. Therefore, it is necessary to take care of the cost. Just costs rose only slightly. Business can just flip turns out to be losses. In terms of another cost, it increased significantly in spite of the oil price decline but still losses. Also purchase new aircraft to facilitate comfort to the passengers. Therefore, the profit is overturned with the burden of costs.

The new aircraft or things the new services that not support ticket sales increased. While the need to sell more but the rate of increase in passengers back to lower rates than are imported fly or equipment.

## **Research Methodology**

### **Objectives**

1. To analyze the cause of Thai Airways losses.
2. To explore the service of Thai Airways.

The cause of Thai Airways losses included many factors. In quarter 3/2013 period from October to November. The loss was quite worrisome. The number of passengers decreased markedly less than it should be and in spite of the high season should increase passenger traffic by 70-80 percent because usually the first quarter and last quarter will get a profit and loss in quarter 2 but quarter 3 will is heavy losses. Cause of loss is from management cost control and also in politics involved. The opportunity loss is high because the procurement of various items that specifically. Must be purchased at one price only. This course would be priced higher than the real price. Approach to solve the problem of loss of this is to start editing from the cause of the problem in the control of finance and politics.

Thai Airways International is a national enterprise subordinated to the Ministry of Transport. It is a public company registered in The Securities Exchange of Thailand since 1991. The company operate the airlines business that transport passengers, goods, parcels and postal through air transportation via Thai major cities to the primary cities around the world. Other than airlines business that is our main business, there are other related business and support our airfreight both in business unit model and joint venture model contain with.

- Passengers service, products service, pre - flight and post flight preparation
- In-flight meals and beverages service
- Aircraft maintenance service
- Flight administrator service
- Duty-free products and souvenir merchandise
- Travel and traveling support service
- Flight service attendants training service (Joint venture)
- Workforce provider service (Joint venture)
- Aircraft fuel service (Joint venture)
- Seat booking and reservation service (Joint venture)

Experience the unique world-class service from the beginning of journey. Indulge and relax in the privilege lounges with Thai style across the globe. Unwind passengers by the uniqueness of traditional Thai massage whenever flying THAI. Discover the comfort of exceptional lounge facilities in airport worldwide, savor the finest food, enjoy a wide variety of magazines and relax in a truly tranquil ambience. Impeccability is our way to fulfill all of your needs on journey, within elegant surroundings integrated with Thai culture and heritage to offer the finest first class experience to passengers in royal orchid spa.

### **Conclusion**

Now that I've summarized the financials, let's get to the heart of the issue. It's more than just spending exceeding revenue. Indeed, the problem Thai face is directly related to the recent fight amongst employees over a first class seat. Thai Airways provide excellent service to passengers by represent Thai culture that make the company invest more budget to develops all the time.

## Discussion and Recommendation

I am not even hinting the flag carrier of Thailand would ever shutdown. It won't. But I don't see an end to losing money year after year. Thai hopes to be profitable by 2022, but will need to do a lot more than blame the weather and Chinese tourists to return to profits.

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