ABSTRACT

Along the development era, transportation industry in Indonesia has become necessary for all aspect of life. The transportation itself become rather significant as a support of human needs. Transportation becomes a vital components for human and the world, both in population distribution, economic development, and growth of industrialization. Various diciplines shows that the presence of transportation open all the ease and create a new civilization that is more sophisticated and modern.

Nowadays air transportation industry had the most advance growth compared to other modes. In Indonesia, air transportation had become an alternative not only for middle and high class but also from people from lower class. Especially when travelling from one island to another where air and sea transportatiom became the main option. Indonesia chief of air transportation Tri S Sunoko reported that Indonesia had achieved 20% annual growth.

This condition indicates that a strong and unhealthy business competition will likely to develop between companies in air transport business. To prevent such condition from happening, knowledges on structure, conduct, and performance from those companies are needed. By acquiring these knowledge, an SCP approach can be used to capture the market structure and competitive condition.
Keywords: Air Transportation, Business Competition, Structure Conduct Performance (SCP)