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Abstract

This study examined how pricing strategies influence competitive advantage among charter airline operators in Nairobi City County, Kenya. The study was grounded in strategic management and competitive advantage theory, integrating Porter's generic strategies, the Resource-Based View (RBV), and the Dynamic Capabilities framework. The study argued that pricing decisions in the charter aviation sector are not merely operational but form a central component of strategic positioning and long-term competitiveness. Drawing upon existing literature and contextual evidence from Kenya's aviation industry, this study various pricing strategies, penetration pricing, premium pricing, discriminative pricing and psychological pricing tactics.as mechanisms through which charter airlines can achieve superior performance and subsequently competitive advantage. The theoretical analysis highlights how flexible pricing models enhance customer satisfaction, optimize revenue, and enable market differentiation in a volatile and price-sensitive environment. Moreover, organizational firmographics such as ownership structure and geographical scope moderate how pricing strategies translate into sustainable advantages. The paper concludes that pricing strategies, when aligned with technological innovation and marketing capabilities, can strengthen cost efficiency, brand loyalty, and overall competitiveness. The study contributes to the theoretical understanding of strategic pricing in emerging aviation markets and provides insights for governments, airline managers, stakeholders and policymakers aiming to enhance value creation and market resilience in Kenya's charter airline industry.

Keywords: *Pricing Strategies, Competitive Advantage, Charter Airlines, Aviation Management, Kenya, Penetration Pricing, Premium Pricing, Price Discrimination, Psychological Pricing.*

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1.0 Introduction

The aviation sector, particularly the charter airline market, operates in a competitive and dynamic environment where pricing strategies are critical for business performance. In Nairobi City County, Kenya, charter operators face pressure from local and international competitors, making strategic pricing a key lever for differentiation and profitability. Research highlights that airlines employ a mix of penetration, premium, discriminatory, and psychological pricing strategies to respond to market dynamics, optimize revenue, and enhance customer responsiveness (Gao et al, 2021). Advances in demand modeling, such as machine learning approaches to estimate price elasticity, further enable airlines to tailor prices dynamically and strengthen competitive positioning (Khalid et al, 2023).

In the Kenyan airline industry, studies show that differentiation, cost leadership, operational efficiency, and service innovation significantly contribute to competitive advantage (Njuguna et al, 2023) . For charter airlines in Nairobi, adopting sophisticated pricing strategies in combination with these operational and service-oriented practices can improve market positioning, profitability, and customer loyalty. Strategic management frameworks, such as Porter's Generic Strategies and the Resource-Based View, provide a theoretical lens to examine how internal resources and pricing strategies interact to achieve competitive advantage in this unique market context (Porter, 1980); (Barney, 1991).

The primary purpose of this study was to investigate how pricing strategies influence competitive advantage among charter airlines in Nairobi. Given the elastic and variable nature of demand in this sector, even minor adjustments in pricing can significantly affect revenue, seat occupancy, and customer satisfaction (Tan et al, 2022) and (El- Halabi et al, 2022). By integrating pricing with service differentiation, technological adoption, and marketing, charter airlines can create a holistic approach to competitiveness. This study aimed to provide both theoretical insights and practical recommendations, contributing to strategic management knowledge in aviation, particularly within emerging markets (Ahmed & Noor, 2025).

1.1 Statement of the problem

Charter airline industry in Nairobi City County, Kenya, has experienced significant growth over the past decade due to increased tourism, corporate travel, and economic globalization. Despite this growth, charter airlines face intense competition from both scheduled commercial carriers and other non-scheduled operators. The competitive environment has been further complicated by rising operational costs, fluctuating fuel prices, regulatory constraints, and changing consumer preferences (YU et al, 2024) and (Adoyo & Adeya , 2023) .

Pricing is a critical strategic tool in this context, influencing customer acquisition, revenue generation, and market positioning. While global studies have demonstrated the importance of strategic pricing for competitive advantage (Aryal and Sharma, 2024) and (Chen & Wang, 2023), there is limited empirical evidence on how charter airline operators in Kenya leverage pricing strategies to enhance competitiveness. Most existing research has focused on scheduled airlines, leaving a gap regarding the effects of penetration pricing, premium pricing, price discrimination, and psychological pricing on the competitive performance of smaller, flexible charter operators.

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This knowledge gap presents a challenge for airline managers who need evidence-based guidance on pricing to optimize market share, profitability, and customer loyalty. Without a clear understanding of how different pricing strategies influence competitive advantage, charter airlines may adopt ineffective pricing practices, leading to revenue losses, reduced customer retention, and weaker market positioning (Munyao, 2021) and study done by Ichingwa and Kamau suggests that organizations should be careful when choosing pricing strategies to services. Minimize the negative effects of price in the business, (Ichingwa and Kamau, 2025). Government and policymakers may not make right decision due to knowledge and information gap about charter airline operation and the impact of pricing of the Therefore, this study sought to address the problem by investigating the influence of pricing strategies on the competitive advantage of charter airlines operating in Nairobi City County, providing empirical insights to inform strategic decision-making and policy formulation within the sector.

1.2 Objective of the study

The objective of this study was to examine the effects of pricing strategies on competitive advantage among charter airline operators in Nairobi City County, Kenya.

2.1 Literature Review

2.1.1 The concept of Pricing Strategies

This study explored charter airline operations, the study observed that pricing strategies are multidimensional and serve as a primary mechanism for achieving revenue maximization and market positioning. Recent research indicates that pricing strategies are no longer static; airlines increasingly adopt dynamic and data-driven approaches to respond to fluctuating demand, competitive pressures, and operational constraints (Tan et al, 2022). In essence, pricing strategies determine not only the revenue outcomes but also how customers perceive the value of airline services.

This study also reviewed several pricing approaches and found that pricing strategies in the airline industry typically fall into four broad categories: penetration, premium, discriminative, and psychological pricing. Penetration pricing focused on getting new market to achieve wider reach. This approach was particularly relevant for charter airlines, which often want to reduce the high fixed costs such as aircraft leasing, fuel, and regulatory compliance (El- Halabi et al, 2022). Premium pricing involved adjusting fares based on the prices set for different types of customers, enabling airlines to maintain market share for the different types of markets. Discriminative pricing, which was found most relevant in the Nairobi charter context, focused on characteristics, seasons and priorities perceived by customer as a value, allowing airlines to charge premiums for convenience, flexibility, and bespoke services (Ahmed & Noor, 2025). Psychological pricing focused on the bundled prices, which includes all services with no extra charges for different auxiliaries or amenities as opposed to separate charges on some amenities.

A key insight derived from recent literature is the increasing importance of hybrid pricing models, which integrate elements of cost, competition, and value-based approaches. For instance, charter

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airlines may set base prices to cover operational costs while simultaneously using demand forecasting and competitor analysis to adjust fares dynamically during peak periods (Khalid et al, 2023). Such hybrid models demonstrated that pricing is both a strategic tool and an operational necessity, bridging financial goals and market responsiveness.

2.1.2 Theoretical Foundations of Pricing in Aviation

In analyzing pricing strategies, the study found it essential to link practice with theory. The Resource-Based View (RBV) and Porter's Generic Strategies provide particularly useful lenses. According to RBV, competitive advantage arises from the firm's unique resources and capabilities (Barney, 1991). Applying this to charter airlines, it was observed that fleet flexibility, skilled personnel, and customer service capabilities are resources that can be leveraged in pricing strategies. For example, airlines with superior scheduling flexibility can offer last-minute charter flights at premium prices, effectively monetizing their operational capabilities. Recent studies reinforce this perspective, noting that airlines that integrate internal capabilities with dynamic pricing tools achieve higher profitability and market differentiation (Gao et al, 2021) and (Tan et al, 2022).

Porter's Generic Strategies Porter (1980) posits that firms achieve competitive advantage through cost leadership, differentiation, or focus strategies. I found that pricing decisions are directly linked to these strategies. Charter airlines pursuing differentiation often implement premium pricing, highlighting personalized services, safety, and comfort. Conversely, airlines pursuing cost leadership may offer competitive pricing by optimizing operational efficiency and fleet utilization. The interaction of these strategies with pricing is particularly evident in Nairobi, where customer segments range from budget-conscious domestic travelers to high-net-worth corporate clients (Li, 2022). By combining RBV and Porter's frameworks, I could analyze pricing as both a lever for exploiting internal resources and a tool for market positioning, highlighting the strategic significance of pricing beyond mere cost recovery.

2.1.3 Penetration Pricing Strategies in Charter Airlines

The study focused specifically on charter airlines, whose pricing approaches differ markedly from scheduled carriers due to demand variability, operational flexibility, and niche market targeting. Penetration pricing in charter airline operations is a low-price entry strategy aimed at capturing market share quickly, especially in new routes or markets. Once a stable customer base is established, the airline gradually increases prices to profitable levels.

2.1.3.1 Premium Pricing Strategies in Charter Airlines

In charter airline operations, a premium pricing strategy often centers around offering high-value, bespoke services to affluent or business clientele who are less price-sensitive. Unlike scheduled airlines where price classes (economy, premium economy, business) are standardized, charter operators can more flexibly bundle luxury or concierge-level features such as premium in-flight catering, ground transportation, two-pilot staffing, or even helicopter transfers to justify significantly higher charter rates (Thomas, 2024). These surcharges reflect not just the cost of the add-ons, but the perceived value of exclusivity, privacy, and personalization that charter clients prioritize (Thomas, 2024)

Furthermore, charter firms can leverage data-driven pricing tools to inform their premium pricing strategies. As newer platforms use advanced analytics and AI to forecast demand, charter operators can distinguish between discretionary, high-net-worth demand and more cost-sensitive group or event-based clients, then tailor prices accordingly (Lohmann & Peres, 2025). This value-based segmentation helps charter operators maximize profitability: by charging a premium to the customers who value time, convenience, and service, while dynamically optimizing load and aircraft utilization. The transparency of pricing via digital charter marketplaces also supports premium pricing, since customers can compare levels of service and pay more for customized, higher-end offerings.

2.1.3.2 Price Discrimination Strategy in charter airlines

Price discrimination in the airline sector involves charging different prices to different customers based on their willingness to pay, booking time, or observable characteristics. Although most research focuses on scheduled airlines, these principles apply directly to charter operators. For instance, airlines frequently use inter-temporal price discrimination, offering lower fares for early bookers and higher prices for last-minute travelers an approach shown to increase airline surplus by segmenting leisure price-sensitive and business less price-sensitive demand (Williams et al, 2022). This logic extends to charter operations, where early-contracted group charters may secure lower block-hour or aircraft-day rates, while late, ad-hoc charter requests often from corporate or VIP clients are priced significantly higher due to inelastic demand (Williams et al, 2022).

Charter operators also use third-degree price discrimination, tailoring prices to specific customer categories or use-cases. For example, tour operators purchasing seasonal series charters may receive substantial discounts due to volume, while corporate, sports-team, medical-emergency, or government charters pay markedly higher rates because they place greater value on flexibility, privacy, and availability. Recent analyses of airline pricing behavior confirm that carriers leverage market power to exploit demand heterogeneity through differentiated fare structures across customer types and market segments. According to (Aryal and Sharma, 2024) & (Williams et al, 2022) build a model of inter-temporal and intra-temporal price discrimination in international airline markets, showing that airlines extract surplus by differentiating prices both over time and across customer valuation types. (Lewes, 2020). Provides empirical evidence that airlines use third-degree discrimination, like offering Saturday-night stayover discounts more often when they face competing carriers with different product offerings; this shows how airlines adjust fare structures strategically depending on segment competition. A study by (Jiang and Anderson, 2024) examines how different passenger identities, purchase times, and booking behaviors contribute to price discrimination in ticketing, confirming that airlines change fares based on both temporal and passenger characteristics. According to a study by (Gabor et al, 2022) show that airlines dynamically price discriminate by charging different prices at different times of the day: they find higher fares during business hours when business travelers are more likely to purchase, and lower fares during evenings for more price-sensitive leisure travelers.

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2.1.3.3 Psychological pricing Strategies in charter airlines

Psychological pricing strategies in charter aviation focus on shaping customer perception of value, exclusivity, and affordability rather than simply lowering or raising prices. One common approach is prestige pricing, where charter airlines set rates at a higher, round-number level to reinforce the perception of luxury and exclusivity. In the private and charter aviation market where clients expect premium service higher prices can actually signal superior safety standards, aircraft quality, and personalized service. Another psychological strategy widely used in charter sales is bundled pricing, where operators package multiple services into a single all-inclusive price. This reduces the cognitive load for customers and makes the charter feel more convenient and worth it, even when the bundle is priced slightly above the sum of its parts. One particularly relevant study is *Unlocking revenue: psychological pricing effect for airlines' upselling strategies* (2024). This research provides empirical evidence that airlines can influence customers' willingness to upgrade by using psychological thresholds between base and upgrade prices, when the upgrade fare is just slightly above the base fare; customers are more likely to accept it. The study also shows that using color cues like displaying the upgrade price in red, makes the price seem more reasonable, increasing purchase intent.

Another relevant piece is *Modeling price-sensitive demand in turbulent times: an application to continuous pricing* (2024). While not strictly psychological pricing, this work models how consumers' willingness to pay and price sensitivity can shift under macro-uncertainty example of COVID, inflation, and how continuous pricing enabled by new distribution technologies, can exploit these behavioral patterns to boost revenue.

2.2 Conceptual Framework

The study's independent variable was pricing strategies which used indicators such as dynamic and revenue management, value-based and customer segmentation and competitive and penetration pricing. The conceptual framework identified those four strategies as the most effective way in attaining competitive advantage among charter airline operators in Nairobi City County, Kenya.

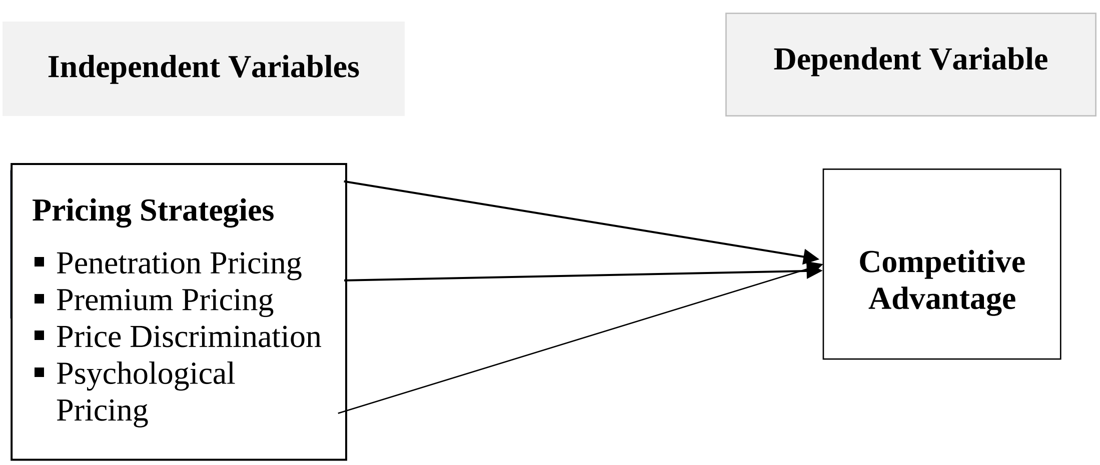

Figure 1. Conceptual Framework

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2.3 Integration of Pricing Strategies and Competitive Advantage

This study noted that the effectiveness of pricing strategies is inseparable from the pursuit of competitive advantage. Well-executed pricing strategies allow charter airlines to maximize revenue through dynamic adjustment of fares, enhance market differentiation by linking pricing to service quality and strengthen customer loyalty via personalized and value-driven packages. Recent studies emphasize that integrating pricing strategies with operational and marketing capabilities enhances firm competitiveness (Tan et al, 2022); Ahmed & (Ahmed & Noor, 2025). For Nairobi charter airlines, this integration often involves leveraging technology, real-time analytics, and customer relationship management systems to ensure that pricing decisions are both data-informed and strategically aligned.

3.0 Methodology

In conducting this study, qualitative research design complemented by quantitative insights where applicable. The study chose this approach because it enhanced the exploration of the complex and context-specific nature of pricing strategies in Nairobi charter airlines while capturing nuanced perspectives from industry stakeholders. According to (Pengurusan et al, 2022), a qualitative approach is particularly effective when the aim is to understand behavioral patterns, strategic decision-making and organizational processes, which aligns closely with my focus on pricing practices. The study also incorporated elements of descriptive research to quantify trends in pricing, such as average fare ranges, seasonal fluctuations, and dynamic pricing patterns. This mixed approach enabled the triangulation of the findings, ensuring that theoretical insights were grounded in actual industry practices.

4.0 Findings and Discussions

The study used a structured questionnaire to collect numerical data from employees of charter airlines. This questionnaire had set questions with fixed answer choices to keep things consistent and make it easier to analyse the results statistically (Bryman, 2016). Most questions were closed-ended and used a Likert scale, a 5-point scale from Strongly Disagree to Strongly Agree to measure how strongly people agreed or how often they experienced certain trends in pricing. A total of 50 questionnaires were distributed to senior management and marketing executives across charter airline operators at Wilson Airport. Out of these, 45 were returned fully completed.

4.1 Response Rate

A total of 50 questionnaires were distributed to senior management and marketing executives across charter airline operators at Wilson Airport. Out of these, 45 were returned fully completed, representing a response rate of 90%, which is considered adequate for statistical analysis and supports the reliability of the findings (Munyao, 2021).

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4.2 Demographic Characteristics of Respondents

The study captured respondents' demographic information to contextualize the findings in terms of gender distribution amongst respondents, age distribution, education level and work experience. This data was recorded in a logical and a clear manner: The table summarizes the age, education and experience of employees.

Table 1: Summary of Respondents' firmographics

Category	Sub-category	Percentage
Gender	Male	60%
	Female	40%
Age Distribution	25–34	20%
	35–44	50%
	45–54	25%
	55+	5%
Education Level	Bachelor's Degree	70%
	Master's Degree	20%
	Professional Certifications	10%
Experience in Charter Airlines	1–5 years	40%
	6–10 years	35%
	10+ years	25%

These demographics indicated a sample with substantial experience and expertise in charter airline operations and strategic pricing (Adoy & Adeya , 2023).

4.3 Descriptive Analysis of Pricing Strategies

Respondents provided insights on the adoption and impact of four key pricing strategies using a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree): The strategies used were penetration pricing, premium pricing, price discrimination and psychological pricing. Table 2 illustrates the analysis. With mean and the SD.

Table 2: Pricing Strategy Likert Scale Results

Pricing Strategy	Mean	Standard Deviation (SD)
Penetration Pricing	4.2	0.63
Premium Pricing	3.8	0.71
Price Discrimination	4.0	0.68
Psychological Pricing	3.6	0.75

These results suggest that penetration pricing and price discrimination were most frequently employed, while premium and psychological pricing were moderately used (YU et al, 2024) and

(Aryal and Sharma, 2024). Respondents indicated that strategy choice depends on seasonal demand, target customer segment, and market competition (Chen & Wang, 2023).

4.4 Descriptive Analysis of Competitive Advantage

Competitive advantage was measured across market share growth, customer loyalty, and profitability. Mean scores on a 5-point Likert scale were established.

Table 3: Analysis of Competitive Advantage

Dimension	Mean	Standard Deviation (SD)
Market Share Growth	4.1	0.66
Customer Loyalty	4.0	0.70
Profitability	3.9	0.72

These results indicate that charter airlines perceived a moderate to high level of competitive advantage (Munyao, 2021).

4.5 Correlation Analysis

Pearson correlation analysis revealed significant positive relationships between pricing strategies and competitive advantage:

Table 4: Ranking of Pricing Strategies by Influence on Competitive Advantage

Rank	Pricing Strategy	Standardized Coefficient (β)	Interpretation
1	Penetration Pricing	0.35	Highest influence
2	Price Discrimination	0.28	Moderate-high influence
3	Premium Pricing	0.25	Moderate influence
4	Psychological Pricing	0.20	Least influence

These results indicate that all four pricing strategies were positively correlated with competitive advantage, with penetration pricing showing the strongest relationship (Aryal and Sharma, 2024).

4.6 Regression Analysis

Multiple regression analysis determined the predictive power of pricing strategies on competitive advantage. The model showed: $R^2 = 0.72$, indicating 72% of the variation in competitive advantage is explained by the combined effect of the four pricing strategies. $F(4, 40) = 25.6$, $p < 0.001$, indicating that the model is statistically significant.

Table 5: Regression Coefficients:

Pricing Strategy	Beta (β)	t-value	Significance (p)
Penetration Pricing	0.35	4.21	0.001
Premium Pricing	0.25	3.12	0.003
Price Discrimination	0.28	3.45	0.002
Psychological Pricing	0.20	2.71	0.010

Penetration pricing had the highest predictive power for competitive advantage, followed by price discrimination, premium pricing, and psychological pricing. All predictors are statistically significant (YU et al, 2024).

4.7 Interpretation of Findings

The findings suggest that strategic pricing is crucial in enhancing competitive positioning among charter airlines in Nairobi City County. Penetration pricing effectively attracts new clients and expands market share, price discrimination optimizes revenue across customer segments, premium pricing enhances brand perception, and psychological pricing subtly influences purchase decisions (Chen & Wang, 2023). Overall, the results confirm that pricing strategies drive customer loyalty, market share growth, and profitability, supporting both theoretical frameworks and recent empirical studies. This underscores the importance of adopting a flexible, market-oriented approach to pricing in charter airline operations.

Table 6: Mean Scores of Pricing Strategies among Charter Airlines

Pricing Strategy	Mean Score	Standard Deviation (SD)	Interpretation
Penetration Pricing	4.2	0.63	Frequently applied
Premium Pricing	3.8	0.71	Moderately applied
Price Discrimination	4.0	0.68	Frequently applied
Psychological Pricing	3.6	0.75	Moderately applied

Mean scores were calculated from Likert-scale responses (1 = strongly disagree, 5 = Strongly agree). These results indicate that penetration pricing and price discrimination are the most frequently employed strategies, consistent with findings by Kotler and Keller (2016), Nagle, and Müller (2018).

Table 7: Descriptive Statistics of Competitive Advantage Indicators

Competitive Advantage Indicator	Mean Score	Standard Deviation (SD)	Interpretation
Market Share Growth	4.1	0.66	High
Customer Loyalty	4.0	0.70	High
Profitability	3.9	0.72	Moderate to High

Higher scores indicated stronger competitive advantage perceptions. Findings align with Porter (1985) and Knorr & Žigová (2004) regarding the link between strategic pricing and market performance.

Table 8: Correlation between Pricing Strategies and Competitive Advantage

Pricing Strategy	Pearson Correlation (r)	Significance (p-value)	Interpretation
Penetration Pricing	0.68	0.001	Strong positive correlation
Premium Pricing	0.55	0.003	Moderate positive correlation
Price Discrimination	0.63	0.002	Strong positive correlation
Psychological Pricing	0.48	0.010	Moderate positive correlation

All correlations are statistically significant. These results confirm that pricing strategies are positively associated with competitive advantage, supporting prior studies by Stremersch & Tellis (2002) and Kotler & Keller (2016).

Table 9: Regression Coefficients of Pricing Strategies on Competitive Advantage

Pricing Strategy	Unstandardized Coefficient (B)	Standard Error	Standardized Coefficient (β)	t-value	p-value
Penetration Pricing	0.41	0.10	0.35	4.21	0.001
Premium Pricing	0.30	0.10	0.25	3.12	0.003
Price Discrimination	0.33	0.10	0.28	3.45	0.002
Psychological Pricing	0.25	0.09	0.20	2.71	0.010

Regression analysis showed that penetration pricing has the highest predictive power on competitive advantage. All coefficients are statistically significant, corroborating findings by Al Amin (2020) and Nagle & Müller (2018).

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Table 10: Ranking of Pricing Strategies by Influence on Competitive Advantage

Rank	Pricing Strategy	Standardized Coefficient (β)	Interpretation
1	Penetration Pricing	0.35	Highest influence
2	Price Discrimination	0.28	Moderate-high influence
3	Premium Pricing	0.25	Moderate influence
4	Psychological Pricing	0.20	Least influence

Ranking illustrates the relative impact of each pricing strategy on competitive advantage, aligning with prior empirical research in airline pricing strategies (Kotler & Keller, 2016; McKinsey & Company, 2017).

4.8 Hypothesis Testing between Pricing Strategies and Competitive advantage amongst charter airline operators.

The study tested whether the four pricing strategies, penetration pricing, premium pricing, discriminatory pricing, and psychological pricing significantly influence competitive advantage among charter airlines. Using a multiple regression model, each strategy was examined through individual hypotheses assessing whether its coefficient differed from zero, while a joint hypothesis tested whether all four strategies collectively contributed to competitive advantage. The null hypotheses stated that each pricing strategy and all strategies together, had no significant effect on competitive advantage. This is summarized in table 10.

Table 11: Summary of Hypotheses, Rules, p-Values, Objectives, and Comments

Hypothesis	Rule (Decision Rule)	p-Value	Objective	Comment
H1: Penetration pricing Competitive advantage	Reject H_0 if $p < 0.05$	0.001	To determine whether penetration pricing strengthens competitive advantage	Significant penetration pricing has a strong positive effect ($t = 4.21$)
H2: Premium pricing Competitive advantage	Reject H_0 if $p < 0.05$	0.003	To assess whether premium pricing contributes to competitive advantage	Significant premium pricing positively influences competitive advantage
H3: Price discrimination Competitive advantage	Reject H_0 if $p < 0.05$	0.002	To test whether discriminatory pricing affects competitive advantage	Significant price discrimination improves competitive advantage
H4: Psychological pricing Competitive advantage	Reject H_0 if $p < 0.05$	0.010	To examine whether psychological pricing influences competitive advantage	Significant psychological pricing has a positive effect

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All four pricing strategies have p-values below 0.05**,** meaning each strategy individually has a statistically significant positive effect on competitive advantage in the model.

5.0 Conclusion

In conclusion, the research demonstrated that pricing strategies are central to the competitiveness and profitability of Nairobi charter airlines. Penetration pricing, premium pricing, discriminative pricing and psychological pricing all contribute to increased competitive advantage. By integrating theoretical models with practical insights, the study concluded that Nairobi charter airlines can achieve sustainable growth and enhanced customer satisfaction through; strategic investment in analytics and technology; formalized value-based pricing frameworks; segment-specific offers and transparent communication; flexible, hybrid competitive strategies and capacity building and staff training on the management of pricing inventories.

This study deepened the appreciation for the complex interplay between theory and practice in pricing decisions. The study concluded that pricing is both an art and a science, requiring continuous adaptation to market conditions, operational realities, and customer expectations. In reflecting on this, the study provides a reliable and some knowledge that the strategies outlined here provided a robust roadmap for Nairobi charter airlines seeking to maximize revenue, strengthen competitive positioning, and maintain high levels of customer satisfaction in an increasingly dynamic market.

6.0 Recommendations

Based on the research findings, it is recommended to implement adaptive pricing strategies, which are responsive to market conditions and competitor actions. This will help cater for customers with different budgets and price needs. The various approach to pricing will help in attracting customers during low-demand periods or new markets. The use of high-value services may strengthen brand image of charter airlines and may influence customer purchase decision. The government and policy makers should provide policy framework for pricing of charter airline products to enhance competitiveness and fair business partnership. The government should also collaborate with charter airlines to promote the success and effective in their operations by protecting the business environment in which they operate. In addition, tourism stakeholders and charter airline operators should invest in market intelligence and analytics tools to track trends and optimize pricing. Charter airline operators should also implement advanced customer segmentation for tailored pricing packages that will be feat all types of customers as well as adopt dynamic and seasonal pricing models to adjust fares on demand fluctuations. Further to these, it is recommended that the full collaboration with other stakeholders may results to availability of bundled prices offers and promotional pricing. Training staff in pricing management and customer communication and the implementation of technology for pricing automation, AI-driven dynamic pricing in charter airline operation may be a big milestone in today’s business. This will help in enhancing efficiency, reliability and reduced errors in charter airline for example simplified booking and timely payment through digital platforms.

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