Case Study  **Southwest Airlines: Waging War in Philly**

1. How do Southwest Airline’s marketing objectives and its marketing mix strategy affect its pricing decisions?

2. What is the nature of costs in the airline industry? How does this affect pricing decisions?

3. How does the nature of the airline market and the demand for airline service affect Southwest’s decisions?

4. What general pricing approaches have airlines pursued?

5. What pricing and other marketing recommendations would you make to Southwest as it enters the Philadelphia market?