Airline service Quality: The Easy Understanding for Elementary school to choose the Airline

Nisara Paethrangsi, College of Hospitality Industry Management; Suan Sunandha Rajabhat University, Thailand, nisara.p@ssru.ac.th
Benjapol Worasuwannarak, College of Hospitality Industry Management; Suan Sunandha Rajabhat University, Thailand, benjapol.wo@ssru.ac.th

Abstract. This study illustrates the comparison of Service Quality and Price of Airline in Thailand that affect the decision of passenger to choose an airline. To better understand the customer insights, this study aims firstly to analyze the key factors affecting passengers’ decision to select an airline, secondly, to explore the customer satisfaction level towards the service quality of premium airline compared to a low-cost airline and eventually, to examine the most important factor affecting customer decisions when choosing an airline. The results revealed that the premium airline passengers were most satisfied with quality and taste of food and beverages. The findings of this study will be useful for the elementary school student to better understand what is the factor that significant relevant for improving airlines to achieve the highest customer satisfaction level and sustainably compete with other airlines in this challenging time.

Keywords: Airline Service, Low-cost airline, Satisfaction

I. INTRODUCTION

Transportation plays an important role in human daily lives. In particular, air transportation is already necessary in travelling whether for leisure or for business, in terms of convenience, timeliness, and safety. Airline industry is important as an main part of air transportation. It is a typical service industry, being a part of aviation industry and focusing on moving people and cargo from one location to another. Airline industry is divided into three main sections: Full-Service Airline (FSA), Low Cost Airline (LCA), and Charter Airline (CA) [8].

In former times, airline industry has gone through a significant remodeling in its structure. The airline competition role is very high. Currently, this strong competition forces the whole industry to rethink their marketing strategy to meet the demand of customers. Therefore, all airlines need to try hard to increase profit. Nowadays, air transportation is essential in human daily lives since it is convenience, timeliness, and safety. In the previous time, air transportation was an expensive alternative of travelling because of high price. However, air transportation carriers have already changed their marketing strategies and have been trying to moderate the costs to touch consumer needs.

Low Cost Airline, LCA, has become popular and started gaining market shares in the airline business. LCA business in Asia has significantly grown in a year. Despite significant development of some airlines, overall situation of business was not promising due to economic crisis that affects both domestic and international transportation [10].

However, according to the ASEAN Open Sky policy in 2015, this policy will attract more LCAs to come to Thailand and compete with local Thai airlines [12]. Hence, Thai low-cost airline players are no longer able to use only low-price strategies to maintain their profitability and gain the competitive advantage. Therefore, they need to determinedly find other effective strategies to win this competition.

In the past decade, Thailand’s aviation industry market has been more challenging and competitive; many airlines set a goal to improve the service quality to increase customer satisfaction. Gitman and Carl (2005) stated that customer satisfaction is a key performance indicator in the business and determines how successful the company is [4]. Importantly, it is a calculation of how consumer needs are fulfilled or surpassed by a product or service. Service efficiency is the cumulative impression of the
company and its services from a client. The most significant step to define is to understand what customers actually need and deliver high-quality services.

II. METHODS

Each airline has their own strategy and operations management that seeks to increase the quality, efficiency, and responsiveness of the firm to persuade customer to come to buy their service [3]. When customer pay for using service, they expect to gain good quality of it. And the airline They focus on improve the quality of service in order to create satisfaction for the customer to come back and use the service again.

Service quality is criticised as important role in service differentiation and gaining competitive advantage [2]. Service quality has become an important strategy for decision makers in the services sector, as a result of the intense competition of the market In the marketing there is a general consensus that service quality is a critical success factor in this era of intense competitive environment [6].

From all of above can show the concept of low-cost carrier and how popular it is. How important of service quality, the research is therefore interested to study the satisfaction of customer of low-cost airline in term of price of ticket when comparing to the service of low-cost airline in Thailand in order to use this research as a guideline for improve and develop in term of price and quality of service efficiently and to in accordance with the need of users.

III. RESULTS

The key factors affecting passengers’ decision to select an airline

Based on the results, the findings revealed that the most premium airlines’ passengers were aged between 21 and 60 with a high monthly income [7]. As business owners or company executives, the passengers may have more purchasing power to pay for higher ticket prices to get more comfortable and premium services for their vacations or business trips. This is the main target customer that premium airlines should pay more attention to and design attractive sales and marketing strategies for to retain existing customers and gain more newcomers. The passengers might have a good bond with the airline as the company has been operating for almost 60 years, thus the passengers were quite familiar with and still trusted in premium airlines [7].

As for low-cost airline, most of the passengers were younger, aged between 20 and 40 years old, working as company employees, studying, and some are first jobbers with monthly income ranging from 20,000 to 40,000 baht per month [7]. The passengers were most attracted by lower ticket prices for holidays and pay less attention to the details of other services [7]. This is the guideline for the airline management to provide effective strategies for these target customers as well.
The Customer Satisfaction Level towards the service quality of a premium airline compared to a low-cost airline.

In the aspect of in-flight services, the findings discovered that premium airlines’ passengers were satisfied with the excellent quality and taste of food and beverages, the cleanliness of cabin and lavatory and comfortable seats and facilities respectively [5] [9]. These are the strengths of premium airlines they should keep and develop to compete with other competitors, both domestically and internationally.

The Low-cost airlines’ passengers were most satisfied with cabin and lavatory cleanliness, assistance from in-flight cabin attendants in general and seat comfort and seat facilities respectively. This showed that the passengers focused on core services and standard facilities of the airline that directly concerned passenger safety and comfort [7]. As a low-cost carrier, the low-cost airlines have to keep this standard of services to maintain customer satisfaction towards these aspects. On the other hand, the airline should improve the quality and taste of food and beverage sold on board to gain more satisfaction in terms of in-flight catering [5] [1].

As for cabin attendants, the passengers were most satisfied with premium airlines’ cabin attendants in that the cabin crew members had excellent language and communication skill, were friendly, polite and helpful and provided a professional appearance. This reflects the unique service of the Attendants Touch and the good reputation of premium airlines’ cabin attendants. The airlines should maintain this standard and also provide more training courses to improve the cabin attendants’ abilities in every aspect especially problem-solving skill, since the cabin attendants are front-line personnel dealing with passengers [1] [11].

The Low-cost airlines’ cabin attendants provide excellent safety awareness, which is the first priority of every airline. Also, the cabin attendants had professional appearances and good ability to solve problems [3]. This can assure that the passengers will be safe and get standard in-flight services from the airline’s cabin attendants. The company should encourage cabin attendants to have more responsiveness in serving passengers’ needs, especially on long-haul and overnight flights to fulfill customer satisfaction.

The Most Important Factors Affecting Customer Decisions when Choosing an Airline

The main reasons why the passengers chose to fly with premium airlines were that the airline had excellent service, great facilities and equipment, both in-flight and ground handling and well-trained and professional staff. The company management should maintain and keep developing these strengths of the company. The passengers focused more on full and premium services from both hardware (facilities and equipment) and people ware (company staff) [3]. Importantly, the passengers expect to have the finest Thai cuisine on board provided by the legendary Thai national carrier to justify the higher price the passengers pay [1]. Even though the sales promotion or discount had the least important effect for the premium airlines, the company should continue providing more attractive marketing campaigns to gain more revenue throughout the year.

In contrast, the most important factors of the respondents that chose to fly with the low-cost airlines were attractive sales promotion or discount and reasonable price. These were the priority reasons the passengers used for making their decision, thus the airline should keep on using and always generating new sales promotions to attract the customers. Moreover, there is another advantage of the low-cost airlines, the location of the airport - Don Mueang International Airport located in the downtown area had a significant effect as well. Meanwhile, the service was the least important because the passengers focused only on the price, not other fringes services, so the airline may just maintain the standard services and safety concern and also convey these messages to the target customers continuously.
How to use the outcome to help develop my working strategies?

The study results found that service quality is the extent to which consumer expectations are met by service provided. The most critical factor that can give a business a special place among rivals is the availability of good quality services [11]. As a student of the Airline Business Program think that students have to focus mainly on service quality issues because low service quality can make customer unhappy, disloyal, and eventually it would lead to decline of a company because the service quality is the most important factor for the airlines that widely influence passengers choosing decisions.

IV. DISCUSSION AND CONCLUSIONS

The majority of premium airlines' passengers were upper class people with higher monthly incomes and older ages. These target customers intended to pay more for full and premium services especially for long-haul flights (flight time is more than 4 hours) [11]. The quality of meal service, equipment and facilities and importantly professional airline personnel were key factors affecting the decision making rather than sales promotion or discount. The company should maintain these kinds of loyal customers while at the same time keep on improving services to be above standard so that the airline can be sustainable competitive in this challenging situation in the airline business.

As for the low-cost airlines, the majority of the passengers was company employees, of younger ages and had lower monthly incomes. These target customers focused only on lower ticket price and standard services, but not other fringe services such as in-flight entertainment or meal services that are sold on board. Furthermore, the cabin attendants perform a good standard of services, especially in safety awareness. This assures the passengers that the flight must be safe. The company management should maintain this standard and continue improving services in view of the lower price but provide high quality as well.

REFERENCES