



7<sup>TH</sup> INTERNATIONAL CONFERENCE

# Actual Economy

SOCIAL  
CHALLENGES  
AND FINANCIAL  
ISSUES IN XXI CENTURY



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## Passengers' Pre-Flight Expectations and overall quality of airlines services: functional role and current influence

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### Abstract

The purpose of this paper is to determine passenger's expectations of personal activities offered at airports as part of the airline transportation experience. Most studies focus on aspects where a particular airline plays an important role in the delivery of the service experience. For this study the airline plays no active role and results from a need to e.g. entertainment and resting when waiting for a flight. These services are rendered by various stakeholders e.g. lounges, restaurants) and services rendered by airport managers (waiting areas, trolleys). Expectations of a sample of Thai travelers were selected and enquired regarding their expectations of personal services rendered at an airport. After descriptive analyses and establishing the reliability of the scale, exploratory factor analysis were undertaken in order to extract the factors underlying the data. Two main factors were cleanly extracted, namely, non-flight related paid services and auxiliary airport services, which were then confirmed through confirmatory factor analysis.

**Key-words** Service, service quality, airport transportation, Confirmatory Factor Analysis, Thailand

### Introduction

During the last decade the airline transportation industry has gone through dramatic changes. These changes were due to ever changing customer demands and expectations as well as responding to amongst other the technological and political environmental demands of the countries from which they are operating. The deregulation of the airline business is another reason for these changes (Rhoades & Waguespack, 2008). As a result of this Saha and Theingi (2009) as well as Strombeck and Shu (2013) state that research into airline service quality has increased rapidly since it's relationship with passenger satisfaction and profitability has been established. According to Saha and Theingi (2009; Atalik (2007); Strombeck and Shu (2013); Singh and Sushil, (2013) many airline companies have lost track of the true passenger's needs and are trapped in outdated views of what airline services is all about. Various research studies focuses on service quality and service satisfaction relating to airlines (Singh & Sushil, 2013; Strombeck & Shu, 2014; Tiernan, 2008). This paper acknowledge the importance of these papers but simultaneously realize the lack of studies focusing on customer expectations throughout the travelling experience especially the so called personal activities that is indirectly very much part of the total airline experience. These personal activities include aspects like making provision for customers to rest, work, to be entertained and personal care (Gustafsson et al., 1999). This paper provides an outline of the total airline transportation provision and will eventually focus on the personal activities prior to the flying experience.

### Literature review

Retaining customers and developing relationships with new ones is the key to any business strategy. For any business, continuing support depends on repeat customers (Saha & Theingi, 2009). Prayag (2007); Strombeck and Shu (2014) points out that by providing a product or service that continuously meets customer's expectations and to keep promises is the most effective way to ensure repeat customers. Tseng and Wu (2014) explain that due to increased information and sophisticated technology, the amount of information available to customers has increased tremendously. Consequently consumers put more emphases on the quality of services they receive compared to price. For this reason they suggest that enterprises should incessantly surpass customer expectations in order to provide satisfying service and to enhance quality.

Service quality represents a critical success factor. Therefore it is particularly important, for every organisation, to define not only customers' satisfaction (measurable, in the context of quality, by the perceived quality) but also the factors that their clients consider most important for a service of high quality (expected service). When a pleasurable consumer experience is planned, a variety of consumers' expectations should be taken into consideration, especially expectations of convivial service (Le Bel, 2005). One of the most used methods to gauge the level of satisfaction and the customers' expectations is the administration of questionnaires. This method has been used for this paper to try defining expectations of passengers using services offered by Thai airlines. Air transportation management is assumingly planning their business with sufficient knowledge about passengers' expectations regarding the services rendered to them. The problem under investigation in this paper is to extract services related to domestic air transportation that is offered before the aircraft is boarded (and mainly exclude services being offered by particular airlines) and to confirm their importance on domestic air transportation in Thailand. The services could be viewed as auxiliary services.

### **Methodology**

A survey was conducted to collect data from Thai tourists. A convenience sampling method was used to select the study elements. Persons who have travelled by domestic airlines during the previous 12 months were targeted for inclusion in the study. Potential participants were approached by trained fieldworkers at a number of shopping malls located in Thailand. The rationale for selecting these geographic areas is that they are located in regions that are served by national airports. Data were collected over a five-week period using a structured questionnaire with closed ended questions. The questionnaire was set in English to accommodate most of the target groups. The first section consisted of 23 items that participants had to rate in order of importance when travelling on domestic airlines. A seven-point Likert type scale was used, ranging from, 1 for very important to 7 for not important at all. The second section included questions regarding pertinent demographic characteristics of participants. The participation rate for those approached was about 75%, which resulted in a sample of 402 participants. This database is seen as sufficiently large for analyses. The following section will highlight analyses and results of the study.

### **Conclusions**

Demographic breakdown of the sample revealed that a high majority of respondents (218 or 54.2%) fall under the bracket of 20 – 30 years old. The second major age group that influenced the analyses were from the age group of 31 – 40 years old with 18.9% of respondents. It is also revealed that most of the cases (181 or 45%) were students, followed by private sector employed with a total of 29.1% contribution in responses. Majority of the respondents (127 or 31.6%) highlighted that their main purpose of travel in using any airline is for vacation. The second highest group expressed that they travel mostly for the purpose of business; these cases were 106 in number out of the total 402. While enquiring about the frequency of travel, majority (192 or 47.8%) of respondents mentioned that they travelled only once, using any of the airlines. A greater response (81.6%) emerged from those travelers who travelled in Economy class, followed by 46 respondents who travelled using Business class. This also indicates that the analyses are highly influenced by those travelers who prefer to travel using economy class.

Next important step in the analyses was exploratory factor analysis (hereafter, EFA), in order to explore the dimensions underlying the data set. For this purpose EFA with Varimax rotation was employed. During EFA all those items were deleted which did not satisfy the criteria of above 0.4 loading and below 0.35 cross loading (Hair et al., 2010). Moreover, the Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity was also examined to see the correlations among variables. In this case, KMO was 0.859 and Bartlett's Test of Sphericity was significant at  $p < 0.001$ , indicating that the present data was suitable for factor analysis and there is sufficient correlations between the variables.

Table 1: Results of Factor Analysis

Items (Variables)	Component	
	Factor 1	Factor 2
	Non flight related paid services	Auxiliary airport services
V58	.977	
V60	.965	
V62	.944	
V55	.931	
V65	.912	
V54	.650	
V53	.468	
V56	.407	
V64		.757
V71		.713
V73		.701
V67		.670
V69		.648
V70		.645
V66		.631
V68		.563
V72		.481
Initial Eigenvalues	5.389	3.921
% of Variance	31.699	23.066
Cumulative %	31.699	54.765

The result of EFA indicated a clean two-factor structure using the criteria of an eigenvalue greater than 1. The extracted factors accounted for 54.76 percent of the total variance. Factor loadings were all higher than 0.4 on its own factor and therefore, each item loaded higher on its associated construct than on any other construct; supporting discriminant validity of the measurement. The results of EFA are shown in Table 1.

Further, the two extracted factors were given names based on the loaded items. The first factor was given a name of "non flight related paid services", whereas, the second factor was given a name of "Auxiliary airport services". In factor 1 (non flight related paid services), V58 emerged with highest loading (0.977) and V56 resulted with lowest (0.407). Similarly, in factor 2 (auxiliary airport services), V64 emerged with highest loading (0.757) and V72 resulted with lowest (0.481) during the final EFA. Variable codes and the subsequent name given to these variables are shown in table 2.

The final stage of data analyses deemed necessary for finding highly important pre-flight factors was confirmatory factor analysis (hereafter, CFA). For this purpose AMOS software was used to perform CFA for each of the two factors extracted during EFA. Maximum likelihood estimation (MLE) was employed to estimate the two CFA models. These measurement models were assessed based on the fit measures recommended by different scholars (Byrne, 2010; Hair et al., 2010; Kline, 2011). For example, chi-square ( $\chi^2$ ), the comparative fit index (CFI), and the root mean square error of approximation (RMSEA) are used to evaluate these models. Further, given that the chi-square is highly susceptible to sample size, Byrne (2010) and Hair et al. (2010) recommended using normed chi-square ( $\chi^2/df$ ), as is the case in the present study.

A review of the measurement model, depicted in figure 1 for non-flight related paid

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services, shows that all the fit indices used were above the recommended threshold. For example, the normed chi-square ( $\chi^2/df$ ) value is below 5.0. Similarly, the value of CFI is also well above the threshold value of 0.90. Lastly, the value of RMSEA below the threshold value of 0.08 also indicates a good fit of the measurement model.

Figure 1: Measurement Model for Non flight related paid services

Table 2: Variable codes

Code	Variable Name
V58	Restaurant
V60	Curios/ gift shops
V62	Banking facilities
V55	Longer than one week parking
V65	Ticket offices
V54	Medium term parking 1 – 7 days
V53	Short term: less than 24 hours parking
V56	Executive carport
V64	Information desk
V71	Audio announcements in departure hall
V73	Safety and security in building
V67	Trolleys
V69	Departure rooms
V70	Information display billboards
V66	Porter services
V68	Lock up facilities
V72	Front line staff

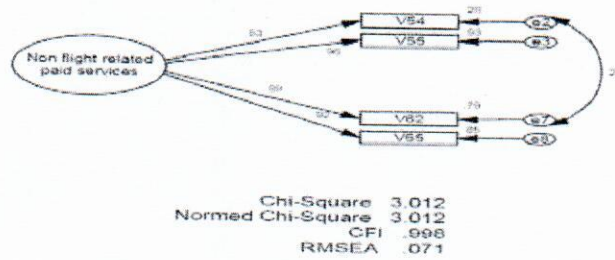
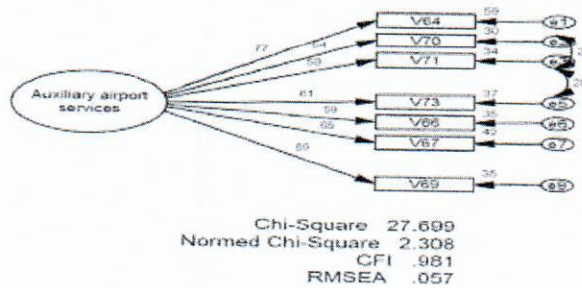


Figure 2: Measurement Model for Auxiliary airport services



Measurement model of the second extracted factor (Auxiliary airport services) is depicted in figure 2. This one-factor measurement model also resulted in an acceptable fit. In this case, the normed chi-square ( $\chi^2/df$ ) value of 2.30 (which is below the value of 5.0), CFI value of 0.981 (which is above 0.9), and RMSEA value of 0.057 (which is below the threshold of 0.08), attest a good fit of this measurement model.

Good fit of both the models during CFA revealed that many factors are important to consider by the air transportation industry of Thailand. The most important variable in non-flight related paid services (factor 1) was longer than one week parking (V55) with the loading of 0.96, followed by ticket offices (V65), banking facilities (V62), and medium term parking (V54). In a similar manner, the most important variable airline industry has to emphasis on in auxiliary airport services (factor 2) was information desk (V64) with the loading of 0.77, followed by trolleys (V67), safety and security in building (V73), departure rooms (V69), porter services (V66), audio announcements in departure hall (V71), and information display billboards (V70). It is also of import to note that both the measurement models presented in figure 1 & 2 are the final models after fitting it, considering the modification indices. A promising attempt by future researchers would be to add more variables to both the measurement models and also to find their impact on passenger's satisfaction.

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