Factors That Influence Customer Satisfaction in Airline Industry in Malaysia

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Abstract: *The current paper examines the impact of service strategy on customer satisfaction in AirAsia Malaysia. The quantitative research method is used in the present paper; the researchers distributed 115 questionnaires to the respondents who have been traveling by AirAsia and collected 111 responses. After analyzing the data by SPSS software researchers found that two factors: food service and ground staff affect customer satisfaction, but the result shows that tangible features, flight attendance, and online service do not affect customer satisfaction in. The result of this paper contributes to the literature by improving the impact of service strategy on customer satisfaction in Air Asia Malaysia.*
Keywords: *AirAsia, customer satisfaction, service quality, service strategy*

I. Introduction

The current study has examined towards the impact of service strategy on customer satisfaction in Air Asia Malaysia. Air Asia is the biggest ease transporter in the locale, and among the biggest on the planet. The advancement of the household and international carrier industry in Malaysia has seen an expansion in the force of the opposition amongst Air Asia and Malaysia Airlines. Subsequently, this investigation was led to recognize the level of Air Asia's service quality towards customer satisfaction, by utilizing SERVQUAL to check whether their execution lived up to customers' desires and whether these desires differ from customer to customer, in light of socio-economics and involvement with the association. Air Asia was built up in 2001 as the main Low-Cost Carrier (LCC) Company in Malaysia. Presently Air Asia sorted as a standout amongst other aircraft in Asia with the most significant low passage.

While doing the examination, we discover qualified slip-up and issue in food service and online services of Air Asia Malaysia. The principal issue with the utilization of the online administration is that the Air Asia needs to manage challenges engaged with working the online sites and other web destinations. When booking ticket and other online services the customers provide individual and business information of interest. The subtle elements can be gotten to by online hackers on the off chance that they are not all around secured. At the point, hackers can get to the business records of those customers and redirect or pull back assets.

Moreover, the app and their website sometimes do not work. The issue of food service is exacerbated by different elements: the sheer size of the providing food process, global wellbeing controls, fluctuating legislative waste arrangements and space requirements on board. Air Asia must arrange sustenance security, cleanliness, freshness, and weight - consequently the significant measures of plastic in each plane lodge.

The specific Objectives of this study are to identify the degree of tangible features, the degree of services provided by ground staff and the flight attendants, the degree of online services and food services towards the impact of service strategy on customer satisfaction in Air Asia Malaysia. By directing this examination, the data and results have useful ramifications for Air Asia' administrators as they can oversee organization assets to make change for customer service. The development in customer service for Air Asia can be connected with the estimations of service quality, for example, tangible features, services provided by ground staff and the flight attendants, online services and food services. As indicated by Airline Business specialist's service is hard to characterize in light of the impalpable idea of the administration advertising. The meaning of value may vary from circumstance to circumstance and from individual to individual.

II. Literature and Hypothesis Development

Customer Satisfaction:

Customer satisfaction has long been regarded as a critical factor of customer loyalty and repurchase intentions (Buoye, 2016; Hallowell, 1996; Kandampullay and Suhartanto, 2000). The expectation disconfirmation model (Oliver, 1981) recommend that customer satisfaction arises in situations where expectations are met, or even exceeded (Qian et al., 2015). Because expectations differ among consumers, customer satisfaction is a highly subjective concept and is the result of cumulative service evaluations (Kaura et al., 2015).

In airline industries quality of service is considerable because providing excellent quality of service to the customer is vital for the continued existence of the sector (Atilgan et al., 20018). Quality service in the airline industry plays a significant role in customer satisfaction. Therefore, offering better service quality leads to customer satisfaction which results in attracting more customers and increase the business's profit.

It is pronounced that customers who are happy and enjoyed will attract the new customers by words of mouth (Parahoo, 2006); without a doubt, it will increase in sales, which resulting in profits to the firm. Thus, customer satisfaction proves to an essential aspect of the airline's sector. A low level of customer satisfaction will lead to lower customer retention rate and fewer referrals, which leads to reduce profitability and slow down the growth of the company's revenue (Heskett, Jones, Loveman, Sassaer and Schesinger, 1994).

Flight Attendants

There are seven elements to describe flight attendants which explained as follow. First "identity," which described as how the identities are constructed and reconstructed by the process of interaction between the passengers and the flight attendants. Second is surveying, defined as the ability to fully experience a specific occurrence only by involving in a particular event. The third is ongoing, which described the ability of individuals to represent their experiences on a continuous basis. Fourth is an instance; necessary services should be provided in case of emergencies. The fifth is extracted cues, known as clues obtained from familiar structures that will help people to grow in a better way. Sixth is social, what people do within the subject of others. Lastly, credibility, which defines the connection between their accounts and experience may or may not be affecting the actual events (Weick, 1995).

Additionally, the studies which are related to emotions and flight attendants have a relationship in within, were partly based on the book of "The Managed Heart, Commercialization of Human Feeling" by Hochschild (Williams, 2003: Wouters, 1989). According to Wouteers (1989), "emotion management is recommended among the flight attendants.

Based on the discussion above the following statement can be hypothesized. There is a positive relationship between flight attendants and customer satisfaction.

Tangible Features

Based on Zeithaml, Parasuraman, and Berry (1990), tangible features consist of the appearance of physical facilities, personal and communication material, and equipment, thereby comprise of the most critical aspect of servicescape. Service cape is used to define the physical surrounding of a service company which includes the exterior and interior design as well as ambient conditions (Bitner, 1992: Wakefield & Blodgett, 1996). So, it is essential for the operators to make sure that the tangible and visible aspects of the airlines are attractive, clean and comfortable (Bruna & Morales, 2008).

Base on Ries and Fries (2000), the customers infer quality by their perception of physical factors. So, because services are intangible and often require the customer to be present during the process, the tangible or physical factors can have a significant influence on the perception of the Service Quality faced (Bitner, 1992).

Based on the discussion above the following statement can be hypothesized. There is a positive relationship between tangible features and customer satisfaction.

Food Service

Food is the core element to determine the quality (Lovelock and Wirts, 2003). The core factor that affects customer satisfaction during the flight includes cleanliness and healthiness of food, openness and care service received during the meal experiences (Johns & Pine, 2002). High-quality service, decoration and the choice for choosing the beverage and food should be provided to fulfill their various desires and requirements (Schall, 2003).

According to Dewiche (2004), the temperature of the food services as the predictor of high satisfaction was slightly substantial (p=0.0059), indicating a close relationship to taste. The connection between the customer satisfaction and food service have a significant effect on the purchases. It will increase the purchases. If a customer is satisfied with the food service, he/she will be more likely to return for further business.

Based on the discussion above the following statement can be hypothesized. There is a positive relationship between Foodservice and customer satisfaction.

Online Service

Online service is a service which is provided over the internet. Essential data and information may be accessed through online service. Even providing the internet itself to the customer can be an online service (Pietroluongo, 2012). Due to the rise of internet penetration, online shopping through the internet is a development in Malaysia (Star Online, 2011). According to Leong & Lee, (2009), online shopping hits jostling with the crowd and more accessible to compare the prices of comparable products online which leads to better cost saving.

According to Adam, Wang, and Frank (2009), to completely understand online customer satisfaction, there is a need to glance into the interaction of customers with the website both as a store and system interface. The experimental literature on E-service satisfaction focuses on two questions. First, what dimension do the customer evaluate an e-service organization? Second, what are the relationships between the quality of performance on those dimensions and measures of overall service performance, Such as customer satisfaction?
Based on the discussion above the following statement can be hypothesized. There is a positive relationship between online service and customer satisfaction.

Ground Staff

The job scope of airline ground staff can be divided into check-in, ticket information counters, flight control center, lost and found, customs immigration-quarantine, boarding gate, transit, weight balance and load control in the central working space of the ground staff in airports (Sun and Chiou 2011).

Moreover, the Bad attitude of the ground staff is the central area of service failure which affects the customer satisfaction. A crucial subject found in the airlines is the level of consistency in managing appropriate and focused training. Ground staff who are lacked proper skills and diplomacy in handling the demand of the customers are not suitably trained for the highly "customer- focused" aspects of their jobs (Bamford & Xystouri, 2005).

Based on the discussion above the following statement can be hypothesized. There is a positive relationship between ground staff and customer satisfaction.

Research Framework
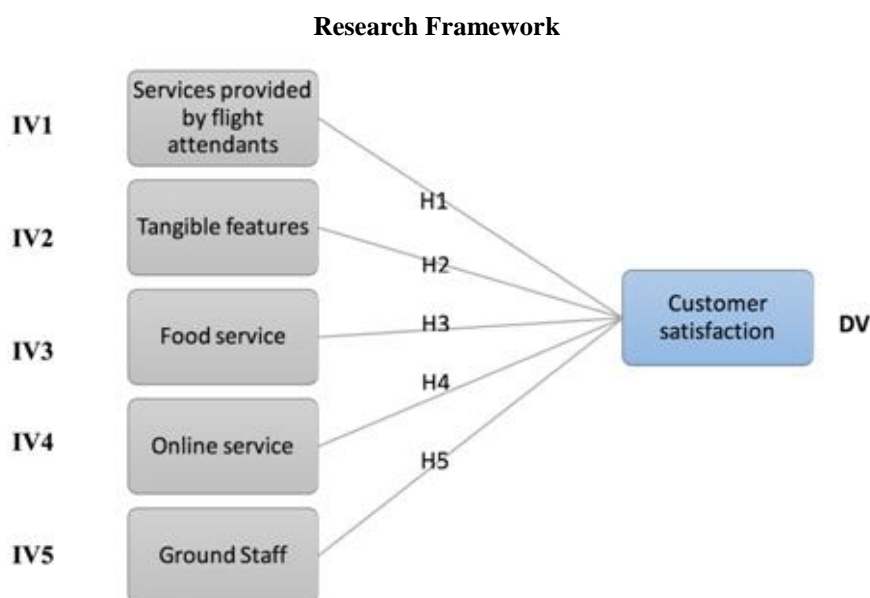
Hypothesis
H1: There is a positive relationship between service provided by flight attendants and customer satisfaction in service quality of AirAsia Malaysia.

H2: There is a positive relationship between a tangible feature and customer satisfaction in service quality of AirAsia Malaysia.

H3: There is a positive relationship between food service and customer satisfaction in service quality of AirAsia Malaysia.

H4: There is a positive relationship between online services and customer satisfaction in service quality of AirAsia Malaysia.

H5: There is a positive relationship between services provided by ground staff and customer satisfaction in service quality of AirAsia Malaysia.

III. Research Methodology

In this study, the researcher adopted a quantitative research method. The target population of this study is business and leisure travelers who travel by Air especially with AirAsia Malaysia. The sample of this study is nonrandom convenience sampling. The reliability of this study is based on Cronbach Alpha > (0.7), and we have conducted the Cronbach –Alpha Value test to test for validity and reliability in our questionnaire, as well professionals approved the questionnaire.

For this study, the questionnaire is chosen due to its convenience, inexpensive, reduction of biases and greater anonymity. 115 questionnaires were distributed to the respondents who have been traveling by air, particularly with AirAsia to capture the level of customer satisfaction.

In this study, 6 Likert-scale based questionnaire was used as the primary and only instrument to collect the necessary data for the current study.

Research Findings

In this research, SPSS software (Statistical Package of Social Science) was used to analyze the data after the questionnaire had been distributed and collected. However, findings show that males represent 73.9% while females 26.1%. Moreover, the majority of participants fall under the age group of 21 -30 years old by 70.3% followed by 13.5% of participants aged between 31 – 50 years. Also, the result indicates that 78.4% of participants are single, 18% are married, 2.7 are divorced, and 0.9% are engaged. Furthermore, the result shows that 76.6% of the participants are the student, 12.6% are full-time employees, 4.5% are part-time employees, 3.6% are not working, and 2.7% are retired. The finding also shows 69.4% of participants are college graduate students who hold Bachelor degree, which represent the majority. Additionally, 40.5% of the participant's monthly income is between RM 1,001 – 2,000, followed by 23.4% who earn below RM 1000 per month.

Reliability Statistics

Cronbach's Alpha	N of Items
.962	5

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-.013	.102		-.128	.898	-.216	.189
	TF	-.054	.071	-.058	-.769	.444	-.194	.086
	GS	.268	.106	.265	2.521	.013	.057	.478
	FA	.178	.107	.179	1.665	.099	-.034	.391
	OS	.094	.101	.092	.935	.352	-.106	.295
	FS	.491	.092	.487	5.334	.000	.308	.673

a. Dependent Variable: Customer satisfaction

Scale reliability was assessed according to Cronbach's Alpha, which is a measure of internal consistency that describes how a set of items is closely related as a group. Besides, Cronbach's Alpha is considered to be a measure of scale reliability by which a reliability coefficient of (0.7) or higher is considered acceptable in most social science research situations, according to Institute for Digital Research and Education (IDRE) online website. Therefore, the reliability statistics above shows 0.962 based on Cronbach's Alpha, which indicates the study and variables are reliable. Furthermore, the coefficient table showed the relationship and hypothesis between variables. Multiple and linear Regression analysis is used to test the hypothesized relationship among the variables; all result measured at significant level 0.05. Based on the regression analysis, and using α=0.05, F test□p-value (F test) =0.0000 < α.

The result showed that there is no significant relationship between flight attendants and customer satisfaction in AirAsia Malaysia since (t = 1.665 and p = 0.099> 0.05). Hence, the H1 was rejected. Moreover, the relationship between tangible features and customer satisfaction, as represented in regression output showed that (t = -0.769 and p = 0.444 >0.05) there is no relationship between these two variables and H2 was rejected. Furthermore, the relationship between food service and customer satisfaction, as represented in regression output showed that (t = 5.334 and p = 0.000 <0.05) which indicate that there is a positive relationship between food service and customer satisfaction. Therefore, H3 was supported. Besides, the relationship between online service and customer satisfaction as represented in regression output showed that (t = 0.935 and p = 0.352 > 0.05) there is no relationship between online service and customer satisfaction. Hence H4 was rejected. Finally, the relationship between ground staff and customer satisfaction as represented in regression output showed that (t = 2.521 and p = 0.013 <0.05), which indicate that there is a positive relationship between ground staff and customer satisfaction. Therefore, H5 was supported.

IV. Discussion and contribution

Present Research was designed to determine customer satisfaction in AirAsia Malaysia. The findings of this study disclosed that among all variables only Foodservice and Ground staff has a significant impact on customer's satisfaction in AirAsia Malaysia, and all other factors (online service, tangible features, flight attendants) showed no significant relationship with customer satisfaction in AirAsia Malaysia. Therefore, AirAsia needs to be efficient in operations, attracting and retaining hardworking and skilled people and focus on providing better food service to achieve more customer satisfaction. Attracting new customers is essential, but maintaining existing customers is even more critical and customer loyalty results from customer satisfaction, Therefore AirAsia should manage the factors that influence its customer satisfaction more efficiently. As the number of respondents was not quite significant (111 sample size) since researchers were restraint by the time period, this may pose a challenge to provide a generalization of the findings. We suggest that future research may use a bigger sample size and also replicate the research in other airline companies such as Malaysia airline for more accurate findings.
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