A COMPARISON OF AIRLINE SERVICE EXPECTATIONS BETWEEN PASSENGERS OF DOMESTIC AND INTERNATIONAL FLIGHTS

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─**Abstract** ─

The air transportation industry in Turkey is developing rapidly in recent years. In paralel with this development, the number of airline companies and passengers are increasing drastically. Thus, searching and understanding the expectations of passengers in airline services are getting importance for airline companies.This study measures and compares differences in passengers' expectations of the desired airline service quality in terms of the dimensions of relialibility, assurance, facilities, employees, flight patterns, customization and responsiveness. In this research a between-groups comparison design of data obtained in a one time measurement in the field. The number of questionnaires applied was 421 for domestic flight passengers and 400 for international flight passengers departing from different Turkish airports. Data collecting method used in the study was 5-point Likert type self-report questionnaire filled by the respondents on voluntary basis. The findings demonstrated that significant differences exist between the domestic and international flight passenger groups regarding their income level. The findings also indicated that for domestic flight passengers "assurance" was ranked as the most important service quality dimension and 'reliability' was ranked by international flight passengers as the most important dimension.

Keywords: *Airline service, passenger expectation, air transportation.*

JEL Classification: M31, L93

1. INTRODUCTION

Air transport is one of the fastest growing modes of transport, and is forecasted to grow at an annual rate of between 5% and 6% over the next two decades. Growth rates in international markets are expected to be about twice those in domestic markets, and faster in developing countries (Netjasov and Janic,2008:213). In Turkey also, The number of people using airways has been increasing gradually each year. Airline companies and the volume of flights have increased due to governmental incentives supporting civil air transportation. This has resulted in low ticket prices and travellers have given preference to air transportation more than before Gures et al., 2011:91).

According to Turkish General Directorate of State Airports Authority's statistics; domestic flight rate has increased 16,5 % and the number of passengers have become 33 million 469 thousands. For international flight, the rate has increased 14,2 % and the number of passengers have reached 32 million 40 thousands. In total, with 15,4 % increasing rate, total number of passengers using air transportation has become 65 million 509 thousands till the end of July in Turkey (http://www.dhmi.gov.tr/istatistik.aspx,2011). This shows that air transportation in Turkey has increasing rapidly comparing with other countries.

The above statistics show that in the airline industry in Turkey , understanding what passengers expect has become crucial for airline companies to provide desired service quality and passenger satisfaction. So in this study, measuring and comparing the differences in passengers' expectations of the desired airline service quality in terms of the dimensions of relialibility, assurance, facilities, employees, flight patterns, customization and responsiveness were aimed.

2. PASSENGER EXPECTATIONaS IN AIRLINE SERVICES

Expectations can be defined as the desires or "wants" of customers, i.e., what the service provider should offer (Parasuraman, Zeithaml and Berry, 1988:26; Zeithaml, Parasuraman and Berry, 1990) or what the service provider will provide (Zeithaml, Parasuraman and Berry, 1990). Should expectations are described as "desired" expectations, i.e., what the customers believe they "deserve," while will expectations can be equated to "predictions," i.e., what the customers believe they will experience the next time they encounter the service provider (Boulding et al, 1993:8). Expectations serve as a major determinant of a consumer's service quality evaluations and satisfaction (Grönroos, 1994:8; Parasuraman, Zeithaml and Berry, 1985:42, 1988:33; O'Connor et al., 2000:12; Van Pham and

Simpson,.2006:1). At this point, the ''voice of the customer'' should be taken into the design process and after delivering the services, service providers should monitor how well the customers' expectations have been met (Pakdil and Aydın, 2007:230).

Satisfying customers depend critically on understanding what customers expect (Parasuraman, Berry and Zeithaml, 1991:44), expectations being construed as "predictions" (Oliver, 1997; Bridges, 1993:190; Cadotte, Woodruff, Jenkins, 1987:309). Companies that exceed customer expectations without impairing profit margins have frequently been found to have developed a solid foundation of customer loyalty based on segmented service (Farber and Wycoff, 1991:45; Johnson, Nader and Fornell, 1996:168). Customer satisfaction is the result of comparison between expectancies and the perceived performans of consumers' relevant aspects in all stages of the consumption experience (Bassi and Guido, 2006:82; Gures et al., 2011:92). Determining customer satisfaction has an important role in distributing the services effectively. In addition, satisfied customers provide numerous benefits to the companies. They include: (1) increased repeat patronage, including fulfilling more needs from the firm's portfolio; (2) positive word-of mouth communications; (3) increased brand loyalty; (4) greater new offer acceptance; (5) ability to engage in premium pricing; and (6) increased customer-life time value, (Cronin and Taylor 1992:125; Boulding, Kalra, Staelin, and Zeithaml 1993:16; Anderson 1998:5; Yüksel and Rimmington, 1998:63; Bolton, Kannan, and Bramlett 2000:103; Reinartz and Kumar 2003:80; Russ, 2006:1). Therefore, for airline companies also, understanding passengers' needs and expectations and then developing high quality service which meet them will provide airline companies a competitive advantage in comparison with their rivals.

In the literature, Gilbert and Wong (2003:519) measured the differences in passengers' expectations of the desired airline service quality in terms of service dimensions from the passengers departing Hong Kong airport. Analysis showed that there are no statistically significant differences between passengers who made their own airline choice (decision makers) and those who did not (non-decision makers). However, there are significant differences among passengers of different ethnic groups/nationalities as well as among passengers who travel for different purposes, such as business, holiday and visiting friends/relatives. The findings also indicated that passengers consistently rank 'assurance' as the most important service dimension. Pakdil and Aydin (2007:229) studied airline service quality based on data collected at a Turkish airline using SERVQUAL scores. The results demonstrated that ''responsiveness'' dimension is the most important, while

''availability'' is the least important element of quality. Passengers' educational level is an important variable affecting their expectations and perceptions. Additionally, passengers' gap scores significantly differed by their educational level, frequency of flight, and flight purposes. Aksoy and others (2003:343) conducted a survey of 1014 passengers of five European airlines and research revealed differences between passengers on the Turkish domestic airline and those on four foreign airlines on the same flight destinations with respect to demographic profiles, behavioral characteristics, understanding of airline service dimensions, and satisfaction levels. Analysis results showed that the differences in consumer profiles and expectations are valuable clues for domestic and foreign airline firms in understanding their consumers and in designing their marketing strategies.

3. METHODOLOGY

3.1. Sample

The sample size used was 386 to represent the population with a 95 % confidence level and a 5 % error margin (http://www.surveysystem.com/sscalc.htm). The population of the survey included the domestic and international flight passengers of airlines that have flight operations in Turkish airports. According to Turkish General Directorate of State Airports Authority's statistics, total number of passengers using air transportation has become 65 million 509 thousands till the end of July in Turkey (http://www.dhmi.gov.tr/istatistik.aspx,2011).

3.2. Measures

The scale used in the survey was translated and implemented in Turkish and English languages. In order to test the reliability of the scales, 80 filled forms for domestic passengers and 80 filled forms for international passengers were used for pilot study to test the scales that will be included in the survey.

Service quality expectations of the passengers were measured by SERVQUAL model developed by Parasuraman, Zeithalm and Berry (1988). The instrument was viewed as a framework for this study. To fit the specific airline situation, original 22 SERVQUAL items were not used. Instead, items were modified when planning the survey instrument. The final instrument modified by Gilbert and Wong (2003) was used in this study. The categorization of the five dimensions was re-defined to fit the situation of the airline industry. The dimension 'tangibles' is too broad and was therefore broken down into three, namely, 'facilities', 'employees' and 'flight patterns'. The dimension 'empathy' was renamed as 'customization' for clearer identifications. So the final SERVQUAL

dimensions included relialibility, assurance, facilities, employees, flight patterns, customization and responsiveness in this study. The new scale consisted 26 items. One of the items was as "In this airline, the flight departs and arrives at a time it promises". All of the items were scaled as (1= strongly disagree) … (7= strongly agree). The Cronbach alpha reliability scores of the scale for domestic flight passengers was α=0,94 and for international flight passengers was α=0,91 (Nunnally, 1978).

Demographic characteristics play a critical role in shaping customers' needs. Marketers take demographic characteristics as one of the major determinants of consumers' buying behaviour (Aksoy et al.,2003:349). So in this research, demographic characteristics' possible influences on airline passengers' service expectations were searched. Gender, age, nationality, educational level, average monthly income, flight purpose, flight type, flight frequency per year, airline decision, airline's choosing reason were used as demographic variables in this study.

3.3. Procedure

A self-completion questionnaire was designed to collect information from the passengers of airlines that have flight operations in Turkish airports. The survey was conducted in June and July with voluntary participation in convenience manner. In order to ensure the heterogeinty in the samples, the questionnaries were completed during the weekdays and weekends by the passengers waiting in both the domestic and international lines area of the airports in Turkey. Because of this research is aimed to measure the "expectations of passengers" rather than "perceptions" about airline services, "departing passengers" were included in the survey. Total number of valid forms obtained was 421 for Domestic flight passengers and 400 for International Flight passengers. 37 invalid forms were not included in the analysis. Chi-Square analysis was used to see the relationships between the variables between comparison groups.

4. FINDINGS

Respondents were classified according to their gender, age, nationality, educational level, income of family, purpose of flights, flight frequency per year, airline decision and reason for selecting airlines. Differences between the proportions of the international and domestic flights were tested for each category.

The result showed that male passengers were more than female passengers in all flights. Male passengers were 63,4 % for domestic flights and 58,8 % for international flights. Female passengers were 30,6 % for domestic flights and 35

% for international flights. For both flight types relatively younger passengers were included in this survey. Between 20 and 29 age group for domestic flights was 43,7 % and for international flights 32,8 %. In the same way between 30 and 39 age group for domestic flights 29,5 % and for international flights 28,8 %. For domestic flights, Turkish people were more than the other country's people (95,5 % Turkish people for domestic flights) For international flights foreign people were 57,5 %. In this survey, there were people from 40 countries in 5 continents. European people were 1,1 % for domestic flights and 30,8 % for international flights. Asian people were 0,7 % for domestic flights and 21,3 % for international flights. African people were 0,2 % for domestic flights and 3,8 % for international flights. American people were only for international flights with 1,3 %. Australian people were only for international flights with the proportion of the 0,3 %.

For domestic and international flights, most of the passengers had high educational level. University or over educational level was 58,7 % for domestic flights and 53 % for international flights. High school educational level was 29 % for domestic flights and 32 % for international flights. Income of Turkish passengers were relatively less than the income of foreign passengers.. Income of family between 1000 - 3000 TL/$/€ was 57 % for domestic flights and income of family between 2001 - 4000 TL/$/€ was 49,8 % for international flights. Purpose of flights were vacation, visiting friends/relatives and business flights for domestic and international flights. (81,3 % for domestic flights and 76,4 % for international flights.)

For flights frequency per year, passengers travelling couple of times a month were 13,3 % for domestic flights and 11,8 % for international flights. Passengers travelling once in six months were 20,9 % for domestic flights and 16,3 % for international flights. Passengers travelling once a year were 20 % for domestic flights and 22,5 % for international flights. Most of the passengers both domestic and international flights made the airline decision by themselves with the proportion of the 66,7 % for domestic flights and 52,5 % for international flights. Price was the most important reason for selecting airlines with the proportion of the 48,5 % for domestic flights and 38,8 % for international flights.

The data were further analyzed to explain the possible relationships between the demographic and behavioral characteristics in both groups. Chi-square test results showed significant relationships between these variables for both group. Younger domestic flight passengers (under 30 years of age) use airlines once in three months as flight frequency in a year and tended to travel for vacations and

visiting purposes (53 % and 60 %). For international flight passengers also , relatively young passengers (under 30 years of age) use airlines for same purposes (41 % vacations and 40 % visiting).

For international flight passengers, to analyze the direction and strength of the relationship between age and travel flight purpose, Kendall's tau-c test was used. The low value (_0.067) for the test statistic indicated that the relationship between age and flight purpose was negative and fairly weak. For domestic flight passengers, to see the direction and strength of the relationship between age and flight frequency, the low value (_0.092) for the test statistic indicated that the relationship between age and travel frequency was negative and fairly weak. This could be interpreted as indicating that increasing age leads to a decrease in frequency of airline travel for domestic flight passengers.

The whole female passengers traveled largely for vacational purposes (45% domestic, 36 % international) while total of male passengers preferred airlines largely travelling for business purposes (81 % domestic, 83 % international). For domestic flight, high educational level passengers have high income level (74 % income level between 2001-4000 TL/$/€) as similar to international flight passengers (74 % income level 4001 and over TL/$/€) In addition high educational level domestic flight passengers travelled for business purposes (73 %) while same educational level international flight passengers travelled for vacational purposes (63 %). Frequent flyers—a couple of times a month—were found to travel for business purposes (33 % of domestic flight passengers compared with 36 % of international flight passengers).

In the questionnaire, passengers were asked to prioritize the service quality dimensions 'in order of importance' for them. The results showed that 'Reliability' was ranked by international flight passengers as the most important dimension. But for domestic flight passengers "Assurance" was ranked as the most important service quality dimension.

5. CONCLUSIONS

The highly competitive market conditions in the airline industry pressurises airlines to deliver high-quality services. To provide this, airline firms must first understand customers' needs and expectations. Next, they should focus on how to deliver the most convenient service to meet customers' needs (Pakdil and Aydin,2007:236). So the primary purpose of this paper has been to look at the profiles and service expectations of airline passengers of domestic and international flight and to provide important clues for airline industry.

The findings demonstrated that significant differences exist between the domestic and international flight passenger groups with respect to their demographic profiles, behavioral characteristics, and understanding of airline service dimensions. For domestic and international flights, most of the passengers were male, young, had high educational level, made the airline decision by themselves and purpose of flights were the same as vacation and visits. Compared with domestic flight passengers, international flight passengers were found to have higher income level. In contrast to Pakdil and Aydin's findings (2007:236) ("past experience"as the most important reason for selecting an airline), "price" was found in our study as the most important reason for selecting airlines for whole passengers.

Significant relationships were also detected for domestic and international flight passengers as between age and flight purpose; between education level and average monthly income and flight purpose; between gender and flight purpose; and between flight frequency and flight purpose. But for international flight passengers, there was no sigificant relationship between age and flight frequency while this relationship provided for domestic fliers. In order of importance, passengers were asked to prioritize the service quality dimensions and 'reliability' was ranked by international flight passengers as the most important dimension similar to Parasuraman, Zeithalm and Berry (1988: 38). For domestic flight passengers "Assurance" was accepted as the most important service quality dimension similar to Gilbert and Wong's study results.

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