

FACTOR INFLUENCE THE PUBLIC PERCEPTION  
ON BRAND IMAGE AFTER AIRLINE CRISIS:  
MH370

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(1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.

(2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.

(3) Equal contribution has been made by each group member in completing the research project.

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## List of Abbreviations

MAS	Malaysia Airlines System
BT	Brand Trust
SQ	Service Quality
WOM	Word of Mouth
PR	Public Relations
LS	Leadership
BI	Brand Image
ABT	Average Brand Trust
ASQ	Average Service Quality
AWOM	Average Word of Mouth
APR	Average Public Relations
ALS	Average Leadership
ABI	Average Brand Image

## Preface

Public perception is the public view toward something on the particular thing, in the research is public perception of brand image on airline crisis. How the public was perceived the brand image and what is their perception towards the brand image after an airline crisis happened. MH370 is one of most popular airline crisis in year 2014 among other airline crises. The plane was gone missing at March 2014 flight from Malaysia to China, the airplane went missing and no one are aware the reason of missing plane occurred. After the plane went missing, MAS suffer loss and many Chinese tourists do not want to come to Malaysia for vacation, some people are afraid to take airplane travel after this incident. There are a lot of different public perceptions and several factor that influence their perception change toward negative or positive.

## Abstract

Crises happen all the time to the company worldwide and company will be having hard time while involve in crisis. Some are lucky they able to recover from the crisis however some were bankrupted or close down due to the unrecoverable financial limitation. In this research is about airline crisis happened recently and the scopes of this research are look into the public perception toward the brand image after the airline crisis. In year 2014, there are many airline crisis happened worldwide but this research will scope down focusing on the crisis brought by MH370 to MAS. There are a lot of different public perceptions; different people might have different standing on this crisis. This research investigates the influence of service quality, brand trust, word of mouth, public relations and leadership on brand image. The purpose of this study is to examine the factors that affect public perception toward the brand image after airline crisis (MH370).

To analyze our result, we used SPSS version 22.0 to analyze the 188 questionnaires collected from our respondents. The respondents are the public that aware on the airline crisis. However, public relations has no significant impact on the brand image due to some of the reason and word of mouth was the highest influencer to the brand image.

After the study is conducted, we acknowledged that brand trust, service quality, word of mouth and leadership are crucial factors that determine brand image. Unfortunately, the limitations of the current study and the recommendations for the future study have been discussed in the last chapter of this research. The recommendations may help the future researchers to conduct their related future research more effectively and meaningfully.



## **CHAPTER 1: RESEARCH OVERVIEW**

### **1.0 Introduction**

The purpose of this research tends to study the factor influence the public perception on brand image after airline crisis (MH370). There are several variables which affect the perception toward brand image such as the brand trust, service quality, word of mouth, public relationship and leadership. This chapter summarizes the whole concept of this research through research background, problem statement, research objective, research questions, hypotheses, significance of research and chapter layouts.

### **1.1 Research Background**

There are many element will harm a company during the daily operation especially disaster, accident or something unpredictable happen to the company operation, product or services. The severity level decide the impact to the company meanwhile an unrecoverable damage lead company financial problem, reduction in reputation, brand image and more. This unstable and dangerous situation is defined as crisis. Brand image plays an important role for a company either it is operate as usual or in crisis. Brand image determine the consumer purchase behavior toward a company and the margin of profitability. A positive brand image will create a good reputation that generates huge amounts of profits for the company nonetheless the negative brand image will lead consumer to boycott the product or services (Keller, 1993b).

Airline crisis was not the new issue in the airline industries. The first airline incident was happened at year 1919 and the following similar airline incident which was happened in year 2014 is listed as following:

- |      |              |  |
|------|--------------|--|
| 1919 | 02 August    | A Caproni Ca.48 crashes at Verona, Italy, during a flight from Venice to Taliedo, Milan, killing all on board (Mulder,2009)  |
| 1962 | 30 June      | Aeroflot Flight 902, a Tupolev Tu-104, is shot down by a missile near Voznesenka, Krasnoyarsk Krai; all 84 die in Russia's worst air accident at that time(AirDisaster.com, n.d.).   |
| 1968 | 11 September | Air France Flight 1611, a Sud Aviation SE-210 Caravelle, is shot down by a missile near Nice, France, killing all 95 passengers and crew on board(AirDisaster.com, n.d.).  |
| 1973 | 21 February  | Libyan Arab Airlines Flight 114, a Boeing 727, strays off course and is shot down by Israeli jets in the Sinai war zone, killing 108 of 113 people on board(AirDisaster.com, n.d.).  |
| 1976 | 15 August    | SAETA Flight 232, a Vickers Viscount 785D, goes missing mid-route from Quito to Cuenca, Ecuador; all 4 crew members and 55 passengers are killed, but the scene remains undiscovered for over 26 years until February 2003, when climbers on the eastern face of the stratovolcano Chimborazo come upon the site(AirDisaster.com, n.d.). |

- 1979 30 January In the 1979 Boeing 707-323C disappearance, a Boeing 707 operated by Varig and bound for Rio de Janeiro-Galeão International Airport, disappears over the Pacific Ocean 125 miles (201 km) after takeoff from Tokyo Narita International Airport; the cause for the disappearance remains unknown(AirDisaster.com, n.d.).
- 2010 17 May Pamir Airways Flight 112, an Antonov An-24 with 38 passengers and 5 crew, disappears from radar 10 minutes after takeoff from Kunduz Airport in Afghanistan (AirDisaster.com, n.d.).
- 04 November Qantas Flight 32, an Airbus A380, suffers substantial mechanical failure of its left inboard engine after taking off from Singapore Changi Airport. The flight turned back and landed safely. All the 433 passengers and 26 crew on board were safe. Cowling parts of the failed engine fell over Batam island (AirDisaster.com, n.d.).
- 2011 09 August In the 2011 Avis Amur Antonov An-12 crash, an Antonov An-12, en route from Magadan Airport to Keperveyem Airport, crashes at Omsukchan, Russia due to an engine fire, killing all 11 on board (Aviation Safety Network, n.d.).

There are other incident was not listed at above, this shows that airline industry should take serious attention on the airline incident and create a systematic crisis prevention plan and crisis response mechanism. Year 2014 seem to be an unlucky year for airline industries, series of airline incident happened worldwideespecially MAS airlines.

8 March 2014, MAS face an incident that a MAS airplane with MH370 flight code was missing in middle of traveling to the target destination. The route of the MH370 airplane was flight from Kuala Lumpur to Beijing. It was carrying totally 227 passengers and 12 crews (Mirror, 2014).

28 March 2014, one of the twin engines of Malindo Airplane ATR72-600 caught fire during a flight from Subang to Kuala Terengganu on Wednesday. Luckily, no injured was found in this incident (Malaysia Mail Online, 2014).

17 July 2014, MAS faced another airlines incident that flying from Amsterdam to Kuala Lumpur, was shot down by Buk surface-to-air missile system of rebel army of Ukraine in eastern Ukraine, close to the border of Russia. Total of 298 people died in this incident.

23 July 2014, Taiwan airline incident, Taiwan TransAsia Airways flight AT72 crashed due to failed emergency landing in stormy weather. The flight crashed near Magong airport on the outlying Penghu Island, Taiwan and the totally of 47 people died in this incident. (BBC News, 2014)

3 November 2014, another incident occurred. Malindo Airplane OD206 which carrying 121 passengers included three infants and eight crew members. Due to the heavy storm, the plan cabin started loses pressure and passengers forced to breathe through oxygen masked for 30 minutes and the plane force to make emergency landing in Bangkok (Associated Newspapers Ltd, 2014).

In this research, we narrow down the airlines crisis by focusing on MH370 incident. This is owing to MH370 incident has created the greatest impact to the company and put it into jeopardy. This is the best incident background to research on the factor influence public perception towards the brand image after the airlines crisis (MH370).

Furthermore, leadership and public relations play important roles to leverage back the down-force after airline crisis through increase communication and understanding between the company and the public, so it could improve the public's confidence, trust and satisfaction toward the company. According to Berger and Reber (2006) explained that leader in public relations are important to profession's success, image and future as communication has become more important in corporate strategic to enhance global competencies of the company and overcome the rapid diffusion from new information and communication technologies.

## **1.2 Problem Statement**

There are many past studies about brands image, but most of the studies are focused on the brand image development problem and their effectiveness in brand building. The frequency of the studies and resources concerned on negative impact of various brand development tools after a crisis, therefore our research is to identify the effect of these factors affect the public perception towards brand image after airline crisis (MH370) and identify the relationship between their effectiveness by measuring the significant.

Our study is concerned on the effect of the public perception towards brand image of MAS after MH370 incident. Brand image is the overall impression in mind that formed from all sources. An image is formed about the brand on the basis of subjective perceptions with the association's bundle that could be form, for example as AirAsia association with affordable price (MSG, n.d.).

Thus, the perception of a brand is an important element that affects the value and usage frequency of a brand which decides the vitals of profitability of a company. Therefore the management must take care of the brand perception in order to build and maintain the brand image to sustain the effectiveness and efficiencies of company operations.

Based on studies, a negative brand image can be disaster for the particular company. Brand image is what consumer perceived, and if there is a negative association with that, it will show in your bottom line. (Corporate Image, 2011). Company make loss after having a negative brand image and the worst it could engage into bankruptcy while suffering the losses continuously. When crisis (negative brand image) occurred, the responsiveness and the action taken by the responsible company to solve the problem are greatly affecting the consumer's perception that indirectly damaging the brand equity. Hence, a crisis management is important which could systematically solve the incident with the appropriate action and control to minimize the destruction of negative image.

Fundamentally, positive brand image creating the wealth and benefit to a company however negative brand image creating disaster and destruction to a company. A major discussion on the effectiveness and efficiency of various brand development tools contribute to th8e brand image, however those tools are two-edged blade while it was ignored by the marketer, it will hurt the company and unstoppable when aware from the damages incurred by harmful problem.

## **1.3 Research Objectives**

The main purpose of this research is to examine the relationship between five (5) variables (as mention above) with the public perception on brand image after airline crisis (MH370). Brand image plays important role in the commercial especially MAS who participate in focused differentiation while the brand image allow it to charge at higher price and attract potential customers. Generally, the five (5) variables are contributing to the brand image however when the negative issue occurs this five (5) variables turn around and damaging the brand image of the company. Therefore, it's vital to study the major influencer towards brand image after airline crisis.

### **1.3.1 General Objectives**

The main objective is to identify the destructiveness towards the brand image in the context of respondents' perception to determine what and how was it influence the brand image after airline crisis.

### **1.3.2 Specific Objectives**

This research addressed a number of objectives which examine their relative effects on brand image after airline crisis. This research offers the following research objective:

- i. To identify the relationship between brand trust and brand image after airlines crisis (MH370).
- ii. To identify the relationship between service quality and brand image after airlines crisis (MH370).

- iii. To identify the relationship between word of mouth and brand image after airlines crisis (MH370).
- iv. To identify the relationship between public relations and brand image after airlines crisis (MH370).
- v. To identify the relationship between leadership and brand image after airlines crisis (MH370).

## **1.4 Research Questions**

RQ1: Will brand trust change the public perception on brand image after airlines crisis (MH370).

RQ2: Will service quality change the public perception on brand image after airlines crisis (MH370).

RQ3: Will word of mouth change the public perception on brand image after airlines crisis (MH370).

RQ4: Will public relations change the public perception on brand image after airlines crisis (MH370)

RQ5: Will leadership change the public perception on brand image after airlines crisis (MH370)



## **1.5 Hypotheses of the Study**

H1: Brand trust will significantly influence the public perception on brand image after airlines crisis (MH370).

H2: Service Quality will significantly influence the public perception on brand image after airlines crisis (MH370).

H3: Word of Mouth will significantly influence the public perception on brand image after airlines crisis (MH370).

H4: Public relations will significantly influence the public perception on brand image after airlines crisis (MH370).

H5: Leadership will significantly influence the public perception on brand image after airlines crisis (MH370).

## **1.6 Significance of the Study**

This research contributes to further study, organizational, marketing and customer perspective. The certainty and reliability of the data are capable to serve as a guideline for future research in Malaysia airline industry.

In managerial perspective, this study helps company aware about the importance of the brand image and customer evaluation to the brand. Moreover, Good brand image will has better reputation, market share and more intangible value to the company brand. It bringa excessive income to the company and positive customer evaluation too.

In marketer perspective, this study provides a better understanding on the brand development tools yet the importance of controlling and monitoring to ensure they operate in positive direction. Positive brand image will allow consumer to have more trust and confidence on its brand product and shorter consumer decision making process.

In consumer perspective, this study will summarize the Malaysian consumer behavior, attitude and thinking to helps relevant user to have a better understanding on reaction towards marketing tools and its effectiveness. Using a suitable marketing tool to specific consumer behavior group will boost the effectiveness without any extra input.

Furthermore, this study helps the airline company by providing useful information to develop solution that could overcome the worsening brand image problem and recover the customers from bad perception toward the brand.

## **1.7 Chapter layout**

The whole research contains five (5) chapters. Each of these chapters interconnected one with another throughout the entire research. There are presented as below:

### **Chapter 1: Introduction**

In this chapter, we will introduce the overall of the research theme and have a short understanding the research background, the problem and objectives of this research. After that, follow with research questions, hypotheses and significance of this research.

## **Chapter 2: Literature Review**

In this chapter, we explain the story of the MH370 incident, how it harms MAS and its brand image. The analysis of the review from the past studies will conduct in this chapter. The relevant online Scholar databases and published journals will be used to support the variables yet a research framework has developed to show the relationship between the independent variable and dependent variables.

## **Chapter 3: Research Methodology**

This chapter describes the methodology and procedures carry out in this research. It covered research design, data collection approaches, sampling design, sample technique and sample size to ensure the appropriate ways to conduct and the reliability of the data collected. At the last part, it will provide a detail of which research instrument is used to constructs measurement in questionnaire, data processing procedure, and data analysis method.

## **Chapter 4**

This chapter, all the information obtained from respondents is analyzed and interpreted. Data obtained will shows in charts, figures, and tables then further describe the data into meaningful results. In addition, this chapter includes information about descriptive analysis, reliability analysis, and inferential analyses. Hypothesis testing was also performed in this chapter. All of analysis was done under Statistical Package for Social Science software (SPSS version 22.0).

## **Chapter 5**

Lastly, this chapter outlines the discussions, conclusion and implications of this study. A summary on statistical analyses and the discussions on the major findings are provided. Besides, it includes the implications and limitations of the research as well as recommendation for future research. Furthermore, there will be an overall conclusion of the entire research.

### **1.8 Conclusions**

MH370 incident has been the hottest topic in the past several months. In order to overcome the down-force incurred by the incident and recover its brand image, MAS need to understand the key factor that improves their brand image. The purpose of this study is to determine the critical factors that influence consumers' perception which harm brand image after crisis incident for future academic study. Additionally, the next chapter will discuss each of the variables in depth with comprehensive literature review then proposed conceptual framework and hypothesis.

## **CHAPTER 2: Literature Review**

### **2.0 Introduction**

In previous chapter, the research background, problem statement, research objective, research question, hypotheses of the study, significance of the study, and Chapter layout. Therefore, literature review of this research will further discuss in this chapter and the five (5) independent variables which include brand trust, Service quality, word of mouth, public relations, leadership and one dependent variable is brand image.

Literature reviews enable us to identify the important variables in the research, conceptualize the theoretical framework and hypotheses development. In addition, the conceptual framework will propose in graphical form in order to provide a better concept in the study. Finally, conclude and summarize the chapter.

### **2.1 Overview**

#### **2.1.1 Background of MH370 incident**

On 8 March 2014, a flight code MH370 airplane owned by MAS departure from Kuala Lumpur to Beijing was reported missing. On that period, it was the hottest topic among the world. All people around the world are very concern about the MH370 incident and follow up news. After this incident happen, the company was faced a lot of problems such as financial losses, share price drop and others.

Negative news, rumor, conspiracy theory had started to spread around the community and internet (such as forum, social network service platform). The poor crisis management and company poor performance has makes the victims and public very angry, disappointed and starting to distrust about MAS.

MH370 incident make MAS suffer in a serious loss in financial. According to Reuters News journalist, Fahmy (2014) mentioned that the shares of MAS was the top volume traded on Friday (9 March), it fell to the one-month low of 18.8 sen at morning session, then pared losses to 20.5 sen which was dropped 11.1% from Thursday's close. The Kuala Lumpur Stock Index was dropped 0.5% too. In the same time, Brinded (2014) reported that shares of MAS slumped by wiping off \$100 million in market capitalization in the process. Meanwhile Hong Leong Investment Bank lowers its price target on MAS' stock by 30% to 0.20 ringgit. Besides, Saul (2014) claimed that an analysis conduct by Professor McGee estimates MAS burning nearly \$2.16 million per day, while operations are losing \$1.6 million each day.

MAS did not respond to any calls or an email immediately has made the stakeholders' negative sentiment worse. "China has started to anti-Malaysia sentiment after MH370 incident" mentioned by Fahmy (2014). This situation has the same effect and lead to ticket sales slumping (Griffiths, 2014; Fahmy, 2014). After a few day of MH370 incident, The Malaysian Insider (2014) has explained in Yahoo! News Malaysia that the announcement made by the representative of MAS was speculation and there has *discrepancy* between the statement of MAS and Malaysian military source. Meanwhile, US lawyer slams Malaysia for *misleading information* on flight MH370. This kind of *unreliable statement* without any evidence is very damaging and hurtful to the victims' families.

Lastly, The Malay Mail Online (2014) emphasized that Maybank Investment Bank Research said “although MAS’ reputation was the one of the safest airlines in the world and the reliability of the Boeing 777 aircraft however *consumer perception* would likely be *affected* in the near-term.”

## 2.2 Review of the Literature

### 2.2.1 Theoretical Model

#### 2.2.1.1 Mere Exposure effect

The mere-exposure effect is a psychological phenomenon by which people tend to develop a preference for things merely because they are familiar with them. In 1968, Zajonc describing mere exposure effect is the observation that repeated, unreinforced exposure is sufficient to enhance the individual’s affective response toward a stimulus under a condition that “just makes the given stimulus accessible to the individual’s perception”.

Subsequently, more than 200 published experiments investigating the exposure effect relationship and one of the meta-analysis of research on mere exposure effect indicated that stimuli perceived without awareness produce substantially larger exposure effects than do stimuli that are consciously perceived (Bornstein and D’Agostino, 1992, p. 545).

Furthermore, Lee (2001) mentioned that past research has provided evidence that the effect of enhanced affection from repetition may be result respondents’ making affective responses based on the perceptual fluency that they experience (p. 1255).

Similarly, researcher Bornstein and Catherine has claimed inside a book written by Pohl (2004) that mere exposure can promote good relations between different social groups however when groups already have negative attitudes to each other, further exposure can increase hostility.

In short, mere exposure effect exists in most areas of human decision making that distorts the preference, perception and attitude of the affected target. Mere exposure effect can make good thing become better and bad thing even worse.

### **2.2.1.2 Psychological Types**

Psychological types were introduced by Jung in year 1921. According to Jung (1971), he categorized people in terms of their primary modes of psychological functioning to explain his psychological types theory. The theory is based on the assumption that there are different *functions* and *attitudes* of consciousness.

There are four (4) function of consciousness which is *sensation*, *intuition*, *thinking* and *feeling*. Two types of general cognition was observed by Jung (1971), *perception* (taking in information) and *judgment* (making decisions/evaluating it). He claimed that there are two styles of Perception: *sensing* (which deals with immediate, concrete, tangible sensory impressions) and *intuition* (which deals with abstract patterns and relationships between things or ideas, and other non-tangible information). Nevertheless, there are also two styles of Judgment: *thinking* (which deals with impersonal logic and structure) and *feeling* (which deals with personal/interpersonal ethics and morality)



In summary, good or bad perceptions are depending on sense and intuition of consumer toward a brand, product and service. Nonetheless, the judgments are determined by thinking and feeling of consumers.

### **2.2.1.3 Halo effect**

Nowlin (2010) said that halo effect as the first impression has affect later judgment and it is hard to change even the exposure to an opposite testify. It is a kind of stereotype of view to make judgment (Rosenzweig, 2007). Rosenzweig (2007) also claim that halo effect “it is a way for the mind to create a consistent picture, to reduce cognitive dissonance”. Situation is hard having quick measure, whereby the halo effect often influences people's perception of late interaction.

Halo effect on the initial impression is usually misleading judgment, however a split second evaluation on personality can be surprisingly accurate, and the split second decision also known as “thin-slice judgments”. Thin-slice judgments it explains that our mind without any conscious ability to form judgment of others from very less information, it is instances as fast as after 100 millisecond that the judgment has been made (Gladwell, 2005; Willis and Todorov, 2006). Several researchers has been proved that the thin slice judgment has been quite accurate few situation tested (Ambady and Rosenthal, 1993; Carney, Colvin, and Hall, 2007; Willis and Todorov, 2006)

In addition, halo effect fallacy derived from halo effect, halo effect fallacy is a conclusion of a single positive trait of a person perceive on the particular thing. In psychological tendency perceptive people judging others based on a single trait and concluding that person must have other attractive traits.

This single trait leads to the formation of an overall positive opinion of the person, for example people who been judged to attractive are often come with other positive judgment such as intelligence, moral value and other.

#### **2.2.1.4 Herd behavior**

Le Bon (1895) said that human herding behavior trigger by the socio-political dangers and risk, however Veblen (1899) find out herding behavior of different social classes with regard to their consumption. Leibenstein (1950) took Veblen's idea and done a research, he come out a theory from herding behavior that is bandwagon effect. Bandwagon effect is people tend to follow what other people think or do although their thinking is different from the person they follow.

#### **2.2.2 Brand**

Brand is an overview of a products or services that provide to the consumer in the market. Lake (n.d.) claimed that "brand is a name, term, sign, symbol or design, or a combination to identify the goods and services of one seller or group of sellers and to differentiate them from those of other sellers." Meanwhile, Keller (1993b) defined it as "technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand". As time shift brand also becoming not just a product but it has more meaning on that.

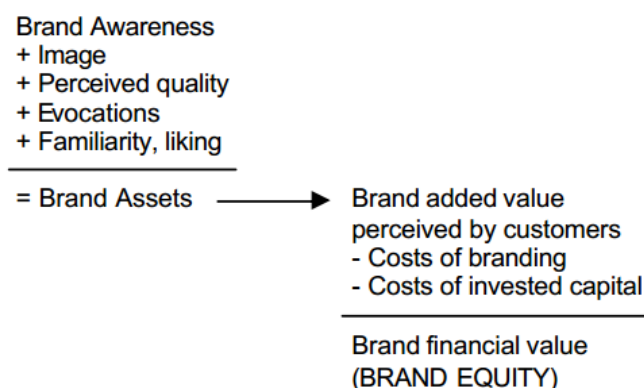
Brand provide the point of difference to the consumer between other brands so consumer able to identify which are the brand and what are the element that provide from the particular brand.

For example, consumer had identified the brand AirAsia Airline was well known of affordable pricing but MAS airline was more comfortable and luxury. Brand is very important, company need to be careful when planning the strategic and put awareness towards the consumer so that the brand could become successful in the market (Wood, 2000).

When the company failed to build good brand strategic, it will affect the reputation of the company while consumer has loss confident on the brand in the future. Wood (2000) also claimed that brand equity can build relationship between customer and the brand through the brand equity added value to the customer as customer perceived the brand more positive and had good relationship in the future.

According to Kapeerer (1997), brand value is something important to the corporations that generates profit and serve as intangible asset on the brand. Nowadays, it had changed because most of the brands are using customer oriented approach yet the way of how customer view the brand of the organization changed too. There are four (4) factors combine in the consumer mind that determine the perceive value as the figure 2.1 show.

Figure 2.1 The relationship between different brand concept of brand



analysis

Source: *Strategic Brand Management* (Kapeerer, 1997)

The figure shows that customer perceive brand in different way and not just a product anymore, additional element has make the brand more successful and consumer feel to having the additional value of the brand. One of the element is brand image, brand image has play an important role in the organization because it will reflect the image, performance and service quality of the company and serve as the asset to the company. If the brand image have negative effect, it reflect negative company image.

### **2.2.3 Brand Image**

Keller (1993b) mentioned that brand image as "a set of perceptions about a brand as reflected by brand associations in consumer's memory". Therefore, brand image is very important to the organization and consumers. It will reflects to the customer perception and automatically store to consumer's mind meanwhile Keller (1993b) also mentioned that when the image of brand was strong and favorable with unique brand association in recognition which will reflect a positive attitude, perceived quality and positive affect in overall.

Besides, Hsieh, Pan and Setiono (2004) noted that "a successful brand image which can identify the consumer's need and brand satisfies to differentiate the brand from competitor and consequently increases the likelihood that consumers will purchase the brand". According to Aaker (1991), brand image is "the values which make up a brand exist because they are perceived." Customer can evaluate the brand positively or negatively, it may also destroy potential customer which giving profit to the organization. Consumer accept the brand image based on the perception but not necessarily the fact, as the information is lacking and they do not know they will assume it without any objective evidence. These perceptions influence the consumer for purchasing decision (Aaker, 1997).

Aaker (1997) listed about nine benefit if the company having strong brand image. The benefit as following:-

1. Premium price obtain
2. The product will be demanded
3. Competitive brand will be rejected
4. Communication will be more readily accepted
5. The brand can be built on
6. Customer satisfaction will be improved
7. The product will be pulled through the distribution network
8. Licensing opportunities can be opened up
9. The company will be worth more when it is sold

#### **2.2.4 Brand Trust**

A brand is a symbol of trust for all intangible trust-generating activity, and absent human touch, it represent a symbol of quality and guaranty in building trust (Sahin, Zehir, and Kitapçı, 2011; Taleghani, Largani, and Mousavian, 2011; Bart, Shankar, Sultan, and Urban, 2005; Keller, 1993a). Trust building plays important roles in sustaining buyer and seller relations as it can serve as risk reduction of brands respective of brand trust especially while the perceived risk of a purchase decision is high. (Sahin et al., 2011; Taleghani et al., 2011; Bart et al., 2005; Agustin and Singh, 2005; Chiou and Droge, 2006; Morgan and Hunt, 1994; Amine, 1998).

Trust is defined as a willingness to rely on an exchange partner or mutual confidence that no party will exploit vulnerability of exchange partner (Moorman, Deshpande, and Zaltman, 1993; Mayer, Davis, and Schoorman, 1995; Barney and Hansen, 1994; Garbarino and Johnson, 1999). Moorman et al. (1993) argued that it could be explained by two general approaches to trust in the literature. First, great amount of research in marketing determine trust as a belief, confidence, or expectation about the partner's expertise, reliability, or intentionality affects an exchange partner's trustworthiness. Second, trust also viewed as a behavioral intention, action or behavior that reflect a dependence on a partner and involves uncertainty yet vulnerability on the part of the trustor. Similar definition has mentioned by Deutsch (1962), Coleman (1990, p.100), Agustin and Singh (2005), Ashley and Leonard (2009) regarding trust is exist while a consumer strongly believes that he or she can rely on the seller to deliver promised services.

Brand trust is defined as 'the willingness of the average consumer to rely on the ability of the brand to perform its stated function (Chaudhuri, and Holbrook, 2001). According to the journal published by Alam and Yasin (2010) demonstrated that brand trust has two dimensions.

“The first dimension of brand trust, reliability, has a technical or competence-based nature, involving the ability and willingness to keep promises and satisfy consumers' needs.

The second dimension comprises the attribution of good intentions to the brand in relation to the consumers' interests and welfare, for example when unexpected problems with the product arise. Consequently, a trustworthy brand is one that consistently keeps its promise of value to consumers through the way the product is developed, produced, sold, serviced and advertised, and even in bad times when some kind of brand crisis arises.”

Other researcher such as Alam, Siew, Ahsan, Abdullah and Ahmad (n.d.); Doney and Cannon (1997); Delgado, Munuera and Yague (2003); Ganesan (1994); Morgan and Hunt (1994) also claimed the similar statement.

In organizational or managerial perspective, trust also widely recognized as a strategic, relational asset for business organization. It is “paramount for product acceptance, a good working atmosphere, and smooth relationships with local government, investment criteria, and so on” (García-Marzá 2005, p. 209). It shows that trust is necessary to keep business vigor whereas “without trust, business as we know it is impossible” (Audi, 2008, pg.97). Further, Sahin et al. (2011) explained that a relational value can be defined as consumer's perceptions of the benefits enjoyed versus the cost incurred in the maintenance of an ongoing exchange relationship.

In marketing perspective, trust is essential in building strong consumer-brand relationships (Taleghani et al., 2011; Urban, Sultan, and Qualls, 2000; Fournier, 1998; Garbarino and Johnson, 1999; Morgan and Hunt, 1994; Dwyer, Schurr, and Oh 1987). The lesser costs of negotiating agreements and lessens consumers' fear of opportunistic behavior by the service provider was the dedication result brought by trust (Sahin et al., 2011; Taleghani et al., 2011; Afsar et al., 2010).

### **2.2.5 Service Quality**

Service quality is important to any kind business especially service industry because it create bond between the businesses and the customer (Blem, 1995). Consumers tend to measure their perception on a service quality with the level of satisfaction toward the service they receive.

According to Zeithaml and Bitner (1996), service quality was explained as an overall judgment of customer toward the service. Thus, customer dissatisfaction occurred if the performance is less than customer's expectations, then leads to low perceived quality (Parasuraman, Zeithaml, Valarie, and Berry, 1985; Lewis and Mitchell, 1990).

Moreover, several research claimed that service quality was "the ability to meet or exceed customer expectations of the organization" (Zeithaml, Parasuraman, and Berry, 1990; Weitz and Wessley, 2002; Lewis and Mitchell, 1990). Each consumer will have different expectation on service that provided by the company. So, company need to able to satisfy customer and meet their expectation in order to attract and retain customer. (Gagliano and Hathcote, 1994; Kotler and Keller, 2006).

Customer expectation is defined as how was the consumer viewed or believe the service delivery that function as reference point which the performance to be judged by the consumer. Every consumer has different expectation toward the service performance (Zeithaml and Bitner, 1996). According to Zeithaml and Bitner (1996) studies, it demonstrated that the highest type of different expectation was "desired service" and "adequate service". Desire service defined as customer hope to receive in the belief of the provider "can be" and "should be" providing the service that consumer expected. Adequate service is the level of service that customer will accept, but in condition or situation consumer will understand and having tolerance with the provider of the service.

Nevertheless, Gronross (1982) divided service quality into two dimensions which is functional quality and technical quality. Functional quality represent how was the service delivered to the customer and customer perception toward service quality when the process take place. However, technical quality reflects the outcome of the service that received by the customer.



Perceived service quality model is defined consumer compare their perception with real performance through the service provided, then the belief of consumer will be the service expectation in their mind when consumer measure service quality. (Li, 2011; Parasuraman et al., 1985; Zeithaml, Berry, and Parasuraman 1988). Nonetheless, Snoj, Boris, Aleksandra and Damijan (2004) defined perceived service quality as how well the overall performance of service from service providers being evaluated through compare between price and quality offered. Hence, perceived service quality was result from how consumers evaluate the service delivered by the provider (Zeithaml et al., 1990).

### **2.2.6 Word Of Mouth Communication**

Word of mouth communication (hereby WOM) is defined as oral or written recommendation by a satisfied consumer to the prospective consumer of a good or service. It could be considering as the most effective form of promotion, also called WOM advertising (Business Dictionary.com, 2014). Some studies stated that WOM was how the consumer informs his/her friends, co-workers or relatives about product or services that satisfied their needs. This built relationship between customer satisfaction and WOM communication (Kazemi, Paemami, Abbaszadeh, and Pourzamani, 2013; Allsop, Bassett, and Hoskins, 2007).

WOM was generally acknowledged which play a major influence on people's feeling (consumer attitudes) and action (behavioral intention) (Buttle, 1998; Thonssen and Beard, 1948). Furthermore, several studies observed that "WOM Communication is often related to consumers' satisfaction or dissatisfaction with previous purchasing experiences." (Blodgett, Granbois, and Walters 1993; Brown and Beltramini, 1989; Wilson and Peterson, 1989; Richins, 1983). Hence, WOM will affect their *behavior* and *perception* toward the products and services of the company.

In 1971, Sheth said that WOM was more *important* than advertising in raising awareness or securing decision to try the product. Additional the research conduct by Herr, Kardes and Kim (1991) found that WOM had *greater impact* on product judgment compare with printed information. There are two types of WOM which is *negative word of mouth* and *positive word of mouth*. Positive word of mouth will have positive impact the customer equity and brand equity. When there is positive WOM, effectiveness of marketing will enhanced because it will complements and extend the effect of advertising (Hogan, Lemon, and Libai, 2004).

Day (1997) claimed that WOM was *nine times* as effective as advertising that change consumer *unfavorable preference* to *positive attitudes*. Meanwhile, negative WOM occurred when the message is negative from consumer to consumer, negative word of mouth has more powerful than positive recommendation. It means the financial effort to avoid uncertainty (negative WOM) are slightly stronger than saving cost (positive WOM) (Armellini, 2011; Bone, 1995; Bolfing, 1989; Arndt, 1967).

### **2.2.7 Public Relations**

Bobbitt (2009) define public relations (hereafter PR) as the management function that uses two-way communication that receive and give information between the organization and public. However, other researcher claimed that PR was an organization having the opportunities to project the image to the public meanwhile it also acts as a communication tools between organization and public (Memeti, 2011; Kambiz and Fatemeh, 2011; Grunig and Hunt, 1984.) PR is also known as “relationship management” that helps the organization has better relationship with the public and maintain as good will of the company (Ledingham and Bruning, 1998; Milonic 2012; Cutlip, Center and Broom, 2003).

According to Hillstrom and Hillstrom (2002), when an organization having a comprehensive ongoing community relations program it help to achieve “visibility” and “gain good will” of the community. Several studies mentioned that public relations are help organizations to develop and maintain mutually beneficial relationships with internal and external stakeholders through excellent communications. (Berger, 2011; Grunig, 1984 and 1992; Dozier, Grunig and Grunig 2002). Public communities will have more trust toward any company that active in relations program as they felt that the information is trustable. Hanzae and Farsani (2011) explained that perceived PR was individual perception of PR activities of the company serve as independent variable.

In the marketing perspective, PR mean “whole strategic communication of the institutions with its social surrounding” (Memeti, 2011 Ehling, White and Grunig, 1992; Grunig, 1992; Grunig and Grunig, 1998). Besides, Grunig, Grunig, and Dozier (2002) said that PR and marketing have very different goals. It separate into four (4) parts that explained the difference between PR and marketing, firstly PR is to build relationship between the organization and public while the goal of marketing is to sell a product to a target market and serve as potential customer.

Next, PR define its strategic public as all group that affected by the organization action however marketing only identifies customer as relevant publics. This show that the relationship marketing forms between an organization and its customers are exchange-based but using PR organization form relationship with all of the public that are affected there is no specific group (Grunig, Grunig, and Dozier, 2002)

Third, PR research involves “boundary spanning and environmental scanning”, as the whole public will be a consideration when the organization planning their strategies. For marketing research is more simply that involve the customer characteristics of the customer target audiences that have different segmentation. Lastly, PR focuses on two way communication and the idea of publics are brought back to the dominant coalition for consideration in the decision making process. (Grunig, Grunig, and Dozier, 2002).

### **2.2.8 Leadership**

Hogan, Curphy, and Hogan (1994), they defined “leadership is persuasive, not domination”. For example, leader will not require others to do their bidding. Leadership only arises when others are willing to adopt the goals of a group as their own for a period of time. Therefore, leadership concerns building cohesive and goal-oriented teams owing to there is a casual and definitional link between leadership and team performance.

Effective leadership is hard to define but consider being an effective leader when it built upon many variables and characteristic of influencing other people (Baptiste, 1990; Bergman, Curran, Denison, Genis, Hiland, Markey, and Miller, 2008). Besides, Hogan, Curphy and Hogan (1994) mentioned that effectiveness concern about leaders’ decision making to gain profitability in business, quality of service and others.

The decision making of a leader can impact the organization become either positive or negative in reputation. Indices of effectiveness are often hard to specify and frequently affected by factors beyond a leader’s control. However, Prewitt (2003) stated that the effectiveness is the standard by which leaders should be judged such as assesses the typical behaviors.

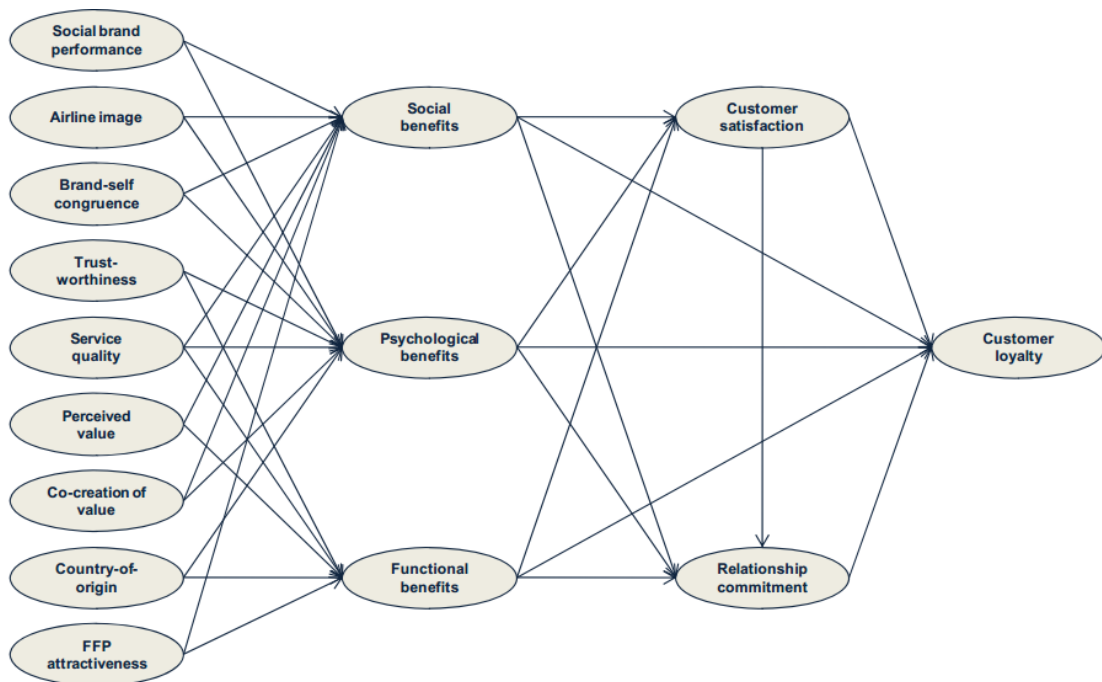
Furthermore, Cooper (1840) claimed that leadership effectiveness was measured by how a leader or potential leader was perceived by others. In short, leadership effectiveness is perceived by internal or external environment and how leader influence other to reach the target goal of the organization.

Leader has an important role to maintain the brand reputation inside (within the company) and outside (public) of the organization (Aaker, 1996; Brown and Dancin, 1997; Dahlman, 1994; Hatch and Schultz, 1997). A brand represents as organization name or source of reputation and image that interact between the organizations with the external people (Hatch and Schultz, 1997). As consumers perceive the brand, it brings some effect to the organization therefore a leader the job to maintain the reputation of the brand image to avoid disaster.

## 2.3 Review of Relevant Theoretical Model

### 2.3.1 Theoretical Framework

Figure 2.2: Conceptual Framework of Relationship between Customers Brand- relationship and Customer Loyalty in Airlines Industry



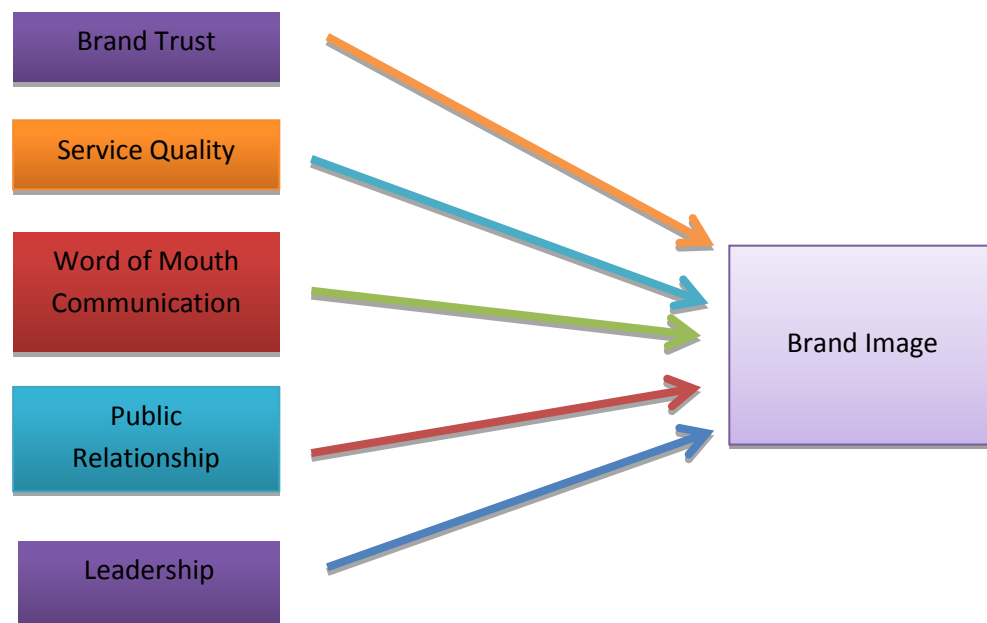
*source: Brand Relationships and the Role They Play For the Creation and Management of Customer Loyalty in the Airline Industry. (Benner, J. 2010).*

Figure 2.1 was the framework adopted from Benner (2010) on the topic “customer-brand relationships in the airline industry and the effect these can have on customer loyalty” which has been used to create our own proposed framework for this research.

The conceptual framework had identified nine different factors that how the consumer perceived airlines industries that direct influence the brand loyalty toward the service. These factor are social brand performance, airlines image, brand congruence, trustworthiness, service quality, perceive value, co-creation of value, country of origin and frequent flyer program (FFP) attractiveness. This framework clearly depicts that the direct relation going between eight factors towards the brand loyalty of the airlines.

## 2.4 Conceptual Framework

Figure 2.3:Factor Influence the Public Perception on Brand Image after Airline Crisis (MH370)



Source: Developed for the research

Figure 2.3 is the proposed framework that would be used for this research project. In this research, we are going to find out whether brand trust, service quality, WOM, PR and leadership would be an influential factor on the brand image of MAS after MH370 incident. There are five (5) independent variables can directly affect the dependent variable which is the brand image.

By comparing the theoretical framework and our proposed framework, we input WOM, Public Relations and leadership constructs while keeping brand trust and service quality as one of our influential factors towards brand image. Brand image play an important role as how consumer perceived toward the company especially some crisis happen and how the brand image respond will direct influence the brand image. Therefore in our research, we are going to test the relationship between brand trust, service quality, WOM, Public Relations and leadership would be an influential factor in the brand image of MAS Airlines after MH370 incident. We will explain in detail of the relationship between the dependent and independent variables in the next section

By comparing the theoretical framework and our proposed framework, we have included in word of mouth, public relations and leadership while keeping brand trust and service quality as one of our influential factors. Brand image play an important role as how consumer perceived toward the company especially some crisis happen. As how the company react or respond will direct influence the brand image.

Therefore in our research, we are going to test the relationship between brand trust, service quality, word of mouth, public relations and leadership would be an influential factor in the brand image of MAS Airlines after MH370 incident. We will further detail the relationship between the dependent and independent variables in the next section.



## 2.5 Hypotheses Development

### 2.5.1 The relationship between Brand Trust and Brand Image after airline crisis (MH370).

Brand trust is affect-based, which is a feeling created through a communal relationship with a brand. (Esch, Langner, Schmitt, and Geus, 2006). Later, Esch et al. (2006) claimed that brand image is antecedent to brand trust unless a consumer has a representation of the brand in memory includes awareness and a positive image. This statement indicates brand trust has an adverse relationship or feedback mechanism with brand image via an effect called “mere exposure” or “familiarity principle” (Rotteveeland Phaf, 2007; Tom, Nelson, Srzentic, and King, 2007; Zajonc, 2001).

Besides, Brand trust denoted as strong expectation that the brand will provide what is expected rather than what is feared is considered as a cognitive dimension (Gurvie and Korchia, 2003). Hess (1995) proposed a special brand trust scale, defined as a multi-dimensional construct containing honesty, altruism and reliability dimension. While measuring brand image could use brand personality list which contains honesty and reliability categories (Chandon, 2003, p. 3). Thus, brand trust and brand image have a positive relationship due to they are using the same dimension in evaluation. Furthermore, a consistent in practice with the brand image is important for a firm to build brand trust otherwise it may easily break consumers’ trust (Kumar, 2008). In the other hand, it implies a malpractice would break the trust and indirectly affect the brand image.

Hence, the researchers form a hypothesis as below:

**H1: Brand trust will significantly influence public perception on brand image after airline crisis (MH370).**

### **2.5.2 The relationship between Service Quality and Brand Image after airline crisis (MH370).**

Overall brand image of the company is formed by the combined perceptions of service quality as a result of frequent service experiences (Malik, Naeem, and Nasir, 2011; Nguyen and LeBlanc, 1998). Meanwhile, Wu (2011) explained that brand image was viewed as important factor in service evaluation (Bitner, 1991). According to Malik, Naeem and Nasir's (2011) study, they found that brand image was the key factor in the evaluation of overall service quality. Similarly, Wu (2011) studies found that brand image significantly affects customers' evaluative judgments such as perceptions quality. A positive brand image will significantly improve service quality.

Bloemer, Ruyter and Peeters (1998) said that consumer evaluative judgments such as perceived service quality and satisfaction were established in a process of inference making of expectations; image will precede customer evaluation, rather than these evaluation being components of image. However, it has a reverse relationship for products and a service that has been long time in market because the satisfaction will renew the expectation then later updates the previous image.

Thus, when consumer dissatisfied with the products and services provided which means that it will negative toward the brand image of the company due to unfavorable service quality perceived by a customer.

Hence, a hypothesis is formed as below:

**H2: Service Quality will significantly influence public perception on brand image after airline crisis (MH370).**

### **2.5.3 The relationship between Word of Mouth Communication and Brand Image after airline crisis (MH370).**

Positive WOM encouraging brand choice and negative WOM discouraging brand choice (East, Hammond, and Lomax, 2008). Positive or negative WOM will change the customers' perception toward the brand whether they should purchase the brand product or not, this directly impact the brand image reputation. According to Richins' (1983) study found that negative WOM has a relationship with level of dissatisfaction and related to negative consumers' perception. She also claimed that consumer blame the marketing institutions on the dissatisfaction rather than their own behavior, this most likely to engage in negative WOM.

Blodgett et al. (1993) said that consumers tend to engage in negative WOM that strongly depend on their perception of justice as it related to the complaint. In the other hand, Brown and Beltramini (1989) explained that consumer will engage in negative Word of Mouth when the level of inconvenience that resulted from the problem as the consumer think that the problem was come from the management control and management perceived responsiveness to the customer.

Hence, the researchers form a hypothesis as below:

**H3: Word of Mouth will significantly influence public perception on brand image after airline crisis (MH370).**

#### **2.5.4 The relationship between Public Relations and Brand Image after airline crisis (MH370).**

PR plays important role in building brand because it was a good way to communicate with the public that the enterprise to position and popularize the brand (Xu, 2005). PR also plays important role during crisis because enterprise can use public relations to solve the problem and protect the brand through increase communication and understanding to negotiate for the best solution.

Referring to Hanzaee and Farsani's (2011) study, they explained that the important variable such as brand image and perceived PR which can help consumers to understand the process, recall and recognize information. A Favorable brand image will proactive perceived PR of consumers be more congruent to corporate reputation and able to maintain consumers' positive beliefs, attitudes and behaviors. In contrast, unfavorable brand image will cause a negative halo effect and influences other brand associations. It makes consumers being skeptical about the sincerity of the organization's action due to the consumers distrust the organization. Besides, negative attitude can occur from skepticism over an organization's fairness and honesty in executing PR activities.

Chia (2008) claimed that public perception was consumers overall perception of the company dedication of time, effort and resource to public relations practices. Her result showed the higher consumer perception of the public relation the more favorable of the brand image.

Hence, a hypothesis is formed as below:

**H4: Public relations will significantly influence public perception on brand image after airline crisis (MH370).**

### **2.5.5 The relationship between Leadership and Brand Image after airline crisis (MH370).**

Two studies claimed about leader must act quickly when it the trust and relationship decrease between organization and stakeholder (Quirke, 2010; James and Wooten, 2005). Trust is the essential ingredient to solve crisis happened to the organization. Hence, leader must able to act fast to solve the crisis and give back the trust to the stakeholder, especially consumer.

According to Schoenberg's (2005) statement, a successful leader has been measured by the abilities that influence or motivate the audience toward a specific behavior or belief. Furthermore, Jaques (2012) claimed that one of the leader roles during crisis is "be ready to deal with the news media". When a leader ready to deal with news media and able to solve the problem of the consumer, it will bring back the brand image to be positive and consumer trust level will be more strengthen up.

Eldakak (2014) said that the primary role of a leader in an organization is to deal with the situation such as crisis or that destroys company reputation and to act in positive manner. When a leader managing crisis in the organization, it can reduce the harm caused by catastrophic event, but if the leader who is lack of the skill it will deteriorates the impact.

Hence, a hypothesis is formed as below:

**H5: Leadership will significantly influence public perception on brand image after airline crisis (MH370).**

## 2.6 Conclusions

This chapter critically reviewed the literature of the brand trust, service quality, WOM, PR and leadership that is relevant to our study. It explained that relationship between independent variables and the brand image. Past research have found and recorded to prove the significance. The theoretical model is significant as it adopted from past study to come up with a conceptual framework that would be suited for this study which is the factors impact the brand image of MH370 incident. Based on the conceptual framework, five (5) hypotheses have made to answer the research questions and objectives. In order to do so, the study would determine how and what are the types of data that will be collected in order to make inferences of the hypotheses in the next chapter.

## **CHAPTER 3: METHODOLOGY**

### **3.0 Introduction**

This chapter describes the various methods used to gather data throughout the study. The data collection, statistical procedures, and tool utilized in the study are deliberated. In total, there are six important sections in this research methodology which include research design, data collection techniques, sampling method, operational definitions of constructs, measurement scales, and procedures of data analysis.

### **3.1 Research Design**

Quantitative research has been adopted for this research. According to Tewksbury (2009), he mentioned that “typically considered to be the more scientific approach in doing social science”. Besides that, quantitative research can be defined as the preferences have been determined and it involved a large number of respondents. Meanwhile, Anderson (2006) explained that the data collected must be measurable, unbiased, and statistically valid. Quantitative research could obtain the numerical data for data analysis by implementing mathematical models. A survey tool was designed by using formally tested and validated surveys aggregated to form a specific tool. Two phases have been conducted for this research study. Phase-one is inclusive of pilot study, phase-two is the actual data collecting following the recapitulate and evaluation of the data from the pilot study.

This research can be categorized into descriptive research and causal research. Based on Zikmund (2003), descriptive research uses to describe the characteristics of a population or phenomenon. This research intended to provide a prior knowledge of the factor influence the public perception on brand image after airline crisis (MH370). Nonetheless, Carsten (2014) mention that, causal research able to recognize the possible factors which is used to find out cause-and-effect connection of the variables. Different variables could be manipulated to test the causal relationships of variables in order to form explanation for a situation (Zikmund, Babin, Carr and Griffin, 2010). This research is aim to examine the relationships between brand trust, service quality, WOM, PR and leadership toward brand image after airline crisis (MH370).

## **3.2 Data Collection Methods**

Data collection involves the use of certain approaches to collect, prepare and applied the necessary information as the basis for research topic, literature reviews, questionnaire design, survey methods, guideline for data analysis and supporting facts for statistical results. Primary data and secondary data were collected as foundation of research and analysis. The both type of data are very important which identify answer the hypotheses and research questions.

### **3.2.1 Primary Data**

Hox and Boeije (2005) identified primary data is refers to the first-hand data or raw data collected for a research study. In general, it is used to solve a problem. The researcher will conduct the survey in the form of questionnaire. The sources of primary data can collected through the distribution of survey questionnaires or observe method.



Online questionnaires distribution approach was used in this research because it is very convenient cost efficient and time saving. The questionnaire portal will be active for one week until the collected samples has reached the target sample size.

### **3.2.2 Secondary Data**

Secondary data refers to those data gathered for different purposes and used it in other research projects (Hox and Boeije, 2005). Basically, it can obtain from internet, libraries, vendors as well as producers, such as books and periodicals, trade associations, government, media and commercial sources. In this research, the researchers gathered the information which is the needed from journals and other reliable online sources in order to carry out the literature review. The researchers extracted the relevant and significant points of reasoning to further enhance the discussion of this topic. It shows the relationship and effect of each independent variable towards the dependent variable.

### **3.2.3 Sampling Design**

Sampling is related to process of make reasoning and general judgments by referring to measurement of a subset in a population design related to the appropriate arrangement (Zikmund et al., 2010). Besides that, sampling is defined as the procedure using small group of whole population to make conclusions regarding the whole population.

### **3.2.3.1 Target Population**

According to Hair, BushandOrtinau (2006), Target population can be defined as a specific group of population which the researchers are interested to collect data or statistic from them. In this research, the target population will focus on Malaysia based internet users. Meanwhile, most of the target respondents are expected familiar with this incident since it was the biggest news in first half of year 2014 so anyone could able to answer the survey questionnaire for this research. Survey questionnaires will randomly fill by anonymous through internet. This is the most convenient, cost efficient and the best way to collect sample from different category and background of respondents in order to examine the impact on brand image after airline crisis (MH370) accurately.

### **3.2.3.2 Sampling Frame and Sampling Location**

Zikmund et al., (2010) stated that sampling frame is the source where sample was collected. In this research, Malaysia based internet users have chance to be selected as respondents to participate in this questionnaire. Besides, the sampling location will be the Malaysia based online community, social network societies and forums.

### **3.2.3.3 Sampling Elements**

In sampling element, Malaysian internet users were selected to complete the survey questionnaires since they were expected to be most familiar with MAS and MH370 incident. Yet, it is appropriate to examine the factor influence the public perception on brand image after airline crisis (MH370).

### **3.2.4 Sampling Technique**

Sampling techniques can be divided into two types which are probability sampling and non-probability sampling. In this research, is using non-probability sampling technique. Non-probability sampling refers to the sample selected on the basis of convenience and easily accessible through personal judgment. The reason of using non-probability sampling is to ease the conduct of research as there is no sampling frame required. Under non-probability sampling, there are four (4) types of techniques which include convenience sampling, judgment or purposive sampling, quota sampling as well as snowball sampling.

Convenience sampling method use to conduct the research, Convenience sampling refers to the process of including whoever happens to be available at the time (Turner, 2003). Basically, it is also known as “accidental” or “haphazard” sampling (Zikmund et al., 2010). Since it was the biggest news in first half of year 2014 so anyone could able to answer the survey questionnaire. We are distributed the survey questionnaire through internet. This is the most convenient, cost efficient and the best way to collect all the samples.

### **3.2.5 Sampling Size**

According to Kumar, Ramendran and Yacob (2012), sample size is the total number of respondents or targets to be studied in the research (Malhotra, Kim andPatil, 2006). He also stated that sample size in the range of 30 to 500 is the most appropriate for majority of the research papers. However, it is fulfill the rules of thumb since there are total of 188 successful samples and 15 void samples were collected through online questionnaires for this research. The sampling size for this research is 188.

### **3.3 Research Instrument**

The research instrument used in this research is self-completion survey. A self-completion method is the use of either paper based or electronic that enables the benefit from the complete absence of an interviewer from the process (Carlson and Winqvist, 2014). In this research, online questionnaires were posted online that allow random anonymous voluntary fill up the survey form and it will recorded in online database automatically. Self-completion questionnaire is being chosen to complete the research because it helps to remove potential bias in the responses and make the respondents to be honest with sensitive question. (Bryman, 2012).

#### **3.3.1 Questionnaire Design**

Close-ended questions are used in the questionnaire design collect primary data. There are two types of close-ended question being designed in the survey which are category and rating questions. Category questions only allow respondents select on one category that they belongs for each question. while rating questions is frequently use likert-style rating scale which the respondent is asked how strongly she or he agrees or disagrees with a statement (Hair, Money, andSamouel, 2007).

The questionnaire is divided into three sections. In Section A, it consists of respondent's demographic information such as ethnic, age, highest education level. Section B includes the construct measurement of five (5) independent variables which consists of brand trust, service quality, WOM, PR and leadership while Section C is solely on brand image which is the dependent variable. Both Section B and C will be measured in order to examine the relationship between independent variables and dependent variable.

### 3.3.2 Pilot Testing

Pilot study is a micro research project which collects data from respondents with similar characteristic that can use in the study (Zikmund et al., 2010). It is used to detect the weaknesses in design and instrumentation and provides a proxy data for probability sampling selection (Cooper and Schindler, 2006). The purpose of pilot testing is to ensure that respondents understand and able to answer the questions. Furthermore, it also enables the researcher to assess the questions' validity and reliability of the data that collected (Saunders, Lewis and Thornhill,2009).

In this research, 20 sets of questionnaire were distributed directly to the respondents on 23<sup>th</sup> of October 2014 and it took two days to collect back the data for pilot test. In pilot test analysis, 20 samples was being tested through Cronbach's alpha method to examine the internal reliability of the questionnaire. The overall Cronbach's alpha is 0.972 which higher than 0.08 so it has good internal reliability. Individual Cronbach's alpha variable as the following:-

Table 3.1 Pilot test Cronbach's alpha for each individual variable

Variable	Cronbach's alpha
Brand Trust	.910
Service Quality	.889
Word of Mouth	.910
Public relations	.915
Leadership	.941

Source: Develop for the research

During the pilot test, there are several comment provided by the respondent such as questionnaire is too lengthy and inappropriate question. Therefore, it was necessary to drop out some inappropriate and low individual reliability question to maintain the internal reliability and accuracy of the questionnaire before the official distribution. The following table 3.2 is the question has been drop after the pilot test:

**Table 3.2: The number of question dropped in relevant construct**

Variable	Number of question drop
Brand Trust	4
Service Quality	2
Word of Mouth	2
Leadership	2

Source: Develop for the research

## **3.4 Construct Measurement**

### **3.4.1 Scale Measurement**

In research method, there are a total of four (4) measurement scales that can be used to classify the data collected, namely nominal, ordinal, interval and ratio scale. Nominal scale represents the most unrestricted assignment of numerals. The numerals are used only as labels or type numbers as well as words or letters (Stevens, 1946). This scale is very useful in labeling general attributes. In Section A, nominal scale is used to develop questions such as gender, race. It is mainly used to classify the demographics of the respondents.

Besides, ordinal scale allows the subject to be placed in accordingly. Ordinal scale not only identification and classification the variable, it also rank-orders the subject appropriately. (Zikmund et al., 2010). Yet, ordinal scale can define as a ranking scale too. Ordinal scale is used for education level and age in this research.

Finally, interval scale is a scale in which zero point is a matter of convention or convenience (Stevens, 1946). It is a measurement as zero point does not mean to be nothing or non-value. In section B, interval scale is used to measure factor influence the public perception on brand image after airline crisis (MH370). In the questionnaire, the degree of satisfaction is identified with the use of 5 Point Likert scale, where Point 5 indicates strongly agree, Point 4 indicates agree, Point 3 indicates neutral, Point 2 indicates disagree while Point 1 indicates strongly disagree.

### 3.4.2 Origins of Construct

Table 3.3: Origins of Construct

Constructs/ Variables	Source(s)	The Question the research adopted
Brand Trust	• Sahin et al. (2011)	Question 1
	• Sirdeshmukh, Singh and Sabol (2002)	Question 2-6
Service Quality	• Taleghani et al. (2011)	Question 1-2
	• Caruana (2002)	Question 3-5

Word of Mouth	• Alam and Yasin (2010)	Question 1-2
	• Yasvari, Ghassemi and Rahrovyy (2012)	Question 3-5
Public Relationship	• Hsieh and Li (2008)	Question 1-6
Leadership	• Mengand Berger (2013)	Question 1-5
Brand Image	• Hsieh and Li (2008)	Question 1-3

Source: Develop for the research

Table 3.4: Sample of the Construct Question

Constructs	No of Items	Sample Items
Brand Trust	6	<ul style="list-style-type: none"> <li>• I feel confident in MAS Airlines.</li> <li>• MAS Airlines is safe.</li> <li>• I feel that MAS Airlines is very reliable.</li> <li>• I feel that MAS Airlines is very competent.</li> <li>• I feel that MAS Airlines is very responsive.</li> <li>• I feel that MAS Airlines is of very high integrity.</li> </ul>
Service Quality	5	<ul style="list-style-type: none"> <li>• MAS Airlines offers excellent service.</li> <li>• I feel good about what MAS Airlines offers to its customers.</li> <li>• MAS Airlines providing service at the promise time.</li> <li>• MAS Airlines is reliable in handling customer service problem.</li> <li>• MAS Airlines readiness to respond to customer requests.</li> </ul>



Word of Mouth	5	<ul style="list-style-type: none"> <li>• I find information given by my friends and relatives about MAS Airlines is trustworthy brand.</li> <li>• I trust what my friends and relatives says about this MAS Airlines providing reliable service.</li> <li>• I'll say positive things about MAS Airlines to the others.</li> <li>• I'll recommend MAS Airlines to people asking my opinion.</li> <li>• I encourage my friends and my relatives to use the services of MAS Airlines.</li> </ul>
Public Relationship	5	<ul style="list-style-type: none"> <li>• I feel that MAS Airlines often holds PR activities to enhance consumers' understanding about the service.</li> <li>• I feel that MAS Airlines would deal with emerging issues timely and sincerely.</li> <li>• I feel that MAS Airlines would handle consumers' comment timely and sincerely.</li> <li>• I feel that MAS Airlines continuously engages in PR activities.</li> <li>• I feel that MAS Airlines places high importance on PR activities.</li> </ul>

Leadership	6	<ul style="list-style-type: none"> <li>• The ability to apply public relations knowledge to crisis situations.</li> <li>• The ability to use knowledge of mass and specialized media to help the organization communicate effectively with public.</li> <li>• The ability to strategically use new technologies to help the organization communicate and interact with public.</li> <li>• Known the process of using research to develop appropriate strategies, messages, and activities.</li> <li>• Known the process of using research to help solve communication problems.</li> <li>• Known the process of converting knowledge about publics and policies into effective and representative advocacy of these publics with decision makers.</li> </ul>
Brand Image	3	<ul style="list-style-type: none"> <li>• I feel that MAS Airlines branding product possesses its practical function.</li> <li>• I feel that MAS Airlines branding product possesses a positive symbolic meaning.</li> <li>• I feel that MAS Airlines branding product can relate to the pleasant experience.</li> </ul>

Source: Develop for the research.

### **3.5 Data Processing**

Data processing involved procedure to process the gathered data, verify and transcript the data appropriately to prepare the data for further analysis (Sekaran and Bougie, 2009). The sample collected will be checked to ensure no missing data. Then, proceed to data editing process.

Information of sample will be scan and edit through checking illegal code, error or illogical response to ensure the omissions, consistency and legibility of sample (Zikmund et al., 2010). After that, the revised sample will proceed to coding procedure, participants response will be assign a number accordingly. Last, data transcribing is the final stage that transcribed coded data into SPSS version 22.0 for statistical analysis.

Question of Section A in the questionnaire are coded as below:-

Table3.5: Data coding list

Section A		
Q1	Gender	<ul style="list-style-type: none"> <li>• “Female” is coded as 1</li> <li>• “Male” is coded as 2</li> </ul>
Q2	Age	<ul style="list-style-type: none"> <li>• “Below 20” is coded as 1</li> <li>• “21–30” is coded as 2</li> <li>• “31–40” is coded as 3</li> <li>• “41–50” is coded as 4</li> <li>• “More than 50” is coded as 5</li> </ul>
Q3	Education Level	<ul style="list-style-type: none"> <li>• “SPM” is coded as 1</li> <li>• “STPM” is coded as 2</li> <li>• “Diploma / Advance Diploma” is coded as 3</li> <li>• “Bachelor’s Degree” is coded as 4</li> <li>• “Others” is coded as 5</li> </ul>
Q4	Race	<ul style="list-style-type: none"> <li>• “Malay” is coded as 1</li> <li>• “Chinese” is coded as 2</li> <li>• “Indian” is coded as 3</li> <li>• “Other” is coded as 4</li> </ul>

Source: Develop for the research.

Meanwhile, the answer of each question in the Section B of questionnaire is coded as follow:

- **“Strongly Disagree” is coded as 1**
- **“Disagree” is coded as 2**
- **“Neutral” is coded as 3**
- **“Agree” is coded as 4**
- **“Strongly Agree” is coded as 5**

## **3.6 Data Analysis**

Data analysis is defined as a process to comprehend the data collected with logical reasoning (Zikmund et al., 2010). SPSS version 22.0 was used to generate statistical output for descriptive analysis, reliability test and inferential analysis for researchers to interpret in next chapter.

### **3.6.1 Descriptive Analysis**

Descriptive analysis refers to the elementary transformation of data in a way described the basic characteristic such as tendency, distribution and variability (Zikmund et al., 2010). Mean, medians, modes, variance, range, and standard deviation are statistics that widely applied or used in descriptive statistics.

In this research, we will be using frequency distribution analysis to analyze the data for the demographics of survey questionnaire. In Section A of the questionnaire, there are four (4) aspects for demographics which comprise gender, age, race and educational level. For the data analysis, table and chart is used to illustrate the quantitative data obtained.

### **3.6.2 Scale Measurement**

Scale measurement is used to assess the reliability and validity of the data collected in this research.

#### **3.6.2.1 Reliability Test**

Tavakol and Dennick (2011) explained that Cronbach's Alpha is used to measure reliability and to ensure consistency in the results of data collection.

It is a test conducted to both consistency and stability that points out how well the items in a set are positively correlated to one another. The test is conducted in terms of average inter-correlations among the items that measure the concept. It means that the result will be the same when a repeated measurement is made. The value that is closer to 1 indicates a high internal consistency and reliability. If the alpha value is low, then it is considered as a poor interrelatedness between items of heterogeneous constructs.

If alpha value is too high, it shows that some items are redundant as they are testing the same question but in a different pattern. A maximum alpha value of 0.90 is been recommended. SPSS version 22.0 was used to test the consistency and accuracy of items in independent variables such as brand trust, service quality, WOM, PR and leadership with dependent variable which is brand image after airline crisis.

Table 3.6 Ranges of Cronbach's alpha Value

Cronbach's Coefficient alpha ( $\alpha$ )	Indication
$\alpha$ value < 0.60	Poor reliability
$\alpha$ value between 0.61 and 0.70	Fair reliability
$\alpha$ value between 0.71 and 0.80	Good reliability
$\alpha$ value between 0.81 and 0.95	Very good reliability

Source: Zikmund et al., (2010)

In this research, 188 sets of data collected were reliable because the average Cronbach's alpha is 0.97 which belongs to the "very good reliability" category of value between 0.81 and 0.95.

### 3.6.3 Inferential Analysis

Inferential statistics enable the researchers to use a portion of sample to predict the characteristic of a population (Hair et al., 2007). The inferential analysis for this research is carried out with Pearson's correlation analysis and multiple regression analysis

#### 3.6.3.1 Pearson Correlation Analysis

Referring to Taylor (1990) study, he claimed that Pearson's correlation analysis is used to measure the correlation whether it is positive or negative. The magnitude of the correlation coefficient determines the strength of the correlation. The values are range from -1 to +1, where the values are absolute and non-dimensional with no units involved.

The value of 0 indicates that there is no relationship between two variables. In this research, Pearson correlation coefficient is used to evaluate and prove the relationship between dependent variable with each different independent variable.

Table 3.7 Ranges of Pearson Correlation Value

Pearson Correlation Range	Strength of Association
$\pm 0.81$ to $\pm 1.00$	Very Strong
$\pm 0.61$ to $\pm 0.80$	Strong
$\pm 0.41$ to $\pm 0.60$	Moderate
$\pm 0.21$ to $\pm 0.40$	Weak
$\pm 0.20$	Very Weak
0	None

Source: Sekaran and Bougie (2009).

### 3.6.3.2 Multiple Regression Analysis

According to Basic Business Statistics Concepts and Applications written by Berenson, Levine and Krehbiel (2012) stated that multiple regression analysis is used as a statistical tool to inspect one variable based on other variables. This method is used to examine the relationship between independent variables and dependent variable. If two variables are correlated, then the variables can be used to foresee other variables through the equation of  $Y = a + b_1X_1 + b_2X_2 + \dots + b_kX_k$ .

Objective of this research is to investigate whether the dimensions of brand image will be affected by the independent variables after the incident. The result will indicate whether the independent variable are significantly impact the brand image after airline crisis (MH370).

## 3.7 Conclusion

In conclusion, research methodology which includes the research design, sampling design, research instrument, measurement scale, data processing, and data analysis throughout this chapter which would then be contributed to the inputs in the next chapter. Besides, this research targeted to collect 180 sample while the 188 was collected at the time of closing survey session when it has exceed the target sample. Next chapter will explain the result of sample collected and determine the validity of hypothesis.



## **CHAPTER 4: DATA ANALYSIS**

### **4.0 Introduction**

This chapter includes the results and interpretation of the data collected which are related with research objective, research question and hypotheses. It will start with descriptive statistics (analyze respondents demographic profile) then followed by scale measurement to test reliability of the results and lastly inferential analysis part includes Pearson correlation analysis, Multiple regression Analysis and hypotheses testing. Besides, Statistical Package Social Science Version (SPSS) 22.0 has use for aids on answering six research questions and six null hypotheses which relevant to brand image after airline crisis (MH370).

### **4.1 Descriptive Analysis**

#### **4.1.1 Respondent Demographic Profile**

Demographic profile was asked in Section A of the survey questionnaire. There are total of four (4) questions have been asked to collect the respondent's demographic data. The questions are regarding respondent's gender, age, race, and highest education level.

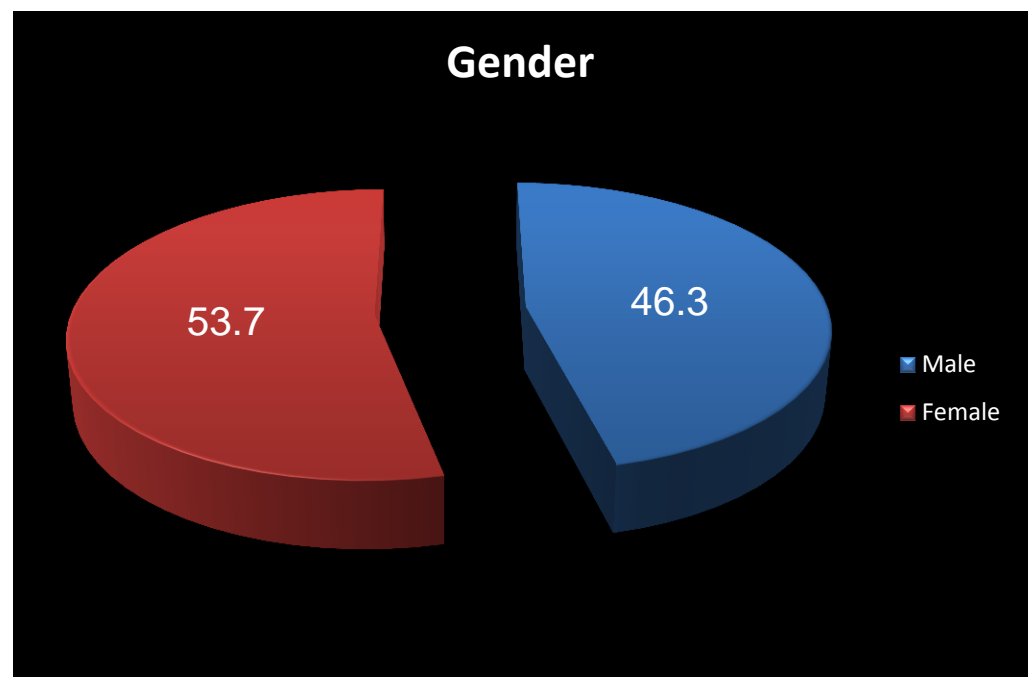
#### 4.1.1.1 Gender

Table 4.1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	87	46.3	46.3	46.3
	Female	101	53.7	53.7	100.0
	Total	188	100.0	100.0	

Source: Developed for the research

Figure 4.1: Gender



Source: Developed for the research

Table 4.1 and Figure 4.1 above had shown the gender distribution of respondents. A total of 188 successful respondents participated in this survey. Female respondents contributed 53.70% or 101 out of the 188 respondents, while male respondents only consist of 46.30% or 87 respondents.

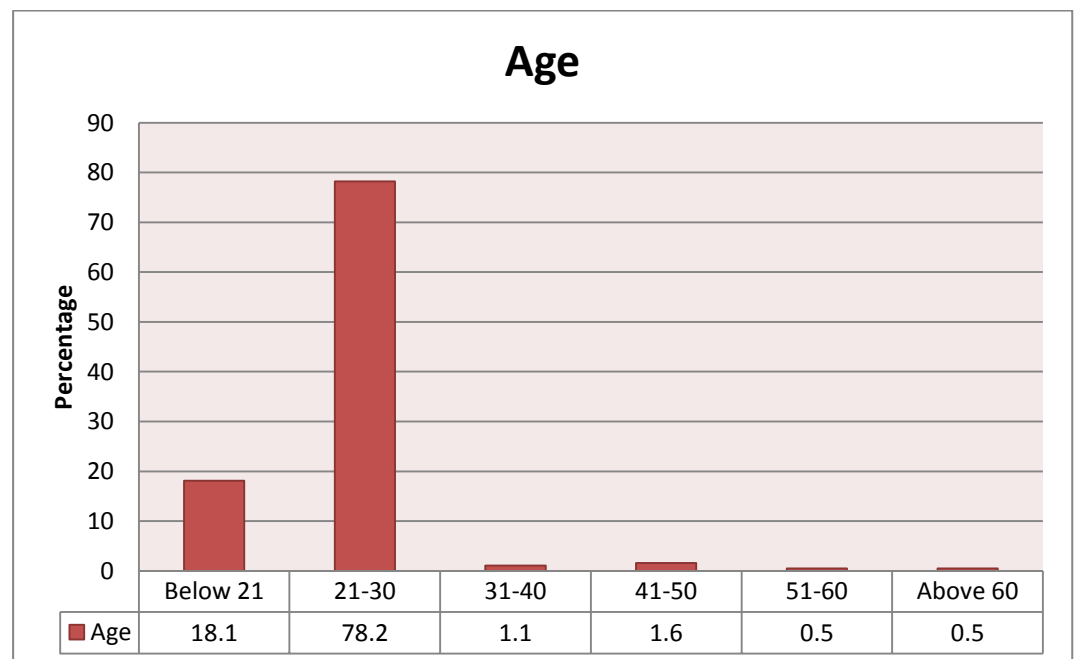
**4.1.1.2 Age**

Table 4.2: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 21	34	18.1	18.1	18.1
	21-30	147	78.2	78.2	96.3
	31-40	2	1.1	1.1	97.3
	41-50	3	1.6	1.6	98.9
	51-60	1	.5	.5	99.5
	Above 60	1	.5	.5	100.0
		188	100.0	100.0	

Source: Developed for the research

Figure 4.2: Age



Source: Developed for the research

The six age groups in the questionnaire are as shown in Table 4.2 and Figure 4.2. The data show that majority respondent is from the age of 21-30 years old (78.20%), second is below 21 years old (18.1%), third is 41-50 (1.6%) years old, next highest 31-40 (1.1%) years old, followed by 51-60 years old and above 60 years old (0.5%) which is the lowest.

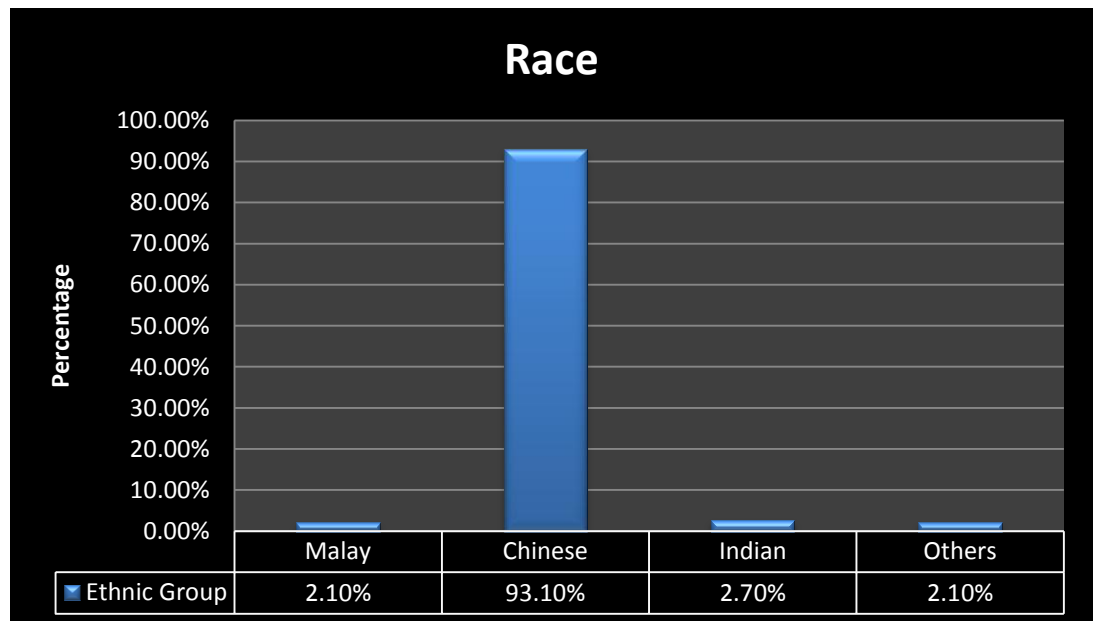
#### 4.1.1.3 Race

Table 4.3: Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	4	2.1	2.1	2.1
	Chinese	175	93.1	93.1	95.2
	Indian	5	2.7	2.7	97.9
	Others	4	2.1	2.1	100.0
	Total	188	100.0	100	

Source: Developed for the research

Figure 4.3: Race



Source: Developed for the research

Referring to Table 4.3 and Figure 4.3 the highest rate of race responded in this questionnaire is Chinese with 175 respondents (93.30%). Second, Indian 5 respondents (2.7%), and lastly followed by Malay with others respondents' consists of 4 respondents (2.10%).

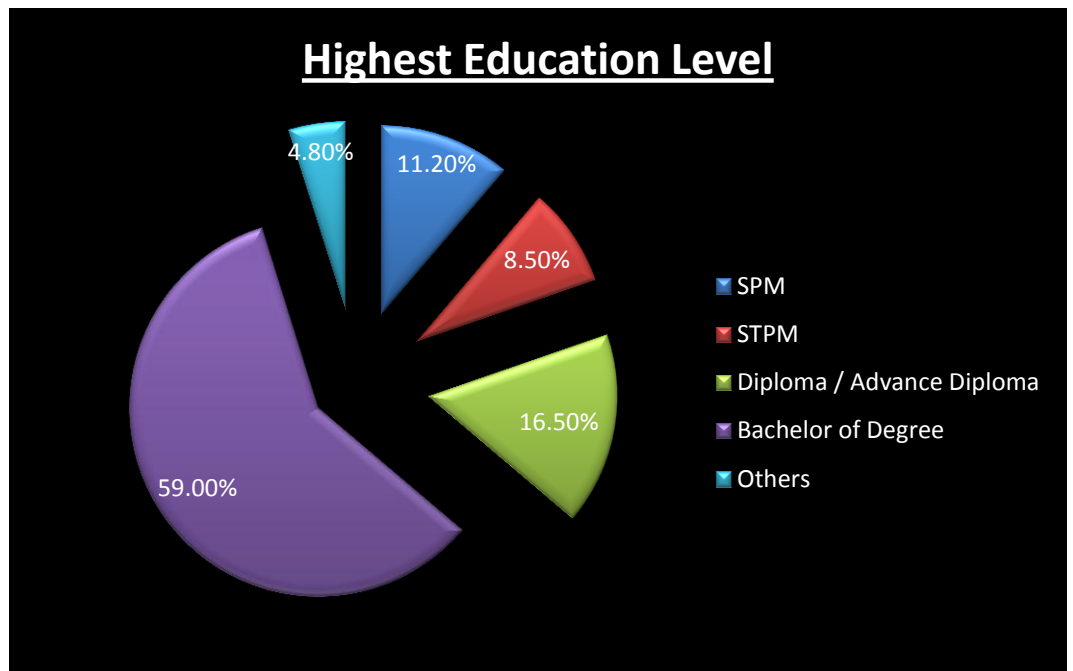
#### 4.1.1.4 Highest Education Level

Table 4.4: Highest Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM	21	11.2	11.2	11.2
	STPM	16	8.5	8.5	19.7
	Diploma / Advance Diploma	31	16.5	16.5	36.2
	Bachelor of Degree	111	59.0	59.0	95.2
	Others	9	4.8	4.8	100.0
	Total	188	100.0	100.0	

Source: Developed for the research

Figure 4.4: Highest Education Level



Source: Developed for the research

According to Table 4.4 and Figure 4.4, the highest rate of education level is Bachelor of Degree 111 respondent (59.00%), second is Diploma / Advance Diploma 31 respondent (16.5%), third is SPM 21 respondent (11.2%), next follow by STPM 16 respondent (8.5%) and lastly is others education level 9 respondent (4.8%)

## 4.2 Internal Reliability Test

Table 4.5: Internal reliability test

Variable	Cronbach's Alpha	Number of Item
Brand Trust	.929	6
Service Quality	.923	5
Word of Mouth	.898	5
Public Relations	.895	5
Leadership	.945	6
Brand Image	.904	3

Source: Developed for the research

According Nunnally (1967) Cronbach's alpha is most commonly used to measure of reliability such as the internal consistency. The measure is stated in the number between 0 to 1 (TavakolandDennick, 2011). Reliability explains the degree of bias in the data collection which could affect the consistency (SekaranandBougie, 2010). According to Zikmund et al., (2010), alpha coefficient more than 0.81 - 0.95 is very good reliability but if Cronbach's alpha less than 0.60 is poor reliability.

Table 4.5 above shows the internal reliability value among six variables, Cronbach's alpha was used to measure the five (5) constructs with 27 items. The result shows that the alpha coefficient range within 0.895 to 0.945. Alpha Coefficient of 0.7 was serving as a guard line to ensure the preciseness of the data. Hence, the result of this internal reliability test has indicated that all constructs have very good internal consistency reliability ( $\alpha > 0.70$ ). The highest association strength was leadership (0.945) and the lowest association strength was public relations (0.895).

## 4.3 Inferential Statistics

Descriptive statistic used to make sense of observations and summarize into numerically but inferential statistic is the producer allow researcher to infer the meaning of the data been collected (Carlson and Winquist, 2014). In this study, associations among variables as well as the relationship between independent variables and dependent variable were presented with Pearson correlation analysis and multiple linear regressions.

### 4.3.1 Pearson Correlation

Table 4.6: Pearson Correlations Analysis

	ABT	ASQ	AWOM	APR	ALS	ABI
ABT	1					
ASQ	.705**	1				
AWOM	.696**	.674**	1			
APR	.628**	.611*	.617**	1		
ALS	.609**	.572**	.605**	.726**	1	
ABI	.674**	.670**	.711**	.626**	.644**	1
*. Correlation is significant at the 0.05 level (2-tailed).						
**. Correlation is significant at the 0.01 level (2-tailed).						

N = 188

Source: Developed for the research

With significance level of 0.05, p-value of all variables is 0.00 ( $p = 0.00 < 0.05$ ). Therefore, null hypothesis for all variables were rejected and there are a statistically significant correlation between each independent variables and dependent variable.



Pearson's correlation value (r) indicate that there are moderate positive relationship and significant correlation between 4 variables (brand trust (r = 0.674), service quality(r = 0.670), public relations (r = 0.626) and leadership (r = 0.644) and brand image after airline crisis (MH370). Nonetheless, word of mouth seems to had strong positive relations (r = 0.711) with brand image after airline crisis (MH370) yet it was the strongest correlations among other variables. In short, this shows that all variable could influence the brand image after airline crisis (MH370)but WOM affect the most.

Table 4.7: Summarize results of Pearson's correlation analysis

	p-value (significance level of 0.05)	Pearson's correlation	
		Direction of Association	Strength of Association
Brand Trust	0.000 (Has significant association)	0.674 (Positive)	±0.61 to ±0.80 (Strong)
Service Quality	0.000 (Has significant association)	0.670 (Positive)	±0.61 to ±0.80 (Strong)
Word of Mouth	0.000 (Has significant association)	0.711(Positive)	±0.61 to ±0.80 (Strong)
Public Relations	0.000 (Has significant association)	0.626 (Positive)	±0.61 to ±0.80 (Strong)
Leadership	0.000 (Has significant association)	0.644 (Positive)	±0.61 to ±0.80 (Strong)

Source: Developed for the research

### 4.3.2 Multiple Linear Regressions

#### Stepwise Method

According to In Discovering Statistics Using IBM SPSS Statistics wrote by Field (2014), stepwise method allow the variables entered into the model can be remove if they found that it was no longer contributing a statistically significant amount of prediction. Variable entry to the model when  $p < 0.05$  (e.g., a variable with a  $p = 0.07$  will not be entered) however to be removed, a variable must have an associated  $p > 0.10$  (e.g., a variable with  $p = 0.12$  will be removed but one with  $p = 0.07$  will remain in the model).

Hence, we select model 4 as a final regression model.

Table 4.8: Model summary (Stepwise method)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.711 <sup>a</sup>	.505	.503	1.93587
2	.760 <sup>b</sup>	.577	.573	1.79392
3	.784 <sup>c</sup>	.614	.608	1.71938
4	<b>.790<sup>d</sup></b>	<b>.625</b>	<b>.616</b>	<b>1.69976</b>

a. Dependent Variable :ABI

b. Predictors: (Constant), AWOM

c. Predictors: (Constant), AWOM, ALS

d. Predictors: (Constant), AWOM, ALS, ASQ

e. Predictors: (Constant), AWOM, ALS, ASQ, CBT

N = 188

Source: Developed for the research

Table 4.8 illustrate that R square is 0.625 and regression of brand image is 0.790. This indicated 62.5% of the variation in brand image were influenced by all variables (brand trust, service quality, word of mouth, public relations and leadership) while the remaining 37.5% remain uninfluenced.

Table 4.9: ANOVA(Stepwise method)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	711.692	1	711.692	189.907	.000 <sup>b</sup>
	Residual	697.052	186	3.748		
	Total	1408.745	187			
2	Regression	813.388	2	406.694	126.375	.000 <sup>c</sup>
	Residual	595.357	185	3.218		
	Total	1408.745	187			
3	Regression	864.791	3	288.264	97.509	.000 <sup>d</sup>
	Residual	543.954	184	2.956		
	Total	1408.745	187			
4	Regression	<b>880.024</b>	<b>4</b>	<b>220.006</b>	<b>76.148</b>	<b>.000<sup>e</sup></b>
	Residual	<b>528.721</b>	<b>183</b>	<b>2.889</b>		
	Total	<b>1408.745</b>	<b>187</b>			
<p>a. Dependent Variable :ABI  b. Predictors: (Constant), AWOM  c. Predictors: (Constant), AWOM, ALS  d. Predictors: (Constant), AWOM, ALS, ASQ  e. Predictors: (Constant), AWOM, ALS, ASQ, CBT</p>						

N = 188

Source: Developed for the research

As shown in the ANOVA, Table 4.9,  $F(4, 183) = 76.148$ ;  $p = 0.00 < 0.01$ , therefore the fitness for this model was confirmed. The regression model indicates that five (5) predictors of brand trust, service quality, word of mouth, public relations and leadership are work well in explaining the variation in brand image.

Table 4.10: Coefficients(Stepwise method)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.064	.506		4.082	.000		
	AWOM	.477	.035	.711	13.781	.000	1.000	1.000
2	(Constant)	1.047	.502		2.805	.038		
	AWOM	.340	.040	.507	8.445	.000	.634	1.576
	ALS	.179	.032	.337	5.621	.000	.634	1.576
3	(Constant)	.395	.506		.781	.436		
	AWOM	.246	.045	.367	5.519	.000	.474	2.110
	ALS	.142	.032	.268	4.472	.001	.585	1.709
	ASQ	.170	.041	.269	4.170	.005	.503	1.988
4	(Constant)	<b>.333</b>	<b>.501</b>		<b>.664</b>	<b>.508</b>		
	AWOM	<b>.210</b>	<b>.047</b>	<b>.313</b>	<b>4.485</b>	<b>.000</b>	<b>.420</b>	<b>2.379</b>
	ALS	<b>.124</b>	<b>.032</b>	<b>.234</b>	<b>3.843</b>	<b>.000</b>	<b>.552</b>	<b>1.813</b>
	ASQ	<b>.131</b>	<b>.044</b>	<b>.207</b>	<b>2.993</b>	<b>.003</b>	<b>.427</b>	<b>2.342</b>
	ABT	<b>.090</b>	<b>.039</b>	<b>.167</b>	<b>2.296</b>	<b>.023</b>	<b>.390</b>	<b>2.565</b>

a. Dependent Variable: ABI

N = 188

Source: Developed for the research

Referring to Table 4.10, the linear equation was formed as below:

$$BI = 0.333 + 0.210 \text{ WOM} + 0.124 \text{ LS} + 0.131 \text{ SQ} + 0.090 \text{ BT}$$

$$R^2 = 0.625$$

$$F = 76.148$$

With linear equation above, there are only four (4) variables (includes word of mouth, leadership, service quality and brand trust) contributing to the brand image. It illustrates eitherthat WOM increase 0.210, LS increase 0.124, SQ increase 0.131 or BT increase 0.090 will result an increasing 1 value unit in BI.

Besides, equation above also indicate that WOM has the highest influence power on brand image after airline crisis (MH370) at standardized coefficient value  $\beta = 0.313$ . Then, followed by LS ( $\beta = 0.234$ ), SQ ( $\beta = 0.207$ ) and BT ( $\beta = 0.167$ ).

### 4.3.2.1 Test of Significant

Table 4.11: Excluded variables(Stepwise method)

Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics		
						Tolerance	VIF	Minimum Tolerance
1	ABT	.347 <sup>b</sup>	5.151	.000	.354	.515	1.941	.515
	ASQ	.350 <sup>b</sup>	5.370	.000	.367	.545	1.834	.545
	APR	.304 <sup>b</sup>	4.917	.000	.340	.620	1.613	.620
	ALS	.337 <sup>b</sup>	5.621	.000	.382	.634	1.576	.634
2	ABT	.251 <sup>c</sup>	3.677	.000	.262	.459	2.177	.459
	ASQ	.269 <sup>c</sup>	4.170	.000	.294	.503	1.988	.474
	APR	.163 <sup>c</sup>	2.245	.026	.163	.423	2.365	.423
3	ABT	.167 <sup>d</sup>	2.296	.023	.167	.390	2.565	.390
	APR	.102 <sup>d</sup>	1.417	.158	.104	.401	2.491	.401
4	APR	<b>.081<sup>e</sup></b>	<b>1.123</b>	<b>.263</b>	<b>.083</b>	<b>.394</b>	<b>2.540</b>	<b>.382</b>

a. Dependent Variable :ABI  
b. Predictors: (Constant), AWOM  
c. Predictors: (Constant), AWOM, ALS  
d. Predictors: (Constant), AWOM, ALS, ASQ  
e. Predictors: (Constant), AWOM, ALS, ASQ, CBT

N = 188

Source: Developed for the research

Table 4.11 shows that public relations variable has been excluded out from the equation model due to its significant ( $p = 0.263$ ;  $0.263 > 0.050$ ). This will further prove in hypothesis testing that public relations hypothesis will be rejected.

### **Hypothesis 1**

H1: Brand trust will significantly influence public perception on brand image after airline crisis (MH370).

Referring to Table 4.10, the significant value of brand trust is 0.023, which is lower than 0.05 ( $p = 0.023 < 0.05$ ). Therefore, H1 is accepted. Thus, this allows researchers to claim that brand trust has significantly impact on brand image after airline crisis (MH370).

### **Hypothesis 2**

H2: Service quality will significantly influence public perception on brand image after airline crisis (MH370).

Based on Table 4.10, the significant value of service quality is 0.003, which is lower than 0.05 ( $p = 0.003 < 0.050$ ). Therefore, H2 *is accepted*. Hence, it shows service quality has significantly impact on brand image after airline crisis (MH370).

### **Hypothesis 3**

H3: Word of mouth will significantly influence public perception on brand image after airline crisis (MH370).

According to Table 4.10, the significant value of Word of Mouth is 0.000, which is lower than 0.05 ( $p = 0.000 < 0.050$ ). Therefore, H3 *is supported*. In short, this proves that word of mouth has significantly impact on brand image after airline crisis (MH370).

#### **Hypothesis 4**

H4: Public relations will significantly influence public perception on brand image after airline crisis (MH370).

Based on Table 4.11, the significant value of public relations is 0.263, which is higher than 0.05 ( $p = 0.263 > 0.050$ ). Therefore, H4 *is rejected*. Which explained that public relations has no significantly impact on brand image after airline crisis (MH370).

#### **Hypothesis 5**

H5: Leadership will significantly influence public perception on brand image after airline crisis (MH370).

Based on Table 4.10, the significant value of leadership is 0.000, which is lower than 0.05 ( $p = 0.000 < 0.050$ ). Therefore, H5 *is supported*. This shows that leadership has significantly impact on brand image after airline crisis (MH370).

In summary, brand trust (0.023), service quality (0.003), word of mouth (0.000) and leadership (0.000) has significantly impact to brand image after airline crisis (MH370) while their p-value is lower than 0.05. On the other hand, public relations (0.263) has no significant impact on brand image after airline crisis (MH370).



## **4.4 Conclusion**

In conclusion, four (4) out of five (5) hypotheses were supported throughout the entire research. Generally, it denotes that the brand trust, service quality, word of mouth and leadership have major impact toward brand image after airline crisis (MH370). Nonetheless, public relations does a minor impact toward the brand image. Lastly, respondents' demographic information has been analyzed by descriptive analysis and relationship between constructs has been examined through Pearson correlation analysis and multiple regression analysis. The next chapter will discuss on the overall of the research, research findings and the results of this research, as well as provides recommendations for future study.

## **CHAPTER 5: DISCUSSIONS, CONCLUSION AND IMPLICATIONS**

### **5.0 Introduction**

This chapter will focus on discussion, conclusion from the statistical data in previous chapters as well as the limitation and recommendation of this study to help future researcher. Overall conclusion will summarize based on this research findings and lastly the implication of results will discussed to identify the achievement of the purpose of this study.

### **5.1 Summary of Statistical Analyzes**

The results and interpretation generated in previous chapter will further analyses and discuss in this chapter. This including three major section, demographic profile of respondents, Pearson correlation analysis and multiple regression analysis.

#### **5.1.1 Descriptive Analysis**

In this research, there are a total of 188 respondents with usable information are collected. Descriptive analysis had conducted to analyze the demographic profile of respondents, such as gender, age, academic qualification, and race.

The demographic profile of the respondents illustrated that the majority respondent was female respondents with 53.7% (101 respondents) of the sample pool which is closely equal to male respondent while they has 46.3% (87 respondents). Besides, the numbers of respondents are lesser for older age group. The two largest age categories that contributing 96.3% of the total respondents fall in “below 21” and “21 - 30” categories which consist of 18.1% (34 respondents) and 78.2% (147 respondent respondents).

However, the ethnicity of the respondents facing an imbalance condition. The major proportion tends toward Chinese which consists of 175 respondents (93.1%) while the remaining 6.9% has divided by Malay (2.1%), Indian (2.7%) and other ethnic group (2.1%). Furthermore, the proportion of respondent with higher education level appear to be high as the total of 84% respondents was Bachelor’s Degree holders (59%), Diploma or Advance Diploma holders (16.5%) and STPM holders (8.5%). Meanwhile, SPM holders was 11.2% and other education has the smallest proportion which is 4.8%.

### **5.1.2 Scale Measurement**

Cronbach’s alpha reliability test had used to measure internal reliability of six constructs with 27 items. The variable with highest Cronbach’s alpha value is leadership (0.945) and the lowest is PR (0.895). In the other hands, brand trust (0.929), service quality (0.923), brand image (0.904) and WOM (0.898) sorted with ascending order. Thus, all variable passed the internal reliability test with good internal consistency reliability.

### 5.1.3 Inferential Summary

#### 5.1.3.1 Pearson Correlation Analysis

Pearson correlation analysis has been used to assess the relationship and correlations strength among six constructs. All independent variables are significant correlation with brand image after airline crisis (MH370) and above moderate strength of positive correlations ( $\alpha > 0.41$ ). Moreover, WOM ( $\alpha = 0.711$ ) is the only one variable with strong positive correlation ( $\alpha > 0.70$ ).

#### 5.1.3.2 Multiple Regression Analysis

In this research, all hypotheses were supported except H4. In other words, there is significant relationship ( $p < 0.05$ ) between brand trust, service quality, WOM and leadership with brand image (MH370). In opposite, PR have no significant relationship ( $p > 0.05$ ) with brand image after airline crisis.

Thus, the equation has formed as below:

$$\mathbf{BI = 0.333 + 0.210 WOM + 0.124 LS + 0.131 SQ + 0.090 BT}$$

The equation above clearly illustrate that WOM, leadership, service quality and brand trust has significantly influence brand image after airline crisis (MH370). Meanwhile, PR has been excluded while H4 is rejected. Nonetheless, WOM is identify as the strongest influencer ( $\beta = 0.210$ ) meanwhile the brand trust is the lowest influence power ( $\beta = 0.090$ ).

## 5.2 Discussions of Major Findings

This research study focuses on the relationship between brand trust, service quality, WOM, PR and leadership. A result summary of the hypotheses testing is generated as Table 5.1 below.

Table 5.1: Summary of research objectives, hypotheses and results

NO	Hypotheses	Results		Determination
		p-value	β-value	
1	Brand trust will significantly impact on brand image of MAS after MH370 incident.	0.023 ( $p < 0.05$ )	0.090	Supported
2	Service quality will significantly impact on brand image of MAS after MH370 incident.	0.003 ( $p < 0.05$ )	0.131	Supported
3	Word of mouth will significantly impact on brand image of MAS after MH370 incident.	0.000 ( $p < 0.05$ )	0.210	Supported
4	Public relations will significantly impact on brand image of MAS after MH370 incident.	0.263 ( $p > 0.05$ )	0.081	Rejected
5	Leadership will significantly impact on brand image of MAS after MH370 incident.	0.000 ( $p < 0.05$ )	0.124	Supported

Source: Developed for this research

### 5.2.1 Brand Trust

Research Objective 1: To identify the relationship between brand trust and brand image after airline crisis (MH370).

Research Question 1: Will brand trust change the public perception on brand image after airline crisis (MH370).

Hypothesis 1: Brand trust will significantly influence public perception on brand image after airline crisis (MH370).

The result explained that brand trust (Pearson's correlations = 0.674;  $\beta = 0.09$  with  $p < 0.05$ ) is changing the brand image in the same direction but it is the lowest influencer to brand image after crisis. Hence, brand trust was not a critical construct. This result is supported by Alam and Yasin (2010) studies found that brand trust divide into two dimension which is reliability and the attribution of good intentions to the brand in relation to the consumer' interests and welfare. Meanwhile, these two dimensions were not fulfilled by MAS when the crisis occurs. Flight missing unnoticeable and MAS refuse to announce or answering any inquiry from the stakeholders, media and victim's relatives in the early of the crisis neither given an appropriate nor responsible answer to the public what is the true story of this incident. It has sculpted an unreliable and act opposite from the consumer's interest and welfare, which result of distrust perception toward the brand image of MAS.

Furthermore, distrust sentiments will increase consumers' fear and resulting boycott and refuse reaction to MAS' services. This may slightly related to the context of uncertainty avoidance. Hofstede (1991) has claimed that "Uncertainty avoidance defined as the extent to which the members of a culture feel threatened by uncertain or unknown situations and try to avoid such situations".

Therefore, it is proved that brand trust plays a role in influencing the brand image since the effect of distrust will be enlarged in Asian country (higher uncertainty avoidance context) especially Malaysia compared with other western countries.

Besides, *mere exposure effect* in Chapter 2 which strongly participates in functioning. It stated that frequent repeat exposure of negative information will enhance the negative sentiments or perception in consumer's mind and change consumers' preferences through associating the MAS brand with negative brand equity (familiarity). Therefore, the negative comments from the media and public indirectly enhance a distrust perception toward MAS that damages the brand image.

In summary, the research objective "to identify relationship between brand trust and brand image after airline crisis (MH370)" and the research question "Will brand trust change the perception on brand image after airline crisis (MH370)" has been fulfilled. Hence, we can conclude that there is a positive relationship between brand trust and brand image after airline crisis.

### **5.2.2 Service Quality**

Research Objective 2: To identify the relationship between service quality and brand image after airline crisis (MH370).

Research Question 2: Will service quality change the public perception on brand image after airline crisis (MH370).

Hypothesis 2: Service quality will significantly influence public perception on brand image after airline crisis (MH370).

The service quality (Pearson's correlations = 0.670;  $\beta = 0.131$  with  $p < 0.05$ ) is the second lowest contributor to brand image after airline crisis (MH370) since its significant of regression coefficient (p value) is 0.003. Thus, service quality has more influence power than brand trust toward brand image. All research findings are supported that the service quality has significantly influence public perception on brand image after airline crisis. The experience of service is very important for service industries to increase the satisfaction of consumer that will convert into perception later.

Meanwhile, bad service quality expectation derived from the *inappropriate practice and resolutions* have given service quality to have more influence power than brand trust toward brand image after airline crisis. As *adequate service expectation* mentioned by Zeithaml and Bitner (1996), consumer will understanding if there is out of their control. Nevertheless, MAS has to ensure they are fulfilling the *desired service expectation* where MAS should bear the responsibility and should not provide unreliable and misleading information, avoid to respond any reception or enquiries and without given any apologies to the victims' families. Yet, MAS was not satisfied consumers' desired service expectation and not show they are responsible and try the best to solve this incident but it still out of control.

These *inappropriate practice and resolution* has lower the perceived service quality of public toward MAS as a premium airline service provider since the price and the quality provided was not the equal or better off. This affect the perception and satisfaction of consumers that lead to an inverse brand image conversion. Hence, MAS service quality has associate a negative brand image in public's mind during MH370 incident.



In short, the research objective “to identify relationship between service quality and brand image after airline crisis (MH370)” and the research question “Will service quality change the perception on brand image after airline crisis (MH370)” has been met. Therefore, we can conclude that there is a positive relationship between service quality and brand image after airline crisis (MH370).

These *inappropriate practice and resolution* has lower the perceived service quality of consumer toward MAS as a premium airline service provider since the price and the quality provided was not the equal or better off. This affect the perception and satisfaction of consumers that lead to an inverse brand image conversion. Hence, MAS service quality has associate a negative brand image in consumers’ mind during MH370 incident.

In short, service quality is significantly impact brand image of MAS after MH370 incident. MAS should aware the important role of service quality in recovery the brand image after MH370 incident.

### **5.2.3 Word of Mouth**

Research Objective 3: To identify the relationship between word of mouth and brand image after airline crisis (MH370).

Research Question 3: Will word of mouth change the public perception on brand image after airline crisis (MH370).

Hypothesis 3: Word of mouth will significantly influence public perception on brand image after airline crisis (MH370).

Table 4.10 and 5.1 show that WOM (Pearson's correlations = 0.711;  $\beta$  = 0.210 with  $p < 0.05$ ) is the highest influencer to brand image after airline crisis (MH370). So, WOM is the most critical among independent variables. The research finding has strong evidence to prove that WOM is significantly influence brand image after airline crisis. By referring chapter 2.2.6, WOM will affect consumer behavior and perception toward brand image.

Negative WOM are blooming around after the MH370 due to the highly dissatisfaction and the severity of this incident. Meanwhile, WOM is acknowledged that it is nine times effective than any other marketing tool on changing unfavorable preference to positive attitudes yet it is far efficient when there was negative type WOM (Armellini, 2011; Days, 1997; Bone, 1995; Bolting, 1989; Arndt, 1967). In the other hand, WOM Thus, this shows the destructive of WOM is slightly powerful than used in the productive side.

Besides, the context of Malaysia is high uncertainty avoidance which will further amplify the effect of negative WOM which make it more destructive. Moreover, people tend to accepting information from trusted source (such as families, relatives and friends) rather than the company which they may hide something to maintain their self-interest. Meanwhile, MAS are losing trust of the public in this incident while this will be another catalyzer that empowers WOM to be so harmful to brand image after airline crisis.

In brief, the research objective “to identify relationship between word of mouth and brand image after airline crisis (MH370)” and the research question “Will word of mouth change the perception on brand image after airline crisis (MH370)” has answered in this research. Therefore, we can conclude that there is a positive relationship between word of mouth and brand image after airline crisis.

## 5.2.4 Public Relations

Research Objective 4: To identify the relationship between public relationship and brand image after airline crisis (MH370).

Research Question 4: Will public relationship change the public perception on brand image after airline crisis (MH370).

Hypothesis 4: Public relationship will significantly influence public perception on brand image after airline crisis (MH370).

PR (Pearson's correlations = 0.626;  $\beta = 0.081$  with  $p > 0.05$ ) was proved that PR does not given any influence on public perception towards brand image after airline crisis. Hence, H4 is rejected in this research. Based on this result, it owing to several reasons that claimed by other researcher and associations.

Malaysia environment would be the major reason of why PR did not contribute to brand image after airline crisis. According to 2013 World Press Freedom Index, Malaysia was ranked at No. 145 out of 179 countries meanwhile it has been fall 23 rank as compare to year 2012 was No. 122 (Reporters Without Borders, 2013). This implicates that Malaysian press industry was monitoring by government therefore the publication must be within the margin set by the government. Therefore, the information release may not the whole part of the real story, it believed that was a filtered press release. So, public tend to ignore the conservative rhetoric from the local media channel and newspaper.

Besides, Hanzaee and Farsani (2011) concluded that PR alone is not enough to contribute to brand image without the aids of trust owing to their may view there was a bad motive behind while the company associate with negative brand image.

In MH370 incident, public will pretend MAS is using PR to shirk the responsibility and try to remove bad public perception towards MAS therefore PR was not successful. This assumption will further enhanced by the high uncertainty avoidance context in Malaysia which mean public will more likely to pretend MAS has bad intention in PR activities and ignore it. Furthermore, a study about the PR activities among PR practitioners in Malaysian companies had observed that the evaluation of the effectiveness of PR activities is important however it was not practiced as extensively in Malaysia (Leong, Krishnan, and Lee, 2012). This implicates that Malaysian companies do not have the proper evaluation system to assess the effectiveness of PR activities; therefore the PR activities may not contribute any consequent to the company. Hence, it was reasonable that the PR do not influence the perception brand image after airline crisis in Malaysia.

Lastly, Nyer and Gopinath (2005) claimed that negative WOM effects will takes place if complaints are discouraged. In early of Chapter 2, a brief summarize about MAS' inappropriate action such as do not respond any enquiries and remain silence about the incident has lose public confident on MAS which given an bad impression to the public. Furthermore, shirk responsibility rhetoric was used by MAS to handling this incident. Due to this, the public would like abandon PR as the channel to communicate with MAS then change to use WOM to express their feeling about the product and services. Meanwhile, collectivism context in Malaysia make the WOM more efficient because Malaysian love to gathering, meeting and sharing information with families, friends and relatives. In addition, WOM is more trustable than PR in this incident.

Yet, the leadership plays important role in this study which will discuss in next. In brief, the public fed up to listening to the unreliable, misleading and irresponsible speech from MAS yet without any channel provided to communicate with MAS to solve the problem.

In the other hand, Leadership plays importance roles to maintain brand reputation inside and outside of the organization which overlap certain functional of PR. Thus, PR in this study might overshadow by leadership and WOM as both of them was the major contributor to the brand image after airline crisis.

In short, PR in Malaysia is low effectiveness and as unreliable channel to public therefore the existence of PR is ignored by the public so PR could not influence the public perception on brand image after airline incident. Therefore, the research objective and the research question have answered in this research. Therefore, we can conclude that there is no relationship between PR and brand image after airline crisis.

### **5.2.5 Leadership**

Research Objective 5: To identify the relationship between leadership and brand image after airline crisis (MH370).

Research Question 5: Will leadership change the public perception on brand image after airline crisis (MH370).

Hypothesis 5: Leadership will significantly influence public perception on brand image after airline crisis (MH370).

Based on table 4.10 and 5.1 illustrated that leadership (Pearson's correlations = 0.644;  $\beta = 0.124$  with  $p < 0.05$ ) is significantly influence ( $p = 0.000$ ) public perception on brand image after airline crisis (MH370). Thus, there is enough statistical evidence to prove that leadership are influence brand image of MAS after the incident. Research findings defined leadership as software of a company while the performance, reputation and brand image reflect from leadership effectiveness.

Leader decide the resolution and company action that giving perception and perceive element such as perceived quality, performance and satisfaction to the consumer that would determine the perception towards brand image. Leadership may not so important in normal day however it becomes extremely important during the crisis occurred. Leader must able to take instant action and be decisive which allow them to minimize the problem before it growing uncontrolled. Besides, leader plays an important role to maintain the brand reputation inside (within the company) and outside (public) of the organization. The effectiveness of problem solving will increase the perception of the customer as the satisfaction and trusts has been recovered then lead to positive WOM and service quality.

In brief, leadership effectiveness affects the performance of brand trust, service quality, PR effectiveness, brand image and minimize the damage of WOM. Hence, the research objective and the research question have fulfilled. Thus, we can conclude that there is positive relationship between leadership and brand image after airline crisis (MH370).

### **5.3 Implications of the Study**

The purpose of this research project is to examine the factors impact on brand image of MAS after MH370 incident. Very less researchers have done the similar topic, so this study has tried to acquire as much past studies to support as possible and provide useful information for future researcher and companies to aware the importance of brand image and the influencer.

### 5.3.1 Managerial Implications

Brand image is very important to organization whereby the reputation of brand image is linking with the organization. **Brand trust** is one of the factor that influence brand image after airline crisis, trust is very important as consumer trust the product is safe for use or not. So, company must ensure that give consumer have confident to use their product. Brand trust in this study shows that every unit of brand trust increased will increase 0.09 unit of the brand image. Although it is the minor contributor, however it tends to be the mediator to other independent variables which is not tested in this research.

Referring entire research findings, brand trust is important to leverage the effectiveness of service quality, PR, WOM and leadership. Hence, since brand trust was the minor influencer so company shall put the acceptable level of resource for trust building as it was a long term process. Trust building is a long term oriented and continuously process in order to give consumer consistent perception, feeling and brand attitude. Therefore, provide good service quality, channel of communication, high responsive on solving complaint yet be reliable and responsible service provider.

**Service Quality** is very important to any kind of business especially service industry, service quality play an role of give consumer feel about the brand of the organization and how it can be perceived by the customer. Some research mentioned about different people have different perceived service quality, company must provide the best service quality that accept by the majority to maintain the brand image. Service quality in this study plays medium influencer roles together with leadership. This shows that the service quality on how it meets the expectation in term of “*adequate service*” and “*desired service*” is very important to maintain and enhanced the brand image yet contribute to brand trust and WOM in certain way which the effect is more obvious after crisis.

Thus, companies should put effort on service quality to enhance the brand image and enjoy the benefit derive from strong brand image. Service quality can be improved not only based on the hardware of the products or services however software part is also important to consumer because they are evaluate everything company provide to them. If the satisfaction is low, consumer will not loyal to the brand and shift to the competitor brand.

**Word of Mouth** is uncontrollable by the company and it affect the brand image toward negative or positive, in the research found that WOM had the highest impact on the brand image. WOM is a viral type of communication tool, it spread very fast yet it could be destructive. Company must focus on creating a positive WOM in order to increase the brand image. The impact of WOM is huge as the findings explained that the financial effort to avoid uncertainty is higher than saving cost to purchase a products or services.

In brief, company must aware of the negative WOM and solve it before the damage cause to brand image become irreversible. In order to reduce the WOM impact, Richins (1983) said that the negative WOM arise when the complaint is discouraged which mean the complaint is not handle properly and timely, then the negative WOM is taking place. Mahajan, Muller and Kerin (1984) explained that when there is a negative rumor, the most appropriate strategy is to change the level of consumers' awareness through advertising or PR. Nonetheless, some researcher disagree this statement and proposed company should focused on customer satisfaction to avoid dissatisfaction which leads to negative WOM.

**Public relations** are important as company can share their information and show responsibility toward the stakeholder. While company slow in responding or make unreliable announcement, it will influence the public perception on the brand image. Company must aware that PR is not just for create awareness or push the product but it is also a tool to communication and show responsibility toward the society.



Besides, PR has been identified not important in this research may owing to the immature effectiveness evaluation method, the culture context of Malaysia and other environment limitation.

Besides, PR was concluding that it has no relationship with brand image after airline crisis. Hence, PR was not important in Malaysia. However, it still suggested that companies to develop an appropriate and well appraisal on the effectiveness of PR activities since the rapid change environment may require PR in future.

Lastly, **Leadership** gave medium influence on public perception on brand image after airline crisis in this research. If Leadership effectiveness is not effective enough people may lose confidence on brand and it lead to negative brand perception. Yet, it shows the incapability of an organization when leadership is weak in the organization. Moreover, a good leader should able to communicate to the consumer and act fast to solve negative issues especially negative WOM, poor PR and service quality to minimize the negative impact to the brand image when crisis occurred.

Therefore, company should pay more attention on building a good leader within the organization to gain synergy and reduce negative effect. In order to nurturing good leader, continuous training and development are important to enhance the soft skill such as communication and interpersonal, knowledge and critical thinking.

### 5.3.2 Marketing Implication

**Brand trust** can create confident and to lower down the uncertainty avoidance of the customer, losing brand trust seems will longer the purchase decision making that lead to slumping in sales. High brand trust product will shorter the consumer purchase decision making process and increase loyalty of consumer.

While low brand trust will longer the decision making process or even avoid consuming its product and services. Marketer should building brand trust to avoid being boycott and increase sales, repurchase intention and brand image. Brand trust needed to maintain to avoid mere exposure effect and halo effect taking place that impact the brand image.

Next, **Service quality** is the ability that companies provide products and services over the expectation of consumer. Based on this, MAS positioned itself as a premium airline so it should provide the services above “can be” rather than “should be”. If it could not achieve this, it has no different than the low cost airlines. High service quality lead to a differentiation, higher brand loyalty and brand image that could help company to generate excessive profit.

**Word of Mouth** can be used as a marketing tool that generate positive brand image and company can save more cost because of the free marketing from the customer. WOM has nine times effective than other promotions tool. However, negative WOM has been amplified ten to twenty times in Malaysia as there are several factors that enhance the effectiveness of negative image yet increase the destructive potential too.

Furthermore, **Public relations** show how company responsiveness toward the society but in the same time it can be create a free advertising of the brand and lead increasing of brand image. Public relations can give more understanding for the customer and building trust, positive perception toward the brand image.

However, a drawback has been mention at the early of this chapter, Malaysian companies are lack of appropriate evaluation system that accurately measure the effectiveness of PR and perform a suitable adjustment to increase its effectiveness.

### **5.3.3 Consumer Implication**

Consumer behavior, attitude, thinking will discussed in this session. First, Malaysia is collectivism country which consumer tend to trust on information from friends and families. Besides that, collectivism tend to enlarge the effectiveness of WOM while collectivism consumer will follow the majority's' opinion on purchase or consumer products and services. This is due to sheep flock effect or so called herd behavior.

Moreover, Malaysia also is high uncertainty avoidance country which also empowers the effectiveness of WOM, and the perception toward defects or bad service and product quality. Malaysian consumer tends to avoid uncertainty especially products or services which have quality problem, low brand image and bad brand reputation. Referring to WOM, a financial effort for avoid uncertainty is higher than saving cost.

In short, Malaysian consumers are easily affected by friends and families through word of mouth and herd behavior. Yet, if a product or services consist of either one low service quality, low brand trust or negative word of mouth will proactive the uncertainty avoidance behavior that force consumer to avoid those product and services unconsciously.

## 5.4 Limitations of the Study

There are several limitation and obstacle that faced by researchers while conducting this research study. It is very important to declare, understanding the limitation of the study to assist future researches to conduct with a better methodology design, acquire more accurate data and minimize the problems faced.

Firstly, some respondent are unwilling to answer the questionnaire. Researcher faced difficulty when the respondent either unwillingness to answer the questionnaire or simply answer the questionnaire.

Secondly, researcher found that there is imbalance diversity in respondents' demographic profile during the analysis process in chapter 4. Ethnic group was the major limitation which Chinese respondents were dominated in this research with 93.1% alone. Furthermore, lack of age group above 30 years old (3.7%) was the second drawback that we can't study their psychology and behavior so the data are tend toward youngster.

Although this research used convenience sampling to increase the chances to reach respondents with different demographic background, culture and way of they perceive thing however the largest disadvantages was unable to maintain the ideal distribution among ethnic group. The data collected in this research could not fully represent the condition of Malaysia. Thus, this research has not considered the affection of ethnic and age group on brand image after airline crisis (MH370).

## 5.5 Recommendations for Future Research

This research study has discovered a lot of questions to further investigation. There are some recommendations for future research to have better understanding regarding the perspective of research areas. These recommendations help to obtain more appropriate and reliable data and information for future research study.

In addition, it is strongly suggest that future researcher to examine the relationship between independent variable, context of cultural dimension and the difference between airline user, non-airline user and MAS customer. They may have different perception, feeling and pattern of purchasing behavior. Owing to this research only take consideration of overall public perception yet it was just the basic therefore this recommendation will enhance the research findings and better understanding on this topic.

Next, there are other factors that may influence the brand image after airline crisis (MH370) such as company reputation, brand satisfaction, brand attitude, brand attachment, brand judgment and environmental consequences which has not done in this research. Hence, it consist the possibilities to explore the remaining uninfluenced variation (37.5%) on public perception towards brand image after airline crisis.

Furthermore, the information and communication technology was rapidly changes; future researcher may consider conduct research through mobile platform (Android, IOS and Microsoft). Yet, the traditional approach to have better coverage on different living style, social class and the elder group which has been emphasize on the beginning of limitation. Therefore, a hybrid method is suggested to gather sample from different demographic background. Lastly, the relation among the independent variable was not included in this research however they tend to be interrelated. So, further research on the relation among the independent variable will give a border view on the causal relationship between variables.

## 5.6 Chapter Conclusion

Summary of statistical analysis (descriptive and inferential analysis) has been concluding the overall result in the early of this chapter. Next, the results of the hypotheses is discusses with supported of research findings. Managerial, marketing and consumer implication is provided to recommend some approach where this study will assist organization to effectively identify the factors influence the public perception on brand image after airline crisis (MH370). The limitations and recommendations are listed to assist future researchers in their study.

Hence, it is important to continuously conduct future research with in-depth knowledge on this topic because it was not broadly discussed and it was important for future crisis management as it allow manager and marketer know how to deal with the negative impact by minimize them to minor level.

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## Appendices

### Appendix A: Survey Questionnaire



## Survey on Factor Influence the Public Perception on Brand Image after Airline Crisis (MH370)

Dear respondents,

We are students from UniversitiTunku Abdul Rahman (UTAR), Faculty of Accountancy and Management, pursuing the degree in Bachelor of International Business (HONS) (IN), currently conducting a research on “the Factor Influence the Public Perception on Brand Image after Airline Crisis (MH370)”. The objective of this research is to identify the destructiveness of the brand image in the context of public perception to determine what and how was it affect the Brand Image after Airline Crisis (MH370).

We sincerely hope that you will take a few minutes to complete this questionnaire.

Your responses are important for us to complete our study.

Your participation is on voluntary basis.

Please take note that this survey is strictly for academic purposes and we would like to assure you that all the information collected will remain PRIVATE AND CONFIDENTIAL. We greatly appreciate you for taking the time, efforts and participation in completing this questionnaire. Thank you for your cooperation.

From:

<b>Student Name</b>	<b>Student ID</b>
George Lai Gim Loon	1207640
GanTeck Sing	1207402
Yap Yong Wei	1003426

Please read EACH question carefully and provide the correct information by placing a TICK ( ✓ ) in the boxes provided.

## **Section A: Demographic**

### **Gender \***

- Male
- Female

### **Age \***

- Less than 21 years old
- 21 – 30 years old
- 31 – 40 years old
- 41 – 50 years old
- 51 – 60 years old
- More than 60 years old

### **Race \***

- Malay
- Chinese
- Indian
- Others

### **Highest Education Level \***

- SPM
- STPM
- Diploma / Advance Diploma
- Degree Bachelor
- Others

## **Section B: Independent Variable**

### **Brand Trust \***

The trustworthiness level of MAS airlines after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I feel confident in MAS Airlines.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines is safe.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines is very reliable.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines is very competent.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines is very responsive.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines is very high integrity.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### **Service Quality \***

The Public expectation and perception on MAS Airlines after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
MAS Airlines offers excellent service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel good about what MAS Airlines offers to its customers.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MAS Airlines providing service as promised.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MAS Airlines is reliable in handling customer service problem.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MAS Airlines is ready to respond to customer requests.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Word of Mouth Communication (WOM) \***

An oral or written recommendation by a family member, friend or satisfied customer regarding to MAS Airlines after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I find information given by my friends and relatives about MAS Airlines is a trustworthy brand.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I trust what my friends and relatives says about this MAS Airlines providing reliable service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'll say positive things about MAS Airlines to the others.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I'll recommend MAS Airlines to people asking my opinion.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I encourage my friends and my relatives to use the services of MAS Airlines.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Public Relationship \***

A practice of manage the spread information between an organization and public about what happening at current situation. How was MAS Airlines communicate toward public after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I feel that MAS Airlines often holds PR activities to enhance consumers' understanding about the service.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines would deal with emerging issues timely and sincerely.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines would handle consumers' comment timely and sincerely.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



I feel that MAS Airlines continuously engages in PR activities.

I feel that MAS Airlines places high importance on PR activities.

**Leadership \***

Leader are the one who communicate with the public that what happening within the company or crises and how MAS Airlines Leader react after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The ability to apply public relations knowledge to crisis situations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ability to use knowledge of mass and specialized media to help the organization communicate effectively with public.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The ability to strategically use new technologies to help the organization communicate and interact with public.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Known the process of using research to develop appropriate strategies, messages, and activities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Known the process of using research to help solve communication problems.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Known the process of converting knowledge about publics and policies into effective and representative advocacy of these publics with decision makers.

**Section C: Dependent Variable**

**Brand Image \***

The image of the brand on consumer mind but it is also an asset to the company that give reputation to the company and profit. What are the brand perception of consumer on MAS airlines after the MH370 incident

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I feel that MAS Airlines branding product possesses its practical function.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines branding product possesses a positive symbolic meaning.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that MAS Airlines branding product can relate to the pleasant experience.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>