

A STUDY OF CUSTOMER SATISFACTION
TOWARDS SERVICE QUALITY IN AIRASIA
MALAYSIA

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FACULTY OF ACCOUNTANCY AND MANAGEMENT
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BY

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A research project submitted in partial fulfillment of the
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DECLARATION

We hereby declare that:

- 1) This UKMZ 3016 Research Project is the end result of our own work and due to the acknowledgement has been given in the references. ALL resources of information are in 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 members in completing the research project.
- 4) The word count of this research report is 13775 words.

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PREFACE

First of all, this study is a partial requirement for the academic studies of “Bachelor of International Business (HONS)”. In addition, the project targets to cultivate the intellectual interest and critical thinking among the undergraduates besides their regular responsibilities. This prohibits the integration of research capability and application of theoretical elements into group written, oral and discussion ability.

This study is conducted to investigate the significant relationship of the factors that influence customer satisfaction and service quality of the airlines industry. The project is further scrutinized into the determination of the latter for AirAsia Malaysia. The contributors towards customer satisfaction and service quality in AirAsia are identified in this research project to be tangible features, schedules, services provided by the ground staff, services provided by the flight attendants, online services and food services. The emerging dominance of AirAsia Malaysia in the airlines industry further increases the attractiveness of this project. The rationale of conducting this research project increases the empirical knowledge and critical thinking about customer satisfaction and service quality, varying from the diversity of definition for service quality and customer satisfaction to the extent of how significant are the factors in relative to each other towards customer satisfaction. It lays the foundation for the airlines industry to further enhance and improve on the service quality and its effective means of service delivery. Through this project, the understanding of customer satisfaction and service quality can be fostered both from the viewpoints of the organization and customers.

ABSTRACT

In rapidly changing contemporary business world, the emerging significance of the airlines industry has been one of the most crucial economic developments of the past decade. A paradigm shift was recorded in terms of the ease of transportation and reliability of the airlines corporations across the globe. The airlines industry has played an important role in the global economy especially in serving as a vital component in the tourism industry and remains essential to the conduct of international business. Moreover, low cost carriers have become dominant players in the airlines industry in the recent years. AirAsia Malaysia has made a remarkable revolution in the air travel with rapidly increasing growth over the years.

The most concern of any airlines corporation would always be the fulfilling the customers' needs by providing benefits and services top of its class. Service quality remains essential in reflecting sales profitability and sustainability of the firm. This creates an attention for the researchers to investigate the key factors that affect the customer satisfaction in service quality of the airlines industry. The airlines organization being investigated is AirAsia Malaysia due to its identity of a local company and classification of LCC. Hence, this study aims to determine the significance of contributing factors towards customer satisfaction and service quality of AirAsia Malaysia.

The overall purpose of the thesis is analyzed from different perspectives: by identifying the factors that contribute towards customer satisfaction and service quality in AirAsia as well as by investigating the relative significance of the customer satisfaction and service quality determinants. The researches have distributed 200 copies of questionnaires around Kuala Lumpur, Klang Valley, Low Cost Carriers Terminals and target respondents are air travellers who have experienced the air travel in AirAsia. Moreover, the statistical package for Social Sciences (SPSS) is being used to analyze the data collected through the survey. A recommendation is presented to propose beneficial suggestions and call for further studies

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

Chapter 1 provides an overview of the whole study. It outlines the background of the study, problem statement, research objectives, research questions, and hypotheses of the study, significance of the study, chapter layout and the overall conclusion of the chapter.

1.1 Research Background

The airlines industry consists of two types of operation namely Full Cost Carriers (FCC), also known as traditional airlines and Low Cost Carriers (LCC). The first airlines corporation in Malaysia was started in October 1937 by Malayan Airways Limited (MAL) which is now named Malaysia Airlines (MAS) (MAS, 2011). MAS is classified under the full cost carriers category.

In Malaysia, there are several LCC such as AirAsia, AirAsia X, Firefly, Maswings, Berjaya Air, and Sabah Air Aviation (David, 2011). AirAsia is the first LCC Company in Malaysia established in 2001. AirAsia is now classified as one of the largest low fare and world's best airlines in Asia. Tan Sri Dr. Tony Fernandes is the founder and the current CEO for AirAsia. With a route network that spans through more than 20 countries, AirAsia continues to pave the way for low-cost aviation through their innovative solutions, efficient processes and a passionate approach to business. With their company philosophy, "Now Everyone Can Fly", AirAsia has made a revolution in air travel with more and more people around the world choosing AirAsia as preferred choice of Airlines.

Based on Uherek (2006), the real start for nation-wide LCC was after the implementation of Aircraft Deregulation Act in 1978 which meant liberation of the market for flight routes and flight prices between the states in the US. The history of LCC was first offered by Southwest Airlines since 1967 in Texas, United States.

Besides, the concept of LCC was initially incepted in 1950 by Pacific Southwest and 1967 by Southwest Airlines with a sole objective of offering cheap airfares to the consumers. With the concept, it has created a situation where the already established flagship carriers or legacy airlines to lose a significant amount of the market share to these newly formed LCC, merely because of the ability to offer at a lower price over traditional FCC (Hameed, 2011).

According to Uherek (2006), LCC do not have absolute sharp difference with the traditional FCC. LCC is also known as budget carriers or no-frills carriers. LCC offer lower fare with limited services. The biggest benefit to the passengers would be the extreme low price. LCC applies additional charges on services such as baggage, food and beverage, seat allocation and priority boarding.

According to AirAsia Group, the following table displays the total passengers of AirAsia between 2009 and 2010.

Table 1.1: AirAsia Group Operating Statistics

FY 2010 Operating Statistic		<i>AirAsia.com</i>	
– AirAsia Group			
Malaysia AirAsia	2010	2009	Change (%)
Passenger Carried	16,054,738	14,235,244	12.6
Capacity	20,616,120	19,016,280	8.4
Load factor (%)	78	75	3ppt
Thai AirAsia	2010	2009	Change (%)
Passenger Carried	5,704,832	4,988,315	14.4
Capacity	7,317,097	6,558,768	11.6
Load factor (%)	78	76	2ppt
Indonesia AirAsia	2010	2009	Change (%)
Passenger Carried	3,921,039	3,461,896	13.3
Capacity	5,124,980	4,701,608	9.0
Load factor (%)	77	74	3ppt
AirAsia Group	2010	2009	Change (%)
Passenger Carried	25,680,609	22,703,455	13.1
Capacity	33,058,197	30,276,656	9.2
Load factor (%)	78	75	3ppt

(Adopted from AirAsia Group, 2011)

In order to fulfill the customers' needs, the ultimate concern for Airlines Corporation is the service offered. The contributing factor for the latter is due to the fact that only satisfied customers will have the intention of repeat purchase (Jusuf, 2011). Additionally, they will tend to share their great experiences and benefits with their network of friends. Many people would argue that price is the most crucial element of concern among the customers. However, the service provided is closely related as the most significant concern in the airlines industry. Continuous improvement in the service provided to the customers should be planned and executed to maximize the business performance.

The improvement in CS for airlines industry can be linked with the measurements of service quality such as tangible features (TF), schedule, services provided by ground staff (GS) and flight attendants (FA), online services (OS), food services (FS) and level of passenger satisfaction. According to Brown (1991), SQ is difficult to define because of the intangible nature of the service offering. The definition of quality may differ from situation to situation and from person to person.

In this study, CS towards SQ was focused on AirAsia Malaysia. By applying the measurements of SQ like TF, schedule, services provided by GS and FS, OS, FS and level of passenger satisfaction, the researchers have identified the dimension of SQ that affects the CS. This dimension serves as the most critical dimension for AirAsia. By conducting this study, the information and results have practical implications for AirAsia' managers as they can manage company resources to make improvement for CS.

1.2 Problem Statement

A focus of quality is crucial to service business and it has acted as a basic for organization to survive the competition, get society's acceptance and be able to achieve its missions (Natalisa & Subroto, 2003). Besides, airlines industry has played an important role in the global economy especially serving as a vital component in the tourism industry and remains essential to the conduct of international business (Tiernan, Rhoades, & Jr, 2008). Moreover, LCC have become dominant players in the airlines industry in recent years. Therefore, AirAsia Malaysia will be evaluated in this study.

Likewise, there are several past related studies of the airlines industry. Babbar and Koufteros (2008) examined the human element in airline SQ in United States; Saha and Theingi (2009) studied SQ, satisfaction and behavioral intentions of LCC in Thailand. However, there are limited research studies on the SQ and CS on Malaysia airlines. Additionally, researches on the airlines industry that have been conducted by researchers in foreign countries might not be applicable for Malaysia due to the different cultures and norms. Relate to it, Winsted (2001) has indicated that consumers have differed service evaluations based on their respective cultures as well as industries.

As there are limited studies of CS towards SQ in airlines industry, and a thorough framework can only be developed with more resources in terms of journal database and time. Thus, researchers used the four SQ dimensions (TF, schedule, services provided by GS and FA) that were evaluated and cited based on previous researchers. Researchers also included two dimensions which are OS and FS into this study. The emerging significance and dependence on OS is more tangible in the airlines industry. AirAsia is fully dependent on the OS for ticketing and enquiry purposes.

Conversely, as food serves as one of the basic human needs, the passengers tend to compare and evaluate the FS on board with their personal consumption experience, be it by the airlines companies or other food and beverage companies. For overall, these six dimensions were be investigated by researchers to have a clearer understanding on CS towards the SQ of AirAsia Malaysia.

1.3 Research Objectives

1.3.1 General Objectives

The purpose of this study is to identify the relationship of the factors that affects the CS and SQ in AirAsia. The factors include TF, schedule, services provided by GS, services provided by FA, OS and FS.

In terms of TF, several researchers have agreed that not only the planes and the flight scheduling, but other tangible and intangible factors such as ticket price, in flight service, employee attitudes, facilities and the ticket procedures are key contributing factors which influence the decision making to select the airlines service (Proussaloglou & Koppelman, 1995; Kanafani & Ghobrial, 1995; Cunningham, Young, & Lee, 2002; Sultan & Simpson, 2000; Lu & Tsai, 2003).

Besides, the flight schedule is anticipated by most of the airline travelers. Regarding the recovery expectations, recovery performance and justice realistic must be address to passengers when there is a flight delay or cancellation (McCollough, Berry, & Yadav, 2000).

Moreover, services provided by GS are actually evaluated by the real services that given in terms of the flight context which will gain the satisfaction of the passengers for the overall flight experiences (Oliver, 1993).

Conversely, the services provided by FA about the flight schedule or the individual attention might produce a greater satisfaction and also with an optimistic emotion linked during the flight (Crompton & Love, 1995).

Furthermore, according to Liu (2005), most of the LCC Company use OS to minimize the manual work which caters for a more convenient means for the customers to book air tickets and receive information via online platforms.

Finally, FS is crucial as it is associated as the basic human need for life nutrition and long life (Agrich, 1993; Lidz, Fischer, & Arnold, 1992).

1.3.2 Specific Objectives

- (i) To identify the degree of tangible features towards customer satisfaction in service quality of AirAsia.
- (ii) To identify the degree of schedules towards customer satisfaction in service quality of AirAsia.
- (iii) To identify the degree of services provided by ground staff towards customer satisfaction in service quality of AirAsia.
- (iv) To identify the degree of services provided by flight attendants towards customer satisfaction in service quality of AirAsia.

- (v) To identify the degree of online services towards customer satisfaction in service quality of AirAsia.
- (vi) To identify the degree of food services towards customer satisfaction in service quality of AirAsia.

1.4 Research Questions

- (i) How can customer satisfaction in service quality of AirAsia be improved?
- (ii) Do tangible features, schedules, services provided by ground staff, services provided by flight attendants, online services and food services affect customer satisfaction in service quality of AirAsia?

1.5 Hypotheses of the Study

There are six hypotheses that have been derived in this study namely:

H1- There is a positive relationship between tangible features and customer satisfaction in service quality of AirAsia Malaysia.

H2- There is a positive relationship between schedules and customer satisfaction in service quality of AirAsia Malaysia.

H3- There is a positive relationship between services provided by ground staff and customer satisfaction in service quality of AirAsia Malaysia.

H4- There is a positive relationship between services provided by flight attendants and customer satisfaction in service quality of AirAsia Malaysia.

H5- There is a positive relationship between online services and customer satisfaction in service quality of AirAsia Malaysia.

H6- There is a positive relationship between food services and customer satisfaction in service quality of AirAsia Malaysia.

1.6 Significance of the Study

This study contributes to further research, organizational perspective and individual perspective (customer). The certainty and reliability of the result are able to act as a guideline for future research in Malaysia airlines industry.

In organizational perspective, this study helps to foster better understanding and knowledge on the CS between SQ with TF, schedule, services provided by GS and FA, OS and FS. Besides, this study helps to determine the contributing variable which has the most significant relationship on SQ. It also helps Airlines Company to identify the real needs and wants of the customers in putting effort to acquire as well as retain the customer quality.

Furthermore, this study helps the airlines company by providing useful information to set appropriate policy in making sure that the customer experiences maximum level of satisfaction.

1.7 Chapter Layout

Generally this study consists of five chapters as listed below:

Chapter 1: Introduction

It is the synopsis of the study. It provides research background, problem statement, research objectives, research questions, hypothesis of the study, and significance of the study, chapter layout and conclusion.

Chapter 2: Literature Review

It discusses the literature review of this study. Besides, the theoretical model and the conceptual framework are proposed for further study. The hypothesis development for this study is conducted.

Chapter 3: Research Methodology

It is mainly about the research methodology. In this chapter, it provides the discussion on how the study is conducted and its descriptions by using research design, data collection methods, sampling design, research instrument and construct measurement (scale and operation definitions). Furthermore, it discusses about the data processing and data analysis.

Chapter 4: Data Analysis

Description analysis is conducted in which it includes the respondent demographic profile and central tendencies measurement of constructs. Furthermore, discussion of scale measurement is provided with the result of the reliability analysis and inferential analyses which will be used to examine the individual variables and its relationship with other variables.

Chapter 5: Discussion and Conclusion

It outlines the discussions, conclusion and implications of this study. In this chapter, it provides a summary on statistical analyses and the discussions on the major findings. Besides, it provides the implications and limitations of the study as well as recommendation for future research. Furthermore, there will be an overall conclusion of the entire study.

1.8 Conclusion

This study has examined the study of CS towards SQ in AirAsia Malaysia. The problem statement, research objectives, research questions and hypotheses have been developed based on previous literature. Additionally, the next chapter will discuss in depth on each of the variables and the proposed conceptual framework.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Published articles, journals and books were collected to investigate the theories and past empirical studies which are related to this study. This chapter consists of literature review, review of relevant theoretical model, conceptual framework, hypothesis development and overall conclusion for Chapter 2.

2.2 Review of Literature

2.2.1 Customer Satisfaction

Customer Satisfaction (CS) has continuously gained increasing attention in business to measure products or service performance. In the simpler terms, CS is regarded as customers' evaluation of their purchases and consumption experience with a product or service to meet the customers' needs (Chen, Chang, Hsu, & Yang, 2011).

Cadotte, Woodruff and Jenkins (1987) defined CS as the emotional response of the customers. Helms and Mayo (2008) defined CS or dissatisfaction as the derivation from the customers' experience with a service encountered and the comparison of that experience to a given standard. In marketing literature, service satisfaction can be classified as an emotional feeling by the consumers after experiencing a certain service which in turn leads to an individual overall attitude towards purchasing of service (Oliver, 1981). Hence, customer emotional response, feeling, personal experience will determine the satisfaction and dissatisfaction of the service delivered.

Additionally, Gronroos (1984) stated that satisfaction of airlines passengers can be determined through the contacts with the employees of the company, physical and technical resources, plane itself, meals and other passengers in the flight. For the airlines industry, service quality (SQ) is more visible and passengers may use it as a basis to judge the overall quality. Service provided by the employees is the most visible for customers (Rhoades & Waguespack, 1999). According to Lorenzoni and Lewis (2004), an understanding of the airlines customers and showing their involvement and enthusiasm in delivering customer services is the key in satisfying and retaining the customers.

There are empirical researchers who have identified SQ, expectations, disconfirmation, performance, desires and equity as significant antecedents of customer satisfaction (Kaushik, Kaushik & Taneja, 2008). Carman (1990) stated that CS is fostered when the service offered by the organization has exceeded their expectations. At the same time, Woodside, Wilson and Milner (1992) stated that the customers of business services tend to stay with the same provider (organization) if they are satisfied with service delivered in a consistent basis. Besides, customer who satisfied with the service provider could recommend the provider to other customers as well (Lam, Shanker, Erramilli & Murthy, 2004). In a service-profit chain, Heskett, Jones, Loveman, Sasser and Schesinger (1994) defined that a low level of CS will lead to lower customer retention rates and fewer referrals, which translates to reduced profitability and slow down the growth of company's revenue.

2.2.2 Service Quality

Leonard and Sasser (1982) and Rabin (1983) stated that the quality of goods and services has become a recognized issue in the marketing context. Therefore, organization has to understand and achieve SQ to satisfy the customers' expectations and needs (Chen, et al., 2010). At the same time, SQ is at the forefront of many carriers' marketing strategies (Lorenzoni & Lewis, 2004).

SQ has been defined in many different ways. Zeithaml (1988) indicated that quality is a relatively global value judgment; it can be defined as product and/ or service excellence or superiority. Perceived SQ is evaluated by the actual performance of the service in terms of particular service attributes in the specific context (Oliver, 1993). According to Kasper, Van Helsdingen and De Vries (1999), they defined SQ as the degree of which the service, its process and its organization can fulfill the consumers' expectation.

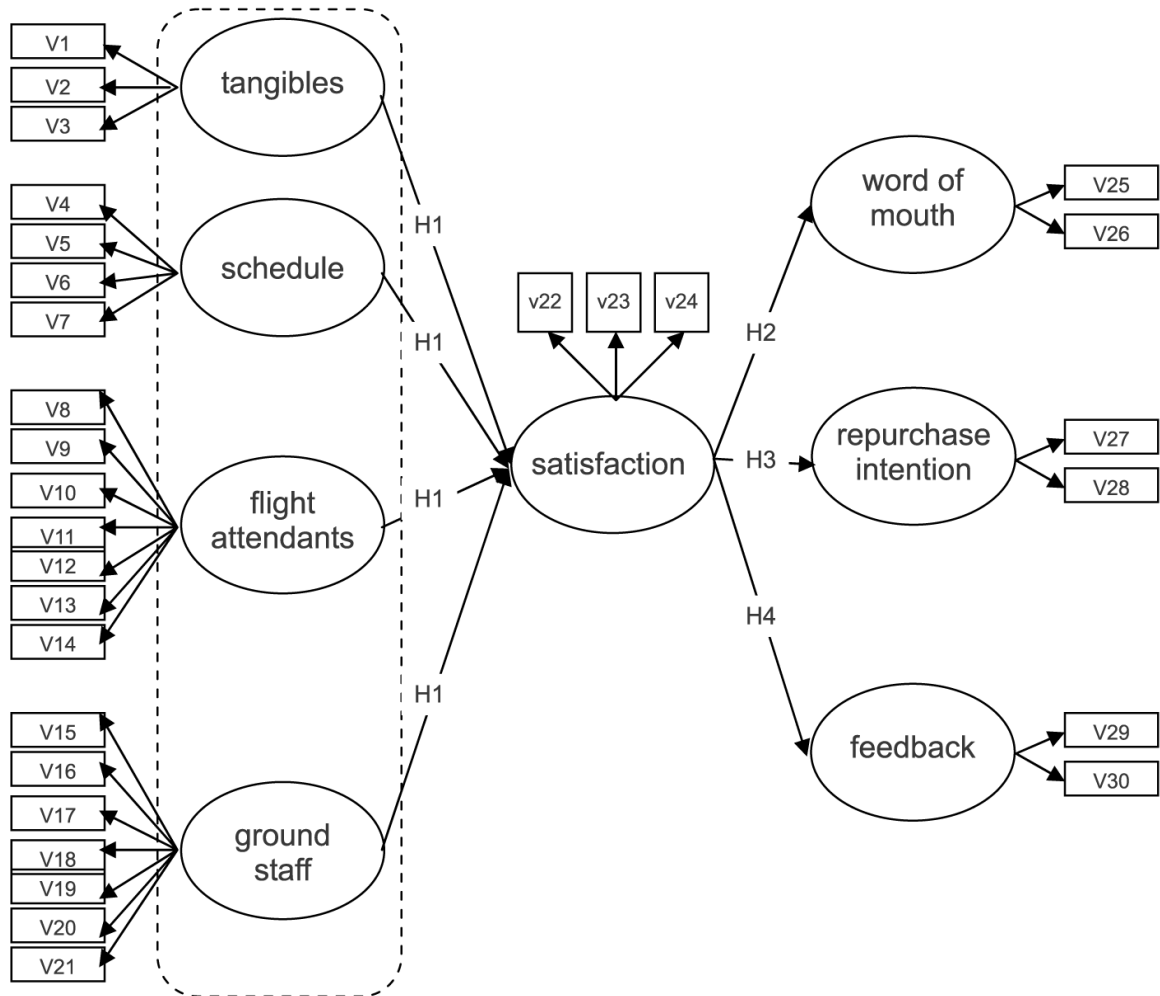
Parasuraman, Zeithaml and Berry (1988) defined that SQ is the consumers' judgment about the overall excellence of a service provider. The judgment is the outcome of the difference between what a customer believes a service provider should offer for them which based on his or her expectation and the actual performance of the service. SERVQUAL instrument measures the SQ which is based on the assumption of the perceived SQ derived from the comparison between the expected service and the actual service delivered by the service provider. There are five dimensions under SERVQUAL model which are tangibility, reliability, responsiveness, assurance and empathy.

SERVQUAL instrument has been used by several researchers in their research to measure the SQ in the airlines industry (Fick & Ritchie, 1991; Sultan & Simpson, 2000). Other than SERVQUAL instrument, Zagat used five basis criteria which are overall performance, comfort, service, food and website of the firm to rate the airlines services (Rhoades, 2006).

The customers are the ones who judge the quality of service and assess SQ by comparing what they are expected with what they perceive to receive. Instead of money, the customers rely on what they have spent to judge the quality of service process delivered by the firm. According to Pham (2011), improving SQ is a conventional way for service firms to gain competitive advantages over their rivals. Hence, by improving SQ lead to improving CS which in turn gaining competitive advantages.

2.3 Review of Relevant Theoretical Model

Figure 2.1

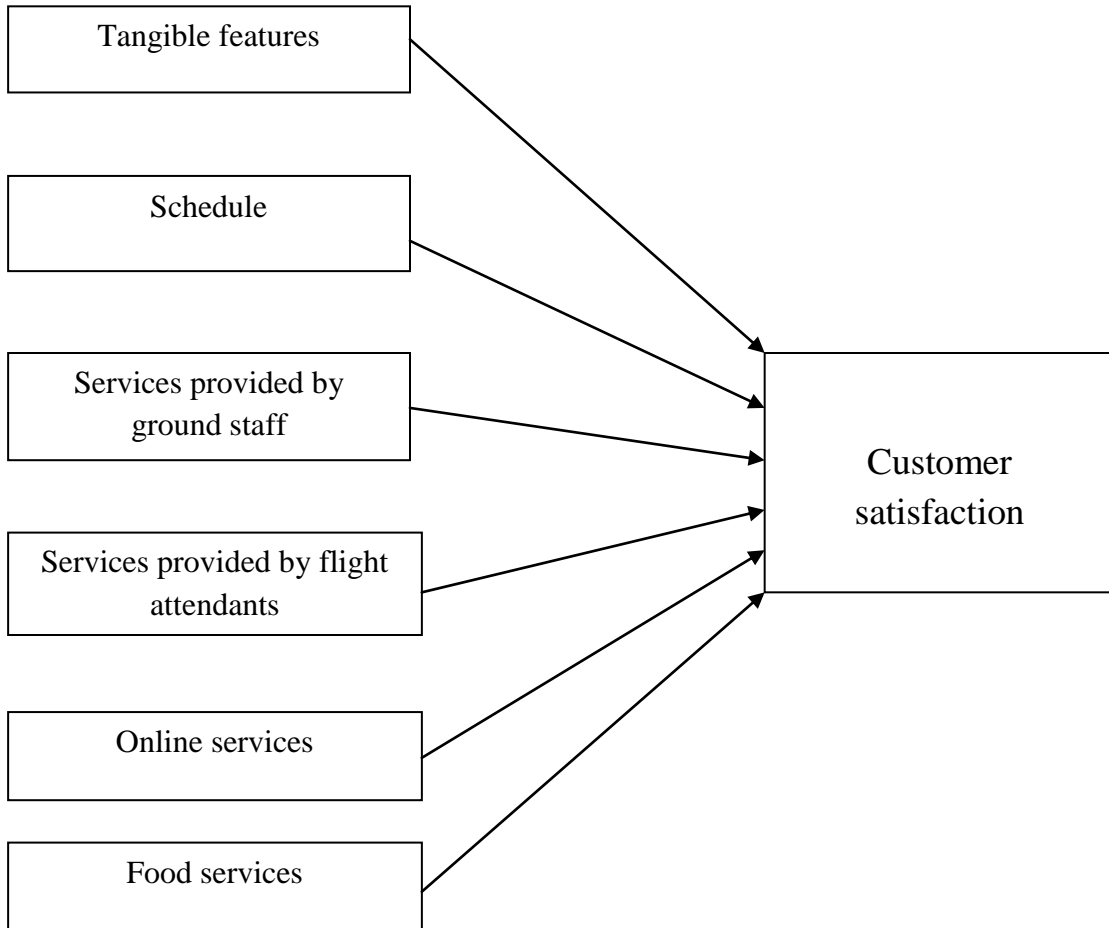


Source: Journal of “Service quality, satisfaction and behavioral intentions” (Saha & Theingi, 2009).

2.4 Proposed Theoretical / Conceptual Framework

Based on the review of previous research, the following model was generated.

Figure 2.2: A study of customer satisfaction toward service quality of AirAsia Malaysia.



Source: Developed for the study

The model above illustrates the proposed theoretical framework that serves as the basis for this study. It is used to focus on the relationship among the six independent variables which consist of tangible features, schedule, ground staff, flight attendants, online services and food services towards CS.

2.5 Hypotheses Development

2.5.1 Relationship between tangible features and customer satisfaction

According to Zeithaml, Parasuraman and Berry (1990), tangible features (TF) consist of the appearance of physical facilities, equipment, personnel and communication material, thereby comprise of some of the most important aspects of servicescape. Servicescape is used to describe the physical surrounding of a service company which includes the exterior and interior design as well as ambient conditions (Bitner, 1992; Wakefield & Blodgett, 1996). Therefore, it is important for the operators to make sure that the tangible and visible aspects of the airlines are attractive, clean and comfortable (Bruna & Morales, 2008).

Based on Brady and Cronin (2001), Rust and Oliver (1994), and Parasuraman et al. (1988), environment quality is defined as the extent to how TF of the service place can play a formative role in the perception of the overall SQ. Parasuraman et al., (1988) also stated that the TF create an atmosphere within a service setting which includes visual and auditory use such as function, space, design and lighting.

According to Ries and Fries (2000), the customers infer quality on the basis of their perception of physical factors. Thus, because services are intangible and often require the customers to be present during the process, the tangible or physical factors can have a significant influence on the perception of the SQ encountered (Bitner, 1992).

H0: There is no relationship between the tangible features and customer satisfaction in the service quality of AirAsia Malaysia.

H1: There is a positive relationship between the tangible features and customer satisfaction in the service quality of AirAsia Malaysia.

2.5.2 Relationship between schedule and customer satisfaction

According to Hansman (2005), there are very few problems associated with the weather or even the excessive traffic demand that will cause the flight schedule (FS) to be delayed. Sometimes, flight delay is mostly due to the overall flight system in a non-linear fashion. The flight can still be measured to be on time if the schedule contains sufficient slack (Ater, 2007).

Based on Andrews (1999), the airspace overcrowding should be taken into consideration as the terminal and airport capacity affect the overall flight system. Therefore, a proper flight system should be implemented to ensure that everything is within good control. There is a need to focus on the process besides making any improvement of the technique parts such as investment in infrastructure and aircraft equipment (Bond, 2003). Wambsganss (1999) stated that higher system efficiency gains better airlines interest. Meanwhile, a good system will increase the predictability of the flight arrival and departure sequences (Ball & Hoffman, 2001).

Furthermore, the airlines industry needs to develop a logic model to make a proper analysis between the service variables such as the arrival time, departures time, one way fare, number of connection and displacement of the FS (Adler, Falzarone, & Spitz, 2005). Conversely, Seshadri, Baik, and Trani (2007) stated FS should segment the passengers into two categories, for business and non-business passengers where mainly due to the different preferences towards the FS.

H0: There is no relationship between the schedule and customer satisfaction in the service quality of AirAsia Malaysia.

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

2.5.3 Relationship between ground staff and customer satisfaction

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

Besides, “bad attitude” of GS is a major area of service failure which affects the CS. A key subject found within the airlines is the level of consistency in conducting suitable and focused training. GS who are lacked of appropriate skills and diplomacy in handling demand of the customers are not sufficiently trained for the highly “customer-focused” aspects of their jobs (Bamford & Xystouri, 2005).

H0: There is no relationship between the ground staff and customer satisfaction in the service quality of AirAsia Malaysia.

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

2.5.4 Relationship between flight attendants and customer satisfaction

Flight attendants (FA) board airplanes on a day-to-day basis. According to Weick (1995), to ensure performance of the FA, there are seven elements that can be implemented to measure how effective when dealing with emergencies.

These seven elements include identity, which defined as how the identities are constructed and reconstructed by the process of interaction between the passengers and the FA. Second is retrospective, defined as the ability to fully experience a certain occurrence only by involving in a certain occurrence. Third is ongoing,

which defined as the ability of individuals to represent their experiences in a continuous basis. Fourth is enactment, which defines that people react to the circumstances they face. For instance, necessary services should be provided in cases of emergencies. The fifth is extracted cues, known as clues obtained from familiar structures that will help people to develop in a better way. Sixth is social, what people do within the subject of others. Lastly, plausibility, which defines as the connection between their personal accounts and past experience may or may not be affecting the actual events (Weick, 1995).

Additionally, the studies which are related to emotions and FA have a relationship in within, were partly based on the book of “The Managed Heart, Commercialization of Human Feeling” by Hochschild (Williams, 2003; Wouters, 1989). According to Wouters (1989), “emotions are both ingredients and instruments for managing life”. Good emotion management is recommended among the FA.

Instead, sense making is used to determine how the flight employees manage their rationality and emotionality duality in the organization (Dougherty & Drumheller, 2006). According to Murphy (2001), the review of FA literature can be classified into four classes which include the emotion management, resistance, job satisfaction and flight attendant as well as the pilot communication.

H0: There is no relationship between the services provided by flight attendants and customer satisfaction in the service quality of AirAsia Malaysia.

H4: There is a positive relationship between the services provided by flight attendants and customer satisfaction in the service quality of AirAsia Malaysia.

2.5.5 Relationship between online services and customer satisfaction

Online services (OS) can be defined as services that are “delivered” over the internet. Important data and information may be accessed through OS. Even the Internet itself is considered by some to be an online service (Pietroluongo, 2012).

According to the Star Online (2011), due to the rise of Internet penetration, online shopping through internet is a trend in Malaysia. Online shopping beats jostling with the crowd and easier to compare prices of comparable products online which leads to better cost saving (Leong & Lee, 2009). Similarly, Suhaiza, Lee and Fernando (2008) stated avoiding the crowd is the main reason online consumers prefer to shop on the web. The other reasons are lower prices, ease of comparing products and prices, travel inconvenience and wider selection of products.

However, not everyone is willing to shop online. Factors like privacy, security and trust are the main concerns for those skeptical users (Suhaiza et al., 2008). Besides, the program which is designed to trap the unwitting consumers to subscribe to certain services beyond their interest is also one of the factors of internet shopping denial. For example, in the AA website, the Go Insure travel insurance premium is automatically billed and the consumers have to cancel the insurance manually (Dr. Jayaraman & Dr. Shankar, 2011).

Referring to Adam, Wang and Frank (2009), to fully understand online CS, there is a need to look into the interaction of customers with the website both as a store and system interface. The empirical literature on e-service satisfaction focuses on two questions. First, what dimensions do the customers evaluate an e-service organization? Second, what are the relationships between the quality of performance on those dimensions and measures of overall service performance, such as CS?

H0: There is no relationship between the online services and customer satisfaction in the service quality of AirAsia.

H5: There is a positive relationship between the online services and customer satisfaction in the service quality of AirAsia.

2.5.6 Relationship between food services and customer satisfaction

According to Lovelock and Wirtz (2003) framework, food is the core attribute to determine quality. Susskind and Chan (2000) claimed that food, physical environment and service are significant determinants that can boost the guest check averages apart from competitors in the consumer's estimation.

Besides, the fundamental factors that influence CS in flights include the hygiene and healthiness of food, physical provision such as furnishing, cleanliness and the speed, friendliness and care services received during the meal experiences (Johns & Pine, 2002). Moreover, high quality service, furniture and ornament as well as various choices of food and beverage should be provided to fulfill different customer expectations and requirements (Schall, 2003).

Finally, Delwiche (2004) said that temperature of the food services (FS) as a predictor of high satisfaction was marginally significant ($p= 0.0059$), indicating a close relationship to taste. The connection between the FS and CS as a success factor can be justified by return purchases. If a customer is satisfied with the food services, he/she will be more likely to return for further business.

H0: There is no relationship between the food service and customer satisfaction in the service quality of AirAsia Malaysia.

H6: There is a positive relationship between the food service and customer satisfaction in the service quality of AirAsia Malaysia.

2.6 Conclusion

According to the findings above, this chapter can be concluded that there are significant relationships and influences between the SQ and CS based on the past researches. Thanks to the past researchers, journals and articles that have been gathered, the researchers have used this data as a guideline to study the aspects in forming the conceptual framework, developing hypotheses and setting questionnaires.

CHAPTER 3: METHODOLOGY

3.1 Introduction

This topic included on how the research is carried out in terms of research design, data collection methods, sampling design, research instrument, and constructs measurement, data processing and data analysis.

3.2 Research Design

Quantitative research method was adopted in this study. Quantitative research is the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect (Sukamolson, n.d). This study outlines the study of customer satisfaction (CS) towards service quality (SQ) of AirAsia Malaysia. It is appropriate to categorize this research as exploratory research and causal research.

Exploratory research is conducted to clarify ambiguous situations or discover ideas that may be potential business opportunities (Zikmund, Babin, Carr, & Griffin, 2010). Conversely, causal research is the seeking to identifying cause-and-effect-relationships among variables when the research problem has already been narrowly defined (Zikmund et al., 2010).

This study focuses on investigating and examining the factors that affect CS. Besides, there are four basic categories of techniques for obtaining insights and gaining a clearer picture of a problem: secondary data analysis, pilot studies, case studies and questionnaires. Besides, survey questionnaire is chosen to examine the SQ factors that affect CS regards AirAsia Malaysia.

3.3 Data Collection Method

Data collection method is significant for study and it is effective in assisting researchers greatly in their quest of success (“Researchers have studied,” 2009). Besides, the information collected by researchers should be reliable and valid to the study because inaccurate data collection can impact the outcome of the study and ultimately lead to invalid results (“Data Collection Method,” n.d.). Thus, primary and secondary methods are used to analyze the data in order to provide a clearer and in-depth understanding.

3.3.1 Primary Data

Primary data is the data that has been collected from first hand-experience. Hence, it is more reliable, authentic and objective in data collection (Gulnazahmad, 2011).

For current study, self-administered questionnaire is chosen due to its convenience, inexpensive, reduction of biases and greater anonymity (Data-Collection Tools,” n.d.). The purpose of the questionnaire is to generalize from a sample to a population to make inferences about the characteristics of the population. Therefore, 200 questionnaires were distributed to the respondents who have been travelling by air, particularly with AirAsia in order to capture the level of passengers’ satisfaction.

3.3.2 Secondary Data

Secondary data is known as data that has been collected by previous researchers and readily available. The purpose of collecting secondary data helps to make primary data collection more specific and allow researchers to figure out what are the deficiencies and what additional information which is needed to be collected for study (“Secondary Data,” 2012).

ProQuest, EBSCO Host, Emerald, Science Direct online databases and Harvard Business Review are primarily used due to the nature of easily accessibility, time saving and inexpensive to obtain data. Besides, reference books are used to further support the terminologies and theories that have been used for this study.

3.4 Sampling Design

Sampling design is ultimate for researchers to collect accurate information from the right people, right time and right location for research questions. Sampling process comprises of five steps that define target population, determine sampling frame and sampling location, select appropriate sampling technique, determine sampling size and execute sampling process (“Sampling in Marketing,” n.d .)

3.4.1 Target Population

Target population is defined as the entire group that researcher is interested in and wishes to draw a conclusion (Hitzig, 2009). Business and/or leisure travelers who have been flying with AirAsia Malaysia will be the target population. This particular population is chosen because they have been making frequent interaction with airlines staffs and have better understanding and evaluations on the SQ delivered by airlines companies.

The age range of target population is 18 years old and above, in which they possess sufficient spending power on travelling. Hence, they are the best respondents to collect information.

3.4.2 Sampling Frame and Sampling Location

Sampling frame is “actual set of units from which a sample has been drawn”. In other words, all units that have been included in the sampling frame have an equal chance to get selected as respondents (“Sampling Frames,” 2012). Nevertheless, there is no sampling frames for this study due to limited resources, thus this study cannot be generalized.

For sampling location, 200 questionnaires were randomly distributed in Kuala Lumpur (KL) and Klang Valley areas due to the concentration of people and information reliability. Besides, questionnaires were distributed to respondents in Low Cost Carriers Terminal (LCCT) because there are large amount of potential respondents and able to provide reliable information about airlines’ SQ for a thorough representation about the levels of passengers’ satisfaction.

3.4.3 Sampling Element

The elements which have been selected in this study are the travelers who fall in the age category of 18 years old and above because they are able to make decision by themselves and possess the ability to rate on the quality of service. The selected respondents must heavily rely on the services provided by airlines companies and at least travel once in a year. Travelers below 18 years old are not entitled to take part.

3.4.4 Sampling Technique

Sampling techniques can be divided into two types which are probability and non-probability sampling. It is impossible for researchers to collect data from all travelers, thus non-probability technique is chosen in which the respondents are selected from the population in some non-random manners (Saunders, Lewis, & Thornhill, 2009).

Specifically, purposive sampling method is chosen whereby researcher has selected the respondents who are relevant and compatible to the purpose of study. In other words, it can be categorized by the use of judgment and deliberate effort to acquire representative samples (James, 1997). Besides, purposive sampling does not produce a sample to represent a large population but it can meet the purpose of the study (“Sample and Sampling,” n.d.). It may be sufficient for understanding human perceptions, needs, behaviors and contexts (“Sampling,” n.d.). Thus, purposive sampling method can be truly applied in this study. An advantage of using purposive sampling method is that unsuitable candidates will be eliminated and suitable candidates will be remained in this study for better accuracy and reliability in accordance to the purpose of study.

3.4.5 Sampling Size

The larger of the sample’ size, the lower the likely errors to generalize the population of study (Saunders, Lewis, & Thornhill, 2009). 200 questionnaires were distributed to travelers in KL, Klang Valley and LCCT randomly in order to identify the level of CS towards SQ of AirAsia Malaysia. Due to time and resources constraints, this number of sample size is appropriate in generalizing targeted population. However, there is 174 questionnaires has collected while remaining of 26 questionnaire cannot be used due to incompleteness which will lead to biasness.

Besides, a total of 20 copies of pre-test sample have been distributed and carried out before conducting formal survey to ensure the correctness and quality of the survey questionnaire.

3.5 Research Instrument

For this study, self-administered questionnaires have been applied. Self-administered questionnaire defines the method in which the respondents answer the questionnaire by their own, either on the questionnaire papers or via Internet. (“Self-administered Questionnaire”, n.d.).

Undeniably, the questionnaires serve as a very important tool for this study. Questionnaire is inexpensive to collect data and the results can be consistently used to compare and contrast. Besides, it can be distributed to a large number of potential respondents, increase the speed and accuracy, facilitating data processing (William, 2006).

However, extra caution must be taken in designing the questionnaires for better clarification of each question. Evaluation is done upon gathering of data from the questionnaires. Basically, the questions in the questionnaire were adopted from previous researchers and modified based upon the necessity to fit into this study (O’Brien, 1997).

The structure of the questionnaire is carried out in simple English for better understanding of question descriptions to prompt critical thinking and analytical behavior of the respondents. This encourages higher degree of accuracy in the respondents’ answers due to the prevention of confusion in answering the questions. Brief introduction and the purpose for study are stated in the cover page of the questionnaire.

Generally, the questionnaires are divided into three sections which are Section A for the demographic profile, Section B for the general information and Section C for general opinion.

In Section A, it consists of seven questions which are closely related to the demographic data namely gender, age, race, marital status, work status, income and the educational level of the respondents. It is recorded to classify the group of flight passengers for the results.

In Section B, it consists of eight questions. This section prompts for the basic information regarding the travelling by flight from the respondents.

In Section C, the general opinion relates to the construct measurement of the study in the six independent variables such as tangible features (TF), schedules, services provided by the ground staffs (GS), services provided by the flight attendants (FA), online services (OS) and food services (FS) and one dependent variable, CS. These variables are used to investigate the relationship between each of the independent variables with the dependent variable upon data collection from the answer given from the respondents.

Lastly, the 200 questionnaire was distributed to the target respondents. To increase the validity and reliability of the information gathered, the respondents are asked on their willingness to participate in the questionnaire prior to the questionnaire.

The questionnaire was distributed and collected in two weeks time. The date was from the 23rd of Feb 2012 to the 8th of Mar 2012. The questionnaire was carried out smoothly, thus researchers able to collect it on time.

3.5.1 Pilot Test

Before the conduct of the actual questionnaire, a pilot test has been done to find out the possible errors done in the questionnaires such as the ambiguous questions. Meanwhile, pilot testing provides the opportunities for the researchers to find out and remedies a wide range of the potential problems that will occur in preparing the questionnaire and correct it before the actual questionnaire is conducted (Pratt, 2008).

For the pilot test, 20 questionnaires were distributed and the feedback gathered was used to improve the clarity of the question. After the questionnaires were collected, the reliability test was conducted by using the statistical project for Social Science (SPSS) Version 17.

In order to test the reliability, Cronbach's Coefficient Alpha was adopted. Table 3.1 show the result of the pilot test conducted.

Table 3.1: Result of Pilot Test

Variable	Total Number of Question	Cronbach's Alpha	Outcome
Tangible Features	5	0.498	Poor
Schedules	9	0.680	Acceptable
Services provided by ground staff	7	0.802	Very Good
Services provided by flight attendants	7	0.923	Excellent
Online Services	5	0.695	Acceptable
Food Services	6	0.697	Acceptable
Level of Passenger Satisfaction	5	0.562	Poor

3.6 Constructs Measurement

Table 3.2: Origin of Constructs

Constructs	Adopted From
Tangible Features	(i) Feng I Ling, Kuang Lin, and Jin Long Lu (2005).
Schedule	(i) Jerzy A. Filar, Prabhumanyem, and Kevin White (2002). (ii) Michael A. McCollough, Leonard L. Berry, and Manjit S. Yadav (2000). (iii) Colette Fourie and BerendienLubbe (2006).
Services provided by ground staff	(i) Gour C. Saha and Theingi (2009).
Services provided by flight attendants	(i) Gour C. Saha and Theingi (2009).
Online Services	(i) Ling Liu (2005).
Food Services	(i) Hanan A. Jambi (2003). (ii) Shannon Anderson, Lisa Klein Pearo, and Sally K. Widener (2008).
Level of passenger satisfaction	(i) Jin Woo Park, Rodger Robertson, and Cheng Lung Wu (2004).

3.6.1 Scale Measurement

Basically in Section A and Section B which are aimed to obtain the general information and demographic data of the respective respondents, nominal scale is used to measure the most appropriate answers for the respective respondents. Meanwhile, the nominal scales are the lowest scale for all the measurement. Furthermore, the comparisons for more and less can be made (“Scale of Measurement”, n.d.).

In Section C, the interval scale was used as the main scale of measurement. The 5-points of Likert scale were used for the questions in Section C which allow the respondents to identify whether they are (1) Strongly Agree, (2) Agree, (3) Neutral, (4) Disagree and (5) Strongly Disagree with the statements of TF, schedules, services provided by the GS, services provided by the FA, OS and FS and one dependent variable, CS. Hence, the Likert scale was used to enabling the researchers to tap into the cognitive and affecting components of the respondents’ attitudes (McLeod, 2008).

3.7 Data Processing

Data processing is a procedure that converts data into information. Data processing begins with a preliminary check of questionnaires, subsequently data editing, data coding, data transcribing, data cleaning and data analysis (Malhotra & Peterson, 2006). The information will be transferred from the questionnaires or coding sheets onto disks or directly into computers by keypunching and analyzed by the SPSS Version 17.

3.7.1 Questionnaire Checking

Questionnaire checking consists of completeness and interviewing quality. This will be checked after the first set of questionnaires was returned to detect any problems earlier on and corrective action can be taken before conducting the actual questionnaire (Malhotra & Pearson, 2006). Any mistake found is carried forward in the data editing process.

3.7.2 Data Editing

Data editing is the process whereby the raw data are checked for mistakes made by either the researcher or the respondent (Hair, Bush, & Ortinau, 2006) According to Malhotra and Pearson (2006), it consists of screening questionnaires to identify illegible, incomplete or ambiguous responses for enhancing the precision of questionnaires. Besides, unsatisfactory responses are usually handled by returning to the field to get better data, by assigning missing value and discarding those unsatisfactory responses.

3.7.3 Data Coding

Data coding is the assignment of a code to represent a specific response to a specific question along with the data record and column position that code will occupy. Numerical codes will be assigned into questionnaire at first due to its advantages of being quick and easy to input data into software for processing (Malhotra & Pearson, 2006). In this study, the questionnaires involved only structured questions thus the code is pre-coded.

3.7.4 Data Transcribing

Transcribing data involves transferring the coded data from the questionnaires or coding sheets on disks or directly into computers by keypunching (Malhotra & Pearson, 2006). In this study, the data obtained was transcribed by keying in into the SPSS program. However, the main concern is the accuracy of the data entry. Hence, the verification is conducted to ensure the accuracy of data entered.

3.7.5 Data Cleaning

Data cleaning involves consistency checking of data that are out of range, logically inconsistent or have extreme values and treatment of missing responses with substitute a neutral or an imputed response (Malhotra & Pearson, 2006). Missing responses are values of variable that are unknown due to the unambiguous answer to questions occurred in data cleaning process. Missing values are assigned to the missing responses occurred.

3.8 Data analysis

According to Sekaran (2003), the objectives of data analysis include checking on the central tendency and the dispersion of the respondents (descriptive analysis), test the reliability and validity of the measures (scale measurement) and testing the hypotheses developed for the research (inferential analysis). The data analysis process, consisting of interrelated procedures, would transform data into useful information (Zikmund, 2003). Thus, SPSS software was utilized for obtaining the tested result by completely analyzing the data.

3.8.1 Descriptive Analysis

Descriptive analysis refers to the information of raw data into a form that will make researchers easy to understand and interpret. Descriptive statistics are provided by frequencies, measures of central tendency and dispersion. Frequencies procedure provides statistics and graphical displays which are useful in presenting many types of variables. The purpose of frequency is to demonstrate the values such as the numbers and percentages for the different categories of a single categorical variable. Its measurement involves only 1 categorical variable, which is nominal or ordinal scale (Zikmund, 2003).

Frequencies are generally obtained from nominal variables such as gender and working status. In the questionnaire of study, frequencies analyses were used in Section A and B. Finally, a frequency division for a variable would generate a table of frequency counts, percentages and cumulative percentages for all the values allied with that variable (Malhotra & Peterson, 2006).

According to Zikmund (2003), mean is a measure of central tendency which was used to analyze data collected in Section C of the questionnaire because mean is commonly used to estimate the average when the data are collected using an interval scale.

3.8.2 Scale Measurement

Scale measurement was used to check the reliability and validity of this study. Reliability tests on how consistent a measuring instrument determines a particular concept (Cavana, 2001). Instead, validity tests on how well an instrument measures the particular concept it is supposed to measure. This means that validity is concerned with the stability and consistency in measurement.

3.8.3 Reliability Test

Reliability test is used to determine whether the measurement items in the questionnaire are highly related to each other. Reliability refers to the extent to which a scale produces consistent results if repeated measurements are free from random (Malhotra & Peterson, 2006).

In order to test the reliability, Cronbach's Coefficient Alpha was adopted. According to Malhotra (2007), Cronbach's alpha coefficient provides the most is ranging from 0 to 1. The higher the coefficient, the more reliable are the items in measuring the constructs. A value of 0.6 or less generally indicates unsatisfactory internal consistency and reliability.

3.8.4 Inferential Analysis

Inferential analysis is a group of statistical techniques and procedures used in confirmatory data to draw conclusions about a population from quantitative data collected from a sample (Collis & Hussey, 2003). SPSS version 17 was employed to conduct the following types of inferential analysis:

- I. Pearson Correlation Coefficient Analysis
- II. Multiple Regressions Analysis

3.8.4.1 Pearson Correlation Coefficient Analysis

According to Zikmund (2003), the Pearson Correlation Coefficient Analysis is a statistical measure to test the correlation of two or more variables. Two-tailed significant level is used to test a null hypothesis. According to Hair et al. (2006), the coefficient ranges from -1 to 1 . A value of 1 shows a perfect positive linear relationship, a value of -1 shows a perfect negative linear relationship and a value of 0 shows no linear relationship.

Therefore, variables that have been tested on TF, schedules, services provided GS and services provided by FA, OS, and FS towards CS. The purpose of this test is to determine whether there are positive, negative or no relationship between the independent variables and dependent variable in this study.

3.8.4.2 Multiple Regressions Analysis

A multiple regression is a statistical technique used to derive an equation that relates a single continuous dependent variable to two or more independent variables (Churchill & Brown, 2004). According to Burns and Bush (2006), multiple regressions are expansions of bivariate regressions analysis in that more than one independent variable is used in the regression equation.

Multiple regressions would be calculated using this particular formula:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + \dots + b_n$$

Y represents the dependent variable, coefficient (a) represents the intercept or constant, and (b) was the partial regression coefficients. The partial regressions coefficient represents the expected change in the dependent variable, where it is changed by one unit and other independent variables are held constants.

Multiple regression analysis in this study is to measure the percentage on the independent variables and dependent variable. The adjusted R Square will be tested as the result of the TF, schedules, services provided by GS, services provided by FA, OS and FS towards the CS. Higher percentage of independent variables that influence the dependent variable will signify higher relationship on the CS towards SQ.

3.9 Conclusion

In conclusion, research methodologies were used in collecting, analyzing, and interpreting data. Computer software, SPSS 17 was used to assist in analysis and interpretation.

First, questionnaire was used to obtain more accurate information from the large group of respondents. But primary data, secondary data likes journals and reference books were used to help researchers to better understand the topic which was being investigated.

Target population, sampling frame and location, sampling elements, sampling techniques and sample size were discussed in the earlier part. Scales used in constructing the measurement were also explained. Other than that, data preparation processes such as checking, editing, coding and transcribing were discussed.

CHAPTER 4: DATA ANALYSIS

4.1 Introduction

This chapter represents the patterns and analysis of results which are relevant to the research questions and hypotheses. This chapter will further elaborate the output of study based on the SPSS software. A pilot test was conducted with the sample size of 20 respondents. The final result of the survey was analyzed.

4.2 Descriptive Analysis

4.2.1 Respondent's Demographic profile

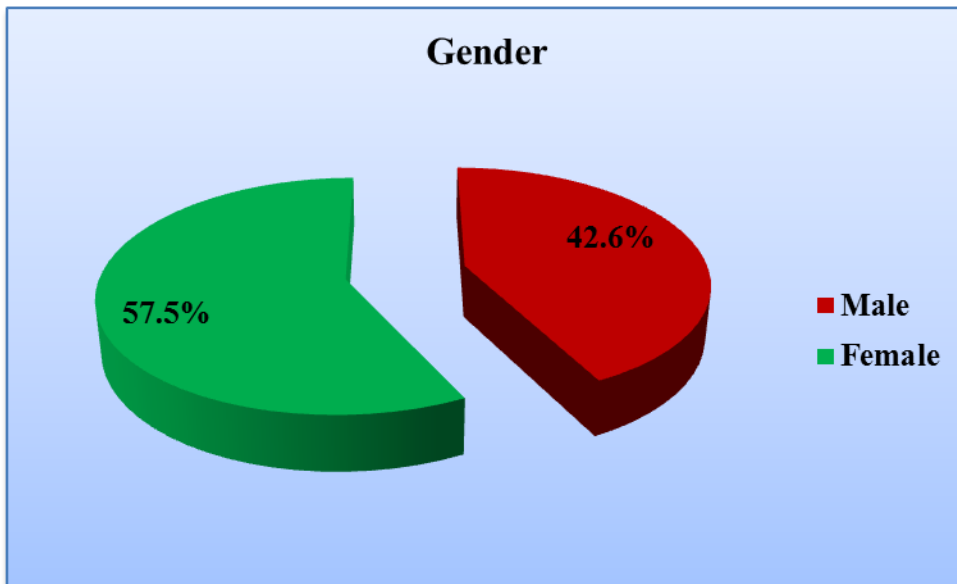
The Demographic profile of the respondents has been identified in Section A of the questionnaire. A total of seven questions were asked to collect data regarding to the respondents' gender, age, race, marital status, occupation, monthly income and education level.

Table 4.1 Gender of respondents

Category	Frequency (N)	Percentage (%)
Gender		
Male	74	42.6
Female	100	57.5

Source: Developed for the study

Figure 4.1 Gender of respondents



Source: Developed for the study

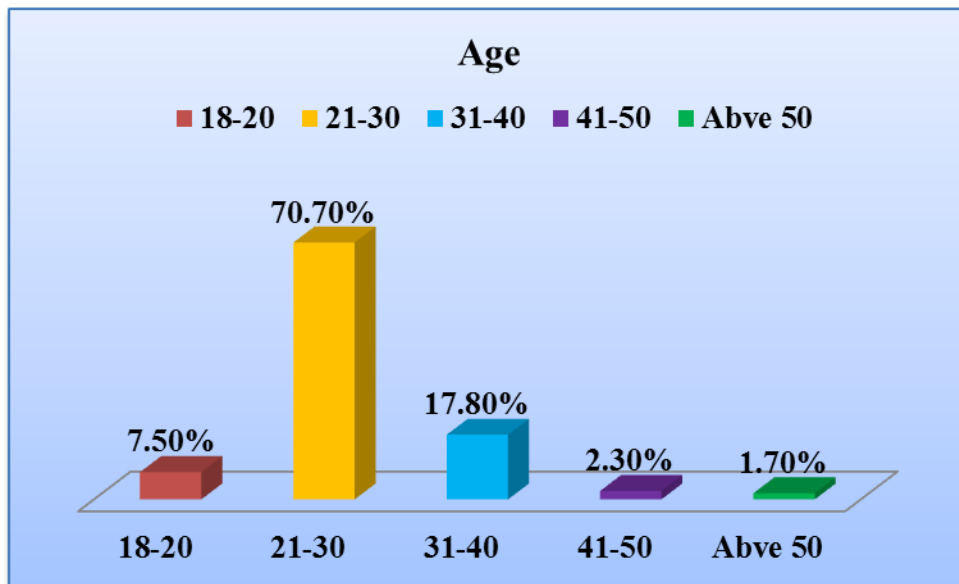
As shown in Figure 4.1 and Table 4.1, the analysis of respondents' gender have revealed that 42.6% of the respondents were male while female consisted of 57.5% of the total sample size.

Table 4.2 Age of respondents

Category	Frequency (N)	Percentage (%)
Age		
18-20	13	7.5
21-30	123	70.7
31-40	31	17.8
41-50	4	2.3
Above 50	3	1.7

Source: Developed for the study

Figure 4.2 Age of respondents



Source: Developed for the study

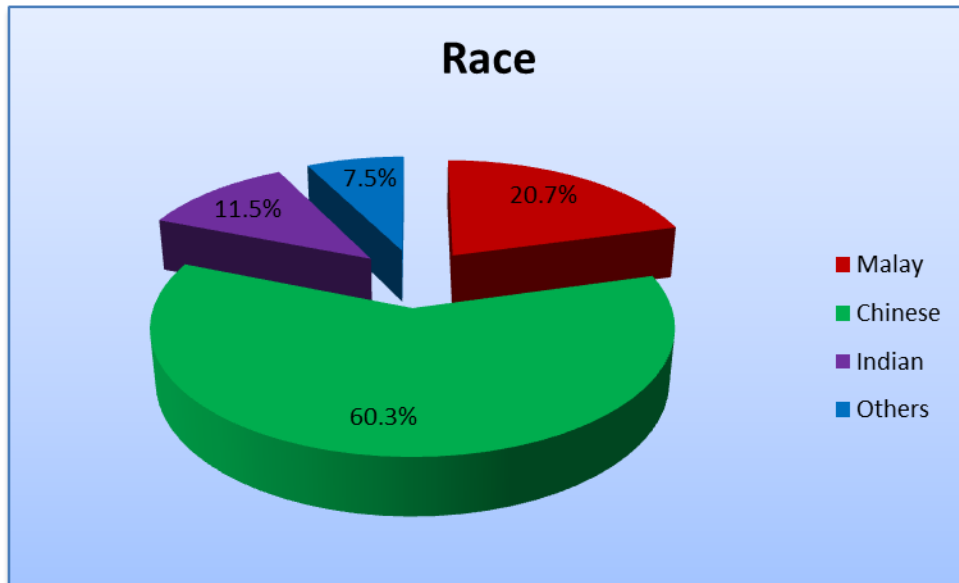
Based on Figure 4.2 and Table 4.2, there were 7.50% of the respondents falling into category of between 18 to 20 years old and below, 70.70% for between 21 to 30 years old, 17.8% for between 31 to 40 years old, 2.30% for between 41 to 50 years old and only 1.70% of respondents for above 50 years old.

Table 4.3 Race of respondents

Category	Frequency (N)	Percentage (%)
Race		
Malay	36	20.7
Chinese	105	60.3
Indian	20	11.5
Others	13	7.5

Source: Developed for the study

Figure 4.3 Race of respondents



Source: Developed for the study

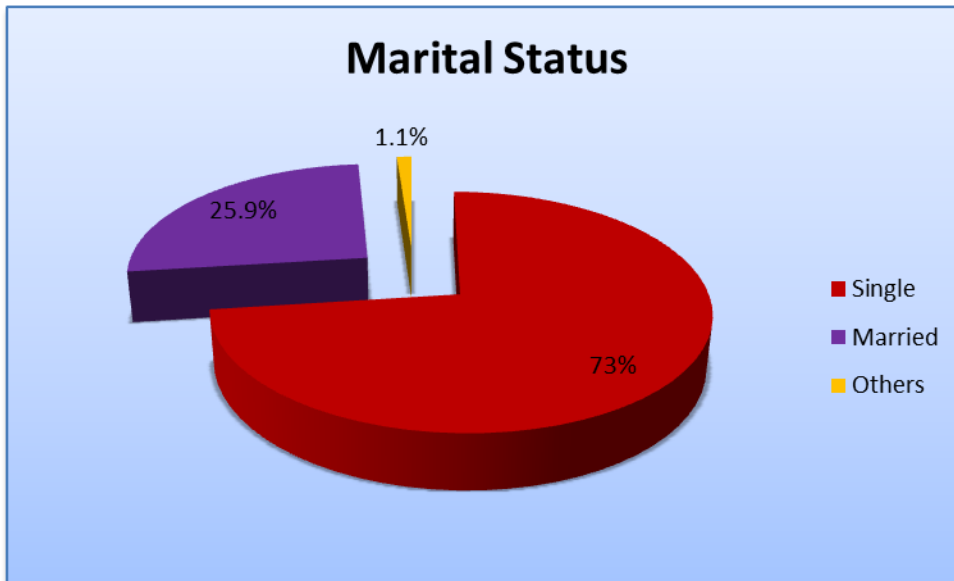
Based on Figure 4.3 and Table 4.3, majority of the respondents were Chinese which represented 60.3% of the sample size. Meanwhile, Malay respondents represented 20.70% and Indian respondents represented 11.50%. Lastly, other races represented 7.50%.

Table 4.4 Marital Status of respondents

Category	Frequency (N)	Percentage (%)
Marital Status		
Single	127	73.0
Married	45	25.9
Others	2	1.1

Source: Developed for the study

Figure 4.4 Marital Status of respondents



Source: Developed for the study

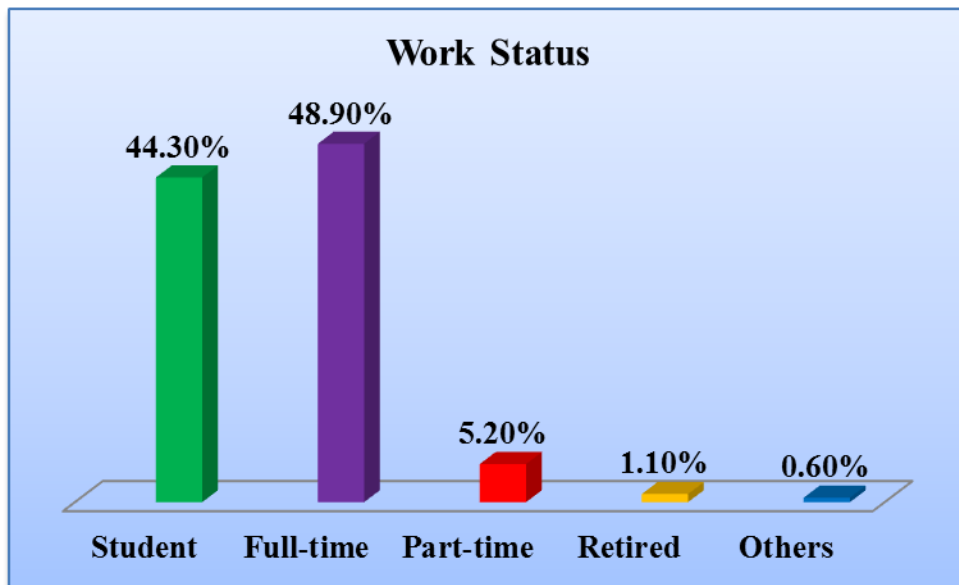
As shown in Table 4.4 and Figure 4.4, there are 73% of the respondents were single and 25.9% of the respondents were married. Meanwhile, 1.10% of respondents were in other status.

Table 4.5 Work status of respondents

Category	Frequency (N)	Percentage (%)
Work Status		
Student	77	44.3
Full-time	85	48.9
Part-time	9	5.2
Retired	2	1.1
Others	1	0.6

Source: Developed for the study

Figure 4.5 Work status of respondents



Source: Developed for the study

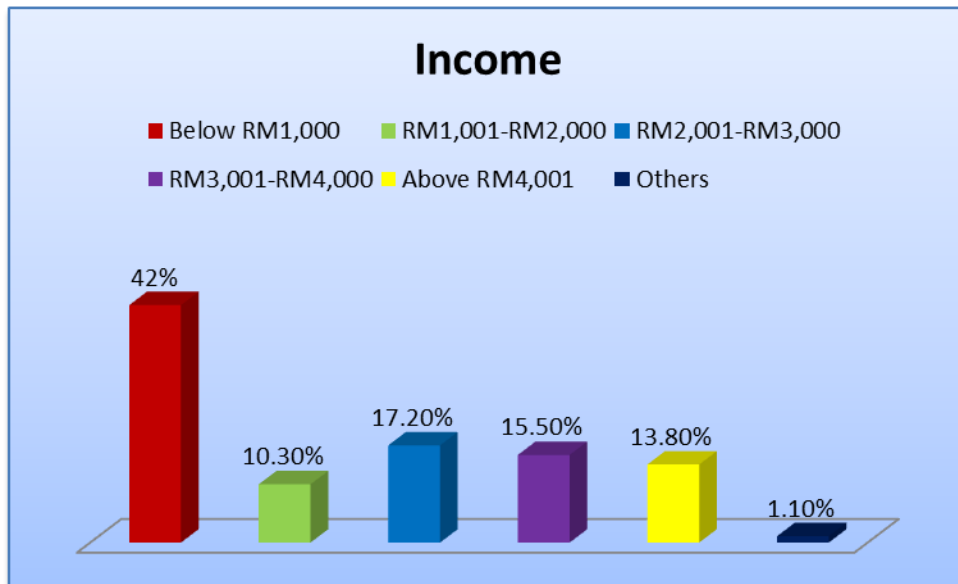
Referring to Figure 4.5 and Table 4.5, it has shown that the full-time respondents constituted the highest frequency which was 48.90%, followed by students for 44.30%, part-time employees for 5.20% and retired citizens for 1.10%. Lastly, others category has shown the lowest frequency which was 0.60%.

Table 4.6 Income of respondents

Category	Frequency (N)	Percentage (%)
Income		
Below RM1,000	73	42.0
RM1,001-RM2,000	18	10.3
RM2,001-RM3,000	30	17.2
RM3,001-RM4,000	27	15.5
Above RM4,001	24	13.8
Others	2	1.1

Source: Developed for the study

Figure 4.6 Income of respondents



Source: Developed for the study

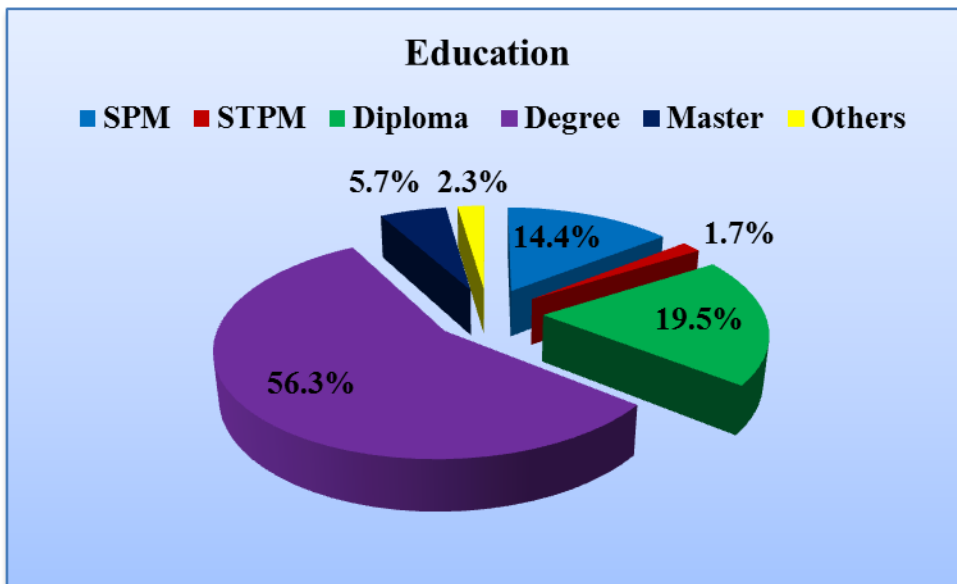
From Figure 4.6 and Table 4.6, the analysis has shown that the respondents' income of below RM 1000 is 42%, RM 1001 to RM 2000 was 10.30%, RM 2001 to RM3000 was 17.20%, RM 3001 to RM 4000 was 15.50%, RM 4001 to RM 5000 was 13.80% and others income level was 1.10%.

Table 4.7 Education of respondents

Category	Frequency (N)	Percentage (%)
Education		
SPM	25	14.4
STPM	3	1.7
Diploma	34	19.5
Degree	98	56.3
Master	10	5.7
Others	4	2.3

Source: Developed for the study

Figure 4.7 Education of respondents

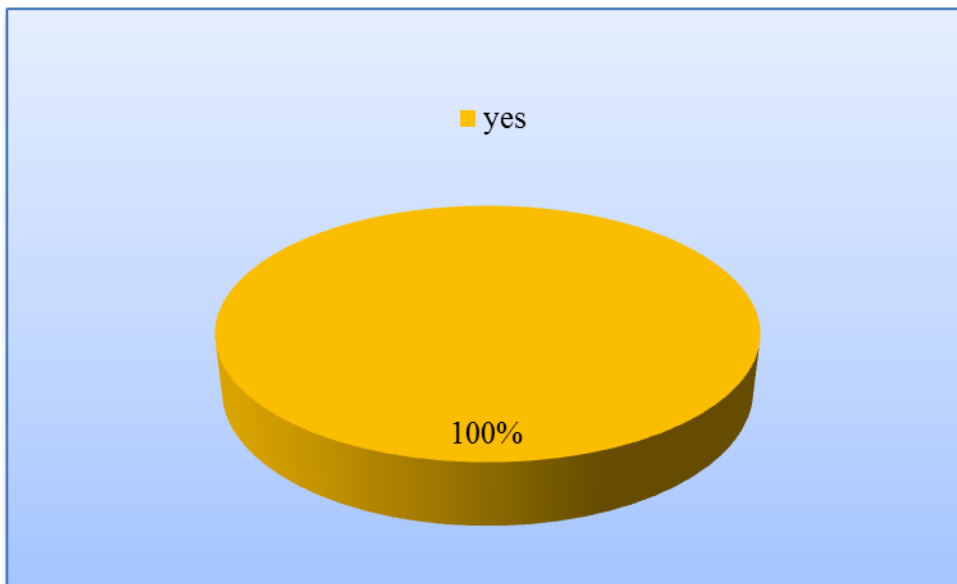


Source: Developed for the study

Based on Figure 4.7 and Table 4.7, the results has shown that 56.30% of the respondents' education levels were Bachelor Degree, followed by 19.50% were Diploma, 14.40% and 1.70% were certificate SPM and STPM, and 5.70% were Master Degree.

4.2.2 Frequencies Table of General Information

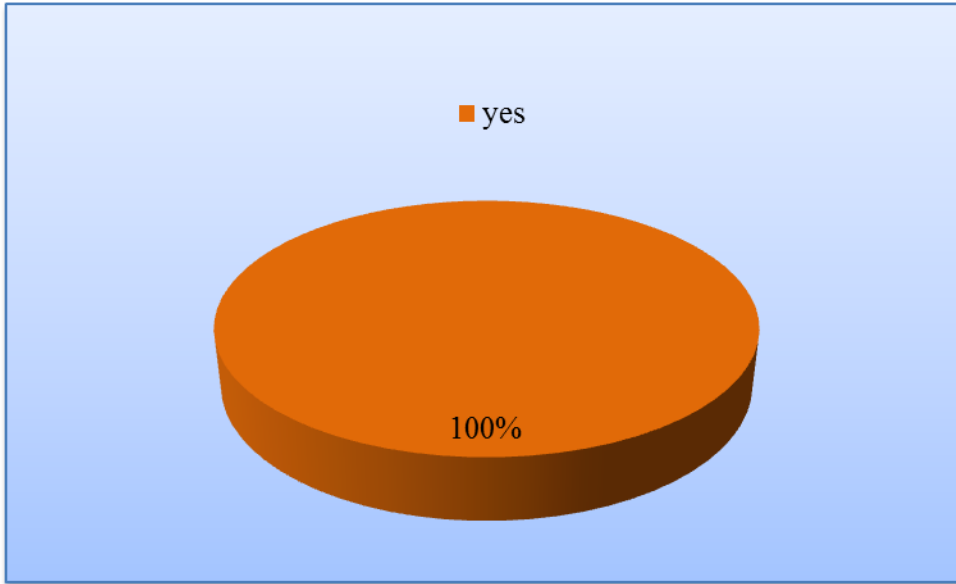
Figure 4.1.2.1 Ever travelled by air



Source: Developed for the study

Figure 4.1.2.1 has shown the percentage of the respondents who have travelled by airlines. Overall, the respondents that the researchers have selected were those who have travelled by air. Thus, the percentage was 100%.

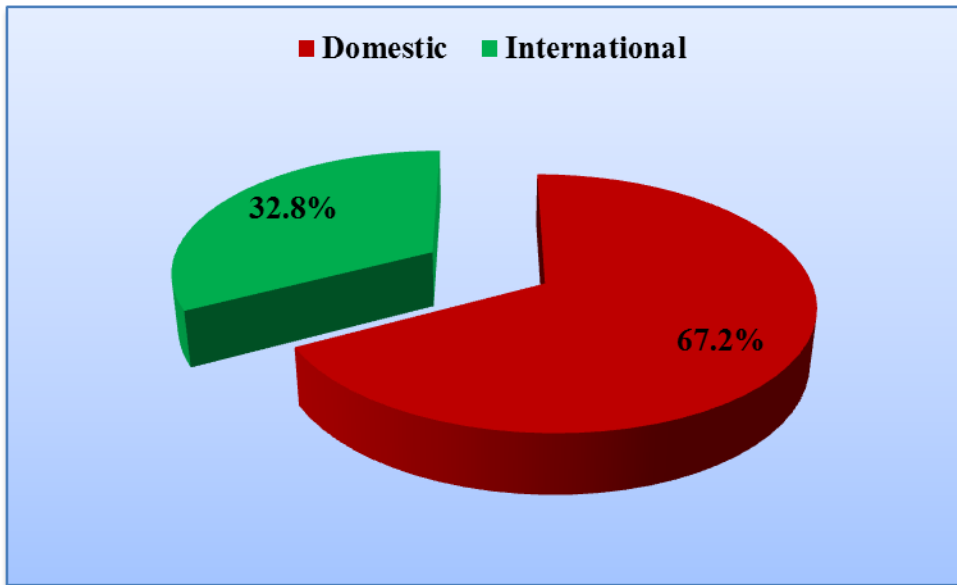
Figure 4.1.2.2: Travelling by AirAsia



Source: Developed for the study

Figure 4.1.2.2 has shown that the percentage of the respondents who have travelled with AirAsia. Therefore, 100% respondents have travelled with AirAsia Malaysia before.

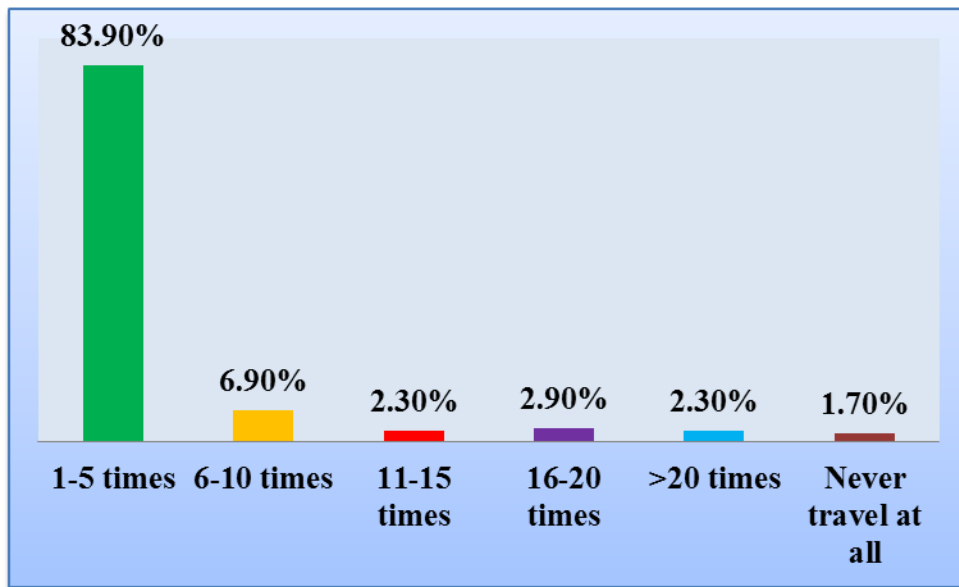
Figure 4.1.2.3: Travel regularly



Source: Developed for the study

Figure 4.1.2.3 has shown that the percentage of the respondents who have chosen to travel regularly. There were 67.20% respondents' international travel and 32.8 % respondents' domestic travel.

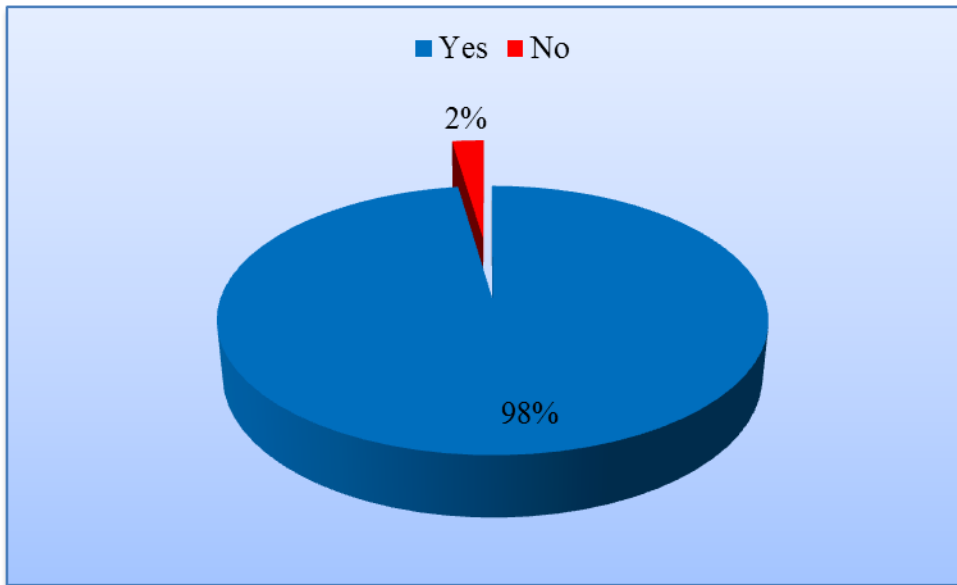
Figure 4.1.2.4: Times travel in a year



Source: Developed for the study

Based on Figure 4.1.2.4, the frequency of travel per year was shown. There were 83.90% of the respondents who travelling for 1-5 times in a year, followed by 6.90% of the respondents who were travelling for 6-10 times in a year and 2.30% of the respondents who were travelling for 11-15 times in a year. Besides, there were 2.90% of the respondents who were travelling for 16-20 times in a year and 2.20% of the respondents were travelling for more than 20 times in a year.

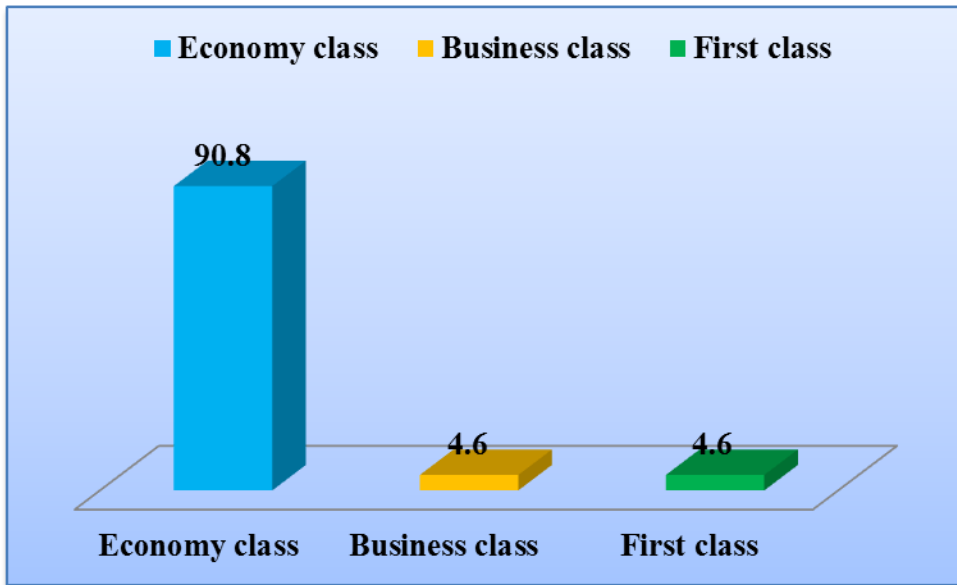
Figure 4.1.2.5: Travel with low cost airlines



Source: Developed for the study

Figure 4.1.2.5 has shown that the percentage of respondents who were likely to travel with low cost airlines. There were 98% of the respondents who would like to travel with low cost airlines whereas only 2% of the respondents who would not like to travel with low cost airlines

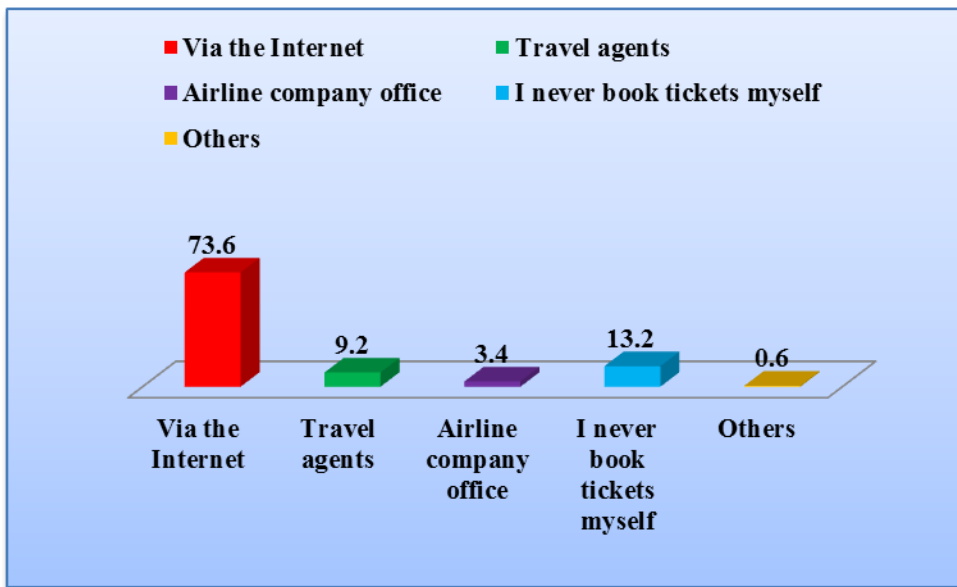
Figure 4.1.2.6: Class of airline



Source: Developed for the study

Figure 4.1.2.6 has shown that 90.80% of the respondents were taking economy class and 4.60% of the respondents were taking business class when travelling with AirAsia. Besides, 4.60% of the respondents were taking first class travel with AirAsia.

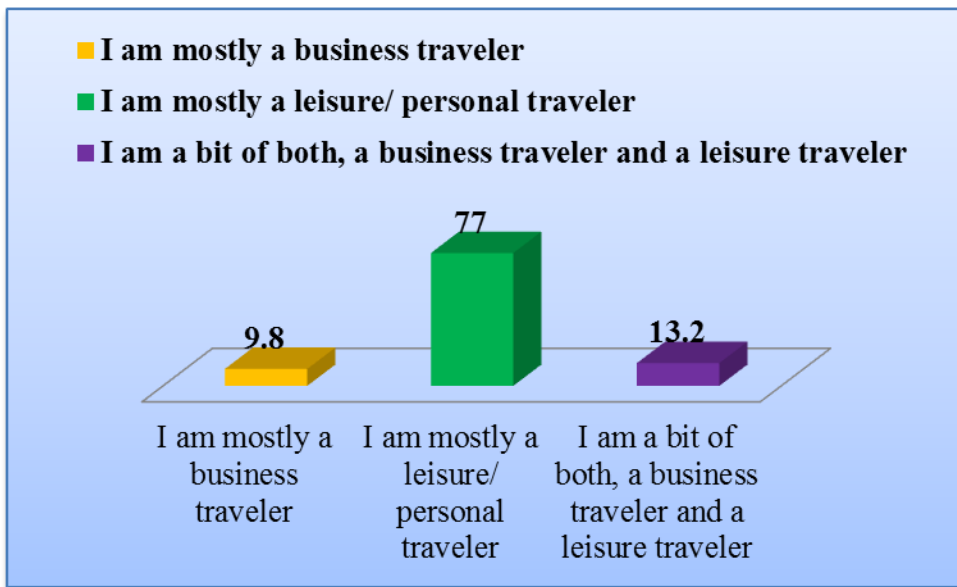
Figure 4.1.2.7: Airline tickets



Source: Developed for the study

Figure 4.1.2.7 has shown the percentage of the means of airlines ticket purchase. There were 73.60% of the respondents who have booked via the Internet and 9.20% of the respondents through travel agents. Besides, 3.40% of the respondents have booked through the airline company office. Meanwhile, 13.20% of the respondents were travelers who have never booked ticket by themselves.

Figure 4.1.2.8: Categorize of air travel



Source: Developed for the study

Figure 4.1.2.8 has shown how the respondents have categorized themselves in terms of air travel. 9.80% of the respondents were mostly business travelers and 77% of the respondents were leisure/personal traveler. Besides, 13.20% of the respondents were both business travelers and leisure travelers.

4.3 Scale of Measurement

4.3.1 Reliability Test

Table 4.8 Reliability Statistics for each of the variable

No.	Constructs	Alpha Coefficient	No. of item
1	Tangible	.231	5
2	Schedule	.662	9
3	Ground Staff	.829	7
4	Flight Attendants	.829	7
5	Online	.736	5
6	Food	.714	6
7	Customer Satisfaction	.687	5

Source: Developed for the study

According to Malhotra (2002), the alpha coefficient below 0.6 portrays weak reliability of the variables. If the alpha coefficient ranges from 0.6 to 0.8, they are considered to be moderate strong. If the alpha coefficient is in the range of 0.8 to 1.0, they are considered to be very strong.

In this study, it illustrates the reliability of seven variables. Cronbach's alpha was employed to examine the internal reliability of the 39 items and used to measure the six constructs.

Based on Table 4.3, the results have revealed that the internal reliability of each construct has ranged from 0.231 to 0.829. Alpha Coefficient of 0.6 was set as the minimum criterion. Construct of tangibles features did not fulfill the minimum criterion as it portrayed an alpha coefficient of 0.231. Thus the result of the pilot

test has indicated that overall except the tangible satisfactory internal consistency reliability for each construct. The result has shown that services provided by ground staff and flight attendants had the highest coefficient (0.829) while the tangible features had the lowest coefficient (0.231).

4.4 Inferential Analysis

4.4.1 Pearson Correlation Analysis

Table 4.9 Pearson Correlation

	TAN	SCH	GS	FA	ONL	FOO	CS
TAN	1						
SCH	0.433**	1					
GS	0.338**	0.444**	1				
FA	0.339**	0.485**	0.548**	1			
ONL	0.252**	0.453**	0.307**	0.451**	1		
FOO	0.056**	0.154**	0.169**	0.250**	0.189**	1	
CS	0.348**	0.372**	0.358**	0.489**	0.378**	0.143**	1

Source: Developed for the study

Based on Table 4.9, it has shown that the correlation matrix for the seven examined construct which were tangible features (TAN), schedule (SCH), ground staff (GS), flight attendants (FA), online services (ONL), food services (FOO) and customer satisfaction (CS). According to the Table 4.9, all the constructs did not exceed the value of 0.75. Hence, all the constructs were different and did not overlap with each other. Besides, there were positive correlations among all the constructs because none of the constructs had negative sign.

In this study, FA has shown positive relationship with $r=0.489$, significant at 0.01 level. Next, it was followed by ONL with $r=0.378$, SCH with $r=0.372$, GS with $r=0.358$, TAN with $r=0.348$ and FOO with $r=0.143$, all correlations were significant at 0.01 level. Thus, the result has shown that there is a significant relationship between customer satisfaction towards service quality in AirAsia and all the independent variables.

4.4.2 Multiple Regressions Analysis

Table 4.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.554 ^a	.307	.282	.47083

Source: Developed for the study

a. Predictors: (Constant), Average of Food item, Average of Schedule item, Average of Ground staff item, Average of Online item, Average of Tangible item, Average of Flight attendant's item

Table 4.10 has shown that the R Square is 0.307 for the regression of customer satisfaction of 0.554. This means that 30.70% of the variation in the customer satisfaction be explained by the six independent variable which are food services, online services, services provided by flight attendants, services provided by ground staff, schedule and tangible. The others 69.30% remain unexplained.

Table 4.11 ANOVA test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.378	6	2.730	12.313	.000 ^a
	Residual	37.021	167	.222		
	Total	53.399	173			

Source: Developed for the study

a. Predictors: (Constant), Average of Food item, Average of Schedule item, Average of Ground staff item, Average of Online item, Average of Tangible item, Average of Flight attendants item

b. Dependent Variable: Average of Satisfaction item

4.4.2.1 Test of Significant

Table 4.12 Coefficients

Model		Unstandardized		Standardized	T	Sig.
		Coefficients		Coefficients		
		B	Std. error	Beta		
1	(Constant)	.509	.317		1.605	.110
	TAN	.214	.098	.160	2.194	.030
	SCH	.064	.096	.056	0.673	.502
	GS	.061	.074	.066	0.822	.412
	FA	.274	.079	.299	3.494	.001
	ONL	.130	.064	.155	2.042	.043
	FOO	.010	.063	.010	0.156	.876

Source: Developed for the study

TAN= Tangible Features

SC= Schedule

GS= Services Provided by Ground Staffs

FA= Services Provided by Flight Attendants

ONL= Online Services

FOO= Food Services

There are six hypotheses that have been derived in this research study namely:

Tangible Features

H0: There is no positive relationship between tangible features and customer satisfaction in services quality of AirAsia Malaysia.

H1: There is a positive relationship between tangible features and customer satisfaction in services quality of AirAsia Malaysia.

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of TAN is 0.030, which is below the p-value of 0.05. This can be concluded that is a positive relationship between tangible features and customer satisfaction, so it rejects H0.

Schedule

H0: There is no positive relationship between schedule and customer satisfaction in services quality of AirAsia Malaysia.

H2: There is a positive relationship between schedule and customer satisfaction in services quality of AirAsia Malaysia.

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of SCH is 0.502, which is above the p-value of 0.05. This can be concluded that is no significant relationship between schedule and customer satisfaction, so it rejects H2.

Services Provided by Ground Staff

H0: There is no positive relationship between services provided by ground staff and customer satisfaction in services quality of AirAsia Malaysia.

H3: There is a positive relationship between services provided by ground staff and customer satisfaction in services quality of AirAsia . Malaysia

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of GS is 0.412, which is above the p-value of 0.05. This can be concluded that is no significant relationship between services provided by ground staff and customer satisfaction, so, it rejects H3.

Services Provided by Flight Attendants

H0: There is no positive relationship between services provided by flight attendants and customer satisfaction in services quality of AirAsia Malaysia.

H4: There is a positive relationship between services provided by flight attendants and customer satisfaction in services quality of AirAsia Malaysia.

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of FA is 0.001, which is below the p-value of 0.05. This can be concluded that is a positive relationship between services provided by flight attendants and customer satisfaction, so it rejects H0.

Online Services

H0: There is no positive relationship between online services and customer satisfaction in services quality of AirAsia Malaysia.

H5: There is a positive relationship between online services and customer satisfaction in services quality of AirAsia Malaysia.

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of ONL is 0.043, which is below the p-value of 0.05. This can be concluded that is a positive relationship between online services and customer satisfaction, so it rejects H0.

Food Services

H0: There is no positive relationship between food services and customer satisfaction in services quality of AirAsia Malaysia.

H6: There is a positive relationship between food services and customer satisfaction in services quality of AirAsia Malaysia.

Reject H0 if $p < 0.05$

Based on Table 4.12, the significant value of FOO is 0.876, which is above the p-value of 0.05. This can be concluded that is no significant relationship between food services and customer satisfaction, so it rejects H6.

4.5 Conclusions

In this chapter, the descriptive analysis, scale measurement and inferential analysis which were used to analyze the outcome of the data collected and generated results for further discussion. The next chapter will provide a more detailed discussion of the major findings and conclusions of the study.

CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATIONS

5.1 Introduction

In the previous chapter, the researchers have obtained results from the data collected. This chapter will discuss on the findings from previous chapter and it contains four parts which are the interpretation of results and hypothesis, limitation, recommendation and conclusion of the study.

5.2 Summary of Statistical Analysis

5.2.1 Descriptive Analysis

From the respondents' descriptive study, the personal details are classified as gender, age, race, marital status, working status, income and education level. Majority of the respondents were female which have constituted 57.5% of the sample size, aged category of between 21-30 years old which have constituted 70.7% of the respondents and most of them were Chinese and single which have constituted 60.3% and 73.0% respectively of the respondents. In this study, most of the respondents were working full-time which have constituted 48.9% of the respondents with the majority income of below RM 1,000 which have constituted 42.0% of the respondents. Most of the respondents were from degree levels which have constituted 56.3% of the respondents.

As for the general information, there were several questions issued and the summary gained shown as follow. 100% of the passengers have travelled with air and have travelled with AirAsia. There were 67.2% of the respondents were travelling regularly domestically. From the results, the highest frequency for the respondents to travel in a year was 1-5 times which have constituted 83.9% of the respondents. Furthermore, there were 98% of the respondents who would preferably travel with low cost airlines. Besides, economy class was the majority choice among the respondents, recording 90.8% of the respondents. Additionally, most of the respondents have booked the air tickets via the Internet which have constituted 73.6% of the respondents and lastly majority of the respondents were the leisure or personal travelers, recording 77% of the respondents.

5.2.2 Scale Measurement

The scale measurement is identified by the reliability test. The Conbach's alpha is used to examine the reliability among six constructs that consist of 39 items. Among the six constructs measured, GS and FA score the highest coefficient (0.829), followed by ONL (0.736), FOO (0.714) and SCH (0.662). All the reliability analysis result appears reliable of values greater than 0.6 except for the TAN (0.231) are below than 0.6.

5.3 Inferential Analysis

5.3.1.1 The Pearson Correlation Analysis

Pearson correlation analysis is used to measure the association among the six constructs. Based on the result, there are positive correlations among all the constructs because none of the constructs has negative sign with significant at p-value <0.05. The highest correlation is FA with $r=0.489$, then followed by ONL with $r=0.378$, SCH with $r=0.372$, GS with $r=0.358$ and TAN with $r=0.348$. Meanwhile, the lowest correlation is food services with $r=0.143$ and all correlation were significant at 0.01 levels.

5.3.1.2 Multiple Regression Analysis

From the analysis, the R^2 regression of customer satisfaction is 0.307. The regression coefficient for TAN is 0.214, SCH is 0.064, GS is 0.061, FA is 0.274, an ONL is 0.130 and FOO is 0.010. Besides, the constant is at 0.509, therefore the estimated equation for the model is:

$$CS = 0.509 + 0.214(TAN) + 0.064(SCH) + 0.061(GS) + 0.274(FA) + 0.13(ONL) + 0.010(FOO)$$

TAN = Tangible Features

SCH = Schedule

GS = Ground Staff

FA = Flight Attendants

ONL = Online Services

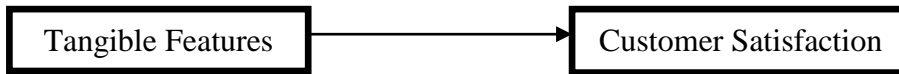
FOO = Food Services

5.4 Discussions of the Major Findings

5.4.1 Hypothesis 1

H0: There is no relationship between tangible features and customer satisfaction in service quality of AirAsia Malaysia.

H1: There is a positive relationship between tangible features and customer satisfaction in service quality of AirAsia Malaysia.



From the study, the researchers have found out that TAN is significant to CS. This can be supported by Brady and Cronin (2001), Rust and Oliver (1994), Zeithaml et al. (1988), who stated that the environment quality as the extent to which TAN of the service place play a formative role in consumer perceptions of overall SQ.

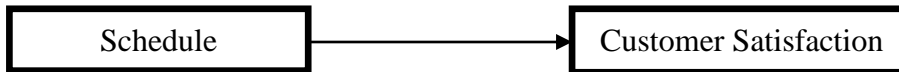
Through the study, the result has shown that TAN will influence CS. Based on the findings by Kumar & Barani (2012), TAN are positively related to CS. Moreover, the study has also shown that with continually improving SQ in area of TAN will lead to the increase in the level of CS.

According to Kim & Lee (2009), the perception of TAN in LCCs by passenger was lower than other SQ dimension; therefore LCCs should not ignore the importance of TAN.

5.4.2 Hypothesis 2

H0: There is no relationship between schedule and customer satisfaction in service quality of AirAsia Malaysia.

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



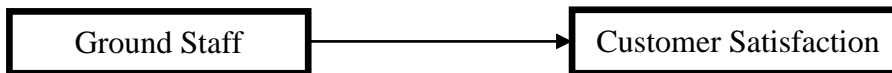
Based on the result of the study, it has shown that SCH is not significant to CS. The reason of insignificant between SCH and CS in SQ of AirAsia may due to the lack of emphasis on SCH by passengers. Most of the respondents in this study are leisure/personal travelers. Thus, they are not much concerned about SCH like delay of flight as business travelers do.

Normally, leisure travelers have more free time than business travelers. Leisure travelers are able to wait if the flight is delayed. But for business travelers, they do not have much free time to wait in case of flight delay. They may have to rush for a meeting for their business.

5.4.3 Hypothesis 3

H0: There is no relationship between ground staff and customer satisfaction in service quality of AirAsia Malaysia.

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



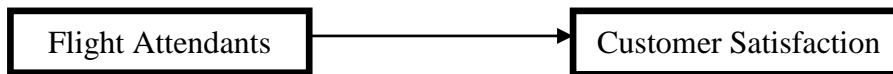
From the study, the researchers have found out that the services provided by GS is not significant to CS. Being a LCC, AirAsia operates in low cost marketing strategy. It has a tendency to reduce the operation cost to deliver the lowest fare to the customers. The dependency on ONL is higher in relative to the dependency on GS. For example, there is no complimentary counter check-in for domestic flights. Such service is related to the GS. A service charge of RM 10 is incurred for check-in over the counter. Thus, more customers will opt for online check-ins rather than counter check-ins. The lack of contact between the GS and customers reduces the significance of this variable as compared to the other variables.

Moreover, the customers do not have high expectations towards LCCs as compared to the traditional carriers due to the lower fare incurred. With that, the customers are more likely to concern about the FA rather than the GS. This is contributed by the higher degree of contact with the FA compared to the GS. Therefore, this can support the result found out from the study.

5.4.4 Hypothesis 4

H0: There is no relationship between services provided by flight attendants and customer satisfaction in service quality of AirAsia Malaysia.

H4: There is a positive relationship between services provided by flight attendants and customer satisfaction in service quality of AirAsia Malaysia.



Throughout the study, the researchers have found out that FA is significant to CS and it is also the **MOST important** factor to influence CS ($\beta=0.299$). Based on An & Noh (2009), FA play a crucial role for passengers in choosing the airlines company. A certain airlines company is most likely to be represented by the FA. Airplane is the place where a respective passenger spends the most amount of time in. The passengers emphasize on the services on board as they have limited access to territorial space in the airplane. Passengers are preferred to associate with FA rather than GS. Thus, the FA are the ones who have the most contact with the passengers.

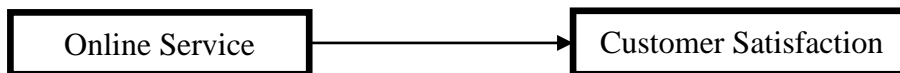
Providing good customer service and ensuring passengers with a pleasant travelling experience are important parts of a FA job. Besides, greetings and friendly approaches from FA to the passengers, willingness to help the passengers, neat and smart appearance and possessing the knowledge to cater for the passenger's enquiries are also important elements for passengers in choosing the airlines company. The level of CS is influenced by the efficiency of FA in meeting the customers' needs. New FA require more time to provide a satisfactory level of service as compared to the experienced FA.

Moreover, Munusamy, Chelliah and Pandian (2011) stated that CS can be improved by increasing the number of FA. Because of the low cost operation, AirAsia has limited the number of FA on each of the journey on the plane. It is normally 3-5 FA who provide the service for passengers on each flight. Sometimes, there is insufficient numbers of FA to handle the request by passengers. So, it can directly affect the level of CS.

5.4.5 Hypothesis 5

H0: There is no relationship between online services and customer satisfaction in service quality of AirAsia Malaysia.

H5: There is a positive relationship between online services and customer satisfaction in service quality of AirAsia Malaysia.



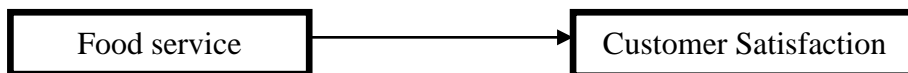
The result of the study has shown that ONL is significant to CS. This can be supported by Adam, Wang and Frank (2009), stated that, to fully understand online CS, there is a need to look into the consumers' interaction with the web site both as a store and as a system interface. Based on AirAsia website, it can be said that majority (65%) of the flight ticket sales were done through online. Due to low cost operation by AirAsia, there is only several operating sales office. AirAsia is focusing more on the online sales. Moreover, even the boarding check-in has to done online (domestic flight). If the customers choose not to check in through online, they will have to pay RM10 service charge for check-in over the counter. In order to avoid the counter check-in charges, the customers will naturally choose to check in online.

Besides, if the customers perform online check-in, they can arrive slightly later to the airport. Since every activity and transaction related to AirAsia like checking on flight information, purchasing the ticket or onboard check-in are performed online, so the customers' expectation on the ONL will be high. Thus, it can relate to CS. Hence, any changes in ONL will influence the level of CS.

5.4.6 Hypothesis 6

H0: There is no relationship between food service and customer satisfaction in service quality of AirAsia Malaysia.

H6: There is a positive relationship between food service and customer satisfaction in service quality of AirAsia Malaysia.



Based on the result of the study, the researchers have found out that FOO is not significant to CS and it is also the **LEAST important** factor that will influence CS ($\beta=0.010$).

Due to the low cost and no frills operation, the customers are not provided with any in-flight meals unless customers opt to purchase the meals with extra charges. Comparing to other full service carriers like MAS and Singapore Airlines, their flight fare offered has included for the in-flight meals. The passengers from AirAsia may choose not to opt for in-flight meals because they want the lowest fare with no extra charges. Therefore, they do not have high expectation of the FOO by AirAsia.

Besides that, almost all AirAsia flights are short-hauled (3 hour flight or less). For instance, flight from Kuala Lumpur to Pulau Pinang only takes 1 hour. There is insufficient time for the customers to have a proper meal, or else the customers need to rush to finish the meals. The customers would rather choose to have a rest or nap than to consume the meals in a rush. So, the customers will not choose to use the FOO in AirAsia. Therefore, FOO is less likely to affect the level of CS.

5.5 Implications of the Study

5.5.1 Managerial Implications

This study has recommended a handful of implications for the policy makers as well as the practitioners of AirAsia. Hence, by going through the overall findings of the study, there are some of the important implications that should be emphasized in overall performance of AirAsia. By implementing it, it helps to boost the sales performance of AirAsia.

Firstly, since FA is the most important factor that influences CS, AirAsia should improve the quality of their FA. AirAsia can conduct appropriate trainings for their FA, specifically language, knowledge of flight and emergency procedures, hospitality skills, first aid and medical skills, ability to assist people with special needs such as young children or people with disabilities. Besides, AirAsia can increase the number of FA in the flight to cater for more passengers' needs.

The study also provides a better insight like the comfort of the seats in the flight. Through the study, it is found out that a lot of passengers were not satisfied about seats in the plane because the seats are very close to each others, especially when it comes to movement of the passengers on the seat which causes inconvenience both

to the passenger itself and the neighboring passengers. AirAsia should consider purchasing larger plane with comfortable seats and wider area which allows movement of the passengers without affecting the other passengers in the flight. It is even more significant for long distance travelling as the passengers may seek for personal territorial space for slight movements to ease boredom and discomfort.

Furthermore, the results of the study also give several good implications for the AirAsia on how to attract and retain the current AirAsia customers. Responsiveness to the customers' enquiries plays a significant role in the SQ of the AirAsia. Especially for online booking, it happens mostly during the promotional period. Whenever there is a promotion on their website, congestion on the website happens. The customers will put in a virtual "waiting room" and they are not able to make any browsing and information gathering. This may cause disappointment among customers. Thus, AirAsia can add more servers to increase the efficiency for their website.

5.6 Limitations of the Study

Throughout the progress of conducting this study, there are several limitations that have been identified and important to be pointed out in order for the researchers to learn and acknowledge.

The first limitation is limited sample size to represent whole population of AirAsia Malaysia. Due to time and resources constraints, the researchers have distributed 200 questionnaires which considered as a limited sample size to conduct for study. Nevertheless, the researchers have received 174 questionnaires, thus this small sample size has caused the result to be limited and it might fail to represent high and mighty accuracy of gratifying results needed for this study.

Secondly, the researchers have only prepared an English version of questionnaire to the respondents. Thus, it has caused difficulties to some of the respondents who are unable to fully understand certain questions that have been asked by the researchers due to low English standard level. Thus, they would rather follow their intuitions to answer it which can cause bias to the result.

Thirdly, there are some factors that have not been included in the study whereby they are significant to the study as well. In this study, the researchers only focus on examining the non-price factors. Price is an important factor to LCC where consumers are widely based on the price to judge on the service quality. Additionally, pricing strategy is the main focus for LCC to run the business. Moreover, promotional packages should be covered because the passengers are likely to give rating on the service quality that are delivered by the service provider who provides service that mainly based on the promotion offered. Furthermore, the passengers also perceive security as one of the factors that give impact on the CS. Eventually, the researchers did not analyze these factors due to time constraints.

Lastly, the questionnaire was designed in a close-ended manner which required respondent to tick on the answer that is the best to represent their thoughts or satisfaction level. Although it was beneficial as the respondents could easily and conveniently answer the questionnaire, the researchers were able to analyze and interpret the data easily due to time and resources constraint. However, it would limit the researchers to gain more in-depth understanding and thoughts from the passengers towards AirAsia Malaysia, which indirectly affect the accuracy and reliability of result. If the questionnaire were designed in an open-ended manner, the researchers would be able to find out what is uppermost in the respondents minds. Simultaneously, better accuracy of result could be obtained. However, the respondents will feel troublesome by this kind of questionnaire which would require them to take longer time to answer.

5.7 Recommendations for Future Research

After completing this study, the researchers have found out that there are some spaces for improving the quality of this study in future.

The accuracy and reliability of the result can be improved by expanding the sample size, specifically more than 200 questionnaires. Besides, the time frame of conducting survey should be extended in order for the researchers to get sufficient time to distribute and collect from large number of respondents. For current study, the researchers have only distributed questionnaire to KL, Klang Valley and LCCT which might not be comprehensive enough to represent the whole population. Thus, to obtain a large sample size, the researchers can distribute it to all states in Malaysia as well as other countries that allow in capturing the satisfaction level of vary passengers towards the service delivered by AirAsia.

In order to avoid bias of this study, multi-language questionnaire is highly recommended, it should provide English, Malay, Chinese, and Tamil versions of questionnaire. By inserting multi languages in questionnaire, it can help to increase the level of understanding for the respondents who are not able to understand the full English version of questionnaire. Additionally, the respondents can choose their preferred language to answer, thus they would able to understand the research questions which lead to the accuracy of result.

Besides, the researchers have only covered six factors that might have impacted on the CS. However, the researcher might neglect certain significant factors that play an important role in determining the satisfaction level towards SQ that is delivered by AirAsia. Price, promotion and security are emphasized by the passengers from LCC. Thus, these three factors should be carried out in future research to obtain in-depth understanding on passengers' satisfaction level towards AirAsia Malaysia and it is useful for the study which regards to LCC.

Other than that, for future researchers they can also conduct the study in a qualitative research so that they can obtain more reliable and precise information.

5.8 Conclusion

As a conclusion, this portion summarizes the entire chapter of this study. There are managerial implications that have helped the airlines industry to make service improvement in order to maximize its business performance. Besides, this study has included several limitations that have been faced by the researchers. However, these limitations have been supported by recommendations in order to enhance the airlines industry as a whole in the future.

Throughout this study, the researchers have discovered some hidden and important factors that have impacted the level of CS towards SQ of AirAsia Malaysia. Hence, this study has helped the airlines industry to keep track of the six important independent variables and continuously monitor their SQ in ensuring maximum satisfaction among the customers. Thus, it also definitely helps to create customer loyalty for the airlines industry.

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APPENDICES

Appendix A: Questionnaire



**UNIVERSITI TUNKU ABDUL RAHMAN
FACULTY OF ACCOUNTANCY AND MANAGEMENT
BACHELOR OF INTERNATIONAL BUSINESS (HONS)**

Research Project Topic: A Study of Customer Satisfaction Towards Service Quality
in AirAsia Malaysia

Dear respondents,

We are Final Year students of Bachelor of International Business (HONS), from Universiti Tunku Abdul Rahman.

We are currently conducting a survey to study the customer satisfaction towards service quality in AirAsia. Your response will be held confidential and it is meant for academic purpose only. The responses that you give will be strictly confidential and data from this survey will be reported only in aggregate. It will take about 10-15 minutes of your time in order to complete this survey.

Thank you for your precious time and participation in this study.

Group Researchers:

Eng Ai Jia	10UKB07185
Lee Shee Cheae	10UKB04219
Tan Pei Pei	10UKB06447
Yeoh Chun Yam	10UKB05945

SECTION A: Personal Details

1. Please state your gender:
 - Male
 - Female

2. Please state your age:
 - 18 – 20 years old
 - 21 – 30 years old
 - 31 – 40 years old
 - 41 – 50 years old
 - Above 50 years old

3. Please state your race:
 - Malay
 - Chinese
 - Indian
 - Others (Please state): _____

4. Please state your marital status:
 - Single
 - Married
 - Others (Please state): _____

5. Please state your work status:
 - Student
 - Full-time
 - Part-time
 - Not working
 - Retired

Others (Please state): _____

6. Please state your income:

Below RM1,000

RM1,001 – RM2,000

RM2,001 – RM3,000

RM3,001 – RM4,000

Above RM4.001

Others (Please state): _____

7. Please state your current educational level:

SPM

STPM

Diploma

Degree

Master

PhD

Others (Please state): _____

SECTION B: General Information

1. Have you ever travelled by air?

Yes

No

2. Are you ever travelled by AirAsia?

Yes

No

3. Where you travel regularly?

Domestic

International

4. How many times did you travel in a year?

- 1-5 times
- 6-10 times
- 11-15 times
- 16-20 times
- > 20 times
- Never travel at all

5. Are you likely to travel with low cost airlines?

- Yes
- No

6. Which class do you usually travel in by air?

- Economy class
- Business class
- First class

7. How do you book your airline tickets?

- Via the Internet
- Travel agents
- Airline company office
- I never book tickets myself
- Others (Please state): _____

8. How would you categorize yourself in terms of air travel?

- I am mostly a business traveler
- I am mostly a leisure/ personal traveler
- I am a bit of both, a business traveler and a leisure traveler

SECTION C: General Opinion

Please tick wherever you agree.

SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree

(I) Tangible Features

No.	Statements	SA	A	N	D	SD
1.	The airline has new planes.					
2.	The air conditioners in the planes were comfortable.					
3.	The seats in the planes were comfortable.					
4.	Quality of in-flight environment and airport facilities.					
5.	Variety and choices of in-flight entertainment facilities.					

(II) Schedules

No.	Statements	SA	A	N	D	SD
1.	The airline has convenient flight schedule.					
2.	The air plane departed from the airport at schedule time.					
3.	The air plane arrived at the destination at schedule time.					
4.	The airline did not cancel the flight.					
5.	Remedial procedures for delayed or missing baggage.					
6.	Information of flight schedule is well-organized.					
7.	Delay departures of flights.					
8.	The airline's flight schedule reliability was very high.					
9.	My expectations were high that I would receive compensation if I encountered a long delay.					

(III) Services provided by ground staff (Airport)

No.	Statements	SA	A	N	D	SD
1.	Well dressed and neat appearance.					
2.	Easy to contact.					
3.	Had sincere interest in fulfilling my needs.					
4.	Willing to help passengers.					
5.	Never too busy to respond to my request.					
6.	Friendly to passengers.					
7.	Had knowledge to answer my questions.					

(IV) Services provided by flight attendants (Plane)

No.	Statements	SA	A	N	D	SD
1.	Well dressed and had neat appearance.					
2.	Easy to contact.					
3.	Had sincere interest in fulfilling my needs.					
4.	Willing to help passengers.					
5.	Never too busy to respond to my request.					
6.	Friendly to passengers.					
7.	Had knowledge in answering my questions.					

(V) Online Services

No.	Statements	SA	A	N	D	SD
1.	It is flexible and easy to choose airports.					
2.	It is flexible and easy to select date and time.					
3.	It is very fast to the result page.					
4.	The information is clearly present on the result page.					
5.	The flights information is accurate and update in time.					

(VI) Food Services

No.	Statements	SA	A	N	D	SD
1.	Attractiveness of the food menu.					
2.	Quality of food is good.					
3.	The foods served look appealing.					
4.	The printed menu is the same as the actual foods served at meals.					
5.	I like the taste of most of the foods.					
6.	I like the way foods are prepared.					

(VII) Level of passenger satisfaction

No.	Statements	SA	A	N	D	SD
1.	The price of air ticket was reasonable.					
2.	I was satisfied with how the airline had taken care of me.					
3.	I was satisfied with this airline compared to other low cost airline.					
4.	My choice to use this airline was wise one.					
5.	I think that I did the right thing when I decided to use this airline.					

Thank you for the participation in this research.

Your time and opinions are greatly appreciated.