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A Study of Price Influences, Counter Services and Online
Customer Services that Air Asia Provided

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Abstract

Now days, people are willing to spend more money to get a good and high quality of the services as long as their satisfied. If the services are poor, the consumer will feel unhappy and will go to other company, although the quality of the product is good. But some of the consumers do not really care about the level of the services that has provided as long as their can get the services because want to save some money. The purposes of this study are to investigate whether the price will influence the consumers, to analyze the level of the satisfaction among the customers when used the services especially the counter services, and to analyze the relationship between the services provided and customer's satisfaction. Overall, it proven that the lowest price influence the customers choose and used the service. The customer more prefer the Air Asia counter services because the Air Asia staff give a good treat to the customer when check-in and when aboard. The customer satisfied with the online customer's services although sometime facing some problem online.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Now days satisfaction is more important, people are willing to spend more money to get a good and high quality of the services. If the services are poor, the consumer will feel unhappy and will go to other company, although the quality of the product is good. The company airlines that involved in this study are Air Asia airlines.

Air Asia introduced its low fare, no frills concept in December 2001, revolutionized air travel in these country by offering incredibly low fares through its innovative sales channels. To date the Air Asia group, has carried over 35 million guests. In June 2003, Air Asia announced three investors, IDB Infrastructure Fund L.P., Crescent Venture Partners and Deucalion Capital II Limited who have acquired equity in Air Asia Sdn Bhd worth US\$26 million (RM98.80 million). In August 2003, Air Asia became the first airline in the world to introduce mobile booking where guests can now book their seats, check flight schedules and obtain latest updates on Air Asia promotions from the convenience of their mobile phones. Air Asia also recently introduced Go Holiday, the airline's online programme where guests can book holiday packages online in real time.

In Jan 2004, Air Asia carved a milestone in the history of Asian aviation when the low fare airline formed a partnership with Shin Corporation in Thailand to develop a low fare carrier in Thailand.

On 23 of March 2006, Air Asia successfully moved its operations to the new Low Cost Carrier Terminal (LCCT). This is a major milestone as it is the first dedicated terminal for low cost carrier operations in the world. The phenomenal growth of Air Asia reflects its vision to become an ASEAN brand. As one of the leading low fare airline in the region, Air Asia is the epitome of ASEAN with its rich cultures and wealth of resources. The airline further aspires to bring low fare travel to the people of ASEAN, and to

CHAPTER 2

LITERATURE REVIEW & CONCEPTUAL FRAMEWORK

2.1 Literature review

This chapter provides a review of the literature on the services of Air Asia. For an organization success is depends on how many customers it has, how much they buy, how often they buy and customer satisfactions as the measure of the quality. Examples, when the customer satisfied with the services, the customers will always buy and used the services, pay the services promptly. Our research is based on these articles. There are articles that has related to the research.

According to the definition by the Turkish Airlines, Passenger means any person, except members of the crew, carried or to be carried in an aircraft with the consent of Carrier.

Customer service is a series of activities designed to enhance the level of customer satisfaction – that is, the feeling that a product or service has met the customer expectation. Its importance varies by product, industry and customer. As an example, an expert customer might require less pre-purchase service (i.e., advice) than a novice. In many cases, customer service is more important if the purchase relates to a “service” as opposed to a “product”. Customer service may be provided by a person (e.g., sales and service representative), or by automated means called self-service. Examples of self service are Internet sites. Customer service is normally an integral part of a company’s customer value proposition. (Turban et al., 2002). The service can be get from by login into the website.

According to Jack Speer, an excellent customer service is the process by which your organization delivers its services or products in a way that allows the customer to access them in the most efficient, fair, cost effective, and humanly satisfying and pleasurable manner possible. Here is the first point to remember: Customer service is a process, not a set of actions that might include greeting the customer, smiling, asking if you can help,