A STUDY ON FACTORS INFLUENCING CUSTOMER SATISFACTION TOWARDS SERVICE QUALITY OF AIR ASIA IN KUCHING INTERNATIONAL AIRPORT

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ABSTRACT

The airlines industry is important for the world economic growth, people or organization especially in serving as a fundamental component in the tourism industry as well as to the conduct of global business. Air Asia is one of the airlines companies that offers low tariff to the domestic as well as international destinations. This research was conducted to find out about the factors influencing customer satisfaction towards service quality of Air Asia in Kuching International Airport. This study only focuses on the passengers who have been flying with Air Asia. Research questions are developed and tested to attain the objectives of this study. Literature review is included in this study to provide better understanding of the factors affecting customer satisfaction and customer behavioral intention. The data were collected through questionnaires and 200 sets of questionnaires were distributed among the respondents in Kuching International Airport. However, 181 sets questionnaires are usable and the remaining of 19 sets cannot be used due to incompleteness. Then, the data were analyzed by using Statistical Package for Social Science (SPSS) version 20. Based on the findings, the researcher found that customer satisfaction is influential towards customer behavioral intention and according to the correlation analysis, there is a moderate relationship between service quality and customer satisfaction. Conclusions are made from the results of the findings and recommendations are also included to enable Air Asia to make future improvements on their customer service.

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CHAPTER 1

INTRODUCTION

1.1 OVERVIEW

Chapter 1 provides an overview of the whole study. The main purpose of this study is to understand the factors that influence customer satisfaction towards service quality of Air Asia in Kuching International Airport. This chapter outlines the background of study, problem statement, research objectives and questions, significance of study, scope of study, the definition of terms that I used in this study.

1.2 BACKGROUND OF THE STUDY

By serving as a fundamental component in the tourism industry as well as to the conduct of global business, the airlines industry is essential for the world economic growth, people or organization. Today, service industries are dominant in developed countries and the significance of service to the economy keeps on expanding (Halil Zaim, 2010). Air transportation helps to reduce poverty and improve living standards by facilitating tourism. Furthermore, it also generates economic growth, provides jobs and increase revenues from taxes. Air Asia was established in 2001 and it is one of the airline companies in Malaysia that offers low tariff to the domestic as well as international destinations. Air Asia has made a remarkable revolution in the airlines industry with increasing growth over the recent years.

Regardless of how excellent the delivery of service that an organization conveys to its customers, organizations are still unable to meet the expectations of today's customers. It is due to the customers' tendency to be more demanding and less loyal to a certain brand. Therefore, organizations are facing a challenge in delivering error-free services to their customers (Amiruddin, 2013). Some researchers further argued that it is difficult to ensure 100 percent error-free service due to the unique nature of services. Therefore, failures in service delivery are one of the most significant challenges for every service organization.

Archana (2012) explained, in a highly competitive environment, providing high quality services to passengers enables a company to gain competitive advantage in terms of profitability and sustained growth. According to Eng at al. (2013), the improvement in customer satisfaction for airlines industry can be linked with the dimensions of service quality such as tangible features, reliability features, responsiveness features, assurance features and empathy features. Airline organizations are able to gain competitive advantage through understanding the needs and wants of their target customers. To be able to compete with respective competitors, an organization must provide products and services that will satisfy the customers. Hence, airline companies must render high quality service to the customers or passengers. Airline companies should also make their products and services unique than the competitors' offerings to be able to gain competitive advantage. Dagger and Sweeney (2007) further argued that due to intense competition in the airlines industry, airline companies are emphasizing more on the quality of service to attain market leadership. Airline companies should plan and execute continuous improvement in the service provided to maximize their performance (Eng Ai Jia, 2013). In order for the airline companies to survive in the airlines industry, delivering top-notch service quality

to the passengers is vital. Airline companies need to understand what are the customers' expectations toward the services (R. Archana, 2012).

1.3 PROBLEM STATEMENT

Air Asia airlines has been facing many challenges including reducing expenses, controlling fluctuating demand, keeping up with quality requirements while trying to maintain high-quality services and satisfy the needs of each target customers. Zaim (2010) further explained that consumers are becoming more aware of rising standards in service, prompted by competitive trends, which leads to customers having higher desires. Complaint from the service failure will negatively impact the airline company, especially from front line area. Unfortunately, bad services can take numerous years to revive it from the customers' perception (Kitcharoen, 2013). Furthermore, some researchers found a big number of customers' complaints on bad services and experiences when travelling with Air Asia. Previous research findings have affirmed that product and service failures can prompt numerous undesirable consequences for airline companies especially Air Asia airlines. Customer dissatisfaction leads to unfavorable word-of-mouth that will give a negative impact to the airlines' reputation that leads to customers switching to other airline company. Other than that, it also results in substantial financial and market loss. Hence, it is important for organizations to keep on improving their service quality.

1.4 RESEARCH OBJECTIVES

1. To identify which dimensions of service quality affects customer satisfaction the most.
2. To investigate whether customer satisfaction influence customer behavioral intention.
3. To identify whether there is a relationship between service quality and customer satisfaction.

1.5 RESEARCH QUESTIONS

1. Which dimensions of service quality affects customer satisfaction the most?
2. Does customer satisfaction influence customer behavioral intention?
3. Is there any relationship between service quality and customer satisfaction?

1.6 SIGNIFICANCE OF THE STUDY

This research is conducted to acknowledge the factors that will influence customer satisfaction towards service quality of Air Asia in Kuching International Airport and how does the customers' satisfaction affect the customers' behavioral intention. The information that are being gathered in this study can be helpful in comprehension the variables that will prompt customer satisfaction towards service quality of airlines industry in Malaysia. Since today's customers have the tendency in becoming more demanding and less loyal to a certain brand, marketers are facing challenges in meeting the customers' expectations. According to Halil Zaim (2010), the role of service quality is perceived as a critical determinant for the achievement and companies' survival in today's competitive environment. Service failures happen when the marketers failed to convey the services that can meet the customers' desire. This will encourage the customers to switch airlines and become less loyal to a particular airline company. Hence, it is crucial for Air Asia airlines to have a better understanding on the factors that will actually affects the customers' satisfaction on service quality and what makes them loyal. Furthermore, these data are useful to better understand their target customers. Airline companies are able to gain competitive advantage through understanding the needs and wants of their target customers. Therefore, understanding the determinants that will influence customer satisfaction is crucial so that Air Asia would know which criteria that they are lagging behind, what are the criteria that they need to prioritize as well as the criteria that they need to improve (Amiruddin, 2013). The outcome of this research is to contribute to Air Asia for their service improvement. Moreover, the outcomes from this study would help Air Asia airlines to better monitor and develop service quality to increase the customers' level of satisfaction to the highest level (R. Archana, 2012).

1.7 SCOPE OF STUDY

This research focuses on the main factors that influence the customers' satisfaction towards service quality of Air Asia. Furthermore, it also focuses on whether customer satisfaction affects the behavioral intention of the customer. This research is conducted to measure how the quality of service provided by Air Asia can meet the customers' expectations and satisfy the customers. The data were collected from the passengers of Air Asia in Kuching International Airport.

1.8 DEFINITION OF TERMS

1.8.1 CUSTOMER SERVICE

The act of taking *care* of the *customer's* needs by providing professional, helpful, service quality and assistance before, during, and after the *customer's* requirements are met is the definition of customer service. In addition, customer service is addressing any customer's needs and desires. Halil Zaim (2010) further explained that promptness, politeness, professionalism and personalization are the attributes of good customer service.

1.8.2 SERVICE QUALITY

Baker (2013) stated that service quality is the degree in which a service is able to meet or exceed customer needs and expectations. Service quality consists of five dimensions including reliability, responsiveness, assurance, empathy and tangibles. Archana (2012) explained that one of the best models for assessing customers' desires and perceptions is service quality.

1.8.3 CUSTOMER SATISFACTION

It is a judgment that a product or service feature, or the product or service itself, gave a pleasurable level of fulfillment (Baker, 2013). Some researchers stated that communication between customers and employees has a strong influence on customer satisfaction. Highest level of customer satisfaction will lead to positive customer behavioral intention.

1.8.4 ASSURANCE

For customer service in the airlines industry, assurance is the capacity to inspire trust and confidence through having the knowledge in answering questions asked by the passengers and guarantee safe performance, as well as showing courtesy toward passengers.

1.8.5 RELIABILITY

Kitcharoen (2013) stated that reliability can be defined as the capacity to perform the service dependably and precisely. The elements of reliability include the capability in taking care of services problems, performing the right service at the first time, provide services according to the time set and maintaining record with error-free.

1.8.6 RESPONSIVENESS

The willingness to help customers and provide prompt service can be referred as responsiveness (Kitcharoen, 2013). Other than that, it also involves customers' needs and wants are fully understood, operating hours are convenient, employees giving individual attention to passengers and ensure safety in their customers' transaction.

1.8.7 TANGIBLES

The appearance of communication materials, physical facilities, personnel and equipment is the definition of tangibles. The examples of tangibles aspect for airline industry are the appearance of check-in counters, sales office, staff uniforms, and advertising style. Kitcharoen (2013) stated that the appearance for most of the low cost airlines looks very casual and more proactive.

1.8.8 EMPATHY

Empathy refers to the caring or individualized attention that the airline companies provide to its passengers. It includes the access to airlines' representatives, communication and understanding the customer, being friendly to all passengers and giving sincere interest in fulfilling the customer needs. For example, the staff provides wheelchair service to sick or elderly passengers.

1.8.9 LOW-COST AIRLINE

A low-cost carrier or low-cost airline is popularly known as a no-frills, discount or budget carrier or airline. It is an airline that offers generally low priced ticket fares in exchange for reducing some traditional services. Air Asia is Malaysia's first low-cost airline that was established in 2001.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

In chapter 2 of this study, literature review and proposed theoretical framework were included. Journal articles, books and the internet were used to collect and investigate the theories which are related to this study.

2.2 SERVICE QUALITY, CUSTOMER SATISFACTION & BEHAVIORAL INTENTION

2.2.1 SERVICE QUALITY

Service quality is known as one of the critical success factors that impact the organization's competitiveness (Siddiqi, 2011). Delivering a quality service is an important strategy for influencing consumers' behavioral intention. Service providers need to gauge and monitor their performance to find out where they stand in relation to customers' expectations and perceptions. Zaid (1995) mentioned that market studies are vital in the planning of a new produc and at the preproduction phase of designing and planning, the quality of a new service is crucial. However, Cronin and Taylor (1992) argued that customer satisfaction exerted more vigorous effect than the influence of service quality on behavioral intention. Jahanshahi (2011) also mentioned that high quality of customer services is not just based upon knowledge and skills but

also upon the way that the whole organization pulls in the same direction that leads to a clear and positive message to consumers.

Service quality is one of the indicators of marketing strategies of airline corporations. Fick & Ritchie (1991), quoted by Eng et al. (2013), suggested that SERVQUAL model has been used to ascertaining the service quality in the airlines industry. According to Parasuraman et al. (1988), the factors assessing service quality could be categorized into five dimensions which include tangibles, reliability, responsiveness, assurance and empathy. On the airlines industry's perspective, tangibles refer to the physical facilities of the aircraft that the passengers can see, touch or taste. The physical facilities include the seating comfort, seat space and legroom, in-flight entertainment facilities including books, newspapers, movies, games, and magazines, appearance of the flight attendants and ground staffs, and the quality of in-flight meals (freshness, quantity, and appearance). Air Asia airlines choose red color as the main color for their staffs' uniforms, Based on previous researches, red color is one of the colors that are attractive. Gupta (2013) indicated that reliability aspects in the airlines industry are portrayed as the ability of the staffs to perform service dependably and precisely. The reliability aspects consist of the airlines punctuality, efficiency of the check-in process, and convenience and precision of reservations and ticketing. Punctuality is when the planes depart and arrive at the destinations according to the time schedules. On the other hand, responsiveness is in the sense when the staffs are willing to help passengers solve service problems, their response to emergency situations and not to mention delivering prompt and accurate baggage delivery. According to Chan (2011), the staffs' willingness to help passengers in assisting service problems such as flight cancellation and baggage loss is important to portray whether the staffs are either responsive or are not responsive. Assurance is where the staffs are able to inspire trust

and confidence in such as having the knowledge in answering passengers' questions and guarantee safe performance, as well as showing courtesy toward customers. Lastly, empathy aspect is the service dimension that focuses on individualized attention or care, such as giving the seat a passenger prefers or meals through a pre-order system (Yu Kyoung Kim, 2010). Friendliness towards passengers is also included in the empathy aspects of service quality dimensions.

2.2.2 CUSTOMER SATISFACTION

Siddiqi (2011) quoted that customer satisfaction is one of the essential results of marketing activity. In the competitive airlines industry, customer satisfaction is considered as the embodiment of accomplishment. In order to maintain a loyal customer base, high customer satisfaction is crucial. Customer satisfaction is an issue that is arousing because in light of the fact that the service industry, customer retention is more advantageous than attracting new customers (Yu Kyoung Kim, 2010). It was found that to increase profits, companies should implement zero defection through customer satisfaction. Due to the advantages it delivers to the service industry, customer satisfaction has become the main objective in service operations. According to Baker (2013), customer satisfaction additionally prompts favorable word-of-mouth publicity that gives valuable indirect advertising for corporations. Customer satisfaction can lead to numerous advantages for organizations. For instance, satisfied customers have a tendency to be less price sensitive, have the willingness to purchase additional products, and less affected by competitors (Kitcharoen, 2013). Recently many researchers emphasize customer satisfaction have turned into an imperative issue for marketers because of the rapid business environment.

Gronroos (1984), quoted by Archana (2012), explained that through the contacts with the staffs, physical and technical resources, the plane itself, and in-flight meals, the passengers' satisfaction can be determined. Niveen (2013) further argued that service quality is more visible and passengers may use it as a basis to judge the quality as a whole in the airlines industry. Woodside, Wilson and Milner (1992), quoted by Baker (2013), stated that the passengers of an airline company have the tendency to stay with the same company if the services delivered by the airline company have fulfilled their needs and wants. On the other hand, Zeithaml & Bitner (2001) argued that satisfaction is determined not only through the perception of service quality, but also through the product quality, price, situation factors, and personal factors as well.

2.2.3 BEHAVIORAL INTENTION

Yu Kyoung Kim (2010) suggests that behavioral intentions are critical indicators for future behaviors of the customers. The behavioral intentions influenced by customer satisfaction are the most significant behavioral determinant. Unfortunately, customers' behavioral intentions are not yet fully comprehended by the marketers. Yeoh and Chan (2011) stated that customers who repeat purchases because of price are particularly common among customers of low cost airlines. The researchers further stated that customer satisfaction is also an indicator for the repeat purchases of customers. According to Zeithaml & Berry (1996), low service quality assessments will lead to unfavorable customer's behavioral intentions which will negatively impact the relationship. Hence, behavioral intentions are the important indicators that will show whether customers will remain or switch to other brand or company. Many studies in the airline industry determine customers' behavioral intentions as a one-dimensional construct. Parasuraman et al. (1996), quoted by Steven et al. (2012), stated that they found the full range of

potential behaviors impacted by the quality of such services and hypothesized two dimensions of behavioral intentions including favorable behavioral dimensions and unfavorable behavioral dimensions. Favorable behavioral dimensions include word-of-mouth communication, repeat purchase intentions, and price sensitivity. On the airlines industry perspective, the signal of favorable behavioral intention are the willingness of the passengers to travel by Air Asia in the future, the willingness to suggest Air Asia airlines to other people and the willingness to say positive things about Air Asia airlines. On the other hand, unfavorable behavioral dimensions refer to the complaining behavior. The complaining behavior comprise of the unwillingness of the passengers to recommend and say positive things about Air Asia. Other than that, the passengers would not consider flying or travelling by Air Asia in the future. Niveen (2013) further explained that a customer is satisfied with the services or products, the customers tend to be loyal due to positive reinforcement, and it will encourage other potential customers to purchase products or services with the company.

2.3 PROPOSED THEORETICAL / CONCEPTUAL FRAMEWORK

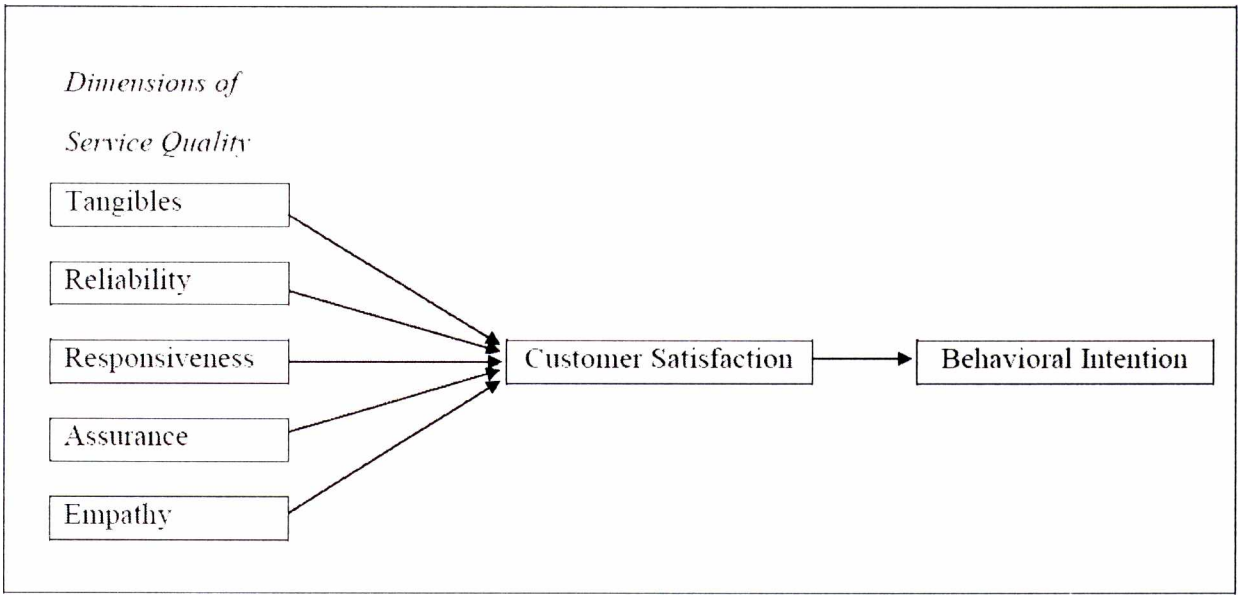

Figure 2.1 Proposed Theoretical / Conceptual Framework

Source: Yu Kyoung Kim & Hyung Ryong Lee (2011)

A theoretical or conceptual framework is developed to illustrate the variables involved in the study and their relationship. Relevant and testable hypotheses will be developed based on the theoretical framework. As shown in Figure 2.1, customer satisfaction (dependent variable) is affected by independent variables such as tangibles, assurance, reliability, empathy and responsiveness (dimensions of service quality). Moreover, customer satisfaction will lead to favorable and unfavorable behavioral intention of customers.

2.4 HYPOTHESES DEVELOPMENT

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

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

H0: There is no relationship between reliability features and customer satisfaction in service quality of Air Asia.

H2: There is a positive relationship between reliability features and customer satisfaction in service quality of Air Asia.

H0: There is no relationship between responsiveness features and customer satisfaction in service quality of Air Asia.

H3: There is a positive relationship between responsiveness features and customer satisfaction in service quality of Air Asia.

H0: There is no relationship between assurance features and customer satisfaction in service quality of Air Asia.

H4: There is a positive relationship between assurance features and customer satisfaction in service quality of Air Asia.

H0: There is no relationship between empathy features and customer satisfaction in service quality of Air Asia.

H5: There is a positive relationship between empathy features and customer satisfaction in service quality of Air Asia.

H0: There is no relationship between customer satisfaction and customer behavioral intention in service quality of Air Asia.

H6: There is a positive relationship between customer satisfaction and customer behavioral intention in service quality of Air Asia.

CHAPTER 3

METHODOLOGY

3.1 INTRODUCTION

This chapter presents the procedures on conducting this study. It consists of research design, measurements of construct and scales, sampling frame, target population, sample size, sampling technique, data collection methods and data analysis techniques.

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 clarifying the phenomena that those observations reflect. This study outlines the study of factors influencing customer satisfaction towards Air Asia service quality in Kuching International Airport. This study is categorized as an exploratory and causal research and the researcher is using the correlation analysis. According to Salkind (2014), correlation analysis can be referred as the study that examines the relationships between variables. Therefore, the study will be conducted by using the correlation in order to determine the relationship between independent variables (tangibles, assurance, reliability, responsiveness and empathy) and dependent variables (customers' satisfaction and behavioral intention). This study will use questionnaires form which consists of four sections. After answering to a Likert questionnaire, researcher can distinguish

their level of consent to a subject. It indicates the detailed procedures that are essential for obtaining the data that are needed to structure and solve the marketing problems.

3.3 MEASUREMENTS OF CONSTRUCTS AND SCALES

There are numerous measurements of constructs and scaling techniques. An excellent measurement will enable the researcher to have better evaluation of the properties or characteristics of the objects viably and proficiently. Moreover, it is used to identify the factors influencing customer satisfaction towards service quality of Air Asia and to identify ways to improve the service quality. The questionnaire will consist of four sections including section A (respondent's demographic profile), section B (dimensions of service quality), section C (customer satisfaction and behavioral intention) and section D (suggestions). Section A include the questions such as gender, age, race, education level, monthly income (RM), occupation, religion, marital status and number of times they travel by Air Asia in a year. On the other hand, section B consists of five parts which is based on the dimensions of service quality. The first part will consist of the questions related to tangible features, followed by questions on reliability features, responsiveness features, assurance features and empathy features. Whilst in section C, questions related to customer satisfaction and behavioral intentions were asked. The five point Likert scale of measurement was used for section B and section C. The scales of respond are as below:

a) 1 – Strongly Disagree

b) 2 – Disagree

c) 3 – Neutral

d) 4 – Agree

e) 5 – Strongly Agree

Lastly, the researcher used open ended method in section D to ask for suggestions on ways to improve the service quality of Air Asia.

3.4 SAMPLING TECHNIQUE

The sampling technique that is used as part of this study is non-probability sampling technique. It is chosen because it is impossible for researchers to gather information from all passengers of Air Asia. Thus, the respondents are chosen from the populace in some non-random manners.

Purposive sampling method is chosen in this study. In purposive sampling, we sample with a purpose in mind. The researcher will select the respondents who are applicable and compatible to the purpose of study. Furthermore, purposive sampling does not create a sample to represent a large population however it can meet the purpose of the study.

3.4.1 SAMPLING FRAME

The sampling frame is the source from which a sample is drawn and a list of those within a population, which the study will be led. The passengers in Kuching International Airport is the sampling frame because there is a bigger sum of potential respondents and the passengers are able to give reliable information in terms of the service quality of Air Asia.

3.4.2 SAMPLE SIZE

The sample size will be based on the available passengers at Kuching International Airport during that particular time. 200 respondents will be selected randomly in order to complete 200 questionnaires. The number of respondents selected is appropriate in generalizing targeted population due to time and resources constraints.

3.4.3 TARGET POPULATION

In this study, the target population will be the passengers who have been flying with Air Asia. Eng et al. (2013) explained target population as the entire group that researcher is interested in and wishes to reach. This specific populace is chosen because of their continuous interaction with airlines staffs and has better experience the services of Air Asia.

3.5 DATA COLLECTION METHODS

The data collection is restricted for the passengers who have been travelling by Air Asia only. The data for this study will be collected through distributing questionnaires forms and it will be distributed to 200 respondents.

- Primary data

This research is using primary data whereby the data will be gathered straight from the travellers of Air Asia. Primary data might be costly and tedious however the outcome will be more solid. Primary data is an original data, gathered fresh from the source of focus group, depth interview (personal interview) and projective technique (questionnaire). The technique chosen in this study was questionnaire method.

- Secondary data

Secondary data sources were also utilized by the researcher because it is useful to better characterize the problems of the study and interpreting primary data more significantly. This type of data was extensively used in literature review to provide framework for this study. Journal and internet articles are the sources for this study.

3.6 PILOT TESTING

Before directing the actual questionnaire, a pilot test has been done. This is to discover conceivable errors in the questionnaires such as the existence of ambiguous questions. In addition, pilot testing give chances for the researchers to discover potential problems that will emerge in constructing the questionnaire and making corrections before conveying the actual questionnaire. 10 questionnaires were distributed and the feedback assembled was used to enhance the clarity of the questions. The researcher conducted reliability test by using the statistical project for Social Science (SPSS) Version 20 right after the questionnaires were assembled. In order to test the reliability of each variable, Cronbach's Coefficient Alpha was adopted. Table 3.1 demonstrates the results of the pilot test that has been led.

Table 3.1 Results of Pilot Test

Constructs	No. of questions	Cronbach's Alpha	Outcome
Tangible	5	0.865	Very good
Reliability	5	0.814	Very good
Responsiveness	4	0.822	Very good
Assurance	4	0.891	Very good
Empathy	4	0.963	Very good
Customer satisfaction	3	0.553	Poor
Customer behavioral intention	3	0.977	Very good

Source: Developed for the study

3.7 DATA ANALYSIS TECHNIQUES

Statistical Packages for the Social Sciences (SPSS) version 20.0 is used to analyze the data that has been gathered. SPSS is able to give a measurement and indicate the mean, median, and mode of the data. Furthermore, SPSS is a type of software used by various professionals for statistical analysis purpose. The statistical techniques and tools that will be utilized in this study include:

i) Reliability analysis

This type of analysis is used to test the validity and reliability of the constructs that were developed for this study. The reliability was tested through Cronbach's Coefficient Alpha. 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 whilst the value of above 0.6 indicates satisfactory internal consistency.

ii) Descriptive statistical analysis

Descriptive statistical analysis can be characterized as the information of raw data into a structure that is more reasonable and simple to translate. Frequencies procedure provides statistics and graphical displays which are helpful in exhibiting different sorts of constructs. The purpose of frequency is to demonstrate the values such as the numbers and percentages for the different categories of a single categorical variable. Zikmund (2003), quoted by Eng at al. (2013), suggested that the measurement involves only one categorical variable which include nominal or ordinal scale. Frequencies that are generally obtained from nominal

variables consist of gender, race, occupation, religion and marital status. In the questionnaire form, frequencies analyses were utilized in Section A.

iii) Correlation analysis

Correlation analysis is utilized to determine how the variable relates to each other. It will indicate the direction, strength and significance of the relationship of all variables in the study. The purpose of this analysis is to investigate whether there is a positive or no relationship between the independent variables and dependent variable. The relationship between variables can be explained in terms of their correlation coefficient value based on the guidelines below:

1) 1 – perfect relationship
2) 0.71 – 0.99 – strong relationship
3) 0.31 – 0.70 – moderate relationship
4) 0.01 – 0.30 – weak relationship
5) 0 – no relationship

iv) Multiple regression analysis

Churchill & Brown (2004) suggested that a multiple regression is a statistical technique that is utilized to determine an equation that relates a single continuous dependent variable to two or more independent variables. Burns et al. (2006) further stated that multiple regressions are the expansions of bivariate regressions analysis that more than one independent variable is used in the regression equation. The formula used for multiple regressions is as below:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + \ldots\ldots b$$

Y represents the dependent variable, coefficient (a) represents the intercept or constant, and (b) was the partial regression coefficients. The partial regressions coefficient portrays the expected change in the dependent variable, where it is changed by one unit and other independent variables are held constants. A higher percentage of independent variables towards dependent variable will represent a stronger relationship between the independent and dependent variables.

CHAPTER 4

RESEARCH FINDINGS

4.1 INTRODUCTION

This section outlines the patterns and analysis of results which are pertinent to the research questions and hypotheses. In this section, the researcher will explain the output of study further based on the findings that were examined using SPSS software.

4.2 DESCRIPTIVE ANALYSIS

The demographic profile of the respondents has been determined in section A. Nine questions were asked to collect information about to the respondents' gender, age, race, education level, monthly income, occupation, religion, marital status and the numbers of times travel by Air Asia in a year. The results will be shown in frequency and percentage.

4.2.1 RESPONDENTS' DEMOGRAPHIC PROFILE

Table 4.1 Gender of respondents

Category	Frequency (N)	Percentage (%)
Male	67	37.0
Female	114	63.0

Source: Developed for the study

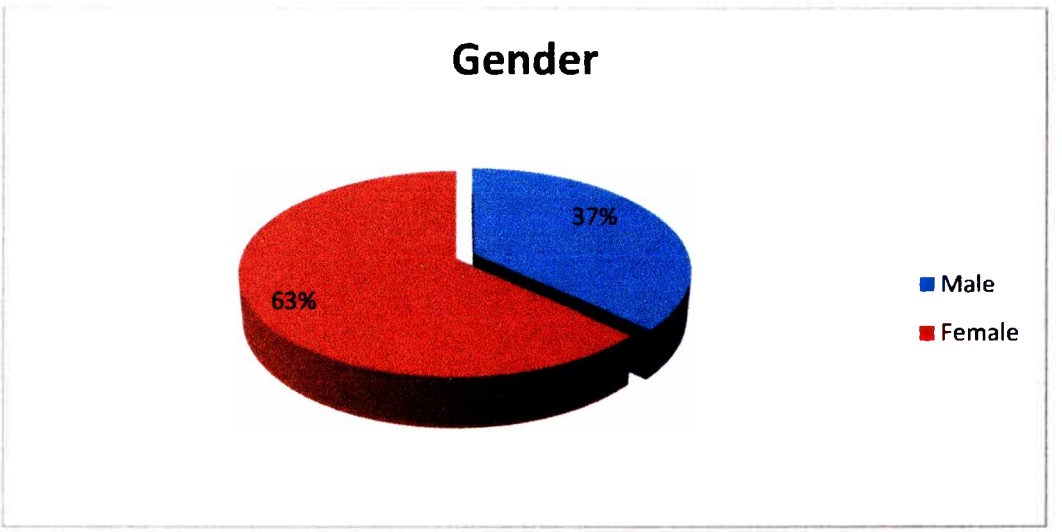

Figure 4.1 Gender of respondents

Source: Developed for the study

According to Table 4.1 and Figure 4.1, the result of the respondents' gender has indicated that 37% were male and 63% were female of the total sample size of 181 respondents.

Table 4.2 Age of respondents

Category	Frequency (N)	Percentage (%)
18 to 20	14	7.7
21 to 30	80	44.2
31 to 40	58	32.0
41 to 50	19	10.5
Above 50	10	5.5

Source: Developed for the study

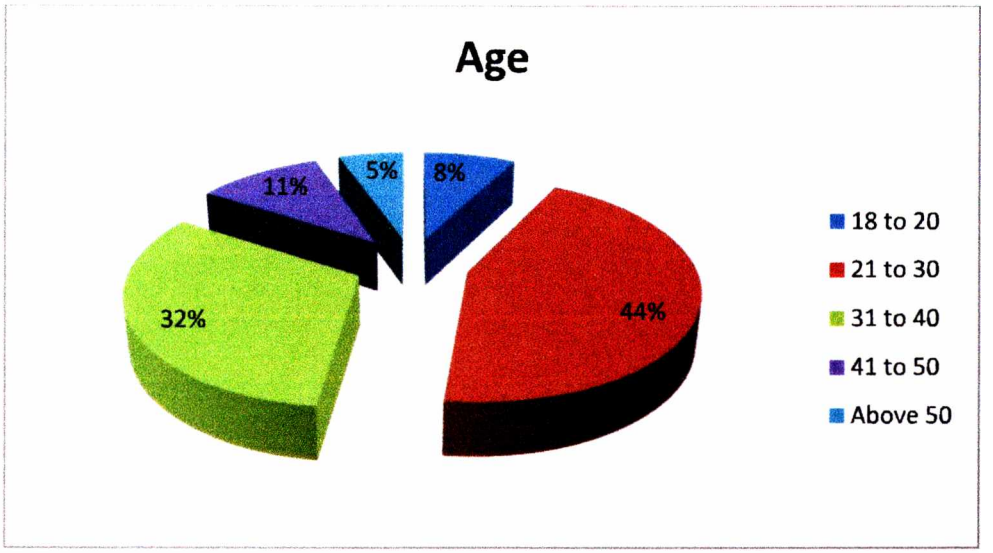

Figure 4.2 Age of respondents

Source: Developed for the study

As shown in Table 4.2 and Figure 4.2, majority of the respondents were in the age between 21 to 30 years old which represented 44.2% followed by 32% that were in the age between 31 to 40 years old, 10.5% of the respondents were in the age between 41 to 50, 7.7% were in the age between 18 to 20 years old and only 5.5% were in the age above 50 years old.

Table 4.3 Race of respondents

Category	Frequency (N)	Percentage (%)
Iban	28	15.5
Malay	77	42.5
Chinese	36	19.9
Bidayuh	29	16.0
Melanau	9	5.0
Others	2	1.1

Source: Developed for the study

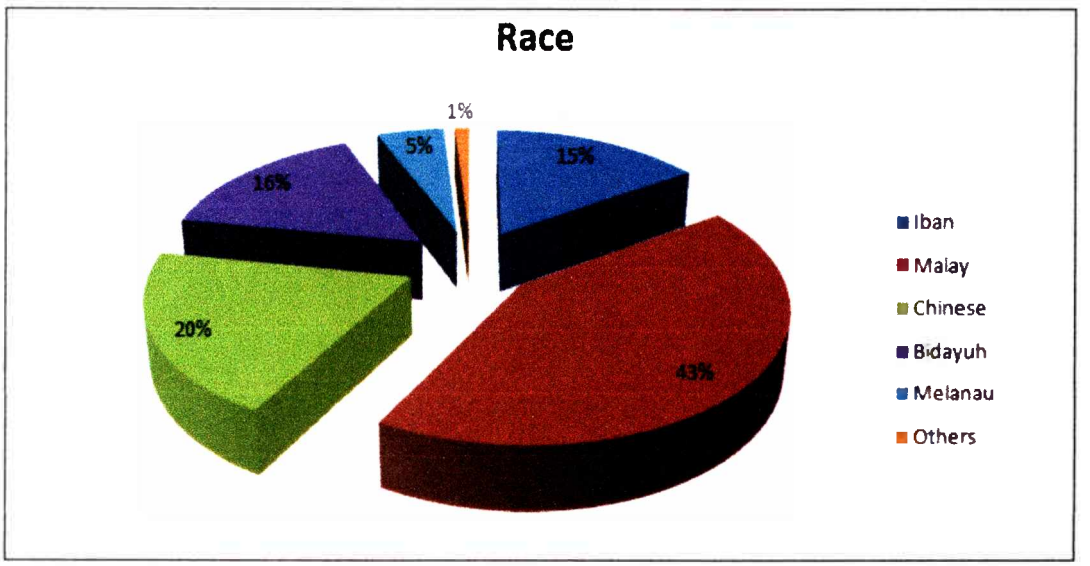

Figure 4.3 Race of respondents

Source: Developed for the study

Based on Table 4.3 and Figure 4.3, the findings revealed the majority of the respondents were Malay which indicated 42.5%. Meanwhile, 19.9% of the respondents represented Chinese followed by 16% of Bidayuh and 15.5% of Iban. 5% of the respondents were Melanau and 1.1% was others.

Table 4.4 Education levels of respondents

Category	Frequency (N)	Percentage (%)
SPM & Below	55	30.4
STPM or Diploma	54	29.8
Bachelor	63	34.8
Postgraduate	8	4.4
Professional	1	.6

Source: Developed for the study

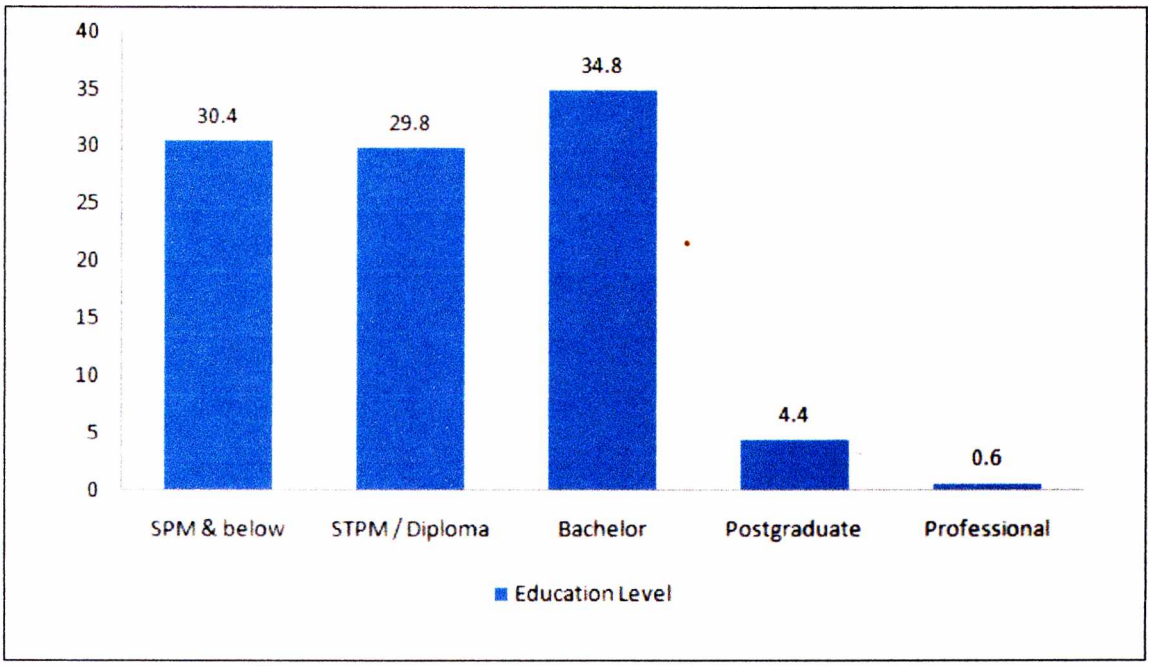

Figure 4.4 Education levels of respondents

Source: Developed for the study

According to Table 4.4 and Figure 4.4, 34.8% of the respondents were Bachelor Degree holders followed by 30.4% were SPM and below certificates and 29.8% of the respondents were STPM or Diploma holders. Meanwhile, 4.4% of the respondents represented Postgraduates and 0.6% were Professionals.

Table 4.5 Monthly income of respondents

Category	Frequency (N)	Percentage (%)
1000 or less	33	18.2
1001 to 2000	21	11.6
2001 to 3000	65	35.9
3001 to 4000	36	19.9
4001 to 5000	20	11.0
More than 5000	6	3.3

Source: Developed for the study

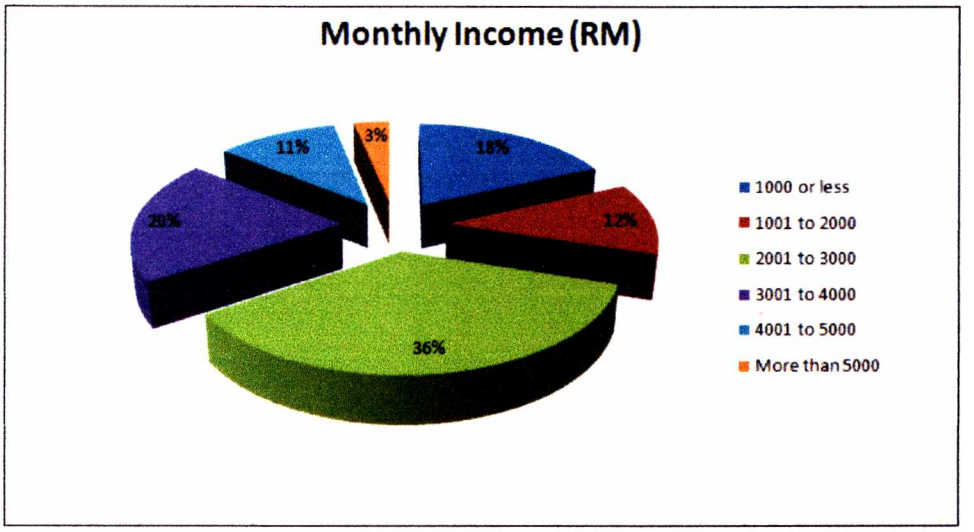

Figure 4.5 Monthly income of respondents

Source: Developed for the study

Table 4.5 and Figure 4.5 above shows the monthly income of respondents. Majority of the respondents' income were RM2001 to RM3000 which represented 35.9% of the total sample size. Then, it is followed by 19.9% which indicated the income of RM3001 to RM4000 and 18.2% of the respondents' monthly income were RM1000 or less. The respondents with income

level of RM1001 to RM2000 and RM4001 to RM5000 were 11.6% and 11%. Lastly, 3.3% represented the respondents with the income level of RM5000 and above.

Table 4.6 Occupation of respondents

Category	Frequency (N)	Percentage (%)
Public Sector	53	29.3
Private Sector	77	42.5
Student	34	18.8
Self-employed	13	7.2
Not Working	4	2.2

Source: Developed for the study

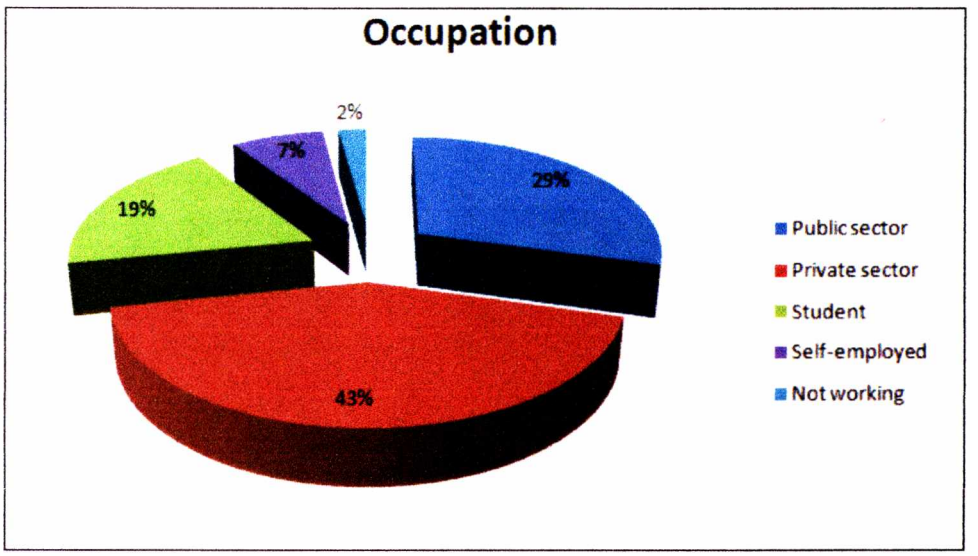

Figure 4.6 Occupation of respondents

Source: Developed for the study

Based on Table 4.6 and Figure 4.6, it has shown that 43% of the respondents constituted respondents from the private sector which indicated the majority of the respondents. 29% represented the respondents from public sector and 19% were students. Other than that, 7% and 2% of the respondents are self-employed and not working.

Table 4.7 Religion of respondents

Category	Frequency (N)	Percentage (%)
Islam	83	45.9
Buddhism	8	4.4
Christianity	87	48.1
Others	3	1.7

Source: Developed for the study

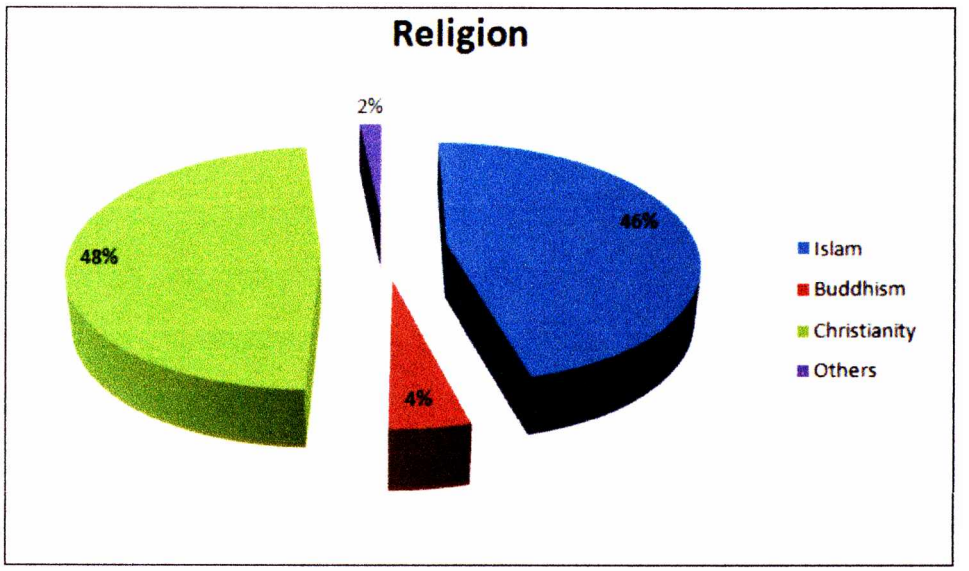

Figure 4.7 Occupation of respondents

Source: Developed for the study

As shown in Table 4.7 and Figure 4.7, majority of the respondents' religion were Christianity which represented 48.1% of the total sample size followed by Islam which indicated 45.9%. 4.4% of the respondents' religion was Buddhism and 1.7% was others.

Table 4.8 Marital status of respondents

Category	Frequency (N)	Percentage (%)
Single	82	45.3
Married	90	49.7
Divorced	9	5.0

Source: Developed for the study

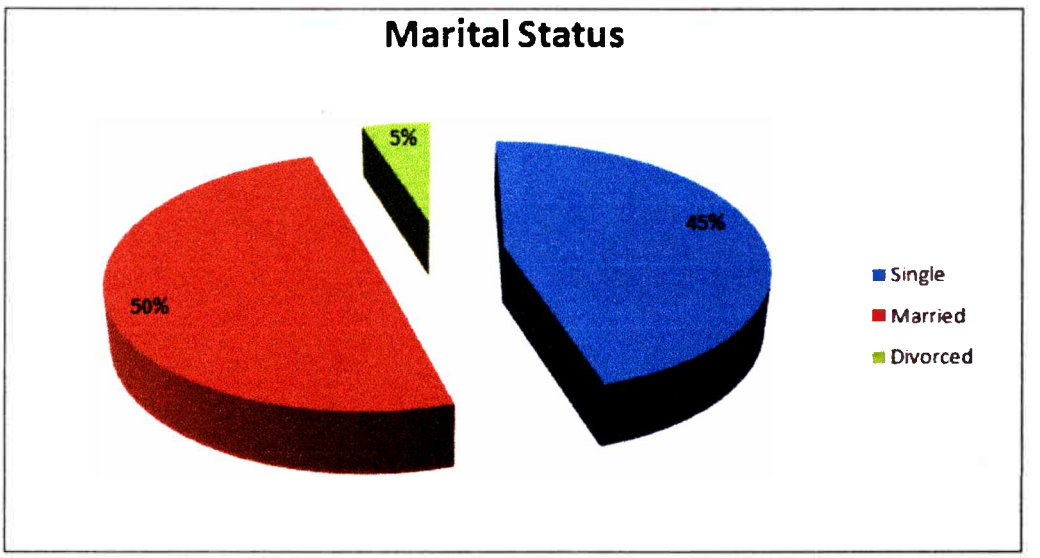

Figure 4.8 Marital status of respondents

Source: Developed for the study

Referring to Table 4.8 and Figure 4.8, there is 49.7% of the respondents were married, 45.3% were single and 5% were divorced respectively.

Table 4.9 Times travel by Air Asia in a year

	Frequency (N)	Percentage (%)
1 to 5 times	64	35.4
6 to 10 times	83	45.9
11 to 15 times	32	17.7
16 to 20 times	1	0.6
More than 20 times	1	0.6

Source: Developed for the study

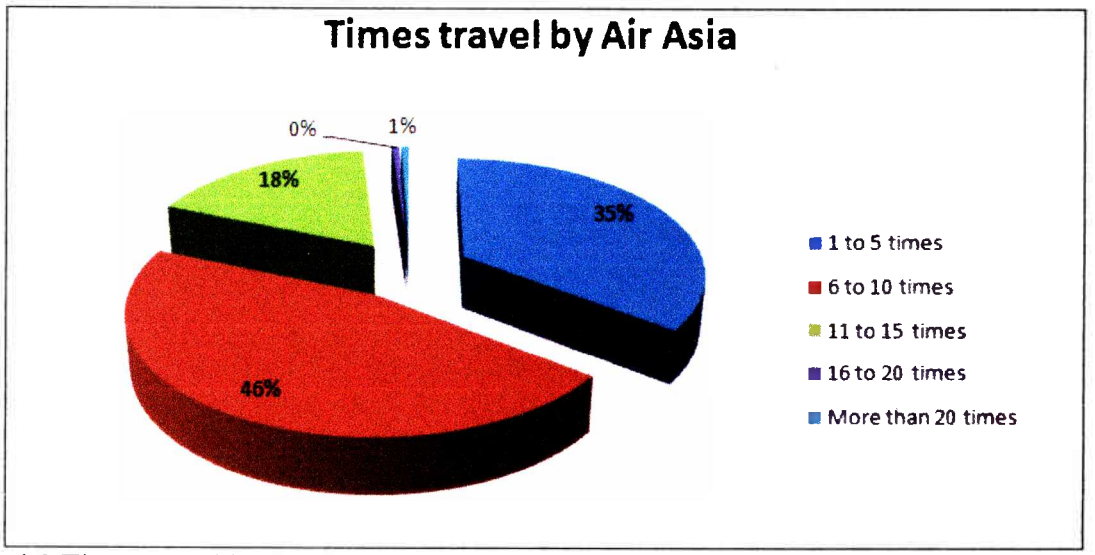

Figure 4.9 Times travel by Air Asia in a year

Source: Developed for the study

Based on Table 4.9 and Figure 4.9, the frequency of times travel in a year was shown. 45.9% of the respondents travel 6 to 10 times in a year followed by 35.4% that travel 1 to 5 times per year. The respondents who travel 11 to 15 times in a year indicated 17.7%, 0.6% travel 16 to 20 times and 0.6% travels more than 20 times in a year.

4.3 DESCRIPTIVE STATISTICS OF MEAN AND STANDARD DEVIATION CORRELATION ANALYSIS OF INDEPENDENT VARIABLES AND DEPENDENT VARIABLES

Table 4.10 Tangible features of service quality (N=181)

Tangible features	Mean	Std. Deviation
Seat comfortability	2.46	1.281
In-flight entertainment facilities	2.82	1.101
Well dressed and neat appearance	4.12	.872
Taste of in-flight meal	4.26	.751
Meal is the same as in the menu	3.46	1.054

Source: Developed for the study

As shown in Table 4.10, there are five features that were under tangible features of service quality from section B of the questionnaire form. The results revealed 'Seat comfortability' (Mean=2.46), 'In-flight entertainment facilities' (Mean=2.82), 'Well dressed and neat appearance' (Mean=4.12), 'Taste of in-flight meal' (Mean=4.26), 'Meal is the same as in the menu' (Mean=3.46).

From the table above, 'Well dressed and neat appearance' and 'Taste of in-flight meal' represented the 'Agree' category in the five point Likert scale. Therefore, the respondents agreed

that the ground staffs and flight attendants were well dressed and had neat appearance as well as the taste of in-flight meal is good.

Other than that, 'Meal is the same as in the menu' portrayed the 'Neutral' category which indicates that the respondents were unable to decide whether to neither agree nor disagree with the feature.

Lastly, the respondents disagreed with 'Seat comfortability' and 'In-flight entertainment facilities' because these two features were in the 'Disagree' category.

Table 4.11 Reliability features of service quality (N=181)

Reliability features	Mean	Std. Deviation
Efficient check-in process	4.12	.849
Plane departed on time	2.36	1.208
Plane arrived on time	2.68	1.332
Convenience and accuracy of reservations and ticketing	4.26	.723
Ability to solve passengers' problems	4.12	.872

Source: Developed for the study

Referring to Table 4.11, there are five features that were under reliability features of service quality from section B of the questionnaire form. The results revealed 'Efficient check-in process' (Mean=4.12), 'Plane departed on time' (Mean=2.36), 'Plane arrived on time' (Mean=2.68), 'Convenience and accuracy of reservations and ticketing' (Mean=4.26), 'Ability to solve passengers' problems' (Mean=4.12).

From the findings, 'Efficient check-in process', 'Convenience and accuracy of reservations and ticketing' and 'Ability to solve passengers' problems' falls in the 'Agree' category. Hence, the respondents agreed that Air Asia has provided efficient check-in process,

convenient and accurate in terms of reservations and ticketing and the staffs has the ability to solve passengers' problems.

Moreover, 'Plane departed on time' and 'Plane arrived on time' falls in the 'Disagree' category. Therefore, the respondents disagreed that the planes departed and arrived according to the time schedules.

Table 4.12 Responsiveness features of service quality (N=181)

Responsiveness features	Mean	Std. Deviation
Prompt service	4.12	1.100
Willingness to help passengers	4.06	.913
Prompt and accurate baggage delivery	4.06	1.018
Never too busy to respond to request	4.08	.966

Source: Developed for the study

Based on Table 4.12, responsiveness features consist of four features from section B of the questionnaire form. The results indicated 'Prompt service' (Mean=4.12), 'Willingness to help passengers ' (Mean=4.06), 'Prompt and accurate baggage delivery' (Mean=4.06), 'Never too busy to respond to request' (Mean=4.08).

From the results shown in the table above, all of the features under responsiveness features were in the 'Agree' category. It can be concluded that the respondents agreed that Air Asia staffs give prompt service, are willing to help passengers, give prompt and accurate baggage delivery and are never too busy to respond to the customers' request.

Table 4.13 Assurance features of service quality (N=181)

Assurance features	Mean	Std. Deviation
Have knowledge in answering questions	4.24	.822
Ability to inspire trust and confidence	3.92	.900
Consistently courteous	4.16	.997
Passengers feeling safe in making transactions	4.10	.974

Source: Developed for the study

Based on Table 4.13, there are four features under assurance features of service quality from section B of the questionnaire form. The results represented 'Have knowledge in answering questions' (Mean=4.24), 'Ability to inspire trust and confidence' (Mean=3.92), 'Consistently courteous' (Mean=4.16), 'Passengers feeling safe in making transactions' (Mean=4.10).

The results shown in the table above indicated that 'Have knowledge in answering questions', 'Consistently courteous' and 'Passengers feeling safe in making transactions' are in the 'Agree' category. Hence, the respondents agreed that Air Asia staffs have the knowledge in answering passengers' questions, are consistently courteous and the customers are feeling safe when making transactions with Air Asia.

On the other hand, 'Ability to inspire trust and confidence' represented the 'Neutral' category. Therefore, the respondents were unable to decide whether to agree or disagree with the staffs' ability to inspire trust and confidence.

Table 4.14 Empathy features of service quality (N=181)

Empathy features	Mean	Std. Deviation
Friendly to passengers	4.04	1.068
Give individual attention to passengers	4.14	1.050
Had sincere interest in fulfilling passenger needs	3.72	.927
Convenient operating hours	4.02	.795

Source: Developed for the study

As shown in Table 4.14, there are four features under empathy features of service quality from section B of the questionnaire form. The results of the analysis indicated 'Friendly to passengers' (Mean=4.04), 'Give individual attention to passengers' (Mean=4.14), 'Had sincere interest in fulfilling passenger needs' (Mean=3.72), 'Convenient operating hours' (Mean=4.02).

Based on the results in the table above, 'Friendly to passengers', 'Give individual attention to passengers' and 'Convenient operating hours' falls in the 'Agree' category in the five point Likert scale. As a conclusion, the respondents agreed that Air Asia staffs are friendly towards the customers, give individual attention to the customers and the customers agreed that the operating hours of Air Asia are convenient.

Other than that, 'Had sincere interest in fulfilling passenger needs' falls in the 'Neutral' category. Therefore, the respondents were unable to decide whether to agree or disagree with the staffs' sincere interest in fulfilling passenger needs.

Table 4.15 Customer satisfaction towards service quality (N=181)

Customer satisfaction	Mean	Std. Deviation
Satisfied with Air Asia service quality	4.24	.960
Experiences exceed expectations	3.86	1.088
Satisfied with the decision to travel by Air Asia	4.24	.822

Source: Developed for the study

According to Table 4.15, there are three features under customer satisfaction from section C of the questionnaire form. The results of the analysis represented 'Satisfied with Air Asia service quality' (Mean=4.24), 'Experiences exceed expectations' (Mean=3.86), 'Satisfied with the decision to travel by Air Asia' (Mean=4.24).

The results in the table above revealed, 'Satisfied with Air Asia service quality' and 'Satisfied with the decision to travel by Air Asia' are in the 'Agree' category according to the five point Likert scale. Therefore, the respondents agreed that they are satisfied with Air Asia service quality and are satisfied with their decision to travel by Air Asia.

However, 'Experiences exceed expectations' falls in the 'Neutral' category. Thus, the respondents were unable to decide whether to agree or disagree that their experiences with Air Asia exceeds their expectations.

Table 4.16 Customer behavioral intention (N=181)

Customer behavioral intention	Mean	Std. Deviation
Will consider flying with Air Asia again in the future	4.04	.807
Will recommend Air Asia to other people	3.94	.890
Will say positive things about Air Asia to other people	4.32	.844

Source: Developed for the study

As shown in Table 4.16, there are three features under customer behavioral intention from section C of the questionnaire form. The results of the analysis indicated 'Will consider flying with Air Asia again in the future' (Mean=4.04), 'Will recommend Air Asia to other people' (Mean=3.94), 'Will say positive things about Air Asia to other people' (Mean=4.32).

The findings from this analysis indicated 'Will consider flying with Air Asia again in the future' and 'Will say positive things about Air Asia to other people' are in the 'Agree' category. It can be concluded that the respondents agreed that they will consider flying with Air Asia again in the future and they will say positive things about Air Asia to other people.

Other than that, 'Will recommend Air Asia to other people' falls in the 'Neutral' category. Therefore, the respondents were unable to decide neither to agree nor disagree that they will recommend Air Asia to other people.

4.4 RELIABILITY ANALYSIS

Table 4.17 Reliability Statistics for each variable

Constructs	Alpha Coefficient	No. of items	Outcome
Tangibles	0.422	5	Weak
Reliability	0.609	5	Moderate strong
Responsiveness	0.564	4	Weak
Assurance	0.725	4	Moderate strong
Empathy	0.738	4	Moderate strong
Customer Satisfaction	0.532	3	Weak
Customer Behavioral Intention	0.868	3	Very strong

Source: Developed for the study

Malhotra (2002), quoted by Eng et al. (2013), explained that the alpha coefficient 0.6 represents weak reliability. The alpha coefficient that ranges in between 0.6 to 0.8 represents moderate strong reliability whilst the alpha coefficient that ranges in between 0.8 to 1.0 are considered to have very strong reliability.

Based on Table 4.17, the findings have represented that the reliability of the variables have ranged from 0.422 to 0.868. Variables of tangibles features, responsiveness features and customer satisfaction indicated weak reliability with an alpha coefficient of 0.422, 0.564 and 0.532 respectively. Hence, the findings has indicated that overall except tangibles, responsiveness and customer satisfaction represented satisfactory internal consistency reliability. The findings have shown that customer behavioral intention portrayed the highest coefficient (0.868) whilst tangible features portrayed the lowest coefficient (0.422).

4.5 INFERENTIAL ANALYSIS

4.5.1 CORRELATION ANALYSIS

Table 4.18 Pearson correlation 1

	TAN	REL	RES	AS	EM	CS	CBI
TAN	1						
REL	.480**	1					
RES	.579**	.666**	1				
AS	.645**	.749**	.813**	1			
EM	.562**	.619**	.707**	.832**	1		
CS	.476**	.602**	.576**	.604**	.655**	1	
CBI	.553**	.590**	.614**	.664**	.621**	.692**	1

Source: Developed for the study

Table 4.18 has shown the correlation matrix for the variables including tangible features (TAN), reliability features (REL), responsiveness features (RES), assurance features (AS), empathy features (EM), customer satisfaction (CS) and customer behavioral intention (CBI). Moreover, there were positive correlations since none of the variables had negative signs. The results have revealed that there is a moderate relationship between the independent variables and customer satisfaction with r=0.476 (TAN), r=0.602 (REL), r=0.576 (RES), r=0.604 (AS) and r=0.655 (EM) respectively. There is also a moderate relationship between customer satisfaction and customer behavioral intention with r=0.692. Hence, there is a significant relationship between every one of the variables.

4.5.2 MULTIPLE REGRESSION ANALYSIS

Table 4.19 Model summary 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.713[a]	.508	.452	.37615

Source: Developed for the study

Table 4.19 has shown that the R Square is 0.508 for the regression of customer satisfaction of 0.713. This indicates that 50.8% of the variation in the customer satisfaction be explained by the five independent variables including tangibles, reliability, responsiveness, assurance and empathy (dimensions of service quality). However, the remaining of 49.2% cannot be explained.

Table 4.20 Model summary 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.810[a]	.656	.654	.471

Source: Developed for the study

As shown in Table 4.20, the R Square is 0.656 for customer satisfaction regression of 0.810. This represents 65.6% of the variation in the customer behavioral intention can be explained by customer satisfaction. However, the remaining of 34.4% cannot be explained.

4.5.2.1 TEST OF SIGNIFICANT

Table 4.21 Coefficients for TAN, REL, RES, AS and EM

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.375	.392		3.509	.001
	TAN	.114	.136	.117	.840	.405
	REL	.238	.117	.329	2.037	.048
	RES	.104	.144	.134	.721	.475
	AS	-.181	.213	-.224	-.851	.399
	EM	.356	.143	.477	2.486	.017

Source: Developed for the study

Based on Table 4.21, the results have revealed the relationships between the independent and dependent variables. The results are as follows:

The relationship between tangibles and service quality

H0: There is no relationship between tangible features and customer satisfaction towards Air Asia service quality.

H1: There is a positive relationship between tangible features and customer satisfaction towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of tangibles is 0.405, which exceeds the pvalue of 0.05, so it rejects H1. As a conclusion, there is no relationship between tangible features and customer satisfaction.

The relationship between reliability and service quality

H0: There is no relationship between reliability features and customer satisfaction towards Air Asia service quality.

H2: There is a positive relationship between reliability features and customer satisfaction towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of reliability is 0.048, which is below the pvalue of 0.05, so it rejects H0. The result shown that there is a positive relationship between reliability features and customer satisfaction.

The relationship between responsiveness and service quality

H0: There is no relationship between responsiveness features and customer satisfaction towards Air Asia service quality.

H3: There is a positive relationship between responsiveness features and customer satisfaction towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of responsiveness is 0.475, which exceeds the pvalue of 0.05, so it rejects H1. This can be concluded that there is no relationship between responsiveness features and customer satisfaction.

The relationship between assurance and service quality

H0: There is no relationship between assurance features and customer satisfaction towards Air Asia service quality.

H4: There is a positive relationship between assurance features and customer satisfaction towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of assurance is 0.399, which exceeds the pvalue of 0.05, so it rejects H1. This can be concluded that there is no relationship between assurance features and customer satisfaction.

The relationship between empathy and service quality

H0: There is no relationship between empathy features and customer satisfaction towards Air Asia service quality.

H5: There is a positive relationship between empathy features and customer satisfaction towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of EM is 0.017, which is below the pvalue of 0.05, so it rejects H0. This can be concluded that there is a positive relationship between empathy features and customer satisfaction.

Table 4.22 Coefficients for CS

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.516	.184		2.809	.006
	CS	.910	.049	.810	18.481	.000

Source: Developed for the study

Based on Table 4.22, the result has revealed the relationships between customer satisfaction and customer behavioral intention. The result is as follows:

The relationship between customer satisfaction and customer behavioral intention

H0: There is no relationship between customer satisfaction and customer behavioral intention towards Air Asia service quality.

H6: There is a positive relationship between customer satisfaction and customer behavioral intention towards Air Asia service quality.

Reject H0 if $p<0.05$

The significant value of customer satisfaction is 0.00, which is below the pvalue of 0.05, so it rejects H0. The result portrayed that there is a positive relationship between customer satisfaction and customer behavioral intention.

4.6 OUTCOMES OF STATISTICAL ANALYSIS

Research Objective 1: To identify which dimensions of service quality affects customer satisfaction the most

Table 4.21 Coefficients for TAN, REL, RES, AS and EM

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.375	.392		3.509	.001
	TAN	.114	.136	.117	.840	.405
	REL	.238	.117	.329	2.037	.048
	RES	.104	.144	.134	.721	.475
	AS	-.181	.213	-.224	-.851	.399
	EM	.356	.143	.477	2.486	.017

Source: Developed for the study

Based on Table 4.21, empathy features (EM) portrayed the most significant value among all the other independent variables with the significant value of 0.017. Thus, empathy features affect customer satisfaction the most. Since the value is <0.05, as a conclusion, there is a positive relationship between empathy features and customer satisfaction.

Research Objective 2: To investigate whether customer satisfaction influence customer behavioral intention

Table 4.23 Pearson correlation 2

Correlations

		CS	CBI
CS	Pearson Correlation	1	.810**
	Sig. (2-tailed)		.000
	N	181	181
CBI	Pearson Correlation	.810**	1
	Sig. (2-tailed)	.000	
	N	181	181

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for the study

As shown in Table 4.23, the correlation value between customer satisfaction (CS) and customer behavioral intention (CBI) is 0.81. According to the correlation coefficient guidelines, the value 0.81 falls into the 'strong relationship' category. Thus, customer satisfaction does influence customer behavioral intention.

Research Objective 3: To identify whether there is a relationship between service quality and customer satisfaction

Table 4.24 Pearson correlation 3

Correlations

		SERVQUAL	CS
SERVQUAL	Pearson Correlation	1	.692**
	Sig. (2-tailed)		.000
	N	181	181
CS	Pearson Correlation	.692**	1
	Sig. (2-tailed)	.000	
	N	181	181

** Correlation is significant at the 0.01 level (2-tailed).

Source: Developed for the study

Referring to Table 4.24, the correlation value between service quality (SERVQUAL) and customer satisfaction (CS) is 0.692. The value 0.692 falls into the 'moderate relationship' category. As a conclusion, there is a moderate relationship between service quality of Air Asia and customer satisfaction.a

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This section summarizes the entire chapters of this research study. The purpose of this research was to study the factors influencing customer satisfaction towards Air Asia service quality in Kuching International Airport. The conclusions and recommendations will be based on the results or findings that have been revealed on the previous chapters of this research study.

5.2 CONCLUSIONS

Overall, the research objectives and research questions of this study has been fulfilled and determined through all the data analysis techniques. Based on the findings, there is a moderate relationship between service quality of Air Asia and customer satisfaction. Thus the dimensions of service quality are considered influential towards customer satisfaction because the relationship is positive. Among all five dimensions of service quality, the results shown indicate that empathy features affected customer satisfaction the most. Empathy features include the Air Asia staffs' friendliness, individualized attention, sincerity and the convenience of the operating hours. It shows that these features are crucial indicators that lead to passengers' satisfaction. Lorenzoni and Lewis (2004), quoted by Baker (2013), explained that by understanding and showing the inclusion and excitement in conveying customer services is the key to customer satisfaction and retention. Furthermore, the respondents disagreed that the seats in the plane are comfortable, there are variety choices of in-flight entertainment and the plane departed and arrived according to the time schedule. It can be concluded that Air Asia airlines is lacking on

the tangible and reliability aspects of service quality that might lead to customer dissatisfaction. Throughout this study, the researcher has also found some hidden and crucial factors that have impacted customer satisfaction towards Air Asia service quality.

The results also indicated that there is a strong relationship between customer satisfaction and customer behavioral intention. Thus, customer satisfaction is influential towards customer behavioral intention. According to Zeithaml & Berry (1996), low service quality assessments will lead to unfavorable customer's behavioral intentions which will negatively impact the relationship. Hence, behavioral intentions are the important indicators that will show whether customers will remain or switch to other brand or company. Satisfaction leads to favorable behavioral intentions such as word-of-mouth communication with other people, purchase intentions, and less price sensitivity. The respondents agreed that they are satisfied with the service quality and the decision to travel by Air Asia. Therefore, they will consider flying with Air Asia again in the future and will say positive things about Air Asia. This indicates that Air Asia airlines need to satisfy their customers in order to attain favorable customer behavioral intentions.

5.3 LIMITATIONS OF THE STUDY

There are several limitations that have been recognized when conducting this research. One of the limitations was the sample size of this research is limited and might not represent the whole population of Air Asia passengers throughout Malaysia. The time given and the resources to complete this research are very limited. Only 200 questionnaires were distributed. However, 181 questionnaires can only be used for this research since the remaining of 19 sets of questionnaires was incomplete. Thus will lead to insufficient data and might fail to represent accurate results for this research.

Moreover, several factors were not included in this research such as the price factors. Price is also an important indicator of customer satisfaction since one of the reasons why customers choose Air Asia airlines is because of the low-price flight tickets that they offer. To remain competitive in the airlines industry, Air Asia is focusing on their pricing strategy. Nevertheless, the researcher could not analyze all other factors due to time constraints.

Lastly, the researcher should have prepared the questionnaire in multi-languages such as in English, Malay and Chinese as well. Some of the respondents were not able to completely comprehend the questions that are asked in English. This might be due to low English standard level and the respondents might understand the questions better if they were asked in other languages. Thus, the respondents would rather follow their intuitions to answer the questions which lead to data inaccuracy and biasness.

5.4 MANAGERIAL IMPLICATIONS

By going through all the results and findings of this study, there are several implications that would assist Air Asia airlines to better monitor and develop better service quality to attain the maximum level of customers' satisfaction and thus will lead to favorable customer behavioral intentions. These implications are important for Air Asia airlines to know which criteria that they are lagging behind.

As shown in the results in the previous chapters in this study, the researcher found that majority of the respondents was not satisfied with the seats in the plane. The seats are not comfortable and the seats space area is too small which will cause inconveniences when it comes to the movement of passengers. Therefore, the researcher would suggest Air Asia airlines to provide comfortable seats and wider seats space that will allow the movement of passengers without impacting other passengers' discomfort during the flight. This was also suggested by the respondents in section D of the questionnaire form.

Moreover, Air Asia airlines should provide variety of in-flight entertainments. Referring to the findings in the previous chapter, the respondents disagreed that Air Asia provide variety of in-flight entertainments. They should add on newspapers to their in-flight entertainment since newspapers is one of the source of information that people would need nowadays.

Lastly, the respondents were not satisfied with the reliability aspects of Air Asia airlines. They were complaining that the plane did not depart and arrived on time. Flight delays will negatively impact the perceptions of the passengers. Hence, it will also affect the customers' satisfaction. Air Asia should improve their punctuality to avoid the customers to switch to other airline company. Monitoring and managing time effectively and efficiently are crucial for the airline company to emphasize on.

5.5 RECOMMENDATIONS FOR FUTURE RESEARCH

After the completion of this research, the researcher has discovered few areas for enhancing the quality for future research.

The precision and reliability of the outcomes and findings can be enhanced by expanding the sample size of this research. Specifically, the sample size must be more than 200 respondents. By targeting 200 passengers only, it is not reliable to represent the whole populations of Air Asia passengers.

Moreover, in order to get adequate time to disseminate and gather questionnaires from a large number of potential respondents, the time frame for conducting this research should be extended to a longer period of time. In addition, the questionnaires were only distributed in Kuching International Airport which might not be comprehensive enough to represent all passengers of Air Asia airlines. It is suggested that the researchers should distribute the questionnaires to all the states in Malaysia as well as other countries since Air Asia also provide international flights. Therefore, there will be passengers from other countries that are travelling by Air Asia. This measure needs to be done in order to obtain a larger sample size.

It is highly recommended that the researchers have to provide multi-languages questionnaire forms such as English, Malay and Chinese versions. This measure can be done to avoid biasness in the study of the research. It can also enhance the respondents' level of understanding in answering all the questions. If the respondents are able to understand the questions more, the results of this research will be more accurate and reliable.

Lastly, the researcher should include other factors of customer satisfaction besides the service quality aspects. They might add on price and promotion factors since Air Asia is one of

the airline companies that are emphasizing on their pricing and promotional strategy as well in order to attract more customers.

These are the useful recommendations that can be applied for the future research in order to gain better understanding about the passengers' satisfaction level towards Air Asia airlines.

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APPENDICES

APPENDIX A: A sample of questionnaire form

Universiti Teknologi MARA Sarawak

FACTORS INFLUENCING CUSTOMER SATISFACTION TOWARDS SERVICE QUALITY OF AIR ASIA IN KUCHING INTERNATIONAL AIRPORT

Dear respondent,

I am a BBA (Hons.) Marketing student, currently conducting a study on "FACTORS INFLUENCING CUSTOMER SATISFACTION TOWARDS SERVICE QUALITY OF AIR ASIA IN KUCHING INTERNATIONAL AIRPORT" as part of the requirement of the university in order to complete my degree program. The objectives of this study are:

1) To identify which dimensions of service quality affects customer satisfaction the most.
2) To investigate whether customer satisfaction influence customer behavioral intention.

It would be appreciated if you can spare some time to complete this questionnaire. All of the information given will be kept confidential and used for academic purposes only. Thank you for your precious time and participation in this study. For further enquiries please contact:

014-2084470
IZYAN ZALIKHA BINTI ABDULLAH

Section A: Background Information

Please tick (/) an appropriate answer.

1. Gender Male ☐ Female ☐	2. Age (years) 18 – 20 ☐ 21 – 30 ☐ 31 – 40 ☐ 41 – 50 ☐ Above 50 ☐	3. Race Iban ☐ Malay ☐ Chinese ☐ Bidayuh ☐ Melanau ☐ Others ☐
4. Educational Level SPM & below ☐ STPM / Diploma ☐ Bachelor ☐ Postgraduate ☐ Professional ☐	5. Monthly Income (RM) 1,000 or less ☐ 1,001 – 2,000 ☐ 2,001 – 3,000 ☐ 3,001 – 4,000 ☐ 4,001 – 5,000 ☐ More than 5,000 ☐	6. Occupation Public sector ☐ Private sector ☐ Student ☐ Self-employed ☐ Not working ☐
7. Religion Islam ☐ Buddhism ☐ Christianity ☐ Others ☐	8. Marital Status Single ☐ Married ☐ Divorced ☐ Widow ☐	9. How many times do you travel by Air Asia airlines in a year? 1-5 times ☐ 6-10 times ☐ 11-15 times ☐ 16-20 times ☐ More than 20 times ☐

Section B: Dimensions of Service Quality

Complete the questions by circling a suitable answer on the scale. The scale of respond is as below:

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Tangibles					
1. The seats in the plane are comfortable.	1	2	3	4	5
2. There are variety choices of in-flight entertainment facilities (newspapers, books, magazines).	1	2	3	4	5
3. The ground staffs & flight attendants are well dressed and had neat appearance.	1	2	3	4	5
4. The taste of in-flight meal is good.	1	2	3	4	5
5. The actual meal served is the same as in the printed food menu.	1	2	3	4	5
Reliability					
1. The check-in process is efficient.	1	2	3	4	5
2. The plane departed from the airport according to the time schedule.	1	2	3	4	5
3. The plane arrived at the destination according to the time schedule.	1	2	3	4	5
4. The reservations and ticketing are convenient and accurate.	1	2	3	4	5
5. The ground staffs and flight attendants are able to solve passengers' problems.	1	2	3	4	5

Responsiveness					
1. The ground staffs and flight attendants give prompt service.	1	2	3	4	5
2. The ground staffs and flight attendants are always willing to help passengers (flight cancellation and baggage loss).	1	2	3	4	5
3. The ground staffs give prompt and accurate baggage delivery.	1	2	3	4	5
4. The ground staffs and flight attendants are never too busy to respond to my request.	1	2	3	4	5
Assurance					
1. The ground staffs and flight attendants have knowledge in answering my questions.	1	2	3	4	5
2. The ground staffs and flight attendants are able to inspire trust and confidence.	1	2	3	4	5
3. The ground staffs and flight attendants are consistently courteous.	1	2	3	4	5
4. I feel safe in making transactions with Air Asia.	1	2	3	4	5
Empathy					
1. The ground staffs and flight attendants are friendly to passengers.	1	2	3	4	5
2. The ground staffs and flight attendants give individual attention to passengers.	1	2	3	4	5
3. The ground staffs and flight attendants had sincere interest in fulfilling my needs.	1	2	3	4	5
4. The operating hours are convenient to all passengers.	1	2	3	4	5

Section C: Customer Satisfaction and Behavioral Intention

How does the service quality impact your behavior and future purchasing decisions towards Air Asia? Complete the questions by circling a suitable answer on the scale. The scale of respond is as below:

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

Customer Satisfaction					
1. Overall, I am satisfied with the service quality of Air Asia airlines.	1	2	3	4	5
2. My experiences with Air Asia airlines exceed my expectations.	1	2	3	4	5
3. I am satisfied with my decision to travel by Air Asia airlines.	1	2	3	4	5
Customer Behavioral Intention					
1. I would consider flying with Air Asia airlines again in the future.	1	2	3	4	5
2. I would recommend Air Asia airlines to other people.	1	2	3	4	5
3. I would say positive things about Air Asia airlines to other people.	1	2	3	4	5

Section D: Suggestions

In your opinion, how can Air Asia improve its services?

_____

_____

_____

_____

THANK YOU! 

APPENDIX B: SPSS Output

Appendix B1: Respondents' demographic profile

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	67	37.0	37.0	37.0
	Female	114	63.0	63.0	100.0
	Total	181	100.0	100.0	

age of respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 20	14	7.7	7.7	7.7
	21 to 30	80	44.2	44.2	51.9
	31 to 40	58	32.0	32.0	84.0
	41 to 50	19	10.5	10.5	94.5
	above 50	10	5.5	5.5	100.0
	Total	181	100.0	100.0	

race of respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Iban	28	15.5	15.5	15.5
	Malay	77	42.5	42.5	58.0
	Chinese	36	19.9	19.9	77.9
	Bidayuh	29	16.0	16.0	93.9
	Melanau	9	5.0	5.0	98.9
	Others	2	1.1	1.1	100.0
	Total	181	100.0	100.0	

educational level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SPM & Below	55	30.4	30.4	30.4
	STPM or Diploma	54	29.8	29.8	60.2
	Bachelor	63	34.8	34.8	95.0
	Postgraduate	8	4.4	4.4	99.4
	Professional	1	.6	.6	100.0
	Total	181	100.0	100.0	

monthly income (RM)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1000 or less	33	18.2	18.2	18.2
	1001 to 2000	21	11.6	11.6	29.8
	2001 to 3000	65	35.9	35.9	65.7
	3001 to 4000	36	19.9	19.9	85.6
	4001 to 5000	20	11.0	11.0	96.7
	More than 5000	6	3.3	3.3	100.0
	Total	181	100.0	100.0	

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Public Sector	53	29.3	29.3	29.3
	Private Sector	77	42.5	42.5	71.8
	Student	34	18.8	18.8	90.6
	Self-employed	13	7.2	7.2	97.8
	Not Working	4	2.2	2.2	100.0
	Total	181	100.0	100.0	

Religion

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Islam	83	45.9	45.9	45.9
	Buddhism	8	4.4	4.4	50.3
	Christianity	87	48.1	48.1	98.3
	Others	3	1.7	1.7	100.0
	Total	181	100.0	100.0	

marital status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	82	45.3	45.3	45.3
	Married	90	49.7	49.7	95.0
	Divorced	9	5.0	5.0	100.0
	Total	181	100.0	100.0	

times travel in a year

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 to 5 times	64	35.4	35.4	35.4
	6 to 10 times	83	45.9	45.9	81.2
	11 to 15 times	32	17.7	17.7	98.9
	16 to 20 times	1	.6	.6	99.4
	More than 20 times	1	.6	.6	100.0
	Total	181	100.0	100.0	

Appendix B2: Mean and standard deviation of independent and dependent variables

Tangible Statistics

	Mean	Std. Deviation	N
seat comfortability	2.46	1.281	181
in-flight entertainment facilities	2.82	1.101	181
well dressed and neat appearance	4.12	.872	181
taste of in-flight meal	4.26	.751	181
meal is the same as in the menu	3.46	1.054	181

Reliability Statistics

	Mean	Std. Deviation	N
efficient check-in process	4.12	.849	181
plane departed on time	2.36	1.208	181
plane arrived on time	2.68	1.332	181
convenience and accuracy of reservations and ticketing	4.26	.723	181
ability to solve passengers' problems	4.12	.872	181

Responsiveness Statistics

	Mean	Std. Deviation	N
prompt service	4.12	1.100	181
willingness to help passengers	4.06	.913	181
prompt and accurate baggage delivery	4.06	1.018	181
never too busy to respond to request	4.08	.966	181

Assurance Statistics

	Mean	Std. Deviation	N
have knowledge in answering questions	4.24	.822	181
ability to inspire trust and confidence	3.92	.900	181
consistently courteous	4.16	.997	181
passengers feeling safe in making transactions	4.10	.974	181

Empathy Statistics

	Mean	Std. Deviation	N
friendly to passengers	4.04	1.068	181
give individual attention to passengers	4.14	1.050	181
had sincere interest in fulfilling passengers' needs	3.72	.927	181
convenient operating hours	4.02	.795	181

Customer Satisfaction Statistics

	Mean	Std. Deviation	N
satisfied with Air Asia service quality	4.24	.960	181
experiences exceed expectations	3.86	1.088	181
satisfied with the decision to travel by Air Asia	4.24	.822	181

Customer Behavioral Intention Statistics

	Mean	Std. Deviation	N
will consider flying with Air Asia again in the future	4.04	.807	181
will recommend Air Asia to other people	3.94	.890	181
will say positive things about Air Asia to other people	4.32	.844	181

Appendix B3: Reliability analysis for ALL variables

Tangible Statistics

Cronbach's Alpha	N of Items
.422	5

Reliability Statistics

Cronbach's Alpha	N of Items
.609	5

Responsiveness Statistics

Cronbach's Alpha	N of Items
.564	4

Assurance Statistics

Cronbach's Alpha	N of Items
.725	4

Empathy Statistics

Cronbach's Alpha	N of Items
.738	4

Customer Satisfaction Statistics

Cronbach's Alpha	N of Items
.532	3

Customer Behavioral Intention Statistics

Cronbach's Alpha	N of Items
.868	3

Appendix B4: Correlation analysis for ALL variables

Correlations

		TAN	REL	RES	AS	EM	CS	CBI
TAN	Pearson Correlation	1	.480**	.579**	.645**	.562**	.476**	.553**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000
	N	181	181	181	181	181	181	181
REL	Pearson Correlation	.480**	1	.666**	.749**	.619**	.602**	.590**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000
	N	181	181	181	181	181	181	181
RES	Pearson Correlation	.579**	.666**	1	.813**	.707**	.576**	.614**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000
	N	181	181	181	181	181	181	181
AS	Pearson Correlation	.645**	.749**	.813**	1	.832**	.604**	.664**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	181	181	181	181	181	181	181
EM	Pearson Correlation	.562**	.619**	.707**	.832**	1	.655**	.621**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000
	N	181	181	181	181	181	181	181
CS	Pearson Correlation	.476**	.602**	.576**	.604**	.655**	1	.692**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000
	N	181	181	181	181	181	181	181
CBI	Pearson Correlation	.553**	.590**	.614**	.664**	.621**	.692**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	181	181	181	181	181	181	181

**. Correlation is significant at the 0.01 level (2-tailed).

Appendix B5: Multiple regression analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.713[a]	.508	.452	.376	.508	9.093	5	44	.000	2.434

a. Predictors: (Constant), EM, TAN, REL, RES, AS

b. Dependent Variable: CS

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.375	.392		3.509	.001
	TAN	.114	.136	.117	.840	.405
	REL	.238	.117	.329	2.037	.048
	RES	.104	.144	.134	.721	.475
	AS	-.181	.213	-.224	-.851	.399
	EM	.356	.143	.477	2.486	.017

a. Dependent Variable: CS

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.692[a]	.479	.468	.575	.479	44.147	1	48	.000	1.759

a. Predictors: (Constant), CS

b. Dependent Variable: CBI

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.025	.596		-.042	.966
	CS	1.074	.162	.692	6.644	.000

a. Dependent Variable: CBI