

**THE RELATIONSHIP BETWEEN SERVICE
QUALITY AND PASSENGERS SATISFACTION: A
CASE OF AIR ASIA PASSENGERS**

ATHIRAH BINTI MOHD TAN

**OTHMAN YEOP ABDULLAH
GRADUATE SCHOOL OF BUSINESS
UNIVERSITI UTARA MALAYSIA
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**A project paper submitted to Graduate School, College of Business in partial
fulfillment of the requirements for the Degree of
Master in Science (Management)
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By

Athirah binti Mohd Tan

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ABSTRACT

This study is to determine the level of passenger's satisfaction among Air Asia Passengers and to determine the influence of service quality on passenger's satisfaction among Air Asia Passengers. A field survey of Air Asia passengers in University Utara Malaysia (UUM) in Kedah was conducted between administration staff, academic staff and students. A total of 60 questionnaires were distributed to Air Asia passengers in UUM through judgment sampling. Mean for passengers' satisfaction state that passengers of Air Asia tend to be satisfied with the Air Asia services with the mean 4.64. Conversely, regression analysis indicated that 'Assurance' and 'Reliability' were factors that positive influence towards service quality on passenger's satisfaction among Air Asia Passengers in UUM. These findings show that Air Asia should give attention on the factors of 'Assurance' and 'Reliability' in order to retain the passengers. Recommendation for future research was also put forward.

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In the name of Allah, Most Compassionate and Merciful

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Competition in the air travel industry is very high. To gain competitive advantage airlines have resorted to various strategies such as insensitive marketing, advertising and promotion as well as ticket price wars. Besides that, the other important factor is improving service quality to their passenger. Ostrowski (1993) showed that by continuing to provide perceived high quality services, it would help airlines acquire and retain customer loyalty. This showed the importance of service quality in airlines. According to Atilgan et al. (2008), in most service setting, customers may not received the level of service they expected before the actual service experience. The performance of the service falls either under customer's expectations or above expectation. When expectations are exceeded, service is perceived to be high quality while if otherwise, service quality is deemed unacceptable. When expectations are confirmed by perceived service, quality is satisfactory.

There are many types of airline services in airline industries. The entire airline service can be dividing into four areas which are passenger services, baggage or cargo services, engineering services and catering services. There are several airlines in Malaysia, for example, Malaysia Airline, Air Asia, Firefly, Berjaya Airline, and Berjaya Transmile. But, currently Air Asia is leading in term of passenger volume.

Zainol & Romle (2006), did a comparative study of service quality on passenger handling between Air Asia and Malaysia Airline. There are significance differences between the two airlines in term of fleet size, experience, destination coverage and others. They said that the two airlines like apple and pear should there be a head-on comparison. This is due to the fact that Air Asia is the low cost carriers while Malaysia Airlines is a national flag carrier. Air Asia is the first low cost carrier in Malaysia and the airline was established in 1993. The second Malaysia low cost carrier is Firefly, a full subsidiary of Malaysia Airline, which was founded in the year 2007.

Low cost carriers have reshaped the airline industry competitive environment within liberalized markets and have made significant impacts in the world's domestic passengers markets, which had previously been largely controlled by full service network carriers (O'Connel and Williams, 2005). The development strategy of low cost carrier can be summed up as "low costs, low fares and no frills". As the number of low cost carriers has grown, these airlines have begun to compete with one another in addition to the full service airlines. In these challenging circumstances, a comparative study on the similarities as well as differences between low cost carriers and full service airlines is obviously pertinent and important. Airline services regardless of whether they are full service or low cost carriers are made up of a very complex mix of intangibles (Gursoy et al., 2005). Thus, measuring customers' expectations, as well as their service quality is a real challenge because customer satisfaction is determined by many intangible factors such as atmosphere and ambiance of the cabin, crews behaviors, etc.(Fitzsimmons and Fitzsimmons, 1994). Airlines companies need to review its service strategy to increase

customer satisfaction and subsequently customer loyalty. They should have strong commitment to service excellence as they also act as the ambassadors that carry the image of Malaysia.

1.2 PROBLEM STATEMENT

Service quality and passenger satisfaction have become increasingly important to the airline industry in this region in recent years. In Malaysia had two types of airlines which is traditional airline (TA) and low cost carrier (LCC) airlines. As the increasingly of airlines in Malaysia, the airlines must compete each other to provide better service and more convenience to passengers. Air Asia is one of the low cost carriers in Malaysia. So, this is the challenge for Air Asia to increase the quality and give the lower price to satisfy their passengers. This will help Air Asia to compete with the traditional airline and other low cost carrier (Firefly).

Service quality will give impact to passengers' satisfaction. Good in service quality will increase the passengers' satisfaction. Therefore, to get good service quality, there are several elements must been consider. That had been divided in this research which are responsiveness, tangible, empathy, reliability and assurance. So, all this elements are important to increase service quality of the airlines. But, many airline companies only concentrate certain element only that they think suitable to the companies. So, this research had identified the most important elements in service quality for Air Asia airline.

1.3 OBJECTIVES OF THE STUDY

The main objectives of this study were divided by two which are as below:

- To determine the level of passenger's satisfaction among Air Asia Passengers.
- To determine the influence of service quality on passenger's satisfaction among Air Asia Passengers.

1.4 RESEARCH QUESTIONS

The research questions for this research are as follow:

- What is the level of Air Asia passenger's satisfaction?
- To what extend does service quality influence passenger's satisfaction among Air Asia passenger?

1.5 SIGNIFICANCE OF THE STUDY

The outcome of this study would help Air Asia's passengers service managers and other practitioners to better understand the overall picture of Air Asia service delivery and also their passenger's satisfaction level.

Besides that the results from this research would assist airline managers to better serve their customers, monitor and develop service quality to achieve the highest level of passengers' satisfaction. Decision makers and administrative staffs can utilize the result

of this study and plans the appropriate programs to improve service quality or even further enhance the subject of study with continuous research in Malaysian domestic airline industry.

The finding also could help Air Asia increased its competence to compete with other airline companies.

1.6 ORGANIZATIONAL OF CHAPTERS

This research had 5 chapters which are introduction, literature reviews, methodology, findings and conclusion. Chapter 1 discusses on the nature of the study, research objective, research questions, problem statement, significance of the study and the contribution of study on the relationship between passengers' satisfaction and service quality in Air Asia passengers in UUM.

Chapter 2 reviews the literature on definition of passengers' satisfaction, service quality, relationship between passengers' satisfaction and service quality. Chapter 3 presents the method for the study that reports on the selection of respondents, the development of questionnaire, and data collection procedure. The chapter ends with a brief description of the strategies used to analyze data collected from the survey.

Chapter 4 discusses the interpretation of the research findings. There are reports of the descriptive statistical analysis and inferential statistical analysis. The results are summarized in a number of tables to facilitate interpretation.

Chapter 5 discusses the interpretation of the research findings for the study. The findings are compared to those found in the past research reviewed in Chapter 2. The chapter ends with a discussion on limitations of the study.

1.7 CHAPTER CONCLUSION

This chapter discusses on the problems statements, objective of study, research questions, hypothesis of testing, significance of study and definition of terms of service quality and passengers satisfaction in University Utara Malaysia.

CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter will discuss about previous researches that are related with this research. This research is about the service quality and passenger's satisfaction of Air Asia and this chapter discusses about the previous research in service quality and passenger's satisfaction in any sector or airline. Besides that, the relation between service quality and passenger's satisfaction in airline also had been discussed.

2.2 SERVICE QUALITY

There are many researches about service quality that had been done over the years and only a few studies have examined customer expectations of service quality in airline industry (Cunnigham et al., 2002). There are many different meaning of service quality that had been said. Service quality is a consumer's overall impression of the relative inferiority or superiority of the organization and its services (Bitner & Hubbert in Park et al., 2006). Chirawan (2008) state that service quality can be defined in the marketing literature as a post consumption assessment of services by customers (Holdford & Reinders, 2001) and the difference between what customers' needs and what they certainly perceive as outcome (Headley and Bowen, 1997).

Abdullah (2007), state that since SERVQUAL development, it has been used to measure service quality in a various service industries such as appliance repair and maintenance, retail banks, long-distance telephone providers, securities brokers, and credit card companies (Parasuraman, Zeithamal and Berry 1998); hospitals (Babakus and Mangold, 1989); CPA firms (Bojonc, 1991);physicians (Brown and Schwartz,1989); dental school patient clinics, business school placement centres, tire stores, and acute care hospitals (Carmen,1990); public recreation programs (Crompton and Mackay, 1989); real-estate brokers (Johnson, Dotson and Dunlop, 1988); higher education institutions (Galloway, 1998); retail apparel specialty stores (Gagliano and Hathcote, 1994); health clubs (Walker and Baker, 2000); and hospital services (Hwang, Eves and Desombre, 2003). These show service quality has become a famous research topic because of its important relationship to costs, profitability, customer satisfaction, customer retention, service guarantees, and financial performance (Chirawan, 2008).

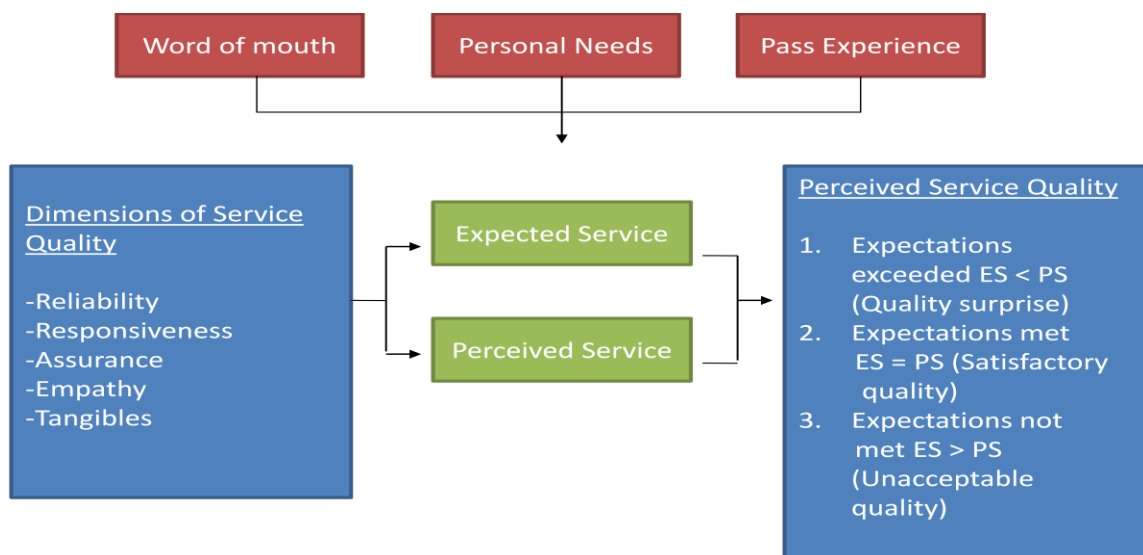
Most of the literature suggests that airline passengers look at service quality as a multi-dimensional variable, which is consistent with the Parasuraman's et al.(1988) conception of service quality popularly known as SERVQUAL. They created a 22-item instrument called SERVQUAL based on the Gap Model for measuring service quality. This instrument evaluates customers' perception of quality by comparing their expectation with their perception of the service received, across several service quality dimensions. Tan and Pawitra (2001) confirm SERVQUAL is a diagnostic technique for the organization to recognize their service quality strengths and weakness. It is also a continuous improvement and innovation instrument. The original SERVQUAL

instrument recognized ten dimensions of service quality. Later, these ten dimensions were lessened into five dimensions (Sultan & Simpson, 2000):

- a) Reliability is the ability to perform the service in an accurate and dependable manner.
- b) Responsiveness refers to the willingness to provide help and prompt service to customers.
- c) Assurance involves the knowledge and courtesy of employees and their ability to convey trust and confidence.
- d) Empathy indicates providing individual attention and care to customers.
- e) Tangibles present the appearance of physical factors such as equipment, facilities and personnel.

Below is the perceived service quality model by Parasuraman et al., (Rizan, 2010):

Figure 2.1: Perceived Service Quality Model



Source : Parasuraman, et al., (Fitzsimmons & Fitzsimmons, 2001)

In this model, there are five dimension of service quality which is reliability, responsiveness, assurance, empathy, and tangibles. All this dimension are related with the two main aspects that describe and affect both service quality which are the expected service and the perceived service. So, the creation of customer satisfaction for a service can be identified through a comparison between these two aspects, Fitzsimmons & Fitzsimmons (Rizan, 2010).

Olson & Dover (Parasuraman, et al., 1995), customer expectation is the customer's confidence before buying a service which is used as a standard in assessing the performance of services. Customer expectations are formed by past experiences, talk through word of mouth and corporate promotions. After receiving a service, customer uses their experience to compare with the expected outcome. If the service suffered under the expectation, then the customer will not be interested to engage the provider again, otherwise if the service experience meets or exceeds customer expectations the customer will look to use these providers.

There are many benefits for maintaining the quality of service as it is greater than the cost being spent. Superior service quality should be used as a tool to achieve competitive advantage of a company. Superior service quality and consistency can lead to customer satisfaction which in turn will provide various benefits, such as the relationship between the company and its customers will become more harmonious, provide a good basis for re-purchase activities, encourage customer loyalty, creating a recommendation by word of mouth that benefit the company, good corporate reputation in the customer's

mind, and company's profit will be increased. The implication of these benefits is that each company must realize the strategic importance of quality. Continuous quality improvement is not a cost but an investment to generate greater profits (Hutt and Speh in Rizan, 2010).

2.3 DIMENSION OF SERVQUAL

SERVQUAL is an instrument designed by the marketing research team of Bery, Parasuraman and Ziethaml (1985). There are reliability, tangibles, responsiveness, assurance and empathy. This point was supported by Juhary (2001) which had mentioned that service quality work culture need to be monitored and measured in terms of its reliability, tangible, responsiveness, assurance and empathy. The dimensions of SERVQUAL are describe as follow:

2.3.1 Reliability

Reliability is the customer's own reflection on the service experience and on how the service has been or is being performed. In particular, the customer will reflect on the service promise and decided if that has been kept. Most customers regard reliability as being the most important of the five dimension of service performance (Bateson, 1995). Reliability in services is defined as ability to perform the promised service dependably and accurately (Berry et al., 1990). It means that the services organization performs the service right the first time and also means that the organization honors all of its promises.

Some examples, include accuracy in billing, keeping records correctly, and completing the service at the promised time (Haksever et al; 2000)

2.3.2. Tangibles

Tangibles are those factors the customers can see, hear and touch. In most service firms, tangibles include the physical environment, the facilities, and the appearance of the contact personnel. Tangibles are used when assessing physical quality before the service experience (Bateson, 1995). Tangibles are the appearance of physical facilities, equipment, personnel and communication materials (Berry et al., in Zainol, 2003). Tangibles include the physical evidence of the service such as physical facilities, appearance of service providers, tools or equipment used to provided the service, physical presentation of the service, and other customers in the service facility (Haksever et al., 2000)

2.3.3 Responsiveness

Responsiveness is the customer's perception of the willingness and ability of staff to respond to the customer's own needs. Responsiveness is particularly important to customers who have problems or require some service over and above that which is ordinarily provided (Bateson, 1995). Responsiveness is willingness to help customers and provided prompt service (Berry et al., 1990; Philip and Steward, 1999). Responsiveness concerns the willingness or readiness of employees to provide service. It includes

timeliness of service such as giving prompt service, mailing transaction slip immediately, and returning customer calls quickly(Haksever et al., 2000).

2.3.4 Assurance

Assurance present the customers' trust and confidence in the service and also the courtesy and competence of service providers. A favorable assessment of assurances will indicate that the customer is satisfied that the staff understood his needs and met them, and that no further problems have been created (Bateson, 1995). This dimension relates to the knowledge, and courtesy of employees and their ability to convey trust and confident (Berry et al., 1990). Competence means possession of the required skills and knowledge to perform the service. Courtesy involves politeness, respect, consideration, and friendliness of contact personnel. This dimension also includes trustworthiness, believability, and honesty of service employees (Haksever et al., 2000).

2.3.5. Empathy

Empathy is defined as the caring and individualized attention provided to customers (Berry et al., 1990; Philp and Stewart, 1999; Hakseveret et al., 2000). It includes the approachability and ease of contact with the service providers and making the effort to understand the customers and their needs (Hakseveret et al., 2000)

2.4 CUSTOMER SATISFACTION

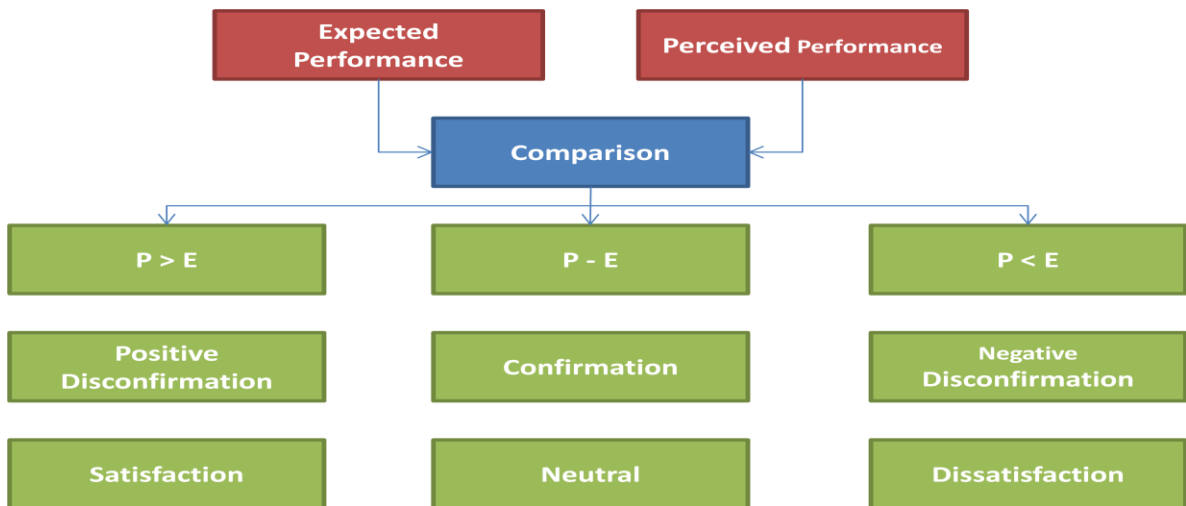
Customer satisfaction is defined as a judgment made on the basis of a specific service encounter (Cronin & Taylor in Park et al., 2006). Gitman& Mcdaniel (2005) also explains that customer satisfaction is a measure of how a product and service supplied by a company meets or surpasses customer expectation. It is seen as a key performance indicator within business and is an indication of how successful the company is in providing products/products or services to the market. Customer satisfaction is an abstract concept and the actual happening of the state of satisfaction will vary from person to person, product to product or service to service. In a competitive market where business competes for customers, customer satisfaction is considered a key element of business strategy. Ranaweera and Prabhu (Clemes, 2008) state that customer satisfaction has become a key intermediary objective in service operations due to the benefits it brings to organizations. Customer satisfaction depends on a variety of factors, including perceived service quality, customers' mood, emotions, social interactions, and other experience-specific subjective factors (Rust and Oliver in Ariffin, 2010). Mankongvanichkul (2010), said that in business term customer satisfaction is a measure of how products and services supplied by a company meet surpass customer' expectation. Satisfaction is the feeling of someone who described feeling happy or disappointed as the result of comparing the perceived performance of a product with the expected product performance. If performance fails to meet what is expected, then the customer will feel disappointed or dissatisfied. If the performance is able to meet what is expected, then the

customer will feel satisfied. If the performance can exceed what is expected, then the customer will feel very satisfied (Kotler in Rizan, 2010).

There are a lot of benefits for high customer satisfaction such as stated by Rizan (2010). Many researchers agree that a satisfied customer tends to be loyal (Fornell, et al., 1996). Satisfied customer will also tend to buy back into the same manufacturer. The desire to buy back as a result of this satisfaction is the desire to repeat the good experience and avoid a bad experience. Then, satisfaction is a factor that would encourage advertising by positive word of mouth communication. Form of communication through word of mouth delivered by people who are satisfied could be a recommendation to other potential customers, encouraging colleagues to do business with the provider and saying things that are good about the service provider. The effect of customer satisfaction tends to consider the content providers are able to satisfy is the first consideration if you want to buy products or similar services (Solomon, in Dwi Suhartanto, 2001).

Specialist on satisfaction indicate that the main factors determining customers satisfaction are the customers' own perceptions and expectations of service quality (Zeithaml & Bitner, 2000). Below is the disconfirmation model of consumer satisfaction through a comparison of expectations with the perceived performance of customer service:

Figure 2.2: The Disconfirmation Model of Consumer Satisfaction

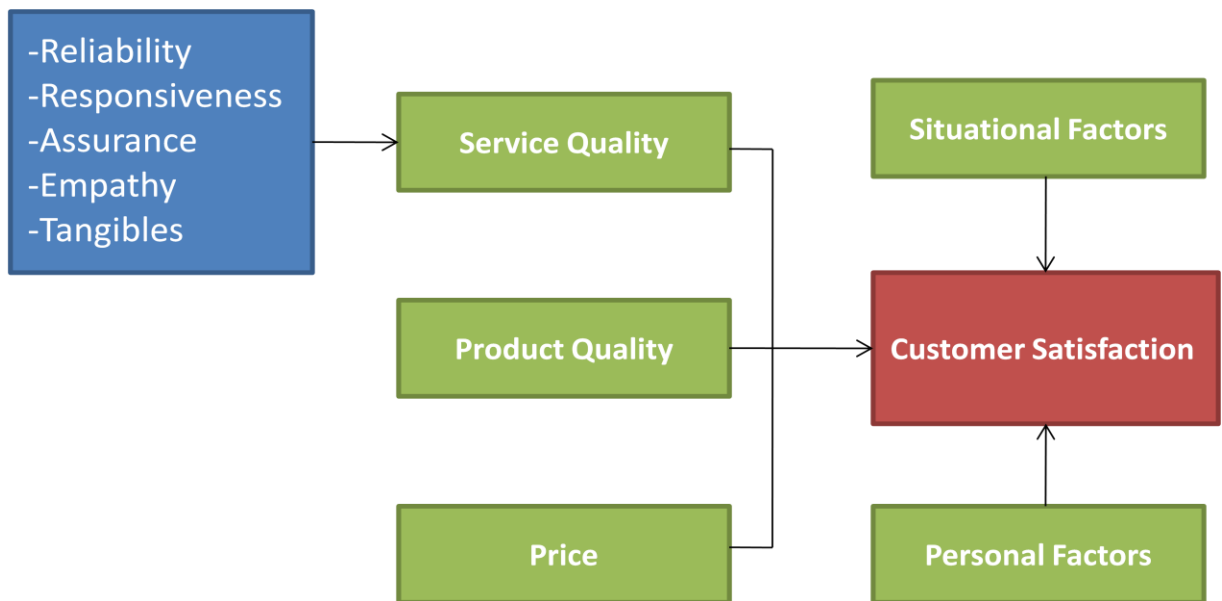


Source : Walker (Rizan, 2010)

There are two parts in this model which are expected performance and perceived performance. The purpose of this Disconfirmation Model of Consumer Satisfaction is to do a comparison between the two parts. As shown above, there are three findings as the results of the comparison. First, if the consumer perceived is more than expected, that means positive disconfirmation or in other word the consumers satisfied with the services. Second, if the perceive equal to expectation, it means confirmation or neutral satisfaction to the services. Lastly, if the perceived service quality less than expected service quality means negative disconfirmation or the consumer is not satisfied with the services. So, it is important for the companies to analyze the level of satisfaction of their customers because if the level of dissatisfaction is high, the probability of their customers going to the competitors is also high.

In general, satisfaction is considered to have a broader concept than service quality assessment, which specifically focuses only on the service dimension. Quality of service is the focus of the assessment that reflects the customer's perception of the five specific dimensions of service as shown in the model below:

Figure 2.3 : Customer Satisfaction Model



Source : Zeithaml & Bitner (Rizan, 2010)

Zeithaml & Bitner (Rizan, 2010) also state that satisfaction is more inclusive, that is, satisfaction is determined by the perception of service quality, product quality, price, situation factors, and personal factors. There are many factors affecting the level of personal satisfaction , for example situation factors (conditions and circumstances will lead the consumer experience to come to a service provider, this will affect the expectations or the expectations of the goods or services to be consumed) and emotional consumer.

2.5 RELATIONSHIP BETWEEN CUSTOMER SATISFACTION AND SERVICE QUALITY

To achieve a high level of customer satisfaction, most researchers suggest that a high level of service quality should be delivered by the service provider as service quality is normally considered an antecedent of customer satisfaction (Anderson et al., 1994 in Cronin, Brady, and Hult, 2000). However, the exact relationship between satisfaction and service quality has been described as a complex issue, characterized by debate regarding the distinction between the two constructs and the casual direction of their relationship (Brady, Cronin and Brand, 2002). Parasuraman, Zeithaml, and Berry in Michale et al. (2008) concluded that the confusion surrounding the distinction between the two constructs was partly attributed to practitioners and the popular press using the terms interchangeable, which make theoretical distinctions difficult. Interpretations of the role of service quality and satisfaction have varied considerably. Parasuraman et al. in Brady et al., 2002 confined satisfaction to relate to a specific transaction as service quality was defined as an attitude. This meant that perceived service quality was a global judgment, or attitude, relating to the superiority of the service.

Cronin and Taylor in Michale et al. (2008) found empirical support for the idea that perceived service quality led to satisfaction and argued that service quality was actually an antecedent of consumer satisfaction. Besides that, the researcher also asserted that consumer satisfaction appeared to exert a stronger influence on purchase intention than service quality, and concluded that the strategic emphasis of service organizations

should focus on total customer satisfaction programs. Moreover, the researcher state that consumers may not buy the highest quality service because of factors such as convenience, price, or availability and that these constructs may enhance satisfaction while not actually affecting consumers' perceptions of service quality. Cronin and Taylor in Michale et al. (2008) later conceded that the directionality of the service quality and satisfaction relationship was still in question and that future research on the subject should incorporate multi-item measures. The researcher suggested restricting the domain of service quality to long-term attitudes and consumer satisfaction to transaction-specific judgments. However, Bitner and Hubbert (1994) determined that service encounter satisfaction was quite distinct from overall satisfaction and perceived quality. The researcher concluded that the constructs exhibited independence. Adding to the debate about the distinction between service quality and satisfaction, customer satisfaction has also been operationalized as a multidimensional construct along the same dimensions that constitute service quality (Sureshchandar, Rajendran, and Anantharaman, 2002).

Brady and Cronin (1992) had endeavored to clarify the specification and nature of the service quality and satisfaction constructs and found empirical support for the conceptualization that service quality was an antecedent of the super ordinate satisfaction construct. In addition, the authors found that it explained a greater portion of the variance in consumers' purchase intentions than service quality. A reverse casual relationship has also been hypothesized between the two constructs. Rust and Oliver (1994) maintained that while quality was only one of many dimensions on which satisfaction was based, satisfaction was also one potential influence on future quality perception.

2.6 DEFINITION OF TERMS AND FRAMEWORK

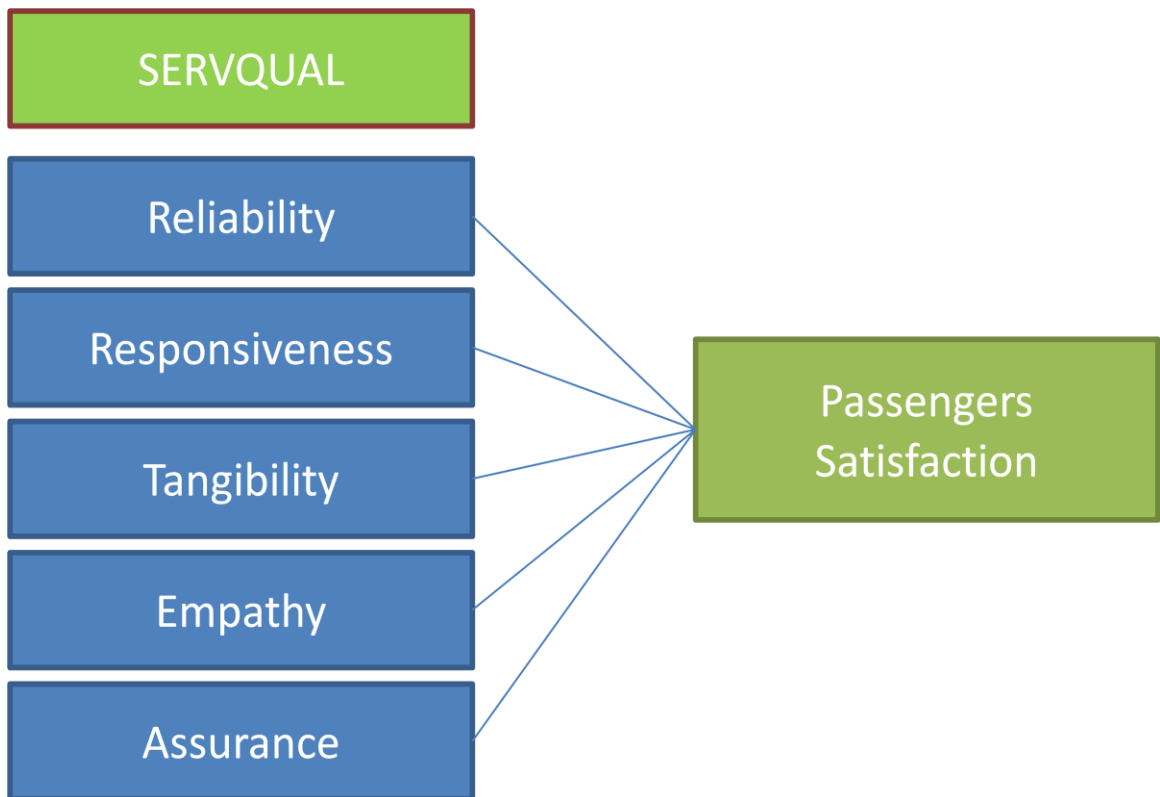
Since the development of SERVQUAL by Parasuraman, Zeithaml, and Berry (1985), service quality had been widely researched and applied in different types of industries. SERVQUAL is a 'diagnostic tools that uncovers a firm's board weakness and strengths' in service quality (Hoffman and Bateson, 2006).The questionnaire was based on three journals which are Measuring The Service Quality of Airline Services in Malaysia (Abdullah,Manaf & Noor,2007), The Value Relevance of Non-financial Performance Variables and Accounting Information: the case of the Airline Industry (Riley et al., 2003) and Linking Customer Satisfaction to the Service Concept and Customer Characteristics (Anderson, Pearo & Widener, 2009).

The SERVQUAL model for this research focuses on the five dimensions that affecting the delivery of excellent service quality and relate to the passenger's satisfaction as shown in the Figure 1. The five dimensions of the SERVQUAL scale include:

- a) Reliability - The dependability and accuracy of the service provider.
- b) Responsiveness -The ability to know and willingness to cater to customers' needs
- c) Tangibility -The appearance of physical factors such as equipment, facilities and personnel

- d) Empathy -Indicates providing individual attention and care customers
- e) Assurance -Involves the knowledge and courtesy of employees and their ability to convey trust and confidence.

Figure 2.4: Theoretical Framework



2.7 HYPOTHESIS TESTING

Table 2.1: Hypothesis Testing

H ₁	There is a positive relationship between reliability and passenger's satisfaction
H ₂	There is a positive relationship between responsiveness and passenger's satisfaction
H ₃	There is a positive relationship between empathy and passenger's satisfaction
H ₄	There is a positive relationship between tangibility and passenger's satisfaction
H ₅	There is a positive relationship between assurance and passenger's satisfaction

2.8 CHAPTER CONCLUSION

This chapter presented a review of literature reviews that focus on the service quality, passenger's satisfaction and the relationship of the service quality and passenger's satisfaction. The study will examine the influence of the service quality on passenger's satisfaction among Air Asia passengers. Research framework and hypotheses were developed based on the literature review.

CHAPTER 3
METHODOLOGY

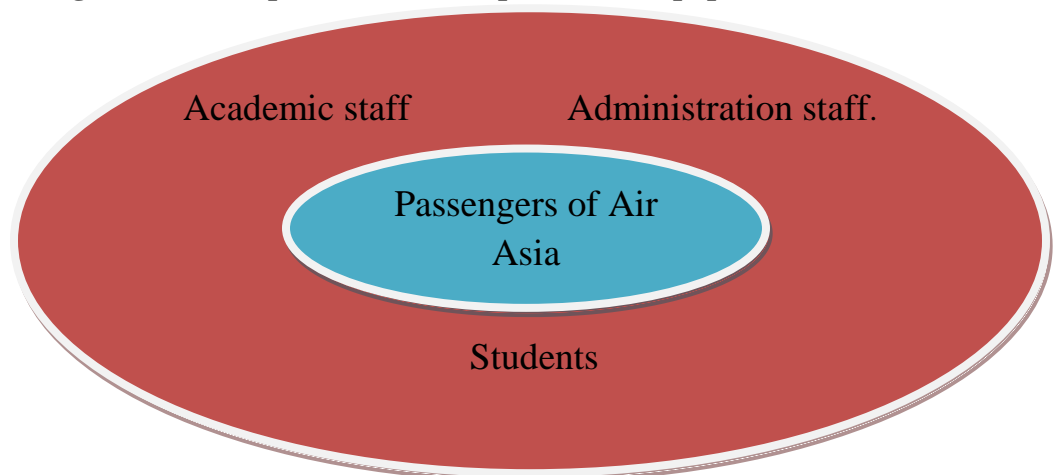
3.1 INTRODUCTION

This chapter is about the methodology of the research and there are consist of seven parts which are population and sampling, instrumentation, data collection procedure, type of analysis use, reliability test, scope and limitation and conclusion of chapter.

3.2 POPULATION AND SAMPLING

The population of this study consist all those Air Asia passengers in University Utara Malaysia (UUM). Due to the time constraint, it is decided to choose only 60 respondents to represent the UUM's population. This group of sample consist any students, academic staff and administration staff as shown on the Exhibit 2. In order to select the 60 respondents, judgmental sampling was used and only the respondents who have experience flying with Air Asia are considered as sample.

Figure 3.1 : A representative sample from the population



3.3 INSTRUMENTATION

The questionnaire is divided to three sections, which are Section A about the personal information of the respondents, Section B about the levels of service quality in Air Asia airline, and Section C about the passenger's satisfaction to Air Asia airline.

In Section A, there are thirteen questions developed to identify the background of the respondent. Respondents were requested to tick their answers in the bracket. The questions are gender, age, marital status, ethnic, job sector, education, monthly income, frequency of travel, purpose of travel, destination use, a reason for choosing, method of booking, and sources of information. For the questions 9 to 13, the respondents must choose the frequent answer only.

In Section B, the questionnaire is about the quality level in terms of services provided. It is based on the passenger's actual experiences with the Air Asia airline on previous flight. There are 22 questions which are from the five dimensions of SERVQUAL; reliability, responsiveness, tangibility, empathy and assurance. For each attributes the respondents rate scale from 1 (for strongly disagree) to 7 (for strongly agree). Questions 1 to 5 are reliability questions; questions 6 until 14 is responsiveness questions; questions 15 and 16 are empathy questions; questions 17 to 20 are tangibility questions; and questions 21 and 22 are assurance questions.

Next, in Section C, the questionnaire is about passenger satisfaction base on actual experiences with the services of Air Asia airline. There are five questions in this

part and for each attributes the respondents rate scale from 1 (for poor) to 7 (for excellent).

Table 3.1: Summary of the Questionnaire Design

Variable	No of Items	Items
<u>Section A: Demographic</u>		
Gender	1	Section A, Item 1
Age	1	Section A, Item 2
Marital Status	1	Section A, Item 3
Ethnic	1	Section A, Item 4
Job Sector	1	Section A, Item 5
Education	1	Section A, Item 6
Monthly Income	1	Section A, Item 7
Frequency of Travel	1	Section A, Item 8
Purpose of Travel	1	Section A, Item 9
Destination	1	Section A, Item 10
Reason for Choosing	1	Section A, Item 11
Method of Booking	1	Section A, Item 12
Sources of Information	1	Section A, Item 13
<u>Section B: Service Quality</u>		
Reliability	5	Section B, Item 1-5
Responsiveness	9	Section B, Item 6-14
Tangibility	2	Section B, Item 15-16
Empathy	4	Section B, Item 17-20
Assurance	2	Section B, Item 21-22
<u>Section C: Passengers Satisfaction</u>		
	5	Section C, Item 1-5

3.4 DATA COLLECTION PROCEDURE

This research was conducted on 17th of April 2011 and end on 23th of April 2011. The data from students and academic staff (lectures) had been collected in Lecture Hall 1, 4 and 5. This is because many of the students in Lecture Hall 1 are from College of Business (COB), in Lecture Hall 4 are from College of Art and Sciences (CAS) and in Lecture Hall 5 are from College of Law, Government and International study (COLGIS). For the administration staff, the data had been collect in COB, CAS and COLGIS offices. So, this data represent the population of UUM.

3.5 TYPE OF ANALYSIS USE

There are two types of instrument used to analyse the data in this research which are descriptive statistic and inferential analysis statistics. The descriptive statistics were used to analyze the personal information of respondents and to determine the level of customers satisfaction in Air Asia passengers which is use in the section A and C in the questionnaire. For the section B and C in the questionnaire, the researcher will use inferential statistics to determine the influence of service quality on customer's satisfaction among Air Asia Passengers.

The section A in the questionnaire are the personal detail of the respondent which included gender, age, marital status, ethnic, job sector, education, monthly income, frequency of travel, purpose of travel, destination use, reason for choosing, method of booking, and sources of information. Frequency table was used to analyze all questions in this section.

Section B and C in the questionnaire, classifies the dependent variable and independent variable. The independent variable is the five dimensions of SERVQUAL while the passenger satisfaction is the dependent variable of in this study. So, the correlation analysis and regression analysis had been done to check on the relationship and to determine the influence of service quality on customer's satisfaction among Air Asia Passengers.

The computer software that will be use in this study is the Statistical Package for the Social Sciences (SPSS) system. The SPSS is the computer program used for statistical analysis which the researcher use to analysis all of the questions in the questionnaire. The SPSS computer system is the most appropriate system that can be used in the research.

3.6 RELIABILITY TEST

The reliability test had been done before proceeding with to analysis test. The closer the reliabilities coefficient gets to 1.0 show the better the element.

a) Service Quality

Reliability

Table 3.2: Reliability test for reliability

Variable	Cronbach's Alpha	No of item
Reliability	0.816	5

From Table 3.2, the cronbach's alpha for reliability element is 0.816 shows that it is near to 1,0 and it is consider valid.

Responsiveness

Table 3.3: Responsiveness test for reliability

Variable	Cronbach's Alpha	No of item
Responsiveness	0.901	9

From Table 3.3, the cronbach's alpha for reliability element is 0.901 shows that it is near to 1,0 and it is consider valid.

Empathy

Table 3.4: Empathy test for reliability

Variable	Cronbach's Alpha	No of item
Empathy	0.923	2

From Table 3.4, the cronbach's alpha for reliability element is 0.923 shows that it is near to 1,0 and it is consider valid

Tangibility

Table 3.5: Tangibility test for reliability

Variable	Cronbach's Alpha	No of item
Tangibility	0.956	4

From Table 3.5, the cronbach's alpha for reliability element is 0.956 shows that it is near to 1,0 and it is consider valid

Assurance

Table 3.6: Assurance test for reliability

Variable	Cronbach's Alpha	No of item
Assurance	0.759	2

From Table 3.6, the cronbach's alpha for reliability element is 0.759 shows that it is near to 1,0 and it is consider valid

b) Passenger Satisfaction

Table 3.7: Passenger's Satisfaction test for reliability

Variable	Cronbach's Alpha	No of item
Passenger Satisfaction	0.851	5

From Table 3.7, the cronbach's alpha for reliability element is 0.851 shows that it is near to 1,0 and it is consider valid.

3.7 SCOPE AND LIMITATIONS

In order to complete this research, the researcher will face some limitations. The limitations are as follow:

3.7.1 Cooperation from respondents

There are three types of respondents that had been taken which are students, administration staff and academic staff. It is easier to get respond from students than the administration and academic staff. This is because when the questionnaires were distributed during the working hours, many of them did not have time to answer it.

3.7.2 Time

Secondly, this research had faced the limitation of time. This research should have taken 6 months but it was completed within three month due to the time constraint given by college of business UUM. So, this research may be flawed. However it is enough to fulfill the requirement for the thesis for Master of Science (Management).

3.7.3 Cost and budget constraints

Thirdly, same with the others research, this research face the cost and budget constraints. Many money was spent on printing the questionnaire, printing the report, gift for the respondents and so on.

3.8 CHAPTER CONCLUSION

This chapter has explained the research method and of the study. It described the selection of respondents, developments of the questionnaire, the research materials and the survey procedure. This chapter also briefly explains the adoption of correlation analysis and regression analysis to test the research hypotheses. The results of the study are reported in the next chapter, Chapter 4.

CHAPTER 4

FINDINGS

4.1 INTRODUCTION

This chapter presents the results and findings in statistical analysis. All the analysis had been analyze using Statistical Package for Social Science (SPSS). There are four part since this chapter which are descriptive statistics of data collection, mean and standard deviation of data collection, hypothesis testing of data collection and conclusion.

4.2 DESCRIPTIVE STATISTICS OF DATA COLLECTION

Descriptive statistics are used to describe the basic features of the data in a study. They provide simple summaries about the sample and the measures. In this research, the descriptive statistics are use in Part 1 of the questionnaire which is the personal information of respondents.

4.1.1 Gender

Table 4.1: Gender of Respondents

Gender	Frequency	Percent
Male	25	41.7
Female	35	58.3
Total	60	100.0

The table shows the frequency and percent in gender for respondents. The male consists of 25 respondents which contributes to 41.7% while for the female consists of 35 respondents which contributes to 58.3%. As shown the sample sizes are 60 respondents.

4.1.2 Age

Table 4.2: Age of respondents

Age	Frequency	Percent
19-25	13	21.7
26-35	24	40.0
36-45	12	20.0
46-55	8	13.3
56-65	3	5.0
Total	60	100.0

In term of age, the largest group is 26 to 35 years old (40%) followed by age 19 to 25 years old (22%), age 36 to 45 years old (20%), age 46 to 55 years old(13%) and 56 to 65 years old (5%).

4.1.3 Marital Status

Table 4.3: Marital Status of Respondents

Marital Status	Frequency	Percent
Single	26	43.3
Married	33	55.0
Others	1	1.7
Total	60	100.0

The marital status table shows that the highest are married which contributes to 33(55%) respondents, followed by single which are 26 (43%) respondents, while only one respondent is a widower (2%).

4.1.4 Ethnic

Table 4.4: Ethnic of Respondents

Ethnic	Frequency	Percent
Malay	42	70.0
Chinese	7	11.7
Indian	4	6.7
others	7	11.7
Total	60	100.0

With regard to ethnicity of the respondents, 70% of them are Malays, 12% of the respondents are Chinese, 7% of the respondents are Indians and 12% of the respondents are others. The other ethnic are from China, Nigeria and Indonesia.

4.1.5 Job Sector

Table 4.5: Job Sector of Respondents

Job Sector	Frequency	Percent
Academic Staff	17	28.3
Administration Staff	15	25.0
Students	28	46.6
Total	60	100.0

In term of job status of the respondents, 46% of the respondents are students, followed by 28% of respondents are academic staff and 25% of the respondents are administration staff.

4.1.6 Education

Table 4.6: Education of Respondent

Education	Frequency	Percent
STPM	2	3.3
Diploma	10	16.7
Degree	18	30.0
Master	18	30.0
PHD	10	16.7
other	2	3.3
Total	60	100.0

In term of academic qualification, 60% of the respondents acquired degree and master. This is followed by equal percentages (17%) of respondents with Diploma and Doetorate of Philosophy (PHD). The other 7% are the respondents acquired *Sijil Tinggi Pelajaran Malaysia* (STPM) and others academic qualification.

4.1.7 Monthly Incomes

Table 4.7: Monthly Incomes of Respondents

Monthly Incomes	Frequency	Percent
<RM1000	8	13.3
RM1001-RM2000	9	15.0
RM2001-RM3000	16	26.7
RM3001-RM4000	4	6.7
RM4001-RM5000	7	11.7
>RM5000	10	16.7
No Income	6	10.0
Total	60	100.0

In term of monthly income, 27% of the respondents earn income between RM2001-RM3000. This is followed by 17% with monthly incomes more than RM5000 (17%), 15% earn between RM1001 to RM2000, 13% earn below RM1000, 12% have income between

RM4001 to RM5000, and 17% with RM3001 to RM4000 income. Finally, 10% of the respondents had no income since they are full time students.

4.1.8 Frequency of Travel

Table 4.8: Frequency of Travel of Respondents

Frequency of Travel	Frequency	Percent
1 only	41	68.3
2-4	14	23.3
5-7	2	3.3
8-10	1	1.7
>10	2	3.3
Total	60	100.0

Regarding the frequency of travel respondents, 68% of them only travel once and 23% of respondents travel between 2 to 4 times. This is followed by equal percentages (7%) of respondents between 5 to 7 and more than 10 times. The lowest frequency of travel is 8 to 10 times (2%).

4.1.9 Purpose of Travel

Table 4.9: Purpose of Travel of Respondents

Purpose of Travel	Frequency	Percent
Business/Official	18	30.0
Holiday	23	38.3
Family Matters	8	13.3
Urgent Matter	3	5.0
Study Purpose	8	13.3
Total	60	100.0

The main purpose of flying with Air Asia is for holiday which consists of 38% of the respondents. This is followed by business or official purpose (30%), family matters (13%), study purpose(13%) and for urgent matter (5%).

4.1.10 Destination use Air Asia

Table 4.10: Destination use Air Asia of Respondents

Destination use Air Asia	Frequency	Percent
Domestic	46	76.7
Australia	1	1.7
China	3	5.0
Indonesia	6	10.0
Thailand	4	6.7
Total	60	100.0

In term of destination, majority of the respondents (77%) use Air Asia for domestic travels, 10% travel to Indonesia, 7% to Thailand. This is followed by 5% to China and 2% to Australia.

4.1.11 Reason for choosing Air Asia

Table 4.11 : Reason for Choosing Air Asia of Respondents

Reason for choosing Air Asia	Frequency	Percent
Appealing sales promotion	16	26.7
Reach Destination Fast	3	5.0
Familiraty	1	1.7
No Alternative Flight	4	6.7
Tickets booked by others	2	3.3
Cheaper Tickets	33	55.0
other	1	1.7
Total	60	100.0

The main reason of the respondents choosing Air Asia is highly due to cheaper price. This is shown by 55% of the respondents indicating that cheaper price is the main reason for them to choose Air Asia. The second reason highly chosen by the respondents is appealing sales. This was shown by 27% of responds given, subsequently this is followed by reasons of no alternative flight (7%), reach destination fast (5%), tickets booked by others (3%) and equal percentages for familiraty and other reason (3%). The other reason is because of online booking.

4.1.12 Method of booking Air Asia

Table 4.12: Method of booking Air Asia of Respondents

Method of booking Air Asia	Frequency	Percent
Telephone	1	1.7
Travel Agencies	4	6.7
Kiosks	1	1.7
Internet	53	88.3
Ticket booked by other	1	1.7
Total	60	100.0

In term of method of booking Air Asia majority of the respondents (88%) are using internet, travel agencies (7%), and equal percentages for using telephone, kiosks, and ticket booked by other (2%).

4.1.13 Sources of Information Air Asia

Table 4.13: Sources of Information Air Asia of Respondents

Sources of Information Air Asia	Frequency	Percent
Print ads	3	5.0
Broadcast Media	8	13.3
Internet ads	40	66.7
Friends	7	11.7
Relatives	2	3.3
Total	60	100.0

In term of sources of information regarding of Air Asia, 67% of the respondents indicate that the main source is from internet ads. This is followed by sources of information from broadcast media (13%), friends (12%), print ads (5%), and 3% from relatives.

4.3 MEAN AND STANDARD DEVIATION OF DATA COLLECTION

All the tables below are data for mean and standard deviation of service quality and passenger satisfaction. The independent variable is service quality and the dependent variable is passenger satisfaction. For the passenger satisfaction questions are 1 for poor, 2 for weak, 3 for feeble , 4 for neutral, 5 for fair, 6 for good and 7 for excellent. While for service quality questions there are seven scale which are 1 for strongly disagree, 2 for disagree, 3 for somewhat disagree , 4 for neither agree or disagree, 5 for somewhat agree, 6 for agree and 7 for strongly agree.

4.2.1 Passenger Satisfaction

Table 4.19: Table of Passenger Satisfaction

Questions	Mean	Standard Deviation
Overall experience of Air Asia	4.65	0.820
Overall rating of the Air Asia	4.82	0.854
Overall on board services in Air Asia	4.75	0.856
On time arrival of Air Asia flights	4.67	1.188
The handling of baggage by Air Asia	4.32	1.255
Average	4.64	0.995

The table above shows five questions from the passenger's satisfaction part. From the table, the average mean is 4.64 and the average of standard deviation is 0.995. This mean many respondents answer are for fair with the passenger's satisfaction. The highest mean is 4.82 for question "Overall rating of the Air Asia". While the lowest means is 4.32 for question, "The handling of baggage by Air Asia".

4.2.2 Service Quality

a) Reliability

Table 4.14: Table of Reliability

Questions	Mean	Standard Deviation
Air Asia provides service as promised	4.58	0.889
Air Asia fulfills promise	4.58	0.720
Air Asia keeps accurate records	4.97	0.823
Air Asia is sympathetic and reassuring	4.68	0.911
Air Asia is dependable	4.60	0.867
Average	4.68	0.842

The table above shows five questions from the reliability part in service quality. From the table, the average mean is 4.68 and the average of standard deviation is 0.842. This mean many respondents are somewhat agree with the reliability part in service quality. The highest mean is 4.97 for question “Air Asia keeps accurate records”. While the lowest is 4.58 for two questions, “Air Asia provides service as promised” and “Air Asia fulfills promise”.

b) Responsiveness

Table 4.15: Table of Responsiveness

Questions	Mean	Standard Deviation
Air Asia does not care about my interest	3.58	1.154
Air Asia employees do not know my needs	4.00	1.135
Air Asia employees do not give personal attentions	3.83	1.107
Air Asia employees do not willing to help me	3.33	1.386
Air Asia employees too busy to respond to my request	3.22	1.121
Air Asia does not have convenient schedules	3.58	1.369
Air Asia does not gives individual attention	3.38	1.166
I do not received prompt service	3.48	1.157
Air Asia does not inform me times of services	3.28	1.290
Average	3.52	1.209

The table above shows nine questions from the responsiveness part in service quality. From the table, the average mean is 3.52 and the average of standard deviation is 1.209. This mean many respondents are neither agree or disagree with the responsiveness part in

service quality. The highest mean is 4.00 for question “Air Asia employees do not know my needs”. While the lowest means is 3.22 for question, “Air Asia employees too busy to respond to my request”.

c) Empathy

Table 4.16: Table of Empathy

Questions	Mean	Standard Deviation
Employees should get adequate support from Air Asia	4.93	0.880
Air Asia employees should be polite	4.68	0.748
Average	4.81	0.814

The table above shows two questions from the empathy part in service quality. From the table, the average mean is 4.81 and the average of standard deviation is 0.814. This mean that many respondents are somewhat agree with the empathy part in service quality. The highest mean is 4.93 for question “Employees should get adequate support from Air Asia”. While the lowest means is 4.68 for question, “Air Asia employees should be polite”.

d) Tangibility

Table 4.17: Table of Tangibility

Questions	Mean	Standard Deviation
Air Asia physical facilities conform with services provided	4.58	0.889
Air Asia employees are well dressed	4.97	0.823
Air Asia has appealing physical facilities	4.58	0.809
Air Asia has modern equipment and technology	4.53	0.833
Average	4.67	0.839

The table above shows four questions from the tangibility part in service quality. From the table, the average mean is 4.67 and the average standard deviation is 0.839. This mean many respondents are somewhat agree with the tangibility part in service quality. The highest mean is 4.97 for question “Air Asia employees are well dressed”. While the lowest means is 4.53 for question, “Air Asia has modern equipment and technology”.

e) Assurance

Table 4.18: Table of Assurance

Questions	Mean	Standard Deviation
I can trust the employee	4.87	0.873
I feel safe in dealing with the employees	4.67	0.729
Average	4.77	0.801

The table above shows two questions from the assurance part in service quality. From the table, the average mean is 4.77 and the average standard deviation is 0.801. This mean

that many respondents are somewhat agree with the assurance part in service quality. The highest mean is 4.87 for question “I can trust the employee”. While the lowest means is 4.67 for question, “I feel safe in dealing with the employees”.

f) Summary Service Quality

Table 4.19: Service Quality Dimension and level

Service quality dimension	Mean (level)	Standard Deviation
Reliability	4.68	0.842
Responsiveness	3.52	1.209
Empathy	4.81	0.814
Tangibility	4.67	0.839
Assurance	4.77	0.801
Average	4.49	0.901

It was found that the dimension of service quality that is the most agree to Air Asia passengers in UUM is empathy (5= somewhat agree). This is followed by assurance, reliability and tangibility. The service quality dimension that is least agreed upon is responsiveness. For overall of service quality , the level is also “somewhat agree”.

4.4 INFRENTIAL STATISTICS OF DATA COLLECTION

While descriptive statistics examine the immediate group of data, inferential statistics aim to make inferences from this data in order to make conclusions that go beyond this data. In this research, inferential statistics that had been used were correlation and regression analysis. Before continuing with correlation and regression analysis, the data must be normally distributed. So, below is the result of normality test.

Table 4.20: Table of Normality Test

Tests of Normality	Kolmogorov-Smirnov(Sig.)
Reliability	0.314
Responsiveness	0.200
Empathy	0.063
Tangibility	0.460
Assurance	0.068
Passenger's Satisfaction	0.200

To check the normality of the data, the Kolmogorov-Smirnov and Shapiro-Wilk's Test had been used. Since the sample is 60 respondents, the Kolmogorov-Smirnov test had been used. The data is consider normally distributed when p value more than 0.05. From the table all the elements are more than 0.05 mean all the elements are normally distributed. So, the inferential statistics can be conducted.

4.3.1 Correlation

The correlation analysis is to determine the relationship between service quality (reliability, responsiveness, empathy, tangibility and assurance) and passenger satisfaction. Below is the Person Correlation scale table:

Table 4.21: Correlation between reliability and passenger's satisfaction

Pearson r	Relationship
-0.5 to -1	Strong negative relationship
0 to -0.5	Weak negative relationship
0 to 0.5	Weak positive relationship
0.5 to 1	Strong positive relationship

a) Reliability and Passengers Satisfaction

Table 4.22: Correlation between reliability and passenger's satisfaction

	Reliability
PassengerSatisfaction	Pearson Correlation
	(r)
	Sig. (1-tailed)
	N

As shown in the table 4.21 there is a positive relationship between reliability and passenger satisfaction ($r=0.543$, $p=0.000$). With the p value = 0.000 which is less than alpha value 0.05; and the $r = 0.543$ it shows that the reliability and passenger satisfaction is positively related.

b) Responsiveness and Passenger Satisfaction

Table 4.23: Correlation between responsiveness and passenger satisfaction

		Responsiveness
Passenger Satisfaction	Pearson Correlation	-0.235*
	Sig. (1-tailed)	0.035*
	N	60

As shown in the table 4.22 there is a negative relationship between the responsiveness and passenger satisfaction ($r = -0.235$, $p = 0.035$). With the r value = -0.235 , it shows that responsiveness is negatively correlated with passengers satisfaction. However the relationship is weak.

c) Empathy and Passenger Satisfaction

Table 4.24: Correlation between empathy and passenger satisfaction

		Empathy
PassengerSatisfaction	Pearson Correlation	0.026
	Sig. (1-tailed)	0.422
	N	60

As shown in the table 4.23 there is no relationship between the empathy and passenger satisfaction ($r = 0.026$, $p = 0.422$). With p value = 0.422 ($p > 0.05$), it indicate that empathy does not significantly correlate with passenger's satisfaction.

d) Tangibility and Passenger Satisfaction

Table 4.25: Correlation between tangibility and passenger satisfaction

		Tangibility
PassengerSatisfaction	Pearson Correlation	-0.060
	Sig. (1-tailed)	0.324
	N	60

As shown in the table 4.24 there is no relationship between the element of tangibility and passenger satisfaction ($r = -0.060$, $p = 0.324$). With p value = 0.324 ($p > 0.05$), it indicates that there is no significant relationship that exists between tangibility and passenger's satisfaction.

e) Assurance and Passenger Satisfaction

Table 4.26: Correlation between assurance and passenger satisfaction

		Assurance
PassengerSatisfaction	Pearson Correlation	0.497*
	Sig. (1-tailed)	0.000*
	N	60

As shown in the table 4.25 there is a positive relationship between assurance and passenger satisfaction ($r = 0.497$, $p = 0.000$). With p value = 0.000 ($p < 0.05$) and r value = 0.497, it shows that assurance is positively correlated with passenger's satisfaction.

4.3.2 Regression

The regression analysis is use to determine the influence of any service quality dimension and passengers satisfaction as well as to determine the contribution of any services on passenger's satisfaction.

Table 4.27: Regression analysis between responsiveness and passenger satisfaction

R	R Square	Adjusted R Square
0.615	0.378	0.321

	F	Sig.
Regression	6.567	0.000

	B	Sig
(Constant)	1.314	0.211
Reliability	.434	0.011*
Responsiveness	-.071	0.473
Empathy	.428	0.194
Tangibility	-.418	0.204
Assurance	.301	0.042*

Independent Variable –Assurance, Empathy, Responsiveness, Reliability and Tangibility
 Dependent Variable- Passengers Satisfaction

In order to test the hypothesis, regression analysis was undertaken. In the regression analysis, the independent variable is service quality (assurance, empathy, responsiveness, reliability and tangibility) and the dependent variable is passenger's satisfaction. As shown in Table 4.26, the r^2 is 0.378. It means that 37.8% of passenger's satisfaction is explained by the element of service quality. Below is the hypothesis testing for this regression analysis:

$$H_0: \beta_1 = \beta_2 = \beta_3 = \beta_4 = 0$$

$$H_1: \beta_1 \neq \beta_2 \neq \beta_3 \neq \beta_4 \neq 0 \text{ for at least 1 variable}$$

Where 1=reliability

2= responsiveness

3= empathy

4= tangibility

5=assurance

or

H_1 : There is positive relationship exist between the service quality (assurance, empathy, responsiveness, reliability and tangibility) and the passenger satisfaction.

The p value, 0.000 less than alpha value, 0.05 mean that there is a significant relationship exist between the service quality (assurance and reliability) and passenger satisfaction. The regression model is as below:

$$Y = 1.314 + 0.434x_1 - 0.071x_2 + 0.428x_3 - 0.418x_4 + 0.301x_5$$

In order to determine which elements in the service quality that influence passenger's satisfaction, as shown in Table 4.27 among other elements, only two dimensions of service quality are positively related to passengers satisfaction. They are reliability ($p=0.011$) and assurance ($p=0.042$). Therefore, Hypothesis 1 and Hypothesis 4 are accepted. Other dimensions of service quality do not show any significance relationship. Therefore, Hypothesis 2, Hypothesis 3 and Hypothesis 4 are rejected.

Table 4.28: Regression analysis between reliability, responsiveness, empathy, tangibility and assurance with passenger satisfaction

Hypothesis	Service Quality	p-value	Result
H ₁	Reliability	0.011	There is positive relationship exist between passengers satisfaction and reliability
H ₂	Responsiveness	0.473	There is no significant relationship exist between passengers satisfaction and responsiveness
H ₃	Empathy	0.194	There is no significant relationship exist between passengers satisfaction and empathy
H ₄	Tangibility	0.204	There is no significant relationship exist between passengers satisfaction and tangibility
H ₅	Assurance	0.042	There is positive relationship exist between passengers satisfaction and assurance

4.5 CHAPTER CONCLUSION

This chapter presented findings of descriptive statistics of data collection, mean and standard deviation of data collection, hypothesis testing of data collection, correlation analysis of data collection, regression analysis of data collection and summary of hypothesis testing.. The conclusion of the overall of this chapter had been discussed in chapter 5.

CHAPTER 5

DISCUSSION, RECOMMENDATION AND CONCLUSION

5.1 INTRODUCTION

This chapter discuss about the objective of this research (Chapter 1) and the achieving of the result to the objective (Chapter 4). Besides that, this research had identified which one of the items in service quality are related to the passenger satisfaction. Then, the chapter ends with the recommendation for the future studies and conclusion.

5.2 DISCUSSION

This study had been conducted in UUM and the population is all the people that has experience with Air Asia. The respondents are 60 people and consist of administration staff, academic staff and students. There are two objectives in this research which are to determine the level of passenger's satisfaction in Air Asia passengers and to determine the influence of service quality on passenger's satisfaction among Air Asia passengers. So the questionnaires had been developed and given to the respondents in order to address the objectives. The questionnaires was design to collect several answer which are the personal information, the level of service quality in Air Asia airline and the passenger's satisfaction towards Air Asia airline.

The data collected were analyzed by using Statistical Package for Social Science (SPSS) version 13.0. The independent variable is service quality (assurance, empathy, responsiveness, reliability and tangibility) in Air Asia and the dependent variable is passenger's satisfaction. For answering the first objective, "to determine the level of passenger's satisfaction in Air Asia passengers" the descriptive analysis which had been used is mean analysis. For second objective, "to determine the influence of service quality on passenger's satisfaction among Air Asia passengers" the inferential statistics which had been used is regression analysis.

5.3 DISCUSSION OF FINDING

5.3.1 Objective 1: To determine the level of passenger's satisfaction in Air Asia passengers

The passenger satisfaction level is important to ensure all the promise has been fulfill so that customers would not feel very dissatisfied with all the service. Overall, based on the analysis undertaken, passengers of Air Asia tend to be satisfied with the Air Asia services with the mean of 4.64. The satisfaction level is considered high. The specialist on satisfaction indicate that the main factors determining passengers satisfaction are the passengers' own perception and expectations of service quality (Zeithaml & Bitner, 2000). There are several factors that influencing passengers' view in service quality include world of mouth, personal needs, passengers' past experience, and external communication (Parasuraman et al., in Mankongvanichkul, 2010).

5.3.2 Objective 2: To determine the influence of service quality on passenger's satisfaction among Air Asia passengers

From the finding, there is a positive relationship exist between two dimension of service quality (assurance and reliability) and passenger satisfaction. From the results, it can be concluded that the elements of reliability and assurance are the two most critical elements that contribute to passenger's satisfaction. The positive relationship between assurance and passenger's satisfaction is supported by Kim and Lee (2011) from their research "Customer satisfaction using low cost carriers". Clemes et.al (2008) and Gilbert and Wong (2003) also suggested that Safety and Security (assurance) is perceived to be the most important dimension. It showed that the passengers were concerned about the safety and security aspects, and this was an indication on why there was such a downturn in demands as their study was conducted just prior to the World Trade Center incident on September 11, 2001. On the other hand, the positive relationship between reliability and passenger's satisfaction is support by Sultan & Simpson's (2000) and Kim and Lee (2011). The researcher states that passengers expected the ability of airline to perform the promised service dependably and accurately. Therefore, Air Asia has to ensure the service provided to the passengers is consistent to satisfy the passengers. This is important to make sure the Air Asia passengers do not change to other competitors.

5.4 RECOMMENDATIONS FOR FUTURE RESEARCH

5.4.1 Sample size

The sample size in this research is only 60 respondents due to the limitation of time. So, for future research the sample size should be increased to represent the population. The sampling profile can also be rearranged for equal percentage of nationality and gender in order to generalize the results. Besides that, most of the respondents are students. The students in UUM do not often fly with airline compared to the staff. So, for future research, researchers must identify the students that often fly with Air Asia as the respondents. This will help them to answer the questionnaires accurately. Lastly, for future research, the population should include Air Asia passengers in Malaysia.

5.4.2 Other Airline

Another opportunity for future research is to apply the survey procedure on various airline firms (MAS, Firefly), which would provide us to make comparisons among different cultural firms and see the satisfaction of various passengers in a wider manner.

5.4.3 Survey in the “responsiveness” dimension

Responsiveness concerns the willingness or readiness of employees to provide services, such as timeliness of services and prompt service. This dimension was what the

passengers in this study were most concerned about because it was rated as the lowest level of agreement. Thus the Air Asia must find the counter measure of how to increase the level of satisfaction in responsiveness elements.

5.4.4 Variable

For this research, the variables are service quality and passengers satisfaction. The service quality mentions about the perception only, meaning the experience after the respondents fly with Air Asia. For the future research service quality should include the expectation part, meaning the passengers expectation before flying with Air Asia.

5.5 CHAPTER CONCLUSION

For the overall conclusion, all the result had achieve the objectives which are to determine the level of passenger's satisfaction in Air Asia Passengers and to determine the influence of service quality on customers satisfaction among Air Asia Passengers. As shown above, the level of passenger's satisfaction of Air Asia passengers is "fair" only. For the second objective, the results indicated that only two elements from service quality are significantly and positively related to passenger's satisfactions which are reliability and assurance. But for overall it is clear that service quality have positive influence to passenger's satisfaction among Air Asia passengers in UUM. Lastly, it is hoped that this research could be useful not only to other researchers but also the Air Asia in particular.

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APPENDIX

Questionnaire



**COLLEGE OF BUSINESS
UNIVERSITI UTARA MALAYSIA
KEDAH**

**QUESTIONNAIRE ON THE RELATIONSHIP BETWEEN SERVICE QUALITY AND
PASSENGERS SATISFACTION IN AIR ASIA AIRLINE**

Dear Valued Respondents,

Thank you very much for your kind attentions and willingness to spend a few minutes in answering this questionnaire. All the answer will be keep strictly confidential. Your sincerity in completing this questionnaire very much appreciated. This study is conducted as a requirement for the completion of Master of Science (Management) and only use for academic purposes.

Thank you for your kind cooperation in making this study success.

Yours sincerely,

Athirah binti Mohd Tan
Master of Science (Management)
College of Business
Universiti Utara Malaysia, Kedah.
E-mail: s806265@student.uum.edu.my
H/P : 012-4686450

Direction: Please mark (x) your answer in the space provided.

Part 1: Personal Information

1. Gender Male Female
2. Age 19-25 26-35 36-45
 46-55 56-65 ≥ 65
3. Marital Status Single Married Others
4. Ethnic Malay Chinese India
 Others
5. Job Sector Academic Staff Administration Staff
 Student Others. State: _____
6. Education SPM STPM Diploma
 Degree Masters PHD
 Others. State: _____
7. Monthly Income \leq RM 1000 RM 1001-2000
 RM 2001-RM 3000 RM 3001-RM4000
 RM 4001-RM5000 $>$ RM 5000
8. Frequency of Travel/month use Air Asia 1 only 2-4 5-7 8-10
 ≥ 10

Choose the frequent answer only

9. Purpose of travel use Air Asia Business/Oficial Holiday Family matters
 Urgent matter Study purpose Others.

State: _____

Part 2: Service Quality

Based on your actual experiences with the service of the Air Asia on your previous flight (s), please rate the quality level in terms of the following service attributes. The score you circle or tick should truly reflect you feeling about the extent to which the airline service satisfies you.

Service and Facilities	Strongly disagree							Strongly agree						
1. Air Asia provides service as promised	1	2	3	4	5	6	7	1	2	3	4	5	6	7
2. Air Asia fulfills promise	1	2	3	4	5	6	7	1	2	3	4	5	6	7
3. Air Asia keeps accurate record	1	2	3	4	5	6	7	1	2	3	4	5	6	7
4. Air Asia is sympathetic & reassuring	1	2	3	4	5	6	7	1	2	3	4	5	6	7
5. Air Asia is dependable	1	2	3	4	5	6	7	1	2	3	4	5	6	7
6. Air Asia does not care about my interest	1	2	3	4	5	6	7	1	2	3	4	5	6	7
7. Air Asia employees do not know my needs	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8. Air Asia employees do not give personal attentions	1	2	3	4	5	6	7	1	2	3	4	5	6	7
9. Air Asia employees not willing to help me	1	2	3	4	5	6	7	1	2	3	4	5	6	7
10. Air Asia employees too busy to respond to my request	1	2	3	4	5	6	7	1	2	3	4	5	6	7
11. Air Asia does not have convenient schedules	1	2	3	4	5	6	7	1	2	3	4	5	6	7
12. Air Asia does not gives individual attention	1	2	3	4	5	6	7	1	2	3	4	5	6	7
13. I do not received prompt service	1	2	3	4	5	6	7	1	2	3	4	5	6	7
14. Air Asia does not inform me times of services	1	2	3	4	5	6	7	1	2	3	4	5	6	7
15. Employees should get adequate support from Air Asia1	1	2	3	4	5	6	7	1	2	3	4	5	6	7
16. Air Asia employees should be polite	1	2	3	4	5	6	7	1	2	3	4	5	6	7
17. Air Asia physical facilities conform with service provided	1	2	3	4	5	6	7	1	2	3	4	5	6	7
18. Air Asia employees are well dressed	1	2	3	4	5	6	7	1	2	3	4	5	6	7
19. Air Asia has appealing physical facilities	1	2	3	4	5	6	7	1	2	3	4	5	6	7
20. Air Asia has modern equipment and technology	1	2	3	4	5	6	7	1	2	3	4	5	6	7
21. I can trust the employee	1	2	3	4	5	6	7	1	2	3	4	5	6	7
22. I feel safe in dealing with the employees	1	2	3	4	5	6	7	1	2	3	4	5	6	7

Part 3: Passengers' satisfaction

Based on your actual experiences with the service of the Air Asia on your previous flight (s), please rate the satisfaction level in terms of the following service attributes. The score you circle or tick should truly reflect your feeling about the extent to which the airline service satisfies you.

Service and Facilities	Poor							Excellent
1. Overall experience of Air Asia	1	2	3	4	5	6	7	
2. Overall rating of the Air Asia	1	2	3	4	5	6	7	
3. Overall on board services in Air Asia	1	2	3	4	5	6	7	
4. On time arrival of Air Asia flights	1	2	3	4	5	6	7	
5. The handling of baggage by Air Asia	1	2	3	4	5	6	7	

SPSS Output

a) Reliability

Reliability

Cronbach's Alpha	N of Items
.816	5

Responsiveness

Cronbach's Alpha	N of Items
.901	9

Empathy

Cronbach's Alpha	N of Items
.923	2

Tangibility

Cronbach's Alpha	N of Items
.956	4

Assurance

Cronbach's Alpha	N of Items
.759	2

Passenger Satisfaction

Cronbach's Alpha	N of Items
.851	5

b) Descriptive Statistic

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	25	41.7	41.7	41.7
	female	35	58.3	58.3	100.0
	Total	60	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	19-25	13	21.7	21.7	21.7
	26-35	24	40.0	40.0	61.7
	36-45	12	20.0	20.0	81.7
	46-55	8	13.3	13.3	95.0
	56-65	3	5.0	5.0	100.0
	Total	60	100.0	100.0	

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	26	43.3	43.3	43.3
	Married	33	55.0	55.0	98.3
	Others	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Ethnic

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	42	70.0	70.0	70.0
	Chinese	7	11.7	11.7	81.7
	Indian	4	6.7	6.7	88.3
	others	7	11.7	11.7	100.0
	Total	60	100.0	100.0	

Job Sector

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Academic Staff	17	28.3	28.3	28.3
	Administration Staff	15	25.0	25.0	53.3
	Students	28	46.7	46.7	100.0
	Total	60	100.0	100.0	

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	STPM	2	3.3	3.3	3.3
	Diploma	10	16.7	16.7	20.0
	Degree	18	30.0	30.0	50.0
	Master	18	30.0	30.0	80.0
	PHD	10	16.7	16.7	96.7
	other	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

Monthly Incomes

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <RM1000	8	13.3	13.3	13.3
RM1001-RM2000	9	15.0	15.0	28.3
RM2001-RM3000	16	26.7	26.7	55.0
RM3001-RM4000	4	6.7	6.7	61.7
RM4001-RM5000	7	11.7	11.7	73.3
>RM5000	10	16.7	16.7	90.0
No Income	6	10.0	10.0	100.0
Total	60	100.0	100.0	

Frequency of Travel

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1 only	41	68.3	68.3	68.3
2-4	14	23.3	23.3	91.7
5-7	2	3.3	3.3	95.0
8-10	1	1.7	1.7	96.7
>10	2	3.3	3.3	100.0
Total	60	100.0	100.0	

Purpose of Travel

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Business/Ofical	18	30.0	30.0	30.0
Holiday	23	38.3	38.3	68.3
Family Matters	8	13.3	13.3	81.7
Urgent Matter	3	5.0	5.0	86.7
Study Purpose	8	13.3	13.3	100.0
Total	60	100.0	100.0	

Destination use Air Asia

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Domestic	46	76.7	76.7	76.7
Australia	1	1.7	1.7	78.3
China	3	5.0	5.0	83.3
Indonesia	6	10.0	10.0	93.3
Thailand	4	6.7	6.7	100.0
Total	60	100.0	100.0	

Reason for choosing Air Asia

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Appealing sales promotion	16	26.7	26.7	26.7
	Reach Destination Fast	3	5.0	5.0	31.7
	Familiaraty	1	1.7	1.7	33.3
	No Alternative Flight	4	6.7	6.7	40.0
	Tickets booked by others	2	3.3	3.3	43.3
	Cheaper Tickets	33	55.0	55.0	98.3
	other	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Method of booking Air Asia

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Telephone	1	1.7	1.7	1.7
	Travel Agencies	4	6.7	6.7	8.3
	Kiosks	1	1.7	1.7	10.0
	Internet	53	88.3	88.3	98.3
	other	1	1.7	1.7	100.0
	Total	60	100.0	100.0	

Sources of Information Air Asia

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Print ads	3	5.0	5.0	5.0
	Broadcast Media	8	13.3	13.3	18.3
	Internet ads	40	66.7	66.7	85.0
	Friends	7	11.7	11.7	96.7
	Relatives	2	3.3	3.3	100.0
	Total	60	100.0	100.0	

c) Mean and Standard Deviation

Passenger Satisfaction

		Overall experience of Air Asia	Overall rating of the Air Asia	Overall on board services in Air Asia	On time arrival of Air Asia flights	The handling of baggage by Air Asia
N	Valid	60	60	60	60	60
	Missing	0	0	0	0	0
Mean		4.65	4.82	4.75	4.67	4.32
Std. Deviation		.820	.854	.856	1.188	1.255

Reliability

		Air Asia provides service as promised	Air Asia fulfills promise	Air Asia keeps accurate records	Air Asia is sympathetic and reassuring	Air Asia is dependable	Air Asia does not care about my interest
N	Valid	60	60	60	60	60	60
	Missing	0	0	0	0	0	0
Mean		4.58	4.58	4.97	4.68	4.60	3.58
Std. Deviation		.889	.720	.823	.911	.867	1.154

Responsiveness

		Air Asia does not care about my interest	Air Asia employees do not know my needs	Air Asia employees do not give personal attentions	Air Asia employees do not willing to help me	Air Asia employees too busy to respond to my request	Air Asia does not have convenient schedules	Air Asia does not gives individual attention	I do not received prompt service	Air Asia does not inform me times of services
N	Valid	60	60	60	60	60	60	60	60	60
	Missing	0	0	0	0	0	0	0	0	0
Mean		3.58	4.00	3.83	3.33	3.22	3.58	3.38	3.48	3.28
Std. Deviation		1.154	1.135	1.107	1.386	1.121	1.369	1.166	1.157	1.290

Empathy

		Employees should get adequate support from Air Asia	Air Asia employees should be polite
N	Valid	60	60
	Missing	0	0
Mean		4.93	4.68
Std. Deviation		.880	.748

Tangibility

		Air Asia physical facilities conform with services provided	Air Asia employees are well dressed	Air Asia has appealing physical facilities	Air Asia has modern equipment and technology
N	Valid	60	60	60	60
	Missing	0	0	0	0
Mean		4.58	4.97	4.58	4.53
Std. Deviation		.889	.823	.809	.833

Assurance

		I can trust the employee	I feel safe in dealing with the employees
N	Valid	60	60
	Missing	0	0
Mean		4.87	4.67
Std. Deviation		.873	.729

d) Normality Test

Tests of Normality

	Kolmogorov-Smirnov(a)			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
meanReliability	.121	60	.314	.931	60	.002
meanResponsiveness	.099	60	.200	.957	60	.033
meanEmpathy	.213	60	.063	.930	60	.002
meanTangibility	.168	60	.460	.947	60	.011
meanAssurance	.193	60	.068	.952	60	.020
meanSatisfaction	.182	60	.200	.939	60	.005

* This is a lower bound of the true significance.

a Lilliefors Significance Correction

e) Correlation analysis

Correlations

		meanSatisfaction	meanReliability
meanSatisfaction	Pearson Correlation	1	.543(**)
	Sig. (1-tailed)		.000
	N	60	60
meanReliability	Pearson Correlation	.543(**)	1
	Sig. (1-tailed)	.000	
	N	60	60

** Correlation is significant at the 0.01 level (1-tailed).

Correlations

		meanSatisfac tion	meanResp onsivenes s
meanSatisfaction	Pearson Correlation	1	-.235(*)
	Sig. (1-tailed)		.035
	N	60	60
meanResponsiveness	Pearson Correlation	-.235(*)	1
	Sig. (1-tailed)	.035	
	N	60	60

* Correlation is significant at the 0.05 level (1-tailed).

Correlations

		meanSatisfac tion	meanEmpathy
meanSatisfaction	Pearson Correlation	1	.026
	Sig. (1-tailed)		.422
	N	60	60
meanEmpathy	Pearson Correlation	.026	1
	Sig. (1-tailed)	.422	
	N	60	60

Correlations

		meanSatisfac tion	meanTangibilit y
meanSatisfaction	Pearson Correlation	1	-.060
	Sig. (1-tailed)		.324
	N	60	60
meanTangibility	Pearson Correlation	-.060	1
	Sig. (1-tailed)	.324	
	N	60	60

Correlations

		meanSatisfac tion	meanAssuranc e
meanSatisfaction	Pearson Correlation	1	.497(**)
	Sig. (1-tailed)		.000
	N	60	60
meanAssurance	Pearson Correlation	.497(**)	1
	Sig. (1-tailed)	.000	
	N	60	60

** Correlation is significant at the 0.01 level (1-tailed).

f) Regression analysis

Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.615(a)	.378	.321	.66069	2.080

a Predictors: (Constant), meanAssurance, meanEmpathy, meanResponsiveness, meanReliability, meanTangibility

b Dependent Variable: meanSatisfaction

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.333	5	2.867	6.567	.000(a)
	Residual	23.571	54	.437		
	Total	37.904	59			

a Predictors: (Constant), meanAssurance, meanEmpathy, meanResponsiveness, meanReliability, meanTangibility

b Dependent Variable: meanSatisfaction

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.314	1.038		1.267	.211
	meanReliability	.434	.165	.347	2.636	.011
	meanResponsiveness	-.071	.099	-.081	-.723	.473
	meanEmpathy	.428	.325	.420	1.315	.194
	meanTangibility	-.418	.325	-.411	-1.286	.204
	meanAssurance	.301	.144	.271	2.086	.042

a Dependent Variable: meanSatisfaction

Residuals Statistics(a)

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	3.9489	6.1142	4.6400	.49288	60
Residual	-2.07316	1.41690	.00000	.63207	60
Std. Predicted Value	-1.402	2.991	.000	1.000	60
Std. Residual	-3.138	2.145	.000	.957	60

a Dependent Variable: meanSatisfaction

Scatterplot

Dependent Variable: meanSatisfaction

