

The Right SERVQUAL Wins Passenger's Loyalty

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The human kind is more at ease when his feet are on the ground. It is in our nature to become uncomfortable, when we are air-borne. Since flying is an involuntarily anxiety initiating factor, it is suitable to provide affordable quality service as much as possible. A simple welcome to passengers, as they walk into the airplane, and a short explanation of the flight condition by a self-confident stewardess can be effective. The pilot's voice on the intercom, greeting the passenger, could be a anxiety reducer. A well-planed quality service air carrier could reduce the potential damaging effect of any previous shortcomings by the air carrier industry (A.C.I). Like any successful operating service-oriented enterprise, the air travel industry should entertain the true function of equation, on higher profit, adequate service, and low mutual cost (industry & client) to its reachable level.

1. Introduction

To attain this specific goal, the panel of management for any given airline industry, should critically evaluate the negative impact of unsatisfactory services received by the passengers. Any issues related to lost baggage, unnecessary flight delays, missing connecting flight, coupled with no smoking, no alcoholic beverages, no diversity and variety on food menus, old aircraft, unfriendly air travel atmosphere would gradually results in a grave loss of profitability to the air carrier industry. It is undeniable to state, that any shortcoming in providing reasonable quality services, from air service provider, could cause passengers; mood swing, fear, anxiety, and loss of loyalty. Such caused impacts upon passengers, by the service provider, will have gradual deterrent effect, namely loss of loyalty to travel with the air carrier. A successful organization should bear in mind, that reliability is the key factor for profitability. When there is no reliability, there is no loyalty. It's obvious that a passenger may look into an elastic means such as shifting to another carrier, or accepting the burden of using other means of transportation to their destination. The policy of adhering to plasticity, and ignoring elasticity by any company, including the air-carrier industry, sooner or later will translate into loss of loyalty from passenger's side with a consequence of lost profitability at the air –carrier expense. Also, it should be noted that when there is no substitute for quality services provided, it becomes inelastic.

2. Literature Review

2.1-Pre-requisites to a Successful SERVQUAL

People like to see what they get for their money. Their expectation from the air-carrier is the quality of the service they receive. It's been said, "The more you pay, is the

more you get!" The majority of airline's customer satisfaction is coming from the contribution of quality in the services. The passenger-driven strategies indicates, that passengers are more satisfied with the performance of an airlines, when they reach their destination at the right time, right place, and pay the right amount for their airfare. The identification of customer's performance becomes the primary tool toward achieving customer satisfaction. Even before this, it's important to identify your customers (Sonnenberg, 1991), which is a pre-requisite to a successful global competition (Butterworth, 1990).

Being seated in one position for the duration of a flight is tiresome. Unfamiliarity with the surrounding, and getting no prompt response to a legitimate passenger's request, or not having enough leg room between the seats are some prime examples of secondary factors, which causes more aggravation and unhappiness among travelers (Murphy, 2005). Both passengers and air-carrier should be aware, that giving or receiving of a fair SERVQUAL must be based on the same investment that they both make. Expecting a SERVQUAL, furnished for first class is different than the quality service the economy class passengers receive. At the same time, the economy passengers should not be looked upon as a second -class citizens, and be served unfair SERVQUAL, especially when a fair chunk of profit is extracted from the economy passenger's sector.

2.2 Scientific Findings

It seems that when in flight, hunger visits us more often than not. This conditional-caused hunger might be due to the fear of the flight. By attending and pampering the passenger in a suitable way during a flight, the airline can reduce their fear. Remember, the passengers would consume any food served during a flight. It's not because the airline food was great, it's because the passengers were starved (anxiety-caused hunger), which is why people eat more, when they are under stress. Use the butter in the prepared main dish, instead of placing it separately in the tray. Little fat won't hurt, but will make the served food more delicious. The fat is always a tummy satisfier, and a stress reducer. The science teaches us to be careful not to get upset. The people who are upset, have a tendency to visit a refrigerator more often than a relaxed one (Anxiety associated with flying journal 1971).

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2.3 SERVQUAL (Service Quality)

Any loyalty program should follow a model. A SERVQUAL model explains a quality of service. It lets us understand why service and quality is the main core of any company's passenger's loyalty and profitability.

Service quality models like SERVQUAL and their various extensions (cf. Parasuraman et al., 1988; Zenithal et al., 1993) have attempted to throw light on the various factors that influences passenger expectations, perceptions, and have tried to quantify passenger satisfaction using service performance gaps. The important parameters, which form the backbone of the SERVQUAL model, are:

- a) **Tangibility**, which encompasses the appearance of physical facilities, equipment, personnel etc.
- b) **Reliability**, to indicate and measure the ability to provide promised service dependably.
- c) **Responsiveness**, which reflects the willingness to help passenger.
- d) **Assurance**, which conveys trust and confidence to the passenger.
- e) **Empathy**, which is the caring, individualized or customized attention to passenger.

In order to understand what hinders the service providers from providing good quality of service to their passenger, the gaps that might exist in the delivery of their service must be clearly understood. The main gaps with their conceptual measurements are stated below:

- **The Knowledge Gap** – gap between passenger expectations, and management perceptions.
- **The Standards Gap** – gap between management perception, and service quality specifications.
- **The Delivery Gap** – gap between service quality specifications, and the service delivered.
- **The Communications Gap** – gap between the service delivered, and the service promised.
- **The Overall Gap** – gap between the expected service, and the experienced service. This gap is practically a function of all the other gaps. The efforts are being made to address this gap.

The difficulties associated with the SERVQUAL instrument, so far has identified in this literature could be grouped into five main categories:

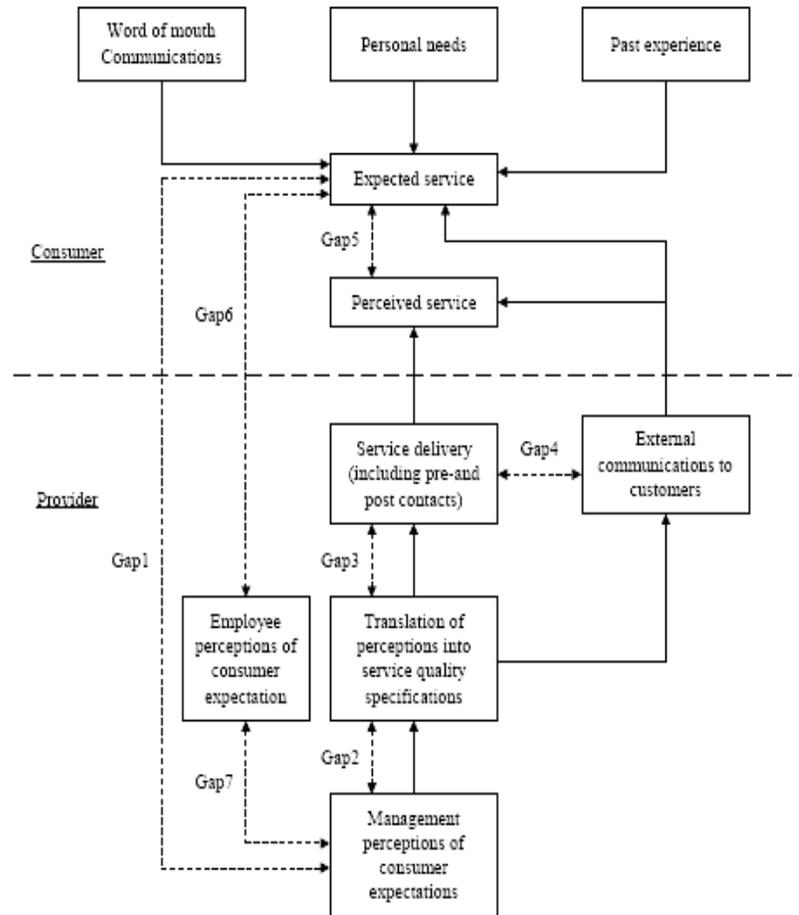
- (1) Problems with the use of difference or 'Gap' scores.
- (2) Reliability problems with the 'Gap' scores.
- (3) Poor predictive and convergent validity.
- (4) Ambiguity of the 'Expectations' construct.
- (5) Unstable dimensionality of the SERVQUAL instrument.

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An extensive review of such difficulties and unstable dimensionality of SERVQUAL instrument has been made by Kettinger & Lee (1995), and Van Dyke et al (1999). According to the both group of researchers, quantification of the service gaps is very important, before they can be used as a surrogate measure of service quality or consumer satisfaction. In their study, they first explain the objective of the study, and the formulation of the problem. In the same section, they state the methods of data collection for a particular service sector industry. Without a doubt, in many services sector industries, the service-provider becomes service user as well. A pilot, stewardess, an airline office worker, and even a top manager of airline establishment could be an internal & external user as well. It's often said, that the perceptions of the internal consumers may very well be translated into the perception of the external consumers toward understanding the dilemma. What is not suitable for you possibly is not delightful for your targeted consumers. The significant of this type of study is that the responses to already tailored SERVQUAL could be obtained from the internal, as well as the external consumers. In the same study, the section that follows deals with background theory of the analysis of data, the major thrust has been on the quantification of the gaps without carrying out the different operation. In addition to quantification of the gaps, consumer expectation has to be given adequate importance for prioritization of the service parameters. The same researcher has also proposed a measure, based on both the gap, as well as the expectation.

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Chart 2: Diagram of existing SERVQUAL



2.4 The Concept of Service Industry

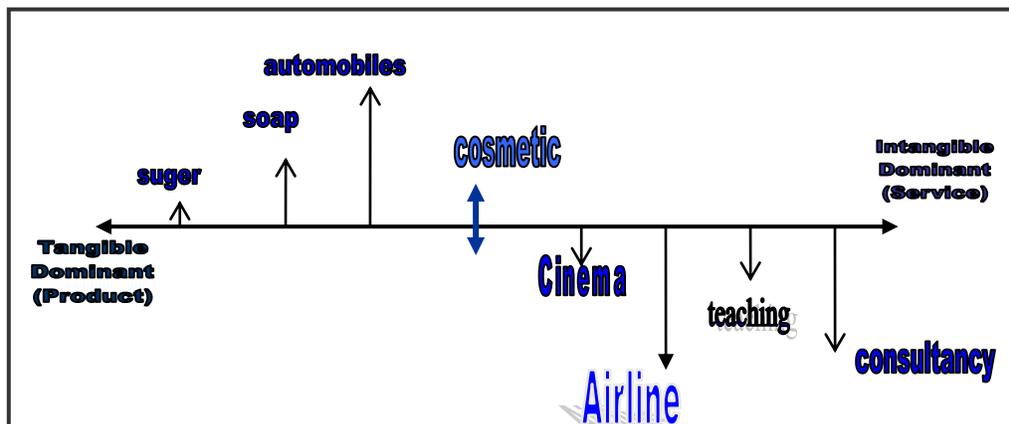
Economists have divided all industrial and economic activities into three main groups; primary, secondary, and tertiary. Primary activities include agriculture, fishing, and forestry. Secondary activities cover manufacturing, and construction. Tertiary activities refer to service and distribution. In the pre-industrialized era, the chart below "Tangible-Intangible Continuum" sheds more light on the on going subject. The Sugar is the most tangible (primary) form, cosmetic being intermediate (secondary), and consultancy being intangible (tertiary). Primary activities were the mainstay of economy all over the world. The industrial revolution, markets the beginning of the importance of secondary activities, and gradually decreasing statues of agriculture and allied activities. The period following word war II brought on the scene, the third activity mentioned above, which soon became quite important. As an example, the USA became the worlds first service economy, with more than fifty percent of the working population employed in the tertiary group. This pattern of economic development, though not universally applicable, is gaining group even in developing countries, where the agriculture sector still dominates to the considerable extend.

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The term service stands for business transactions that take place between two parties. One of them called service-provider, and the other designated as receiver or customer. So, the service-provider would produce an outcome that satisfies the customers. This definition applies equally well to industries that are engaged in the manufacturing of a physical product, and to those whose output is just the result of the interaction between the two parties, and not any physical product. This is an output that is generally consumed at the time of production itself, and not at a later point of time. The value addition to these outputs, takes the form of convenience, amusement, time lines, comfort, or health that are essentially intangible concerns of its first purchaser.

The traditional view of industry tends to differentiate between product and service. The products industries are commonly understood to be those that produce physical products, and service firms are those that create “soft” outputs (Ramaswamy, 1996). It is now considered more accurate to think in terms of ‘product-like’ or physical attributes and ‘service like’ or experiential attributes. Since we can visualize companies occupying various position along a continuum, from products to service attribute. The other is intangible, related to service attributes. As indicated in Figure 1, different industries occupy various positions on this continuum (Khurana et al, 1993). Customers make no distinction between the product and service aspect of an organization. They view the outputs of a company as a package, and their satisfaction is determined by the total performance of the elements of this package.

Figure 1: The tangible-intangible continuum



2.5 Product vs. Service

Although, transaction-specific satisfaction measures may provide specific diagnostic information about a particular product or services, overall customer satisfaction is a more fundamental indicator of the firm's past, current, and future performance (Anderson, 1994). The complaints about quality of an airlines SERVQUAL, indicates its past and present standing; some examples, which shed some lights on customer satisfaction or dissatisfaction. It could be pointed out, that customer value has a

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futuristic implication, whereas customer satisfaction has a historical perspective (Ramaswamy 1996). With the increase in the service sectors coupled with steadily rising customer expectations, it has become mandatory for management to take a fresh look at the various facts of service quality. This is primarily because of the inherent differences between manufactured products and services, which are summarized below:

- a) The product is tangible; whereas service comprises tangible, as well as, intangible components.
- b) The demand can be backlogged, and products can be resold. Services cannot be stored if not used, and if it's lost, it cannot be resold (Matt Light, Marc Halpen 2006).
- c) The customer usually provides formal specifications for a product. For a service for example, the customers need not provide formal specifications; sometimes regulatory/legal bodies govern them.
- d) The customers' acceptance of the product is easily quantifiable. For services, customer satisfaction is difficult to quantify because of the behavioral components associated with the service.
- e) These are the characteristics unique to any service, which makes it different from any manufacturing sector (King, 1987; Delmar & Sheldon, 1988). Moreover, it has already been established beyond the doubt, that any quality initiative has to begin with a proper definition followed by suitable measurements. It is important to think of any improvement efforts, where the relevant parameters cannot be measured. The softer aspects of service quality, namely the intangibles and human behavioral aspects, render the measurement of service quality (Normann, 1991).

The most noticeable features of service quality are:

- Human factors and behavioral characteristics
- Timeliness characteristics
- Service non-conformity characteristics
- Facility related characteristics

3. Summary and Conclusion

The airline industry is among the most competitive, and influential industries in the world. The fear of competition caused by diverse number of Airline carriers, and grave request from the influential passengers' for their never ending travel plans makes this line of business to be extremely competitive. Lowering ticket prices or providing some diverse incentives to lure more passengers by one airline carrier, burdens other carriers since they have to do the same. A booked flight always has a few seats left for some selected individuals. The availability of seats, from an airline carrier's point of view, simply means giving and taking.

Each year millions of people travel around the world either for vacations or for business. Air transportation seems to be their best option to arrive to their

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destinations. The airline passengers' expectation, from the initiation of travel to the end of the journey is to be provided by the most pleasurable hospitality or SERVQUAL. You might have heard of certain complains from some passengers stating, "I paid enough to be comfortable and served well", or "The last time I flew with certain airline, I had such a unpleasant flight", and another "I would never fly with this airline again, regardless of whatever trick they may use to get passenger to upgrade for a better SERVQUAL".

It's scary to know that, each time a passenger set foot on a airplane, they are putting their life in a hands of a unfamiliar airline. Their choice of airlines shows how safe they feel, and how much confidence they have in that airline carrier. It's a precious cargo "their life" that's in the hands of the service provider.

This unfamiliarity scare, couples with the thought of not having your feet on the firm ground, and triples by sitting in a vessel that has no anchor attach to it causes stress for most passengers. I have a firm belief, personally or otherwise, that the aforementioned factors are the main causes of so called fear of flight (Baghi 2007). The other factors are secondary in nature, which aggravate the already aggravated circumstances. Being seated in one position for the duration of a flight, unfamiliarity with the surrounding, not receiving prompt response from the service crew, not having enough leg room between the seats, are some prime examples of secondary factors which causes more aggravation in passengers' unhappiness (John j. Murphy 2005).

Both passengers and air-carrier should be aware that giving or receiving of a fair SERVQUAL must be based on the same investment they both invest. Expecting a SERVQUAL furnished for the first class passengers or business class passengers is not the same as the economy class passengers. At the same time economy passengers should not be looked upon as second –class citizens, and served unfair SERVQUAL, especially, when a fair chunk of profit is extracted from the economy class sectors. Airline carriers should consider investing in a little more of their previously earned profit, into a well-planned & satisfactory SERVQUAL on the economy section. Only then, it could easily be translated into more profit (Lama Moussawi, Metin Cakanyildirim 2005). This is similar to interest made in saving account in a bank, where if the money is left untouched, and the earned interest added to the primary investment will earn more interest. It should be imperative, and the main task for the airline industry officers to perceive the importance of the fear as a mean of deterrent factor for the usage of their service. They must create an environment, which could be relaxing, mind altering, and fear reducing for the passengers. The airlines must watch out for issues concerning passenger safety, convenience, and comfort level during their flights, to achieve desired levels of customer satisfaction. A major chunk of customer service satisfaction comes from the contribution of quality in service, passenger driven strategies to satisfying passengers at the right time, place, and price.

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The identification of customer performance becomes the primary, and the most important tool toward achieving customer satisfaction. The airline industry should identify their customers (Sonnenberg, 1991), who are a pre-requisite to a successful global competition (Butterworth, 1990). The Customer Satisfaction Index (CSI) represents a new type of customer based measurement system, for evaluating and enhancing the performance of firms, industries, economic sectors and national economies. The CSI measures the quality of goods and services, as experienced by the consumers who consume them. An individual firm's CSI represents its served markets' – its customers' – overall evaluation of total purchase, and consumption experience, both actual and anticipated (Anderson, 1994; Fornell et al., 1996). Analogously, an industry's CSI represents its customers' overall evaluation of its market offering, and so on, for sectors, nation and etc.

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