

## An Analysis of the Customer Satisfaction from the Service Quality of General Services of Saudi Airlines

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### *Abstract*

*The main objective of the study was to find out customer satisfaction from the services quality of general services of Saudi Airlines and to highlight the major areas of improvement to the Saudi Airlines Authority. A Structured close ended questionnaire was developed and distributed among the users of Saudi Airlines to collect the data for results. The researchers used 'Five point Likert scale' to measure the satisfaction level. Six areas of general services representing general services of Airlines measured the satisfaction of users from general services. Data were collected from 400 users of Saudi Airlines Services including Saudi National and Non-Saudi Nationals. Users of Saudi Airlines in general are not satisfied with its' general services. The results are statistically significant. It is high time for the management of the Saudi Airlines to focus on customer satisfaction, for all the six variables under study in this research, satisfaction is low and need improvement to gain customer satisfaction.*

**Key Words:** Airlines, Saudia, Customer, Satisfaction, Service Quality.

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### **Introduction**

Well (1999) determined air transport as transporting service of scheduled and non- scheduled passenger, freight and transport of mail for commercial purposes. In the last two decades, the aviation industry has been growing rapidly. In addition to its technological developments, the growing of airline industry due to its role as supporting the world trade, international investment, and tourism activities. Because of the important roles, aviation industry is the center of globalization for other industries (Hanlon, 2000). The growing of airline industry provides opportunities as well as challenges to the business entities in this industry. The opportunities arise due to the increasing demand for the airline services. While the challenges arise not only because of the high level of competition between airlines but also due to growing consumer demands for better services. The growing of this industry has led the governments around the world to deregulate the industry by opening the platform for private and foreign airlines companies. Saudi Arabia is no exception to this. The Saudi aviation industry had been under the government control. Saudi airlines a government enterprise has been operating in Saudi Arabia under protection of government with no competition. However, under the reforms process, government decided to open the industry to foreign airline companies. Thus, the Saudi airline, which was ruling the market with no competition, has to compete from other airlines from across the world.

Due to the changing market structure from monopoly of Saudi airlines to competition, it is time for the indigenous company to analyze its' current situation specially the customer satisfaction from its service quality. Thus, the main objective of this study is to find out the satisfaction of Saudi Airlines customers from its' general services so that the company may get ready for competition by improving the services wherever needed. In the following section, a brief of the literature pertaining to customer satisfaction and service quality has been presented.

## Review of Literature

Delivering high quality service to customers is the key strategy to survive in the competitive services industries such as airline transportation services (Zeithaml et al, 1996). Service quality influences a businesses' "competitive advantage" by keeping "customer patronage" in order to increase market share (Park et. al., 2004). That is why airline businesses have to understand passenger's needs and expectations. "Gronroos (1993) suggested that measuring passenger experiences in airline service quality is a theoretically valid way of measuring perceived quality".

The behavioral intentions of customers recognized in the literature as an important predictor of the profitability of service firms (Reichheld and Sasser, 1990; Anderson et al, 1994; Slater and Narver, 1995). The costs and revenues of the firms are influenced by repeat purchases, positive word of mouth recommendation, and customer feedback. Moreover there is strong evidence that service quality has either a direct influence on the behavioral intentions of customers and/or an indirect influence on such intentions, mediated through customer satisfaction (Zeithaml et al 1996; Cronin et al, 2000). Meaning hereby that service quality affects the satisfaction level of the customers, and satisfaction level of the customers affect the behavior of the customers in terms of repeat purchase, positive word of mouth recommendations and customer feedback. Thus, satisfaction and service quality go hand in hand. In this study, the researchers investigate the satisfaction level of the Saudi airlines customers with its service quality.

Satisfaction is the consumer's response to the evaluation of the discrepancy between prior expectations and the perception of the actual performance of the product after its consumption (Tse and Wilton, 1988). Satisfaction can also be described as "an evaluation of an emotion", reflecting the degree to which a consumer believes that the possession and/or use of a service evokes positive feelings (Rust and Oliver, 1994). Customer satisfaction has the potential to influence consumer behavioral intentions and customer retention (Anderson and Srinivasan, 2003). Customer satisfaction is seen as an essential determinant of business success (Moore et al, 1998) as it is the main source of attracting customers (Patterson et al, (1997). It is also the leading criteria for determining the quality delivered to customers through the product or services and the accompanying services (Vavra, 1997). Thus offering high quality service and thereby improving customer satisfaction has been identified as the most important challenge facing the businesses in the 1990s (Barsky and Lalbagh, 1992). Customer satisfaction follows the paradigm that consumer satisfaction or dissatisfaction is the result of interaction between the consumer's prepurchase expectations and post purchase evaluation (Czepiel and Rosenberg, 1977; Engel et al 1990; Handy, 1977). Zeithmal et al (2006), defined satisfaction as the evaluation of customers on a service or product and does it fulfill their needs and expectations.

Zeithaml (1987) defines perceived quality as "the consumer's judgment about an entity's overall excellence or superiority". Service quality defined, as the conformance to customer requirements in the delivery of a service (Chakrabarty, et.al. 2007). Service quality is important to service firms because it has shown to increase profit levels, reduce costs, and increase market shares (Parasuraman et al 1985).

The service quality studies done by British Airways monitored customer service using customer surveys and audits. The study focused on flight arrival and departure times, meal quality, in-flight service, check-in experience, and baggage claim time (British Airways, 1991). Marketers have suggested the existence of multiple dimensions within the service quality construct. Sasser *et al* (1978) proposed three dimensions of service quality: material, facilities, and personnel. Lehtinen and Lehtinen (1982) suggested that service

quality consists of the equipment used (physical quality), the image or reputation of the company (corporate quality), and the interaction between contact personnel and customer (interactive quality). Gronroos (1984) suggested that quality is a function of what the consumer actually receives (technical quality) and the way the service is delivered (functional quality). Parasuraman *et al* (1988) developed SERVQUAL scale to measure service quality. This scale describes service quality as the difference between customer expectations for, and perceptions of, actual performance along five dimensions – tangibles, reliability, responsiveness, assurance, and empathy. LeBlank and Nguyen (1988) proposed five dimensions of service quality: corporate image, internal organization, physical support of the producing system, staff-customer interaction, and customer satisfaction. Edvardson *et al* (1989) suggested that service quality consists of personnel skills (technical quality), the coordination between the different portions of the service delivery system (integrative quality), the manner in which the service is delivered to the customer (functional quality), and the degree to which the service products meets customer expectations (outcome quality). From the foregoing literature, it is clear that there are number of areas, which together contribute in the total satisfaction of the airline customers, the researchers in the current study have proposed to study the satisfaction of the Saudi Airlines customers from its general services. The rest of the paper is organized in the following order; research methodology, results, discussion and conclusion.

## Methodology

### Survey Instrument

To obtain data from the users of Saudi Airlines services self-administered close-ended questionnaire was used in this research. To facilitate the respondents in completing the questionnaire it was translated into Arabic language. The close-ended questions translated into Arabic language enabled the respondents to answer the questions conveniently in short period. This method ensured high anonymity of the respondent and as such enabled the respondents to be more candid and honest with their responses (cooper and Schindler, 2003).

The questionnaire comprised of two major sections. Section 'A' comprised of general questions such as Nationality, Class of Travel, and Destination of Travel. Section 'B' comprised of six questions representing the general services of the Airlines. These six questions were the theme of analysis, which the researchers selected these six areas to represent the general services of airline industry and measured the satisfaction of the customers from services quality of the Saudi Airlines. The six areas were as follows; Availability of tickets, Price of the tickets, Cancellation of the tickets, Rerouting charges of the ticket, Services of the travel agencies, and the AlFursan (Saudi Airlines Loyalty program). Five point Likert Scale was used measure the intensity of the satisfaction of the respondents were 5 equal to Highly Satisfied, 4 equal to Satisfied, 3 equal to Somewhat Satisfied, 2 equal to Dissatisfied and 1 equal to Highly Dissatisfied.

### Data Collection

To administer the questionnaire researcher used convenient sampling. The respondents were the employees working in companies presently pursuing bachelor degree in various programs of College of Business Rabigh, King Abdulaziz University through part time or distance learning. Researchers personally administered the questionnaires to the respondents during the counselling session conducted prior to the final exam, 450 questionnaires were distributed from which 400 usable questionnaires were selected for analysis.

### Research Hypothesis

The researcher proposes six hypotheses to be tested from the results. The six hypothesis are as follows;

H1: Customers are satisfied with 'availability of the tickets', of Saudi Airlines.

H2: Customers are satisfied with 'price of the tickets', of Saudi Airlines.

- H3: Customers are satisfied with 'Cancellation charges of the tickets', of Saudi Airlines.  
 H4: Customers are satisfied with the 'Rerouting charges of the tickets' of Saudi Airlines.  
 H5: Customers are satisfied with the 'Services of the travel agencies' of the Saudi Airlines.  
 H6: Customers are satisfied with the 'AlFursan program' of the Saudi Airlines.

**Results**

This section presents the results of the research through table 1 to 5. The tables are organized in the following order; table 1 – Reliability Statistics, table 2 - Basic profile of the respondents, table 3 – Customer satisfaction on general services of Saudi Airlines (mean, frequency), table 4 – Customer satisfaction general services of Saudi Airlines in percentages, and table 5 – one sample 't-test' customer satisfaction on general services of Saudi Airlines.

**Reliability of Data**

Table 1 presents the reliability of the data, which, shows the overall reliability of the data is 0.862, which is very high on reliability scale of Cronbach’s Alpha indicating high reliability of the collected data.

Table 1; Reliability Statistics

	<b>Cronbach's Alpha</b>
<b>General Services</b>	<b>.862</b>
Availability of tickets	
Price of the tickets	
Cancellation charges of the tickets	
Rerouting Charges of the tickets	
Services of the travel agencies	
Al Fursan Program	

**Profile Analysis of the Respondents**

Table 2 presents the profile of the respondents. The respondents were mainly Saudi citizens (91.2%) and only 8.8% were Non-Saudis. Those who travelled in only business class were (9.8%), only economy class (57.3%) and both classes (33.0%). In response to the question ‘the destination of the travel’ 47.3% said that they used services of Saudi Airlines for domestic travel only and 11.0% said they used it for only International travel and 41.8% said they have used the services of Saudi Airlines for both domestic as well as International destinations.

Table 2: Basic profile of Respondents

<b>Profile</b>	<b>N</b>	<b>%</b>
<b>Nationality</b>		
Saudi	365	91.2
Non Saudi	35	8.8
Total	400	100.0
<b>Class of travel</b>		
Business Class	39	9.8
Economy	229	57.3
Both	132	33.0
Total	400	100.0
<b>Destination of Saudi Airlines</b>		
Domestic	189	47.3
International	44	11.0
Both	167	41.8
Total	400	100.0

**Customer Satisfaction on General Services of Saudi Airlines**

Table 3 and 4 presents the satisfaction of Saudi Airlines customers with the general services. Table 3 presents the mean, Std. deviation and frequency of the response and table 3 presents the results in percentage of the satisfied users. Mentioned above in the methodology section six variables were identified to represent the overall general services of the Airlines namely; Availability of tickets, Price of the tickets, Cancellation charges of the ticket, Rerouting of the ticket, Services of the travel agencies, and overall AlFursan program. The results, based on mean value are divided into two groups; first 'satisfaction zone' where mean value was 3 or more than 3 indicating and 'dissatisfaction zone' where the mean value was less than 3 (figure 1).

The results in table 3, shows either low satisfaction level or dissatisfaction of the customers for all the six variables representing the general services Saudi Airlines. The mean value remained low. There are only two variables in the satisfaction zone name "availability of the tickets' was 3.42; Std. Dev. 1.268", "AlFursan program mean 3.19, Std. Dev. 1.198". The mean values of the two variables in the satisfaction zone are just above 3 indicating somewhat satisfaction of the customers. Rest of the four variables are in dissatisfied zone, the mean value for them are less than 3. However, the mean value for the variables in the dissatisfaction zone are less than 3 but more than 2, indicating somewhat dissatisfaction not high dissatisfaction (table 3).



Figure 1: Satisfaction and Dissatisfaction Zones

Table 4 shows that only 49.3% respondents were satisfied with the 'availability of the tickets' 28% with the price of the tickets, 28% with the cancellation charges of the ticket, 30.5% with the rerouting charges of the ticket, 34.5% with the services of the travel agencies and 39.3% with the overall AlFursan program. From

the results it can safely be concluded that the customers of Saudi Airlines were not satisfied with its 'general services'.

Table 3: Customer satisfaction on general services of Saudi Airlines

Services	N	Mean	Std. Dev.	HD	DS	SS	S	HS
Availability of tickets	400	3.42	1.268	41	49	113	97	100
Price of the tickets	400	2.75	1.222	80	88	120	78	34
Cancellation charges of ticket	400	2.73	1.248	89	78	121	77	35
Rerouting charges of the ticket	400	2.81	1.269	80	83	115	78	44
Services of the travel agencies	400	2.92	1.227	73	62	127	101	37
Overall Al Fursan program	400	3.19	1.198	52	41	150	97	60

SD = Standard deviation/ HD = Highly Dissatisfied/ DS=Dissatisfied/ SS=Somewhat satisfied/ S= Satisfied/ HS= Highly satisfied

Table 4: Customer satisfaction on general services of Saudi Airlines

Services	Percentage (%)
Availability of tickets	49.3
Price of the tickets	28.0
Cancellation charges of ticket	28.0
Rerouting charges of the ticket	30.5
Services of the travel agencies	34.5
Overall Al Fursan program	39.3

## Discussions

The main objective of conducting the research was to find out the satisfaction level of the customers from the service quality of general services of Saudi Airlines. The results in section 4.3 show that the customers of Saudi Airlines were mainly dissatisfied. From out of six variables, they were dissatisfied for four of the services, and for the two variables in satisfaction zone, they were only somewhat satisfied. In this section one sample t-test was used to test the proposed hypothesis and its significance. Thus, the following hypothesis H2; H3; H4, and H5 were rejected supported by the low mean value. The results shown by t-test value are significant for H2; H3, and H4, however for H5 the result is not significant. The hypothesis H1 'customers are satisfied with the availability of the tickets' and H6, 'customers are satisfied with the overall AlFursan loyalty program' are partially accepted and the results are significant in both the cases, presented in figure 1.

Table 5: One sample t test - Customer satisfaction on general services of Saudi Airlines

Services	N	Mean	Std. Deviation	t	df	Sig. (2-tailed)
Availability of tickets	400	3.42	1.268	6.548	399	.000
Price of the tickets	400	2.75	1.222	-4.173	399	.000
Cancellation charges of ticket	400	2.73	1.248	-4.368	399	.000
Rerouting charges of the ticket	400	2.81	1.269	-3.042	399	.003
Services of the travel agencies	400	2.92	1.227	-1.345	399	.179
Overall Al Fursan program	400	3.19	1.198	3.181	399	.002

## Conclusion

Given the objectives of the study and the findings from the analysis of the results it is clear that the satisfaction level of the customers is low therefore, needs focus for improvement. In addition, the findings

are especially important for the Saudi Airlines because the Airlines industry of Saudi Arabia under reforms have been opened for foreign airlines. The entry of foreign airlines may result into shifting of Saudi Airlines users to the competitors.

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