# An Analysis of the Consumer's Price and Service Quality Preferences: A Case of Airline Industry in Malaysia

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#### **ABSTRACT**

Consumers have different types of preferences, which are directly affected by price and service quality. In this research study, it is discovered on how consumer preferences in the airline industry can be affected by the two variables mentioned and how they can contribute to the levels of consumer satisfaction. Focus has been given to consumers who have experienced MAS and/or Air Asia airlines. Hence, comparison can be made based on the consumers' reaction towards the price and service quality of both Malaysia Airlines System (MAS), and Air Asia. These tools include descriptive analysis, one independent t-test and Chi Square test. In conclusion, after working on this research, the results show that there is significant relationship between price and service quality in the airline industry that contributes in influencing consumer decision making.

**Keywords:** air industry, comparison, consumer references, Malaysia.

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## INTRODUCTION

In this research study, the main focus is on the airlines industry with specific resource to the Malaysia Airline System Berhad (MAS) and its competitor AirAsia, A study will be conducted on these two airline companies with regards to their competitive advantage on price and service quality. The impact of price and service quality on consumer preferences and satisfaction will be further analyzed in this research paper. Other than that, the government continues to place importance on the development of the infrastructure. In addition to this, a total of RM1.029 billion has also been provided for improving and developing the transport projects. Besides that, implementation of double-tracking services between Seremban and Johor Bahru had also been approved by the government in order to achieve a world-class standard. Consumers are very sensitive to price (Graham, Kaplan, & Sibley, 1983). Hence, the airline companies should take an extra measure in setting up a very reasonable pricing which is affordable by the consumers and are able to meets the consumers' expectation. Therefore, airline companies are anticipated to provide a reasonable price to fulfill the customers' expectations. Internet ticketing and ticketless bookings were the issues to be cited in this context about reasonable pricing (Mazzeo, 2003; De Silva et al., 2018a; De Silva et al., 2018b; Nikhashemi et al., 2013).

In the airline industries, the airline company should provide consumers with accurate information on the boarding schedule. This includes the right dates and times, the direction for departure gate and the flight number. Accuracy of the flight schedule is very important in order to avoid chaos in the airport. If passengers had been notified on this matter, the results suggest that they would have been less disappointed (Gerardi & Shapiro, 2009; Dewi et al., 2019; Pambreni et al., 2019; Tarofder et al., 2017).

In order to move towards service excellence in the airline industry, the service industries itself need to deal with continuous improvement. This is where they are able to meet and reach consumer expectations. Besides, it will help the service industries to manage their performance better (Ng & Seabright, 2001). In addition, service industries should consider the specific demands of consumers in order to achieve excellence. An unpublished source indicates that Malaysia's productivity and quality (P&Q) level is rated among the best in Asia and even beyond but the National Productivity Corp.

Continuous quality improvement, especially in service industry, is fundamental to success in performance. Airline companies that are just maintaining the status quo in such key areas as quality, the adoption of new technologies, and process performance are like runners standing still in a race. Aside from that, continuous quality improvements are needed due to the changes in customers' needs. Consumers are the one who define quality. Therefore, airline companies must adapt a customer-focused environment in delivering their service. Consumers are the one who place value on the service quality of the airline company (Adler & Smilowitz, 2007; Doa et al., 2019; Maghfuriyah et al., 2019; Nguyen et al., 2019).

Most airline companies are engaging towards understanding the consumers' needs and behavior to generate service quality that fulfills the requirements of the consumers. Hence, by this means consumer satisfaction will be achieved. In the airline sectors, the airline companies must be certain that they deliver excellence performance to their consumers. Besides that, the employees of the airline companies must carry out their job carefully by following the standards set and to keep the chances of making a mistake at a minimal stage. Motivation, participation and teamwork of every employee are expected towards improving the quality of his or her job area (Goetz, 2002; Pathiratne et al., 2018; Rachmawati et al., 2019; Seneviratne et al., 2019; Sudari et al., 2019; Tarofder et al., 2019).

A virtual cycle results as satisfied employees tend to service customers better and stay longer to develop more personal relationship with them. These positive elements in an employee will be part of the cause in delivering excellence performance to the consumers. Hence, when the services in the airline companies are good, then this will create a preference among the consumers. If the consumer is satisfied with the services, then a continuous demand from them may be expected (Mazzeo, 2003). Airlines companies are expecting more demand from the consumers in order to improve their performance.

To achieve this expectation, the airline companies need to offer good service to passengers. In addition, each job must be performed carefully by following the standards set and avoiding mistake. Therefore, in the quality control of airline services, it is more important for each worker to be more actively concerned with improving the quality of his or her job area. For this purpose, the motivation, participation and teamwork of every worker are required (Borenstein & Rose, 1994). Even though there are many ways for the airlines companies to make profit and be successful in the airlines industry, but there are still a lot of problems arise from their internal as well as the external environment.

## LITERATURE REVIEW

Since consumers differ in price sensitivity and in the time of purchase or use of the service, actions such as customizing the service price to attract different segments is likely to be taken to maximize profits and profitability. In this context, the determinant of price is what consumer is prepared to pay for the seller for what the seller has to offer. Another definition of price is the value of a good or service for both seller and buyer. On the other hand defined price as a strategic marketing variables that has most direct impact on a firm's sales revenue (Adler & Smilowitz, 2007).

Successful sellers on the other hand consist of those who are willing to accept the market price or less. Research has shown that service providers and sellers takes price as a second equally important function, which is 'guiding production'. He has taken into account the effect of price prior purchase or use experience or price perceive quality relationship (Dai, Liu, & Serfes, 2014; Nikhashemi et al., 2017; Tarofder et al., 2019; Ulfah et al., 2019; Tarofder et al., 2016; Udriyah et al., 2019).

Superb assistance organizations realize that positive worker perspectives will advance more grounded client steadfastness. A virtual cycle results as fulfilled representatives will in general assistance clients better and remain longer to grow progressively close to home association with them. These positive components in a representative will be a piece of the reason in conveying greatness execution to the shoppers. Thus, when the administrations in the carrier organizations are acceptable, at that point this will make an inclination among the buyers. On the off chance that the customer is happy with the administrations, at that point a consistent interest from them might be normal. Most common approach is price setting using the cost-plus strategy. In terms of the pricing of capacity constrained services, pricing strategies based upon yield management systems (YMS) such as early discounting, overbooking, and limiting early sales (Gimeno, 1999).

Strategic element comes into play because yield management systems is a way to manage multi-period pricing for both price insensitive and price sensitive customers of any given service. Specifically claimed that price places importance on decisions regardless of the perspectives of buyers or sellers due to the fact that price is a monetary or non-monetary form. Price is the

component of exchange process whereby it appears in every marketing transaction (Lategola, Melton, & Higgins, 1980). This revolutionary has made firms realize the impact of price image, sales and profits of a company to survive in the fast moving business area. Studies on price knowledge have often analyzed the importance of price in consumers' purchase decisions (Sak, Atalik, & Uygucgil, 2016).

The precise dimensions of service quality will necessarily vary across sectors, but considerable progress has been made in identifying the general dimensions of service quality. A common understanding and vision of what is meant by "quality" will help the organization to focus its "quality improvement" efforts. The value-based approach defines quality in terms of cost and prices (Akmal, 2014). Value is the quality you get for the price you pay. This is why price of a product or service is always being associated with value.

Consumers may accept a lower specification quality if the price is low, concluded that on the whole quality could be considered as a dynamics state associated with products, services, people, processes, and environments that meets or exceeds expectations. Hence, by understanding quality, marketers can better diagnose the transactional metrics that buyers relate to when imputing product or service value. Understanding the metric dimensions along which buyers perceive value enables the buyer to more easily convert value estimates into consumers' willingness to pay judgments. Quality behavior must be integrated into everything and be organically developed at all levels to be useful to the organization and all involved. It not only helps identify what ought to be changed and how they ought to be changed, but it makes an organization more capable of managing change and improvement (Ward, 1992).

In other words, consumer is identified as a person who carries his or her role in the act of purchasing something. In the Abraham Maslow's hierarchy of needs, he has classified the human's needs into five stages. His approach is general and it was developed to understand personal growth and attainment. He declared that higher levels needs are dormant until lower level needs are satisfied. Culture is also important to psychology where the unquestioned assumption people share about the world, about the human condition, about what is the right, wrong or normal are perhaps even more important (Deepa, Kumar, & Ganesh, 2018). Culture also comprises an entire set of social norms and responses that condition people's behavior; culture is acquired and inculcated, a set of rules and behavior patterns that an individual learns but does not inherit at birth. If the consumer is delighted, it will create an emotional affinity with the brand, not just a rational performance, and this will create high consumer lovalty (Lane, 1974).

Overall, consumer satisfaction means recognizing and valuing lifelong partnerships with every consumer, creating and enhancing bonds of respect and consideration with every consumer contact, attending to the smallest detail of the shortest phone call, and the entire conversation of the longest consumer meeting. To sum up, consumer satisfaction is a quick response that meets more than the consumer's needs. It is to complete harmony between expectations and reality delivered to the consumers. Consumer satisfaction or one's expectation has been a critical concept in contemporary marketing thought and in research on buyer behavior (Gimeno, 1999).

It is generally argued that if consumers are satisfied with a particular product or service offering after its use, then they are likely to engage in repeat purchase and try line extensions. In other words, satisfied consumers are also likely to tell others of their favorable experiences and thus engage in positive word of mouth advertising. The airline industry is one of the most competitive and strategic industries in the world. Functioning on a business cycle and being run by individual companies, there are many factors which come in to play when trying to differentiate amongst the airlines (Peetawan, 2016).

All airlines companies are highly concerned with their consumers due to the fact that satisfied consumers will indirectly help them (airline companies) maintain and improve their business. In the words, the price quality relationship developed by consumers' expectations, certain price range for a product and higher prices are said to indicate greater quality. In addition, as noted, the tendency to use price as an indicator of quality merely implies the belief that price can convey demand-related quality information or supply-related information. A high price may reflect either a high demand for superior quality or the high production costs associated with the high quality (Ward, 1992).

The law demand states that a consumer tends to purchase more units at a low price than they would at a high price. The price elasticity of demand indicates the sensitivity of buyers to price changes in terms of quantities they will purchase. If the consumer in which the firm is offering happens to be unique or there is urgency to buy, demand is inelastic and there is a minor influence effect of price changes. Here, there will be no impact on demand even if the price increases or declines. The literature is not very clear on the distinction between quality and satisfaction (Torlak et al., 2011).

Consumer satisfaction or dissatisfaction - a "cognitive or effective reaction" - emerges as a response to a single or prolonged ser of service encounters. ne major application of consumer behavior principles in the area of pricing is in predicting the likely impact of price changes on consumer. The price change is greater than some threshold level, consumers may not even notice it. An increase in service quality would lead its way to an increase in service satisfaction. Even so, the reverse needs not necessarily be the case. High satisfaction may be reached even though the perceived service quality is low (Adler & Smilowitz, 2007). Price refers to what the consumers must give up to purchase a product or services. Some consumers are very sensitive to price and some are not. Those consumers who are price-sensitive are the one who is particular when the price increases. It is found that the different perception between consumers affect the consumer purchase decision on airline choice (airline tickets). Therefore, the following hypothesis examines the perceptions and consumer preferences towards airline choice:

H1: Price has significance positive effect on consumer preferences in the airline industry.

Quality is another important element in which customers use in evaluating product or service performance. Basically, quality will be used to determine the level of satisfaction among consumers in their purchasing decisions. In other words, quality always relates with consumers' expectations in determining the level of consumers' satisfaction. It is found that the different perception between consumers related to service quality affect the consumer purchase decision on airline choice (airline tickets). Therefore, the following hypothesis examines the perceptions and consumer preferences towards airline choice:

H2: Service quality has significant positive effect on consumer preferences in the airline industry.

Consumer preferences may be segmented into various groups of consumers, which include their lifestyles, purchase motivations, culture, needs and demographic differences. Each of these segments may have different purchase motivation and different attribute importance ratings. Basically in this research, price and quality will be examined to see how they will affect customers in determining their preferences towards their airline choice. Therefore, the following hypothesis was developed below:

## **METHODS**

The prime aim of this investigation is the comparison between to airlines in Malaysia.

The respondents consist of those who have experienced Malaysian Airlines System (MAS) or AirAsia or both the airline companies. In order to collect data from these respondents, the Kuala Lumpur International Airport (KLIA) was visited. This is where the questionnaires were distributed to the targeted groups (those who have experienced MAS or AirAsia or both MAS and Airasia) during 17th February 2005 to 23rd February 2005. A total of 210 respondents were involved in the process of answering the questionnaires. These groups of respondents may further be divided into two sub groups, which are the Malaysians and others (foreigners).

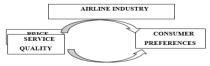
The main sources of information are taken mostly from secondary data. Secondary data are data collected from existing sources such as journals, websites, articles, books, magazines and newspaper cutting (Aaker, Kumar and Day, 1996). In order to obtain these data, both the conventional and electronic methods were adopted.

Three different libraries were visited, namely the library of National Library, Arkib Negara, and Multimedia University. Information based on secondary data type was able to be collected, especially from past researches done by previous students from those particular universities. By observing past researches, a clear picture on how this research should be done, the organizations of the content and so on were obtained.

Basically, the population for this study comes from the people who have experienced either MAS or Air Asia or both the airline companies. A sample of 210 people was to be selected to represent this population. Questionnaires were distributed randomly to the population until 210 respondents were achieved.

Data processing in this study uses SPSS (Statistical Package for the Social Sciences). Due to the advantages of the SPSS software, the data collected was easily analyzed. For the purpose of this research study, only nominal and ordinal scale is used. Nominal measurement or scale was used to analyze the demographic questions.

Figure 1: Framework



# **ANALYSIS**

# **Results**

The results of the analysis are as under:

Table 1: Relationship of Consumer Preferences and Price

	PREFERRED AIRLINES	Total		
		MAS	AirAsia	
CHEAPER	Strongly disagree	4	1	5
PRICE	Disagree	12	0	12
	Somewhat disagree	12	2	14
	Somewhat agree	47	14	61
	Agree	37	29	66
	Strongly agree	31	21	52
Total		143	67	210
	$x^2 = 16.321$	Signific 0.006	cance =	

Furthermore, Table shows that there is significance value for price that the significance value is 0.006, which is less than 0.05. It can be concluded that price has significant positive effect on consumer preferences and consumer purchase decision on airline choice (airline tickets). Therefore, reject the null hypothesis.

Based on the responds from the distributed questionnaires, it was discovered that some consumers do prefer to purchase services from airlines that sets high prices. Therefore, this result supports the decision by saying that there is a positive relationship between price and consumer preferences.

The relationship between consumer preferences and price may be further explored by looking at the demographic factors. As for the purpose of this hypothesis, the marital status, income level, age and gender towards the price sensitivity are delved into to see if there is any difference on the level of consumer preferences and the mentioned demographic attributes.

What has been discovered from the result of the analysis based on marital status, respondents who are single are more price sensitive compared to those who are married or divorced. Here, the single price sensitivity level contributes a mean value of 4.62. The married respondents on the other hand contribute a mean value of 4.53. The lowest groups of people with a substantial degree of price sensitivity are those who are divorced with the mean value of 4.00.

Table 2: Price Sensitivity and Marital Status

Status	N	Percentage	Mean
Single	90	42.9	4.62
Married	116	55.2	4.53
Divorced	4	1.9	4.00
Total	210	100.0	4.38

In this situations in which those who are single being more price sensitive than those who are married, it is suspected to rise out due to the changing of lifestyle. Nowadays, more young people are keeping up with the current trends. The single people are more prices sensitive is mainly because of their changing lifestyle. For example, they have payment flexibility whereby they could buy their necessities by using credit card.

Therefore, this will make them tend to spend more and in the end will actually lead them to debt. Other than that, the single people nowadays spend more on clothes, buying luxury cars, owning property at younger age, and many more. Besides, some of them prefer not to get married. This is because of the changing of lifestyle and their different perceptions on marriage. Most of the single people nowadays do not want a family commitment.

On the other hand, it is reasonable for married couple to be less price sensitive because they have their spouse to support each other. Besides, it is normal for many families nowadays to bring their children for holidays since there are so many promotions advertised by the airlines. Hence, this makes the singles more price sensitive and more aggressive towards achieving their needs based on their preferences.

Table 3: Price Sensitivity and Income Level

Status	N	Percentage	Mean
Less than RM1000	42	20.0	4.48
RM1001 to RM3000	48	22.9	4.56
RM3001 to RM6000	49	23.3	4.65
More than RM6000	71	33.8	

			4.54
Total	210	100.0	4.55

On the issue of price sensitivity and income level, the respondents who are most price sensitive with regard to their income, are those who comes from the income level between RM3001 to RM6000 with 23.3 percent (Refer to Table). This is followed by those with the income group of RM1001 to RM3000 and those which is more than RM6000. The result comes as a surprise, as it was initially anticipated that those with high-income level are price insensitive, which means that they would prefer to purchase based on prestige sensitivity. As described by Mowen and Minor (1998), prestige sensitivity is a situation where consumers from favorable perceptions of the status signaled by higher price. Based on this research, in the context of preferences on higher price which is subjected to those with higher income level, are less prone towards prestige sensitivity. However, it was discovered that the respondents with the income level less than RM1000 (20 percent) are those who are less price sensitive compared to respondents from other income group.

Table 4: Price Status	N	Percentage	Mean
Status	14	rereentage	Medii
20 years old and below	6	2.9	5.00
21 - 35 years old	118	56.2	4.69
36 - 50 years old	63	30.0	4.44
51 years old and above	23	11.0	4.09
Total	210	100.0	4.56

This research also covered the issue of consumer preferences based on the age group and the level of price sensitivity. The result of this research shows (Refer to Table) the respondents from the age group below 20 are the most price sensitive compared to other group. This is perhaps due to the fact that they are still studying and do not have fixed income or working. The respondents within the age 21 - 35 were the one who is starting to build their carrier and some may still try to find a job. Therefore, their income is not that stable. As for the respondents for the age 36 - 50, they are group of consumers who are settling down and might already have a stable income, and that's why they are less price sensitive. For respondents who are 51 years old and above, they are the one who is less sensitive in price. This is because they are more prone towards enjoying the services in which the airline provide rather than giving much thought to the price set by the

Table 5. Price Sensitivity and Gender

Status	N	Percentage	Mean
Male	120	57.1	4.59
Female	90	42.9	4.51
Total	210	100.0	4.57

The reactions of consumer preferences also differ according to the gender. In this research, it is discovered that the mean value of male being price sensitive is more compared to female. The mean for male respondents are 4.59 with a percentage of 57.1 percent. On the other hand, the female respondents show a mean of 4.51, carrying the percentage of 42.9 percent. This indicates that the male's preferences in purchasing a service is highly priced sensitive compared to the female's level of price sensitivity. This situation seems to suggest that the females are prone to be driven by their preferences with minimal consideration on price.

**Table 6: Relationship between Consumer Preferences** 

and Service Quality

	PREFERRE D	Total		
		MAS	AirAsi a	
QUALIT	Strongly disagree	4	4	8
Y	Disagree	0	4	4
	Somewhat disagree	7	8	15
	Somewhat agree	24	21	45
	Agree	77	22	99
	Strongly agree	31	8	39
Total		143	67	21 0
	$x^2 = 24.029(a)$	Significanc e = 0.000		<u> </u>

The Table shows that there is significance value for price that the significance value is 0.000, which is less than 0.05. Hence, it can be concluded that quality has significant positive effect on consumer preferences and consumer purchase decision on airline choice (airline tickets). Therefore, reject the null hypothesis.

Interpretation of Results: Hypothesis Two

Based on the responds from the distributed questionnaires, it was discovered that some consumers do prefer to purchase services quality from airlines. Therefore, this result support the decision by saying that there is a positive relationship between service quality and consumer preferences.

The relationship between consumer preferences and service quality may be further explored by looking at the demographic factors. As for the purpose of this hypothesis, the marital status, income level, age and gender towards the service quality sensitivity are delved into to see if there is any difference on the level of consumer preferences and the mentioned demographic attributes.

What has been discovered from the result of the analysis based on marital status, respondents who are divorced are more quality sensitive compared to those who are single or married. Here, the divorced quality sensitivity level contributes a mean value of 5.75. The single respondents on the other hand contribute a mean value of 4.68. The lowest groups of people with a substantial degree of price sensitivity are those who are married with the mean value of 4.53.

Table 7: Service Quality Sensitivity and Marital Status

Status	N	Percentage	Mean
Divorced	4	1.9	5.75
Single	90	42.9	4.68
Married	116	55.2	4.53
Total	210	100.0	4.98

Nowadays, everybody is concern about the quality either from the product or the services. The mean of the marital status categories are high which shows that all of the respondents do concern about the service quality provided by the airlines.

Table 8: Service Quality Sensitivity and Income Level

Status	N	Percentage	Mean
Less than RM1000	42	20.0	4.86

RM1001 to RM3000	48	22.9	4.50
RM3001 to RM6000	49	23.3	4.51
More than RM6000	71	33.8	4.63
Total	210	100.0	4.63

The highest mean from the service quality sensitivity and income level (Refer to Table) is from the group of respondents that earn less than RM1000. This shows that the respondents in this category also are concern about the service quality provided by the airlines even though they earn a low income. Therefore, this result shows that people that earn low income are also concern and aware about the service quality provided by the airlines. Hence, an airlines company must not take the low income level group of respondents as something that is not important to them, but in stead, they must fulfill their consumers' needs and wants.

Table 9: Service Quality Sensitivity and Age

I.1.1.1.1	St			I.1.1.1.2	M
	at	N	Percenta		e
	u		ge		a
	S				n
21 - 35 years old		11 8	56.2	4.70	
20 years old and below		6	2.9	4.67	
51 years old and above		23	11.0	4.61	
36 - 50 years old		63	30.0	4.46	
Total		21 0	100.0	4.61	

In the Table, the highest means which is 4.70 is from the age group 21-35 years old. This result shows that the younger people are more concern about the service quality. This might be due to the educational background or the awareness created by the mass media regarding the service quality.

Table 10: Service Quality Sensitivity and Gender

Status	N	Percentage	Mean
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Male	120	57.1	4.61
Female	90	42.9	4.63
Total	210	100.0	4.62

Based on all findings on consumer preferences of airline's service quality, conclusion can be made that most customers put extra focus on quality of the services offered by the airlines companies, provided that their needs and wants are being fulfilled. In other words, in order for the airlines companies to succeed and maintain their performance, the airlines companies must ensure that they are fulfilling their consumers' expectations towards the service that they served. Therefore, it is clearly shown that service quality plays important roles in determining the consumer preferences.

As a result, it is further verified that quality has significant positive effect on consumer preferences in the airline industry. Hence, based on the explanation, it is reasonable to reject the null hypothesis.

# **CONCLUSIONS**

Based on the findings, it is realized that consumer preferences on price and service quality are directly affected with airline industry.

Majority of the consumers said that Malaysia Airline System (MAS) is better in terms of service quality compared to AirAsia. Consumers claimed that MAS is better in providing delicious food, giving maximum comfort, very helpful and good employee, availability of flights, organized flight schedule, and providing new technology for the consumers' convenience. Therefore, majority of respondents who are particular on the quality of services provided by an airline company will choose MAS to gain maximum level of satisfaction on their expectations.

Even though different airlines companies give different emphasis either on price or service quality, both variables are still interrelated with one and another. Therefore, in the airlines industry, price plays an important role in indicating the level of service quality provided by the airline company. Basically, based on the findings, high price indicates high quality. In other words, this means that the higher the price set by an airline company, the better the service quality it provides.

Based on this research, it is proved that the level of satisfaction gained by local and international consumers is more or less the same. For MAS and AirAsia, both provide the basic services such as ground and inflight services in order to meet or exceed the consumer's needs and wants. Differences may occur in terms of types of food provided, how the food is served to consumers, or types of gifts the airlines provides to consumers.

Therefore, we could conclude that there is significant relationship between consumer preferences with price and service quality in the airline industry. In other words, price and service quality affects consumer preferences in the airline industry.

# Recommendations

Based on this project, it was learned that MAS is most preferred by consumers on the basis of the service quality it offers. However, an interview was conducted with Puan Marziah Yahya, Service Quality Manager (MAS), she told that MAS still need more room for improvement regarding its service quality. At the moment, MAS is having a service breakage which they fail to deliver a moment of truth to their consumers. Moment of truth is where MAS is using the touch point system with their consumers. This is where they are translating their service into service delivery. Therefore, the interaction of MAS with their consumers is the moment of truth. Hence, MAS has to deliver their services up to their consumers' expectations. Even though in this research AirAsia is more preferred by the consumers in terms of price, but on the other hand, they are not fulfilling consumer's needs and wants in term of providing their service quality. Since AirAsia is a low cost carrier, upgrading their service quality indirectly will increase the cost of the airline tickets. Therefore, AirAsia could actually improve their service quality by cutting other cost. For example, AirAsia could lay off some employees which do not perform in their work and at the same time that extra cost could be used for extra training for their employees and improve other services. These methods have been practiced by Singapore Airlines (SIA) in order to manage their ongoing business.

Besides that, MAS and AirAsia could improve their official website. This is because as a researcher, it would be easy for them to find any information through the website. Hence, the main or official website for both airlines should always be updated with latest information and latest promotion. Besides, the website must not be overloaded with unnecessary information. The website should be easy to navigate by the consumers besides it should be user-friendly.

From this research study, it is also learnt that AirAsia is having a massive advertising on their destinations as well as their cheap airline tickets compared to MAS. It has been learnt that price is an indication of quality if other elements of quality are unified such as airlines advertising, the company's position in the market place, promotions and the airlines brand name. It is recommended that MAS invest in advertising and promotions. The reason for incorporating all these elements is to make the consumers or future purchaser more aware of the services provided by MAS. A step to be taken in this context is to provide pamphlets and flyers at the counters of MAS at Kuala Lumpur International Airport (KLIA). The information on these pamphlets should include the history of MAS, the services provided, the destinations it goes to, the contact numbers and also the charges it offers on its services. This information will keep the consumers aware and informed of the happenings on MAS.

The questionnaire is used as the tool in gathering information from the survey. However, the questions have been set with multiple choices for respondents to choose. It might be other perceptions or alternatives that we have missed out in this survey. Therefore, the questionnaire is not flexible and has limited respondents to answer the question based on the choices that have been set by the author. It might have caused biases in the response of the survey.

Other than that, it is recommended for the future researchers to designed several languages for the questionnaires. In other words, it is better if the future researchers could prepare the same set of questions but with different languages. This is to provide ease for the

respondents who do not understand English to still be able to answer the questionnaires and provide opinions.

# **Recommendation and Future Direction**

As for the future researchers, it is highly recommended that the scope of the sample size be expended. This is to avoid bias results, which is likely to occur if the sample size is way too small to represent the big population. Future researchers should also add in more airlines such as Lufthansa, British Airways, or Japan Airlines in the upcoming researches. This is to learn the different aspects of each airline and provide a vast scope on the comparison aspects. Therefore, by having a number of airline companies, the findings have a stronger point to be discussed and not limited to only one or two airlines companies.

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