

# Consumer Preferences of Airline Choice: A Comparison of Air Asia and Malaysia Airlines System

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## ABSTRACT

This investigation having the prime aim to have the comparison between Malaysia Airlines System (MAS), and Air Asia. The comparison was done in the context of consumer. There was survey conducted on the individuals who exercised the both airlines. The data was analyzed by employing the Statistical Package of Social Sciences (SPSS). These tools include descriptive analysis, one independent t-test and Chi Square test. There were mixed results from the study.

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

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## INTRODUCTION

In Malaysia, the development of service industry is improving from year to year projecting a stronger growth. A study and based on the results, the service industry has contributed RM65, 947 million in 1999 with an annual growth rate of 2.6 percent as compared to year 1998 which only contributed a growth rate of 1.8 percent. According to some research idea, based on important source for the year 2000, the value added to the services sector was increased at a faster rate of 5.3 percent, with all services providing industries projected to record stronger growth. Referring to some research idea, with the sustaining economic recovery, GDP growth for 2000 vary revised upward to 7.5 percent based on Budget 2001. Hence, inflation continues to be subdued with per capita income increasing to RM12, 883 exceeding that before the economic crisis (Ozment & Morash, 1994; De Silva et al., 2018a; De Silva et al., 2018b; Nikhashemi et al., 2013).

Therefore, the major sectors in 2001 are projected to strengthen with the service sector expected to grow by 5.2 percent whereby the balance of payment is expected to remain favorable with the current account surplus at RM29.8 billion (Hussain, Al Nasser, & Hussain, 2015; Dewi et al., 2019; Pambreni et al., 2019; Tarofder et al., 2017).

The airline industry should ensure on timely arrivals and departures in order to meet up with the consumers' expectation. Delays in the service industry can be one measurement of the responsiveness of service dimension. Consumers expect that the airline industry should keep up with their promises in providing them with efficient and excellent performance. David Mc a (2013) suggested that management intervention provides useful direction in encountering this matter. If consumers must wait, making the wait unpleasant may be the management's only option. Thus, it is important for marketing managers to understand the waiting experience.

Baggage handling services have been one of the main factors that consumers take into account when choosing an airline company. Consumers' choice will greatly depend

on how well the airline companies manage and handle their baggage whenever they want to travel either domestically or internationally. Baggage irregularity is one of the main factors most detrimental to good services and often creates problems for passengers in their travels. Therefore, from a passenger's point of view, its occurrence should be zero. However, baggage irregularities cannot be eliminated completely due to congestions of airport facilities and several kinds of errors committed not only by airline personnel but also contracted workers. About one out of every 200 bags that are checked is reported mishandled (Babakus, Bienstock, & Van Scotter, 2004; Doa et al., 2019; Maghfuriyah et al., 2019; Nguyen et al., 2019). Therefore, the airline industry should keep all the four-stated matters in mind. This is to avoid consumer complaints and at the same time improve or maintain their performance in the fast pace industry. However, these four matters are not the only factors to be considered. There are other factors, which the airline companies should consider in order to achieve excellent service performance. NPC believes that there is still room for improvement.

Past 10 years, productivity levels in Malaysia had been growing at an average of five percent annually. He viewed this as a favorable level with the developed nations and better than many countries in Asia. This means that the service industries should work harder to keep up to this standard (Ostrowski, O'Brien, & Gordon, 1993). This level of profitability will be expected to flourish in years to come. An issue to be mentioned in this context is to keep the cost down and at the same time provide quality to the consumer (Saydan, 2013). Service quality as an antecedence to satisfaction. Point out "customer satisfaction...depends on preexisting or contemporaneous attitudes about service quality" (Lane, 1974).

Even though the three factors mentioned above are important for airline companies to move towards excellence performance, there are several other factors, which need to be taken into account. Those factors are like

front-line employees, accuracy of the information, uniformity, and may others (Prabowo, Rachmawulan, & Taufik, 2019; Pathiratne et al., 2018; Rachmawati et al., 2019; Seneviratne et al., 2019; Sudari et al., 2019; Tarofder et al., 2019).

**LITERATURE REVIEW**

Price is a governance mechanisms underpinning transactions between business actors. The performance of an economic system is traditionally recognized by the ruling of what is known as price (Sak, Atalik, & Uyugcil, 2016). The area of pricing is rarely seen as stable or as having any simple guidelines (Lategola, Melton, & Higgins, 1980). Price places importance on many aspects such as decisions in marketing and sales, profit, resource allocation, income distribution and consumers. As for the purpose of this thesis, importance of price will be weighed up on consumer (Deepa, Kumar, & Ganesh, 2018; Nikhashemi et al., 2017; Tarofder et al., 2019; Ulfah et al., 2019; Tarofder et al., 2016; Udriyah et al., 2019). According to Adler and Smilowitz (2007) managers need to be aware of the importance of price in the formation of consumers' attitudes. This is due to the fact that price is one of the most important attributes evaluated by consumers, suggested that it is essentially importance for managers to remember that product or service price, can be either a positive or negative influence on consumer (Akmal, 2014).

Price has always been associated with quality (Gimeno, 1999). Therefore, quality is another important element in which customers use in evaluating product or service performance (Fischer & Kamerschen, 2003). 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. The term "quality" means a different thing to different people. This is why defining "quality" is often the first step in most "quality improvement" journeys (Ciliberto & Schenone, 2012). A basic problem with this approach is its equating with quality with maximum satisfaction (Dai, Liu, & Serfes, 2014). Besides, he also pointed out another worth looking into, which is the difference between customers and consumers (Brueckner & Spiller, 1994).

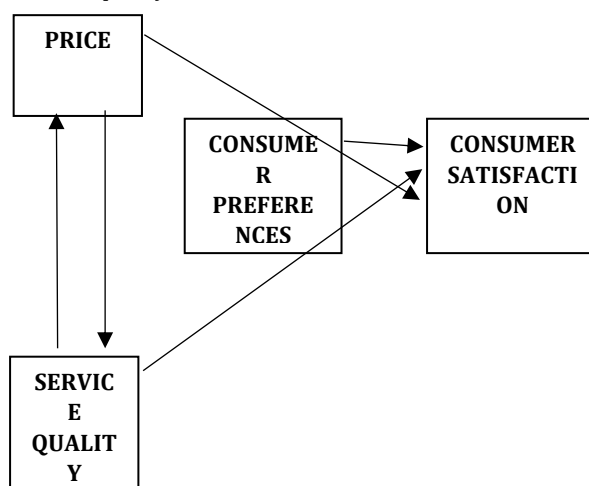
Goetz (2002) proposed consumer preferences are made based on their needs and may range from many perspectives. This is due to the fact that needs and wants of the consumers are never final. Needs are gaps between the desired and the current state. The desired state provides the goal - object, and its deprivation, the drive. People as consumers could have nearly infinite number of needs (Torlak, Sevkli, Sanal, & Zaim, 2011). Based on this situation, Malaysia Airline System (MAS) needs to anticipate what consumers expect from them. This will help MAS improve on its quality standards (Ng & Seabright, 2001).

In accordance to this situation, MAS has recently came out with "Buy N Fly" Rewards Program where consumers can earn free travel and other rewards just by shopping, dining and even by using the Buy N Fly smart card as a Touch N' Go card. The price-quality relationship is probably ingrained in people from childhood through hearing such aphorisms as "you get what you pay for". According to Bolton and Drew, 1994, Gerardi and Shapiro (2009) investigated the relationship between consumer satisfaction and service quality has received a good deal of attention in the literature. Service quality received by the

consumers will either lead to a continuation in subscribing the service or termination of subscribing the service (Gerardi & Shapiro, 2009). Here, it is essential for the managers to meet consumers' expectations for a service.

**METHODS**

In this research study, the focus is on the airlines industry with specifications on the Malaysia Airline System Berhad (MAS) and its competitor AirAsia. A study on consumer preferences towards these two airline companies with regards to their competitive advantage on price and service quality.



**Figure 1: Framework**

**ANALYSIS**

This section presents the results of the study and testing of the hypothesis.

**Table 1: One Independent Sample t-Test**

	Mean	Standard Deviation	t	Sig
QUALITY OF THE SERVICE	4.76	1.135	-0.248	0.804
	4.80	0.894		
CHEAPER PRICE	4.20	1.461	-2.638	0.009
	4.74	0.912		
WITHOUT CONSIDERING PRICE	3.73	1.464	2.122	0.036
	3.23	1.321		
	4.20	1.325		

HIGH PRICE MEANS HIGH QUALITY	4.69	1.291	- 2.196	0.030
COMPARATIVE SURVEY	4.26	1.270	- 2.332	0.021
	4.71	1.038		
WELL KNOWN AIRLINES	3.37	1.505	1.666	0.098
	2.97	1.329		
PROMOTION	4.31	1.346	- 3.058	0.003
	4.97	1.191		
MAXIMUM COMFORT	4.19	1.322	- 0.902	0.369
	4.37	1.106		
INCOME LEVEL	4.41	1.378	1.349	0.180
	4.14	0.967		
FAMILY AND FRIENDS	3.61	1.397	- 1.052	0.295
	3.83	0.978		
SOCIAL EXPECTATIONS	3.34	1.238	- 1.437	0.153
	3.60	0.841		
UPGRADE SERVICE	3.76	1.398	- 0.873	0.384
	3.94	1.102		

than 0.05. On the other hand, consumers prefer to buy services from the company that offers cheaper price than competitors. A competitor of any airlines that offers a cheaper price which is relatively competitive to their rivals is at an advantage because consumers do prefer to purchase an airline tickets from them. This is because the significance value is 0.009.

Other than that, consumers would prefer to choose anything that is essential or important without considering its price since the significance value is 0.036 Besides that, consumers do agree that high price means high quality. This is because the value of the significance is 0.036. Therefore, consumers believe that airlines that provide high price are providing a high quality service.

Other than that, consumers also indicate that they will always do a comparative survey of different airline companies before purchasing airline tickets since the significance value is 0.021. This is because consumers would like to know about other airline's prices and promotions offered. Besides, consumers would like to ensure that they will get the best services offered by the airlines. On the other hand, consumers do not go for well-known airlines to maintain their status. This is because the value of significance is 0.098.

Aside from that, the results also indicate that consumers will choose to travel during special promotion in order to get special discount. The value of significance is 0.003 which they prefer to travel during special promotions offered by the airlines. Other than that, consumers do mind if they had to pay for higher price in order to get the maximum comfort in the airplane and extra services the airline offers since the significance value is 0.369.

Besides that, consumers also do not agree that their purchasing behavior is mainly influenced by their income level since the value of significance is 0.180. Aside from that, the consumers also do not agree that their purchasing behavior is influenced by friends, family as well as their social expectations. Finally, the significance value for a price increases in flight tickets indicates that the airline is going to upgrade their services is 0.384. This result shows that an increase in flight tickets do not always mean that the airline is upgrading their services.

Therefore, those are the interpretation of the results from the attributes towards the consumers' preferences. These will help us to understand more about what is preferred and what is not by the consumers who have travel experienced in the airline industry.

In Section 2b in the questionnaire, general questions were asked to the respondents about their consumer preferences towards the airline industry. In Table, One Independent Sample t-Test is used to test the significance of the attributes towards the consumer preferences. Various questions related to the attributes were asked to the respondents.

The result (Refer to Table) shows that consumers do not choose the airline because of the service quality. This is because the significance value is 0.804 which is higher

**Table 2: Relationship between Airline Choice and Various Attributes**

	MAS		AIRASIA	
	Mean	Std.dev	Mean	Std.dev
<b>Quality of the service</b>	4.76	1.135	4.80	.894
<b>Cheaper price</b>	4.20	1.461	4.74	.912
<b>Without considering price</b>	3.73	1.464	3.23	1.321
<b>High price means high quality</b>	4.20	1.325	4.69	1.291
<b>Comparative Survey</b>	4.26	1.270	4.71	1.038
<b>Well known airlines</b>	3.37	1.505	2.97	1.329
<b>Promotion</b>	4.31	1.346	4.97	1.191
<b>Maximum comfort</b>	4.19	1.322	4.37	1.106
<b>Income level</b>	4.41	1.378	4.14	.967
<b>Family and friends</b>	3.61	1.397	3.83	.978
<b>Social expectations</b>	3.34	1.238	3.60	.841
<b>Upgrade service</b>	3.76	1.398	3.94	1.102

Quality is one of the most important factors for Malaysia Airlines System (MAS). By having a mean of 4.76, it makes the quality factors the highest value for MAS that influences the consumer's in choosing their airlines. Most consumers would do a comparative survey before making any purchase of an airline's tickets because they are bounded by their income level. Other than that, consumers also go for a cheaper price offered by the airlines. Most consumers would go for travel during promotions. This is due to the cheaper price set by the airlines as well as offering a great deal to their passengers. Besides that, the consumers also would choose for a maximum comfort in the airlines. Majority of the MAS's consumers agree that high price means high quality due to holding a mean of 4.20. Therefore, most of the consumers do not mind paying a higher price in order to be served a higher service quality. Hence, consumers do not mind paying extra cash in order to get maximum satisfaction.

On the other hand, the Air Asia's consumers would travel for Air Asia when there are heavy promotions. The mean for promotion is 4.97 which is very high compared to MAS which is only 4.31. This shows that Air Asia is giving and offering a great deal which attracted the travelers better

than MAS. Air Asia's consumers also would do a comparative survey before they purchase an airline's tickets in order to ensure that they are at an advantage during their travel. Air Asia's consumers are also influenced by their income level in purchasing an airline tickets.

Other than that, the mean for consumers who go for cheaper price for Air Asia is 4.74 which are higher compared to MAS which is only 4.20. MAS is offering a higher price due to their extra services provided to their passengers such as food and drinks in the airlines. On the other hand, Air Asia is not giving any food or drinks to their consumers but Air Asia do sell the food in the airlines. Mean for high price means high quality which is 4.69. This is higher compared to MAS which is only 4.20. Therefore, it shows that Air Asia consumers agreed that high price means high quality but at the same time they are willing to travel with Air Asia because of the promotions and cheaper price even though MAS is offering extra services. As for consumers who had travel with both MAS and Air Asia, the highest mean is 4.73 where consumers go for cheaper price. Besides that, the consumers for both airlines also go for quality offered. The consumers would definitely go for promotions in order to be at an advantage during their travel. Besides that, they also would do a comparative survey before purchasing an airline tickets from either one of the airlines in order to ensure that they get a cheaper price as well as great deal offered by the airlines.

Therefore, we know that for those who had travel either with MAS or Air Asia or both airlines, they have different needs and wants that should be catered by the airlines. The consumer's perception differs from one another. They should not be taken for granted by the airline industry. As for MAS, their consumers would buy the airlines tickets because of the quality provided. Therefore, MAS should always upgrade their services by using their touch point system. On the other hand, Air Asia's consumers are the one who purchase the tickets when there are promotions. Hence, attractive promotions and great deal should be offered to their consumers. Finally, as for consumers for both airlines, they would prefer to buy the tickets from airlines companies who offer cheaper price than competitors. Offering a cheaper price than their rivals in the airline industry would make the company at an advantage.

**Table 3: Relationship between Gender and Various Attributes**

	Air Asia				
	Male		Female		
	Std.dev	Mean	Std.dev	Mean	Std.dev
<b>Price</b>	.403	1.90	.304	2.00	.000
<b>Food</b>	.803	2.80	.823	3.27	.691
<b>Services</b>	.740	2.85	.864	2.73	.583
<b>Comfort</b>	.817	2.75	.840	2.87	.507
<b>Employee</b>	.648	2.20	.883	2.53	.629

<b>Technology</b>	.730	2.35	.580	2.80	.664
<b>Flight Frequency</b>	.592	2.40	.591	3.00	.525

There are certain expectations from the consumers who go for different airlines. As for travelers who had travel with MAS and Air Asia, they certainly have different needs and wants that should be catered by the airlines.

As for Malaysia Airlines System (MAS), the highest mean for males is services which is 2.65. This shows that males who travel with MAS are concern about the services provided by MAS. Services should be delivered in a higher value from time to time. Upgrading the service quality would ensure that male travelers are satisfied with MAS. The second highest mean goes to food served in the airlines and then followed by comfort, employee, technology, flight frequency and finally price. These prove that male consumers are willing to pay high price in order to get high quality of service.

On the other hand, as for the female consumers who had travel with MAS, they would prefer the comfortable factors when choosing an airline. Female travelers are looking forward to get a maximum comfort in all aspects during their travel. Therefore, MAS should ensure that all the female travelers are comfortable with all the services provided by the airlines either during departure, on board or during arrivals. In other words, the female consumers will feel happy and satisfied when they travel with MAS. Other than that, female consumers are also concerns about the services and the food provided in the airlines.

Therefore, as for both genders male and female for MAS, it could be concluded that their main concerns are services, comfort and food where by these three factors are the top three highest mean. As for Air Asia's male travelers, their main concern is the same as the MAS male travelers which are services. The mean for services are 2.85 which are higher than MAS. Then, it is followed by food and comfort in the airlines. Besides that, the consumers' concerns about the flight frequency, technology and employee also play an important role in serving consumers satisfaction. Compared to Air Asia's male consumers, the female consumers are more concern about the food in Air Asia. The mean for food is 3.27 which are high and it can be concluded that the female consumers love the food sold in the airlines when they are on board. Other than that, the female consumers are also concern about the flight frequency as well as comfortable factors during their travel. Besides, by holding a mean of 2.80, it shows that technology also plays an important role for Air Asia's female consumers when choosing an airline.

Therefore, as for Malaysia Airlines System (MAS), they should upgrade their services, food and comfortable factors in serving their consumers. This is because those factors are the main concerns for the MAS's consumers. On the other hand, as for Air Asia' consumers, they are concern about the services, food, comfort, flight frequency and technology. Both airlines have to upgrade their services continuously in order to ensure that they satisfy all of their passengers. Consumer total satisfaction (CTS) is very crucial and important especially for a service industry such as the airline industry in order to ensure that they cater all the needs and wants of their consumers and in order to ensure that the consumers will purchase airline

ticket again in the future. In other words, the airline industry will be at an advantage if the consumers make a repeat purchase for airline tickets or airline choice.

**Table 4: Respondent's feedback regarding the price set by MAS**

PRICE (MAS)		
	Male	Female
<b>Strongly disagree</b>	2	1
<b>Disagree</b>	5	5
<b>Somewhat disagree</b>	13	9
<b>Somewhat agree</b>	12	9
<b>Agree</b>	6	6
<b>Strongly agree</b>	2	-
<b>Total</b>	40	30

Table indicates that half of the male and female respondents from MAS are saying that they are still not satisfied with the price set by MAS. This might be due to the high price set by the airlines since they are providing a high service quality compared to other airlines. On the other hand, the other half of the respondents agreed with the price set by the airlines. In other words, we can say that they are satisfied with the price set by the airlines which matches the service quality and comfort ability provided by MAS. Hence, we can conclude that not all MAS consumers' are satisfied with the price set by them, but the reasons that they are still flying with MAS might be due to the high service quality standard provided by MAS which significantly differs them from other airlines.

**Table 5: Respondent's feedback regarding the service quality provided by MAS**

SERVICE QUALITY (MAS)		
	Male	Female
<b>Strongly disagree</b>	2	-
<b>Disagree</b>	1	1

<b>Somewhat disagree</b>	1	1
<b>Somewhat agree</b>	4	4
<b>Agree</b>	20	19
<b>Strongly agree</b>	12	5
<b>Total</b>	40	30

Most male respondent are satisfied with the service quality provided by MAS. (Refer to Table) This is because a large number of them which is 36 respondents are satisfied with the services provided by MAS. There are only a few numbers of respondents which are still not satisfied with the services. On the other hand, majority of the female respondents are also satisfied with the service quality from MAS even though there are still a few of the female respondents which are not satisfied with them. Satisfying everyone is not an easy job for any airlines. Therefore, MAS might have satisfied some and might not satisfy some of them. However, we could conclude that majority of male and female respondents are satisfied with the service quality provided by MAS.

AIRASIA

**Table 6: Respondent’s feedback regarding the price set by Air Asia**

PRICE (AIRASIA)		
	Male	Female
<b>Strongly disagree</b>	-	-
<b>Disagree</b>	2	1
<b>Somewhat disagree</b>	2	-
<b>Somewhat agree</b>	4	7
<b>Agree</b>	18	13

<b>Strongly agree</b>	14	9
<b>Total</b>	40	30

Majority of the male and female respondents from Air Asia agreed with the price set by the airlines (Refer Table). This might be due to the low price as well as the heavy promotions that satisfy the consumers in terms of price. However, there are still a few of the respondents from the male as well as the female that are not satisfied with Air Asia in terms of price set by the airlines. However, we could conclude that, majority of Air Asia’s respondents either male or female respondents are satisfied with the price of the tickets sold.

**Table 7: Respondent’s feedback regarding the service quality provided by Air Asia**

SERVICE QUALITY (AIRASIA)		
	Male	Female
<b>Strongly disagree</b>	3	2
<b>Disagree</b>	3	4
<b>Somewhat disagree</b>	9	7
<b>Somewhat agree</b>	11	10
<b>Agree</b>	12	6
<b>Strongly agree</b>	2	1
<b>Total</b>	40	30

Table shows that 11 male respondents agree with the service quality provided by the airlines and another 12 respondents strongly agree with the service quality provided to them. In other words, we can say that they agree with the services provided by Air Asia. However, there are still a few of the male respondents who disagree with the services provided by Air Asia. On the other hand, as for the female respondents, half of the respondents agree with the services provided by Air Asia. However, the other half of the female respondents is not satisfied with the service quality provided by Air Asia. Therefore, as for male and female respondents, there are some of them who are satisfied and there are some who are not with the service quality.

Therefore, by referring to the results, we can say that majority of the respondents would prefer Air Asia in terms of price and on the other hand, they would prefer MAS in term of service quality. Hence, we could see that both airlines have their own uniqueness in satisfying their consumers by using their own ways and strategies.

**Table 8: Consumers' feedback according to the degree of satisfaction with the airline of their choice (MAS).**

CONSUMER'S CHOICE (MAS)		
	Male	Female
Strongly disagree	4	-
Disagree	4	2
Somewhat disagree	2	4
Somewhat agree	14	8
Agree	12	12
Strongly agree	4	4
<b>Total</b>	<b>40</b>	<b>30</b>

Majority of the male respondents are satisfied in choosing MAS as their favorite airline. Besides, 4 respondents are totally satisfied with MAS as their airline choice according to the service quality, price and many more. However, there are still some of the respondents which are not satisfied with MAS. On the other hand, majority of the female respondents are satisfied with MAS. But however, there are still female respondents who are not satisfied with MAS. Therefore, we could conclude that MAS has satisfied almost all of its passengers and consumers during their travel.

**Table 9: Consumers' feedback according to the degree of satisfaction with the airline of their choice (Air Asia)**

CONSUMER'S CHOICE (AIRASIA)		
	Male	Female
Strongly disagree	-	-
Disagree	2	3

<b>Somewhat disagree</b>	8	8
<b>Somewhat agree</b>	15	10
<b>Agree</b>	10	8
<b>Strongly agree</b>	5	1
<b>Total</b>	<b>40</b>	<b>30</b>

Majority of the 15 male respondents are satisfied by choosing Air Asia as their airline choice. There are 10 male respondents who agree and strongly agree by choosing Air Asia. However, there are some male respondents who are not satisfied with the services or price provided by Air Asia. On the other hand, there are 10 female respondents who somewhat agree by choosing Air Asia. Besides, 8 of them agree with their choice and only 1 of the respondents is very satisfied in choosing and flying with Air Asia. However, there are still a few of the female respondents who are not satisfied with Air Asia as their airline choice. Therefore, as for male and female respondents, there are some of them who are satisfied and there are some who are not by choosing Air Asia as their choice of airline.

**Table 10: Consumer Preferences of Local and Foreign Travelers**

	PREFERRED AIRLINES			
		MAS	Air Asia	Total
<b>CITIZENSHIP</b>	<b>Malaysian</b>	119	52	171
	<b>Others</b>	24	15	39
<b>Total</b>		143	67	210
		<b>x<sup>2</sup> = 0.948(b)</b>		<b>Significance = 0.330</b>

The table shows that there is significance value for price where the significance value is 0.330, which is more than 0.05. It can be concluded that there is no significant difference between local and foreign travelers in the consumer preferences. Therefore, do not reject the null hypothesis.

For this survey, the citizenship is focusing on Malaysians as a local consumers and foreigners as international consumers. These two groups of consumers were asked about their level of satisfaction based on their experiences with both airlines which are MAS and Air Asia.

Based on the study done on this hypothesis, it is proved that the level of satisfaction gained by local and international consumers is more or less the same. In the airline industry, most consumers expect the same things, which are delicious food, friendly and helpful employees,

comfort ability, availability of flights, and new technology equipment's for extra advantages. For MAS and Air Asia, 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 provide to consumers. Gifts may be in terms of toys for children, facial towel, or packet of peanuts. All of these services contribute to the level of satisfaction among consumers. As long as their expectations are fulfilled, satisfaction is achieved. However, the amount of satisfaction that is achieved cannot be counted. This is because satisfaction involves with consumers' emotion and feelings towards decision they made. The main elements, which contribute to consumer satisfaction is their needs and wants. For example, if the services provided by both airlines comply with the needs and wants of the consumers, satisfaction can be achieved.

Therefore, based on the explanation above, it is shown that there is no significance difference between local and foreign travelers in the consumer preferences. Whether the consumers are local or foreigner, the level of satisfaction based on the decision made is not affected.

#### DISCUSSIONS AND CONCLUSIONS

However, based on the findings, respondents who are particular on the amount of money that they are going to spend on traveling expenses will choose Air Asia instead of MAS. The result shows that these respondents feel satisfied with the price set by Air Asia and think that the price is reasonable and affordable. In other words, consumers who are quality-sensitive will prefer MAS compared to Air Asia, and consumers who are price-sensitive, on the other hand, prefer Air Asia compared to MAS.

Besides, comparison between MAS and Air Asia in terms of price and service quality is accomplished. MAS is better in providing services with higher level of quality and MAS is better in setting cheaper prices, which is affordable for most consumers compared to Air Asia. Hence, some consumers prefer to travel with MAS compared to Air Asia due to the fact that MAS provides better service quality. This will indirectly results on consumer satisfaction.

It is found that the various attributes does also influence the consumers' preferences but not all attributes are significant for the consumers' preferences. Therefore, from the findings, it is found out that there are some attributes which is significant with the consumer preferences. The attributes which is significant are; cheaper price, choose anything that is essential or important without considering its price, agree that high price means high quality, do a comparative survey of different airline companies before purchase airline tickets, choose to travel during special promotion in order to get special discount and they do mind if they had to pay for higher price in order to get the maximum comfort in the airplane and extra services. This analysis help the researchers or marketers to understand more about what is preferred and what is not by the consumers who have travel experience in the airline industry.

Besides that, appropriate training for the employees also should be organized by MAS in order to upgrade and improve their service delivery to their consumers. "Going beyond Expectation" is a long journey for MAS and cannot be achieved over night. Therefore, all necessary actions should be taken by MAS in order to improve their service

quality from time to time. This is because consumers' preferences and expectations vary over time.

Other than that, MAS and Air Asia could improve their online booking. In other words, the airlines have to make their online tickets booking as easy and user-friendly as possible. This is because nowadays consumers have no time to purchase directly from the airlines and most of the consumers prefer to book their tickets online. Therefore, a very user-friendly online tickets booking should be provided to the consumers.

Healthy competitions among these airlines enable the consumers to have more options to fly. For example, before Air Asia was bought by Tony Fernandes, many people could not experience flying on the airplane. Instead, they have to choose MAS or other airlines which the price of the airline tickets is not always affordable by everyone. In other words, we could say that the choice of airline is limited. Nowadays, with Air Asia, consumers have more variety of option in choosing their airline of choice as well as more destinations offered. Besides, Air Asia have given the opportunity to the students as well as the low income level group to fly.

For the economy class syndrome, Air Asia do not have to worry about it because Air Asia do not have a very long journey flight as compared to MAS. Therefore, MAS is recommended to eliminate the worries among the consumers by providing exercise during long flights and provide a substantial amount of water to eliminate the risks of suffering from the economy class syndrome. Other than that, alcohol should be avoided on flights because along with the dry air in plane cabins, it causes dehydration, a factor in blood-clotting. Therefore, MAS could make a deal with health institution to provide the consumers with pamphlets or handouts on the issues of health. These methods have been practiced by Japan Airlines (JAL) in reducing the consumers' fear of the economy class syndrome.

#### Limitation of the Study

The sample of this survey is 210 respondents. Even though the respondents are from various categories, industries and holding different position, the sampling can be better and more accurate if the sample of this survey is increased to significant large sample. However, due to time constraints and availability of manpower, we restrict out sampling to 210 people.

#### Recommendation for Future Research Direction

In this research, it was discovered that there is no significant difference between the Malaysians and foreigners on their level of satisfaction between MAS and Air Asia. It is highly recommended that future researchers look hard into this matter and see how two different types of respondents which are Malaysian and foreigners with preferences based on different needs and culture could derive the same results.

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