Instituto Superior de Economia e Gestão
UNIVERSIDADE TÉCNICA DE LISBOA

MESTRADO EM MARKETING

THE INFLUENCE OF SERVICE QUALITY AND SATISFACTION IN CONSUMER BEHAVIOUR INTENTION: AN EMPIRICAL STUDY OF A CHARTER AIRLINE

MARTA INÊS DE CASTRO DIAS

Orientação: Prof. Doutor José Manuel Cristóvão Veríssimo

Júri Presidente: Prof. Doutora Helena do Carmo Milagre Martins Gonçalves, Professora Auxiliar do Instituto Superior de Economia e Gestão da Universidade Técnica de Lisboa

Vogais: Prof. Doutor José Manuel Cristóvão Veríssimo, Professor Auxiliar do Instituto Superior de Economia e Gestão da Universidade Técnica de Lisboa

Prof. Patrícia Isabel Ramos Pego Nunes Tavares, Professora Auxiliar do Instituto Superior de Economia e Gestão da Universidade Técnica de Lisboa

September 2011

RESUMO

Do ponto de vista teórico-empírico, a qualidade de serviço e a satisfação têm sido apontadas como fortes influenciadores das intenções comportamentais do consumidor. Estas dinâmicas já foram estudadas ao nível das companhias aéreas regulares e low-cost mas não foram encontrados registos de investigações no âmbito das companhias charter. Assim, o objetivo principal deste trabalho de investigação é analisar o impacto que a qualidade de serviço e a satisfação têm ao nível das intenções comportamentais dos passageiros duma companhia charter. Para o efeito, foi realizado um inquérito aos passageiros duma companhia charter portuguesa no período entre 24 de Julho e 20 de Agosto de 2010. Foram recolhidos 1283 questionários a passageiros de longo curso e 4507 a passageiros do médio curso.

De acordo com a literatura, constataram-se relações positivas entre a qualidade de serviço e as intenções comportamentais, sendo a satisfação, a variável que mais influi nas intenções dos passageiros.

Surpreendentemente, a dimensão da qualidade de serviço que mais influencia a satisfação e as intenções comportamentais são os tangíveis e não foi encontrada qualquer relação com significado entre o entretenimento a bordo dos aviões do médio curso e as intenções comportamentais dos passageiros. Estes resultados constituem conhecimento diretamente proveniente da voz dos passageiros que pode ser utilizado pelos investigadores de forma a desenvolverem a pesquisa no âmbito charter. Além disso, os gestores podem concluir acerca das dimensões do serviço mais valorizadas como diferenciadoras da concorrência e adjuvantes de intenções favoráveis dos passageiros para com a empresa.

Palavras-Chave: qualidade de serviço, satisfação, intenções comportamentais do consumidor, companhias aéreas charter.

JEL: M31, L93

ABSTRACT

From the theoretical and empirical points of view, quality of service and satisfaction have been identified as strong predictors of consumer behavioural intentions.

These dynamics have already been studied on the airline context, mainly in regular airlines and low-costs but investigations in the context of charter companies were not found. Thus, this study aims to explore the impact of service quality and satisfaction in behavioural intentions, considering passengers of a charter company. A survey was conducted during the period between 24 July and August 20, 2010. Consequently, we have collected 1283 questionnaires of long haul passengers and 4507 questionnaires of medium haul passengers.

According to literature review, service quality positively affects passenger behavioural intentions but satisfaction has the strongest effect in.

Surprisingly, the dimension of service quality that mostly influences satisfaction and behavioural intentions is the tangible dimension. Also, we didn't find any meaningful relationship between the entertainment on-board in medium-haul and behavioural intentions of passengers. These results will provide knowledge directly obtained from the voice of passengers that can be used by researchers to include charter airlines specificities in the broad investigation about service quality, satisfaction and customer behaviour. In addition, managers can learn from these examples, understanding the dimensions of the service mostly valued as a high potential element to

differentiate the firm from the competitors and as adjuvant factors to increase passengers favourable intentions to the company.

Keywords: service quality, satisfaction, consumer behavioural intentions, charter airline industry.

JEL: M31, L93

TABLE OF CONTENTS

CHAPTER 1. INTRODUCTION 9

1.1 STATE OF THE ART 9

1.2 THE RELEVANCE OF THE AIRLINE INDUSTRY CONTEXT 10

1.3 RESEARCH OBJECTIVES 11

1.4 STRUCTURE OF THE STUDY 11

CHAPTER 2. LITERATURE REVIEW 12

2.1 INTRODUCTION 12

2.2 SERVICE QUALITY: THE CONCEPT 12

2.3 SERVICE QUALITY: THE CONTEXT 12

2.4 MEASUREMENT OF SERVICE QUALITY 13

2.4.1 SERVQUAL MODEL 14

2.4.2 SERVPERF MODEL 14

2.4.3 IMPORTANCE OF DIMENSIONS IN SERVQUAL AND SERVPERF 14

2.4.4 QUALITY MEASUREMENT MODELS LIMITATIONS 14

2.5 SATISFACTION IN A SERVICE CONTEXT 15

2.5.1 SATISFACTION MEASUREMENT 16

2.6 CUSTOMER BEHAVIOURAL INTENTIONS 16

2.7 SERVICE QUALITY, SATISFACTION AND CONSUMER BEHAVIOURAL INTENTIONS 16

2.8 CONCLUSION 17

CHAPTER 3. RESEARCH OBJECTIVES AND HYPOTHESES 18

3.1 INTRODUCTION 18

3.2 RESEARCH OBJECTIVES AND PROPOSED CONCEPTUAL MODEL 18

3.3 AIRLINE SERVICE KEY DIMENSIONS IMPORTANCE 19

3.4 SERVICE QUALITY AND SATISFACTION 20

3.5 SERVICE QUALITY AND BEHAVIOURAL INTENTIONS 21

3.6 SATISFACTION AND BEHAVIOURAL INTENTIONS 21

CHAPTER 4 - METHODOLOGY 22

4.1 TYPE OF RESEARCH AND DESIGN 22

4.2 SAMPLING 22

4.3 SURVEY DEVELOPMENT 22

4.4 MEASUREMENT AND SCALING 22

4.5 VARIABLE'S ANALYSIS AND IMPROVEMENT 23

CHAPTER 5 – EMPYRICAL ANALYSIS OF DATA 25

5.1 SAMPLE CHARACTERIZATION 25

5.2 DESCRIPTIVE ANALYSIS 26

5.2.1 SERVICE QUALITY AND IMPORTANCE OF DIMENSIONS 26

5.3 ANALYSIS OF RELATIONSHIPS BETWEEN VARIABLES 28

CHAPTER 6: CONCLUSION 31

6.1 DISCUSSION 31

6.2 CONTRIBUTION OF THE STUDY 35

6.2.1 THEORETICAL CONTRIBUTIONS 35

6.2.2 MANAGERIAL IMPLICATIONS 35

6.3 LIMITATIONS AND FUTURE RESEARCH 36

REFERENCES 37

APPENDICES 41

LIST OF TABLES

Table 2.1 – Examples of Definitions of Service Quality.....14
Table 2.2 - Examples of Measurement Models of Service Quality.....15
Table 3.1- Summary of the variables under study.....21
Table 4.1 - Total Sample.....24
Table 4.2 - Factor Analysis applied to Service Quality.....25
Table 4.3 - Factor Analysis applied to Costumer Behavioural Intentions.....25
Table 4.4 - Principal Component Analysis applied to Service Quality.....26
Table 4.5 - Principal Component Analysis applied to Customer Behavioural Intentions.....27
Table 4.6 - Cronbach's Coefficents Alphas.....27
Table 5.1 - Socio-Demographics sample characterization respecting total of passengers, medium haul passengers and long haul passengers 28
Table 5.2 - Service quality in a charter airline (means and standard deviations) to model dimensions considering the type of flight.....29
Table 5.3 - Rankings and Means of Importance between service quality dimensions depending on type of flight (total, medium haul and long haul).....29
Table 5.4 - Satisfaction Determinant Factors on Charter Airlines.....30
Table 5.5 - Service Quality prediction on Customer Behavioural Intentions.....32
Table 5.6- The impact of Satisfaction on Customer Behavioural Intentions.....36

LIST OF FIGURES

Figure 3.1 - Proposed Conceptual Model based on the frameworks of Zinc (2001), Park et al. (2006b), Saha and Theingi (2009).....20

LIST OF APPENDICES

Appendix 1 : Self- Completion Questionnaire.....41

Appendix 2 : Items and Scales.....47

Appendix 3 : Descriptive Analysis based on Items.....48

Appendix 4 : Correlation Analysis
Table 1a Total Flights.....49
Table 1b Long Haul.....49
Table 1c Medium Haul.....50

ACKNOWLEDGEMENTS

Firstly, I would like to thank all professors of the Master Program in Marketing who inspired me with new ideas, for all their devotion, developing in me the logic of things, debating new issues and developing expertise.

Also, my thanks go to my supervisor, Professor Doctor José Veríssimo, for encouraging me to start this research in the summer holidays 2010/2011, all his support. Many ideas and analysis were discussed and I am very grateful to him, mainly for enlightening me with his focused logic, schematic explanations and patience with my doubts.

I am also very thankful to Professor Rui Brites who was extremely kind and always ready to give me new ideas, suggestions and opening my mind to other possible directions.

My greatest thanks go to my mother, father and sister who are pillars in my life and understood my rarely appearances in Oporto. They gave me educational basis, confidence and willingness to learn more and more. A special word goes to my sister Mafalda who gave me an excellent support and motivation.

And finally my friends, the special ones who through different ways helped me in all the process: Inês Correia and Inês Paulus for reading, for listening to my doubts and giving me comments about it, the Gasparinho family and Fernando Cândido for their encouragement throughout the period I was working on this project.

Important Quotes

“Every day, the airline industry propels the economic takeoff of our nation. It is the great enabler, knitting together all corners of the country, facilitating the movement of people and goods that is the backbone of economic growth. It also firmly embeds us in that awesome process of globalization that is defining the 21st century.”

Daniel Yergin, Pulitzer Prize (Summer 2005)

“The Wrights* created one of the greatest cultural forces since the development of writing, for their invention effectively became the World Wide Web of that era, bringing people, languages, ideas and values together. It also ushered in an age of globalization, as the world's flight paths became the superhighways of an emerging international economy. Those superhighways of the sky not only revolutionized international business; they also opened up isolated economies, carried the cause of democracy around the world and broke down every kind of political barrier. And they set travelers on a path that would eventually lead beyond Earth's atmosphere.”

Bill Gates, Microsoft Chairman (Time Magazine, March 29, 1999)

** (Orville (August 19, 1871 – January 30, 1948) and Wilbur (April 16, 1867 – May 30, 1912), were two American brothers that developed the first effective airplane, and made the historic first airplane flight on 17 December 1903).*

“Aviation is the glue that keeps the global economy together. Without widely accessible and well-priced air travel, the global economy will quickly become less global.”

Mark Zandi, Moody’s Economy.com chief economist, August 2008

"Aviation is the physical Internet — it lets people and products physically connect over long distances quickly... It enables the real connectivity. We're talking about what enables the world to be flat."

John Kasarda, Director of the Kenan Institute of Private Enterprise at UNC's Kenan-Flagler Business School, Air Transport Association, October 2008:

CHAPTER 1. INTRODUCTION

1.1 STATE OF THE ART

Service quality and consumer satisfaction and their effects on the formation of consumer's behavioural intentions were topics which captured the attention of several authors (Parasuraman, Zeithaml and Berry, 1988, 1990; Bitner, 1990; Bolton and Drew, 1991 a, b; Cronin and Taylor, 1992; Jones and Suh, 2000 and Park, Robertson and Wu, 2006 a, b).

Firms, which constantly dedicate themselves to delivering value and quality, ensure profit and competitive advantage (Reichheld and Sasser, 1990 and Anderson et al., 1994). Airline industry is not an exception, as seen with Singapore Airline, awarded as best service airline and one of the most lucrative companies in the world. Therefore, at management level, it is crucial to assess how customers perceive quality (Parasuraman, Zeithaml and Berry, 1985, 1988 and Chang and Yeh, 2001) and to understand the distinguishable features that consumers use to differentiate between airline companies (Zeithaml et al., 1996; Chang and Yeh, 2001 and Solomon, 2011:351).

The evaluation of airline service quality urges, mainly due to uncontrollable airline quality determinants which are important to passengers, as passengers bad performance evaluations related to punctuality, affected by the weather in 70% of cases (Truit and Haynes, 1994). On the other hand, perceiving differences between airline seats, cabins or meals within the same route is difficult to passengers. For that reason, the main factors of differentiation among airline companies are the process of quality deliver on service encounter and the outcomes of all service quality dimensions which customers give value to within the context of airline industry (Parasuraman, Zeithaml and Berry, 1985, 1988; Chang and Yeh, 2001 and Park, Robertson and Wu, 2006 b).

The customer perception of service quality reflects upon airline global evaluation based on the customers' personal preferences and affect attitudes and future actions concerning the relationship between one, the consumer, and the other, the airline (Bolton and Drew, 1991a, b; Chang and Yee, 2001; and Zins, 2001). The attitudinal direction can be favourable to the firm (Boulding et al., 1993; Zeithaml, Berry and Parasuraman, 1996; and Söderlund, 1998), or unfavourable. Furthermore, satisfaction plays an important role in this interaction effect as the strongest predictor of behavioural intentions, resulting in post favourable attitudes and intentions according to the level of satisfaction:

Although the issue has been studied by several authors, the applicability to charter airlines as a specific context could not be found in the reviewed literature and it represents a new outcome as far as airline quality studies are concerned.

1.2 THE RELEVANCE OF THE AIRLINE INDUSTRY CONTEXT

The international airline industry provides service to virtually every corner of the globe and is a true adjuvant, determinant to global economy (Global Airline Industry Program,2011). According to Giovanni Bisignani, International Air Transport Association - IATA's Director General and CEO, "since 1950 the world's economy grew six fold, but word trade is 22 times bigger"; therefore the "global village" that airline industry helped to build is the engine of one of the largest sectors of economy success (Truit and Haynes, 1994).

Until 1978, the Airline Industry dealt with major technical innovation and airlines were heavily regulated throughout the world. Only after the US Airline Deregulation Act in 1978, profitability and competition became dominant (Tiernan et al., 2008). In the post deliberation period, "cash is the king" (Bisignani, 2009) and the need of cutting costs is mandatory, influencing service quality (Global Airline Industry Program, 2011). Also, the increase of labour costs and fuel price since 2001 led to the deterioration of labour/management relations, to aviation infrastructure constraints and to increased flight delays. These factors together with the increased congestion around large hubs also caused erosion in the quality of the service offered (Antoniou, 1998).

Analysing the specific charter context gains interest due to the "enigmatic ability" of charter airlines to sell seats at one-half or even one third of the price charged by scheduled airlines and still make a profit (Doganis, 1991). According to Giovanni Bisignani, International Air Transport Association's (IATA) Director General and CEO, the only survivors of this "unprecedent and the most difficult ever time" will be the airlines that "are paranoid about cutting operating costs and conserving cash in order to run profitable operations" (Murali, 2009).

However, the relevance of this industry is not only connected with the combined importance of speed, agility and connectivity in today's fast-paced characteristic world. It is also a question of living in a globalized linked economy in which airline industry have largely contributed to the founding of many companies which depends on airlines, such as hotels, operators, car hire or tour organizers. In the specific case of charter airlines, passenger cannot, in theory, buy just a seat on a flight but must buy a holiday package consisting of heterogeneous services offered by different companies. This is the main feature that distinguishes charters from scheduled airlines (Doganis, 1991).

1.3 RESEARCH OBJECTIVES

In light of the previous considerations, this project aims to explore the impact of service quality and satisfaction on passenger behavioural intentions in charter airlines.

So, generally the objectives are:

- To identify key items and dimensions considered in airline service quality evaluation, regarding charter context.
- To evaluate the impact of service quality in satisfaction.
- To determine the relation between service quality and passenger behavioural intentions.
- To determine the impact of satisfaction on passenger behavioural intentions.

1.4 STRUCTURE OF THE STUDY

The dissertation will be divided in six chapters: 1. Introduction; 2. Literature Review; 3. Theoretical Model; 4. Methodology; 5. Results; and 6. Conclusion.

Chapter one provides a general view of this study, illustrating the importance of the framework and theme, the focus of the research and its objectives.

Literature Review will focus on the analysis of the underlying concepts concerning theories and previous studies found in scientific literature relating to the areas of interest.

On the third chapter, the structural model will be defined as well as the conceptual framework that establishes the hypotheses to be tested.

Along the fourth chapter, the research methodology is described, explaining the type of investigation, the dimensions considered, sample, instruments and data collection.

On the fifth chapter, the sample is going to be characterized and the hypotheses will be tested, through means comparison and multiple linear regression.

Finally, some conclusions will be drawn based on the obtained results; the managerial and theoretical contributions to the area of interest; the acknowledged limitations of the study will be presented and we also provide recommendations for future studies.

CHAPTER 2. LITERATURE REVIEW

2.1 INTRODUCTION

In order to meet the objectives of this investigation, it is our intention to reflect upon some concepts that are interconnected with service quality, satisfaction, airline industry, and factors that influence customer behavioural intentions, taking into account the literature on the topic.

2.2 SERVICE QUALITY: THE CONCEPT

Quality has been defined in different ways by several authors (Table 2.1). It is interesting to notice that all definitions take into account the customer's point of view.

Table 2.1- Examples of definitions of Service Quality

Definition	Author(s)/Date
Service quality is a comparative function between customer's expectations and actual performance.	Parasuraman, Zeithaml and Berry (1985)
Service quality is composed by three components: the technical one, the functional one, and the reputational, based on the corporate image.	Grooroos (1982)
Perceived quality service is evaluated by the actual performance of service in terms of particular service attributes in the specific context, the "attribute experience".	Oliver (1993)
Service quality should be conceptualized and measured as an attitude and performance based scale is the best way to measure it.	Cronin and Taylor (1992)
A customer's assessment of overall service quality is directly affected by the perception of performance levels.	Bolton and Drew (1991 b)

Thus, service quality can be defined as the customers' evaluation of service performance attributes, based on personal perceptions, emotional aspects, or simply as a product of the difference between wants and outcomes. This entire process affects every aspects of the world and differs all the time.

2.3 SERVICE QUALITY: THE CONTEXT

Within service context and its interactional basis, the service quality concept becomes even more difficult to evaluate due to the characteristics of service: Inseparability, Heterogeneity and Intangibility (Carman, 1990; Grönroos 2006; and Chang and Yeh, 2002).

In a service encounter, the client and the contact person interact involving a delivery of value in which production and consumption is inseparable (Carman and Langeard, 1980; Parasuraman, Zeithaml and Berry, 1985; and Grönroos, 2006). If we happen to associate this fact with the heterogeneity of the people involved, the difficulty increases. The major risk is that what the firms intend to deliver may be different from what the consumers receive and the key challenge is to guarantee the consistency of staff performance (Carman and Langeard, 1980; Booms and Bitner, 1981; and Parasuraman, Zeithaml and Berry, 1985). Bearing in mind the type of value delivered in a service encounter that cannot be counted, measured, inventoried, tested and verified in advance of sale it is obvious that the task of measuring quality is arduous. Furthermore, due to this mentioned intangibility, firms find it difficult to understand how consumers evaluate service quality.

2.4 MEASUREMENT OF SERVICE QUALITY

In the literature, there are several proposals to measure service quality, from which we have selected the ones that math our research theme the most (Table 2.2).

Table 2.2 – Examples of Measurement Models of Service Quality

Model	Measurement	Author
Gap Model	Service quality is a function of differences between expectations and performances along quality dimensions.	Parasuraman, Zeithaml and Berry (1985)
Performance- only	Quality = Performance	Cronin and Taylor (1992)
Antecedents and mediator model	Congruence with the consumer's ideal product features is the conceptualization of delivering satisfaction	Dabholkar et al., (2000)
Perceived service quality and satisfaction	Special focus on the effect of expectations, perceived performance desires, desired congruency and expectation disconfirmation on overall service quality and satisfaction	Spreng and Mackoy (1996)

Source : Seht et al. (2005, p. 915-927)

Therefore, all contributions seem to agree that customers and producers may view quality differently but the main effort is on management. Managers should be aware of what customers want to receive.

In airline industry, the most frequent service quality measurement models were the Servqual gap model of Parasuraman, Zeithaml and Berry (1985) and Servperf, the performance model of Cronin and Taylor (1992).

2.4.1 SERVQUAL MODEL

Parasuraman et al. (1985) have proposed one of the first models to analyse service quality dimensions, helping firms to manage quality (Tiernan et al, 2008). *Servqual* is a measure of service quality based on the difference between performances and expectations related to ten components of service quality (D1: reliability; D2: responsiveness; D3: competence; D4: access; D5: courtesy; D6: communication; D7: credibility; D8: security; D9: knowing the customers; D10: tangibles). Parasuraman, Zeithaml and Berry (1988) refined this scale, obtaining only five dimensions out of ten, with twenty-two items spread among five dimensions. They maintained D1, D2, D10, joined D4 and D9, coupled together D5 e D6 and excluded D3, D7 e D8

2.4.2 SERVPERF MODEL

Cronin and Taylor (1992) developed *Servperf*, originally proposed by Grönroos (1990), a performance based scale that focuses on conceptualizing and measuring quality as an attitude, a perception of performance.

In their empirical work, Cronin and Taylor (1992) considered the twenty-two items defined by Parasuraman et al. (1988) to assess performance. The results of their study show that *unweighted Servperf* (service quality = performance) scale is the best model to capture more of the variation in service quality.

2.4.3 IMPORTANCE OF DIMENSIONS IN SERVQUAL AND SERVPERF

Both Parasuraman, Zeithaml and Berry (1985, 1988) and Cronin and Taylor (1992) focus the quality measurement as indivisible of ideals or perceptions of excellence based on the importance of the attribute level (Oliva, Oliver and MacMillan, 1992). According to Carman (1990), there are two types of perceptions of excellence. The pre- purchase ones which could be described as the aspects of the service that customers defined as important indicators of quality; and post- purchase ones, far more knowledgeable, assessing quality clearly and possibly in a different way.

2.4.4 QUALITY MEASUREMENT MODELS LIMITATIONS

Both models, *Servqual* and *Servperf,* were analysed in respect to limitations and afterwards we choose the one that had the fewer constraints.

Although most authors recognize the value of *Servqual* in service quality measurement, several critics were put forward in literature review relating to theoretical and operational limitations of the model. Even though Cronin and Taylor (1992), Teas (1993), Butler (1996), and Seht et al, (2005) have presented a series of limitations, it is our intention to focus solely on the ones relevant to this study. The theoretical limitations relevant to this study are firstly *Servqual* process orientation is not focused on the outcomes of service encounter but on delivery; and secondly the

five dimensions used are not universal. At the operational level, the most pertinent limitations are the polysemy of expectations and the incapacity of the five items to capture the variability within each service quality dimension. Carman (1990) added questions of face validity as some empirical evidences suggested that a cross sectional analysis does not confirm the consistency of employed measurement procedures.

In opposition to the previous amount of *Servqual* disadvantages, there are few limitations as far the *Servperf* model is concerned. According to Seht et al. (2005, pg. 935), *Servperf* has two limitations only, "the need to be generalized for all types of service settings and a quantitative relation between service quality and satisfaction need to be established". Thus, we have adopted *Servperf* model.

2.5 SATISFACTION IN A SERVICE CONTEXT

According to Jones and Suh (2000), the importance of satisfaction is recognized since 1970. As far as satisfaction is concerned, three main subjects are discussed in literature: the distinction between transaction specific and overall satisfaction; the role of customers in satisfaction evaluation; and the interaction between these two concepts and attitude, expectations and disconfirmation (Parasuraman et al. 1988; Bitner, 1990; Bolton and Drew, 1991a). Only the first is actually relevant to this study since the voice of customer is intrinsic to this investigation.

The concept of satisfaction combines the idea of evaluation and judgment (Söderlund, 2003 a), the comparison between desires and outcomes versus rewards and costs (Oliver, 1981) and depends upon the improving of attributes and dimensions which present the largest gap between expectations and performance (Oliver, 1980 and Cronin and Taylor, 1992). Within the scope of this definition, two points of view can be drawn: the transactional and the overall one.

Thus, specific satisfaction is seen in the short term related to a transitory judgment made at the attribute level (Anderson and Sullivan, 1993), on the basis of a specific encounter (Bitner, 1990; Bolton and Drew, 1991 a, b). In contrast to this position, overall satisfaction is the combination of the evaluations of past transactions and present service quality, influencing future transactional evaluations (Boulding et al., 1983; Cronin and Taylor, 1992; Oliver, 1993; and Jones and Suh, 2000) and working as an emotional response/attitude resulting from any dimension. Relating the global concept of satisfaction with the airline industry, factors as instrumental service, user-purchaser distinction and the presence of fear or physical discomfort directly connected to the nature of air travel affect customer satisfaction (Le Bel, 2005).

2.5.1 SATISFACTION MEASUREMENT

Several researchers prefer an overall summary measure of satisfaction, whereas others argue that it should be measured as a combination of attributes (Churchill and Iacobucci, 2002). However, in the case of applying a single item to overall satisfaction measurement, it should be preceded by the "evaluation of multiple statements based on customer own merits" (Churchill and Iacobucci, 2002: 376). Oliver (1981) refers that multipoint satisfaction scales does not reflect true satisfaction because the surprise effect has just occurred and it did not have time to decay.

According to Oliver (1981b) and Söderlund (2003b), Likert and semantical differential scales are the most reliable ones in order to measure satisfaction, however while Söderlund (2003b) includes like /dislike (attitudinal evaluation) to evaluate attitude and overall satisfaction, Oliver (1981) refers that such scales are unique to satisfaction at emotional level not adequate to attitude scaling.

2.6 CUSTOMER BEHAVIOURAL INTENTIONS

Consumer behaviour study is one of the main marketing disciplines and must assume an essential role in a firm's strategy to best reach and gain customers. Wells and Prensky (1996) show a broader definition, denying that consumer behaviour involves mostly purchases including: "Browsing, influencing others, using the product, returning the product or complaining, if necessary, disposing of the product, reading magazines and watching television, and many other activities."

This broad definition focuses mainly on post-purchase activities, which can be favourable and unfavourable. Favourable customer's intentions include "influencing others", word of mouth – WOM; "using the product", assuming repurchase intention, also pointed out by several researchers as Boulding et al. (1993); Zeithaml et al. (1996); Söderlund (1998) ; Ozdemir and Hewett (2010); and "reading magazines and watching television", since customer interest in the brand can develop a future opinion leader. According to Fisk et al. (1990), Zeithaml et al. (1996) and Slater and Narver (2000) when customers adopt favourable intentions due to the delivery of superior customer value, they are contributing to firm financial success. Unfavourable behavioural intentions, as "complaining" or "returning the product" are the worst scenario for a firm (Slater and Narver, 2000).

2.7 SERVICE QUALITY, SATISFACTION AND CONSUMER BEHAVIOURAL INTENTIONS

The only truly loyal customers are totally satisfied ones.
(Jones and Sasser, 1995)

Service quality and satisfaction are always connected and his power of interaction is in doubtful. (Bitner, 1990; Bolton and Drew, 1991 a); Parasuraman et al., 1988). It depends on the way authors assess both concepts, in the short attribute level or the long term overall level. However, quality judgments influence positively satisfaction in an asymmetric way (Parasuraman et al., 1991). Oliva and Oliver (1995) states that when performance is poor, greater improvement is needed to get satisfaction; when in midrange levels of service quality provide proportionally great increase on satisfaction and, above average performance, improvements do not impact on comparable increases in satisfaction.

There are several authors in literature who found a positive association between service quality and consumer behavioural intentions (Parasuraman et al., 1988; Cronin and Taylor, 1992; Boulding et al., 1993; and Zeithaml et al., 1996).

Moreover, satisfaction plays an important role in predicting customer behavioural intentions, both to repurchase and to recommend. According to Hart et al. (1990), satisfied customers inform six people about their good experiences, while dissatisfied inform eleven. In Oliver's (1980) study, dissatisfaction is presented in three stages: initial irritation, unpleasantness and relief in the after-effect stage and WOM effect arises between the second and the third. Only a positive link between satisfaction and loyalty appears to be dominant however the way in which it is done is not consensual (La Barbera and Mazursky, 1983; Zins, 2001 and Pham and Simpson, 2006). Jones and Sasser (1995) classify the relationship as simple and linear however, according to Fisk et al. (1990) and Oliva, Oliver and MacMillen (1992), customer involvement plays an essential role upon the linearity of the relation and the turning point satisfaction/ dissatisfaction is changeable (see also Bitner, 1990; Bolton and Drew, 1991b; and Oliver, 1980).

The satisfaction conceptualization adopted in this study will be the overall one taking into account Jones and Suh (2000) and Jones and Sasser (1995) to whom aggregate satisfaction is a better predictor of behavioural intentions than the transaction specific one.

2.8 CONCLUSION

Service quality assumes an extreme importance to customers. The multi-dimensionality of airline industry requires a service quality evaluation based customer's perception of service attributes. Given the fewer limitations, *Servperf* was the quality model chosen. On the other hand, Satisfaction is directly dependent upon perceptions of performance and it is considered to be a stronger predictor of behavioural intentions than service quality. The main interrelations between the variables of this study will be tested with the help of the model and the hypotheses discussed in the next chapter.

CHAPTER 3. RESEARCH OBJECTIVES AND HYPOTHESES

3.1 INTRODUCTION

The main purposes of this chapter are presenting in detail the theoretical research model, which founded this study, based on the theoretical frameworks described in the previous chapter. Also, the main constructs of the model and their linkages are revisited from a theoretical point of view, establishing the support for the hypotheses raised.

3.2 RESEARCH OBJECTIVES AND PROPOSED CONCEPTUAL MODEL

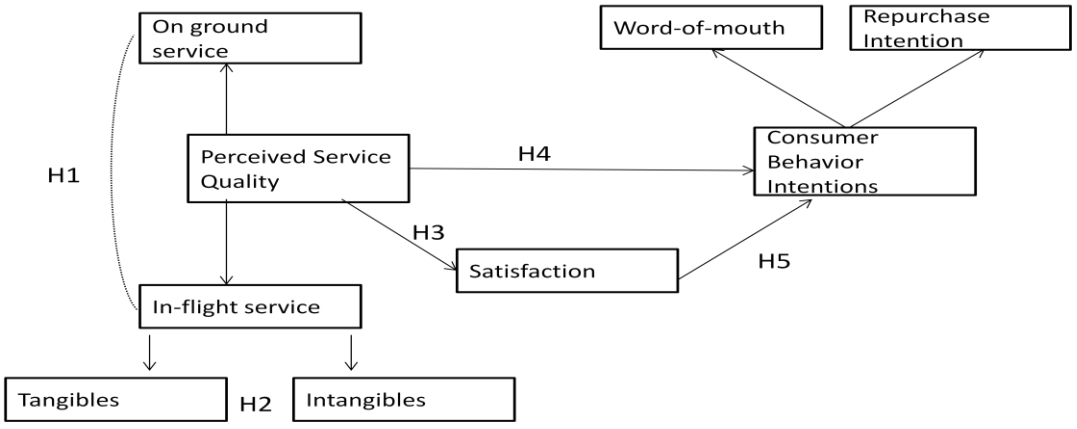
This project aims to answer the central question of this investigation: What is the true influence of service quality and satisfaction on passenger behavioural intentions in charter airlines?

Our main objectives are:

1) To identify key items and dimensions considered in airline service quality evaluation;
2) To evaluate the impact of service quality in satisfaction;
3) To determine the relation between service quality and passenger behavioural intentions;
4) To determine the impact of satisfaction on passenger behavioural intentions;

Based on the problem statement and the subsequent research objectives, it is proposed the conceptual model in figure 3.1. This model is based on the most relevant theorectical frameworks of airline service quality, satisfaction and customer behaviour intentions **(**Zins, 2001; Park et al., 2006b; and Saha and Theingi, 2009).

Figure 3.1 Proposed Conceptual Model based on the frameworks of Zins (2001), Park et al. (2006b) and Saha and Theingi (2009)



This research project can be seen as a causual relation between the variables identified in table 3.1.

Table 3.1 Summary of the variables under study

Independent Variables	Literature Review
Tangibles	Adapted from Young, Cunningham and Lee (1994) that used the quality of Food and Beverage service and the chairs comfort (pitch and size); Wen and Yeh (2010) suggest that the entertainment and the cleanness of the cabin should be equally considered. To Mustafa et al. (2005), tangible encompasses onboard catering; comfort and cleanness of seat; onboard entertainment; and onboard reading material.
Intangibles	Adapted from Parasuraman et al (1985, 1988), Gilbert and Wong (2003), Park, Robertson and Wu (2006a) and Saha and Theingi (2009). Empathy, being responsible and guarantee are dimensions presented in Servqual; yet we have considered just a few items: pro activity; sympathy; knowledge; individual attention; follow up and pleasant reception, all referring to the aircrew.
On-Ground Service	Adapted from Aksoy et al. (2003); Park et al. (2006b); and Chen and Chang (2005). On-ground service is measured using convenience items on the process of reservation and ticketing (excluded due to charter package differentiation) and the quality of the service in the check-in counter.
Overall Satisfaction	Adapted from Cronin and Taylor (1992), Boulding et al., (1993) and Teas (1993) who measure satisfaction in a cumulative way. Based on a single item, satisfaction can be associated with effective response (Chiou and Droge, 2006). In this study, satisfaction is working as and dependent and independent variable.

Dependent Variable : Consumer Behavioural Intention

The consumer's behaviour is a latent variable composed by two items: word of mouth and repurchase intention (Boulding et al., 1993; Zeithaml et al., 1996; Söderlund, 1998 and Ozdemir and Hewett, 2010). However, after proving internal consistency, this variable will be analysed as one-dimensional.

According to this conceptual model there is to be assessed a potential linkage between:

- Key dimensions of airline service and perceptions of importance
  - On-ground service and in-flight service
  - Tangibles and Intangibles
- Service Quality and Satisfaction
- Service Quality and Consumer Behavioural Intentions
- Satisfaction and Consumer Behavioural Intentions

3.3 AIRLINE SERVICE KEY DIMENSIONS IMPORTANCE

Identifying the relatively more important service dimensions for customers is important, since the greater the importance of dimension, the smaller the customer tolerance to faults (Zeithaml and Bitner, 1996). Each industry requires specific dimensions measured accordingly (Brady and

Cronin Jr, 2001), so dimensions chosen are based on literature review of the specific area of airline service.

Airline service includes multiple service quality dimensions of core service - transportation, of facilitating service – check-in procedures and of supporting services in-flight meals (Bolton and Drew, 1991b). Park et al. (2006a) concluded that reservation; ticketing and airport services dimensions are insignificant to satisfaction. Zins (2001), Park et al. (2006 a) and An and Noh (2009) highlighted the importance of in-flight dimensions and their power to frustrate or appease customers. As Anderson and Sullivan (1993) put it, the importance of service dimensions is of great influence on satisfaction and other consumer behavioural aspects. Thus, we associate the empirical basis to theoretical assumptions and we formulate the first hypothesis of this study:

Hypothesis 1 - Charter airline passengers view in-flight service as more important than on-ground service.

Quality associated with human interaction on-board is capable of positively or negatively influencing the attitudes and the behavioural intentions of passengers, both directly (Zins, 2001) and indirectly (Park et al., 2006a). According to Zins (2001), Park et al. (2006 a) and An and Noh (2009), in-flight meals are very important since they require more time spent interacting directly with the customer. Brady and Cronin Jr. (2001) also explain the staff potential to either frustrate or appease passengers and in the specific context of airlines, Gilbert and Wong (2003) determined that holidaymakers have higher expectations concerning individual attention and helpful airline crew who deliver prompt service. In a similar way, Zins (2001) has concluded that intangibles play a more important role in the prediction of customer satisfaction and loyalty than tangibles. Therefore, it is expected that:

Hypothesis 2 - Charter passengers give more importance to intangibles than tangible aspects of in-flight service.

3.4 SERVICE QUALITY AND SATISFACTION

From theoretical point of view, service quality positively influences customers' satisfaction and this influence is verified also in empirical airline service studies (Zins, 2001; Park et al, 2006 a,b; and Saha and Theingi, 2009). Nevertheless, "[e]very time there are more plains in the sky and more people flying, airline performance suffers." (Headley, 2010)

One of the ways used to minimize the impact of the growing number of passengers in airline performances is to hear employees and customers (Park, Robertson and Wu, 2006b). In accordance with Robertson and Wu (2006a), the two most significant drivers of passenger's

satisfaction are on-board service and employee service. Staff ability, was highlighted by Brady and Cronin Jr. (2001) and by Zins (2001) about its predictive power in creating emotional responses in customers and satisfying them. Thus, we come up with the third hypothesis:

Hypothesis 3 - Service quality positively influences passenger's satisfaction.

3.5 SERVICE QUALITY AND BEHAVIOURAL INTENTIONS

According to several authors, service quality influences behavioural intentions simply through satisfaction (Andersen and Sullivan, 1993). In airline industry context, Park et al. (2006 a,b) also found a positive influence of service quality in repurchase intentions and intention to recommend the airline to others, indirectly by means of satisfaction.

However, quite a few studies found a direct link between service quality and customer behavioural intentions (Cronin and Taylor, 1992; Zeithaml et al., 1996) and effective behaviour (Parasuraman et al., 1988). Boulding et al. (1993) stated a positive correlation between service quality and willingness to recommend, repurchase intentions and saying positive things about the firm. In the airline environment, Zins (2001) has found a direct relationship between these two constructs. In sum, it is expected that:

Hypothesis 4: Service quality positively influences passenger's behavioural intentions.

3.6 SATISFACTION AND BEHAVIOURAL INTENTIONS

To La Barbera and Mazursky (1983), Anderson and Sullivan (1993), Jones and Sasser (1995) and Bloemer, Ruyter and Peeters (1998) customer satisfaction plays a supreme role in predicting customer behaviour intentions. The customer has a central role in the power of this relationship since they interact with service outcomes and their own experience is fulcral in both evaluations of satisfaction and future intentions. Both in the Australian context (Park et al., 2006b) and in Thailand low cost airlines (Saha and Theingi, 2009), passenger satisfaction was found to influence directly passenger future behavioural intentions**.** In light of the previous arguments, it is suggested that:

Hypothesis 5: Satisfaction positively influences charter passenger's behavioural intentions.

CHAPTER 4 - METHODOLOGY

4.1 TYPE OF RESEARCH AND DESIGN

This study will focus on empirical research, by expanding previous studies presented in literature review, and by applying existing hypotheses to new situations (air charter industry) and new hypotheses deducted from the conclusions of literature review (Hill e Hill, 2000).

The research will be quantitative so, the focus is on numerical selection and statistical analyses of the results. Consequently, the selected instrument of collection will be a structured questionnaire and the program Statistic Package for Social Sciences- *SPSS* will be used for the data analyses.

4.2 SAMPLING

For the scope of this study, a convenience sample of 11558 passengers travelling White airlines was asked to participate both when leaving the country of origin as well as one week later, in the countries' destination airports. The total sample size is 5790 and the rate of response is 50.1% (table 4.1). The study was conducted in distinct flight routes from 24th July to 20th August, 2010.

Table 4.1 Total Sample

Destiny	Total of Passengers	Questionnaires Collected	Response Rate(%)
Long Haul	2488	1283	51.6%
Medium Haul	9070	4507	49.7%
Total Sample	**11558**	**5790**	**50.1%**

4.3 SURVEY DEVELOPMENT

A self-completion questionnaire (Appendix 1) has been developed since we have considered it the most effective method to obtain information about attitudes based on perceptions of service features (Aaker et al, 2004). The questionnaire has closed and multichotomous questions, requiring inquirers to condense their complex perceptions into a single statement (Churchill and Iacobucci, 2002).

4.4 MEASUREMENT AND SCALING

According to Churchill and Iacobucci (2002), measurement consists of "rules for assigning numbers to objects, in such a way as to represent quantities or attributes". Despite the four primary

scales of measurement, we will be using only three: nominal, ordinal and interval (Malhotra and Birks, 2006).

The scales and items used were based on literature review and the most important for our study are showed in appendix (Appendix 2).

4.5 VARIABLE'S ANALYSIS AND IMPROVEMENT

This sub-chapter is aimed at exhibiting the previous analyses and the variables that were changed based on the literature review.

Exploratory Factor Analysis and Principal Components Analysis

Factor Analysis was used in order to reduce service quality dimensions (table 4.2) and behavioural intentions (table 4.3). Full data will be used but we will not distinguish between long and medium haul as we intend to find the important factors in a group of variables. It is, thus, fundamental to have the largest sample possible, as a way of guaranteeing that, in further analysis, the factors remain the same (Pestana and Gageiro, 2003).

Indeed, Principal Component Analysis is adequate to demanding variable correlations, which in turn can be measured through statistics Kayser-Meyer-Olkin (KMO)[1]. In this study, service quality variables are highly correlated KMO= 0,946 and behavioural intentions variables show a mediocre correlation between pairs of variables. However, Word-of-Mouth and Intention to Repurchase are highly correlated (0,905). Thus, Principal Component Analysis is justified.

Table 4.2 – Factor Analysis applied to Service Quality

Kaiser-Meyer-Olkin		0.946
Bartlett's Test of Sphericity	Approx. Chi- Square df Sig.	40079,940 105 0,000

Table 4.3 – Factor Analysis applied to Costumer Behavioural Intentions

Kaiser-Meyer-Olkin		0.500
Bartlett's Test of Sphericity	Approx. Chi- Square df Sig.	2450,823 1 0,000

[1] KMO goes from 0 to 1, should be greater than 0,7, and is inadequate if less than 0,5.

Principal Component Analysis

Principal Component Analysis was based on a collection of in-flight service quality items extracted from literature review. After analysing the first Principal Component Analysis, at *communalities* table, we realized that the percentage of service quality variables common variance in the extracted factors is higher than 50% in all variables, except for the *amount of food and beverage*. Comparing both principal analyses of components (with and without this item), we decided to remove it in order to be in accordance with literature review.

On the other hand, we have concluded that if two components are extracted, the explained variance would be of 59,63%. After verifying that there is a third component near to 1 (0.914), which increases the explained variance by 16,93%, we have decided to extract it. With this, we drawn up three components that generate the following factors: Index of Intangibles, Index of Tangibles and Index of Entertainment, all referred to in-flight service quality.

At customer behaviour level, a single index was created, Customer Behavioural Intentions, which showed a variance of 96.65%, explained by the intention to recommend and the intention to repurchase. Table 4.5 and Table 4.5 analyse the indices obtained from Analysis of Principal Components using the Varimax method.

Table 4.4 –Principal Component Analysis applied to Service Quality

	Components			Comunalities
	Intangibles	Entertainment	Tangibles	
Courtesy of employee	**,890**			0,851
Employees who are willing to help passengers	**,870**			0,848
Neat appearance of employee	**,869**			0,805
The crew monitoring during the flight was appropriate	**,864**			0,843
I was well received by the crew when I got in the plane	**,842**			0,764
Employees who have the knowledge to answer passenger's questions	**,841**			0,799
Crew gives passenger personal attention	**,812**		,308	0,792
Information availability during the flight	**,694**		,430	0,708
The White channel contents are suitable (movies and news)		**,860**		0.794
Children in-flight entertainment is appropriate		**,850**		0.778
The reading conditions are suitable		**,845**		0.779
Seating comfort			**,788**	0.706
The toilets are clean	,467		**,701**	0.726
The cabin is clean	,570		**,610**	0.719
The quality of food and beverage is suitable		,346	**,607**	0.552
Variance Explained(%)	**42,17**	**17,46**	**16,93**	

Table 4.5 Principal Component Analysis applied to Customer Behavioural Intentions

	Component:Consumer Behavior Intentions
Word of mouth	0,983
Intention to Repurchase	0,983
Variance Explained (%)	96,647

Reliability Analysis: Cronbach's Coefficient Alpha

The most commonly used type of internal consistency reliability is the Cronbach's Coefficient Alpha[2]. It indicates the consistency of a multiple item scale, typically used with Likert type items that are summed to make a summated scale. Thus, Cronbach Alpha was used to assess internal consistency of all items used in future analysis (table 4.6).

Table 4.6 Cronbach's Coefficents Alphas

Dimensions	**Number of Items**	**Cronbach Alpha**
Intangibles	8	0.961
Tangibles	4	0.802
Entertainment	3	0.868
Behaviour Intentions	2	0.949
On-ground Performance	7	0.941
On- ground Importance	7	0.932

In table 4.6, it is possible to check that the internal consistency of each item is higher than 0.7, which implies that the reliability of the measure is very high. It is important to highlight the reliability of Customer Behavioural Intention Index (0,949).

CHAPTER 5 – EMPYRICAL ANALYSIS OF DATA

5.1 SAMPLE CHARACTERIZATION

The profile of White passengers (table 5.1) is made up of 55,5% women and 44,5% men in both routes. The majority of people are between the ages of 20 and 39 years old (49,3%). The eldest generation (> 59 years old) is the one that travels the least in charter airlines, independently of the route. The largest part of inquirers are employees (46,6%) or self-employed (17,6%). The

[2] Cronbach Alpha varies between 0 and 1 and should be greater than 0,7 to be reasonable, it is good if between 0,8 and 0,9 and very good if superior to 0,9.

percentage of retired inquirers can be regarded as low (4,6%). As far as socio-demographics is concerned, there is not a consistent difference between routes.

Table 5.1 Socio-Demographics sample characterization respecting total of passengers, medium haul passengers and long haul passengers

		Total		**Medium Haul**		**Long Haul**	
Dimension	**Item**	N	%	N	%	N	%
GENDER	Male	2204	44.5	1690	43.8	514	46.9
	Female	2746	**55.5**	2165	**56.2**	581	**53.1**
AGE	<20	444	7.8	359	8.1	85	6.7
	20-39	2820	**49.3**	2142	**48.2**	678	**53.3**
	40 to 59	2076	36.3	1628	36.7	448	35.2
	>59	375	6.6	313	7.0	62	4.9
EMPLOYMENT STATUS	Self-employed	1004	17.6	738	16.8	266	21.2
	Employee	2626	**46.6**	2050	**46.8**	576	**46.0**
	Collaboration with State	784	13.9	627	14.3	157	12.5
	Housewife/Husband	84	1.5	67	1.5	17	1.4
	Student	663	11.8	518	11.8	145	11.6
	Unemployed	79	1.4	62	1.4	17	1.4
	Retired	261	4.6	224	5.1	37	3.0
	Others	135	2.4	97	2.2	38	3.0

5.2 DESCRIPTIVE ANALYSIS

5.2.1 SERVICE QUALITY AND IMPORTANCE OF DIMENSIONS

In this section, we will present the descriptive analysis of relevant data to answer the central objectives here. In terms of service quality, both on-ground and in-flight will be analysed. Based on the result of principal component analysis, we concluded that in-flight service quality could be considered as a multi-dimensional construct consisting of three dimensions. For each dimension of on-ground service and in-flight service we have calculated a global index after summing up and averaging the scores obtained, both in terms of performance and importance. The reliability of these indexes was tested through *Cronbach alpha* coefficients. Thus, in table 5.2 the results for means and standard deviation of each dimension are presented, as well as the importance ranking of all variables in table 5.3, both in general terms and also considering the type of route.

There are not major differences in routes at ordinal level of performance dimensions, intangibles is the highest performance dimension, followed by on-ground-service, only tangibles differ. It is important to highlight the difference of the means value for entertainment in long haul (5.04) and medium haul (4.00). This fact can be explained by the existing differences in both routes, as far as entertainment is concerned. In long haul, the airline offers several media contents as Telejornal RTP, institutional videos, White destinations, sports, relaxation videos, and recent movies. The

reading conditions include, in both classes, journals and magazines and on-board magazines. A music selection is also offered to adults and children. In medium haul, entertainment is restricted to a movie and the on-board magazine (over three-hour flights) and in less than three-hour flights entertainment is synonym of the on-board magazine.

Table 5.2 Service quality in a charter airline (means and standard deviations) to model dimensions considering the type of flight

SERVICE QUALITY	Number of Items	Total of flights				Medium Haul Flights				Long Haul Flights			
		N	Mean	Standard Deviation	Ranking	N	Mean	Standard deviation	Ranking	N	Mean	Stand. Deviation	Ranking
Intangibles	**8**	**4891**	**6.14**	**0.94**	**1**	**3717**	**6.11**	**0.96**	**1**	**1174**	**6.21**	**0.90**	**1**
Tangibles	4	4262	5.46	1.11	3	3102	5.56	1.07	3	1160	5.22	1.19	4
Entertainment	3	3629	4.27	1.69	5	2694	4.00	1.72	5	935	5.04	1.33	5
IN-FLIGHT	15	2980	5.30	1.05	4	2145	5.22	1.06	4	835	5.5	0.98	3
ON- GROUND	7	5217	5.62	1.23	2	4027	5.64	1.22	2	1190	5.57	1.25	2

Table 5.3 Rankings and Means of Importance between service quality dimensions depending on type of flight (total, medium haul and long haul)

SERVICE QUALITY	Number of Items	N	Total of flights			Medium Haul Flights				Long Haul flights			
			Mean	Std Deviation	Ranking	**N**	Mean	Std Deviation	Ranking	**N**	Mean	Std Deviation	Ranking
Intangibles	8	4886	6.30	0,841	**2**	3750	6.28	0,854	**2**	1136	6.34	0,794	**2**
Tangibles	4	5024	6.34	0,908	**1**	3827	6.33	0,886	**1**	1197	6.38	0,975	**1**
Entertainment	3	4290	5.57	1,325	5	3234	5.49	1,391	5	1056	5.81	1,067	5
In-FLIGHT	15	3962	6.10	0,862	4	2977	6.06	0,885	4	985	6.21	0,777	**3**
ON- GROUND	7	5098	6.13	0,959	**3**	3954	6.12	0,958	**3**	1144	6.14	0,960	4

The hypothesis 1 replicates the highest importance of in-flight service when compared to on-ground service which is only true in long haul flights, being rejected in medium haul flights.

For more specific conclusions an analysis at items level was carried out (*Vide* appendix 3). From this analysis, we concluded that still the hypothesis 1 is rejected, the more important items pertain to in-flight dimension and were: *Cleanliness of toilets* in medium haul (6,45); *knowledge to answer in-flight passengers questions* in long haul (6,46). The more important item of on-ground service was *Knowledge to answer passenger questions* at check-in (6,34) in long haul, and in medium haul (6,26) . Considering both in-flight and on-ground, the least important items were: *Appearance of check-in personnel* in long haul (5,70) and medium haul (5,74); *Reading conditions*

in medium haul (5,38); *Children in-flight entertainment* in long haul (5,72). So, if it is true that the highest means of importance are related to in-flight service, largely because of intangibles, it is also true that the least important items relate to in-flight service mainly due to the entertainment dimension.

Considering in-flight service, the second hypothesis evaluates the higher importance of intangibles when compared with tangibles. However, as it is possible to see in table 5.4, charter passengers believe tangibles are the most important dimension of service (6.34) followed by intangibles (6.30), independently of the route. An interesting aspect is that intangibles have twice the number of items comparing to tangibles so that a global positive evaluation requires a standardized performance in all items pertaining to intangible dimension, or a good sense of balance between different performances, since we are working on means. At items level, Items with the highest score of importance were *Cleanliness of toilets* for long haul (6,52) and medium haul (6,45) considering tangibles; *Employees who have knowledge to answer passengers questions* in long haul (6,46) and medium haul (6,38) considering intangibles. Thus, hypothesis 2 is rejected.

5.3 ANALYSIS OF RELATIONSHIPS BETWEEN VARIABLES

Correlation Analysis

The relationships between service quality (with the three dimensions as concluded in principal component analysis), satisfaction and customer behavioural intentions (both assessed as a one-dimensional variables) for both routes and total sample was investigated using Pearson correlation coefficient (*vide* appendix 4, tables 1a, 1b and 1c).

Firstly, the array of correlation indicates a significant positive correlation between the tangibles, intangibles, entertainment and on-ground regarding both Satisfaction and Behavioural Intentions. Secondly, we found a high significant correlation between Satisfaction and Behavioural Intentions ($r=0,844$, $n=1195$, $p<0,01$).[3]

Multiple Linear Regression

The second objective intends to verify whether the service quality provided by a charter company is, or is not, a predictor factor of Satisfaction (table 5.4). The third objective investigates the same independent variable and its effect on Consumer Behavioural Intentions (table 5.5).

[3] All values presented are based on the total sample.

Table 5.4 Satisfaction Determinant factors on charter airlines

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics
		B	Std. Error	Beta	t	Sig.	Tolerance
Total	*(Constant)*	,674	,105		6,433	,000	
Medium Haul		,612	,122		4,999	,000	
Long Haul		,900	,205		4,393	,000	
Total	**Intangibles**	,293	,024	,238	12,193	,000	,473
Medium Haul		,307	,030	,251	10,102	.000	,412
Long Haul		,241	,043	,188	5,631	,000	,553
Total	**Tangibles**	,397	,022	,376	18,092	,000	,417
Medium Haul		,391	,030	,354	12,936	,000	,340
Long Haul		,397	,037	,418	10,862	,000	,418
Total	**Entertainment**	,053	,011	,074	4,703	,000	,722
Medium Haul		,044	,013	,062	3,280	,001	,710
Long Haul		,099	,030	,116	3,330	,001	,513
Total	**On-Ground**	,267	,031	,225	8,496	,000	,671
Medium Haul		,142	,019	,146	7,320	,000	,642
Long Haul		,134	,016	,139	4,212	,000	,740

Dependent Variable: Satisfaction
Total flights: d(4,2825)= 679.409;r=0.7;Adjusted R^2 =0.49; Durbin Watson=1.754
Medium Haul: d(4,2023)=478.212,r=0.486;Adjusted R^2=0.485; Durbin Watson=1.753
Long Haul:d(4,797)=204.234;r=0.712;Adjusted R^2=0.504; Durbin Watson=1.893
All service quality indexes were significant (p<0,01) to the satisfaction prediction
Tolerance Analysis [4]

The hypothesis 3 seeks to determine whether the dimensions of service quality positively influence satisfaction. As it is easy to conclude, 48.5% of Satisfaction variance can be predicted from the independent variables, in the short haul, and 50.4% in the long haul. Thus, the hypothesis 3 is confirmed for both routes.

All variables are significantly contributing to simplified satisfaction equation. Tangibles is the dimension that mostly influences Satisfaction in both routes, ($\mathcal{B}$ =0, 354) in medium haul and (B=0,418) in long haul; followed by intangibles and on-ground service. Entertainment is the dimension which least predicts Satisfaction in medium haul ($\mathcal{B}$ = 0,146) and long haul ($\mathcal{B}$=0,139). As far as on-ground service is concerned, it plays a higher influence on passengers' satisfaction on medium course but it is a little difference.

[4] Analyzing tolerance, it is possible to detect some multicolinearity problems, since tolerance is low (<1-r^2) for tangibles in both routes and for intangibles in medium haul and total of flights. However, it is insufficient this analyze, since it may be related to the combined effect of factors (in- flight service) and also high correlation between tangibles and intangibles (0.703), still lower than 0.9.

Table 5.5 Service Quality prediction on Customer Behavioural Intentions

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics
		B	Std. Error	Beta	t	Sig.	Tolerance
Total	*(Constant)*	,652	,116		5,636	,000	
Medium Haul		,658	,133		4,939	,000	
Long Haul		,664	,234		2,835	,005	
Total	**Intangibles**	,352	,026	,270	11,371	,000	,479
Medium Haul		,379	,033	,298	11,595	,000	,420
Long Haul		,282	,049	,199	5,764	,000	,554
Total	**Tangibles**	,410	,024	,369	14,631	,000	,420
Medium Haul		,386	,032	,337	11,892	,000	,345
Long Haul		,407	,042	,389	4,718	,000	,413
Total	**Entertainment**	,042	,012	,056	3,389	,001	,721
Medium Haul		,027	,014	,036	1,840	**,066**	,712
Long Haul		,141	,034	,150	4,153	,000	,509
Total	**On-ground**	,093	,017	,092	5,413	,000	,679
Medium Haul		,097	,021	,096	4,646	,000	,653
Long Haul		,083	,030	,082	2,734	,006	,740

Dependent Variable: Customer Behavior Intentions
Total Flights: d(2, 2770)=585.072);r=0.677; Adjusted R Square=0.457; Durbin Watson=1.771
Medium Haul: d(4,1982)=408.273;r=0.672; Adjusted R Square=0.451; Durbin Watson= 1.784
Long Haul: d(4,783)=182.851;r=0,695; Adjusted R Square=0.480; Durbin Watson=1,814
Bold value is not significant (p<0,05)

As seen in table (5.5), all variables contribute significantly to the model, except for Entertainment in medium haul (p=0.066). However, in long haul, entertainment assumes a significant predictive role in intentions ($\mathcal{B}$ =0,150). Tangibles are the dimension which mostly predicts Consumer Behavioural Intentions, both in long haul ($\mathcal{B}$ = 0,389) and medium haul ($\mathcal{B}$= 0,337) followed by intangibles, that have a powerful influence in medium haul passenger intentions (B= 0,298) than long haul does ($\mathcal{B}$ = 0,199). Besides, we can infer that on-ground service is less determinant on intentions than tangibles and intangibles. Relating the data with the fourth hypothesis, which predicts the positive influence of Service Quality in Customer Behavioural Intentions, it is accepted for all dimensions in both routes, with the exception of entertainment in medium haul.

In order to test the fifth hypothesis, a multiple linear regression was carried out having Satisfaction as independent Variable and Consumer Behavioural Intentions as dependent one (table 5.6).

Satisfaction is indeed more powerful than service quality in predicting Consumer Behavioural Intentions. In both routes, Customer Behaviour Intentions variances are explained in 66.9% by satisfaction. The long haul is the route where Satisfaction assumes a highly influence ($\mathcal{B}$= 0.844) and (*B*= 0,818) in medium haul.

Table 5.6: The impact of Satisfaction on Customer Behavioural Intentions

		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics
Model		B	Std. Error	Beta	t	Sig.	Tolerance
Total	*(Constant)*	,764	,048		15,818	,000	
Medium Haul		,917	,055		16,689	,000	
Long Haul		,310	,100		3,103	,002	
Total	**Satisfaction**	,887	,008	,824	105,042	,000	1,000
Medium Haul		,862	,010	,818	89,967	,000	1,000
Long Haul		,960	,018	,844	54,383	,000	1,000

Dependent Variable: Customer Behaviour
Total Flights: d(1,5203)=11033.864;r=0.824;Adjusted R square=0.679;Durbin Watson=1.868
Medium Haul: d(1,4008)=8094.089 ;r=0.818;Adjusted R square=0.669;Durbin Watson=1.838
Long Haul: d(1,1193)=2957.51 ;r=0.818; Adjusted RSquare=0.669; Durbin Watson=2.055
Tolerance is maximum (1,000) excluding multicollinearity problems

CHAPTER 6: CONCLUSION

6.1 DISCUSSION

Service quality and satisfaction are considered to affect financial success, reputation and future lifespan of firms due to their influence on customer behavioural intentions and attitudes. A review of aviation industry literature suggests that the growing increase in air traffic and the necessary reductions in costs given the petroleum crisis and global financial jeopardize passengers' satisfaction and consequently intentions to companies. Among the several articles on aviation, records about the charter industry were not found. Therefore, this research study has the following purpose:

Purpose: To explore the impact of the most important service quality dimensions on charter industry and also the impact of satisfaction in determining customer behavioural intentions.

According with the purpose and the research objectives, we intend to focus on and discuss a parallelism between researches found in literature and the obtained results here.

Objective 1 - To identify key items and dimensions considered in airline service quality evaluation, regarding performance and importance

In general terms, the evaluation of the performance dimensions met consensus on both medium and long hauls, with intangibles being the better evaluated followed by on-ground service. The tangibles are the third most well performed on the medium haul and the fourth on the long haul. The entertainment is the least well placed in both routes, a difference existing between the evaluations of entertainment performance in long haul and medium haul which is possibly related

to the distinct offer yet explained in chapter 5. This managerial decision is possibly based on the time flights and the fact that in medium haul, the type of aircraft used does not have personal video for each passenger and there are less crew members. On the other hand, entertainment assumes the role of least important dimension to passengers in both routes which can be a reason for it not to being a priority to the firm.

Regarding the perceptions of the importance of each dimension, the long haul passenger gives more importance to all dimensions compared to the medium haul one. Possibly, this may be linked with the number of hours spent on the plane, the financial effort involved and a greater emotional commitment in vacation planning, as destinations are generally more expensive and more distant.

From Objective 1 we stated two hypotheses, the first of which stated that airline charter passengers consider in-flight service more important than on-ground service, which was accepted in long haul flights. Contrary to what was expected given the time of interaction which is longer on-board and the powerful prediction of certain in-flight service attributes on satisfaction this hypothesis was rejected on medium haul flights. However, it is imperative to highlight two aspects: the number of items of each type of service (in-flight has more items, so a good global evaluation is harder to achieve) and the role of entertainment, in both levels, performance and importance, lowering the values of in-flight service evaluation.

Following the dominant paradigm in service quality airline articles, the hypothesis 2 refers that airline passengers consider more important intangibles than tangibles in on-board service.

Not as one would have expected, the tangibles are the most important dimension regardless of the route, even though tangibles and intangibles do not show a significant difference in our study. Consequently, the hypothesis was rejected. Zins (2001) provides a possible explanation for this when saying that catering cannot be detached from personal interaction. Also Mustafa et al. (2005) stated that aspects related to the crew are given less importance than comfort and catering; these two are items of tangible dimension in our study. However, faced with the surprise of the rejection of this hypothesis and the inconclusive results, we decide to expand our conclusions based on the items, in order to find explainable reasons. In effect, the analysis at items level shows that intangibles which are below the average of importance are *passengers are well received when entering the plane* and *the appearance of the crew* in long haul, which curiously are the best evaluated items at performance level. In medium haul, the items *employees gives crew personal attention* and *appearance of the crew* are below the average line of importance, but while the appearance of the crew is the best evaluated at performance level, the *employees give passengers personal attention* is the worst evaluated. At tangibles level, items above the average line of

importance are *seating comfort* and *food and beverage quality*, precisely the worst evaluated at performance level.

A possible conclusion for these facts is that after answering the performance battery of questions, passengers value as less important the items which yet satisfy them and as more important the items which in their opinion are less well performed and, consequently, require airline managers' attention. On the other hand, they show priorities of action to the airline valuing the item with less performance as the least important too, *employees give passengers personal attention.* In medium haul *the employees give personal attention* is the least important, probably because passengers interact with crew fewer time than in long haul and their needs, problems, fear, anxiety are minor.

However, these are possible explanations, since according with Sultan and Simpson (2000) tangible aspects are the least important ones within the service and Pakdil and Aydin (2007) show some higher expectations, conditioned by the importance perceived by passengers, for reliability , in which fit several items of the intangible dimension in our study.

Objective 2 - To evaluate the impact of service quality in satisfaction

Regarding, service quality as a global construct, literature review about aviation provided a conceptual linkage between that construct and satisfaction (Zins, 2001; Park et al, 2006 a,b; and Saha and Theingi, 2009). Hence, hypothesis 3 stated that service quality in charter airlines influences positively passenger's satisfaction, which was confirmed by the empirical findings of this study.

In fact, 48.5% of Satisfaction variance can be predicted from the independent variables, in the short haul, and 50.4% in the long haul. There are no differences between medium and long distance courses as far as the order of satisfaction determinants is concerned: tangibles, intangibles and on-ground service. Entertainment is the dimension which less predicts satisfaction.

Surprisingly, tangible dimension predicts more satisfaction than intangible one, contrary to the support provided by the theory and empirical data (Brady and Cronin Jr., 2001; Zins, 2001 and Park et al., 2009). On the other hand, the acceptance of the hypothesis 3 is corroborated by An and Noh (2009) that underline that food and beverage quality is the mostly powerful dimension to influence passengers satisfaction. This fact concerns economic class since 98.5% of inquirers in our study travel in economic class.

However, tangibles have a higher impact on satisfaction in long haul than in medium haul and the inverse happens with intangibles, with a bigger influence in medium haul. Bearing in mind entertainment as a quality dimension, we concluded that it has a higher predictive power of

satisfaction in long haul than in medium haul. This fact is possibly related to the hours spent in the aircraft in long haul flights. In these flights, passengers are more sensitive to questions of entertainment, comfort, quality meals, cleanliness of cabin and toilets than in a flight of two or three hours in which passengers do not need to eat or are less sensitive to questions of comfort, cleanliness and entertainment. Maybe due to the faults detected in entertainment, medium haul passengers demand a positive quality interaction with the crew as a way of *killing time*, talking about the destination, answering possible doubts and resolving eventual problems.

Objective 3 - To determine the relation between service quality and passenger behavioural intentions

Focusing on the relation between service quality and behavioural intentions, according to Zeithaml (1996), we have accepted the hypothesis 4 taking into account the positive influence of service quality into behavioural intentions, in both length courses. The tangible dimension has a higher impact on behavioural intentions, followed by the intangible dimension, matching Zins (2001) who selects comfort and catering as variables, which are concerned with tangibles in this study. In medium haul, entertainment does not predict behavioural intentions due to the same reason that less predicts satisfaction.

When comparing predictive powers of different dimensions on both routes, it is possible to state that it happens the same that in the prediction of satisfaction. That is, intangible dimension has a higher influence on behavioural intentions in medium course and tangibles play a higher influence on long haul. The possible reasons for this are explained above (in the comments about objective 2).

Service quality explains 45,1% of the variation of behavioural intentions on medium course and 48% on long course, illustrating a higher influence than the one shown by An and Noh (2009). These authors have explained 29,1% of the variation of behavioural intentions based on four service quality dimensions.

Objective 4 - To determine the impact of satisfaction on passenger behavioural intentions

The influence of satisfaction in behavioural intentions is found in literature as the most powerful one **(**La Barbera and Mazursky, 1983; Anderson and Sullivan, 1993; Jones and Sasser, 1995 and Bloemer, Ruyter and Peeters, 1998). Hence, the hypothesis 5 stated that satisfaction influence positively charter passenger's behavioural intentions, which was confirmed by the empirical findings of this study. Effectively, overall satisfaction explain 66,9% of the behavioural intentions variation on both routes. This proves a higher power prediction than the 36,1% found in Park et al. (2009), and the 33,2% found in An and Noh (2009). The acceptance of this hypothesis matches

the conclusions of La Barbera and Mazursky (1983), Bloemer, Ruyter and Peters (1998) and Jones and Suh (2000). These last two authors added that overall satisfaction has a higher influence on repurchase intentions than transaction specific satisfaction, which stands for the perceptions of service performance in our study.

6.2 CONTRIBUTION OF THE STUDY

6.2.1 THEORETICAL CONTRIBUTIONS

On a theoretic-scientific basis, this study has consolidated the literature review on the subject, contributing to the discussion about service quality, satisfaction and their impact in customer behavioural intentions. Firstly, analysing the full range of service quality both on-ground and its three dimensions of in-flight service has provided additional content for the debate on the most important dimensions that impact on satisfaction and customer behavioural intentions.

Secondly, the comparison between medium and long haul, as Oyewole and Choudhury (2006) have suggested can be a point of departure for more investigations.

Finally, this study contributes with additional work enlarging the discussion in a new context, the airline charter business.

6.2.2 MANAGERIAL IMPLICATIONS

The findings revealed here have important implications for managers of charter airlines especially as far as the dimensions to which passengers give more importance to are concerned; the dimensions which show lower performance means; and the significant influence that satisfaction has on behavioural intentions.

Taking into account that behavioural intentions is the dependent variable that shows the most similarities with effective behaviours, it has a higher potential of validity. Consequently, marketing practitioners need to emphasize it. They should be aware that one of the main ways to do it is guaranteeing passengers' satisfaction, improving the most important dimensions and, as a result, managing resources more efficiently. Among all, tangibles and intangibles were especially significant in fostering satisfaction. Thus, appealing to customer satisfaction with these dimensions should be expanded in the early stages of consumer brand experience and maintained in later stages, so that long run intentions do not decrease.

Finally this study is not restricted to Lisbon airport check-in counters, evaluating the service quality perceptions among different airports around the world. Thus, managers should analyse different situational components which are difficult to control.

6.3 LIMITATIONS AND FUTURE RESEARCH

This study has several acknowledged limitations. The first relates to the power of generalizing the findings. Although the study used a large sample, it would be prudent to apply the findings only to the context of charters in Portugal. White's specific positioning is superior to competitors, requiring careful examination as far as possible generalizations are concerned. The second is directly related to the methodology and data gathering, as the one-week interval of data collection may influence variance in responses.

Customer overall satisfaction was measured as a single item measurement in overall terms and treated as a latent construct based on service attributes. Using one question only does not allow us to find incongruities in the answers. In addition, overall satisfaction was narrowly conceptualized in terms of only four service quality dimensions. Although the four service dimensions explain 49% of passenger satisfaction variance, the remaining 51% is explained by other factors, for instance, image of charters; financial incentives for luggage losses; delays rewards; and special assistance for wheelchair patients. These are suggestions for further investigation, since it could be enriching to predict the importance of these variables on customer's satisfaction and behavioural intentions.

REFERENCES

Anderson, E.W. & Sullivan, M.W. (1993), The Antecedents and Consequences of Customer Satisfaction for Firms, *Marketing Science*, 16 (2), 129-145.

Anderson, E.W., Fornell, C. & Lehmman, D.R. (1994), Customer Satisfaction Market, Share and Profitability: Findings from Sweden, *Journal of Marketing*, 68 (3), 53-66.

An, M. & Noh, Y. (2009), Airline Customer Satisfaction and Loyalty: impact of in-flight service quality, *ServBus*, 3 (3), 293-307.

Antoniou, A., (1998), The Status of the Core in Airline Industry: The case of European Market, *Managerial and Decisions Economics*, 19 (1), 43-54.

Bitner, M.J. (1990), Evaluation service encounter: the effects of physical surroundings and employee responses, *Journal of Marketing*, 54 (2), 69-82.

Bloemer,J., Ruyter, K.& Pascal, P. (1998), Investigating drivers of bank loyalty: the complex relationship between image, service quality and satisfaction, *International Journal of Bank Marketing*, 16 (7), 276 -286.

Bolton, R. N. & Brew, J. H (1991a), A Longitudinal Analysis of the impact of Service changes on Customer attitudes, *Journal of Marketing*, 55 (1), 1-10.

Bolton, Ruth N. & Drew, James H. (1991 b), A Multistage model of Customers' assessments of Service Quality and Value, *Journal of Consumer Research*, 17 (4), 375-384.

Boulding , W., Kalra, A., Staelin, R, & Zeithmal, V. (1993), A Dynamic Process Model of Service Quality: from Expectations to Behavioural Intentions, *Journal of Marketing Research*, 30 (1), 7-27.

Brady, Michael, K. & Cronin Jr, J. Joseph. (2001), Some New Thoughts on Conceptualizing Perceived Service Quality: A Hierarchical Approach, *The Journal of Marketing*, 65 (3), 34-49.

Butler , F. (1996), Servqual: review, critique, research agenda, *European Journal of Marketing*, 30 (1), 8-32.

Carman, J. M. (1990), Consumer Perceptions of Service Quality: An Assessment of the SERVQUAL Dimensions, *Journal of Retailing*, 66 (1), 33-55.

Carman, J.M & Langeard, E. (1980), Growth Strategies of Service Firms, *Strategic Management Journal*, 1 (1), 7-22.

Chang, Y. and Yeh, C. (2002), A Survey Analysis of Service Quality for Domestic Airlines, *European Journal of Operational Research*, 139 (1), 166-177.

Chiou, J. & Droge, C. (2006), Service Quality, Trust, Specific Asset Investment and Expertise: Direct and Indirect Effects in a Satisfaction- Loyalty framework, *Journal of the Academy of Marketing Science*, 34 (4), 613-627.

Cialdini, R. B. (2003), The Power of Persuasion, *Stanford Social Innovation Review*, 1 (2), 18-28.

Cronin, J. & Taylor, Steven A. (1992), Measuring Service Quality: a reexamination and extension, *Journal of Marketing*, 56 (3), 55-68.

Cronin, J. & Taylor, Steven A. (1994), SERVPERF versus SERVQUAL: Reconciling Performance - Based and Perceptions –Minus-Expectations Measurement of Service Quality, *Journal of Marketing*, 58 (1), 125-131.

Fisk, T. A, Brown, C. J, Cannizaro, K. & Naftal, B. (1990), Creating Patient Satisfaction and Loyalty, *Journal of Health Care Marketing*, 10 (2), 5-15.

Fick, G.R. & Ritchie, J.R.B (1991), Measuring Service Quality in the Travel and Tourism Industry, *Journal of Travel Research*, 30 (2), 2-9.

Gilbert, D. and Wong, Robin K.C. (2003), Passenger Expectations and Airline Services: a Hong Kong based Study, *Tourism Management*, 24 (5), 519-532.

Gronroos, C. (1982), An Applied Service Marketing Theory. *European Journal of Marketing*, 16 (7), 30-41.

Gronroos, C. (1984), A Service Quality Model and the Marketing Implications, *European Journal of Marketing*, 18 (4), 36-44.

Hart, C.W.L, Heskett, J. L. & Sasser, W.E. (1990), The Profitable Art of Service Recovery. *Harvard Business Review*, 68 (4), 148-158.

Jones, Michael A. & Suh, J. (2000), Transaction Specific Satisfaction and Overall Satisfaction: an empirical analysis, *Journal of Services Marketing*, 14 (2), 147-159.

Kandampully, J. (1998), Service quality to service loyalty: A relationship which goes beyond customer services, Total Quality Management, 9 (6), 431-443.

La Barbera, P. A. & Mazursky, D. (1983), A Longitudinal Assessment of Consumer Satisfaction /Dissatisfaction: The dynamic aspect of the cognitive process, *Journal Of Marketing Research* , 20 (4), 393-404 .

Laczniack, R.N, DeCarlo, T.E, & Ramaswami, S.N.(2001), Consumer's Responses to Negative Word- Of- Mouth Communication: An attribution theory Perspective, *Journal of Consumer Psychology*, 11 (1), 57-73.

Le Bel, J. (2005), Beyond the friendly skies: an integrative framework for managing the air travel experience, *Managing Service Quality*, 15 (5), 437-451.

Morgan, N.A., Andersen, E.W. & Mittal, V. (2005), Understanding Firms Customers Satisfaction information usage, *The Journal Of Marketing*, 69 (3), 131-151.

Mustafa, A., Jia-Pei,F., Siaw-Peng, L., & Hamid, H. (2005). "The evaluation of Airline Service Quality using the Hierarchy process (Ahp)". *International Conference of Tourism*, 9-11.

Oliva, T.A., Oliver, R.L. & MacMillan, I.C. (1992), A Catastrophe Model for developing Service Satisfaction Strategies, *Journal of Marketing*, 56 (3), 83-96.

Oliver, R.L. (1980), A Cognitive Model of the Antecedents and Consequences of Satisfaction Decisions, *Journal of Marketing Research*, 17 (4), 460-469.

Oliver, R.L. (1981), Measurement and Evaluation of Satisfaction processes in Retail Settings, *Journal of Retailing*, 57 (3), 25-48.

Oliver, Richard L. (1993), Cognitive, Affective and attribute bases of the Satisfaction Response, *Journal of Consumer Research*, 20 (3), 418-430.

Oyewole, P. & Choudhury, P. (2006), Purchase Situations and the Level of Importance that Consumers attach to Services in Airline Industry, *Services Marketing Quarterly*, 28 (1), 19-34.

Ozdemir , V. E. & Hewett, K. (2010), The Effect of Collectivism on the importance of the Relationship Quality and Service Quality for Behavioral Intentions: A Cross national and Cross Contextual Analysis, *Journal of International Marketing Association*, 18 (1), 41-62.

Parasuraman, A., Zeithaml, V.A. & Berry, L.L. (1985), A conceptual model of service quality and its implications for future research". *Journal of Marketing*, 49 (4), 41-50.

Parasuraman, A., Zeithaml, V.A. & Berry, L.L. (1988), SERVQUAL: a multi item scale for measuring consumer perceptions of service quality, *Journal of Retailing*, 64 (1), 12-40.

Parasuraman, A., Zeithaml, V.A. & Berry, L.L. (1991), Refinement and Reassessment of the Servqual Scale, *Journal of Retailing* , 67 (4), 420-450.

Park, J., Robertson, R. and Wu, C. (2006a), The Effects of Individual Dimensions of Airline Service quality: findings from Australian Domestic Air Passengers, *Journal of Hospitality and Tourism Management*, 13 (2), 161-176.

Park, J., Robertson, R. and Wu, C. (2006b), Modelling the impact of airline service quality and marketing variables on passengers' future Behavioural Intentions, *Transportation, Planning and Technology* , 29 (5), 359-381.

Pakdil F & Aydin, O. (2007), Expectations and Perceptions in Airline Services: an analysis using weighted SERVQUAL score, *Journal of Air Transportation Management*, 13 (4), 229-237.

Pham, K.V. & Simpson, M. (2006), The impact of frequency of Use on Service Quality Expectations: An Empirical Study of Trans-Atlantic Airline Passengers, *Journal of American Academy of Business*, 10 (1), 1-7.

Reichheld, F.F & Sasser Jr, W.E (1990), Zero defections: Quality comes to Services, *Harvard Business Review*, 68 (5), 105-111.

Rhoades, D. & Waguespack Jr,B. (2005), Strategic imperatives and the pursuit of quality in US airline industry, *Managing Service Quality*, 15 (4), 344-356.

Richins, M.L. (1983), Negative Word- of- Mouth by dissatisfied Consumers: A Pilot Study, *Journal of Marketing*, 47 (1), 66-78.

Saha GC & Theingi, (2009), Service quality, satisfaction, and behavioural intentions: A study of low-cost airline carriers in Thailand, *Management Service Quality*, 19 (3) 350-372.

Seht, N.,Deshmukh, S.G & Vrat, P. (2005), Service quality models: A review, *The International Journal of Quality and Reliability Management*, 22 (8-9), 913-949.

Slater, S.F. & Narver, J.C. (1995), Market Orientation and the Learning Organization, *The Journal of Marketing*, 59 (3), 63-74.

Slater , S. F.& Narver, J. C. (2000), Intelligence generation and Superior Customer Value, *Journal of the Academy of Marketing Science*, 28 (1), 120-127.

Söderlund, M. (1998), Customer Satisfaction and its consequences on customer behavior revisited the impact of different levels of satisfaction on word of mouth , feedback to the supplier and loyalty, *International Journal of Service Industry Management* , 9 (2), 169-188.

Söderlund, M. (2003a), The retrospective and the prospective mind at the temporal framing of customer satisfaction, *European Journal of Marketing*, 37 (10), 1375-1392.

Söderlund, M. & Öhman, N. (2003b), Behavioral Intentions in Satisfaction Research Revisited, *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 16, 56-66

Spreng, Richard A.& Mackoy, R. D. (1996), An Empirical Examination of a Model of Perceived Service Quality and Satisfaction, *Journal of Retailing* ,72 (2), 201-214.

Sultan, F. & Simpson, M.C. (2000), International service variants: airline passenger expectations and perceptions of service quality, *The Journal of Services Marketing*, 14 (3), 188-216.

Taylor, Steven A., & Baker, T. L. (1994), An Assessment of the Relationship Between Service quality and Customer Satisfaction in The Formation of Consumer's Purchase Intentions, *Journal of Retailing*, 70 (2), 163-178.

Tiernan, S., Rhoades, D.L., & Waguespack, B. (2008), An exploratory Cross Country Analysis of the Disconnect between consumer perception and actual performance in the airline, *Managing Service Quality*, 18 (3), 212-224.

Truitt, L.J & Haynes, R. (1994), Evaluating Service Quality and Productivity in the regional airline industry, *Transportation Journal* , 33 (2), 21-32.

Teas (1993), Consumer expectations and the measurement of Perceived Service Quality, *Journal Of Professional Services Marketing* , 8 (2), 33-53.

Wen, C. & Yeh, W. (2010), Positioning of International Air Passenger Carriers using Multidimensional Scaling and Correspondence Analysis, *Transportation Journal*, Winter: 7-23

Young,C., Cunningham, L. and Lee, M. (1994), Assessing Service Quality as an effective management tool:the case of the airline industry, Journal of Marketing Theory and Practice, 2 (2), 76-96.

Zins, A. H. (2001), Relative attitudes and Commitment in Customer Loyalty Models : Some Experiences in the Commercial Airline Industry, *International Journal of Service Industry Management*, 12 (3-4), 269-297.

Zeithaml, V.A., Berry, L.L e Parasuraman, A. (1996), The Behavioral Consequences of Service Quality, *Journal of Marketing*, 60 (2), 31-46.

Zeithaml, V.A. and Bitner, M.J. (1996), *Services Marketing*, McGraw-Hill, New York, NY.

BOOKS

Aaker, David A.,Kumar, V. e Day, George S. (2004), *Marketing Research*, 8th Edition, John Wiley &Sons, Inc., Koboken, New Jersey.

Churchill, Gilbert A. and Iacobucci, Dawn (2002), *Marketing Research: Methodological Foundations*,8th Edition, Thomson Learning.

Doganis, Rigas (1991), *Flying Off Course. The Economics of International Airlines*, 1st Edition, London, Routledge.

Foster, S. Thomas, *Managing Quality An Integrative Approach*, 2nd Edition, Pearson Prentice Hall, Global Edition.

Kotler, Philip and Armstrong, Gary (2005), *Principles of Marketing*, 11th Edition, Pearson Prentice Hall, New Jersey.

Mowen, John C. e Minor, Michael (1998), *Consumer Behavior*, 5th Edition, Prentice-Hall, New Jersey.

Sheth, Jagdish N., Mittal, Banwari e Newman, Bruce I. (1999), *Customer Behavior – consumer behavior and beyond*, The Dryden Press, Orlando FL.

Solomon, Michael R. (2011), *Consumer behavior, Buying, Having and Being*, 9th Edition, Pearson Prentice Hall, Global Edition.

Wells, William D e Prensky, David (1996), *Consumer Behavior*; JohnWiley& Sons, Inc., New York, Chichester, Brisbane, Singapore.

ELECTRONIC REFERENCES

Global Airline Industry Program (2011) : Airline Industry Overview, Massachussets Institution of Technology, http://web.mit.edu/airlines/analysis/analysis_airline_industry.html

26th June 2011 10h30

Wright, H. (1996), Wright Brothers Biography , http://www.wright-house.com/wright-brothers/Wrights.html 29th July 2011 12h10

IATA(2011a), Fact Sheet: World Industry Statistics, www.iata.org 28 Junho 2011 11h40

IATA (2011b), Fact Sheet: Iata: International Air Transport Association, www.iata.org. 22nd June 2011 15h50

Air Transport Association (1995), Economic Impact, http://www.airlines.org/Economics/AviationEconomy/Pages/EconomicImpact.aspx 26th June 2011 09h00

Bisignani, G. (2006), State of the Air Transport Industry, Annual General Meeting, International Air Transport Association, Vancouver, www.iata.org 3rd August 2011 17h50

Headley, D. (2010), Airline performance improves; one of best years ever, according to Airline Quality Rating, Wichita State University , http://www.wichita.edu/thisis/wsunews/newsrelease/?nid=1032 3rd September 2011 13h50

Murali,D. (2009), "Airlines need to be obsessive about saving costs", Journal Hindu Business 3rd August 2011 19h20

APPENDICES - Appendix 1 : Self-Completion Questionnaire

white coloured by you STUDY OF PASSENGERS SATISFACTION

Caro Cliente,

A White Coloured by you, compromete-se a prestar aos seus passageiros um serviço com os mais elevados padrões de qualidade, procurando satisfazer as suas expectativas. Para esse fim, a sua opinião é importante, pelo que agradecemos que responda a este questionário. As RESPOSTAS são CONFIDENCIAIS e utilizadas apenas de forma sumária, sem possibilidade de identificar as respostas individuais**.**

Instruções: Por favor assinale as suas respostas marcando uma CRUZ "X" na quadrícula correspondente à opção escolhida.

Dear Customer,

White coloured by you is highly committed with delivering passengers a service with high standards of quality, seeking to meet their expectations. For this purpose, your opinion is important, so please answer this questionnaire. The answers are confidential and the final report will only reflect aggregated data without any chance of identifying the individual responses.

Instructions: *Please check your answers marking a cross "X" in the grid corresponding to the option chosen.*

Preencha os dados do seu voo. *Fill in with your flight details.*

Data do voo/*Flight date* ____/_____/____ **Nº do Voo/ *Flight No*: _____**

De/From _____ Para/To _____

1 Já ouviu falar da Colour White By You? / Did you ever hear about White Coloured By You? ☐ Sim/Yes ☐ Não/No (Se NÃO Passe à pergunta 3/If NOT go to question 3)

2 Se Sim, onde obteve a informação?/If Yes, how did you get the information?

In press ☐ Travel Agency ☐ Tourism Fair ☐ On internet ☐ Through other people ☐

3 É a primeira vez que viaja na White Coloured By You? It is your first time travelling with White Coloured by You? Sim/Yes ☐ Não/No ☐

4 Está a viajar em que classe? In which class are you travelling? Executiva/ Business ☐

Económica/ Economic ☐

5 Como está a viajar? How are you travelling?

Sozinho/ Alone ☐ Em grupo/ As part of a group ☐ Em familia/With family ☐

6 Qual a fila da sua cadeira? What is the queue of your seat? ☐☐

7 Está a viajar com crianças? Are you travelling with children? Sim/Yes ☐ Não/No ☐

8 Nos ultimos 12 meses quantas viagens de avião efectuou? In the last 12 months how many flights did you travel in?

0viagens/ 0 flights ☐ 1viagem/1 flight ☐ 2 a 3 viagens/between 2 and 3 flights ☐ 4 viagens/ 4 trips or more ☐

9 Qual a sua percepção sobre o tempo de espera na fila de check-in (desde a chegada à fila até ao atendimento)? What is you perception about the time in check-in queue (since the arrival on the queue until your own check-in?

Menos do que 10 minutos/ Less 10 minutes ☐ (GO TO QUESTION 11)

Entre 10 a 20 minutos/ from 10 to 20 minutes ☐ (GO TO QUESTION 11)

Entre 20 a 30 minutos/ From 20 to 30 minutes ☐ (GO TO QUESTION 11)

Mais do que 30 minutos/More than 30 minutes ☐ (GO TO QUESTION 10)

10 Se esperou mais de 30 minutos no check-in qual a causa (escolher a mais importante)? If you waited more than 30 minutes point out the reason (to choose the most important)? ☐ ☐

Abertura tardia do check –in /Late opening of check-in counter ☐

Número insuficiente de balcões /Insufficient number of check- in counters ☐

Chegada simultânea de muitos passageiros/ Many passengers arrived at the same time ☐

Morosidade no atendimento por passageiro/ Time-consuming check-in of each passenger ☐

Outra /Other ☐

11 Qual a sua percepção sobre a pontualidade da partida do seu vôo (desde o fecho de portas do avião)? How do you perceive flight departure punctuality (since the aircraft doors closed)?

A partida ocorreu antes ou à hora prevista/ Departure occurred before or at scheduled time ☐

A partida ocorrey até 15 minutos depois da hora prevista/ Departure occurred until 15 minutes after the scheduled time ☐

A partida ocorreu 15 a 30 minutos depois da hora prevista/ Departure occurred 15 to 30 minutes after the scheduled time ☐

A partida ocorreu mais do que 30 minutos depois da hora prevista/ Departure occurred more than 30 minutes after the scheduled time ☐

As afirmações seguintes servem para avaliar os serviços prestados em TERRA e a sua importância/ *The following statements aimed to evaluate the on-ground service and its importance*.
Por favor avalie em primeiro lugar os serviços recebidos, apenas depois a importância dos mesmos. *Please consider first the performance of service delivered and, only after the importance thereof*.

12 Qual a sua opinião sobre o DESEMPENHO dos serviços recebidos em TERRA? Marque uma CRUZ (X) no quadrado que corresponde à sua opinião, utilizando a escala de 1 a 7, em que 1 = Discordo Totalmente e 7 = Concordo Totalmente/ *What is your opinion about the PERFORMANCE of on-ground service? Pick a cross (X) in the square that corresponds to your opinion, using the scale of 1 to 7, in which 1 = strongly disagree and 7 = I completely agree*

	1	2	3	4	5	6	7
O Serviço de check-infoi rápido/Check-in was quick.							
O pessoal de check-in tem boa apresentação/ Good appearance of check-in staff.							
O pessoal de check-infoi proactivo na ajuda aos passageiros/ Willingness of check-in staff to help passengers .							
O pessoal de check-in foi simpático/ Courtesy of check-in staff .							
O pessoal de check-in tem conhecimentos para responder às minhas questões/ Check-in staff has knowledge to answer my questions .							
O pessoal de check-in presta atenção a cada passageiro / Check-in staff gives attention to each passenger.							
Foi prestada a informação necessária no check-in / All information needed was given on check-in.							

13 Qual a IMPORTÂNCIA dos seguintes serviços em TERRA? Marque uma CRUZ (X) no quadrado que corresponde à sua opinião, utilizando a escala de 1 a 7, em que 1 = Nada Importante e 7 = Muito Importante./ *What is the IMPORTANCE of the following on-ground services? Pick a cross (X) in the square that corresponds to your opinion, using the scale of 1 to 7, in which 1 = strongly disagree and 7 = I completely agree*.

	1	2	3	4	5	6	7
O Serviço de check-infoi rápido/Check-in was quick.							
O pessoal de check-in tem boa apresentação/ Good appearance of check-in staff.							
O pessoal de check-infoi proactivo na ajuda aos passageiros/ Willingness of check-in staff to help passengers.							
O pessoal de check-in foi simpático/ Courtesy of check-in staff .							
O pessoal de check-in tem conhecimentos para responder às minhas questões/ Check-in staff has knowledge to answer my questions.							
O pessoal de check-in presta atenção a cada passageiro / Check-in staff gives attention to each passenger.							
Foi prestada a informação necessária no check-in / All information needed was given on check-in.							

As afirmações seguintes servem para avaliar os serviços prestados a BORDO e a sua importância/ *The following statements aimed to evaluate the on-ground service and its importance.*
Por favor avalie em primeiro lugar os serviços recebidos, apenas depois a importância dos mesmos/ *Please consider first the performance of service delivered and, only after the importance thereof.*

14 Qual a sua opinião sobre o DESEMPENHO dos serviços recebidos a BORDO? Marque uma CRUZ (X) no quadrado que corresponde à sua opinião, utilizando a escala de 1 a 7, em que 1 = Discordo Totalmente e 7 = Concordo Totalmente/ *What is your opinion about the PERFORMANCE of the following in-flight services? Pick a cross (X) in the square that corresponds to your opinion, using the scale of 1 to 7, in which 1 = I strongly disagree and 7 = I completely agree.*

	1	2	3	4	5	6	7
A quantidade dos alimentos e bebidas nas refeições é adequada/ The quantity of food and beverage is appropriate.							
A qualidade dos alimentos e bebidas é adequada/ The quality of food and beverage is appropriate.							
As cadeiras são confortáveis / Seating confort.							
Os meios de entretenimento para as crianças são apropriados/ Entertainment media is appropriate.							
Os meios de leitura são adequados/Reading conditions are appropriate.							
Os conteúdos do Canal White são adequados (filmes e notícias)/ White channel contents are appropriate (films and news).							
Quando entrei no avião fui bem recebido pela tripulação/ Warm reception when I got in the plane.							
A tripulação tem boa apresentação/ Crew has good appearance.							
O acompanhamento da tripulação durante o voo foi adequado/ Crew monitoring during the flight was appropriate.							
A tripulação é proactiva na ajuda aos passageiros/ Crew willingness to help passengers.							
A tripulação é simpática/ Courtesy of crew.							
A tripulação tem conhecimentos para responder às minhas questões/ Crew has knowledge to answer passenger's questions.							
A tripulação presta atenção a cada passageiro/ Crew gives personnal attention to each passenger.							
A cabine está limpa/ The cabin is clean.							
Os lavabos estão limpos/ The toilets are clean.							
Foi disponibilizada informação suficiente durante o voo/ Sufficient information was available during the flight.							

15 Qual a IMPORTÂNCIA dos seguintes serviços a BORDO? Marque uma CRUZ (X) no quadrado que corresponde à sua opinião, utilizando a escala de 1 a 7, em que 1 = Nada Importante e 7 = Muito Importante/ *What is the IMPORTANCE of the following in-flight services? Pick a cross (X) in the square that corresponds to your opinion, using the scale of 1 to 7, in which 1 = strongly disagree and 7 = I completely agree.*

	1	2	3	4	5	6	7
A quantidade dos alimentos e bebidas nas refeições é adequada/ *The quantity of food and beverage is appropriate.*							
A qualidade dos alimentos e bebidas é adequada/ *The quality of food and beverage is appropriate.*							
As cadeiras são confortáveis / *Seating confort*							
Os meios de entretenimento para as crianças são apropriados/ *Children entertainment media is appropriate.*							
Os meios de leitura são adequados/*Reading conditions are appropriate.*							
Os conteúdos do Canal White são adequados (filmes e notícias)/ *White channel contents are appropriate (films and news).*							
Quando entrei no avião fui bem recebido pela tripulação/ *Warm reception when I got in the plane.*							
A tripulação tem boa apresentação/ *Crew has good appearance*.							
O acompanhamento da tripulação durante o voo foi adequado/ *Crew monitoring during the flight was appropriate.*							
A tripulação é proactiva na ajuda aos passageiros/ *Crew willingness to help passengers.*							
A tripulação é simpática/ Courtesy of crew.							
A tripulação tem conhecimentos para responder às minhas questões/ *Crew has knowledge to answer passenger's questions.*							
A tripulação presta atenção a cada passageiro/ *Crew gives personnal attention to each passenger.*							
A cabine está limpa*/ The cabin is clean.*							
Os lavabos estão limpos/ *The toilets are clean.*							
Foi disponibilizada informação suficiente durante o voo/ *Sufficient information was available during the flight.*							

As afirmações seguintes servem para AVALIAR GLOBALMENTE a White Coloured by You/ *The following statements aimed to overall evaluate White Coloured by You.*
Para cada frase, marque uma CRUZ (X) no quadrado que melhor corresponde à sua opinião utilizando a seguinte escala: 1 = Discordo Totalmente; 7 = Concordo Totalmente / *To each statement , pick a cross (X) in the square that corresponds to your opinion, using the scale of 1 to 7, in which 1 = I strongly disagree and 7 = I completely agree.*

	1	2	3	4	5	6	7
Estou muito satisfeito com a White Coloured by You / *I am very satisfied with White Coloured by You.*							
Tenho uma boa imagem da White Coloured by You /*I have a good image of White Coloured by You.*							
A White Coloured by You tem melhor imagem do que a concorrência Charter/ *White Coloured By You has a better image than charter competitors.*							
A White Coloured by You tem melhor imagem do que as Transportadoras Regulares competitors/*White Coloured By You has a better image than it competitors of regular airlines.*							
A White Coloured by You tem melhor imagem do que a concorrência Low Cost/ *White Coloured By You has a better image than competitors Low-Cost.*							
Gostaria de viajar de novo na White Coloured by You/*I would like to travel again with White Coloured By You.*							
Vou recomendar a White Coloured by You a outras pessoas/*I would like to recommend White Coloured By You to other people.*							

Qual a sua idade?/ What is your age?

Menos de 20 anos/ *Less than 20 years old* ☐
De 20 a 39 anos/ *From 20 to 39 years old* ☐
De 40 a 59 anos / *From 40 to 59 years old* ☐
Mais de 60 anos/ *More than 60 years old* ☐

Sexo/Gender

Masculino /*Male* ☐
Feminino/*Female* ☐

Qual a sua ocupação? /What is your occupation?

Trabalhador por conta própria/*Self employee* ☐
Trabalhador por conta de outrém/*Employee* ☐
Colaborador do estado/*Work with State*. ☐
Doméstica/*Housewife/Husband* ☐
Estudante/*Student* ☐
Desempregado/*Unemployed* ☐
Reformado/*Retired* ☐
Outro./*Other* ☐

Contactos (Opcional) /Contacts (Optionable)

Nome /*Name*

Morada/ *Address*

Localidade/*Locale*

C. Postal (ex. 1000-111)

Telefone/*Telephone number*

E-mail/*E-mail*

Comentários ou sugestões/ *Comments or Suggestions*

Por favor verifique se respondeu a todas as questões e ajude-nos a melhorar a qualidade de serviço e encontrar soluções que correspondam às suas expectativas. MUITO OBRIGADO PELA SUA PARTICIPAÇÃO/ Please verify that answered all the questions and help us improve the quality of service and find solutions that correspond to your expectations. THANK YOU VERY MUCH FOR YOUR PARTICIPATION.

Appendix 2 : Items and Scales

		Factors	Items	Scales	Authors
Service Quality Perception	On-ground service Overall times evaluti	Customer perceptions about time	Waiting time in check-in queu Reason understood for waiting Departure flight ponctuality		Tiernan, Rhoades & Waguespack, 2008 Brady & Cronin Jr, 2001 Parasuraman et al. (1985) Park, Robertson & Wu, 2006
	Servperf check-in	Reliability and costumer check-in service by ground staff	Prompteness of the service Staff presentation Willingness to help Courtesy Knowledge to answer questions Personalized attention Avaiability of check-in information	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Proper elaboration based on Park et al. (2006) Saha & Theingi, 2009
	In-flight service	Tangibles	Food and beverage quantity Food and beverage quality Adequacy of seats Entertainment to children Reading facilities White channel contents Cleanliness of cabin Cleanliness of the toilets Availability of information	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Proper elaboration based on Parasuraman et al. (1988) Young, Cunninghan & Lee (1994) Wen & Yeh (2010) Saha & Theingi (2009)
		Intangibles/Customer Service	Reception in the arrival Staff presentation Flight customer support Willigness to help Courtesy Employees who have knowledge to answer questions Passenger's personal attention	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Proper elaboration based on Parasuraman et al. (1985, 1988) Park, Robertson & Wu (2006)
Customer Behavioural Intentions	Satisfactio n	Overall Satisfaction	Overall satisfaction Conceptualized post service encounter	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Zins (2001) Cronin & Taylor (1992) Kelley & Davis (1994)
		Loyalty	Repurchase intention	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Adapted from Boulding et al. (1993); Zeithaml et al. (1996)
		Word of mouth	Recomend to others	7 points lickert scale 1 = Totally disagree / 7 = Completly agree	Boulding et al. (1993); Zeithaml et al. (1996)

Appendix 3 : Table Descriptive analysis based on items

	TOTAL				LONG HAUL				MEDIUM HAUL			
	Performance	Std Deviation	Importance	Std Deviation	Performance	Std Deviation	Importance	Std Deviation	Performance	Std Deviation	Importance	Std Deviation
CHECK-IN												
Check in service was quick	5,31	1,672	6,11	1,234	5,22	1,659	6,16	1,227	5,33	1,675	6,10	1,236
Check- in staff has good appearance	**5,84**	1,277	5,73	1,275	**5,81**	1,249	5,70	1,257	**5,85**	1,285	5,74	1,280
Check- in staff willingness to help passengers	5,62	1,439	6,16	1,107	5,54	1,496	6,19	1,080	5,64	1,421	6,15	1,114
Check in staff was corteous	5,75	1,419	6,14	1,115	5,68	1,484	6,14	1,109	5,78	1,399	6,14	1,117
Check -in staff had knowledge to answer passenger's questions	5,68	1,338	**6,28**	1,087	5,65	1,351	**6,34**	1,059	5,69	1,334	**6,26**	1,095
Check- in staff gave passengers personal attention	5,46	1,454	6,08	1,162	5,39	1,483	6,15	1,155	5,48	1,445	6,06	1,163
Information required in check-in process is available	5,69	1,433	6,23	1,110	5,65	1,441	6,30	1,082	5,70	1,431	6,22	1,118
Check-in Average	5,62		6,11		5,56		6,14		5,64		6,10	
IN-FLIGHT : Intangibles												
Courtesy of employee	6,25	1,010	6,37	,923	6,31	,964	6,41	,881	6,24	1,022	6,36	,935
Crew willingness to help passengers	6,08	1,100	6,36	,935	6,18	1,035	6,43	,859	*6,05*	1,906	6,34	,956
Good appearance of employee	**6,33**	,949	6,1	1,103	**6,44**	,867	*6,11*	1,075	6,30	1,822	6,09	1,111
The crew monitoring during the flight was appropriate	6,1	1,090	6,33	,943	6,21	1,040	6,39	,881	6,07	1,103	6,32	,959
I was well received by the crew when I got in the plane	6,24	1,042	6,15	1,086	6,32	,976	6,16	1,063	6,21	1,058	6,14	1,092
Employees who have the knowledge to answer passenger's questions	6,08	1,062	**6,4**	,937	6,18	1,004	***6,46***	,884	6,05	1,077	**6,38**	,952
Crew gives passenger personal attention	*5,97*	1,156	*6,3*	,971	*6,03*	1,148	6,37	,912	5,95	1,158	*6,06*	1,163
Information availability during the flight	6,02	1,133	*6,3*	1,008	*6,03*	1,131	6,34	,985	6,02	1,134	6,22	1,118
Intangibles Average	6,13		6,29		6,21		6,34		6,11		6,24	
IN-FLIGHT: Entertainment												
The White channel contents are suitable (movies and news)	*4,1*	1,961	5,51	1,524	*4,85*	1,574	**5,83**	1,240	*3,81*	2,021	5,40	1,564
Children in-flight entertainment is appropriate	4,37	1,899	**5,57**	1,528	**5,25**	1,580	*5,72*	1,392	4,10	1,906	**5,52**	1,548
The reading conditions are suitable	4,35	1,801	*5,47*	1,496	4,94	1,596	5,74	1,278	**4,16**	1,822	*5,38*	1,593
Entertainment Average	4,27		5,52		5,01		5,77		4,03		5,43	
IN-FLIGHT : Tangibles												
Seating Confort	*5,08*	1,527	6,23	1,198	*4,38*	1,748	6,23	1,394	5,28	1,393	6,23	1,134
The toillets are clean	5,67	1,358	**6,47**	,991	5,41	1,561	**6,52**	1,034	5,76	1,264	**6,45**	,976
The cabin is clean	**5,89**	1,240	6,41	,966	**5,83**	1,311	6,46	,984	**5,90**	1,218	6,39	,961
The quality of food and beverage is suitable	5,24	1,465	*6,15*	1,166	5,20	1,540	*6,26*	1,151	*5,25*	1,442	*6,11*	1,168
Tangibles Average	5,47		6,31		5,2		6,37		5,55		6,29	
IN-FLIGHT AVERAGE	5,29		6,04		5,47		6,16		5,06		5,99	

Appendix 4 : Table 1a Airline Perceived Service Quality Inter-correlation with Satisfaction and Consumer Behaviour Intentions on the total of flights

		Pearson Correlation Coefficients TOTAL FLIGHTS						
Index/Variable	Correlation Coefficient/Significance/ N	**Intangibles**	**Tangibles**	**Entertainment**	**In-Flight**	**On Ground**	**Satisfaction**	**Behavior Intentions**
Intangibles	Pearson Correlation	1						
	Sig.(2-tailed)							
	N	4891						
Tangibles	Pearson Correlation	0.703**	1					
	Sig.(2-tailed)	0.000						
	N	3932	4262					
Entertainment	Pearson Correlation	0.396**	0.516**	1				
	Sig.(2-tailed)	0.000	0.000					
	N	3401	3113	3629				
On Ground	Pearson Correlation	0.521**	0.517**	0.342**	0.540**	1		
	Sig.(2-tailed)	0.000	0.000	0.000	0.000			
	N	4649	4021	3481	2909	5217		
Satisfaction	Pearson C.	0.589**	0.651**	0.396**	0.648**	0.464**	1	
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000		
	N	4726	4119	3496	2897	4985	5469	
Behavior Intentions	Pearson C.	0.569**	0.624**	0.363**	0.621**	0.412**	0.824**	1
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	4576	4003	3396	2836	4827	5205	5244

** p< 0,01 (2-tailed)

Table 1b Airline Perceived Service Quality Inter-correlation with Satisfaction and Consumer Behaviour Intentions on long haul flights

		Pearson Correlation Coefficients (LONG HAUL)						
Index/Variable	Correlation Coefficient/Significance/N	**Intangibles**	**Tangibles**	**Entertainment**	**In-Flight**	**On Ground**	**Satisfaction**	**Behavior Intentions**
Intangibles	Pearson Correlation	1						
	Sig.(2-tailed)							
	N	1174						
Tangibles	Pearson Correlation	0.630**	1					
	Sig.(2-tailed)	0.000						
	N	1085	1160					
Entertainment	Pearson C.	0.531**	0.675**	1				
	Sig.(2-tailed)	0.000	0.000					
	N	888	870	935				
In-flight	Pearson C.	0.797	0.901**	0.883**	1			
	Sig.(2-tailed)	0.000	0.000	0.000				
	N	835	835	835	835			
On Ground	Pearson C.	0.430**	0.441**	0.407**	0.502**	1		
	Sig.(2-tailed)	0.000	0.000	0.000	0.000			
		1124	1093	899	817	1190		

Table 1b (Continued)

Satisfaction	Pearson C.	0.535**	0.685**	0.552**	0.697**	0.437**	1	
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000		
	N	1150	1136	917	820	1164	1247	
Behaviour Intentions	Pearson C.	0.514**	0.666**	0.557**	0.691**	0.409**	0.844**	1
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	1118	1103	893	806	1131	1195	1202

** p< 0,01 (2-tailed)

Table 1c Airline Perceived Service Quality Inter-correlation with Satisfaction and Consumer Behaviour Intentions on Medium Haul

Pearson Correlation Coefficients (MEDIUM HAUL)

Index/Variable	Correlation Coefficient/Significance/N	**Intangibles**	**Tangibles**	**Entertainment**	**In-Flight**	**On Ground**	**Total S.Quality**	**Behavior Intentions**	
Intangibles	Pearson C.	1							
	Sig.(2-tailed)								
	N	3717							
Tangibles	Pearson C.	0.754**	1						
	Sig.(2-tailed)	0.000							
	N	2847	3102						
Entertainment	Pearson C.	0.356**	0.532**	1					
	Sig.(2-tailed)	0.000	0.000						
	N	2513	2243	2694					
In-flight	Pearson C.	0.779**	0.873**	0.842**	1				
	Sig.(2-tailed)	0.000	0.000	0.000					
	N	2145	2145	2145	2145				
On Ground	Pearson C.	0.521**	0.552*	0.340**	0.558**	1			
	Sig.(2-tailed)	0.000	0.000	0.000	0.000				
	N	3525	2928	2582	2092	4027			
Satisfaction	Pearson C.	0.609**	0.641**	0.374**	0.636	0.464**	0.639**	1	
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000			
	N	3576	2983	2579	2077	3821	2028	4222	
Behaviour Intentions	Pearson C.	0.593**	0.604**	0.330**	0.601**	0.412**	0.595**	0.818**	1
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
	N	3458	2900	2503	2030	3696	1987	4010	4042

** p< 0,01 (2-tailed)