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#### Article

# The influence of passenger satisfaction on relationship formation in the South African domestic airline industry

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## The influence of passenger satisfaction on relationship formation in the South African domestic airline industry

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Customers are increasingly becoming aware of alternative offerings in the market place, and are thus more demanding in terms of their expectations pertaining to service delivery. As airlines in particular are vulnerable to competitors' offerings, they should offer passengers high levels of service and ensure that passengers are satisfied with their service offering in an effort to build long-term relationships. Building long-term relationships is important due to the financial and social benefits it holds to both the business and its customer. This study investigates whether passenger satisfaction influences whether or not passengers have formed a long-term relationship with the airline they fly with most often. Data was collected from South African domestic passengers departing from OR Tambo International Airport in Johannesburg by means of a convenience sample. Main findings from the study indicate that the majority of dissatisfied respondents have not formed a long-term relationship with the domestic airline, while satisfied respondents are more inclined to form a long-term relationship.

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#### Introduction

Customers increasingly expect and demand high levels of service and satisfaction, resulting in businesses having to continuously provide high levels of customer service to satisfy customer needs (Jobber, 2004:462-463). As Aggarwal (2005), McClay and Whelan (2004), and Temporal and Trott (2001:20) explain, a strong customer service orientation must exist in the whole business before relationships can be formed with customers. It is by building and maintaining relationships that businesses can improve their success in a competitive business environment (Mullins, Walker, Boyd & Larréché, 2005:11). It is for this reason that Rust and Chung (2006:570) suggest that it is important to research the connection between customer satisfaction and relationship formation in the service industry.

This article aims to determine whether passengers' satisfaction with South African domestic airlines influences the formation of relationships with the airlines they fly with. The South African domestic airline industry was chosen as domestic departures amount to approximately 70% of total

departures, with more than 47 million passengers who flew domestically between April 2005 and March 2009 (ACSA, 2010). Although few studies on the effect of satisfaction on relationship formation in the airline industry have been conducted, none offered a South African perspective.

The remainder of this article firstly provides an insight into customer satisfaction and relationship formation through customer relationship management. The research methodology is then presented and the data analysis techniques are discussed followed by the results, implications and directions for future research.

#### Literature review

#### Customer expectations

Lovelock and Wirtz (2004:37-40), Grönroos (2004:106), and Gabbott and Hogg (1998:52) explain that since customers buy goods and services to meet specific needs, they will compare these offerings of various businesses to determine which offering will best suit and satisfy their needs. Customers will therefore spend more time comparing service offerings against what they expect to receive, especially if time, money and effort are involved when obtaining the service offering. Customers will be satisfied when they receive service levels that meet or exceed their expectations, but will not accept any lower service levels. In the airline industry, customer expectations could be as basic as wanting the flight to arrive on time, or could include expectations of a clean airplane, or in-flight refreshments and entertainment. Airlines need to know what customer needs and expectations are in order to exceed those expectations and so provide quality customer service and customer satisfaction.

#### Customer satisfaction

Customer satisfaction can for the purposes of this study be defined as a positive post-purchase assessment to which a business is able to meet customers' needs and/or exceed their expectations (Blackwell, Miniard & Engel, 2006:742; Lamb, Hair & McDaniel, 2005:10). Satisfaction can therefore be seen as how customers observe the services received in comparison with their previous experiences and expectations (Chau & Kao, 2009:112; Torres & Kline, 2006:290). Customers will evaluate their satisfaction with each service element provided by the business as well as their satisfaction with the overall service experience. This occurs since customers may place varying importance on certain service elements, which if not provided will cause dissatisfaction. Yet, it is suggested that if customers are not satisfied with the overall service experience, they will not repeat the purchase (Palmer, 2008:323). Ensuring customer satisfaction is essential for businesses to remain competitive (Kumar, Smart, Maddern & Maull, 2008:176; Park, 2007:239) as customers who are satisfied are more likely return to the business as opposed to dissatisfied customers who would probably switch to a competitor (Fečiková, 2004:57). Yet, as Rhoades, Waguespack and Treudt (1998:306) explain, the general perception among customers is that airlines are more interested in cost-cutting than in improving service quality and customer service or satisfying customer needs.

#### Customer relationship management

Customer relationship management (CRM) arose from the need of businesses to keep up with the changing needs and demands of customers, markets and competitors (Maklan, Knox & Ryals, 2007:221; Payne & Frow, 2006:137-138). Although it is difficult to find a mutually agreed upon definition of CRM, possibly because of the fast evolution and changing nature thereof (McKenzie, 2000:41-42), numerous authors agree that the emphasis of CRM is on the building of customer relationships (Christopher, Payne & Ballentyne, 2002:16; Gummesson, 2002:297; Ivens & Shaw, 2002:98; Galbreath & Rogers, 1999:162).

Li and Petrick (2008:237) and Jobber (2004:796-797) explain that through CRM, businesses are able to focus on existing customers rather than on attracting new customers. CRM furthermore aids businesses in retaining existing customers and improving the quality of the relationship between businesses and customers.

The benefits of CRM to the business include increased revenues and profit; reduced marketing costs; more effective decision-making, since the business understands customer needs better leading to increased customer satisfaction and retention; as well as the creation of a competitive advantage (Chalmeta, 2006:1016-1017; Torres & Kline, 2006:293; Roh, Ahn & Han, 2005:641; Jobber, 2004:797-798; Gummesson, 2002:310; McDonald, 2002:477; Temporal & Trott, 2001:10). The benefits of CRM to customers include that by building long-term relationships with a business, customers build confidence in the quality of the product and service offering; and customers are treated as individuals with individual needs and are offered tailored services that meet their needs (Grönroos, 2004:36; Jobber, 2004:798-799; Temporal & Trott, 2001:37).

Sheth and Uslay (2007:302), Zineldin and Philipson (2007:229), and Temporal and Trott (2001:20) emphasise that CRM and customer service are closely related, because CRM aims to build long-term relationships with customers by giving customers valued experiences through customer service which, in turn, aids in customer retention. Customer service is therefore an important part of building relationships for every business, and especially for service businesses, as each time a business does not offer quality customer service and satisfy customer needs, the relationship will be broken down even further. For this reason, CRM can affect customer satisfaction both positively and negatively.

### Customer satisfaction and CRM in the airline industry

Anderson, Klein Pearo and Widener (2008:370), and Cheng, Chen and Chang (2008:487) state that the airline industry creates the perfect setting to study customer satisfaction and customer relationship management due to the number of service encounters passengers are involved in during their flight and since it is in the best interest of the airline to form a long-term relationship with customers. Atalik, Kampüsü and Turkey (2009:158), Li and Petrick (2008:239), and Boland, Morrison and O'Neill (2002:1-4) explain that CRM has become vital to the airline industry for airlines to gain a competitive advantage. A problem with the airline industry is that many airlines place an emphasis on cost reductions rather than considering customer service and customer satisfaction. Furthermore, many services provided by airlines are indistinguishable from one airline to the next, necessitating the need for airlines to find some other way of gaining a competitive advantage. CRM provides airlines with a basis of how to achieve long-term relationships and growth, while still achieving operational efficiency. Nadiri, Hussain, Ekiz and Erdoğan (2008:266), and Chang and Yeh (2002:166) state that due to the competitive nature of the airline industry, the only way in which airlines can remain competitive is by ensuring that customers are satisfied with the service encounter by exceeding customer expectations and by developing long-term relationships with these customers.

#### **Problem statement**

Most studies previously conducted in the airline industry aimed to determine passenger expectations (see Chau & Kao, 2009; Nejati, Nejati & Shafaei, 2008; Fodness & Murray, 2007; Pakdil & Aydin, 2007; Prayag, 2007; Gilbert & Wong, 2003; Chang & Yeh, 2002; Pleger Bebko, 2000; Sultan & Simpson, 2000). Although determining customer expectations is vital in providing quality service and satisfying customers (Cheng et al., 2008:489), none of these studies determined whether passengers were satisfied with the services provided by the airlines. Only studies such as Anderson et al. (2008), Park (2007) and Aksoy, Atilgan and Akinci (2003) concentrated on passenger satisfaction. The only studies that determined whether satisfaction has an effect on relationship formation in the airline industry included those conducted by Saha and Theingi (2009), Van Pham and Simpson (2006), and Bejou and Palmer (1998). No studies could be identified from a South African perspective that determine the effect of satisfaction on relationship formation within the domestic airline industry.

As Temporal and Trott (2001:20) explain, businesses need to build long-term relationships with customers by providing valued experiences through customer service and satisfying customer needs; however, as these authors state, every time a business does not offer quality services, relationships can be broken down further, which could possibly lead to a decrease in business profitability. Taking into account that no studies have been conducted on the influence of customer satisfaction on relationship formation from a South African domestic airline perspective, and that it was observed from literature that relationship formation is important for business profitability, the aim of this article is to determine whether the satisfaction levels of passengers flying with South African domestic passenger airlines influence the formation of relationships between the passenger and the domestic airline they most often fly with.

#### **Objectives and hypothesis**

The primary objective of this study is therefore to determine whether the satisfaction levels of passengers flying with domestic airlines in South Africa influence whether or not passengers form long-term relationships with the domestic airline they most often fly with. In order to achieve this primary objective, the following secondary objectives were set:

- To determine whether passengers are satisfied with the service elements offered by South African domestic passenger airlines;
- To determine whether or not passengers have formed relationships with South African domestic passenger airlines;
- To determine why passengers have or have not formed relationships with the South African domestic passenger airlines; and
- To identify whether passengers' satisfaction with the airlines' services influence whether or not they have formed a long-term relationship with the domestic airline.

Taking the above objectives into account, the following hypothesis was formulated:

 $H_0$ 1: Satisfied respondents have not formed a long-term relationship with the domestic airline they most often fly with.

#### Research methodology

The population for this study was determined as being all passengers departing from OR Tambo International Airport flying with any of South Africa's major domestic airlines (1-Time, Kulula.com, Mango, Nationwide (this airline was still operational at the time of the study), South African Airlink, South African Airways and South African Express) to any domestic destination in South Africa. In this study, a nonprobability sampling method was used by means of convenience sampling. Trained fieldworkers intercepted passengers at OR Tambo International Airport after they had checked in for their flight. The fieldworkers asked passengers a screening question to determine how often they fly with the airline, as this information would be required to determine whether passengers have formed relationships or not. Only those passengers who flew twice or more with a specific domestic airline in the year preceding the survey were asked to complete the questionnaire.

The questionnaire used in a similar study by Gilbert and Wong (2003) concerning passenger expectations of airline services in Hong Kong was adapted for the purposes of this study. The questionnaire consisted of open- and closedended questions and were specifically aimed to determine which service elements respondents consider important when selecting an airline, whether they are satisfied with the services provided by the domestic airline they fly with most often and whether they had formed a long-term relationship with that domestic airline. The final section in the questionnaire aimed to gather demographic information about respondents. The questionnaire was pre-tested among 30 individuals who were randomly selected from the sample population. The pre-testing allowed for ambiguities in the questionnaire to be identified. Adjustments were made to the final questionnaire such as including a "not applicable" option as part of the scale as passengers may not have been exposed to certain service elements. The questionnaires were distributed over a two-week period at different times during the day so as to accommodate the various airlines' departure times. The fieldwork was conducted during normal travel times (not during peak and holiday periods) so as not the bias the data with passengers travelling on holidays and so ensure that only usual travellers were included in the sample. 405 questionnaires were distributed to passengers flying with various domestic airlines during the two-week period. Time constraints due to respondents having to board the airplane led to some questionnaires not being completely filled in. These questionnaires were discarded for the data analysis process, leading to 324 useable questionnaires (a realisation rate of 80%).

The statistical analysis techniques used in this study included frequency analysis, cross-tabulations and effect sizes. Specifically tests for statistical and practical significance were conducted. According to Hardy and

Bryman (2004:180) and Reid (1987:113), statistical significance illustrates whether a result obtained is significant and indicates the likelihood of whether a result occurred by chance. In this study, a Chi-square statistic with an exceedence probability of < 0.05 is considered as being statistically significant. The problem with statistical significance is although it can indicate significance, it cannot determine the strength (importance) of the significance. For this reason, the w-value (effect size for associations in a cross-table) is used to determine whether associations exist between variables and whether these associations are practically significant and valid in terms of external measures (Steyn, 1999:I; Bagozzi, 1994:248). Steyn (1999:8) states that the effect size for the relationship in a cross-tabulation is interpreted by using the phicoefficient and provides the following guidelines for its interpretation:

- w = 0,1: small effect;
- w = 0,3: medium effect; and
- w = 0,5: large effect, which is practically significant and indicates that associations between variables can be observed.

#### Results

#### Sample profile

From the results obtained from the demographic variables it can be discerned that more male respondents (55,9%) than female respondents (44,1%) participated in the study. The largest number of respondents was between the ages of twenty and forty (65,4%). Concerning respondents' education, it was determined that nearly 32% (31,8%) of respondents had a diploma, 32,1% a university degree and a further 15,7% a post-graduate degree. Just over 70% of respondents either fly alone or with colleagues, with most respondents travelling for business reasons (52,5%). Just under half (49,4%) of the respondents make their own decision as to with which domestic airline to travel, while 24,7% of respondents' employers' business policy dictated which airline to use. Concerning the number of times respondents flew with the domestic airline within the 12 months preceding the study, it was found that 42,3% have flown once or twice, 39,2% flew three to six times, and 18,5% flew seven times or more with the airline they most often fly with.

#### Customer satisfaction

The questionnaire aimed to determine which of 26 listed service elements were important to respondents when selecting an airline and whether they were satisfied with the services provided by the domestic airline they fly with most often. The respondents were asked to rate their satisfaction with the 26 service elements on a five-point Likert scale, where 1 = not satisfied at all, 2 = not satisfied, 3 = satisfied, 4 = very satisfied and 5 = not applicable. Table 1 presents the percentages of whether respondents were satisfied or dissatisfied with each of the service elements together with the mean score and standard deviation for each statement. "Not applicable" responses are omitted from the results

portrayed in Table 1. For the purposes of determining the overall satisfaction or dissatisfaction levels of respondents for each statement, 1 and 2 on the Likert scale was combined to indicate whether respondents were "not satisfied" and 3 and 4 were combined to indicate whether respondents were "satisfied" with each service element.

From Table 1 it can be determined that service elements with the highest means, indicating that respondents were satisfied with the service element, included "you feel safe when you fly" with a mean of 3,32 (94,8% of respondents were satisfied); "the ability to purchase tickets on-line" with a mean of 3,31 (87,9% of respondents were satisfied); and "employees of the airline appear neat and tidy" with a mean of 3,26 (92,6% of respondents indicating their satisfaction with this service element). The largest standard deviations (indicating a large deviation from the mean) could be observed in terms of whether the airline has comfortable waiting lounges (std. dev. = 1,00); whether the flight departs and arrives on time (std. dev. = 0,91) and the ability to check in on-line (std. dev. = 0,77).

Service elements with the lowest means included "the airline has comfortable waiting lounges" with a mean of 2,38 and standard deviation of 1,00 (43,5% of respondents were dissatisfied with the service element); "the flight departs and arrives on time" with a mean of 2,70 (38,0% of respondents were dissatisfied with this service element); and "low prices of tickets" with a mean of 2,76 with 31,8% of respondents being dissatisfied with this service element.

Further analysis of these results was necessary to determine the influence of respondents' satisfaction on whether they formed a long-term relationship with the airline they most often fly with. In order to determine which respondents were satisfied with the overall service provided by the airlines, the average mean of the 26 service elements presented in Table 1 was calculated per respondent. All "not applicable" responses were coded as missing values that were ignored during the statistical calculation so that the mean would not be disproportionately distributed toward the higher value, resulting in an overstated mean. All respondents whose average mean scores were three and above were therefore deemed to be satisfied, whereas those with an average mean score of less than three were considered to be dissatisfied with the service offered by the airline. From this analysis, it was determined that 169 respondents (52,2%) were satisfied and 155 respondents (47,8%) were dissatisfied with the service elements provided by the domestic airline they fly with most often. Slightly more respondents were therefore considered to be satisfied with the service elements provided by the domestic airline, than those who were dissatisfied.

#### Relationship formation

Respondents were subsequently asked to indicate whether or not they have formed a long-term relationship with the airline they most often fly with. From the results it could be established that the majority of respondents (56,2%) have not formed such a long-term relationship.

#### Table 1: Respondents' satisfaction with service elements

Service elements	Satisfied (%)	Dissatisfied (%)	Mean	Std. dev.
Quality food and beverages are provided during the flight	76,3	15,5	2,99	0,64
The domestic airline has convenient flight schedules	83,0	16,0	3,09	0,64
The aircraft has comfortable interiors	85,5	13,6	3,07	0,62
The airline has comfortable waiting lounges	44,7	43,5	2,38	1,00
Employees of the airline appear neat and tidy	92,6	4,9	3,26	0,58
The service is performed right the first time	87,9	10,2	3,12	0,58
The promises made in advertising campaigns are kept	78,7	18,5	2,96	0,64
Employees of the airline have knowledge to answer questions	82,4	13,0	3,06	0,59
Employees of the airline offer you prompt service	88,3	10,5	3,09	0,56
Employees of the airline understand your needs	82,4	16,0	3,03	0,61
Employees of the airline are never too busy to respond to your requests or complaints	81,5	16,3	3,00	0,61
Employees of the airline are consistently courteous	85,8	13,0	3,07	0,57
Employees of the airline are always willing to help	88,3	10,5	3,11	0,56
The flight departs and arrives on time	60,8	38,0	2,70	0,91
Consistent ground services	82,4	14,8	3,01	0,60
Consistent in-flight services	90,1	8,6	3,10	0,52
You feel safe when you fly	94,8	4,0	3,32	0,55
The ability to purchase tickets on-line	87,9	6,1	3,31	0,62
The ability to track flights and schedules on-line	76,9	15,2	3,11	0,73
The ability to check in on-line	73,8	17,0	3,03	0,77
The airline offers additional services (e.g. air/accommodation/car hire packages)	71,3	14,9	3,03	0,68
Airline has efficient check-in services	83,0	14,2	3,09	0,63
The airline has sufficient check-in services	77,5	20,3	2,97	0,66
Airline has efficient baggage handling services	81,5	15,8	3,00	0,63
Airline has sufficient baggage handling services	80,5	17,6	2,97	0,60
Low prices of tickets	67,0	31,8	2,76	0,73

When asked to specify why they have or have not formed long-term relationships with the airlines they most often fly with, respondents listed a number of responses by means of open-ended questions. Table 2 presents the reasons why respondents had formed a long-term relationship, while Table 3 indicates the reasons why respondents who have not formed a long-term relationship, did not do so.

From Table 2 it can be discerned that most respondents have formed a long-term relationship with the domestic airline due to the services (39.4%) and loyalty programme (25.4%) offered by the domestic airline they most often fly with.

The main reasons respondents provided for not forming a long-term relationship with the domestic airline, as indicated in Table 3, include that the respondent does not want to form a relationship (30,2%); they do not feel that they are important enough to the domestic airline to form a long-term relationship (21,4%); and the high prices of tickets (19,2%).

#### Effect of satisfaction on relationship formation

Table 4 presents the results from a cross-tabulation of respondents' satisfaction and whether they have formed a long-term relationship with the domestic airline they fly with most often (Tables 4a and 4b in the Annexure present the detailed statistical exposition associated with this cross-tabulation). In Table 4 the row percentages are listed.

From Table 4 it can be determined that although almost half of the respondents (49,7%) who indicated they were satisfied have formed a relationship with the domestic airline they fly with most often, the majority of dissatisfied respondents (62,6%) have not formed a relationship. In order to determine whether an association exists between these variables, a Chi-square test was conducted. The test realised an exceedence probability of p = 0,035, indicating that a statistically significant association between the variables can be observed. Hypothesis H<sub>0</sub>1 can therefore be rejected as there is a statistically significant association between respondents' satisfaction with the airlines' overall service and whether they have formed a long-term relationship with the airline they fly with most often. It was, however, decided to determine the effect size of the association. From Table 4b it can be noticed that a small effect can be observed as the phi-coefficient realised a value of 0,124, implying that the result is not practically significant.

#### Summary and managerial implications

From the literature review it was established that it is essential for businesses to ensure customer satisfaction if they want to remain competitive (Kumar *et al.*, 2008:176; Park, 2007:239), as customers who are satisfied are more likely to return to the business as opposed to dissatisfied customers who would probably switch to a competitor (Fečiková, 2004:57).

Results from this study indicated that slightly more respondents were satisfied with the overall service provided by the domestic airline they fly with most often than those who were dissatisfied. This finding should be alarming to airlines competing in the domestic airline industry when considering the number of competitors in the industry as well as the relatively low switching costs associated with moving from one airline to one of its competitors.

#### Table 2: Reasons for forming a long-term relationship with the domestic airline

Reason	F	%
Service	56	39,4
Loyalty programme	36	25,4
Prices offered by airline	16	11,3
Airline provides the best package	15	10,6
Availability of flights	12	8,5
Airline is a trusted brand	5	3,5

#### Table 3: Reasons for not forming a long-term relationship with the domestic airline

Reason	F	%
Respondent does not want to form a relationship	55	30,2
Respondent does not feel important enough to the airline	39	21,4
High prices of tickets charged by the airline	35	19,2
Poor service	20	11,0
Lack of available flights	14	7,7
Fly airline due to business policy (have no choice)	10	5,5
No real difference between airlines	5	2,8

Table 4: Respondents' satisfaction with the airlines and whether they have formed a long-term relationship with the airlines

	Whether long-term re	Total		
	Have formed a relationship Have not formed a relationship		Total	
Satisfied	84	85	169	
Satisfaction with	49,7%	50.3%	100%	
Dianatingal	58	97	155	
Dissatisfied	37,4%	62.6%	100%	
	142	182	324	
	43.8%	56,2%	100%	
	Satisfied Dissatisfied	Have formed a relationship   Satisfied 84 49,7%   Dissatisfied 58 37,4%   142	Satisfied     84 49,7%     85 50.3%       Dissatisfied     58 37,4%     97 62.6%       142     182	

Pertaining to the forming of relationships with the airline, results indicated that the majority of respondents have not formed a long-term relationship with the domestic airline they fly with most often which could influence the longterm sustainability of the airline. Reasons for not forming a long-term relationship include that respondents did not want to form such a relationship and that they did not feel as if they were important enough to the domestic airline in order to form a long-term relationship. Respondents who did form a long-term relationship indicated they had done so because of the service and loyalty programmes offered by the airline. Airlines should therefore determine which customers want to form a long-term relationship with them and provide those customers with high quality services and a loyalty programme that will meet their individual needs.

Concerning the main purpose of this article, namely to determine whether passenger satisfaction influences the formation of long-term relationships in the South African domestic passenger airline industry, it was found that almost half of the respondents (49,7%) who were satisfied have formed a long-term relationship with the domestic airline they fly with most often. Further statistical analysis indicated that although passenger satisfaction does influence the formation of long-term relationships with domestic airlines, this result is of little practical significance. Despite this conclusion from the statistical analysis, it should be emphasised that the majority of respondents (62,6%) who were dissatisfied with the airlines' service did not form a long-term relationship with the airline. This finding could therefore support the suggestion that by not offering satisfactory service to their customers, airlines will find it difficult to build long-term relationships with them.

The findings from this study therefore suggest that by not satisfying customers by means of effective customer service, customers will be less inclined to form a long-term relationship. For this reason, it can be recommended that domestic passenger airlines should improve the services offered to their passengers in an effort to increase customer satisfaction and thereby encourage forming long-term relationship with the domestic airline.

#### Limitations and future research

A limitation experienced in this study was a lack of literature on the South African airline industry. This required that literature from the airline industry of other countries or other industries had to be consulted. Furthermore, a convenience survey method had to be used since domestic airlines were not prepared to provide access to their passenger database. Finally, problems were experienced in obtaining permission to distribute the questionnaire at OR Tambo International Airport. Although each domestic airline was contacted to determine whether questionnaires could be distributed on their flights, no domestic airline granted permission for this. Although permission was originally granted by Airports Company of South Africa (ACSA) to distribute questionnaires in the departure lounge of OR Tambo International Airport, security measures meant that the time span, as well as the locality where questionnaires could be distributed, had to be revised.

Possible future research areas could include that a similar study be conducted on international airlines, since passengers flying domestically and those travelling on international flights may require different levels of service and find other service elements more important. This could indicate how airlines' domestic and international strategies need to be adapted or re-designed. Furthermore, studies could be conducted into which elements need to be provided by airlines so that passengers will want to form long-term relationships with them.

#### Contribution of the study

This study aids in providing an understanding of the link between customer satisfaction and relationship formation within the airline industry in South Africa which has, to date, been limited. The study adds to the current knowledge of the South African airline industry and customer expectations of domestic airlines which could aid airlines in developing more effective service and CRM strategies. By taking the results of this study into account, South African airlines should realise the importance of improving customer satisfaction levels in order to remain competitive in an increasingly competitive industry.

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#### Annexure

Table 4a: Respondents' satisfaction with the airlines' service and whether they have formed a long-term relationship with the airlines

#### **Chi-Square Tests**

			Asymp. Sig. (2-	Exact Sig. (2-	Exact Sig. (1-
	Value	Df	sided)	Sided)	sided)
Pearson Chi-square	4.956 <sup>a</sup>	1	.026		
Continuity Correction <sup>b</sup>	4.470	1	.035		
Likelihood ratio	4.974	1	.026		
Fisher's Exact Test				.033	.017
Linear-by-Linear Association	4.941	1	.026		
N of Valid Cases	324				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 67.93

b. Computed only for a 2x2 table

## Table 4b: Respondents' satisfaction with the airlines' service and whether they have formed a long-term relationship with the airlines

#### Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Phi	.124	.026
	Cramer's V	.124	.026
	Contingency Coefficient	.123	.026
	N of Valid Cases	324	