



The Influence of Service Quality on Aircraft’s Brand Image in Bandung, Indonesia

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	<p align="center"><b>ABSTRACT</b></p>
<p>2016 Research Leap/Inovatus Services Ltd. All rights reserved.</p> <p><b>DOI:</b> <a href="https://doi.org/10.18775/jibrm.1849-8558.2015.35.3003">10.18775/jibrm.1849-8558.2015.35.3003</a> <b>URL:</b> <a href="http://dx.doi.org/10.18775/jibrm.1849-8558.2015.35.3003">http://dx.doi.org/10.18775/jibrm.1849-8558.2015.35.3003</a></p>	<p>This study aims to measure the effect of service quality on domestic aircraft companies in accordance with the improvement of the corporate's image. The population in this study is domestic passengers. In collecting data from 250 respondents, this study uses the Non-Random Sampling technique. The analysis method of this study is regression analysis. The result shows that there is the influence of service quality on the brand image of domestic aircraft. The implications of this study indicate that the improvement of service quality provides a positive image for local aircraft companies.</p>
<p><b>Keywords:</b> Service quality, Brand image, Domestic airplane passengers</p>	

**1. Introduction**

The service industry grows fast in recent time. Moreover, it is a highly competitive industry. The aviation industry is one of the service industries that experience the rapid development and high competition. The development of aviation industry in Indonesia occurred along with the increasing number of foreign airlines in Indonesia, the economic growth and the increasing of purchasing power.

Companies need to implement highly competitive strategies in maintaining their business. It is through low-cost carrier (LCC) strategy or the use of low-cost airline strategy. On the other hand, the competition between the low-cost carrier (LCC) is getting tougher. Despite the increasingly tight competition among the LCC companies, the company still needs to pay attention to the quality of facility. Kotler (2003) explains that service has become an absolute needs that must exist. Therefore, the service sector also needs to prioritize the quality following the example of the goods-producing sector.

The airlines also need to pay attention to its brand strength. Kotler and Keller (2006) developed a customer-based brand equity model. This model assumes that the power of a brand lies in what consumers are learning, feeling, seeing and hearing about the brand as a result of their experience all the time. The key to creating the brand equity is brand knowledge, which

consists of brand awareness and brand image. Thus, new brand equity is created if the customer has a high degree of awareness and familiarity with a brand and they have a strong, positive and unique brand association in their memory.

According to Kotler and Keller (2006), the image is the main priority that must be considered by companies engaged in the marketing services field, because a good image will provide the added value for the company and in achieving goal-oriented consumer satisfaction, the company performance determines the consumer perceptions of the provided services. Perceptions of the quality of services will continue in the process of formatting the brand image.

Based on the monitoring conducted by the Directorate General of Civil Aviation - Ministry of Transportation in January-June 2017 on the largest market share domestic airlines, it was found they do not have the On-Time Performance. This assessment of timeliness does not include the canceled flights. The timekeeping assessment is calculated with 15 minutes time tolerance from the departure schedule.

The low On-Time Performance, complaints and discriminatory treatment may create a negative brand image in the consumers’ minds. Gronroos (2000) defines service quality as a concept that explains how customers perceive the quality of service. The

quality of service depends on the customer's perception of the service. Parasuraman, Zeithaml, and Berry (1985;1988) mention there are five dimensions of service quality such as reliability, assurance, tangible, empathy and responsiveness.

Brand image is the consumer's overall perception towards a brand. It has a close relationship with the brand association. The brand association is the shaper of the brand image. This definition is in line with Keller and Aaker's perception of the brand image. (Kurniawan & Sidharta, 2016) Aaker (1992) states that brand image must be supported by a good quality product. Oh (2001) and Wang, Lin, and Tseng (2011) add that in achieving goal-oriented consumer satisfaction, company performance determines the consumer perceptions of services. Perceptions of the provided quality will continue in the process of brand image formation. (Brady & Cronin, 2001) Previous study confirmed by Chen and Tseng, 2010; Han, et al., 2012; Hussain, Al Nasser and Hussain, 2015; Juhana et al., 2015; Kayaman and Arasli, 2007; Kim and Lee, 2005; Kim and Kim, 2004; Malai and Speece, 2005; Namukasa, 2013; Nam, Ekinci and Whyatt, 2011.

The purpose of this study is to determine the effect of service quality on domestic passenger aircraft satisfaction. The results of this study are expected to contribute to the increase of local aircraft company in providing passenger satisfaction.

## 2. Methods

The research method used in this study is the quantitative survey research method. Survey method is used to obtain data from a specific place that is natural (not artificial), but the researcher does some treatments in collecting the data, for example distributing questionnaires, test, structured interviews, and many others.

Lion Air airline in Bandung is the object of study. The poor service of Lion Air is the reason for using it as the research object. It is shown by its On-Time Performance in 2017. The independent variable used in this research is the quality of service. The operational definition of service quality variable is the perceived quality of Lion Air's domestic air services according to consumers traveling through the airport in Bandung. Quality of service uses Parasuraman's dimension: 1) Reliability which is the ability of the company to provide satisfactorily and accurately services; 2) Assurance is knowledge, politeness and the employees' ability that can grow consumer's confidence towards the company; 3) Tangible / physical evidence is the appearance of physical facilities, equipment, and the company's employees; 4) Empathy is the concern and attention given to the consumers; 5) Responsiveness is the willingness of employees to help consumers and provide fast service.

The dependent variable in this study is the brand image. The operational definition of the brand image variable is the

consumer's perception of the domestic flight of Lion Air airline in Bandung described by the brand association existing in the consumer's memory. Brand image is formed by three factors:

- 1) The strength of brand association is Lion Air's consumer association related to how information about Lion Air's attributes falls into the customer's memory and survives as part of Lion Air's image.
- 2) Favorability of brand association is Lion Air's consumer association related to the attributes and benefits provided by Lion Air and that create positive behavior towards Lion Air.
- 3) The uniqueness of brand association is a consumer's association related to the advantages of Lion Air compared to the other airlines.

The target population is the selected population and able to generalize the results of the research. The target population in this study were all consumers who traveled using Lion Air for domestic flights through Husein Sastranegara airport. While the characteristics of the established population are consumers who traveled with domestic flights in the last one-year and the minimum education standard is high school graduate. The researcher took the population study from 178,804 passengers. The sampling technique of this study is Non-Random Sampling because there is no list of respondents. According to Malhotra and Birks (2007), the minimum number of samples for problem-solving research is 200 plus 25% as the respondent's fault tolerance in answering. Then the number of samples used in this study is 250 respondents.

Types of sampling in this study are accidental sampling. According to Sugiyono (2013), accidental sampling is a technique of determining samples by chance, for instance, anyone who by chance met with the researcher can be used as a sample if the person is suitable as a data source.

The questionnaire contains questions about the quality of service and the Lion Air's brand image in Bandung. The question form in the questionnaire is closed (close-ended question). Therefore, the respondent's answer was limited by providing alternative answers. Test of validity and reliability was done and satisfactory.

## 3. Sample

Respondents in this study were consumers who traveled through the airport in Bandung. Most of the respondents are female. They are 132 people or 52.8% of all respondents, while the remaining are men with 118 people or 47.2% of all respondents. Nevertheless, the percentage of female passengers is only slightly different from the percentage of passengers of male, which is only 5.6%.

## 4. Data Analysis Results

The following table shows the Calculation results:

**Table 1: Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10.130	1.138		8.903	.000
	X	.350	.018	.774	19.261	.000

a. Dependent Variable: Y

**Table 2: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.774 <sup>a</sup>	.599	.598	3.601364

a. Predictors: (Constant), X

Service quality positively and significantly influences the brand image with 59,8% because of t- equal to 0,000 <0,05. The 59.8% influence is caused by the poor quality service, timeliness in departure. Also, there are many other factors that affect the domestic flight's brand image, which is the pricing strategy and the distribution. According to Chen & Tseng (2010), a factor that affects the brand image is product positioning. Hussain, Al Nasser and Hussain, (2015) and Namukasa (2013) describes the other factors that affect the brand image, such as the experience, personal (friends, acquaintances and others who use a brand share mutual trust of attributes and brand associations), public (brand presence in mass media and consumer reports) and commercial (sales force).

Furthermore, the research results show the value of service quality is categorized quite good. The quality of service is quite good because passengers do not expect excellent service from the airline since the price is low. However, the passengers still hope to fly on time. The company still cannot meet the expectation. On the other hand, the company also has positive aspects especially in the suitability of seat numbers listed on the ticket with the number of seats on the plane, courtesy, friendliness and employees' patience, employees' tidiness and good luggage conditions. There are more specific discussions of each dimension in service quality.

The punctuality score is 649 which is considered in the bad category. This is evidenced by the flight departure data from the Air Traffic Controller Airport during January 2017. The domestic flights that have a departure delay or 88.32%. The multi-flight system causes lion Air departure delays. Therefore, when there is traffic in the previous airport, it will cause the flight delays at the next airport. This system is more efficient in terms of operational than point to the point system and in accordance with the Low-Cost Carrier strategy used by the company. The arrival timing score is considered well enough because the passengers do not pay much attention to that arrival time because they previously have delayed departure. The

punctuality of arriving luggage is in the equally good category, due to the presence of some respondents who are hesitant that the baggage arrived on time. This uncertainty happens because they do not always experience the delayed luggage.

The suitability of the seating number is in a good category. This indicator is even considered as an indicator that obtains the highest score in the reliability dimension. The suitability of the seating number is good because the check-in officer rarely makes a mistake in the seating arrangement of the passengers. The passenger does not complain to the flight attendant regarding the seat number and there are no passengers who negotiate with the other passengers about the same seat number. The appropriate compensation is in the good category since most passengers are unaware of the compensation they should have in case of delay. In the waiting room of Husein Sastranegara Airport, there is one standing banner located in front of the toilet about the compensation for the passengers. However, the amount of standing banner is still inadequate.

From the beginning to the end, the reliability is in the fairly good category. This is due to passenger tolerance of the company is large enough. The cheap ticket makes them more understanding of the lack of service companies. For instance, passengers still can tolerate the plane delay for 30-45 minutes. Next, there is the description of assurance dimension. The employee's ability in growing consumer confidence is considered as quite good because the passengers quite believe in the employees' competence. There are some training provided for passengers such as Ramp Safety Awareness, Aviation Security Awareness, and Dangerous Goods Awareness for Ground Staff, and Basic Operation Training and Recurrent Operation Training for flight attendants. Moreover, employees' friendliness and ability to answer consumer questions are included in the good category because the stewardess greets almost all passengers when passengers enter and exit the aircraft and show sincerity in providing good service to the passengers. The employees can answer consumer questions, such as gate passes in boarding and the additional fees for excess baggage.

For the Tangible Dimensions, the respondents have a sense of understanding about the condition of the Airport in Bandung and the comforts in the plane because Lion Air is the Low-Cost Carrier. The respondents considered that the condition of the check-in counter-counter is good, even though the condition in Husein Sastranegara Airport is not as good as the check-in counter in the other huge airports in Indonesia. Meanwhile, the respondents categorize the comforts in the aircraft is pretty well. They feel that the cabin condition of the aircraft is good, the temperature inside the aircraft is cool and the magazines in the aircraft are quite good.

In general, the Empathy Dimension is considered good enough. In some instances, employee attention to consumer complaints

is not consistent. For instance, the employees pay less attention to complaints about delayed luggage. Employee willingness to help late customers is categorized as respectable. The employees are willing to assist the late passengers, but the company will sell consumers' tickets to the others if the consumer checks in near the departure time. It usually happens during the peak season.

The stewardess is quite capable of understanding the consumers' main problem. When a passenger is a bit difficult to find a seat, the stewardess will inform the passenger seat. The flight attendant also immediately helps the passengers who had difficulty in placing their luggage in the cabin. Next, the willingness of employees to help consumers with disabilities is quite good. The Lion Air employees push the wheelchair that has been prepared by the airline. On the other hand, consumers with disabilities are difficult to enter the plane because they are not allowed to enter the plane before the other passengers. Therefore, they have to enter with the other passengers.

The two dimensions of responsiveness are categorized well. The speed of the check-in process is good because passengers do not have to wait for a long time. The clarity of the information provided by the boarding personnel is good because the boarding officer provides a clear departure time, even though the departure time does not always correspond to the expected departure hours because the plane is delayed. The deftness of the flight attendants is in a good category because they immediately help the passengers who are having trouble finding the seats and placing the baggage in the cabin.

Employee dexterity in helping consumers with disabilities is reasonably good because employees are deft enough to help the consumers with disabilities by providing wheelchairs, even though consumers with disabilities need to wait for about 15 minutes. The officers of lost and found are quite well. If the passenger reports that the baggage is late, the lost and found officer responds immediately. The officer notifies that the luggage is included in the next flight. Therefore, the passengers need to wait for the next trip. However, the lost and found officers give a slow response to passengers' claims over the lost luggage. Passengers should always remind the company, and the new replacements are given the next 2-3 months.

### 5. Domestic Flight Brand Image

Lion Air's brand image is good. Although Lion Air has a shortcoming in plane departures, this company has a good service quality assessment. The flaw is also covered by affordable ticket prices, the availability of routes and more frequent flight frequencies than the other airlines. The explanation of Lion Air's domestic brand image is in further paragraphs.

As a part of Strength Dimension of Brand Association, the company's name is easy to remember. The name is short, and

passengers understand the meaning of the word "Lion." It is easier for passengers to remember the Lion Air brand. On the dimension of the Favorability of Brand Association, this company is a safe airline, and it is a fairly secure category. Consumers are quite happy to travel with the company. There is a risk that the plane departure is not on time. However, the tickets price is, and there is a free luggage facility up to 15 kg.

The process of purchasing tickets through the company's website is fast because the site rarely has trouble. The consumers have no difficulty in accessing the website, searching for information about the schedule and price of airline tickets as well as purchasing the airline tickets. Besides, consumers do not have to experience the long loading time. Therefore, the waiting time between the stages is short.

The process of ticket purchasing is easy because there are only three stages. The first stage is filling the departure date and the number of people. The second stage is choosing the flight schedule and selecting the insurance option. Then the last step is filling the identity and the mode of payment. Also, there some language options, such as Indonesian, English or Chinese. There are several payment alternatives such as credit card, debit card, transfer or internet banking.

Ticket price is part of the Uniqueness of Brand Association dimension. The ticket prices are in the affordable category. According to passengers, the ticket prices are lower than the other airlines. The company also provides luggage facilities at no-cost. However, ticket prices are higher than full-service airlines if the consumers buy tickets near the departure date. However, passengers have the risk of departing not on the schedule. This is quite detrimental to passengers because they already have a plan at the destination. This study supported previous research by Atalik and Arslan, 2009; Bogicevic et al., 2013; Chen, 2008; Chen and Chang, 2008; Clemes and Dean, 2016; Forgas et al., 2010; Hapsari, Jiang and Zhang, 2016; Kim and Shin, 2001; Ladhari, 2009; Lin and 2015; Park, 2010; Paternoster, 2008; Wu and Cheng, 2013.

### 6. Conclusions

Here are the conclusions of this study. The result proves that the service quality is significant to the brand image of the domestic airlines. The analysis shows that the better quality of service will increase the local airline's brand image. The company's service quality is quite good because passengers do not expect excellent service from the airlines since the price is low. However, passengers still hope to fly on time. The company still cannot meet this requirement. On the other hand, the company also has positive things especially in the suitability of seat numbers listed on the ticket with the number of seats on the plane, courtesy, friendliness and employees' patience, tidiness of employee appearance and good luggage conditions.

This study still has some limitations since it only focuses on a domestic aircraft company that included in the low-cost carrier

as the object of research. It does not cover the full-service company. Therefore, the subsequent analysis should test all types of airline services.

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