

ISSN: 2091-2986 DOI Prefix: 10.3126/ijssm

International Journal of Social Sciences and Management

Research Article

An Analysis of the Customer Satisfaction from Service Quality of Himalaya Airlines

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Abstract

The main objective of the study was to find out customer satisfaction of Himalaya airlines and analyzed the factors affecting customer satisfaction level. One hundred structured closed ended questionnaires were developed and distributed among the passengers who travelled through Himalaya airlines at Tribhuvan International airport (Kathmandu, Nepal) to collect data for result. In order to examine the effect, customer satisfaction was taken as dependent variable and ticket fares, airport services, employee behaviors, flight reliability and in-flight services were taken as independent variable. The users of Himalaya airlines in general were satisfied. It is suggested to the management to focus on fares in comparison with competitors.

Keywords: Customer satisfaction; Himalaya airlines; Service quality

Background

The aviation sector is one of the major economic drivers for prosperity, development and employment in any country. It is a progressively growing segment of most economic and it has developed rapidly to become one of the most common means of travel. It contributes to the growth of business which depends on airlines such as hotels, car operators; tourism etc. customer satisfaction with the service quality offered by airline has become the most significant factor for success and survival in the airline industry. Satisfaction is an internal view which offshoot from customers own experience of a consumption or service experience. The connection between customer satisfaction and company

success has traditionally tied to faith and numerous satisfaction studies have supported this position (Hill and Alexander, 2000). Customer satisfaction has always been considered a vital business goal because of its crucial role in the formation of customers' desire for future purchase or tendency to buy more (Mittal and Kamakura, 2001).

The growing of airlines industry provided opportunities as well as challenges to the business entities in this industry. The opportunities are due to the increasing demand for the airline services, while the challenges are high level of competition between airlines but also due to the growing customer demands for better services. The growing of this industry has led the government around the world to

Cite this article as:

B.P. Jamkatel (2018) Int. J. Soc. Sc. Manage. Vol. 5, Issue-2: 69-71. DOI: 10.3126/ijssm.v5i2.19641

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Peer reviewed under authority of IJSSM

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deregulate the industry by opening the platform for private and foreign airline companies (Ansari and Qadri, 2014).

The aviation history of Nepal started in early 1950s. Initially, neighboring India aircraft used to land on mere grazing lad called "Gaucharan" in Kathmandu. Royal Nepal Airlines Corporation was established in 1958s as state owned airlines company. In 1990s, Nepal government had introduced the open sky policy; many airline companies have been established. Himalaya airlines a Nepal-China joint venture airline which was founded in 2014 with the aim to excel in safety and operational reliability.

Review of Literature

Customer satisfaction has become a fundamental goal of all business organization. This position is derived from long hold conviction that for a firm to be profitable. It must satisfy customers (Shin and Elliott, 2001). Generally, academics and business practitioners have long admitted that customer satisfaction is one of the highest priorities of business organizations and research have also shown that customer satisfaction is a key determinant in maintaining and sustaining business relationship (Oliver, 1997), (Ahmad, 2007). (Chang et al, 2009) Defined customer satisfaction is a psychological response or an evaluation of emotions from the customer. It is the outcome or assessment of what the customer initially expected and what they actually experienced during the use and consumption of the product/service. The service quality study did by British Airways monitored customer service using customer surveys and audits. The study focused on flight arrival and departure time, meal quality, in flight services, checking experience and baggage claim time (British, 1991).

The cost and revenue of the firm are influenced by repeat purchase, positive word of mouth, recommendation and customer feedback. Moreover, there is strong evidence that service quality has either a direct influence on the behavioral intentions of customers or an indirect influence on such intentions. It is cleared that there are number of areas which together contribute in the total satisfaction of the airline customers. In this study, the researcher investigates the satisfaction level of the Himalaya Airlines with its service quality.

Methodology

Research Design

The current researcher followed survey method to complete the objectives of the research. The survey was conducted by taking the responses of customer who were involved in travelling with Himalaya Airlines. The study used both quantitative and qualitative methodologies. The questionnaire composed of five questions representing the service of the airlines, which were the theme of analysis and measured the satisfaction of the customers from the service quality of Himalaya Airlines. The study took the factors

such as Ticket fares, Airport services, Employee behaviors, Flight reliability and In-flight services to identify the relation of these factors with customer satisfaction. Five point Linkert Scale was used to measure the intensity of the satisfaction of the respondents where 5 extremely satisfied, 4 satisfied, 3 neutral, 2 dissatisfied and 1 extremely dissatisfied.

Research Sample

The sample of this study consisted 100 airways passengers arriving at Tribhuvan International Airport at arrival terminal in Kathmandu. An objective convenience structured questionnaire was distributed to the respondents. The benefits of the objective questionnaire were low-cost and time saving; which was most comfortable for study with homogeneous population. The researcher met the respondents and filled up the questionnaire through face to face contract. The response rate in such sample based data collection method almost hundred percent as researcher was on the field for the administration and collection of data. So the reliability of the data was guaranteed.

Results and Discussion

Reliability of Data

Table 1 presents the reliability of the data. It shows the overall reliability of the data is 0.765, which is high in reliability scale of Cronbach's Alpha indicating high reliability of the collected data.

Table 1: Reliability statistics

Service quality	Cronbach's Alpha
Ticket fares	
Airport services	
Employee behavior	0.765
Flight reliability	
In-flight services	

Source: calculations based on researcher's survey 2017

Customer Satisfaction on Service Quality

The Fig. 1 shows that the satisfaction level of the customers for all the five variables representing the service quality of Himalaya Airlines. There were only one variable in the dissatisfaction zone name 'ticket fares (mean1.810, Std Dev 0.825)'. Out of 100 respondents, there 42 were extremely dissatisfied and 38 were dissatisfied. Remaining other four variables named 'airport services (mean 3.220, Std Dev 0.732), employee behavior (mean 3.440, Std Dev 0.935), flight reliability (mean 3.620, Std Dev 0.707) and in-flight services (mean 3.550, Std Dev 0.868)' were in satisfaction zone. The main values were more than 3 which indicated as high satisfaction level (Table 2).

Table 2: Customer satisfaction on service quality of Himalaya Airlines

Service quality	N	Mean	Std Dev	EDS	DS	NEU	S	ES
Ticket fares	100	1.810	0.825	42	38	17	3	0
Airport services	100	3.220	0.732	4	6	36	54	0
Employee's behavior	100	3.440	0.935	10	1	24	65	0
Flight reliability	100	3.620	0.707	4	1	24	71	0
In-flight services	100	3.550	0.868	7	4	16	73	0

EDS= extremely dissatisfy, DS= dissatisfy, NEU= neutral, S= satisfied, ES= extremely

Source: calculation based on researcher's survey 2017



Fig. 1: Satisfaction and dissatisfaction [Source: calculations based on researcher's survey 2017]

Level of Satisfaction Based on Percentage

Data shown in the Table 3 shows that only 3% customers are satisfied with ticket fares, 54% are satisfied with airport services, 65% with behavior of employees, 71% with flight reliability and 73% are satisfied with in-flight services.

Table 3: Customer satisfaction of Himalaya airlines based on percentage

Service quality	Percentage (%)
Ticket fares	3
Airport services	54
Employee behavior	65
Flight reliability	71%71
In-flight services	73

[Source: calculation based on researcher's survey 2017]

The main objective of conducting the research was to find out the satisfaction level of customers from service quality of Himalaya airlines. Based on data in Table 1 and 2, the customers of the airlines were mainly satisfied. From out of five variables, they were satisfied for the four variables.

Conclusions

The findings from the analysis of the results it is cleared that the satisfaction level of the customer is overall high. Out of five variables, one variable Ticket fares satisfaction level is low. It is suggested to the management to focus on fares in comparison with competitors.

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