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Extended Abstract of Master Thesis

Evaluation of service quality of Aeroflot Russian airline based on SERVQUAL approach

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Abstract

The primary purpose of the thesis is to propose to the management the appropriate recommendations for further improvements of the service quality of Aeroflot Russian airline company. Service quality and passenger satisfaction were evaluated based on the research findings. The literature review provided the critical theoretic framework with the rich references background of the following areas such as service quality, airline image, customer satisfaction and behaviour intentions within the airline industry. SERVQUAL model was used as the research instrument for data analysis with 5-dimensional Likert scale. The survey was provided as a research strategy and the 2 parts of the questionnaire for "expectations" and "perceptions" were created. Hypothesis testing method was used to reveal the significance of the difference between measured service quality variables. The research was conducted in Vaclav Havel Airport in Prague in the Czech Republic among 111 passengers for the flight SU2011 from Prague-Moscow/Sheremetyevo on the 22nd of December in 2017. The primary data was collected and analysed in statistical software SPSS 23. The results showed that, the lowest gap scores of (-0.03) between expectations and perceptions was related to "Individual attention to passengers", meaning that the passengers' expectations were not met. And the highest gap scores of (0.49) was found for the item "Aircraft and inflight facilities", meaning that the passengers' perceptions exceeded their expectations. Moreover, One-Way ANOVA test presented the significance of differences between expectations and perceptions based on service quality dimensions results and gaps. The work results showed that the performance of the airline was at high level and the passengers' perceptions exceeded passengers' expectations. With exception of one negative gap, which was found in the dimension "Empathy". Hence, the researcher proposed the plan of improvements for company's management.

Keywords: service quality, SERVQUAL model, airline image, customer behaviour intentions, passenger satisfaction, airline industry, service sector, customers' expectations and perception, service marketing

Hodnocení kvality služeb letecké společnosti Aeroflot Russian airline založené na přístupu SERVQUAL

Abstrakt

Hlavním cílem této práce je navrhnout managementu vhodná doporučení pro další zlepšení kvality služeb letecké společnosti Aeroflot Russian airline. Kvalita služeb a spokojenost cestujících byly vyhodnoceny na základě výsledků výzkumu. Kritická literární rešerše poskytuje přehled literatury s bohatým referenčním zázemím následujících oblastí, jako je kvalita služeb, image letecké společnosti, spokojenost a chování zákazníků v leteckém průmyslu. Jako výzkumný nástroj pro analýzu dat byl použit model SERVQUAL s pětibodovou Likertovou škálou. Průzkum byl základem výzkumné strategie a byly vytvořeny 2 části dotazníku pro "očekávání" a "vnímání". K odhalení významnosti rozdílu mezi měřenými veličinami kvality služeb byly testovány hypotézy. Výzkum byl proveden na letišti Václava Havla v Praze mezi 111 cestujícími letu SU2011 z Prahy-Moskvy / Sheremetyevo dne 22. prosince 2017. Primární data byla shromážděna a analyzována ve statistickém softwaru SPSS 23. Výsledky ukázaly, že nejnižší hodnota (-0.03) pro výpočet mezery byla mezi očekáváním a vnímáním související s "Individuální péčí o cestující", což znamená, že očekávání cestujících nebyla splněna. A nejvyšší skóre (0.49) bylo zjištěno pro položku "Letecké a letadlové zařízení", což znamená, že vnímání cestujících přesáhlo jejich očekávání. Kromě toho, analýza rozptylu ukázala význam rozdílů mezi očekáváními a vnímáními založenými na výsledcích a nedostatcích kvality služeb. Výsledky práce ukázaly, že výkonnost letecké společnosti byla na vysoké úrovni a vnímání cestujících přesáhlo jejich očekávání. S výjimkou jedné negativní mezery, která byla nalezena v dimenzi "Empathy". Proto byl navržen plán zlepšení, který by mohlo v budoucnosti vedení společnosti využít.

Klíčová slova: kvalita služeb, model SERVQUAL, letecké společnosti, chování zákazníků, spokojenost cestujících, letecký průmysl, sektor služeb, očekávání a vnímání zákazníků, marketing služeb

1. Objectives and Methodology

1.1 Objectives

The main purpose of this thesis is to propose appropriate recommendations for further improvements to the management of Aeroflot Russian airline. In accordance with the research findings, to evaluate service quality and customer satisfaction of Aeroflot Russian airline are to be evaluated based on SERVQUAL approach. To achieve this, the research is guided by the two specific objectives:

- A critical review the theoretical framework of service quality, airline image, customer satisfaction and behavioural intentions within the airline industry;
- Identification and analysis of service quality dimensions, associated gaps and correlations along with the detailed analysis of passenger satisfaction, airline image and customer behavioural intentions.

In order to fulfil the objectives mentioned above, data collection method was implemented in a form of fully structured questionnaires. In this study, the researcher will analyze the dependence of relationships between the company and the customer based on the service quality, airline image, customer satisfaction and behavioral intentions. The SERVQUAL model (Parasuraman, 1988) is considered with the purpose to investigate and measure service quality of airline services based on passengers' expectations and perceptions. To explore the service quality of Aeroflot Russian airline, the data collection procedure will be arranged for the particular flight (SU2011 on the 22nd of December, 2017) from Prague, Czech Republic (Vaclav Havel airport) to Moscow, Russia (Sheremetyevo airport). The results will be gathered and analyzed using statistical methods and hypothesis testing to examine the relationships between the variables.

the aim of thesis and methodology

1.2 Methodology

The research onion (Saunders *et al*., 2007) is used as the plan to design the methodology in an appropriate way. The main purposes of this research is to propose appropriate recommendations for further improvements to the management of Aeroflot Russian airline as well as to analyse if there are any service quality gaps between customers' expectations and perceptions as delivered by frontline personnel of Aeroflot Russian airlines. Research findings will contribute to gaining a better understanding of the relationships among service quality, customer satisfaction, airline image and behavior intentions based on theoretical and practical knowledge.

For this thesis work, epistemology is chosen as research philosophy because the work is concentrated within the service marketing science. The researcher considered to apply critical realism as a branch of epistemology. Realism was decided upon because it mainly relies on the explanation of the causal relationships based on the statistical methods along with quantitative estimations to fulfill the research objectives.

For the purpose of this thesis, the researcher uses the deductive approach. The research hypothesis explains this choice as the findings will be mostly deduced from theoretical framework using logical reasoning and literature review

The survey was chosen as a primary research strategy for this work. Survey research will collect data in the form of 2 parts of questionnaires: "expectations" and "perceptions". SERVQUAL instrument is implemented to the questionnaire research design procedure, representing 24-items scale and introduced both "expectation part" and "perception part" along with additional nine questions for "expectation part" and seven questions for "perception part" to capture more details for further research analysis. This research was conducted among the passengers at Prague Vaclav Havel airport in the Czech Republic having a flight SU2011 from Prague to Moscow/Sheremetyevo on the 22nd of December in 2017. Distribution of the questionnaire papers was obtained among passengers in the period of waiting in line for flight registration and baggage handling.

As sources of secondary data, the researcher considered to use books, library sources, internet, academic journals (Emerald insight, SAGE journals), articles, annual reports, databases (EBSCO), web site flightradar24 (www.flightradar24.com) etc. Primary data was gathered through the survey (questionnaires) procedure. Primary data analysis was implemented with the support of statistical software as SPSS (Statistical Package for

Social Sciences software version 23), Microsoft Excel, standard deviation analysis, hypothesis testing, arithmetic mean, Cronbach Alpha, percentage and frequency. The Hypotheses are tested within simple and multi regression methods as well as Pearson correlation analysis.

This study is cross-sectional as it is time-constrained. The Gantt chart describes the time horizons to complete the research work within fifteen months. To assure the research validity the research questionnaires were reviewed by the academic appraisers, which are specialized in Business Administration and Marketing as well as professionals within the travelling industry to present a more precise and comprehensive version of the research instrument. With the purpose to evaluate reliability, the researcher considered to use the internal consistency method, mainly Cronbach's alpha.

It is important to account for ethical aspects during the research process (anonymity, appropriate behaviour etc.). The key limitations of the survey were airport's authorisation and allowance to carry out the survey, time constraints as well as willingness of participants to contribute, lack of sample size and language barrier.
The researcher outlined the conceptual model framework and listed 12 hypotheses for testing for the precise data analysis.

2. Results and Author's discussion

Research findings show that the overall satisfaction of passengers is at a good level with mean gap score (0.34), meaning that passengers' expectations exceeded passengers' perceptions within the most of service quality dimensions. It is also noteworthy that all the service attributes within "Tangibility category" present a rather high service quality with highest mean gaps score of (0.23). In particular, "Aircraft and in-flight facilities" has a big gap and points that the company's efforts have a successful, positive impact on passengers' satisfaction. "Reliability" service attribute also added up to represent a positive mean gap score of (0.16). Most importantly, "Time management of performance" has high score (0.32) in comparison to other service dimensions within the category, indicating that customers' perceptions about this attribute exceeded customers' expectations. Moreover, the passengers found that airline managed to complete the services with proper timing management and managerial control. "Responsiveness" and "Assurance" service quality attributes reported with a mean gap scores of (0.09) and displayed stable results between perceptions and expectations with a small difference between service performances. It means that passengers got the perceived services to those that they initially expected. However, the category "Empathy" of an airline indicated lower mean gap score (0.04) due to the negative result (-0.03) in the dimension "Individual attention to passengers". It means that even though the dimension of "Assurance" had quite a good result in the dimension of "Knowledgeable employees", the "Individual attention to passengers" was below customers' expectations, which highlights a rather poor service provided and a consequently arising low level of passengers' satisfaction with this attribute. Consequently, researcher decided to offer some reasonable improvements, which might change the situation to positive outcomes. While the hypothesis testing analysis, it was confirmed that the more appealing the company's image is, the more chances a company has to attract more customers and to build customer loyalty. The results agree with Kim et al. (2004), Mirzapur et al. (2014), who mainly emphasized the significant impact of passenger satisfaction with service quality and its loyalty. Furthermore, results match with research results by Park et al. (2004, 2006), who asserted that passenger satisfaction is very important in explaining customer behaviour intentions within airline industry. Nevertheless, it was confirmed that there is the significance of service expectations on customers' perceptions at level ($\alpha \leq 0.05$).

3. Conclusion

The results showed Aeroflot Russian airline company reflects positive impression about the company among the examined passengers. Due to the research limitations, it is recommended to continue the investigation in the given topic with a larger size of the sample and a longer period of investigation. Moreover, these results might become very useful not only for the company's management but also to perform as a contribution to the existing literature sources.

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