Customer Perception Toward Thai Airways International Products and Services: A Case Study of Thai and Non-Thai Customers

Kobkrit Sooksatit1 Yongyut Kaewudom2 and Monrat Jaiuea3

Abstract

In this era, the tourism industry has expanded to become a major income generator for developing countries. Thailand is one of the best tourist destinations and Thai Airways International is a national airline that provides excellent service to the tourists around the world. Due to a good standard of new type aircraft make airliner lower their cost than the old days. All the airline purchases the same model of aircraft which is the same standard and lowers fuel consumption that reduces the cost of travel. So the airliner needs to find the uniqueness point to compete for this highly competitive environment. This research paper aims to clarify what Thai Airways International products and services that impact customer perception between Thai and Non-Thai customers. This research uses a quantitative method with questionnaire survey to answer the research question. The results came out that Thai customer prefers direct flight and a short period of travel time with good in-flight meal quality. On the other hand, non-Thai customer prefers better service quality in both on ground and in-flight.

Keywords: Customer Perception, Customer Preference, Thai Airways

123Lecturer, School of Tourism and Services, University of the Thai Chamber of Commerce
Introduction

Tourism is one of the biggest industry in the world. A developing country, Thailand has a tourism industry as the main income generators (WTCC, 2018). This result caused by many factors that increase travelers demand in recent decades. The rise of the standard of living in the developed countries, greater allowances for holiday and decreasing cost of travel (Goodwin, 2000). The higher competition among airlines around to globe has an impact on the slowly decreasing cost of travel by air transportation.

As air travel continuously growing and become an enormous industry, it generates the number of tourism around the world and leads to central globalization in many countries. According to the International Air Transport Association's analysis, global revenue passenger kilometers grew by 9.5 percent from March 2017 and expected to grow 7-9 percent every year, moreover, Asia Pacific region is the biggest market share holding 33.7 percent of total air passenger market (IATA, 2018). To support this growth, the major aircraft manufacturer (Airbus and Boeing) invented the new technology to create fuel-efficient aircraft such as new Boeing 787 and Airbus A350. These new aircrafts called "wide-body" aircraft to deliver better fuel-efficiency. While large aircraft with four-engine (Boeing 747 and Airbus A380) had 31 percent higher fuel burn per passenger (Rutherford & Graver, 2018). This is the reason that cost of travel by air transportation is getting lower, so the global major carriers such as Singapore Airlines, All Nippon Airways, and Thai Airways International order a large amount of fuel-efficient aircraft to decrease fuel expense and ticket price. Now, Thai Airways International holds 12 Airbus (A350-900) aircraft and 6 Boeing (787-8) aircraft and 12 Boeing (787-9) aircraft in their fleet (Thai Airways, 2017a).

As a standard of aircrafts model that all the airlines use the same type of aircraft, but with this high competition among airliners, they need to improve their products and services to meet customer expectation by making the aircraft's uniqueness interior and excellent service. This is the only point that airline's designer can make product standing out from their competitors. In this research, the service breaks into two parts. First, In-flight service and design layout, and second, on-ground service. Starting from when the customer steps into the departure airport until step
out from arrival airport, these two are the basic services that airliner can make a
different customer perception from their competitors. However, some of the airlines
do not really recognize the customer perception toward the airline, so they cannot
use this strength of customer perception as their competitiveness.

The previous research of Mankongvanichkul (2010) studied the passenger's'
satisfaction with service quality: A case study of Thai Airways International's domestic
flights. So it is surely that Thai people are the main population in this research.
Moreover, the past research of Sakda (2010) and Koosmithi (2011) also studied about
service quality of Thai Airways International, but all these researchers used Thai
people as the main sample. In order to analyze the accurate results, the author is
willing to study the two main population, which are the Thai and Non-Thai passenger.
It is impossible that Thai Airways International has only Thai customers, especially,
the international flights.

**Research Objective**

- To clarify what service quality criteria that impact customer perception

**Literature Review**

In this research paper, the author includes in-flight services and ground service
as the main element of service quality by using SERVQUAL as a theoretical framework.
Parasuraman, Zeithaml, and Berry (1988) propose 5 dimensions of service quality:
tangibles, reliability, responsiveness, assurance, and empathy. Resulting in the widely
used instrument known as SERVQUAL.
Tangibility means the physical service presentation such as onboard equipment,
quality of the food and so on; reliability stands for the how credible the airline is in
terms of safety and pilot navigating skills; responsiveness aspect describes how ground
or onboard crew interact with customers; assurance aspect represents the certainty
that airline provides for customers and the empathy aspect represents how airline
deal with the customer complaints and provide thoughtful services (Parasuraman,
Zeithaml, and Berry, 1988).
Many researchers measured the consistency in the customer perception of service quality between airliner and passengers. Elliott and Roach (1993) pointed out that the quality of food and beverage, timelines, the comfort of the seat, the luggage transportation, the check-in process and inbound service are the six main for evaluating airline service quality. In Gourdin (1988) have categorized airline service quality into three items: safety, timeliness, and price. Truitt and Haynes (1994) use the convenience of transit, the check-in process, the timeliness, the process of luggage, the cleanliness of seat, the customer complaints, and the food and beverage quality as the standards for measuring service quality. In Ostrowski, O’Brien, and Gordon’s (1993) empirical study of service quality and customer loyalty, they took food and beverage quality, timeliness, the comfort of the seat as the factors of surveying service quality. Lastly, Wu & Cheng (2013) includes all three main dimension from SERVQUAL, the first dimension, interaction quality, is referred to as the interpersonal interface between service providers and customers taking place during service delivery. The second primary dimension of service quality, physical environment quality for its environmental influences on customer behavior. The third primary dimension, outcome quality, focuses on the outcome of the service act and indicates what customers gain from the service.

Taking the structure of the five aspects of SERVQUAL theory as the main criteria and synthesize the other literature as well as the practical consideration. The author established these five criteria includes five aspects as 19 service quality evaluation criteria. The details can be found in Table 1.

### Table 1: The evaluation of criteria for Thai Airways International service quality

<table>
<thead>
<tr>
<th>Objective</th>
<th>Attribute</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangibility</td>
<td>Good meal</td>
</tr>
<tr>
<td></td>
<td>Comfortable seats</td>
</tr>
<tr>
<td></td>
<td>Good looking staff</td>
</tr>
<tr>
<td></td>
<td>Fight entertainment</td>
</tr>
<tr>
<td></td>
<td>Seat layout (Room leg)</td>
</tr>
<tr>
<td></td>
<td>Cleanliness</td>
</tr>
</tbody>
</table>
1. In-flight Services and Design Layout

In this research paper, the author includes in-flight services and design layout as eleventh elements, which are meal quality, warm welcome staff, service quality, good looking staff, outstanding logo, the good reputation of Thai, comfortable seats, flight entertainment, Onboard interiors design layout, cleanliness and professional pilot. And categories on-ground services as seven elements, which are departure and arrival service, flight destination options, airfares, loyalty program, ground service, aircraft preference, and booking methods.

1.1 Onboard interiors design, layout, flight entertainment and cleanliness

Onboard design and seat layout are the basic elements that airliner can design their own uniqueness. The design can create unforgettable customer service experience and brand awareness through their products and services design. In the case of Virgin Atlantic, the company has maintained its reputation for innovation in aircraft interiors. The airline is the first of 264 seat Boeing (787-9). The interior of the aircraft is designed to showcase the aircraft's sense of spaciousness at the same time.
as reflecting Virgin Atlantic’s "unique style and flair". The interior features a full RGB mood lighting system, designed to bring atmosphere to the cabin. The lighting changes color throughout the flight – from a soft "rose champagne" color to distress passengers at the start of their journey to a "purple haze" which is "cozy and comfortable" before transforming into "amber warmth", to create a candlelight environment for dining and "silver moonlight" to aid deep sleep (Kelly, 2014).

Seat design and layout is also importance focus. High-quality seat in leather, proper mattress on a fully flat bed, direct aisle access, bar area, stools, a perch and a lean-to, allowing people to relax, encourages sociability are features of first and business class that leading airline must have. Premium economy and economy feature 31-38-inch pitch seats with improved ergonomics, deeper recline and more knee room than before with an adjustable hammock-style headrest (Kelly, 2014). Thai Airways International also won a prestigious award at the Skytrax 2017 World Airline Awards Ceremony as the World’s Best Economy Class (Thai Airways, 2017b).

The other leading in-flight entertainment example, Qantas has expanded its in-flight entertainment programming that offering includes multiple daily news updates 100 hours more TV and movie content; triple the number of new release albums; 160 hours of box set viewing; and double the number of blockbusters (Kelly, 2014).

Cleanliness is one issue that customer concern to make a flight reservation. Thai Airways International is proud to present that the World Health Organization has been awarded the title of the most hygienic in-cabin environment. The program includes removal of all in-flight disposable materials after flight sterilization and fumigation of all cabin equipment, passenger food safety and inspection of the air-circulation system. All Thai Airways International fleets have installed hospital grade air-filter capable of interception up to 99.999% of dust particles and microorganisms (Asia Travel Trips, 2005). With this award, Thai Airways International draw a lot of attention for the passenger who concerns about the hygienic in-cabin environment.

1.2 Meal quality, warm welcome staff, service quality, and professional pilot
There are many passengers concern about onboard catering, so the airlines tried to create a new type of cuisine to meet the customer expectation. Thai food is one of the customer choices of cuisine and Thai food is one of the world's famous cuisine. It is well known for its spiciness, for example, Tom Yam Goong is one of the famous dishes that everyone should try. Because of a balance of five flavors (sour, salty, sweet, spicy and bitter) have a careful blend of all tastes (Tourism Thailand, 2018). Moreover, Thai Airways International have received Best Economy Class Onboard Catering from Skytrax 2017 (Thai Airways, 2017b). The airlines try to improve a wider choice of meals and faster service. New serving plates do not need trays, allowing the crew to serve and clear away meals up to 30 minutes faster than before (Kelly, 2014).

In case of service quality, there are many airliners tried to win the customer choice by upgrading their service quality. With the people that have traveled to Thailand use words to describe such as "friendly", "land of smile", and "helpful". So the good hospitality has always been in Thai people culture. In the airline industry, the flight attendant's job performance is reflected in their service behavior. This is the reason why Thai Airways International is certified with the 4-star airline rating for the quality of its Onboard product and staff service. View the detailed quality rating for Thai Airways International product (seat, comfort, food & beverages etc.), cabin staff service and ground service standards at its home base of Bangkok Suvarnabhumi Airport (Skytrax, 2017). Thai Airways International also promote as the highest rank in "service efficiency" and "response to requests" in cabin staff service categories. Moreover, the economy class got the highest rank in terms of "enthusiasm and attitude", and "friendliness and hospitality" in the cabin staff service categories (Skytrax, 2017).

There are many research claim about airline products and services. The previous research of Messner (2016) shows that aircraft’s service environment on perceived in-flight catering quality; perceptions of food quality are primarily influenced by the quality of cabin staff service, followed by entertainment and seat quality. Moreover, Dirsehan & Kurtuluş, (2018) said the importance of increasing flight
comfort, training cabin crew, providing free appetizers, improving service quality, and ensuring timely departures in creating and sustaining a positive brand image.

In conclusion, all the factor of in-flight service, design and layout will affect the customer preference and brand image of the airline.

2. On-ground Services

The author categories on-ground services which the customer can see and feel the service environment. This section breaks into seven elements, which are departure and arrival service, flight destination options, airfares, loyalty program, ground service, aircraft preference, and booking methods. Thai Airways International provides the great experience during check-in with large waiting space for boarding, travel document checking area. All the ground staff has been trained to be polite and helpful in seat selection and baggage loading during check-in period. Thai Airways International flies to 84 destinations in 37 countries which are many direct destinations that customer can choose (Thai Airways, 2017b).

Research Methods

1. Participant

The total population was maximum 348 passengers per one flight (TG916) to London Heathrow Airport (measured by the capacity of Boeing 787-8 and Boeing 777-300) (Thai Airways, 2017a). According to Krjcie and Morgan (1970) the sample size table, if the total population is over 348 at a 95% confidence level, the sample size should be 181. But in this research, the author considers collecting 200 samples.

The author uses random sampling with unspecific selection questionnaire and collected data from passenger traveling on the international flight from Suvannaphumi Airport to London Heathrow Airport. Then, the samples were screened using the following criteria.

- The passenger must be Thai Airways International customer flight to London Heathrow Airport (TG916)
2. Data Collection

The research used a quantitative method to evaluate there is no quality of customer perception toward Thai Airways International image. The author divided the questionnaire into two sets. In this research, the questionnaire was adapted from the past researches, Therefore, most of the questions were developed from the author’s knowledge. The content of the questionnaire is followed.

- Part 1 was a questionnaire on demographic attribute of respondents, and determinant choice questions were utilized.
- Part 2 was a questionnaire on customer perception toward Thai Airways International products and services, and the author was using eight-point monadic attitude rating scales that range from 1 = Strongly disagreed to 8 = Strongly agree.

This research collected data from two sources:

- Primary data can be collected through questionnaires for 200 participants. The researcher was simple handing to the respondent to complete all the question and correctness of all returned questionnaires.
- Secondary data were composed of Journal article, independent studies, and related websites.

3. Data Analysis

The author used statistical analysis to measure the result of customer’s perception. Then gathering questionnaire and fill the data into a spreadsheet software. The author used descriptive statistics (frequency) to analyze the demographic attributes of respondents. Following with mean were utilized to analyze the customer perception toward Thai Airways International products and service image.

Research Finding

1. Demographic Characteristic
<table>
<thead>
<tr>
<th>Nationality</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thai</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>British</td>
<td>65</td>
<td>32.5</td>
</tr>
<tr>
<td>French</td>
<td>9</td>
<td>4.5</td>
</tr>
<tr>
<td>Japanese</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>German</td>
<td>3</td>
<td>1.5</td>
</tr>
<tr>
<td>American</td>
<td>3</td>
<td>1.5</td>
</tr>
<tr>
<td>Singaporean</td>
<td>3</td>
<td>1.5</td>
</tr>
<tr>
<td>Italian</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Chinese</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Irish</td>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>Swedish</td>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>Austrian</td>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>Indonesian</td>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>1</td>
<td>0.5</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 2 shows the number of respondents who choose to fly with Thai Airways International. 100 people came from Thai people equal to 50 percent of the respondents. For non-Thai customer break into 13 nationalities, mainly were British 65 people equal to 32.5 percent. Following with French 9 people, Japanese 8 people, German 3 people, American 3 people and Singaporean people who completed the questionnaires. The rest 7 nationalities were less than 1 percent.

Table 3: Ground product and service features

<table>
<thead>
<tr>
<th>Ground features</th>
<th>Thai customer (Mean)</th>
<th>Non-Thai customer (Mean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departure and arrival time schedule</td>
<td>5.06</td>
<td>4.70</td>
</tr>
<tr>
<td>Direct flight</td>
<td>7.40</td>
<td>5.40</td>
</tr>
<tr>
<td>Service Feature</td>
<td>Thai Customer (Mean)</td>
<td>Non-Thai Customer (Mean)</td>
</tr>
<tr>
<td>-------------------------</td>
<td>----------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Good meal</td>
<td>6.25</td>
<td>5.88</td>
</tr>
<tr>
<td>Warm welcome</td>
<td>5.20</td>
<td>6.40</td>
</tr>
<tr>
<td>Beyond expectation</td>
<td>4.53</td>
<td>6.23</td>
</tr>
<tr>
<td>Good looking staff</td>
<td>4.55</td>
<td>4.50</td>
</tr>
<tr>
<td>Good reputation of Thai</td>
<td>4.40</td>
<td>5.25</td>
</tr>
<tr>
<td>Comfortable seats</td>
<td>4.00</td>
<td>4.03</td>
</tr>
<tr>
<td>Fight entertainment</td>
<td>4.03</td>
<td>4.20</td>
</tr>
<tr>
<td>Seat layout (Room leg)</td>
<td>4.22</td>
<td>4.20</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>4.10</td>
<td>5.40</td>
</tr>
<tr>
<td>Professional pilot</td>
<td>6.45</td>
<td>6.45</td>
</tr>
<tr>
<td>Inflight service</td>
<td>4.27</td>
<td>7.38</td>
</tr>
</tbody>
</table>

Table 4 shows In-flight product and service features of Thai Airways International with customer preference between Thai and Non-Thai customers. For Thai customer prefer good quality meal onboard and professional pilot means equal...
to 6.45 and 6.25. Following with warm welcome greeting mean equal to 5.20. On the other hand, Non-Thai customers prefer inflight service mean equal to 7.38, following by professional pilot and warm welcome greeting mean equal to 6.45 and 6.40.

Discussion and Conclusion

In this research, Thai people preferred Thai Airways International because its offer many destinations with a direct flight and short period of travel time, so the customer do not have to connect the other flight. Due to Bangkok (Suvarnabhumi Airport) is a Thai Airways International hub, so Thai customers have a variety of travel destinations and shorter period of flight time. Then, Thai Airways International offers them various of booking methods that meet the customer preference, such as airline’s website and online travel agent. Finally, the airline offers a lot of departure and arrival time that suit their needs. For in-flight products and services, Thai people prefer delicious meal and professional pilot rather than comfortable seats.

Recommendation for Thai Airways International, the marketing communication department should focus on advertising contents that include direct flight, and departure and arrival time to attract Thai customers.

For non-Thai (mainly British people) prefer good quality ground service (during check-in and boarding time), and they think that loyalty program is giving them extra benefit (earn mileage) that they should enroll for the loyalty program. For in-flight products and services, non-Thai customers choose Thai Airways International because they prefer high in-flight service quality. Warm welcome greeting and professional pilot are also an important issue for non-Thai customers.

The researcher suggests that Thai Airways International marketer should promote their service culture and highlight the great service quality to satisfy the non-Thai customer (British people). Thai Airways International also should influence their staff to induce customers to enroll the loyalty program in order to increase non-Thai loyalty customers.
Reference


