THE DECISION OF TRAVELERS IN CHOOSING TO USE OF SERVICE LOW-COST AIRLINES

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ABSTRACT

In the air travel business, low-cost airlines provide an alternative choice for travelers that may be suitable for their travel needs. At present, travelers have a variety of alternatives. Many business organizations, especially air travel businesses, strive to maintain their old customer base, as well as to expand their customer base so as to obtain greater market share, thereby leading to greater turnover. The question remains, however, as to what would be an appropriate selection method for travelers in meeting their travel needs by virtue of opting for low-cost airlines.

In this research investigation, the researcher inquires into factors influencing consumer decisions to use low-cost airlines. The researcher employed both qualitative and quantitative methods in carrying out this investigation. As such, the instruments of research were an interview form and a questionnaire.

In respect to the qualitative approach using interviewing as a means of gathering data, the researcher interviewed travelers who had used four types of travel within the past year: ordinary airlines; low-cost airlines; public buses; and trains.

In regard to the quantitative approach, data were collected from subjects using a questionnaire constructed by the researcher. As in the case of the qualitative approach, the researcher collected data from travelers who had in the last year used the aforementioned four types of travel, *viz.*, ordinary airlines, low-cost airlines, public buses, and trains.

The members of the sample population of 400 subjects consisted of travelers at Suvarnabhumi Airport. Data were analyzed through applications of the structural equation modeling (SEM) method.

Findings indicated that punctuality, comfort, security, and economy were influential factors affecting traveler decisions to utilize the services of low-cost airlines. Variances in decision-making were explanatory at the level of 59.9 percent ($R^2 = 0.599$). Each of the four factors examined was composed of twenty-seven major elements.

1. Introduction

At present, the aviation business is highly competitive. Travelers accordingly have a range of options from which to select in meeting their traveling needs. Receiving good service at reasonable prices is obviously a starting point for travelers who are making travel decisions, a state of affairs that holds regardless of the mode of travel selected. Therefore, executives must be highly capable in showing travelers how their particular services differ in respect to the benefits travelers can accrue in making use of their services. After using the services provided, travelers should be satisfied with the services and be willing to become repeat partakers of the services in question. Travelers should be impressed by the services offered and should feel themselves to be able to recommend to others that they use the same services. (Kerdpitak, Hotrawaisaya, & Khaengkhan, 2020)

With these considerations in view, the researcher thereupon framed the following research question: which factors influence decisions to use the services of low-cost airlines. The researcher also investigated causal factors influencing the decision to use the services of low-cost airlines.

2. Theories and related literature.

Value theory (Oliver and Swan, 1989) The principles of the value theory utilized by the researcher specify the requirement that service users perceive benefits they receive from services to be of greater value than the costs incurred. If so, they will consider the services provided to be worthy in the sense of judging them to be of higher value in comparison to other provisions of service. If they are satisfied with the services, they tend to become repeat users of said services, regardless of whether they are tourists, consumers of products, or users of services. If the service users are dissatisfied with the services provided, they will have a tendency to use the services provided elsewhere (Oliver & Swan, 1989; Mentzer & Konrad, 1991). In addition, it was found that levels of satisfaction tend to affect loyalty to products and services (Fornell, 1992; Kozak, 2002).

Consumer purchasing decision process. It was found that the majority of consumers exhibited five steps in the consumer purchasing decision process: (1) perception of needs or perception of problems; (2) search for information; (3) evaluation of alternatives before deciding to purchase; (4) making a decision to purchase; (5) behaviors after the decision has been made to purchase. Consumers may omit a step, or return to earlier steps before making a final decision and acting on the basis of this decision. This indicated that the decision-making process involved in purchasing and the behaviors evinced after the actual purchase were intercalated with post-purchasing effects. (Kerdpitak & Boonrattanakittibhumi, 2020; Kozak & Rimmington, 2000).

Intention to travel in the future. The possibility of customers using services tends to increase or decrease depending on organizational support (Garbarino & Johnson, 1999). The tendency to continue or discontinue being a customer involved factors affecting future decision making which patently involves levels of customer satisfaction (Oliver & Swan, 1989; Hwang, Lee & Chen, 2005).

Punctuality. High organizational efficiency and high returns on inputs entail effective applications of techniques of cost reduction. A concomitant of this process is to improve customer service processes. Cycle-time reduction is indicative of good work efficiency and efficacious provision of customer service. If an organization can provide services to customers expeditiously in a timely fashion, customers will be retained, inasmuch as this state of affairs tends to generate maximum customer satisfaction and a corresponding tendency to become a repeat customers. (Mentzer & Firman, 1994; Oliver & Swan, 1989).

H1: Punctuality affects the Decision of travelers positively

Security. The security afforded travelers by service providers is a factor in service provider competition that must be taken into account. Security considerations involve political problems, crime, safe traveling conditions, protection from police officers, prevention of the spread of diseases, and capability in service management (Crotts & Bing, 2007).

H2: Security affects the Decisions of travelers positively

Comfort. Entrepreneurs are constrained to respond to the needs of consumers to be content and comfortable when they are provided services on pain of consumers becoming dissatisfied. These concerns involve intangible feelings and are not reified or concrete products, but yet must be taken into account by entrepreneurs. (Kotler, 2000; Porter, 2001; Kerdpitak & Heuer, 2016)

H3: Comfort affects Decisions of travelers positively

Economy. Price competition with respect to traveling expenses and service fees must be congruent with passengers' needs (Porter, 2008; Dwyer, Paul, & Sejo, Oh., 1987). The perceived value of services received must be in proportion to the costs incurred with a

concomitant convergence between price and perception of value received. In this connection, considered were transportation costs and costs incurred at the service point, both of which influenced the decision-making of passengers. (Barney, 1991; Kerdpitak & Heuer, 2016)).

H4: Economy affects the Decision of travelers positively

Figure 1: Conceptual Framework
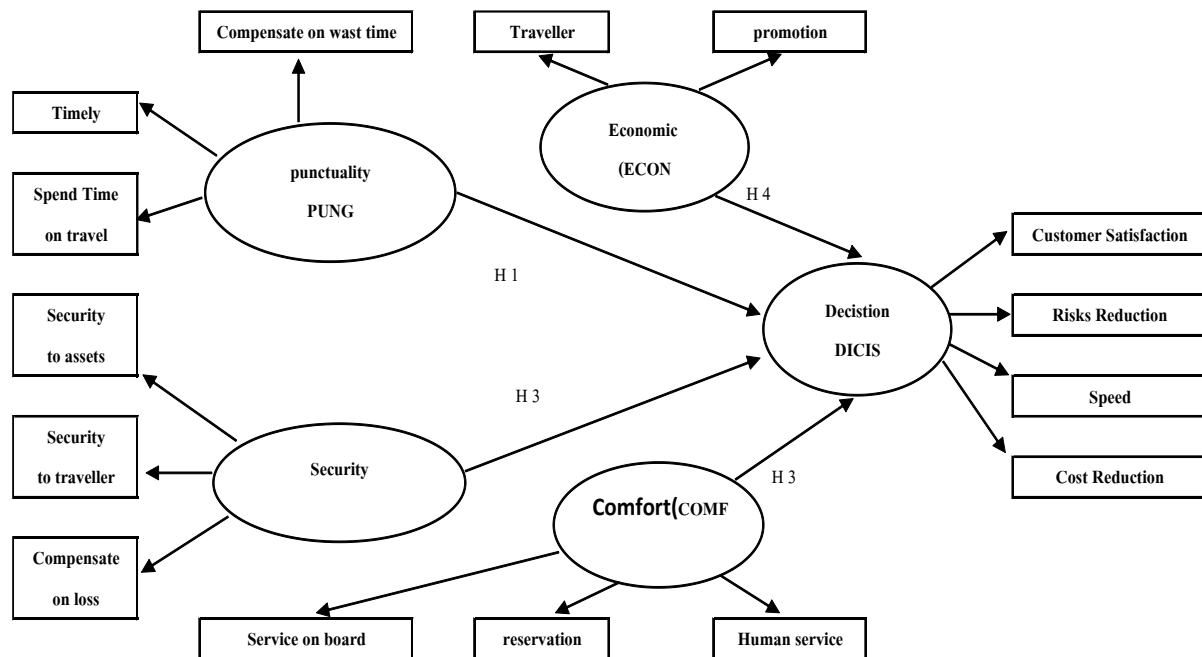
3. Research methodology

In this research investigation, the researcher employed both qualitative and quantitative methods, as already seen. The instruments of research were bipartite.

In Part One, the researcher utilized a qualitative research approach through conducting in-depth interviews to gather empirical details concerning issues of significance in order to be able to investigate relationships between variables. The data accordingly collected were used in constructing a questionnaire to be used as a tool in the quantitative research phase of the investigation.

In Part Two, the researcher utilized a quantitative research approach. The instrument of research was a questionnaire constructed on the basis of the results of the review of related literature in conjunction with empirical details concerning significant issues obtained from the in-depth interviews.

The questionnaire itself was quadripartite: (1) punctuality; (2) security; (3) economical traveling expenses; (4) comfort; and (5) passenger decision making.

As seen above, the sample population consisted of travelers using the services of ordinary airlines, low-cost airlines, public buses, and trains who had traveled by means of each of the four modes of travel in the last year. Data were collected from 400 travelers at Suvarnabhumi Airport. Data were analyzed using descriptive statistics (Montree, 2000; Supamas, Somtawin, & Ratchaneekul, 2551) and structural equation modeling (SEM) (Supamas, Somtawin, & Ratchaneekul, 2008)

4. Findings

4.1 In analyzing the means of pertinent factors the researcher found these factors influenced marketing competence as shown in the following table:

Table 1 Means of factors influencing marketing competency

Varible	Mean	SD	result
Punctuality: PUNC			
Timely (PUNCT)			
PUNCT1: Trip - travel back in time to meet the schedule.	4.12	0.45	most
PUNCT2: Appropriate to the time schedule Routes.	4.56	0.33	mostly
PUNCT 3: A quick note to let passengers on flight time delay.	3.98	0.65	most
compensation on delay time (PUNCC)			
PUNCC1: Have to pay compensation for the delay.	3.99	0.59	most
PUNCC2: Arrange accommodation for the time delay	3.78	0.33	most
Spend time on travel (PUNCS)			
PUNCS1: Use time travel is less than the other travel.	4.31	0.43	mostly
Security (SAFET)			
Security to asset (SAFAS)			
SAFAS1: Check with the appropriate passenger baggage.	3.22	0.68	most
SAFAS2: Take Care not to damage the passenger baggage.	4.82	0.89	mostly
Security to Passenger (SAFPE)			
SAFPE1 : There is identification of passengers before boarding.	3.12	0.36	most
SAFPE2: There is a security device on the aircraft	3.78	0.19	most
SAFPE3: There is receptionist recommended safety on aircraft	4.19	0.46	most
SAFPE4: The aircraft have clean and safe from diseases.	4.99	0.76	mostly
Compensate to lost (SAFCO)			
SAFCO1: There is appropriate compensation in case on damage to baggage.	3.02	0.76	most
SAFCO2: Receive appropriate compensation for any injury on	4.38	0.54	mostly

the trip.			
Economy (ECON)			
Regular travel (ECOR)			
ECOR1: Services that are appropriate for the price paid	4.01	0.33	most
ECOR2: Pay no more than half of the first air-conditioned bus and train.	4.88	0.48	mostly
ECOR3: Satisfied with the service reduced the price drops	4.88	0.59	mostly
Promotion (ECOP)			
ECOP1: There are special events organized by lower prices.	3.27	0.28	most
ECOP2: There are discounts for passengers to travel on a regular basis.	4.12	0.49	most
ECOP3: There are promotional items with prices reduced.	4.01	0.51	most
Comfort (COMF)			
Reservation (COMRE)			
COMRE1: There are reservations several convenient formats.	4.87	0.33	mostly
COMRE2: There are check in and Boarding pass with the Internet.	4.11	0.45	most
Service on flight (COMSE)			
COMSE1: The aircraft is equipped with modern appliances.	3.45	0.35	most
COMSE2: The plane is approached the seats are comfortable.	3.25	0.54	most
COMSE3: Pre-orders are available for customers that need food.	4.01	0.72	most
Flight attendant. (COMF)			
COMF1: There is concierge on a plane before - down.	3.49	0.75	most
COMF2: The receptionist recommended for use on aircraft.	2.99	0.55	middle
Dicision (DICIS)			
Customer Satistion (DICCS)			
DICCS1: Appropriateness of services received.	4.89	0.33	mostly

Risks reduction (DICRE)			
DICRE1: The risk of injury less than other types of travel.	4.56	0.48	mostly
DICRE2: The risk of property damage to a minimum.	4.23	0.47	mostly
Speed (DICSP)			
DICSP1: Select the type of travel time is less.	4.99	0.37	mostly
Cost Reduction (DICCR)			
DICCR1: Select travel costs to a minimum.	4.01	0.48	most

4.2 Factors influencing the decisions of passengers. The researcher conducted an analysis of the data collected in order to determine relationships between variables to the end of determining whether the empirical data was congruent with the theoretical framework adopted for this investigation and the research hypotheses posited for this inquiry. It was found that the results of SEM analysis in accordance with the conceptual framework adopted in this research investigation were congruent with the empirical data obtained by the researcher.

Figure 2 The results of data analysis conducted using the structural equation Modeling
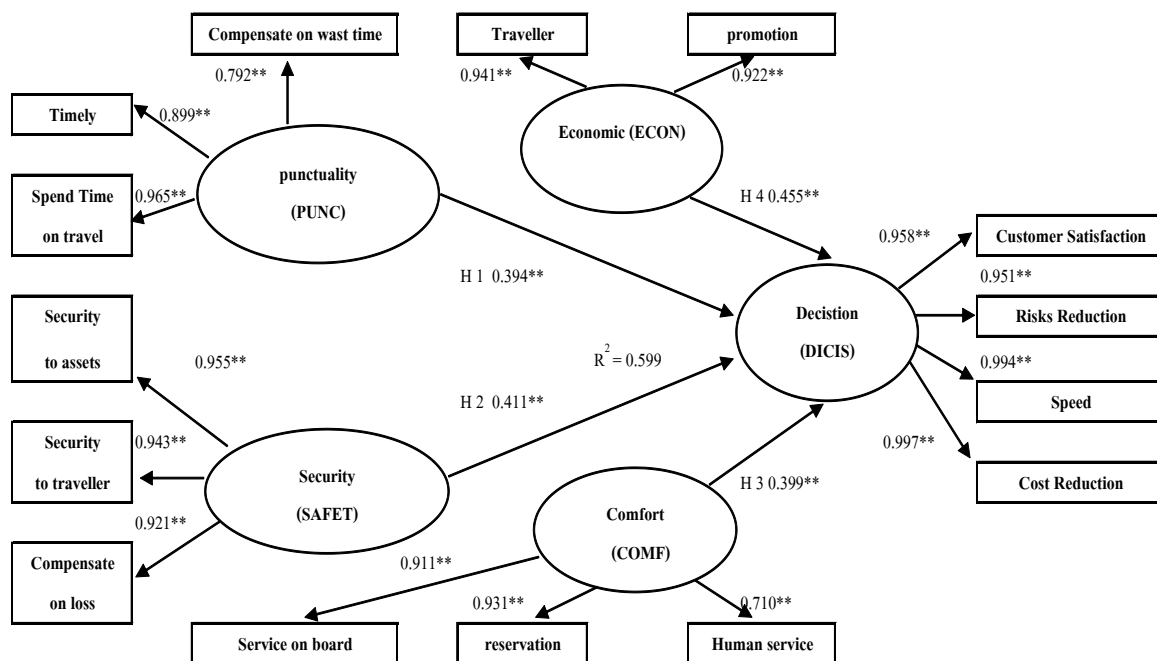
Chi-Square = 78.42, df = 62, p-value = 0.07, χ^2 / df = 1.22, RMSEA = 0.014, GFI = 0.99, AGFI = 0.99, NFI = 0.98, NNFI = 0.97, IFI = 0.97, RFI = 0.98, CFI = 0.99, CN = 337.45 (n = 400)
        *means the statistically significant level of .05 (1.960≤t-value <2.576)
        **means the statistically significant level of .01 (t-value≥ 2.576

Hypotheses testing

DICIS   = $\beta_0 + \beta_1$ PUNC + β_2 SAFET + β_3 COMF + β_4 ECON ζ_1 ……………………(1)

Table 2: Results of hypotheses testing

Path	Path coefficients	t-stat	p-value	result
H1: Punctuality effect Decision	0.394	4.498**	0.00	support
H2: Security effect Decision	0.411	5.426**	0.00	support
H3: Comfort effect Decission	0.399	4.389**	0.00	support
H4 : Economy effect Decision	0.455	5.665**	0.00	support

Table 3 Result of testing for path influences

Variable Result	Decistions (DICIS)		
Variable caused	DE	IE	TE
Punctuality: PUNC	0.394**	-	0.394
Security: SAFET	0.411**	-	0.411
Comfort: COMF	0.399**	-	0.399
Economy: ECON	0.455**	-	0.455
R^2	0.525		

4.3 Using analysis involving construct validity, the researcher found the following: The test validating the measurements used in this inquiry suggested that the indicators utilized measured the same construct. The criteria for evaluation used in this connection were that the indicators must have a loading value higher than 0.707 concomitant with a Cronbach's alpha (α) greater than 0.700, and an average variance extracted (AVE) greater than 0.50 concomitant with a statistically significant level result found upon testing convergent validity. Findings are as follows:

Table 4: The results of an analysis of factorial construct validity

indecator	loading	t-stat	CR	AVE
Punctuality: PUNC				
PUNCT: Timely	0.899	8.183	0.894	0.662
PUNCC: Compensate on wast time	0.792	7.957		
PUNCS: Spend time travel	0.965	9.214		
Security: SAFET				
SAFAS: Security to body	0.936	10.164	0.879	0.635
SAFPE: Security to asset	0.982	10.282		

SAFCO: Security to loss	0.849	8.824		
Economic: ECON				
ECOR: Regular travel	0.941	9.787	0.893	0.689
ECOP: Promotion	0.922	9.165		
COMFORT: COMF				
COMRE: Reservation	0.931	8.901	0.923	0.798
COMSE: Service on flight	0.911	8.455		
COMF: Flight attendant	0.710	6.361		
Decision: DICIS				
DICCS: Customer satisfaction	0.985	8.996	0.986	0.909
DICRE: Risks reduction	0.951	9.731		
DICSP: Speed	0.994	10.127		
DICCR: Cost reduction	0.997	10.869		

In testing hypotheses, it was found that the components of punctuality, security, comfort, and economy influenced the decision to use low cost airlines at 59.9 percent (R^2 = 0.599) at the statistically significant level of 0.000 as can be seen in the following tables and figures.

5. Summary of the findings

Findings indicate that factors concerning passengers as major issues in the decision to use low cost airlines were quadripartite: security; economical traveling expenses; punctuality; and comfort, respectively. Variances in decision making were explanatory at the level of 59.9 percent (R^2 = 0.599). In addition, passengers decided to use services by reference to the following major issues: individual security; punctuality; the time spent in traveling; normal traveling expenses; safety of possessions; seat reservations; inflight services; compensation for damages incurred; sales promotion; compensation for time lost; and personnel providing services, respectively. All these factors had twenty-seven components. The paramount factors passengers took into consideration were fourfold: acting with alacrity; being less expensive; levels of service satisfaction; and perceived reduction of risks.

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