

Do service expectations when flying long haul differ between consumers of different nationalities? - A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand)

Daniel Trinborg

A dissertation submitted to Auckland University of Technology in partial fulfilment of the requirements for the degree of Master of Business (MBus)

23rd January 2012

Faculty of Business and Law

Supervisor: Associate Professor Romie Littrell

Table of Contents

ATTESTATION OF AUTHORSHIP.....	V
ACKNOWLEDGMENTS.....	VI
RESEARCH QUESTION.....	VII
PROJECT AIM.....	VII
WHY THIS RESEARCH HAS BEEN PROPOSED.....	VII
OUTLINE.....	VIII
ABSTRACT	IX
1.0 INTRODUCTION.....	1
2.0 LITERATURE REVIEW	4
2.1 THE AIRLINE INDUSTRY	5
2.2 SERVICE QUALITY	7
2.3 CUSTOMER EXPECTATIONS (IN THE SERVICE SECTOR)	11
2.4 CUSTOMER SATISFACTION	15
2.5 SERVICE RECOVERY	17
2.6 LOYALTY	22
2.7 EMOTIONAL LABOUR	22
2.8 WORD OF MOUTH	26
2.8.1 FEEDBACK TO THE SUPPLIER	28
2.9 THE BREAKDOWN AND RISE AFTER 9/11	29
2.10 GLOBAL MARKETS	29
2.11 THE GLOBAL AIRLINE NETWORK	34
2.11.1 MARKETING ALLIANCES	36
2.11.2 EQUITY ALLIANCES	36

2.11.3 FREQUENT FLYER ALLIANCES	37
2.12 CULTURE (IN THE AIRLINE INDUSTRY)	37
2.12.1 SERVICE QUALITY EXPECTATIONS AND CULTURAL INFLUENCES	39
2.12.2 GLOBE – SOCIETAL CULTURAL SCORES	43
<u>3.0 METHODOLOGY</u>	<u>51</u>
3.1 SERVQUAL	53
3.2 QUESTIONNAIRE DESIGN	54
3.3 JUSTIFICATION	54
3.4 DATA COLLECTION	55
3.5 ETHICAL CONSIDERATIONS	58
3.5.1 THE IMPLEMENTATION OF THE THREE PRINCIPLES OF THE TREATY OF WAITANGI	58
3.6 ANALYSIS OF DATA	60
<u>4.0 FINDINGS & ANALYSIS</u>	<u>61</u>
4.1 DEMOGRAPHICS	61
4.2 RESULTS OF HYPOTHESES	62
4.2.3 STATISTICAL DETAILS	62
4.2.4 RESULTS OF OPEN ENDED QUESTIONS	69
4.3 COMBINED RESULTS	74
<u>5.0 DISCUSSION</u>	<u>76</u>
<u>6.0 LIMITATIONS/FUTURE RESEARCH</u>	<u>80</u>
<u>7.0 CONCLUSION</u>	<u>82</u>
<u>8.0 REFERENCES</u>	<u>86</u>
Appendix 1 – Survey	96
Appendix 2 – Open Ended Coding	102
Appendix 3 – Participant Information Sheet	107
Appendix 4 – Management Information Sheet	111

Appendix 5 – Cover E-Mail	115
Appendix 6 – Ethics Approval	117

Word count = 29.586

List of Figures

Figure 2.8 – Word Of Mouth Scenarios.....	27
Figure 2.12.1 – ‘As Is’ GLOBE scores	44

List of Tables

Table 2.1 – The GLOBE dimensions, explained.....	41
Table 2.2 – ‘As Is’ GLOBE scores	43
Table 4.1 – Nationality Profile.....	61
Table 4.2 – Gender Profile	61
Table 4.3 – Education Profile.....	62
Table 4.4 – Differences in Expectations	63
Table 4.5 - Differences in Expectations (details).....	63
Table 4.6 – Differences in Expectations due to Gender.....	64
Table 4.7 – Preference of Flying Non-Stop (country based).....	65
Table 4.8 – Past Experiences influencing Expectations (country based)	66
Table 4.9 - Word of Mouth influencing Expectations (cross-cultural)	66
Table 4.10 - Differences in SERVQUAL Attributes (means).....	67
Table 4.11 – Overview of responses in relation to their categories (themes).....	70
Table 4.12 – New Zealand Themes	71
Table 4.13 – Australian Themes.....	72
Table 4.14 – British Themes.....	72
Table 4.15 – Singaporean Themes.....	73

Attestation of Authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution or higher learning.

Daniel Trinborg

Acknowledgments

I would like to thank my parents, grandparents and my sister for all the good times and always backing me up, believing in me and making it possible for me to get to where I am today.

Thank you Janine for all the help throughout this process, I know it has been stressful at times. I want you to know that your tremendous help is highly appreciated and that this would not have been what it is without your help. Besides that, thank you for keeping me motivated, helping me with problems as they were arising, going through my work and to make me see things differently as well as making sure I spent some time outside the lab as well.

Big thanks also to Gail for all the effort made in going through and helping me finalise this dissertation. And also, a big thanks to Sally Hurt for proofreading this dissertation.

A final thanks goes to my supervisor, Dr. Romie Littrell for guiding me through the different stages and your quick responses (at all times) and help with issues as they arose.

Finally, as the author of this dissertation, I herewith declare that this is my own work. Full responsibility is taken for any and all errors that may have accidentally found their way into this research.

Daniel Trinborg

Do service expectations when flying long haul differ between consumers of different nationalities? - A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand)-use title case

I will first introduce the major objectives of the dissertation research.

Research Question

Do service expectations when flying long haul differ between consumers of different nationalities? -A Cross Cultural study on four British Commonwealth countries (the United Kingdom, Singapore, Australia and New Zealand)

Project Aim

This cross-cultural dissertation aims to explore airline service expectations among nationals from different countries in order to find out if service expectations on long haul flights differ between the stated nationalities. This research specifically looks at possible differences within a certain group of countries, namely some of the British Commonwealth countries: the United Kingdom, Singapore, Australia and New Zealand.

Why This Research Has Been Proposed

Different expectations of customer service on different airlines can be reasons for choosing one airline over another. Airlines will possibly be able to diversify and further customise their way of providing services in larger markets. This could possibly help increase the customer service airlines provide to their markets and customers.

How well an airline meets customer expectations of course affects the market share and profitability of airlines in specific countries, since maximising sales in all international markets is seen to be of crucial importance to airlines (Chau & Kao, 2009; Reed, 2007; Sultan & Simpson, 2000; Tiernan, Rhoades, & Waguespack, 2008). This, as well as the relationship with customer service quality, is stated to be highly important (Armstrong, Mok, Go, & Chan, 1997; Church, 1995; Gilbert & Wong, 2002).

The investigation of different country nationals is important in identifying specific differences between customer expectations (Winsted, 1997). The literature, so far, has not analysed many countries, which is a reason why I believe this study will be important to the aviation industry.

Leisure travellers generally choose their airline according to the lowest price offered. These travellers tend to be less concerned with the frequency of flights, the broad range of destinations offered and perhaps to some degree the service quality (Costa, Harned, & Lundquist, 2002). In the upper segment of airline passengers travellers demand more frequent flights to a multitude of destinations as well as high quality service. Upper segment passengers are willing to pay a reasonable premium for these added benefits and are thus of high importance to airlines (Costa et al., 2002).

It has been said that behaviour cannot be predicted, it must be tested (Dean, 1999). A real world transaction will never be exactly like in a model, it is too complex. People can be asked what they like and think but they cannot be forced to do or think in a specific way, for example by promotions and advertising. This study tries to find peoples' expectations and the results may provide airlines with an understanding of how to make it more pleasant for passengers to fly, while also having a positive impact on the bottom line.

Airlines can benefit from this reasearch, as well as customers too. Customer benefits include receiving more customised treatment according to perceived national expectation levels. Academic literature will also benefit from this research as it will help fill a gap in the specific area of study.

Outline

The above gives an overview of the topic of this dissertation by looking at the research question, project aim and reasons for proposing this research. Firstly, what follows, is an introduction to the research. Section two provides a literature review on the various theories on which this dissertation is based. The third section deals with the methodological areas of the research. The findings are presented and analysed in the fourth section and discussed in the fifth section. Thereafter there is a discussion of the research's limitations and possibilities for further research. Conclusions are given in the final section.

Abstract

The airline industry plays a major role in today's global economy (Heracleous, Wirtz, & Pangarkar, 2006; Tiernan et al., 2008). The airline industry is very customer-focused, thus delivering high quality service has become a requirement. However, with recent global and national economic problems, many airlines struggle to merely keep themselves alive. Many have been forced to cut costs and thus services are restricted and standardised. For that reason, it is essential for airline management to verify what its clientele wants and expects as well as what they do not want and expect. It is important for airlines to maintain the essential service items and reduce time and cost spent on the less significant service items while, at the same time, maintaining customer perceptions of their service quality (James J. H. Liou, Hsu, Yeh, & Lin, 2011). Several authors argue that customer expectations are some of the most challenging and important areas for service providers to acquire specific knowledge (Armstrong et al., 1997; Babbar & Koufteros, 2008; Drege, 1991; Sonnenberg, 1991).

Besides only looking at service offerings and what can be improved across markets this research focuses on differences in service quality expectations across countries, continents and cultures. While standardising some services, it is seen as important for airlines to balance the service provision with local needs. Researchers point out that it is a crucial management problem to find out which (if any) of the service elements that should be consistent across the different markets the company operates in, as well as choosing which elements that should be customised and tailored to local needs and competitive dynamics (Hollis, 2010; Lovelock, Patterson, & Wirtz, 2011).

Sklair (2002) proposes that the globalised world of today affects several areas of life, including political, economic, social and cultural. Thus, understanding of other cultures has risen to be an important aspect for international companies (House, 2004). Findings from the Global Leadership and Organizational Behavior Effectiveness (GLOBE) study will be implemented for this study. The GLOBE researchers studied approximately 17 000 managers from 951 organisations across 62 societies worldwide (House, Hanges, Javidan, Dorfman, & Gupta, 2004). The GLOBE study was designed to expand upon and replicate some dimensions of Hofstede's 'Culture's Consequences' (1980) research (House, Hanges, et al., 2004).

This cross-cultural dissertation aims to explore airline service expectations among different country nationals in order to find out if service expectations when flying long haul differ between countries. This research specifically looks at possible differences among some of the British Commonwealth countries: the United Kingdom (the UK), Singapore, Australia and New Zealand. The selected countries have been chosen mainly because no relevant studies have been done on these countries, as well as due to the researcher's interest in the Commonwealth countries and possible differences within this one specific group of countries.

Results discussed may be of importance for airlines in order to possibly modify their service offerings to their magnitude of customers. Conclusions are drawn from the results found as well as in light of literature discussed.

1.0 Introduction

Benjamin Franklin once stated, “Blessed is he who expects nothing, for he shall never be disappointed” (Passikoff, 2008, p. 2). While Franklin was a businessman of sorts, the marketplace in the mid 1700s was a very different place to what it is today. Thus, having a contended consumer base was easier reached than these days (Passikoff, 2008). Expectations of today's modern 'bionic' customers can be well told in part by British author George Bernard Shaw's thoughts: the reasonable man adapts himself to the world. The unreasonable one persists in customising the world to himself and his values. By looking at the marketplace today, one can see that the consumers of today expect everything (Passikoff, 2008).

The history of how we got to this point involves a number of management trends and movements that formed the consumer chisel that sculpted the marketplace into what it is today (Passikoff, 2008).

The airline industry is very customer focused, thus delivering high quality service has become a requirement. However, with recent international financial happenings, many airlines struggle to keep themselves alive. Many have been forced to cut costs and thus services are restricted and standardised. For that reason, it is essential for airline management to verify what its clientele want and expect as well as what they do not want and expect. It is important for airlines to maintain the essential service items and reduce time and cost spent on the less significant service items while simultaneously maintaining customer perceptions of their service quality so that airlines can prioritise their improvement strategies (James J. H. Liou et al., 2011).

The primary purpose of this paper is to investigate and find customers' expectations and possible differences across the four Commonwealth countries in this study.

There has been a reduction in demand for airlines over the last decade (Cunningham, Young, & Lee, 2004; The Gale Group, 2006). The already competitive aviation environment has become even more competitive during these years, and some airlines have had to step down from the marketplace. Many were able to adapt to new competitive business styles. Those that survived and adapted successfully are said to have done this by improved management of customer relationships that in turn created loyalty among customers' different types of service offerings (Barclay, 2010; Ledwidge, 2007). The human areas that play a part

in an airline (customers, employees, suppliers and managers) are all seen as highly important human assets that should be taken care of in order to have a successful company (Ledwidge, 2007; Lovelock et al., 2011). Or, as Ledwidge (2007) states, “people are the most important business factor” (Ledwidge, 2007, p. 8).

Besides only looking at service offerings and what can be improved across markets, this research focuses on differences in service quality expectations across countries, continents and cultures. Culture and cultural differences are seen to be key variables when examining international service expectations (Donthu & Yoo, 1998; A. M. Smith & Reynolds, 2002; Strauss & Mang, 1999; Winsted, 1997). By studying the cross-cultural aspects of different markets, the service provider will be able to further customise the service to the customers, and service areas that might be less important in some markets can be eliminated/decreased and thus decrease the airline’s costs while gaining (possibly) more satisfied and loyal customers (Binggeli, Gupta, & de Pommès, 2002; Braff & DeVine, 2008; Dichter, Lind, & Singham, 2008).

Borders these days are easy to cross as modern globalisation has changed the way we live ((Levitt, 1983; Lin, Tu, Chen, & Tu, 2007; Saxenian, 2002; Sklair, 2002). The investigation between different country nationals is believed to be of great importance to find specific customer expectations (Winsted, 1997), as differences between societies are not vanishing even though the world is becoming more connected (Javidan & House, 2001).

Two of the most remarkable studies in this area are Hofstede’s Culture’s Consequences (G. Hofstede, 1980a) and the GLOBE study (House, Hanges, et al., 2004) undertaken by more than 160 researchers (House, Hanges, et al., 2004). These studies are seen as two of the most remarkable of any cross-cultural research. They have had a significant influence on practical and academic discussions relating to cross cultural difference in business areas (G. Hofstede, 1980a).

Findings done by both of these studies demonstrate differences and inequalities within various dimensions affecting societal, organisational and managerial form and practices. Both the GLOBE project and Hofstede’s study have derived a comprehensive set of cultural dimensions in order to explain cultural differences in various societies. The findings demonstrate the existence of inequalities between the dimensions, which affect organizational

form and practices, as well as managerial leadership practice (G. Hofstede, 1980a; House, Hanges, et al., 2004).

Findings from the GLOBE study will be implemented into this study. This is due to the fact that the GLOBE data is more recent and broader, as it was gathered from middle managers in different local organisations and across different cultures, while Hofstede's initial study was conducted on a single international organisation (G. Hofstede, 1980a; House, Hanges, et al., 2004).

2.0 Literature Review

Several authors argue that customer expectations are some of the most challenging and important areas for service providers to acquire specific knowledge (Armstrong et al., 1997; Babbar & Koufteros, 2008; Drege, 1991; Sonnenberg, 1991).

There has been a reasonable amount of information published on service quality perceptions. However, the expectation side of service quality has not received much attention (Armstrong et al., 1997). Lately, customer satisfaction and airline service quality, in the areas of airline quality and passenger expectation, have started to receive a fair amount of interest (Chau & Kao, 2009; Fodness & Murray, 2007; Gilbert & Wong, 2002; Sultan & Simpson, 2000; Tiernan et al., 2008). The literature does however indicate that research done on the precise topic of airline passengers service expectations is limited (Chau & Kao, 2009; Gilbert & Wong, 2002).

Several authors refer to the early research on service quality, specifically to Parasuraman et al.'s (1988) SERVQUAL research model (Armstrong et al., 1997; Babbar & Koufteros, 2008; Chau & Kao, 2009; Coulthard, 2004; Gilbert & Wong, 2002; James J. H. Liou et al., 2011; A. Parasuraman, Zeithaml, & Berry, 1988, 1994; Sultan & Simpson, 2000; Tiernan et al., 2008), which has been updated to remove some of the areas that were critiqued (Armstrong et al., 1997; A. Parasuraman et al., 1994). The SERVQUAL model is specifically designed for researching service quality (seen as a function of people's expectations – perceptions) (A Parasuraman, 2004; A. Parasuraman et al., 1988, 1994). This model will be discussed in chapter 3.1.

Research done by Parasuraman et al., (1994) argues that the measurement of the 'expectation' part is crucial in order to find specific details on service quality (A. Parasuraman et al., 1994). The model indicates that personal needs, word-of-mouth, external communications and past experiences are the four main factors that affect customers' expectations (Chau & Kao, 2009). It has also been found (in a study of Korean passengers) that an airline's image, as well as passenger satisfaction and service value, directly impact a passenger's decision making process (Koopman, Hartog, Konrad, & et.al, 1999). An airlines' competitive advantage lies in its ability to deliver quality service, especially with increasing competition in the market place (G. Hofstede, 1980a).

The most important attributes of airline service have been found to be safety, comfort and courtesy (James J. H. Liou et al., 2011). Though from the customer perspective Hanlon (1999), in Chau and Kao (2009), suggests that there are three essential factors that influence passenger demand: service level, income and fares (Chau & Kao, 2009). It is believed that in order to survive and be successful in today's competitive service business environment, the knowledge of customers' expectations and delivery of superior service quality is crucial (Bamford & Xystouri, 2005; Chau & Kao, 2009; James J. H. Liou et al., 2011; Rhoades & Waguespack, 2008). In the airline industry, understanding passengers' expectations is fundamental in order to offer the service quality desired by passengers (Gilbert & Wong, 2002).

2.1 The Airline Industry

Germany in 1910 was the first country to offer air passenger services, with hydrogen filled dirigibles (The Gale Group, 2006). Since then, air transportation has affected every aspect of human life. Two years after Germany, the United States of America was the first country to offer the first scheduled flight as well as several scheduled services from 1914 onwards (Heracleous et al., 2006; The Gale Group, 2006).

European governments were developing an extensive aviation system during the 1920s to the 1930s. Airmail services were not as efficient or sophisticated as in the United States, but Europe had the lead in passenger services, and by 1929 Britain had a commercial route to India. The development of the postal services as well as freight and further development on passenger services to several countries were soon to follow (The Gale Group, 2006). The great improvements in navigation, aerodynamics, weather forecasting and operations between 1920 and 1939 account for this success. With the introduction of the first large modern aircraft at the time, the DC-3, travelling across and between continents became a reality (The Gale Group, 2006).

During and after World War II, the development in international passenger flights was further enhanced. Developments included longer range planes with wider bodies and four engines for the greater distance. Increased comfort, including fully pressurised cabins and improved systems to handle tough weather, was also part of the important innovations of the time (Branson, 2010; The Gale Group, 2006, p. 3).

By 1958 long haul jet travel had become the most common form of travel over long distances, and it still is today. Wide-body jets (such as today's jumbo jet (Boeing 747) and the newly developed Airbus A380, as well as others) were introduced in 1970 (The Gale Group, 2011). Another aircraft that had an impact on air travel was the French Concorde in 1976 flying at supersonic speeds which, due to accidents (affecting passenger numbers, rising maintenance costs as well as the impact of 9/11) was grounded in late 2003 (Branson, 2010; The Gale Group, 2006, p. 3). Safety is the most important aspect for airlines. Historically, 2011 is on its way to being the safest year for flying since the beginning of aviation (Jones, 2011; VG Nett, 2011).

The airline industry plays a major role in today's global economy (Heracleous et al., 2006; Tiernan et al., 2008). International business, tourism and leisure travel would not have been as convenient as they are today if it was not for the airline industry (Tiernan et al., 2008). Even though there have been downturn periods in the aviation industry (such as increasing fuel prices, terrorist attacks, the SARS outbreak in 2003, Middle Eastern wars and upcoming low cost carriers (LCC) serving short haul services and cross continental routes (AirAsia, 2010; Chau & Kao, 2009; Jetstar Airways Pty Ltd, 2011; Tiernan et al., 2008)). The history of airlines is one of success and high stable passenger growth (though high passenger growth and profitability has remained marginal (Tiernan et al., 2008)) since the 1960s (Chau & Kao, 2009; Robertson, 2003).

Many of the LCC airlines offer a "quality-price trade-off" (Chau & Kao, 2009), whereby customers are able to pay extra for any extra service they want in addition to just their seat. This is one way companies try to deliver value to customers of different segments (Chau & Kao, 2009; Chau & Witcher, 2005; Price, Brigham, & Fitzgerald, 2008). A high focus on service quality has therefore become more important for bigger carriers in order to maintain their customer base and still attract new customers by providing service levels that exceed what LCCs can afford to offer (Tiernan et al., 2008).

By focussing on service quality, it is said that one significant key is to decrease wasteful spending (Braff & DeVine, 2008). By learning and investing in the main drivers of customer satisfaction, what customers want and expect is important to know in order to not spend money on things that are not of importance to the customer (Braff & DeVine, 2008). Companies' beliefs on service quality should be tested in order to see what the customers

actually expect. Through this, it is believed that several managers will see that their long-held beliefs about what consumers expect are wrong (Braff & DeVine, 2008). This is seen as extra important due to the mentioned rising costs, such as fuel, landing and parking fees as well as maintenance of aircrafts, that affect any airline. Keeping costs down and focusing on the profit makers, such as loyal customers, is highly important in order to gain and keep valued customers as well as staying profitable (Binggeli et al., 2002; Braff & DeVine, 2008; Carson, 2001; Oyewole, Sankaran, & Choudhury, 2008).

One other key issue is that airlines rarely know the spending behaviour of their customers with competing airlines (Binggeli et al., 2002). Passengers that travel occasionally with a specific airline might travel extensively with another carrier or even with more than one other carrier. Getting to know the customers better and providing a service they would like to experience again and again are believed to be important ways to attract and keep customers (Binggeli et al., 2002).

Urs Binggeli et al., (2002) state that “several factors influence the behaviour of passengers. The challenge for airlines is to understand the actual and potential value of each customer and to pinpoint the actions and incentives needed to maximize it” (Binggeli et al., 2002, p. 10). One important aspect that is seen to impact and influence customers of all sectors is the customer’s ethnicity (Hoyer & MacInnis, 2008). Service quality, customer service expectations and satisfaction as well as the global marketplace and culture are all seen as important for this study to find details on the differences and similarities between the nationals of different countries. Thus these areas will be discussed.

2.2 Service Quality

As a more general topic than service quality expectations in the airline sector, service quality in specific has received a fair amount of attention (Chau & Kao, 2009; Davies, Baron, Gear, & Read, 1999; Edvardsson, 1992; Gilbert & Wong, 2002; A. Parasuraman et al., 1988, 1994; A. M. Smith & Reynolds, 2002) The following paragraphs explore the literature relevant to this topic.

To this day, the term ‘service’ reflects back to its roots in the ancient master-servant relationship, reflecting deeds one person does for another. Service is said to carry a history of

subordination and agreement that people serve because they have to (e.g. Slavery) (Reis, Pena, & Lopes, 2003).

Even though the concept can be linked to the past, the way it is carried out today is different from how it was done centuries ago. Most of the developed economies have now moved away from being production orientated and are more service orientated (Chau & Kao, 2009). People tend to regard service quality as the customers feelings towards the supremacy of services and their providers (Chau & Kao, 2009; Reed, 2007). Service quality “concerns the benefits on the customer side of the company-customer exchange” (Chau & Kao, 2009, p. 108).

Cosby (1980) stated that the basis of service quality, as referred to in Davies et al., (1999), has to do with businesses trying hard to deliver a product that meets customers, needs, desires and wants. This is due to customers having a great range of choices to choose from. (Davies et al., 1999). The only difference between then and now is that the dominant form of economic activity (in developed countries) is service (Chau & Kao, 2009). Thus the focus on service quality is seen as the cornerstone of improving competitiveness and profitability through customer satisfaction (Edvardsson, 1992). When understanding the importance of quality of customer service one can see that this is a crucial issue for the company’s performance (Davies et al., 1999; Warc, 2010). That the service quality meets promised standards and performance is of great importance (Davies et al., 1999) since customer service helps companies distinguish themselves from the rest of their competitors as well as trying to build a closer and longer lasting relationship with their customer (Warc, 2010).

Service quality in an airline is a combination of various interactions linking the airline employees and a passenger in addition to anything that can be seen to influence customer perception of the airline, such as an airline’s image (Gursoy, Chen, & Kim, 2005). There are many definitions of service quality as it means different things to different industries (James J. H. Liou et al., 2011). In accordance and relevance with this study it has been said to deal with a customers overall perception of the organisation and services provided (Park, Robertson, & Wu, 2004) as well as a personal opinion of the quality of a chain of services (Chen & Chang, 2005).

Its measures should be related to the context the industry is in. Understanding precisely what consumers want is according to Zeithaml et al., (1990) the most critical step in defining and delivering high quality service (V.A. Zeithaml, Parasuraman, & Berry, 1990). Cheng & Yeh (2002) believe that it is difficult to measure quality in the airline sector because of the heterogeneity, inseparability and intangibility of such a service. Thus customers are the only ones who can truly describe and define service quality in the aviation business (Chang & Yeh, 2002).

Davies et al., (1999) state that early writers (Grönroos, 1982; Lehtinen and Lehtinen, 1983; Lewis and Booms, 1983; Sasser *et al.*, 1978) on the topic of service quality, suggested that this quality term comes from how customers expect service providers to perform throughout the time it takes for the service to be delivered (Davies et al., 1999). Since the term has been around for a fair amount of time, several models of measuring service quality have been produced. One widely-used model is the SERVQUAL model (1985) that defines service quality as the degree and direction of discrepancy between customers expectations and perceptions (A. Parasuraman, Zeithaml, & Berry, 1985). This model has been criticised, updated and further criticised throughout time but it is still seen as very popular (Chau & Kao, 2009; Davies et al., 1999), and “the point of departure for many researchers and managers” (Davies et al., 1999, p. 34). The SERVQUAL model is also the point of departure for this study, with some modified areas to suit the research question of researching people’s expectations. The SERVQUAL model and these specific modifications will be discussed in chapter 3.1.

That services actually arise in the interaction between staff and consumers and also that the consumer plays a part of the production process can lead to unique management issues (Babbar & Koufteros, 2008). One example of this is that the management is unable to control all the varying conditions and factors playing a part in providing a service (Babbar & Koufteros, 2008). This can result in the quality being unevenly distributed across customers (Edvardsson, 1992). This interaction has been defined as ‘the moment of truth’ (Babbar & Koufteros, 2008; Carlzon, 1989; Edvardsson, 1992), as well as ‘the service encounter’ due to the service being unique and arising in the interaction between provider and customer (Edvardsson, 1992; Edvardsson & Thomasson, 1989; Maruca, 2000). How the customer evaluates the provider depends on the service interactions (Donnelly, 2004; Edvardsson,

1992). High quality service is seen to play a crucial role on the provider's profitability. Having high quality service makes it easier for a service company to charge higher prices (Gale, 1992; Gilbert & Wong, 2002; Green, 2006) (Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994). It also has a considerable effect on a company's image (Gursoy et al., 2005). These things help provide a competitive advantage as well as satisfied customers, which in turn improves profitability (Babbar & Koufteros, 2008; Edvardsson, 1992).

From the preceding paragraphs, which sum up previous research, it can be recognised that service quality arises from both previous and present experiences. In addition, it is dynamic, varying, produced while interacting with the customer and multidimensional (A. M. Smith & Reynolds, 2002). From this, one can see the need to research customers' expectations so that service provision can become as good as possible.

The concept of customer service might be one of the easiest ones to grasp yet hardest to deliver (Green, 2006). Laurence Green (2006) states this and also that it is well documented that a repeat purchase costs far less than a conquest sale. Not just that, happy customers are believed to willingly pay a higher price as well as turning a blind eye to direct competitors (Green, 2006). From this, the importance of customer service quality is something worth striving for. One biological issue that can be of high importance when it comes to complicating the area of customer service is that, as stated by Whiteside S. (2010), "humans share 99.7% of their DNA, meaning they have more than a considerable amount in common. The remaining 0.3% of our genetic make-up, however, ensures we can 'vary in all possible ways'" (Whiteside, 2010, p. 1). This, as well as the fact that "Individual uniqueness rests on that core of fundamental similarity with other humans, and our genetic heritage underpins the fact that we all want simultaneously to be seen in some senses as the same as other people, and also as individual and unique," (Whiteside, 2010, p. 1) are seen as reasons why service providers should have an idea on country based similarities and differences between customers (Whiteside, 2010; Winsted, 1997).

A main part of customer service is customer satisfaction (Anonymous, 2005). Kotler (1994) states that "Service ... is essentially intangible and does not result in the ownership of anything" (Kotler P, 1994, p. 464). It can thus be drawn that even though the airline service can at some points be tangible such as in the form of food quality and presentation, as well as environmental factors, it is mainly intangible. Thus, service is very reliant on how the service

is perceived by the customer, as a individual factor (Kotler P, 1994). The next part will therefore focus on customer expectations, as this is believed to be of importance to know how to best serve customers.

2.3 Customer Expectations (in the service sector)

According to Parasuraman et al., (1988) expectations are defined as “the desires or wants of customers, i.e. what the service provider should offer” (A. Parasuraman et al., 1988, p. 17). More specifically service expectations are defined by Zeithaml, Berry and Parasuraman (1993), in Donthu and Yoo (1998) as “beliefs about service delivery that function as standards or reference points against which performance is judged” (Donthu & Yoo, 1998, p. 178).

Expectations are seen as pre-purchase beliefs about the service that is to be provided, and are important to know for service providers in order to find details on customers wants and needs regarding service quality (Armstrong et al., 1997). Some expectations are built on previous expectations with a specific service category as well as what the customer has been told from different parties (Word of Mouth (WoM)). Expectations may shift during the consumption. Over- and, or, under-promising of a service will affect expectations and can in the worst case lead to dissatisfied customers (Lovelock et al., 2011).

Customer expectations are highly important to businesses in the service sector (Lin et al., 2007). Lin et al., (2007) argue that future purchase decisions are heavily built on previous service provided from specific companies. If the expectations were not met, the customer might want to try a different option in order to see if they can obtain customer satisfaction in a better way. Thus, if the customer was satisfied and felt that the service met, or even exceeded their expectations, the chances for a re-purchase is seen as very high (Babbar & Koufteros, 2008; Chau & Kao, 2009; Lin et al., 2007; Mithas, Krishnan, & Fornell, 2005). What is important for service providers is to understand customer expectations, as well as creating a realistic understanding of what can be expected. Raising customer expectations can be seen as dangerous as it leads to the service being harder to deliver, the statement “underpromise and overdeliver” (Carlzon, 1989, p. 1) has been seen as one way to exceed customer expectations and increase their satisfaction (Carlzon, 1989).

Buying behaviour of airline customers is seen as very complex and it is affected by several factors (James J.H. Liou, 2009). Gilbert & Wong (2002) explain this in more detail as, “the key purchase criteria of travellers is a multi-attribute of service based upon: Frequency of flights; Timings; Punctuality; Good in-flight service and facilities; Good on-ground service and facilities; Non-stop service and Safety records” (Gilbert & Wong, 2002, p. 519).

Factors that relate closely to the customers are seen to affect future expectations. These are stated by Chau and Kao (2009) to be factors such as WoM and previous experiences (Babbar & Koufteros, 2008; Chau & Kao, 2009). The service quality literature name these factors as ‘assurance’ (Gilbert & Wong, 2002; A. Parasuraman et al., 1988). Thus, meaning that the customer is making sure the decisions made are the right ones (Gilbert & Wong, 2002; A. Parasuraman et al., 1988). From this it is suggested that airlines will be more successful, and have an easier job holding on to previous customers than acquiring new ones, from advertising and media, when expectations are known (Chau & Kao, 2009).

Scandinavian Airlines Systems (SAS) introduced the concept ‘moment of truth’ in the early 1980s as the most crucial point for SAS to be at their best (Babbar & Koufteros, 2008; Carlzon, 1989). This ‘moment’ was said to be every time an area of its business came in contact with customers, however remote, it could make an impression on the customers mind. Always producing its best service in those moments was said to be crucial for business survival and growth (Babbar & Koufteros, 2008; Carlzon, 1989).

Research done by Sultan & Simpson (2000) indicates that airlines should not assume that the service they provide in one country will meet the expectations of clients from other countries (Sultan & Simpson, 2000). In other words, markets should be carefully considered to find possible different national expectation levels (Sultan & Simpson, 2000). Investments in training and development of the service providing staff will make responses to expected service quality more effective and thus the perception will be higher amongst travellers (Bitner, Booms, & Tetreault, 1990; Mattila, 1999; Sultan & Simpson, 2000).

In order to survive in the competitive market place of aviation, meeting individual customer service expectations might not be enough. Satisfied customers are seen as a result

of meeting, or even better, exceeding their service expectations (Gilbert & Wong, 2002; M. D. Johnson, Herrmann, & Gustafsson, 2002).

It has been argued that the following areas all play important parts in customers' expectations on superior airline service quality: ground services, such as check-in/reservation/ticketing; in-flight services; helpful and friendly staff; good safety records; correct and quick baggage handling; non-stop services; convenient schedules and beneficial frequent flyer programmes (Babbar & Koufteros, 2008; Barclay, 2010; Gilbert & Wong, 2002; Heracleous et al., 2006). As referred to in Babbar and Koufteros (2008), Whyte (1946) states that customer-staff contact is seen as the most important service delivery factor (Babbar & Koufteros, 2008). The possibility of enjoying a good meal, resting properly and freshening up before arriving at the destination all assist in making the journey more enjoyable (Ekdahl, Gustafsson, & Edvardsson, 1999).

Expectations are seen to be built and influenced not only by previous experiences with one or several airlines, but also by other firms in the same industry. This is why being the best in the whole service industry means customers will build their future expectations on what one specific airline offers, and not what another offers. Also, it is argued by Heracleous et al., (2006) that it is better to be one per cent better at everything, than 100% better at one thing. It is also important to constantly renew oneself as the customers change/develop through time (Heracleous et al., 2006).

Customer expectations might also be affected by the airlines' star ranking. A higher ranked airline is believed to offer better and more extensive service than airlines with a lower star ranking (Sant, 2009). SKYTRAX is a company that officially star ranks airports and airlines according to several areas of interest (website, delays, staff grooming and presentation, check-in services, Wi-Fi options, cabin cleanliness, service efficiency, staff language skills and quality of meals served etc.). This is a big database that includes most airlines and their current ranking (Skytrax, 2011b).

Service excellence must be a key point going across different functions in an airline, so that the entire company works together as a team to "deliver seamless customer service" (Heracleous et al., 2006, p. 159). By precisely assessing each customer's expectations, successful service companies will be able to meet highly important customer expectations

(Sultan & Simpson, 2000). Superior companies are seen to spend great amounts of time on the needs of their consumers (Sultan & Simpson, 2000). They are also seen to be able to charge about 8% more on their specific services (Gale, 1992), thus, at the same time acquiring higher profitability (Gilbert & Wong, 2002) and market share (Buzzell & Gale., 1987). It is therefore believed that by knowing specifically what the different markets expect and prefer, companies can use this knowledge to specialise themselves to better please the customers and reap the benefits from this (Sultan & Simpson, 2000). It has been revealed that Customer Relationship Management (CRM) efforts have improved customer satisfaction levels (James J.H. Liou, 2009; Mithas et al., 2005), which again has an effect on future decisions (Babbar & Koufteros, 2008; Chau & Kao, 2009).

The best people to measure quality are the consumers themselves (Miller, 1992). Studying people's expectations on service quality and knowing what customers want is found to establish and grow a solid base of loyal customers (Sultan & Simpson, 2000) and thus make your company stand out in relation to competitors (Buzzell & Gale., 1987; Gilbert & Wong, 2002; Sellers, 1991).

Sultan & Simpson have found that customers state that airline crew fail to meet expectations when they perceive the service to vary a lot or when the crew is "exceptionally bothered by working" (Sultan & Simpson, 2000, p. 205).

Being a service company, satisfying customer expectations is crucial and requires customer driven strategies (Sultan & Simpson, 2000). The customer him or herself needs to be identified (Sonnenberg, 1991). In order to see the different customers (that might have different expectations) in the airline industry, it will be necessary to segment people's reasons for flying and in which class they are seated. Being in the service industry clearly requires any company to have a good service competition strategy (A. Parasuraman et al., 1988; Sultan & Simpson, 2000). When looking at the long haul aspect of international aviation a global strategy is highly important (Sultan & Simpson, 2000). It has also been found that the most important dimension for passengers was that the service is provided when promised, e.g. no delays (Sultan & Simpson, 2000; Tiernan et al., 2008).

2.4 Customer Satisfaction

Humans are the most complex biological creatures on our planet and rational and logical decisions are said to rarely happen when people make decisions (Dean, 1999). Feelings and emotions or a specific need are believed to play the largest part in the decision making process. This is why intangible benefits are usually seen as the key to persuasion. This is also why WoM plays a big part in a customer's decision making process. It is also apparent that the greater the value is in relation to the price, the more people will respond to offers (Dean, 1999). Satisfied customers are closely related to company profits (Heskett et al., 1994; Reynolds, 2004). Thus it is regarded as very important that managers think strategically and understand the clients' ways of thinking (Reynolds, 2004).

It is equally important to teach service staff good customer service skills which foster self-awareness and awareness of the interaction between staff and customers. One needs to understand oneself well in order to be good with customers. It is important to know how one comes across to other people as well as what ones communication style is and how one reacts in stressful situations. Research shows that as much as 55% of the message sent by a service supplier comes through physical appearance such as eye contact and mannerisms while 38% is in the tone of voice used while interacting with customers. As little as 7% comes from the words used (Kiger, 2002).

Research at Cornell University's Centre for Advanced HR Studies in the USA, as well as other institutions, cited by Kiger (2002), show that there's a strong connection between staff and consumer satisfaction. "The really crucial issues are retention and, more important, loyalty [...] both of them tend to operate in a three- to five-year cycle. Brand-new employees tend to love you, because they're still learning new skills and have the potential to move up in the company. New customers love you because you'll do anything to keep them happy." (Kiger, 2002, p. 32). After some years the relationships both customers and employees have with the company tend to have changed. "The employee may feel like he's buried in the organization. Chances are, he's already got whatever training you're going to give him. He's hearing from head hunters. And the customer is in a similar rut. He's being taken for granted, and he's already learned about the business from you, so maybe he doesn't need you as much." (Kiger, 2002, p. 32).

To have a strong relationship between customers and the workforce may help in keeping both parties satisfied and without any need to flee the company "Good customer relationships may actually be a factor in employee retention" (Kiger, 2002, p. 32).

Employees have been said to treat customers the way they are treated by management (Kiger, 2002), thus employees should be treated in the same way as a company's most loyal customers (Covey, 2004). A company that appreciates and motivates its employees, as well as having good communication channels and a collegial atmosphere, has been stated to be a better place to work than an intensely top-driven, autocratic company (Kiger, 2002).

According to the founder of Southwest Airlines, Mr. Kelleher, "something so basic most of us learned in Kindergarten" (R. Johnson, 2008, p. 1) is the way a manager should treat his/her employees. That is: "Treat people as you would like to be treated. Play fair; be honest, trustworthy and loyal to those around you" (R. Johnson, 2008, p. 1). This is very close to what is commonly known as the golden rule (TeachingValues.com, 2009). Put in another way; to achieve outstanding customer service and having satisfied and happy employees is a key factor in running a successful service-driven business (R. Johnson, 2008; Kiger, 2002; Reynolds, 2004).

Another statement by Mr. Kelleher is that "You put your employees first. If you truly treat your employees with respect, they will treat your customers well, your customers will come back, and that's what makes your shareholders happy. So there is no constituency at war with any other constituency. Ultimately, it's shareholder value that you're producing" (R. Johnson, 2008, p. 1). It is also believed that employees that are led and not managed are more enthusiastic and productive. They are also happier in their job and thus eager to provide positive experiences for customers (R. Johnson, 2008). During the 2000s, corporations publicly stated that customer satisfaction and therefore service quality were more than just the duty of marketing, sales and call centre personnel. These areas were seen to be fundamental goals for the entire corporation. The most successful enterprises acknowledged that all areas of the business had to work in an integrated way, and that the quality of the service provided is reliant on the people who deliver it (Warc, 2010).

As outlined above, there are certain aspects in a company that can be handled directly by management to increase customer satisfaction levels. Another point worth noting is what

people expect from a service provider and how this affects the company. People's expectations, thoughts and feelings towards a brand influence their choices and their loyalty decisions. For example, it has been found that people tend to have higher expectations towards a full service airline than towards a low cost carrier (Chau & Kao, 2009; Sant, 2009). Thus, understanding how the brand is positioned in the eyes of the customer is of vital importance. Customer loyalty and purchase behaviour relate to a company's profits and so it is important to meet customer expectations (Heskett et al., 1994; Lovelock et al., 2011; Sant, 2009). As satisfaction is a post-purchase evaluation of the overall service experience (Lovelock et al., 2011), meeting customer expectations is seen as fundamental for any airline to focus on in order to strive towards satisfying its customers (Cunningham et al., 2004).

Research reveals that customers only register that service is not what it is supposed to be when something goes wrong (Anderson, Baggett, & Widener, 2009; Edvardsson, 1992). Service quality can thus be divided into two categories. The one type is when service is not happening the way it is supposed to, which is said to be the "exception". The second type is the "normal" quality of service, which is when the service provided is seen to be the way it is expected to be (Anderson et al., 2009; Edvardsson, 1992). The next chapter will look at the important aspect of service recovery.

2.5 Service Recovery

Customers have a specific set of expectations that they take with them wherever they go (Edvardsson, 1992). There is a distinction between desired and adequate service levels (A. Parasuraman, Berry, & Zeithaml, 1991). What is seen to be between these two levels is called the zone of tolerance (A Parasuraman, 2004), "The zone of tolerance expands and contracts like an accordion. It can vary from customer to customer according to previous knowledge and situations, and also potentially, from one situation to the next for the same customer" (A. Parasuraman et al., 1991, p. 42). Experiences that fall within the zone are seen as satisfactory, while those rising above this zone are seen as exceptionally good (Nadiri, 2011; A Parasuraman, 2004). Experiences below (or over) this zone are seen to 'remain' in the customer's long-term memory as a negative experience with the provider. It is believed that low and dissatisfying experiences offer the service provider with a golden opportunity, to turn the dissatisfaction around into a positive state by professionally and skilfully handling the given situation.

Skilfully handling such a situation may improve the customer-supplier relationship as well as lowering the risk of the customer criticising the provider to friends, family and others. If customers are dissatisfied, and the service provider or company cannot recover its image, there is a high probability that it will gain a bad reputation and may ruin customer relationships (Anderson et al., 2009; Edvardsson, 1992).

Ruined customer relationships as well as correcting mistakes amount to a significant cost. It is estimated that as many as 35% of staff in service companies are employed in jobs that correct mistakes made by other employees. Dealing with issues as they arise, i.e. immediately, is also viewed as important (Edvardsson, 1992).

It has been said that service recovery should be the very foundation of customer service strategy. Keeping already established customers as well as acquiring new ones is widely acknowledged, in management and service marketing literature, as key business strategies, as argued by Piercy (1995) (Bamford & Xystouri, 2005). Effective handling of customer complaints and recovering from service failure have proven to be sound strategies for maintaining loyal as well as satisfied customers. Identifying service failure is thus of high importance to service companies. Such identification enables them to develop strategies that will eliminate future repetitions of old mistakes and prevent the customer from criticising the supplier to family and friends (Bamford & Xystouri, 2005).

Bitner et al., (1990) cited in Bamford & Xystouri (2005) argues that it is not so much the service failure itself (as customers are seen to understand that things might go wrong, e.g. weather situations causing delays), but the service recovery (and the attitude of the personnel) that is the main factor deciding if the customer will stay on in the future or not (Bamford & Xystouri, 2005). A quick and satisfactory resolution of complaints can lead to at least 75% of customers staying with the provider. On the other hand, if the complaint is not resolved, less than half will stay on (Bamford & Xystouri, 2005).

Customer satisfaction as well as prompt and satisfactory resolutions of problems is closely related to employee satisfaction and loyalty. In industries, like the airline industry, where customers and employees meet face to face, this is crucial (Bamford & Xystouri, 2005; Heskett et al., 1994; Schlesinger & Heskett, 1991). Bamford & Xystouri (2005) give several factors that are considered important in order to make and keep employees satisfied. These

include: being treated with respect, being satisfied with the job itself, the company's concern about employee wellbeing and salary as well as specific, concrete and constant development and training, potential to advance within the corporation and staff perceptions on their own abilities to meet customer requirements (Bamford & Xystouri, 2005).

The role that the customers play in service recovery will be examined with an emphasis on their complaints. Factors influencing complaining behaviour from customers are seen to be: benefits from complaining and the level of dissatisfaction and resources available for making a complaint. Complainers tend to be younger and better educated. They also tend to have high self-confidence as well as a tendency to have an above average income (Lovelock et al., 2011).

One of the biggest problems about service recovery is that only about 5 to 10% of dissatisfied customers complain (Bamford & Xystouri, 2005; Dube & Maute, 1996; Tax & Brown, 1998). Most tend to quietly move to another provider (competitor) and also from time to time criticise the first provider to others (Bamford & Xystouri, 2005). Several reasons have surfaced about why customers do not like to complain. A major reason is that customers do not want to confront the individual that is responsible. Customers commonly think that the company will not be responsive and complaining is seen as taking too much time and effort (Bamford & Xystouri, 2005; Dube & Maute, 1996; Singh, 1990). Training customers how to complain and informing them properly about the importance of complaining can be very important (Bamford & Xystouri, 2005).

Having well-trained and specifically hired staff that handles complaints correctly, as well as having performance minimums, technical customer support (call centres/internet) and standards and service recovery guidelines are amongst the approaches made to counter the lack of complaints and provide companies with a possible service recovery (Bamford & Xystouri, 2005).

Another aspect which plays a crucial role in improvements is finding the possible improvements that will have the greatest impact on the company's profitability (Rust, Zahorik, & Keiningham, 1995). When investing in service recovery and fault eradication, customer profitability should be measured (Bamford & Xystouri, 2005).

For example, it was found by United Airlines that their business travellers alone counted for 40% of the company's passenger number, but provided the company with 72% of its profits. While the so called "mile-collecting vacationers" (Field, 1997, p. 1) counted for the rest of the passenger numbers, with them only accounting for 28% of revenue. Besides this, they also found that 6% of the passengers whom they call "road warriors" (Field, 1997, p. 1) were the most frequent business travellers, alone accounting for 37% of the company income. Using surveys, records and complaints the airline learned that these top 6% were the ones most frustrated and least satisfied with air travel. Using the data, United Airlines invested US\$ 400 million to provide their business travellers with improved meals and seats as well as better lounges with showers and check-in facilities and more frequent flyer benefits (Field, 1997).

It has been shown that most of the dissatisfaction among business travellers on airlines comes from incidents at the airport and on the aircraft. These incidents are delays and cancelled flights, as well as the way the airline communicated this information to its passengers (Anderson et al., 2009; Edvardsson, 1992).

It has been found that there is a substantial difference in how business travellers and staff perceive the handling as well as the causes of possible critical incidents (Anderson et al., 2009; Edvardsson, 1992). Travellers see cancelled flights and delays as the most dissatisfying factors, however the airline employees have been found to believe that travellers are more concerned about late or damaged luggage. Also, staff appeared to lack (in comparison to what the travellers expect) understanding of the importance of clear and correct information whenever incidents, that can be seen as critical, surface. Business travellers like to be met with initiative and commitment as well as seeing a knowledgeable high ranking employee (pilot/employer) with specific information about the incident and how it will be dealt with, including being given some compensation for the delay. These strategies are viewed as good recovery. From this one can see the importance of staff training for situations like this as well as customers' perceptions and expectations of quality (Edvardsson, 1992). From the customer's perception it is vital that the entire service procedure functions correctly (Anderson et al., 2009; Edvardsson, 1992).

As stated earlier, this study is about customers and their expectations, which hopefully will return valuable results to make the flying experience more enjoyable for the passengers,

and to make cross-cultural issues easier for the airlines to understand. Besides the differences in culture and possible differences in expectations, cultural understanding is seen to be important when having an international clientele (Dichter et al., 2008; Lewis, 2006).

An example of customer differentiation from Malaysia Airlines will be looked at: “For a time, we were serving lamb biryani on our flights to China. But customers didn’t really like it, and it was very expensive. We looked at different meals. When we starting serving fried rice with some satay chicken, which is half the cost, the customers loved it. Why were we giving them something that was expensive and that they didn’t like? But customers flying to Delhi would love lamb biryani...You have to customize to find the sweet spot, and this is painful. The mantra for bringing down costs says you have to standardize, but standardization really requires you to migrate to the highest common cost denominator, and that’s expensive. Instead, by finding these sweet spots, we can continue playing the game of the impossible and reach our goal” (Dichter et al., 2008, p. 8).

By focusing on their CRM programmes, airlines can not only capture new customers, but also retain their already established customers. It has been stated that when companies started to focus on customer satisfaction, companies gained a greater insight into the wants of their customers and what made them choose one company over another. Therefore, getting to know the people (ones customers) that are actually flying is highly important (Binggeli et al., 2002).

Solutions aimed at quick and efficient problem resolution have strong connections with customer satisfaction as well as loyalty (Bamford & Xystouri, 2005). On the other hand, disappointing solutions or no recovery at all, might create “terrorist” customers that are so dissatisfied that they take every chance to spread bad information about the company. This WoM can damage the company badly (Heskett et al., 1994). Loyal customers assume that issues are dealt with quickly and effectively and tend to be disappointed when this is not the case, thus making service recovery a key element (Valarie A. Zeithaml, Berry, & Parasuraman, 1993).

A customer that receives excellent service recovery may, in the end, be more satisfied than before the failure (Lovelock et al., 2011). There is a clear link between profitability and service recovery (satisfied customers) (Bamford & Xystouri, 2005; Heskett et al., 1994). This

supports the contention that satisfied, positive and happy employees that are satisfied with their job are more likely to influence happiness and satisfaction in customers (Anderson et al., 2009; Lovelock et al., 2011).

Tactics for service recovery are seen to be: act fast, apologise without being defensive, show understanding about the problem from the complainant's point of view as well as acknowledging the complainant's feelings. The customers should be given clarification on how the problems will be solved, staff should not argue with the customer, to regain customer goodwill, consider compensation and always keep the customer updated about the progress (Lovelock et al., 2011).

In summary, effectively handling a service failure is crucial for service providers to maintain a certain satisfaction level among customers, also, satisfied and positive customers closely relate to profitability (Anderson et al., 2009; Babbar & Koufteros, 2008; Kiger, 2002).

2.6 Loyalty

Loyal customers refer to customers that intend to repurchase from the same provider who created a certain level of satisfaction within the customers (Soderlund, 1998). In other words, as stated by Zeithaml et al., (1996) in Soderlund (1998), customers that had experienced an experience that was seen to be above the 'zone of tolerance'. Therefore, an experience higher than the zone will result in a highly satisfying service encounter (Soderlund, 1998), as stated under the 'positivity bias' above. The moment of truth, as discussed earlier, can be of great importance for providers with regard to retaining customers (Beaujean, Davidson, & Madge, 2006).

Even though loyalty is one thing in the direction of success (Robledo, 2001), companies should keep in mind that even though satisfied customers are more likely to be loyal, these customers are still vulnerable to approaches made by other providers (D. Smith & Grogan, 1997).

2.7 Emotional Labour

Rob Fyfe, CEO of Air New Zealand stated in an interview that "Trust is essential to an airline" (Birchfield, 2010, p. 1) and that the airline business is not about flying planes, but people (Birchfield, 2010). "More than 35,000 passengers get on our aircraft every day and

put their safety in our hands. Our reputation, our integrity and our commitment to safety – these are the foundation stones of our business. The airline business is testament to how quickly businesses fail if they lose the trust of their customers” (Birchfield, 2010, p. 1). It is thus of high importance, according to Fyfe, that an airline listens and cares about its customers (Birchfield, 2010).

Arlie Hochschild (1983), cited in Whitelegg (2002), coined the term emotional labour to “management of feeling to create a publicly observable facial and bodily display” (Whitelegg, 2002, p. 74). The concept, as explained by Oyewole et al., (2008), refers to making eye contact, delivering smiles as well as showing interest and engaging in friendly conversation with people that can be strangers and that the employee might never see again. Staff members are thus selected on behalf of their skills in handling emotional stress as well as listening and problem solving skills (Oyewole et al., 2008). Soft skills such as care, warmth, anticipation of needs and ability to be flexible and creative (if a passenger asks for a vegetarian dish, the crew should mix and match what they have and be able to serve, for example, a mix of fruit and vegetables) are seen as crucial in order to be a leader in the service field (Heracleous et al., 2006).

Most people can perform emotional labour to a certain degree (Mann, 1999). Though, when it comes to the service sector, employees constantly interact with people. Emotional labour is therefore seen to be a fundamental part of their everyday work (Kinman, 2009), this is due to the front line staff often being perceived by customers as the company itself as front line staff are the most visible element of a service company (Heracleous et al., 2006).

Emotional labour normally includes both internal components (the actual personal effort in regulating feelings and emotions in order to show what is essential for the job or to suppress unsuitable emotions) and external components (such as the individual employee’s feelings upon the company’s emotional display regulations, and demands on how to act on behalf of feelings and emotions) (Grandey, 2000; Kinman, 2009; Morris & Feldman, 1996). Research shows that the wellbeing of employees may be affected by the possible emotional regulation in showing only the emotions that should be displayed and hiding the true emotions from customers (Ashforth & Humphrey, 1993; Brotheridge & Grandey, 2002; Kinman, 2009; Lewig K. A. & Dollard M. F., 2003; Morris & Feldman, 1996).

Customer service suppliers tend to be seen as subordinates to their clients and customers (Kinman, 2009). Their interactions and communication patterns tend to be scripted, which is believed to constrain possibilities for the expression of personal feelings (Grandey, Dickter, & Hock-Peng, 2004; Kinman, 2009). One fundamental part of the service supplying profession is to be friendly while interacting with customers as well as preventing emotional spill of possible frustration and boredom (Kinman, 2009; Zapf, 2002). Reasons for this are that the interests of a customer are seen as above and more valued than one's own interests (Hoyer & MacInnis, 2008). Customer service providers are required to treat customers politely, even when frequently being a subject of harassment and abuse (Kinman, 2009). Personal management of emotions can, in situations of harassment and abuse, become a challenging task, while still important from the management and business side of the service provider in order to promote repeat business as well as customer spending (Kinman, 2009; Tsai & Huang, 2002).

There are statements saying that emotional labour within this specific sector produce sexual differences (S. Taylor & Tyler, 2000; Whitelegg, 2002). An explanation to why it is and has been is the following (this research is purely stating the literature on the topic, no judgement or justifications will be made as this is too far off topic):

“You might pass the time engaging the hostess in some flirtatious banter. Without a doubt you get much more time and indulgence in business than tourist class” (Whitelegg, 2002, p. 73). Emotional labour is a concept which has been seen as specifically applicable for women. This concept is not gender neutral. It is connected to women due to what is traditionally seen as ‘natural’ skills of women and thus sexual differences play an important role (S. Taylor & Tyler, 2000). Tyler and Abbott (1998) state that female “flight attendants are required to deploy ‘skills’ and abilities which they are deemed to possess simply by virtue of their sexual difference from men” (Tyler & Abbott, 1998, p. 434). Whitelegg (2002) states that this is still the case in the airline industry (Whitelegg, 2002).

Hochschild (1983), cited in Taylor & Tyler (2000) names two main ways of employee engagement in emotional labour. These have been named ‘deep acting’ and ‘surface acting’. They mean, respectively, “deceiving oneself as much as deceiving others ... we make feigning easy by making it unnecessary” (S. Taylor & Tyler, 2000, p. 78). ‘Surface acting’ means “to feel what we do not ... we deceive others about what we really feel, but we do not

deceive ourselves” (S. Taylor & Tyler, 2000, p. 78). This ‘acting’ is, in some cases, seen to affect personal psychological areas of the employees (S. Taylor & Tyler, 2000; Whitelegg, 2002).

In Taylor & Tyler’s (2000) research on emotional labour and sexual differences a “regular (male) business traveller outlined these skills” (S. Taylor & Tyler, 2000, p. 86) in a flight attendant:

“A good flight attendant, or hostess [...] should be organised and attentive, she should ideally be helpful and knowledgeable, she should be well-prepared and trained, and should be sincere. [...] She should be perceptive and be able to work alongside her colleagues to ensure that all passengers’ needs are taken care of. [...] She should be able to anticipate the needs of her passengers and go beyond their expectations. [...] He or she should be firm and self-confident, and be able [...] to think for themselves and so plan ahead (note that the female pronoun is used until this respondent refers to being ‘firm and self-confident’” (S. Taylor & Tyler, 2000, p. 86).

Suggestions like these have been (are) dominating the shaping process of the selection of airline flight attendants. Different literature (S. Taylor & Tyler, 2000; Whitelegg, 2002) state that the qualities wanted, and as stated in the previous quote, form the impression of flight attendants not only in passengers minds but also employers. These skills are supposedly seen as natural for women to possess which sexually differentiates women and men. Because of this it is seen as hard for a man to get through to become a flight attendant without being seen as homosexual in many people’s eyes, including management (S. Taylor & Tyler, 2000; Whitelegg, 2002). This is believed to be an obstacle for men wanting to enter this career path (S. Taylor & Tyler, 2000; Whitelegg, 2002), and can thus be seen as a glass ceiling (a non-physical obstacle that makes it hard to get into some positions) (Mathur-Helm, 2006).

Airline management realises the importance of emotional labour, though in several cases the importance of the quality given by service employees is seen as more important than the personal value and how this ‘acting’ affects the employees (S. Taylor & Tyler, 2000; Whitelegg, 2002). The lack of service quality or poor performance can mean that customers might transfer to another airline (Whitelegg, 2002). For high-value business travellers this can lead (in some cases) to critical amounts of revenue being lost to competitors. It is

believed that the quality of the emotional labour is vital and plays a key part in the overall service quality delivered to the customers (Whitelegg, 2002). From this it is believed that satisfied and happy employees increase the chances of having satisfied and happy customers (R. Johnson, 2008; Kiger, 2002; Marco Hirschi (middle manager UBS Switzerland), 2011). Research findings indicate that covering true emotions, anger in particular, can lead to psychological distress (Kinman, 2009; Panagopoulou, Kersbergen, & Maes, 2002; Zapf, Vogt, Seifert, Mertini, & Isic, 1999). It is therefore believed that emotional labour employees should have ways of ‘spacing out’ and relieving possible stress and emotional build-up (S. Taylor & Tyler, 2000; Whitelegg, 2002). While this is one side of the coin, some research has also stated the opposite, that emotional labour is, for many people, enjoyable and generally satisfying (Wharton, 1993; Williams, 2003; Wouters, 1989), though sexual harassment is a great area of concern among flight attendants (Williams, 2003).

2.8 Word Of Mouth

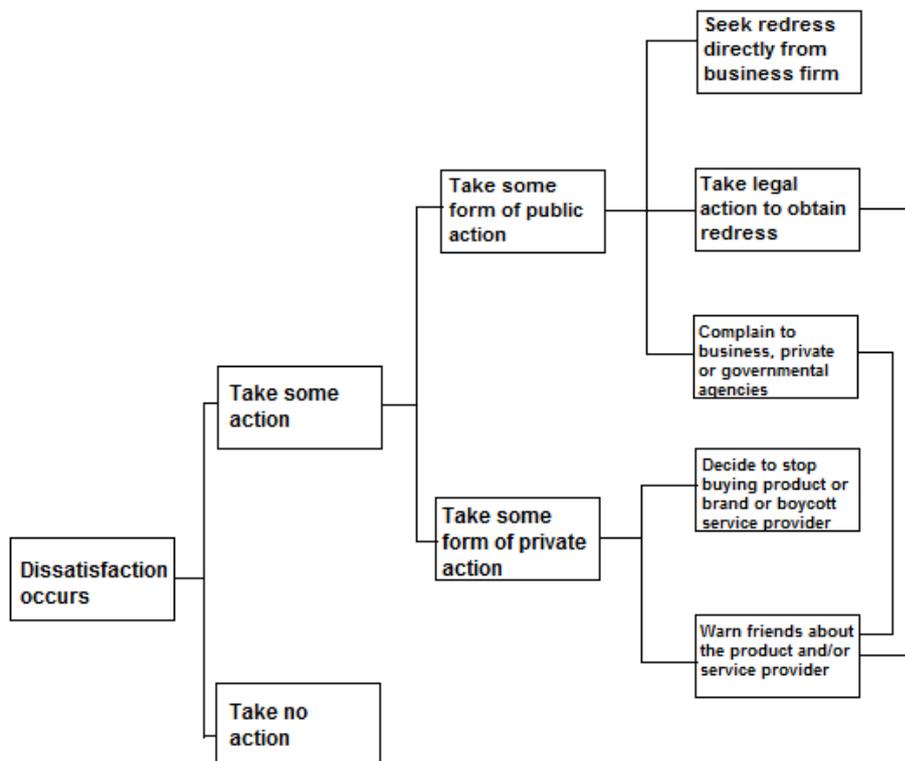
It has been argued that there is no other source of information more important for customers in regard of purchase decisions than WoM (Hamburger & Lawry, 2008; Marsden, 2006). It is further stated that more than 90% of people tend to try a product if a friend recommends it to them (Marsden, 2006). WoM is particularly important in the service industry (Wang, 2011). Besides this, it has also been found that generally companies with a high ratio of consumers that recommend the company to others grow more rapidly than their competitors, and vice versa (Marsden, 2006). This is due to customers forming their expectations of a service provider from what they are being told by others (George & Berry, 1981; Wangenheim, 2005; Valarie A. Zeithaml et al., 1993). Satisfied customers have been found to generate positive WoM (Lovelock et al., 2011), and satisfied customers lead to loyal customers (Lovelock et al., 2011).

WoM is typically either very positive or very negative (Wang, 2011). Theory claims that a negative event tends to produce a stronger response than the opposite, this is known as a ‘negativity bias’. One reason for this, according to Taylor (1991) is that when something negative happens the emotions signal that something needs to be done, while that is not the case for positive reactions (S. E. Taylor, 1991). It has further been said that it is generally more crucial for a person to respond to hostile environments than hospitable ones (Soderlund, 1998; S. E. Taylor, 1991).

It has been found that customers tell more people about a bad customer service experience than a satisfying experience (Beauchesne, 2005; Cannarella & Piccioni, 2008; Hart, Heskett, Sasser, & Earl, 1990; R. C. Taylor, 2008). Furthermore a customer who is dissatisfied with an experience tends to tell approximately eleven people about the event, while those that have had satisfying experiences tend to tell six (Hart et al., 1990).

What has been stated about possible WoM scenarios from dissatisfied customers is illustrated in this model by Kotler. P, (2000) reprinted in Lovelock et al., (2011):

Figure 2.8 – Word Of Mouth Scenarios



(Lovelock et al., 2011, p. 402)

From this model one can see that dissatisfied customers can have significant effects on a company's public image.

On the other hand, a 'positivity bias' states that when an experience is above expectations (very positive), positive emotions are communicated. The customer is seen to have more reason to broadcast this information to others (Soderlund, 1998). Thus it is believed if companies exceed customers' expectations these customers are more likely to speak positively about the company to more people than if the experience was just average (Marsden, 2006).

2.8.1 Feedback to the Supplier

As seen above, WoM can be of extreme importance to an airline. As a result customer feedback is also critical and must be swiftly dealt with by the company. Complaints will aid the provider in identifying areas needing improvement. Compliments on the other hand are important in order for the provider to get feedback on what areas of operation are satisfying in the eyes of the customer (Hart et al., 1990). Soderlund (1988) claims that merely five per cent of customers that are dissatisfied with the received service complain, not much is known about customers that give positive feedback except that service providers receive this as well (Soderlund, 1998).

The 'negativity bias' as stated above is seen to be dominant as customers tend to see this as more rewarding for the company as it can lead to improvements. Besides this, customers are seen to get a higher compensation for complaints, while not for compliments (Soderlund, 1998).

On the other hand, however, the potential for a strong negativity bias may be offset by the length of the customer-supplier exchange and the extent to which it involves interpersonal interaction at several points in time between the customer and the representative of the supplier. According to the interchange principle of interpersonal interaction, humans normally feel a need to repay favours (Soderlund, 1998). Customers that are in a long-term relationship, and thus loyal, may strive to help keep the firm doing the right things right. Loyal customers indicate where changes are needed and where improvements should be made (Soderlund, 1998).

By bearing this in mind companies should promote themselves by using WoM (Epperson, 2006; Longpre, 2007; New Media Age, 2006). Positive WoM means messages

will be extended quickly, both through actual WoM – people speaking to each other – as well as through the internet, smart phones and other media. This way of marketing will benefit companies with rapid, free marketing (Epperson, 2006; Longpre, 2007; New Media Age, 2006).

2.9 The Breakdown and Rise After 9/11

Even though the events of 9/11/2001 caused a dramatic change in the business environment (Cunningham et al., 2004) world airline profits had been in decline before this (The Gale Group, 2006). Nevertheless after 2001 IATA saw the first year-to-year airline traffic decline since 1991. Lower traffic ultimately affected profitability, which then led to the collapse of several airlines (Cunningham et al., 2004; The Gale Group, 2006).

In the aftermath of these events, airport security throughout the world has been improved and become stricter. This affected the efficiency and the time taken to pass through security in some places but because an airline's main objective is safety, this is seen as an important initiative (Cunningham et al., 2004; The Gale Group, 2006, p. 8).

The effects from the Severe Acute Respiratory Syndrome (SARS), which heavily affected Asia in 2003, was another causal factor in the slowdown of air travel worldwide. Even due to the happenings of 9/11 and the effects of SARS the industry had nevertheless recovered to its pre-2001 passenger and cargo levels by 2004 (The Gale Group, 2006).

This shows that managers need to be ready for unexpected occurrences and incidents of any form that could possibly negatively affect the success of their brand. Careful planning and well-managed staff handling of crisis situations are seen as very important. It is also important that customers perceive your brand as strong as this will help to keep the customer base in case of such incidents (Cunningham et al., 2004).

2.10 Global Markets

The balance between local needs and standardisation of services is seen as highly important for an international service provider in order to take advantage of experience curve effects, economies of scale, etc. It has been argued that it is a crucial management decision to find out which (if any) of the service elements that should be consistent across the different markets the company operates in, as well as choosing which elements should be customised

and tailored to local needs and competitive dynamics (Hollis, 2010; Lovelock et al., 2011). Comparable data on customers across the markets is needed in order to achieve this (A. M. Smith & Reynolds, 2002). Such data will enable management to find and see similarities and differences across and between their markets and thus implement this into their service delivery strategies (A. M. Smith & Reynolds, 2002). People flying long haul can have different expectations depending on which country and culture the customer comes from (Donthu & Yoo, 1998; Lin et al., 2007).

It is widely accepted that the globalised world of today affects several areas of life. These include political, economic, social and cultural areas (Sklair, 2002), and thus understanding of other cultures has risen to be one of every international businesses' more important aspects to deal with (House, 2004). Argued by Lin et al., (2007), globalisation is not a new phenomenon, and as competition is becoming intensely globalised, service providers have a great need to accommodate and understand the needs of clients/customers from diverse cultural backgrounds. Not only is this important for service providers that are planning to go overseas or for those that are already operating in other countries, but also for companies that are purely domestic and facing consumers from different cultures. Furthermore, service companies are commonly seen to employ people from a great variety of countries including their own home country (Lin et al., 2007). Throughout the past few decades several marketing and management strategies have emerged in the literature, such as universal similarities and differences and global homogeneity that emphasises different countries similarities (Dawar and Parker, 1994; Levitt, 1983). Most of these theories and strategies are about the manufacturing sector, and not the service sector, of which the airline industry forms a part.

Since people have different views, different service levels might be needed in different contexts. Therefore, it is important to find specific country data in order to better understand specific markets and how to best provide for those markets (Armstrong et al., 1997; Lewis, 2006; Luk, de Leon, Leong, & Li, 1993).

While dealing with both customers and employees from a great variety of cultures can be very complex and overwhelming, it is seen as crucial to a businesses' success (Lin et al., 2007). The nationality of employees and customers can have a significant impact on a client's

expectations, and thus also impact their buying behaviour (Lee & Kacen, 2008; Lin et al., 2007).

Expectations serve as reference points or certain standards for customers. It is therefore important that the management can, correctly, perceive what passengers want and expect (Lin et al., 2007). Assessing passenger expectations is not seen as easy. This assessment is neither static nor easy as more and more passengers are becoming increasingly sensitive to service quality and thus want more and increasingly know what others are providing. Besides this, there are differences in what passengers see as important areas of service quality because two passengers are never alike (Gilbert & Wong, 2002; M. D. Johnson et al., 2002). This is especially the case when differences of ethnic background, nationality, demographics and reasons for travelling are being considered. From a management perspective the relationship between profitability and airline service quality is important (Church, 1995; Gilbert & Wong, 2002). The drivers of airline service quality that relate most strongly to the passengers are seen as vital when creating or changing strategies and future plans (Gilbert & Wong, 2002). Besides variances among passengers, there are believed to be cultural differences affecting peoples' expectations as well (Chau & Kao, 2009).

An example of this can be seen when looking at the differences in customer expectations and preferences between US, European and Asian passengers (Gilbert & Wong, 2002; Sultan & Simpson, 2000). US passengers are said to have lower expectations (and therefore higher perceptions) of airline service quality than European travellers (Sultan & Simpson, 2000). Compared to North American and West European customers, the Japanese and Chinese are seen to have higher expectations of the in-flight entertainment systems. Japanese travellers are seen to have the highest general service expectations. While the North Americans and Western Europeans have higher expectations when it comes to frequent flyer and loyalty programmes (Gilbert & Wong, 2002). From this, one can see that there are international, cultural and country of origin differences relating to customer service expectations in airlines. Culture will be discussed in chapter 2.12.

An investigation of different country nationals is believed to be of importance in order to find differences between customer expectations (Winsted, 1997).

The UK, New Zealand, Australia and Singapore are countries that will be analysed. Reasons for these countries relate to both their differences and similarities in culture, industry, history, population, income, and also due to them all being members of the Commonwealth (Commonwealth Secretariat, 2011). The flag carriers of the countries being researched are from two different alliances, which, again, might have an impact on expectation levels as people flying different alliances can have different expectations (these airlines are British Airways (Oneworld Alliance), Air New Zealand (Star Alliance), Qantas (Oneworld Alliance) and Singapore Airlines (Star Alliance)).

The selected countries have been chosen mainly because no relevant studies have been done on these countries, as well as due to the researcher's interest in the Commonwealth countries and possible differences within this one specific group of countries.

McKinnon (2004) said that "It may be true that the countries that form the Commonwealth today would not have come together had it not been for historical linkages. But these countries would not have even stayed together if they did not share something deeper and altogether more important than those historical ties" (McKinnon, 2004, p. 16).

The similarities and differences that are shared between these countries are of significant interest to me. In addition, they serve a great global aviation market, which is another reason why these countries were chosen for this study. Furthermore, they all have inbound and outbound long haul flights and are hubs to different airlines (Auckland International Airport Limited, 2010; Changi Airport Group, 2011; Rosenberg, 2011; Sydney Airport, 2011).

Besides being one of the Commonwealth countries, the UK has been chosen because it has one of the busiest airports in Europe (Rosenberg, 2011), and also because it is an important financial and business area (HITC: NEWS, 2011; Yeandle, 2011).

Singapore is seen as a very important business hub in Asia (HITC: NEWS, 2011; Yeandle, 2011) with several airlines from around the globe flying in and out on a regular basis (Changi Airport Group, 2011).

Australia was chosen as it is an important business (HITC: NEWS, 2011; Yeandle, 2011) and airline hub in the southern hemisphere and also because it has the busiest airport in

the southern hemisphere – Sydney International – (Centre for Asia Pacific Aviation, 2011) with airlines connecting from across the globe (Sydney Airport, 2011).

New Zealand is interesting for this study due to the distance between New Zealand and its neighbouring countries. Also, the large majority of visitors travel to and from New Zealand by air transportation (Carboni, Nguyen, Schiff, & Vuletich, 2011). Furthermore, because of the type of business being done in New Zealand (the economy is heavily dependent on overseas trade) (Virtual Oceania, 2011) and due to the variety of airlines flying in and out of this country (Auckland International Airport Limited, 2010; Transnationale.org, 2010a).

When it comes to the service industry, customers from different cultures are seen to have different expectations (Armstrong et al., 1997, p. 187; A. M. Smith & Reynolds, 2002; Sultan & Simpson, 2000). Findings by some authors (Koopman et al., 1999; Laurent, 1983) conclude that cultures within one single cultural area (western versus eastern countries) differ from cultures originating elsewhere (Koopman et al., 1999; Laurent, 1983).

Studies and information on culture by the GLOBE study (House, Hanges, et al., 2004), Hofstede (Donthu & Yoo, 1998; G. Hofstede, 1980a; Maruca, 2000; Minkov & Hofstede, 2011; Powell, 2006), including inputs from Lewis (2006) and others will be considered in this dissertation. This is done in order to explain and give an understanding of what ‘culture’ means and what the common differences between the focus countries are. Furthermore, the aim is also to get some background knowledge on the countries studied before the results of airline expectations across these countries are analysed.

Expectations in particular are composed of two components which are (1) predictions about what actually will happen throughout the coming service situation; and, (2) expectations regarding what should happen throughout the coming service situation (Boulding et al., 1993).

It is important to distinguish the ‘will’ statement from the ‘should’ statement (e.g. Boulding et al., 1993; Oliver, 1993, 1997; Spreng et al., 1996; Tse and Wilton, 1988; Zeithaml et al., 1993). The ‘will’ predictions are formed based on previous direct experience with the service provider, while the ‘should’ expectations are believed to be developed and

formulated on no, or little relevant previous experience with the service supplier (Johnson and Mathews, 1997).

The factor 'should' is seen to be the ideal standard and as it is not tainted by previous expectations thus it is more stable and reflects things the way they ought to be (Laroche, Kalamas, & Cleveland, 2005).

As seen from the literature above, an international airline would prefer to have successful international service strategies (Sultan & Simpson, 2000). From this I see the need to examine if service expectations when flying long haul differ between consumers of different nationalities.

Customers are believed to already have a set of expectations prior to receiving a new specific service. This tends to be based on past experiences, advertising and WoM. These serve as reference points on quality interpretations of the coming service provider (Boulding et al., 1993).

Service quality as well as scoring highly with regard to people's expectations can be crucial for airlines in order to gain genuine and sustainable competitive advantage in the market. If this is to happen, the company is seen to 'prove' its quality while simultaneously meeting its customers' needs (Sultan & Simpson, 2000).

It has been said that every person is similar when it comes to some key respects and dilemmas faced, while at the same time, everyone has individual traits and qualities (Hampden-Turner & Trompenaars, 2002). This as well as the international and connected global economy of today (Bisson, Stephenson, & Viguerie, 2010) are reasons for managers as well as academics to gather data on service quality and customers expectations amongst the cross-cultural customer base to find possible similarities and differences (A. M. Smith & Reynolds, 2002; Winsted, 1997). After a look at the global airline network (to see that cultural aspects can relate to airlines of any nation as they might be serving customers from across the planet) the importance of the area of culture will be explored.

2.11 The Global Airline Network

Today there are several airline alliances that serve the global aviation network. The three main and biggest alliances are: Star Alliance, Oneworld and SkyTeam (Airline

Alliances, 2010; The Economist, 2011). Airlines team up with other airlines from different countries in order to serve and reach larger areas of the world. People from one country can book a ticket with an airline from a different country or continent and still be met and greeted by personnel from one's own culture and sometimes it is also one's own national airline that operate the specific flight (Sultan & Simpson, 2000).

Sultan and Simpson (2000) write that "If partners are perceived not to offer the same level of service (in terms of product or delivery), the long-term success of such alliance may be impaired, as well as the reputation, brand equity and profitability of individual partners. This suggests that service providers seeking to enter global markets by means of alliances will have to carefully scrutinize the service practices and capabilities of their intended partners to avoid the adverse consequences that may otherwise occur, to the frustration of their established market goals" (Sultan & Simpson, 2000, p. 208).

As seen from the previous statement, if one airline provides a customer with low service, this can affect the entire alliance. This is believed to possibly play a great part in any alliance member's customer base (Sultan & Simpson, 2000). Thus the different types of alliances will be further explained.

Strategic alliances have not only become a key feature among many airlines, they are also found in other types of businesses, although this is especially seen among most of the major airlines (Goh & Uncles, 2003). It has been said that since the 1990s airlines that are not part of, or wanting to join, an alliance will be working with a severe handicap (M. Z. F. Li, 2002). Alliances are considered to be a major part of airlines' development and strategies as mentioned by O'Toole (2000) in (Saglietto, 2009).

The network of services, as well as the technical economic efficiency, is one reason why new airlines are trying to become members of an alliance. Another reason is that airlines are standing stronger in the marketplace by serving more routes. They are thus better positioned for competition when having several other major airlines to help them and back them up (Saglietto, 2009). Alliances assist airlines to sidestep the law on the ban on mergers, permit the creation of collaborations, as well as to help create profits for networks (Saglietto, 2009). As a result, these global alliances (like Star Alliance established in 1997, Oneworld in

1999, and SkyTeam in 2000) draw more customers than others, and hold more than half of the profits on world passenger kilometres (Saglietto, 2009).

The different alliance types are seen to have a wide range of names (Saglietto, 2009). The alliance names used in L. Milton Glisson et al., (1996): Marketing Alliances, Equity Alliances and Frequent Flyer Alliances (Glisson, Cunningham, Harris, & Lorenzo-Aiss, 1996) have been implemented into this study.

2.11.1 Marketing Alliances

A marketing alliance, also known as code sharing, consists of two or more international carriers that share their flight numbers because of a co-ordinated schedule system. This means that “one would find a route-specific agreement that refers to an agreement between two airlines outlining the contribution of each partner to a co-operative effort over a specific route” (Glisson et al., 1996, p. 29). With regard to this, each airline remains in charge and control of its own operations. That is, on an Air New Zealand operated flight across the Pacific from Auckland to Los Angeles, Air New Zealand will be (can be) the carrier that actually operates the plane, flight and route, and its other allied airlines (e.g. United Air Lines/ Lufthansa/ Air Canada as well as other Star Alliance partners) are able to sell seats for the operator in charge, and vice-versa (Glisson et al., 1996).

2.11.2 Equity Alliances

Equity alliance is another name for alliance partners buying into each other. This type of strategic alliance is newer than the marketing alliance, and the idea of alliance partners buying into each other gained quick acceptance in the airline industry (Glisson et al., 1996). The equity holdings between airlines are seen as gluing them together, or as “cementing the relationship between two airlines for the long run” (Glisson et al., 1996, p. 29). The practise of these alliances is limited, mainly due to different governmental rules and regulations across the globe as well as being too tied up with another airline. These might lead to inflexibility in the management’s decision making (Glisson et al., 1996). Even though there are limitations to be found with the equity alliance (as well as the marketing alliance) they are highly accepted and commonly used in this industry (Glisson et al., 1996).

2.11.3 Frequent Flyer Alliances

This programme allows customers to earn flight bonus point for the distance (and class) they fly. These points can later be used by the customer for a free upgrade, free flight for their spouse or children, as well as free hotel nights, rental cars and other discounts (Glisson et al., 1996). These programmes are highly popular among customers while more of a strain for airlines' profitability. It is believed that the airline management would abandon this program if there would not be a reaction from the consumers (Glisson et al., 1996). On the other side, these frequent flyer programmes offer a unique opportunity for strategic alliance possibilities and marketing promotion, as these are strongly tied to the marketing and equity alliances (Glisson et al., 1996). In a report by corporate managers it is stated that they believe that their employees, flying for business related purposes, book and fly with higher priced tickets than necessary simply to acquire as many bonus points as possible. The same is seen in the case of hotel nights and rental cars of the firms that are partners of specific frequent flyer alliances (Glisson et al., 1996). The importance of the area of culture will be explored in the following section.

2.12 Culture (In the Airline Industry)

A principle of academic research concerning societal cultures is that they should not be seen as either right or wrong, but as ways societies develop to deal with their own ecology (Hampden-Turner & Trompenaars, 2002).

Culture as a concept has hundreds of different definitions (Hoare & Butcher, 2008). From Trinidad & Normore (2005) one gets one definition of culture of origin, referenced from Kluckhohn (1951) "Culture is defined as a pattern of ways of thinking, feeling, and reacting acquired and transmitted through symbols; the essence of culture consists of traditional ideas and their attached values" (Trinidad & Normore, 2005, p. 578) and from Hofstede's (2010) culture is "the collective programming of the mind that distinguishes the members of one group or category of people from others" (G. H. Hofstede, Hofstede, & Minkov, 2010, p. 6). Culture in this sense is a system of collectively held values (G. H. Hofstede et al., 2010).

Hofstede is seen as a pioneer with his study (1980) (P. B. Smith, 2006) making it possible to better understand the different national cultures across the globe and their

psychological aspects (P. B. Smith, 2006). The GLOBE study addresses the problems of global cultures in somewhat different ways to that of Hofstede. The GLOBE study also used completely new data. GLOBE is the most recently developed large-scale cultural study (P. B. Smith, 2006).

This study uses the GLOBE study definition of culture as “shared motives, values, beliefs, identities, and interpretations or meanings of a significant event that result from common experiences of members of collectives that are transmitted across generations” (House, Hanges, et al., 2004, p. 15).

There has not been much research on cross-cultural aspects relating to service industries, especially airlines (Donthu & Yoo, 1998; A. M. Smith & Reynolds, 2002). However, it has been found that the nationality of customers can have a significant impact on expectations, and thus also impact on their buying behaviour (Lewis, 2006; Lin et al., 2007).

“People of different cultures share basic concepts but view them from different perspectives, leading them to behave in a manner which we may consider irrational or even in direct contradiction of what we hold sacred” (Lewis, 2006, p. xvi). Knowledge about other cultures is seen as crucial in order to not get a culture shock (less of a culture shock) when travelling and/or meeting people from different cultural backgrounds (Lewis, 2006). Cultural knowledge is seen as particularly important when it comes to travellers as national characteristics and psychology can impact on any aspect of the service encounter, which is a crucial point when it comes to in customer service quality as well as allowing customers to feel at ease (Lloyd & Luk, 2011). Knowledge and research on culture are seen as highly important when it comes to dealing with international clients (Lewis, 2006; Warner & Joynt, 2002).

When customers are based in multiple countries, the role, awareness and understanding of culture becomes highly important to suppliers and service providers (Armstrong et al., 1997; Donthu & Yoo, 1998; Laroche et al., 2005; Lin et al., 2007; Mattila, 1999; Warner & Joynt, 2002; Winsted, 1997). Knowledge, awareness and understanding on specific cultural areas that drive expectations and perceptions are important to recognise for the providers, in order to increase the understanding on how to adapt service delivery across cultural areas in the best possible way (Anonymous, 2005; Mattila, 1999).

According to Sultan & Simpson (2000) “enlightened appreciation of the needs and wants of consumers of other countries are increasingly important for those companies espousing the marketing concept. Major airline industry competitors, seeking to gain or expand market share globally or regionally, provide an opportunity to explore the service expectations and perceptions of customers of different nationalities” (Sultan & Simpson, 2000, p. 188). It can be drawn from this that to know how airline service expectations differ between countries is important for all airlines, in order to benefit from different markets as much as possible.

"All of us have our place on a complicated spectrum of comportment, with dizzying extremes of rudeness and courtesy, violence and gentleness, humility and conceit, and dozens of other behavioural dimensions. We perceive and judge others from the point in the spectrum where we stand rooted. We have a relative, not complete, view” (Lewis, 2006, p. 581). Through cultural training and understanding one can hope to lessen the communication gap between oneself and our partners. In order to understand oneself, one needs to try to see as well as question many of the values that were learned and acquired from when we were young (Lewis, 2006). It has been said that once one can do this, we realise that our own values might represent a small international percentage of a multitude of world-views and that it could be biased, which in turn limits our own personal world-view. It is at this realisation that people are more likely to, at the very least, accept other people’s different manners and opinions as equally valid. Thus when viewing one’s own culture from the outside, the chances of reducing possible cultural barriers increases (Lewis, 2006).

2.12.1 Service Quality Expectations and Cultural Influences

‘Culture’ illuminates the behavioural values and norms in societies (Trompenaars and Hampden-Turner, 1997) and there is support to propose that customer needs, wants and desires vary across different cultures. Cultural factors are seen to impact the service industry more than other tangible goods producing industries. This is due to the fact that services often require communication between the provider and its customers (Mattila, 1999). Also, expectations linked to service encounters are likely to differ significantly between cultures (Mattila, 1999; Winsted, 1997).

In a study conducted by Farley and Lehmann (1994) stated in Donthu and Yoo (1998) it was confirmed (and re-confirmed by Hofstede in an interview by Powell (2006)) that different cultural settings are some of the main areas that produce visible differences in consumer behaviour (Donthu & Yoo, 1998; Powell, 2006). It is also believed that service expectations and the service providers' marketing attempts on service quality differ between cultures (Donthu & Yoo, 1998). Donthu and Yoo (1998) state that "Knowing the level of expectations is critical in determining the minimum quality of service delivery" (Donthu & Yoo, 1998, p. 179). In their study they found that high individualistic, high uncertainty avoidance, short-term oriented cultures as well as low power distance cultures tend to have high overall service quality expectations (Donthu & Yoo, 1998).

It has been found that countries within the same clusters/groups (eastern/western) tend to differ between each other on several cultural areas (G. Hofstede, 1980a, 1980b, 2009a, 2009b; Koopman et al., 1999; Martin, Resick, Keating, & Dickson, 2009) not just on the management level, but also on the personal level (Lewis, 2006), making cultural knowledge and training important (Lewis, 2006).

The GLOBE study was a long term research project that lasted for ten years from when the researchers started in the early 1990s. The study was designed to increase available knowledge relevant to cross-cultural interactions by gathering new and more current information. It also explored the complex effects culture has on human conditions within societies, as well as societies economic competitiveness, effectiveness of organisations and also on leadership (G. Hofstede, 2006; House, Hanges, et al., 2004).

Different industries (food processing, telecommunications and financial services) were assessed and measured on different levels. The one point was the actual practises or the 'As Is' in the country. The other, 'Should Be' looked at values of how the societies believed things should be (House, Hanges, et al., 2004). About 17.000 managers from 951 organisations across 62 societies world-wide were researched by the GLOBE researchers (House, Hanges, et al., 2004). These two points are seen as important to assess specific cultural information, as stated by Covey (2004) "Each of us has many, many maps in our heads, which can be divided into two main categories: maps of the *way things* are, or *realities*, and maps of *the way things should be*, or *values*" (Covey, 2004, p. 24). Everything we experience will be interpreted through these two maps. By being unaware that these

‘maps’ exists, most people do not question their accuracy. It is thus often assumed that one’s own personal view is the way things really are or the way they are supposed to be (Covey, 2004).

The GLOBE study was designed to expand on and replicate some dimensions of Hofstede's (1980) research, as well as to test various hypotheses on leadership topics. The GLOBE project (House et al., 2004) produced a set of cultural dimensions, each measured from two points of view, with the ‘As Is’ and ‘Should Be’ (as previously stated). Nine cultural dimensions were identified (some labels were maintained from Hofstede’s (1980) study): Power Distance, Uncertainty Avoidance, Assertiveness, Gender Egalitarianism, Institutional Collectivism, In-Group/Family Collectivism, Humane Orientation, Performance Orientation and Future Orientation. As noted, two forms of questions were developed for the dimensions. These were to measure the way things were while the study was undertaken; ‘As Is’, the other measured the ‘Should Be’ situation from the participants points of view (House, Hanges, et al., 2004; Shi & Wang, 2011)

The GLOBE dimensions are explained by House et al., (2004) as follows;

Table 2.1 – The GLOBE dimensions explained

Power Distance (PD)	“is the degree to which members of an organization or society expect and agree that power should be stratified and concentrated at higher levels of an organization or government” (p.12)
Uncertainty Avoidance (UA)	“is the extent to which members of an organization or society strive to avoid uncertainty by relying on established social norms, rituals, and bureaucratic practices” (p.11)
Assertiveness (A)	“is the degree to which individuals in organizations or societies are assertive, confrontational, and aggressive in social

	relationships” (p.12)
Gender Egalitarianism (GE)	“is the degree to which an organization or a society minimizes gender role differences while promoting gender equality” (p. 12)
Institutional Collectivism (IC)	“is the degree to which members of an organization or societal institutional practices encourage and reward collective distribution of resources and collective action” (p.12)
In-Group/Family Collectivism (IFC)	“is the degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families” (p. 12)
Humane Orientation (HO)	“is the degree to which individuals in organizations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring, and kind to others” (p. 13)
Performance Orientation (PO)	“is the degree to which an organization or society encourages and rewards group members for performance improvement and excellence” (p. 13)
Future Orientation (FO)	“is the degree to which individuals in organizations or societies engage in future-oriented behaviours such as planning, investing in the future, and delaying individual or collective gratification” (p. 12)

(House, Javidan, & Dorfman, 2004, pp. 11-13; Jagdeep S. Chhokar, Felix C. Brodbeck, & House, 2007).

It has been argued that the ‘Should Be’ results of the GLOBE study are negatively correlated with the ‘As Is’ scores due to the theory of diminishing marginal utility. Stating that the less one has of a specific thing the more one wants. Thus the researchers say that the GLOBE study shows that values are negatively correlated with practises (Maseland & Van Hoorn, 2009). These findings have been said to be wrong and misleading as they are not accountable for the majority of the survey questions in the GLOBE study, it has been stated that differences arise due to different motivational factors impacting on respondents (Brewer & Venaik, 2010a, 2010b).

The GLOBE data will be used to find information on how different areas of the culture are seen to be. Because of issues stated concerning the ‘Should Be’ factor, as well as this factor not being highly relevant for the study, since the study is concerned about how things are, and not on how the society would want practices to be, the focus of this study will solely be on the ‘As Is’ variables. It is believed that this reflects the way things actually are in each society. It is recognised that measures do have problems, but the GLOBE results are believed to give a good insight into the way things are in a general sense across societies (Atwater, Wang, Smither, & Fleenor, 2009).

2.12.2 GLOBE – Societal Cultural Scores

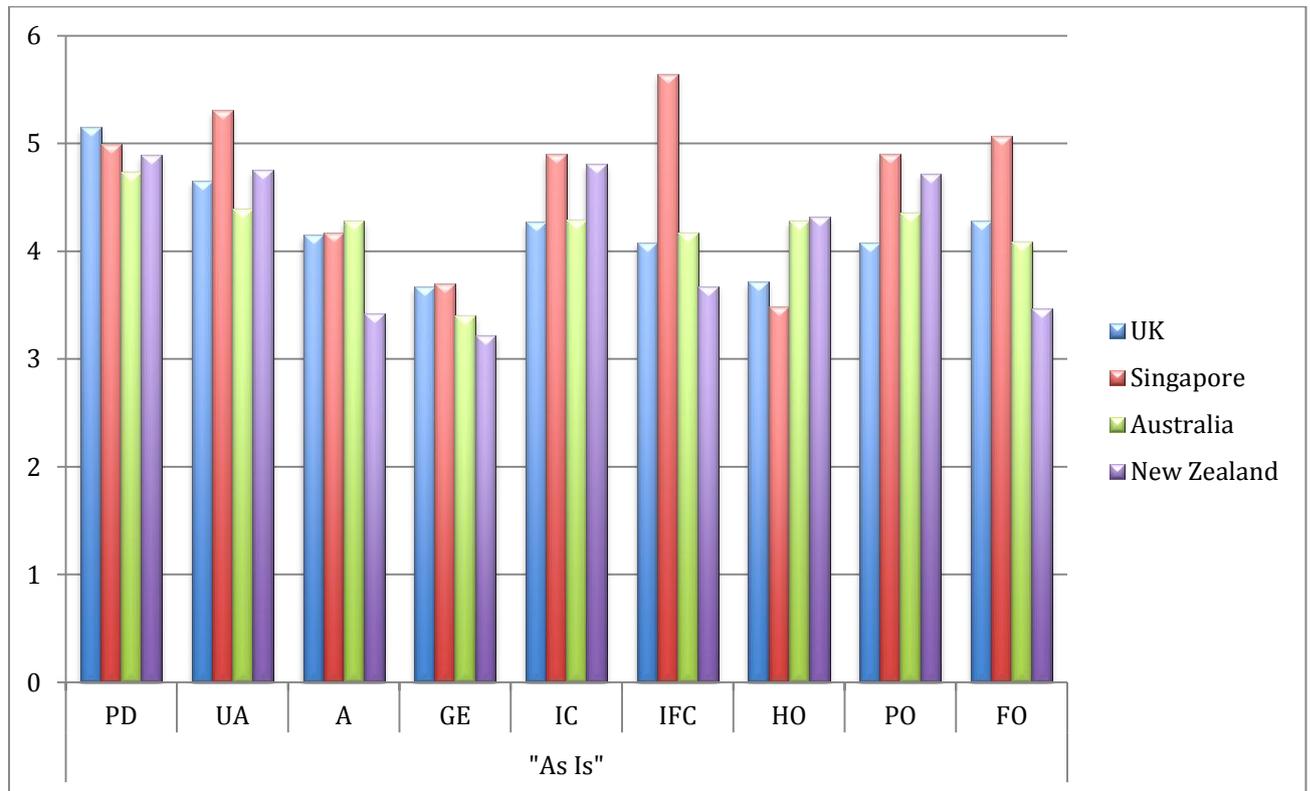
Table 2.2 – ‘As Is’ GLOBE scores

	"As Is" (World ranking out of 61 societies in brackets)								
	PD	UA	A	GE	IC	IFC	HO	PO	FO
UK	5.15 (36)	4.65 (14)	4.15 (29)	3.67 (12)	4.27 (30)	4.08 (53)	3.72 (48)	4.08 (34)	4.28 (11)
Singapore	4.99 (42)	5.31 (3)	4.17 (28)	3.70 (11)	4.90 (4)	5.64 (17)	3.49 (55)	4.90 (2)	5.07 (1)
Australia	4.74 (53)	4.39 (19)	4.28 (22)	3.40 (30)	4.29 (28)	4.17 (52)	4.28 (21)	4.36 (16)	4.09 (19)
New	4.89	4.75	3.42	3.22	4.81	3.67	4.32	4.72	3.47

Zealand	(47)	(12)	(60)	(38)	(5)	(59)	(19)	(5)	(48)
---------	------	------	------	------	-----	------	------	-----	------

The GLOBE scores were adapted from the following parts of House et al., (2007); UK (Booth, 2007, p. 344), Singapore (J. Li, Ngin, & Teo, 2007, p. 955) Australia (Ashkanasy, 2007, p. 305) and New Zealand (Kennedy, 2007, p. 404), all from (Jagdeep S. Chhokar et al., 2007).

Figure 2.12.1 – ‘As Is’ GLOBE scores



2.12.2.1 Britain- The Reigning Country

The GLOBE data for the British (England) societal culture study was conducted by 81 middle managers. Participants were employed in telecommunications, finance and food processing industries. Even though the GLOBE researchers do not generalise the results from Britain (England) (Booth, 2007), the following findings were done on the British part:

Britain has over the last three generations witnessed a significant cultural change. Thus, one cannot talk about one single and unified British culture, but rather, a culture with

several sub-cultures. There are similarities between and across these subcultures. Firstly, the culture of the UK is said to have become more liberal (Booth, 2007). Being sarcastic about oneself for humorous reasons can also be used in order for leaders to cut through hierarchies and power distance in order to generate better relationships. This use of humor is an important part of the British culture (Booth, 2007; Lewis, 2006). Besides humour, sport is a topic that can generally be discussed with the majority of British people. Also, the British feel at home with their countrymen as well as with Nordics, Dutch and Japanese citizens (Lewis, 2006). Business and money making is seen as a serious matter, though, people should appear casual about it (Lewis, 2006). This can be further understood as leaders are trying to or want to decrease the power distance (Booth, 2007). Everything shall at most, if not all, times be seen to be under control. It is important not to make a 'scene'. It is seen as a good trait to be able to laugh at oneself. Also people should admire the success of others (Lewis, 2006).

From the GLOBE scores, it can be seen that the 'As Is' score for Power Distance is high, reflecting the statements that there are differences today, though it has been stated that managers try to work for a lower PD (House, Hanges, et al., 2004; Lewis, 2006). Besides the Power Distance levels, Uncertainty Avoidance, Assertiveness, Institutional Collectivism and Future Orientation are seen as high. Apart from these scores, the Gender Egalitarianism, In-Group/Family Collectivism, Humane Orientation and Performance Orientation scores are seen to be of lower value, though still significantly important (House, Hanges, et al., 2004). The different dimensions will be elaborated on, though only for Britain, as the explanations of the score are already to be found in Table 2.12.1.

The high Uncertainty Avoidance scores signify a desire for high standardisation including regulatory principles, rules and a structured way of life (Szabo, Brodbeck, Den Hartog, Weibler, & Wunderer, 2002). Rules and regulations relate to reduced anxiety and stress levels when facing uncertainty and ambiguity (Brodbeck, Frese, & Javidan, 2002). This can imply that the British are less willing to take risks when compared to people from other countries. Also, the British tend to focus on clear and explicit communication including plans and agendas for meetings and day to day business (Javidan & House, 2001). Britain is listed as number 14 on the worldwide list for this dimension (Booth, 2007).

As stated in the table explaining the GLOBE scores, a high score on Assertiveness shows that “individuals in organizations or societies are assertive, confrontational, and aggressive in social relationships” (House, Hanges, et al., 2004, p. 12).

A high score on Institutional Collectivism relates to the previous statement that “members of an organization or societal institutional practices encourage and reward collective distribution of resources and collective action” (House, Hanges, et al., 2004, p. 12). Britain is listed as number 30 on the worldwide list for this dimension (Booth, 2007).

The high Future Orientation score relates to peoples Future Oriented behaviours, such as planning, investing in the future, and delaying individual or collective gratification” (House, Hanges, et al., 2004, p. 12). Britain is listed as number 11 on the worldwide list for this dimension (Booth, 2007).

Moving on to the dimensions that scored lower on the GLOBE study, one can see that the low score for the Gender Egalitarianism dimension relates to gender role differences within organisations and societies (House, Hanges, et al., 2004). Despite Britains low score (3.67), it is nevertheless listed as number 12 on the worldwide list for this dimension (Booth, 2007).

The low scores on the In-Group/Family Collectivism, as well as the low scores on the Humane Orientation dimension, relates to values such as being individualistic and taking care of and caring about oneself, and ones closest family and friends. (House, Hanges, et al., 2004). Britain is listed as number 53 on the worldwide list for this dimension (Booth, 2007).

The Performance Orientation for Britain is seen to be on a medium high rank, and number 34 in the world (Booth, 2007). This means that members are encouraged by performance improvements and excellence though this does not represent the main value (House, Hanges, et al., 2004).

2.12.2.2 Singapore – The Lion City

The GLOBE data for Singapore was conducted by 217 middle managers from two industries (the food and finance industry), 83 managers responded to the societal part, while the remaining 134 responded to the organisational culture part. The average age was 36 years with more than ten years of management experience (J. Li et al., 2007). The following findings were achieved in the Singaporean part of the study:

The culture of Singapore has been said to be unique with regard to the great influences from both eastern and western countries (J. Li et al., 2007). Chinese people alone account for 77% of Singapore's population, and thus, Chinese cultural values influence Singapore and its people. Cultural aspects derived from the Chinese are seen to encourage closer and better relationships including cooperation, understanding and coordination as well as to help out in welfare and community services (J. Li et al., 2007). The culture of Singapore is not similar to the mainland Chinese culture as Singapore is its own country with its own people. It is a mix of Chinese and other cultures, including a significant amount of foreign companies. Singapore also exhibits a lot of influence from the west as it used to be a 'British crown colony' (J. Li et al., 2007).

Singapore is one of the two countries (the other being Hong Kong) with the highest population density in the world. Being in a crowd of people is therefore normal for Singaporeans. But while having conversations with others, Singaporeans prefer a distance of about one meter, which is similar to the other countries researched. They value their space and their time. Time is not to be wasted as punctuality is regarded as highly important in Singapore. The personality-traits of Singaporeans are that they are careful listeners and they will not interrupt whilst others speak. They also tend to give good feedback (in business settings) at the end of a discussion. Singapore is very diverse and has a large number of Chinese, Indian and Malay people. These people are different from their mother countries and are thus seen as Singaporeans. Singaporeans are motivated by thinking multiculturally, showing personal efficiency, respect for elders and also by cleanliness and that people should be well dressed (and clean). Also, people from other countries should recognise Singapore as an individual country. Religion is one topic that is not popular in Singapore. Criticism of China is also not pleasantly welcomed (Lewis, 2006).

As previously stated, refer to Table 2.12.1 for explanations on the different dimensions. Singapore is found to score highly throughout most dimensions except Power Distance. Singapore is listed as the following on the worldwide list on the different GLOBE dimensions: 42 on Power Distance, 28 on Assertiveness, 11 on Gender Egalitarianism, four on Institutional Collectivism, three on Uncertainty Avoidance (only after Switzerland and Sweden on the global scores) meaning that Uncertainty Avoidance and Institutional Collectivism plays a crucial role in Singapore. 17 on In-Group/Family Collectivism. Particularly low is the score for Humane Orientation at 55th worldwide. For Performance Orientation, Singapore is found as the 2nd highest in the world and for Future Orientations it is the highest (1st) worldwide (J. Li et al., 2007). From this one can see that values such as planning and investing in the future are seen as highly important. High emphasis is placed on performance excellence and improvements as well as on collective action while avoiding risks by relying on social norms, practices and rituals are also very important and highly valued (J. Li et al., 2007).

2.12.2.3 Australia – Down Under

144 valid questionnaires were to be used as the base of the GLOBE results in Australia, this is said to be “broadly representative of Australian cultural values” (Ashkanasy, 2007, p. 330). The following findings were achieved in the Australian part of the study:

Australia is one of the most urbanised, yet the most sparsely populated, continents on this planet. Australian culture is said to be full of change and contradictions. That is, traditionally ‘mateship’ and ‘a fair go’ have been highly valued egalitarianism traits. However, at the same time discrimination has been a part of Australian culture. Thus, “Australians see themselves as egalitarian, but seem also to value individual rewards” (Ashkanasy, 2007, p. 299), as the culture is strongly performance oriented. Meaning, while still craving wealth and success, they are Australians and thus need to be “one of us” (Ashkanasy, 2007, p. 300).

Australians are seen as positive people but do not like or trust people that constantly, or too enthusiastically, praise them. Conversations tend to be more open and not affected by class, wealth, education or background. This as well as one should not over- and/or under-sell oneself. Australians are seen as (these are also motivational factors) spenders, cheerful, laid

back, tend to be ironic, praise Australia and cutting through red tape whenever possible (Lewis, 2006).

To relate Australia to the rest of the world, the world-wide ranking of the GLOBE scores will be looked at. Australia scores high on Assertiveness, Gender Egalitarianism, Institutional Collectivism, In-Group/Family Collectivism, Humane Orientation, Performance Orientation and Future Orientation. Power Distance receives the lowest score, while Uncertainty Avoidance is lower than the ones ranked highest, but still significant. Australia is listed as the following on the world wide list on the different GLOBE dimensions: 53 on Power Distance, 19 on Uncertainty Avoidance, 22 on Assertiveness, 30 on Gender Egalitarianism and 28 on Institutional Collectivism. The In-Group/Family score is seen as high on the 1-7 GLOBE scale, however only resulting at number 52 in the global context. Humane Orientation is ranked as number 21 internationally, Performance Orientation number 16 and Future Orientation at number 19 (Ashkanasy, 2007).

2.12.2.4 New Zealand – The Youngest Country on Earth

The GLOBE data for New Zealand was conducted by 184 middle managers in three industries (telecommunications (N = 62), the food industry (N = 53) and the finance sector (N = 69)). At 21%, the minority of the participants were female, and 79% were male, with an average age of 38 (ranging from 22 to 63) years (Kennedy, 2007). The following findings were achieved in the New Zealand group:

Kennedy (2007) argues that the ‘kiwi culture’ of New Zealand is something New Zealanders see as special to themselves and something that unifies them as a nation. Furthermore, he states that some of the components of the kiwi culture may be found in other cultures as well. New Zealanders’ shared history and experiences create a distinctive pattern for these people. The New Zealand way of including people can be seen as part of the ‘Whanau’. ‘Whanau’ is as an extended family which can be related to the Asian collectivist way of thinking, as part of oneself within a greater collective society. The egalitarianism is extended to the idea that everyone in the society is equal, in every aspect of life (Kennedy, 2007). Hansen (1968) in Kennedy (2007) states that “not only should one person not inherit greater life chances than another; none should be allowed to accumulate a great deal more than another through his own efforts or luck. Exceptional performances or capacities are

depreciated by both individuals in a relationship” (Kennedy, 2007, p. 399). The importance of egalitarianism in the New Zealand culture is also captured in its low rating to power distance. Aggressiveness (as part of the assertiveness trait) is seen as unwelcoming (Kennedy, 2007).

New Zealanders tend to categorise themselves as closer to their ancestors and appear to consider both Australians and Americans as a different continental breed. They are seen from a New Zealander’s perspective as loud, they often interrupt, and are arrogant. New Zealanders are also seen as more quality orientated than their neighbours in Australia. Thus, they appreciate that they are distinguished from the Australians, while enjoying their laid back lifestyle and laugh at the Australians (in a kind way). New Zealanders prefer to keep things simple and direct and they tend to avoid any type of ‘hard-sell’ approach (Lewis, 2006).

New Zealand scores a low score when analysing the GLOBE dimensional scores on Assertiveness and Power Distance, but it scores slightly higher on Uncertainty Avoidance (however, this is still not seen as a very high score). The other dimensions; Gender Egalitarianism, Institutional Collectivism, In-Group/Family Collectivism, Humane Orientation, Performance Orientation and Future Orientation all scored high. New Zealand is listed as the following on the worldwide list of the different GLOBE dimensions: 47 on Power Distance, 12 on Uncertainty Avoidance, 60 on Assertiveness (second lowest in the world), 38 on Gender Egalitarianism, five on Institutional Collectivism, 59 on In-Group/Family Collectivism, 19 on Humane Orientation, five on Performance Orientation and 48 on Future Orientation (Kennedy, 2007).

The scores from Australia (Ashkanasy, 2007), New Zealand (Kennedy, 2007), Singapore (J. Li et al., 2007) and the UK/England (as stated in the GLOBE study) (Booth, 2007) were adapted from House et al., (2007) as well as from House et al., (2004); under part IV: Empirical Findings (House, Hanges, et al., 2004).

It is beyond the scope of this study to fully examine the different cultural clusters where the countries have been listed. Though, in accordance with dimensional scores previously analysed the UK, New Zealand and Australia have all been grouped together in the ‘Anglo’ cluster. This means that these countries share several similarities. Singapore has been listed in the ‘Confucian Asia’ cluster, which means that according to the GLOBE data,

Singapore should differ in the culture in regard from the other countries in this research (House, Hanges, et al., 2004).

In addition to understanding that there are differences between countries as well as within countries, international companies do need to think globally. In accordance with what has been mentioned earlier, act locally and acquire specific cultural knowledge (Pugh & Hickson, 2002).

National culture plays a part in people's expectations. It has been found that consumers from cultures that score high on uncertainty avoidance tend to have, in general and overall, very high service expectations. Consumers that come from countries that are highly individualistic are found to have high overall expectations with emphasis on the service operator demonstrating high levels of assurance and empathy. Finally, consumers from low power distance ranking countries were found to have a higher expectation level than others on reliable and responsive service (Lovelock et al., 2011).

3.0 Methodology

An inductive research approach implies that theory emerges from the data found from researching a specific topic. There has been a reasonable amount of information published on service quality perceptions. However, the expectation side of service quality has not received much attention (Armstrong et al., 1997), and little information has been published, particularly concerning long haul flights. I will apply an empirically mixed method, while a deductive approach will be employed to derive results that can inform airlines on how to improve their customer service.

This is a mixed method study, first using available secondary data on the topic. Thereafter data on customer service, customer expectations and culture were collected and analysed in order to get thorough knowledge on several areas of interest. A questionnaire (with some open-ended questions) was created and distributed to gather primary data on how the culturally diverse clientele among airlines passengers might differ regarding their expectations on service quality in the airline industry. The questionnaire used the SERVQUAL (A. Parasuraman et al., 1988) theory and method (this will be further explained) as its base with some modifications, considerations and additional questions to best suit this specific research.

After looking through secondary data, the questionnaire was modified to accommodate the findings. The questionnaire was distributed to businesses that have business travellers flying long haul from Britain, New Zealand, Australia and Singapore. International business travellers were the population of interest. This was because this group of travellers tend to cross several borders and fly long hours in order to get from their home country (HQ country) to the host country. They were also chosen due to their financial impact on their chosen airline and (in most cases) long travel experience (Gilbert & Wong, 2002). Gilbert & Wong (2002) find that a person's expectations do not differ whether s/he is the one booking and buying the ticket or not. Hence, this was not a significant variable in this study. The questionnaire was distributed only in English, the principle language in the countries studied.

The research was conducted by first contacting a range of businesses in the countries chosen to ascertain their willingness to participate in this research. Then questionnaires were distributed by e-mail. After three weeks of not receiving a reply from the businesses willing to participate, a follow up was done via e-mail (not directly to the respondents as contact details are not known by the researcher). I did not meet or get to know any of the participants personally. Contact with the companies was established by sending e-mails to the companies' official publicly available e-mail addresses. The person receiving the general incoming emails was then invited to pass on the questionnaires to the persons eligible to respond, without giving me any specific contact information. Personal information was not provided to the researcher. Anonymity is guaranteed in the final report.

Additional participation was developed by approaching contacts already established (through previous work, friends and acquaintances, as a convenience sample) in the chosen countries. Universities in the UK, Australia and New Zealand were also contacted as were companies in Singapore by informing friends and acquaintances in these countries about my research and asking whether or not they would be prepared to be one of my respondents and also to look through my research design (as generally requested by the AUTECH).

The main respondent selection was done by using the French company analysis information web site: <http://www.transnationale.org>. This website provides information on the 20 largest companies in each of the selected countries, which are among a total of 13.000 company profiles throughout the world (Transnationale.org, 2010b). This is believed to be a

logical way of acquiring possible respondents, not only due to its convenience but also since, according to the Oxford University Press (2008) “There are no absolute rules about the 'ideal' number of people to interview or the 'best' way of finding a representative sample to survey” (Oxford University Press, 2008).

From there, contact was made with the businesses listed. After contacting the various companies and finding out their willingness in participating the next step was to acquire individual participants within these companies.

Emails were sent to possible participants in June 2011 to acquire comments on research design and questions. Good feedback on the research design was received from people in all the countries that were studied. Besides this, Kitea Tipuna, Director of Planning at AUT University gave positive feedback on the research design.

The survey method will be specifically explained and then the design of this specific questionnaire will be dealt with.

3.1 SERVQUAL

Several authors refer to the early research on service quality, specifically to the Parasuraman et al., (1988) SERVQUAL research model. This model has been updated to remove some of the critiqued areas (Armstrong et al., 1997; A. Parasuraman et al., 1994). The SERVQUAL model is specifically designed for researching service quality (seen as a function of people’s expectations and perceptions (Armstrong et al., 1997; Babbar & Koufteros, 2008; Chau & Kao, 2009; Gilbert & Wong, 2002; A. Parasuraman et al., 1988, 1994; Sultan & Simpson, 2000; Tiernan et al., 2008)). When the perception side is greater than the expectation side the service quality is seen to be positive, and vice versa (Coulthard, 2004). Parasuraman et al., (1997) also argue that the measurement of the ‘expectation’ side is crucial in order to find concrete details on service quality (Armstrong et al., 1997).

The SERVQUAL research identified five dimensions dealing with overall service quality: empathy, assurance, responsiveness, reliability and tangibles. The researchers proposed that the service quality level could be estimated by calculating differences found between the perception and expectation aspects (Parasuraman et al., 1988).

It has been questioned whether the SERVQUAL measures are too narrow to cover the entire variety of airline services (Chau & Kao, 2009). Therefore a modified edition of the SERVQUAL questionnaire will be used in this research, due to only focussing on airline passengers and the expectations side of the SERVQUAL model. By doing this I hoped to pick up information on the main areas that have to do with customers' expectations.

3.2 Questionnaire Design

A modified version of Parasuraman et al.'s (1988) SERVQUAL model's expectations side (to fit the airline industry) was used in this research. This model was modified because this study only looks at the airline sector, and the customer expectation part of this sector. From the five dimensions mentioned earlier, Reliability has previously (in other studies) been ranked as the most important, while the Tangible side the least important (Sultan & Simpson, 2000). A six-scaled Likert-style bi-polar rating system without the neutral middle factor was used to ensure responses of quality that require the respondents to choose either a higher or a lower factor. This was used to determine whether or not a respondent viewed a certain aspect as important or not.

Before the questionnaires were distributed a pilot study of 20 respondents was conducted by friends studying in foreign countries. This was to help find flaws and areas of improvement before sending out the questionnaire. It was also important to make sure that the questions made good practical and rhetorical sense before being used for its main purpose with the target group (Chau & Kao, 2009).

3.3 Justification

Due to creating the survey after looking through secondary data, the questionnaire was modified in the best possible way in order to collect the data needed. With some open-ended questions, the questionnaire was designed to pick up primary data on what the culturally diverse clientele among airlines passengers are expecting from customer services.

By choosing to modify and work with an already developed questionnaire, which has also been previously tested in the field, the chances of possible errors with regard to the questions are believed to be reduced in comparison to creating a completely new questionnaire. The final edition was tested by a control group as previously mentioned.

As stated by Bryman & Bell (2007) “Measurement allows us to delineate fine differences between people in terms of the characteristic in question. This is very useful, since, although we can often distinguish between people in terms of extreme categories, finer distinctions are much more difficult to recognize” (Bryman & Bell, 2007, p. 158).

Business travellers are believed to be a fair group of people to look at. The upper segment of airline passengers is believed to demand more frequent flights to a multitude of destinations as well as high quality service. For these benefits they are willing to pay a reasonable premium, thus being of high importance for airlines (Costa et al., 2002).

Using comment fields and open-ended questions, which will be thematically analysed when the data gathering is completed, is said to support the interpretation of data available to the researcher (Bryman & Bell, 2007).

3.4 Data Collection

The questionnaire was distributed to the contacts by my established email contacts as mentioned above. The participants could access the survey from the provided link. Results from each respondent were downloaded to the quantitative data analysis program chosen for this study.

In deciding upon targeted sample size I reviewed the International Air Transport Association’s (IATA) figures on the airline transport traffic patterns. They were divided into two main markets; the economy sector and the premier sector (business and first class, primarily represented by business travellers) (IATA, 2011b).

Business travel is reported to closely follow and correlate with the world trade growth pattern and also global business confidence. Negative events in Japan in early 2011 had a negative impact on global premium air travel. The growth rate slowed to 2.9%, from 7.8% in February and from an even higher 9.1% in the fourth quarter of 2010 (the trend in economy class is seen as similar, but is now down at 1.1%). For the premier sector this decline can mostly be explained by the decline in travel to and from Japanese markets, as these flight numbers were down 25% (IATA, 2011b).

While these incidents happened, markets not connected to the affected areas saw a robust growth. Events like these are mostly uncontrolled. Thus fluctuations in airline traffic

are believed to continue to happen (IATA, 2011b). This is proven by looking at the results from September state an increase in premium passenger numbers, with a year-on-year growth of 6.7%. The trend in economy class is again similar, with a 4% growth. According to IATA (2011) “ Compared to the end of last year (2010), there has been a mere 0.3% expansion in the premium travel market and a 7.5% expansion in the economy market” (IATA, 2011a).

At the time of writing (before starting the primary research), IATA's latest published information on traffic numbers was published in March 2011. These figures were what this research used as a basis. Premier traffic in March 2011 was seen to be about 3.8 million passengers worldwide, totalling 45.6 million passengers annually (IATA, 2011b).

Differences in size of populations are stated to have minor and/or no impact on the sample size (Creative Research Systems, 2010; Diaz Andrade, 2011). Therefore, seeing this research with a global or a country based viewpoint should not be of great relevance. Also, it is important that the samples are neither too small nor too big due to usage of resources (the main limitation on this study was that of time restrictions as the study needed to be completed by a specified date) (Lenth, 2001).

There are several software packages made to determine the sample size (Lenth, 2001), among several online sample size calculators. Four of these online calculators were used to find the right sample size. These calculators resulted in the sample size for this population, with a confidence interval of seven, needing to be 196 (Creative Research Systems, 2010; Custom Insight, n.d.; MaCorr Research, 2011; Raosoft Inc, 2004).

Since this research is of a small scale and time constrained, I selected a convenient sample size as an acceptable strategy to conduct a research in these conditions (Chau & Kao, 2009). The chosen sample size was chosen to be 50 per country (200 in total). This is because the previously stated information is believed to give a good overall insight and is a generally minimally acceptable sample size to test for effects. However, the sample size was smaller than desired due to lack of response to recruiting requests and due to time constraints. Thus only 84 questionnaires were completed.

From information in the literature review and throughout the methodology section, it is believed to be differences in airline service expectations among different Commonwealth countries. Generally hypotheses are stated as testing the null hypothesis:

- H1: There will be no difference between country nationals on tangible attributes.
- H2: There will be no differences in expectations between these countries due to them all belonging to the Commonwealth.
- H3: Due to their geographic proximity and similar colonial history, Australians and New Zealanders will have identical expectations.
- H4: Education will not have an effect on peoples' expectations.
- H5: Gender will not have an effect on peoples' expectations.
- H6: It is believed that travellers from Singapore will have the lowest expectations on frequent flyer benefits due to previous research results from Asia, in an eastern versus western context by Gilbert and Wong (2002).
- H7: Country nationals will not have a preference for flying airlines that offer non-stop services.
- H8: Past experience will not have an effect on the expected service of an airline company.
- H9: Word of Mouth will not have an effect on the expected service of an airline company.
- H10: It is not believed that the SERVQUAL attributes will differ amongst country nationals.

As explained earlier, a contextualised version of Parasuraman's (1988) SERVQUAL model was used as the source of gathering primary data. The wording was changed in order to suit the airline industry, this resulted in a total of 53 questions, 32 of these as part of the Likert-scaled SERVQUAL method, and the rest as demographic and broader/open-ended questions. After grouping them together the questionnaire consisted of nine groups.

This study is only designed to measure the expectations of airline passengers. When expanding the question groups from the online survey into individual questions, questions one to three related to demographic areas, questions four to 13 related to ways of being affected, and questions 14 to 18 were designed as control factors for the coming part of the questionnaire. The 32 questions of the SERVQUAL part were divided into five categories. These being TANGIBLES (including questions 19 to 26), RELIABILITY (including

questions 27 to 32), ASSURANCE (including questions 33 to 37), EMPATHY (including questions 38 to 44) and RESPONSIVENESS (including questions 45 to 50). These questions were structured with a Likert-scale from one to six, with each point defined as: 1 Unimportant; 2&3 Not So Important; 4 Important; 5 & 6 Very Important. Finally, the last three questions, from 51 to 53 were open ended questions. See Appendix 1 for an example of the questionnaire.

3.5 Ethical considerations

Answering the questionnaire was voluntary as the survey cover page specifically stated. By completing the questionnaire the participants indicate their consent to participate. It is not believed that the participants experienced any embarrassment, discomfort or incapacity while responding to the questionnaire. As mentioned earlier, participants could at any time choose to withdraw without this affecting them in a discomforting or negative way. I did not have direct contact with the participants. It will therefore not be possible to return surveys to the participants. Feedback will be distributed to the participating companies, by providing a summary of the research, including findings and conclusions. The person replying to general incoming emails was invited to pass on the questionnaires to eligible respondents without giving me any specific contact information. Personal information was not provided to the researcher. Should any personal information have been provided it would have been kept safely stored without any intervention into the researcher's analysis. Anonymity is guaranteed in the final report.

3.5.1 The implementation of the three principles of the Treaty of Waitangi

(Partnership, Participation and Protection) in relationships between the researcher and participants

Partnership: The research has been designed so that participants are seen as research partners; all playing an important role in order for the researcher to collect as accurate data as possible. The person replying to general incoming emails was invited to pass on the questionnaires to eligible respondents without giving the researcher any specific contact information. Personal information was not provided to the researcher. In the event of personal information reaching the researcher, this would have been safely stored without any intervention into the researcher's analysis. Anonymity is guaranteed in the final report. All

participants have been informed about the research and what it aims to analyse. A consent statement was included in the electronic survey. Individual response data provided by participants will not be shared and/or distributed to any other party, and will be kept by the researcher for an appropriate period of time. The countries (participants) involved in this study can benefit from the results through the possibility of a more customised in-flight experience and thus somewhat more enjoyable experience on board. Businesses that participated will be offered a summary of the research, including its findings, as well as this dissertation, which will be publically available at the AUT e-library. Every respondent was kept anonymous and sensitive data has not been and will not be disclosed.

Participation: Participants were chosen through established contacts in countries that were being researched, as well as through the establishment of new contacts with various businesses that have employees who travel for business related reasons. The specific participants were chosen due to their business related travels, since business travellers are seen as highly valued customers by airlines (Peter R. Costa, Doug S. Harned, & Jerrold T. Lundquist, 2002). The participants were given an invitation to answer a questionnaire on their experiences and expectations, which would play an important role in the research outputs. Besides this, the participants were free to ask questions about any part of the questionnaire and/or the research itself. Maori participants were not specifically targeted. However, it was possible throughout the research that some participants could have been Maori. Although not specifically targeted and found, all care would have been taken to ensure that appropriate methods (communication, face to face consultation) were undertaken.

Protection: Beliefs, values, cultures and social groups of every participant were respected by the researcher at all times. Any participation in this research was voluntary and participants were assured that withdrawal from the research would not disadvantage them in any way. The consent form that had to be agreed upon (by completing the questionnaire) informed participants about their rights. No enquiries on sensitive personal details were made. The questionnaire was solely in regard to this specific research topic. As stated under the “Partnership” point, the researcher did not meet or get to know the participants personally. The person replying to general incoming emails was invited to pass on the questionnaires to eligible respondents without giving the researcher any specific contact information. Personal information was not provided to the researcher. If the researcher came

into possession of any personal information then this would have been safely stored without any intervention into the researcher's analysis. Anonymity is guaranteed in the final report. With regard to the participation area and the research design, I consulted Kitea Tipuna, AUT Equity Policy (at the time, now: Director of Planning, AUT University). He offered helpful advice which will be utilised in this research.

3.6 Analysis of data

The data is analysed using standard statistical analysis techniques as implemented in the Statistical Package for the Social Sciences (SPSS) editing and packaging system. SPSS employs standard statistical procedures, is provided at no charge to students, and is widely used in research. When the data is uploaded, statistical analysis of all the returned data will be applied. Furthermore, any comments and replies to the open-ended questions was analysed throughout the process of receiving returned questionnaires.

The open-ended questions and comments will play an important role in the analysis as they could lead to personal opinions being expressed. These questions can, at the same time, be highly unstructured (Bryman & Bell, 2007). Therefore Owen's repetition, recurrence and force thematic analysis was used (Owen, 1984) in order to group the responses into categories to disclose similarities and possible links.

When the analysis and write up was completed the electronic data was downloaded onto an external storage device and securely stored on identified AUT premises.

4.0 Findings & Analysis

4.1 Demographics

Frequency statistics were used to describe demographic details of the participants of this study. 84 respondents completed the full survey; specific details follow.

Table 4.1 – Nationality Profile

Country	Frequency	Per cent
New Zealand	36	42.9
Australia	21	25.0
United Kingdom	17	20.2
Singapore	10	11.9
Total	84	100.0

Table 4.2 – Gender Profile

Gender	Frequency	Per cent
Male	55	65.5
Female	29	34.5
Total	84	100.0

Table 4.2 shows that out of the 84 participants, everyone revealed their gender. As found in the table most of the respondents were male (65.5%). Table 4.3 provides further details on the respondents' educational level.

Table 4.3 – Education Profile

Education	Frequency	Per cent
Completed some education but did not graduate high school	1	1.2
High school graduate	15	17.9
Bachelor's	44	52.4
Master's	21	25.0
Higher	3	3.6
Total	84	100.0

From Table 4.3 one can see that the most frequent educational level is a Bachelor's degree (52.4% of the respondents). Only one respondent completed some education but did not graduate high school.

4.2 Results of Hypotheses

Explanations will be given in this chapter. For more information on the statistics used to come to the stated decisions, please see Appendix 2 – Open Ended Coding.

4.2.3 Statistical details

Statistics will be compared with the open ended questions in order to accept or reject the different hypotheses.

H1: There will be no difference between country nationals on tangible attributes

To find details on differences between country nationals on tangible attributes, an ANOVA analysis was undertaken. No significant differences between the nationalities on any of the tangible attributes tested.

H2: There will be no differences in expectations between these countries due to them all belonging to the Commonwealth.

To find details on differences between these Commonwealth country nationals on expectations, an ANOVA analysis was undertaken.

Table 4.4 – Differences in Expectations

Significant Variable	F	d	Sig
The service staff will inform me on when services will be performed throughout the flight	3.461	3	.020

According to table 4.4 there are significant differences in customers’ expectations for the ‘the service staff will inform me on when services will be performed throughout the flight’ question.

Table 4.5 - Differences in Expectations (details)

Significant Variable - Country details	N	Mean
United Kingdom	16	3.31
New Zealand	35	4.29
Australia	21	4.33
Singapore	10	4.60

As seen from Table 4.5, the responses range from the British that have the lowest expectations on the information given by service staff about when services will be performed, to Singaporeans having the highest. All countries are found above the middle Likert-scale point, this means that this factor is relevant for all, but most significant for Singaporeans.

H3: Due to their geographic proximity and similar colonial history, Australians and New Zealanders will have identical expectations.

As found from H2, the only significant expectation variable was ‘the service staff will inform me on when services will be performed throughout the flight’ with Singapore and the UK having the most significant means. No differences were found between Australia and New Zealand.

H4: Education will not have an effect on peoples’ expectations.

An analysis of variance (ANOVA) was conducted in order to find possible statistical relationships among education levels and peoples’ expectations. No significance was found while analysing expectations and education level.

H5: Gender will not have an effect on peoples’ expectations

To find statistics on customers’ expectations and their gender a two-tailed t-test was conducted. Results are shown in Table 4.6.

Table 4.6 – Differences in Expectations due to Gender

Significant Variable	F	Df	p	Male Mean	Female Mean
‘the in-flight entertainment system is up to date’	.177	80	.039	4.89	5.36
‘the flight departs and arrives as scheduled’	18.216	79	.024	5.42	5.79
‘the service staff understand my individual needs and are consistently courteous with me’	3.729	79	.008	4.81	5.32

From Table 4.6 significant differences between the male and female respondents were found on ‘the in-flight entertainment system is up to date’, ‘the flight departs and arrives as scheduled’ and on the ‘the service staff understand my individual needs and are consistently courteous with me’ questions.

From this it is seen that there are differences in peoples' expectations with regard to their gender. Female respondents expected an up-to date entertainment system more than men. Females respondents also had higher expectations of the flight departing as scheduled. Finally, females tended to have higher expectations that 'the service staff understand my individual needs and are consistently courteous with me'.

H6: It is believed that travellers from Singapore will have the lowest expectations on frequent flyer benefits due to previous research results from Asia, in an eastern versus western context by Gilbert and Wong (2002).

As this is something that was discussed by participants in the open-ended questions at the end of the questionnaire, this will be discussed in the section on open-ended questions.

H7: Country nationals will not have a preference for flying airlines that offer non-stop services.

A means analysis was conducted to find the average means for the different countries 'Country nationals will not have a preference for flying airlines that offer non-stop services'.

Table 4.7 – Preference of Flying Non-Stop (country based)

Country Ranking	N	Mean
New Zealand	35	4.94
Australia	21	4.86
United Kingdom	16	4.25
Singapore	10	4.70
Total	82	4.76

According to Table 4.7, mean scores for H7 states that country nationals do have a preference for non-stop services, this is because all countries have mean scores above the middle point on the measurement scale. The scores range from the British, having the lowest score, to New Zealanders, with the highest score.

H8: Past experiences will not have an effect on the expected service of an airline company.

A means analysis was conducted to find the average mean for the different countries 'Past experiences will not have an effect on the expected service of an airline company'.

Table 4.8 – Past Experiences influencing Expectations (country based)

Country Ranking	N	Mean
New Zealand	35	5.17
Australia	21	5.38
United Kingdom	17	4.82
Singapore	10	5.40
Total	83	5.18

According to Table 4.8, past experiences are seen to be of high importance in all countries studied on the expected service of an airline company. Looking at the cross-cultural aspect of this, there are no differences between the countries on 'Past experiences will not have an effect on the expected service of an airline company'.

H9: Word of Mouth will not have an effect on the expected service of an airline company

To find out if WoM has an effect on peoples expectation level a means analysis was conducted.

Table 4.9 - Word of Mouth influencing Expectations (cross-cultural)

Country Ranking	N	Mean
New Zealand	35	3.60
Australia	21	3.67
United Kingdom	17	4.00
Singapore	10	4.50
Total	83	3.81

As seen from Table 4.9, all countries have responded above the middle scale point. WoM is seen to have an effect on the expected service of an airline, with the highest effect in Singapore, followed by the UK, Australia and New Zealand.

H10: It is not believed that the SERVQUAL attributes will differ amongst country nationals

A descriptive analysis was conducted to find statistics on the importance on the SERVQUAL attribute groupings. Details following are drawn from information provided by Table 4.10.

Singapore (mean = 4.20) is seen to value Tangibles more than the other countries. While reliability is most highly valued in New Zealand (mean = 4.47).

Responsiveness is valued highest in Singapore, and the Assurance variable is also seen as most important in Singapore with a mean of 4.40.

Finally, the empathy statement in the beginning of the questionnaire was ranked highest by the respondents from Singapore. Table 4.10 contains specific information.

Table 4.10 - Differences in SERVQUAL Attributes (means)

Tangibles (Visually appealing aircrafts with modern facilities and good looking aircraft staff)	N	Mean
New Zealand	35	3.60
Australia	21	3.29
United Kingdom	17	3.82
Singapore	10	4.20
Total	83	3.64
Reliability (consistent service, on-time departures/arrivals)	N	Mean
New Zealand	34	4.47
Australia	21	4.19
United Kingdom	17	4.06
Singapore	10	4.40

Total	82	4.30
Responsiveness (Prompt handling of complaints and requests, efficient service)	N	Mean
New Zealand	34	4.09
Australia	21	3.95
United Kingdom	17	3.59
Singapore	10	4.50
Total	82	4.00
Assurance (Employees make sure customers feel safe, knowledgeable employees)	N	Mean
New Zealand	34	3.71
Australia	21	3.95
United Kingdom	17	3.29
Singapore	10	4.40
Total	82	3.77
Empathy (Employees giving personal attention, convenient operating hours, understand individual needs)	N	Mean
New Zealand	33	4.00
Australia	21	4.14
United Kingdom	17	4.18
Singapore	10	4.50
Total	81	4.14

Overall, reliability is seen as the most important factor, with the highest total mean score (mean = 4.30). Further, an ANOVA analysis was conducted regarding possible significant differences between the countries. No significance was found between the countries through the ANOVA analysis.

Thus H10 is accepted with regard to comments made about mean scores between these countries.

4.2.4 Results of Open Ended Questions

The participants had the choice to respond to three open-ended questions at the end of the questionnaire. These questions dealt with what services the participants see as missing and what can be improved, as well as further comments. In total 67 respondents answered one or more of these questions (17 respondents left this section blank).

Due to the responses of the open-ended questions being unstructured (each respondent gave several responses which were all unstructured) I decided to use Owen's (repetition, recurrence and force) thematic analysis. I chose to list the responses into categories in order to represent their underlying themes (the data was examined several times to find arising themes among the responses given). This is because thematic analysis is seen as a process of encoding information. Thus my categories list casually related codes as this is seen as a good way of analysing (Boyatzis, 1998).

After a careful examination of responses, themes that surfaced were labelled into categories (see Table 4.3.1). Before the final categories were created, the themes that surfaced were first grouped in several smaller groups so that connections between and across responses could be seen more easily. All groupings are listed in Table 4.3. The analysis was done on a single country basis.

The different themes are listed in Table 4.3 to give an overview of the differences found.

Table 4.11 – Overview of responses in relation to their categories (themes)

Themes (and their respected sub-themes)

<p>Flying process</p> <p>Flight Schedule (and timing with network)</p> <p>Frequent Flyer</p> <p>Nonstop Services</p> <p>Airport Pick-Up</p> <p>Network</p> <p>Better Transfer Info</p> <p>On Time Departures and Arrivals</p>	<p>Surrounding</p> <p>Reputation</p> <p>Modern Aircraft and Facilities</p> <p>Safety Record</p> <p>Better Lounges</p> <p>Communal Areas</p> <p>Airport Maps and Signals Better</p>
<p>Service Provided</p> <p>Customer Service</p> <p>Independent Needs</p> <p>Prompt on Ground Info</p> <p>Make Customers Feel at Ease</p> <p>After Flight Customer Service</p> <p>Airline Reachable</p> <p>Price/Quality Relationship</p> <p>Language</p>	<p>Comfort Attributes</p> <p>Seat Comfort and Space</p> <p>In Flight Entertainment</p> <p>Quality of Meals</p> <p>Check in Process</p> <p>Quick Luggage Delivery</p> <p>Power Outlets</p> <p>Overhead Locker Size</p> <p>Wifi on Board</p> <p>Mobile Phones</p> <p>Cleanliness</p>

When analysing the responses from the participants 31 themes were found. The various themes are outlined in Table 4.3. Out of this, the ones that received a score of more than 5.50% will be commented on. Details on all themes are to be found in Appendix 2 – Open Ended Coding.

People are generally seen as happy with the services provided, though if anything should undergo changes the following table shows how the different countries stated what would be important to them.

Table 4.12 – New Zealand Themes**New Zealand**

Themes	Occasions	Per cent
Customer Service	13	11.93
Independent Needs	11	10.09
Price/Quality Relationship	7	6.42
Seat Comfort and Space	8	7.34
In Flight Entertainment	6	5.50
Quality of Meals	7	6.42
Flight Schedule (and timing with network)	10	9.17
Frequent Flyer	7	6.42
On Time Departures and Arrivals	7	6.42

These categories accounted for **69.72%** of the variance in the themes.

Most New Zealanders rank Customer Service (such as friendliness, smiling, approachability, the delivery of service, staff being courteous and having the main focus on the customer) as important. Ranking second is Independent Needs (such as personal attention, being served as a person not a number, being greeted when entering the plane, being served food when hungry). Third was Price/Quality Relationship (meaning the importance of getting what you paid for, and that those who wrote this are willing to pay a bit extra for outstanding service); seat comfort, space and pitch. Following the top three were In Flight Entertainment (areas that were stated of interest were; more reading material, improved head phones; quality of the entertainment); Quality of meals served (a vegetarian option was seen as wanted by one of the respondents); Flight Schedule (including; convenience of flights, operating hours); Frequent Flyer (such as special benefits for frequent flyers, recognition of status, it was also mentioned that using points as a mean of payment in stores at airports would be convenient as well as easy transfer between family members and also from one member airline to another). Finally, of the attributes with more than 5.5% of the responses comes On Time Arrival and Departure. From this one can see that the most repetitive statements are listed as part of the ‘service provided’ theme, followed by the ‘flying process’ theme.

As seen from the discussion above, the mostly stated main difference of making a flight more enjoyable is customer service. It has been stated by one New Zealand respondent

(coded respondent number five); “Some airlines you can tell are cutting costs on smaller amenities/services. However these little things can retain loyal customers if they're offered (a small price to pay to retain customers)”.

Table 4.13 – Australian Themes

Australia

Themes	Occasions	Per cent
Customer Service	7	13.73
Seat Comfort and Space	4	7.84
Safety Record	6	11.76
Flight Schedule (and timing with network)	6	11.76
Frequent Flyer	3	5.88
On Time	5	9.80

These categories accounted for **60.78%** of the variance in the themes.

Australians stated Customer Service most often, followed by Seat Comfort and Space, Safety Record of the airline, Flight Schedule, Frequent Flyer and On Time departures and arrivals. From this, the most repetitive statements are listed as part of the ‘flying process’ theme, followed by the ‘service provided’ theme.

Table 4.14 – British Themes

The United Kingdom

Themes	Occasions	Per cent
Customer Service	6	13.64
Seat Comfort and Space	6	13.64
Quality of Meals	4	9.09
Modern Aircraft and Facilities	4	9.09
Flight Schedule (and timing with network)	3	6.82

These categories accounted for **52.27%** of the variance in the themes.

Participants from the UK also stated Customer Service the most out of what was mentioned. Seat Comfort and Space was mentioned the same amount of times, making these equally important. This was followed by the Quality of Meals, Modern Aircrafts and

Facilities and the Flight Schedule. Drawing from this, the most repetitive statements are listed as part of the ‘comfort attributes’ theme, followed by the ‘flying process’ theme.

Table 4.15 – Singaporean Themes

Singapore		
Themes	Occasions	Per cent
Customer Service	4	21.05
After Flight Customer Service	2	10.53
Price/Quality Relationship	2	10.53
Modern Aircraft and Facilities	2	10.53

These categories accounted for **52.63%** of the variance in the themes.

Again, Customer Service was mentioned the most. The Singaporean participants also stated that After Flight Customer Service is important. The relationship between Price and Quality and also Modern Aircrafts and Facilities are mentioned the same amount of times as is After Flight Customer Service. From this we can see that the most repetitive statements are listed as part of the ‘service provided’ theme, followed by the ‘surroundings’ theme.

The above illustrates that there are differences between these countries. Customer service is viewed as highly important across all the countries; seat comfort and space are seen as important factors in most countries except for Singapore. Modern aircrafts and facilities are found to be important in all the countries surveyed, though it was most often mentioned in the UK and Singapore. Flight schedule is seen as important in New Zealand, Australia and the UK. Singapore and New Zealand both state Price/Quality relationship as important. The quality of meals served is seen as more important in New Zealand and in the UK. Australia and New Zealand both mentioned frequent flyer reasons and on-time services often. New Zealanders are seen to value independent needs and the in-flight entertainment system higher than any of the other countries. Australians mentioned the safety record most often and Singaporeans conveyed the need of customer service after the flight, with regards to feedback to the airline.

These differences may be worth looking into further. They are seen as important inputs to decide on whether or not to accept the hypotheses in the section above.

4.3 Combined Results

From the analysis of both statistical and open-ended questions the results for Hypotheses 1-10 are as follows:

As seen from the previous analysis there are differences in the open-ended questions compared to the scale items. Reasons for this could be due to a low response rate for the open-ended questions.

Through analysing both the scale items and the open questions H1 will be accepted.

In accordance with the scale data, differences were found with regard to the expectations. This is further confirmed through the open-ended questions. The most repetitive themes for each country are categorised as follows; New Zealand (the 'service provided' theme, followed by the 'flying process' theme); Australia (the 'flying process' theme, followed by the 'service provided' theme); The UK (most repetitive statements are listed as part of the 'comfort attributes' theme, followed by the 'flying process' theme); Singapore (the 'service provided' theme, followed by the 'comfort attributes' theme). H2 is therefore not accepted.

H3 is accepted due to non-significant differences between countries as well as due to similarities in the most frequently mentioned themes for the open-ended questions.

Education is not seen to influence participants' expectations, thus H4 is accepted.

H5 will not be accepted due to statistical significance when analysing the gender and expectations.

No Singaporeans mentioned frequent flyer programmes in any way in the open-ended questions. The same is seen to be the case for the UK. Both Australians and New Zealanders mentioned it several times. According to the theory, Singapore is seen as low on this attribute, but not the lowest. Though, due to a very low response rate from Singapore as well not being exclusive in this category, H6 will be rejected. A larger sample size (more participants from all countries) might possibly influence this hypothesis' result.

The importance of non-stop flights was seen as statistically significant through a mean score analysis. Due to this and the fact that it was additionally mentioned a few times by respondents in the open-ended question, H7 will not be accepted.

No specific information was given on how past experiences affect expectations, except through the scale items. Therefore the analysis conducted (Table 4.8) will be what the non-acceptance of H8 is based on.

No specific information was given about WoM except through the scale items. Therefore the analysis conducted (Table 4.9) will be the concluding factor for not accepting H9. WoM has an effect on the expected service, with the highest mean score in Singapore (as seen in Table 4.9).

Statistical details on the SERVQUAL attributes are seen to be best dealt with due to questions being specifically targeted toward this topic. As previously stated there are differences between these countries but these differences are not statistically significant. Illustrated by the open-ended questions, there were differences in the responses, though of large scale. A larger sample could maybe have an effect on these results. Thus H10 is accepted, with the possible chances of this being affected by the small sample size.

5.0 Discussion

Service quality and customer satisfaction have become very important as the role of the service industry is growing in the global economy (Donthu & Yoo, 1998). It has also been highlighted that customers should not all be treated in the same way, as service quality expectations can vary between cultures (Donthu & Yoo, 1998).

The primary aim of this study was to investigate and research possible differences in airline customers' service expectations level across four Commonwealth countries (the UK, Singapore, Australia and New Zealand).

The study results show that there are differences as well as similarities between these countries. From the data found, it is evident that the buying behaviour of airline customers is affected by several factors and thus seen as very complex. The study results and previous research suggests that customers sit with a set of expectations before receiving the new service (Boulding et al., 1993). As found in this study this is often based on past experiences (such as customer service delivery, service failure), WoM and advertising, although according to these results the latter is not the most important.

As seen from the analysis chapter, 65.5% of the respondents were male, most from New Zealand (42.9%), and most of the respondents had a Bachelor's and/or Master's degree. For more details, refer back to Chapter 4.1.

The study results show that customer service is seen as very important for all countries in this study. As seen from the literature, the service provision arises from the interactions between customers and company (Babbar & Koufteros, 2008). Thus according to previous discussed theory on satisfied employees, a key focus should be the employees' satisfaction. Having satisfied and happy employees is seen as being a key factor in achieving outstanding customer service (Kiger, 2002; R. Johnson, 2008; Reynolds, 2004). Furthermore, customers that are happy and satisfied with the service received are seen to closely relate to company profits (Anderson et al., 2009; Babbar & Koufteros, 2008; Kiger, 2002). Satisfied customers are also the ones spreading the largest amount of positive WoM advertising (which this study illustrates as an important aspect for customers), they can also become loyal customers in the future (Lovelock et al., 2011).

This study has found differences between countries as well as differences on what service attributes are seen as more important, discussions follow.

Small differences might be explained as Commonwealth characteristics. All countries rank the SERVQUAL attributes as important; tangibles highest in Singapore, lowest in Australia. Reliability is highest in New Zealand, lowest in the UK. Responsiveness is highest in Singapore, lowest in the UK. Assurance is highest in Singapore, lowest in the UK. Empathy is highest in Singapore, lowest in New Zealand. As seen from this, Singaporeans have a higher expectation level overall. Even though the highest overall mean scores are in Singapore, the only significant statistical data was for information on when future services will be performed. However, it is important to list the differences as the response rate to the questionnaires was low and may have affected the validity of the data analysed.

Despite Australia and New Zealand viewing themselves as different from one another (Lewis, 2006), many similarities were found in the responses given by Australians and New Zealanders, this is in accordance with some close rankings made by the GLOBE researchers (House, Hanges, et al., 2004). Reasons for this could be their geographical location, as well as cultural similarities with regard to colonialism.

Education was not seen as an influencing factor in people's expectations. Reasons for this may be due to this research only researching business travellers. As seen from the results of this study, most of the business travellers were educated on a higher level. However, nowadays news travels faster than previously and thus people can find out more about other people's experiences. This and also how people communicate could influence the fact that education was not seen as an important factor when it comes to people's expectations.

Gender is seen to have a significant impact on people's expectations. This study highlighted that women have higher expectations for the in-flight entertainment, departure and arrival as scheduled and that the service staff understand individual needs. This is something worth noting since the participants were mainly men. Due to this, if the sample had been bigger, a higher significant finding could have been realised. Thus airlines may possibly want to look into this and offer different entertainment choices for travellers that often fly the same routes within short periods of time. It was noted by one respondent that this would be a factor while making decisions. This person travelled the same long haul route

several times every month, and with the same entertainment package all the time, the participant stated this is an important aspect.

As stated in theory direct flights are seen as an important part of people's expectations throughout the countries studied. This was due to it being more time effective, providing less interruptions as well as giving the travellers a higher possibility of sleeping for longer, which aids recovery and allows passengers to be ready for whatever awaits them at their destination.

As seen from the analysis and results, people are not patient about giving a service provider several chances if they fail to provide an expected service. Thus the theory on service recovery (Chapter 2.5) is seen as very important. The capability of the provider to identify service failure as well as resolving the issue can, as previously discussed, bring the customer to a satisfactory level higher than what it was before the failure (Lovelock et al., 2011).

As seen from the findings of this study WoM affect peoples' expectations, as discussed in the literature review (Chapter 2.8). Ways to handle WoM is important to include in a service providers strategy outlook, as a company is seen as capable of reaping great benefits from positive WoM (Hamburger & Lawry, 2008; Marsden, 2006). Intangible benefits have in many cases been found to be key to persuasion (Dean, 1999), and this also explains why WoM plays a big part in customers' decision making. It is also seen that the greater the value is in relation to the price, the more people will respond to offers (Dean, 1999). The price/quality relationship was also found to be important in this study. This was mostly stated by respondents from New Zealand (6.42%) though the highest response rate came from Singapore (10.53%). Two respondents (3.92%) from Australia also mentioned this theme.

New Zealand is, according to GLOBE, the least assertive country among the ones studied, which correlates with the importance New Zealanders stated on Customer Service attributes, such as friendliness, smiling, kindness, etc. throughout the study (these traits are seen as opposite to the Assertive traits). New Zealand was not the only country that ranked these attributes highly. All countries saw this as important though not as important as the New Zealanders deemed them. Again, as concluded from GLOBE, New Zealand has the most significantly different scores from the others. The other three countries are more similar

to one another. As it is seen that all nations see this attribute as very important the researcher believes, from background information in the literature review, that keeping satisfied employees directly relates to satisfied customers, and with this, possibly loyal customers.

Singapore is, according to GLOBE, the country with the highest score on Future Orientation and Uncertainty Avoidance (House, Hanges, et al., 2004). As seen from this study, especially when looking at the significantly higher mean score of Singapore compared to the others about information on when future services will be performed (H2), it relates to the GLOBE results illustrating that Singapore is the highest rated country (of the countries studied) on Future Orientation and Uncertainty Avoidance. Knowledge about when service will be provided is seen by me (the researcher) as an uncertain future performance, thus it relates to the GLOBE findings. In Singapore, as previously stated, high emphasis on performance excellence and improvements as well as on collective action while avoiding risks by relying on social norms, practices and rituals are also very important and highly valued (J. Li et al., 2007). This may serve as reference to why Singapore has the highest mean scores on most of the SERVQUAL expectations attributes in this study.

It is important for services providers to understand customers' expectations, as well as creating a realistic understanding of what can be expected. In order to survive in the competitive market place of aviation, meeting customers' service expectations might not be enough. Satisfying customers is seen as a result of meeting, or even better, exceeding their service expectations (Gilbert & Wong, 2002; M. D. Johnson et al., 2002).

According to results found in this study it is clear that there are differences between these four Commonwealth countries. Thus airline executives should look into changes that can make their airline the 'obvious choice' for business travellers. The example previously given by United Airlines is seen as an important aspect for more airlines to look into, according to the results of this study.

6.0 Limitations/Future Research

The premise of this study was to investigate and research possible differences in airline customers' service expectations level across four Commonwealth countries (the UK, New Zealand, Australia and Singapore). The methodology used was seen as appropriate. However, regarding the sample size it is suggested that future studies should recruit additional participants. Even though the response rate was low, which can be seen as a result of time constraints, in depth results can be said to have been found. Due to the time constraints I had to cut the access to the survey 9.5 weeks after initiation (05/10-2011 - 11/12-2011) in order to meet the deadlines given to me.

There are seen to be more male business travellers than female ones. There can be several reasons for the results to show this, such as the time constraints, but it is interesting and future research might want to look into a possible glass ceiling in business related travel or possible reasons for this gender profile being evident.

Premium class travellers are not the biggest segment for airlines when it comes to customer numbers, but they have immense value (Field, 1997). Even though this study only focuses on business travellers and thus leaves out the other customers, it has referred to other studies from different countries that look at the other markets involved in the airline market. (e.g. Chau & Kao, (2009); Gilbert & Wong (2002); Sultan & Simpson, (2000); Tiernan et al., (2008)).

The SERVQUAL model has been critiqued throughout time, but the model is widely accepted in the domain of service quality measurement even its major critiques acknowledge its popularity (Coulthard, 2004). The possibilities of response biases are evident, which cannot be proven or disregarded. The SERVQUAL dimensions have been seen to vary with regard to the purpose of the study and the validity has therefore been questioned (Hoare & Butcher, 2008).

The main critique to the service quality expectations concept is found in an article by Teas (1993) stated in (Armstrong et al., 1997, p. 183). The critique is mainly on the formulation of the questions, that there are several ways of understanding the questions and confusion connected to this. The problems this can cause will affect the total service quality outcome, as people see it in relation to 'should be' and not what they are expecting

(Armstrong et al., 1997). This research looked at the expectation aspect only, considering this critique the questions provided in the questionnaires will be modified and tested so that confusion shall be minimal. Another issue that surfaced is that no two service providers are exactly alike. This has thus led to smaller adaptations of the model to suit different service areas. This has been seen as both a strength (Gilbert & Wong, 2002) as well as a weakness relating to specifically modifying the model as well as moving away from the original model (Brady, Cronin, & Brand, 2002).

It has been shown by Molenaar (1982) in Coulthard (2004) that, due to issues with scale points in surveys, the optimal number of scale points should be seven, plus minus two (Coulthard, 2004). This has further been confirmed by Krosnick & Fabigar (1997) and Preston & Colman (2000) cited in Coulthard (2004). Besides this, it has been found in market research literature that there is a tendency by respondents to choose central response options, and avoid extreme end-points (Coulthard, 2004). SERVQUAL models with use of text on the end-point scales only, have been seen to attract more responses on the end-points, while other research show that labelling of all variables may provide poorer data than only labelling the end-points (Coulthard, 2004).

7.0 Conclusion

Throughout the last few decades there have been several changes in the way people live their lives. Friends and family as well as business partners can live miles away from each other. From the development of airlines, and more specifically passenger flights, meeting ones family and friends and business contacts across the world is no longer an issue. Airlines are providing people with the fastest, safest and highest (above the ground) public transport service today. Millions of people fly every year, for various reasons; people who fly coach class are seen to search the market for cheap tickets while upper class passengers have been found to have other priorities rather than just the price. This cross-cultural dissertation aimed to investigate and research possible differences in airline customers' service expectations across four Commonwealth countries (the UK, New Zealand, Australia and Singapore) when flying long haul. Business travellers were the specific focus of this study, this is because of their importance for airlines as well as their frequency of flying. This was done to find possible areas of improvement that may lead to a more comfortable flight for highly valued passengers, as well as finding information on what different country nationals expect so that airlines can cater for everybody's needs. Through this it may be possible to acquire more loyal customers. Safety is the most important aspect of the airline business, 2011 is on its way to being the safest year for flying since the beginning of aviation (Jones, 2011; VG Nett, 2011) as stated in late 2011 and further confirmed by The Economist and Ascend in January 2012 (Ascend, 2012; The Economist, 2012).

What is important for service providers is to understand customers' expectations, as these have been found to differ across markets, as well as creating a realistic understanding of what can be expected. In order to survive in this competitive market place, meeting customers' service expectations might not be enough. Satisfied customers are a result of meeting, or better, exceeding their service expectations (Gilbert & Wong, 2002; M. D. Johnson et al., 2002). Service excellence must be a key point going across different functions in an airline, so that the entire company works together as a team to "deliver seamless customer service" (Heracleous et al., 2006, p. 159).

This study found that only focussing on transporting passengers from their departure place to their destination is one out of several areas that are important to airlines. Throughout this study it was found that the quality of customer service provided by airlines is seen as a

crucial element affecting customers' expectations as well as their buying behaviour. This is because buying behaviour and expectations are closely related to past experiences as well as what friends/family and other people say about a provider.

When it comes to the service sector, employees constantly interact with people. This study illustrates that customer service quality is highly important for customers. These include the staff smiling, not looking bored and individualised attention. Emotional labour is therefore seen as a fundamental part of the service staffs' everyday work as front line staff are often seen as the company itself as they are the most visible element of a company to the customers (Heracleous et al., 2006). Thus, a managerial focus on this and ways for staff to recover is seen as vital. Research reveals that customers only register that service is not what it is supposed to be when something goes wrong (Anderson et al., 2009; Edvardsson, 1992). Therefore there are two types of service quality: one type is when service is not happening the way it is supposed to, which is said to be the "exception", and the other type is "normal" quality of service, which is when the service provided is seen to be the way it is expected to be (Anderson et al., 2009; Edvardsson, 1992). As seen from the service recovery part, it is important to be able to rapidly repair issues that might arise. However, focussing on a constant quick-fix way of dealing with these issues will not be beneficial in the long run (Covey, 2004). Employees are said to treat customers the way they are treated by management (Kiger, 2002), thus employees should be treated the same way as a company's most loyal customers, in order to create long term benefits for both company and customers (Covey, 2004).

Also, if one airline provides a customer with low service, this can affect the entire alliance. This could possibly play a great part on any alliance member's customer base (Sultan & Simpson, 2000).

This study illustrates that the one SERVQUAL attribute with the highest overall score is 'Reliability' and the lowest is 'Tangibles'. This confirms the findings that 'Reliability' has previously been ranked as the most important, while the 'Tangible' part the least important, though still of importance, according to Sultan & Simpson (2000). Factors such as consistent service, on-time departures and arrivals are thus seen as more important than having modern-looking aircrafts as well as visually appealing office/terminal/gate areas.

This research shows that there are some highly important attributes that are seen as very important for all country nationals studied. Besides this, the analysis and findings above show that there are differences between the countries studied, such as in regard to the flight schedule; after flight customer service; individual attention, etc. One interesting finding is that Singaporeans do not see seat comfort and space as important. This could be due to Singaporeans (possibly) mostly using Singapore Airlines as their main carrier. Singapore Airlines is ranked among the best in the world and has achieved outstanding results regarding seat comfort/space (Skytrax, 2011a). It is believed, that the answers Singaporeans gave could be a correlation with the service they are used to receiving on the flights with Singapore Airlines.

An interesting finding is that according to research, Australians and New Zealanders do not see themselves as being similar. However, survey results show the opposite. Australians and New Zealanders share a large amount of similarities regarding their expectations, etc.

Despite Singapore being the only eastern country in this survey, Singaporeans share many attributes with the three western Commonwealth countries studied. However, one should not forget that Singapore differs when looking at other aspects. Reasons for this could be due to these countries' colonial history as Commonwealth nations.

This shows that there are similarities as well as differences throughout all four countries that were analysed. The data illustrates that the buying behaviour of the different nationalities affects several factors analysed in this report – this makes analysing it challenging. This is linked to the customers' expectation – this differs from culture to culture. Many customers have expectations before receiving a new service and these expectations are often based on past experiences, WoM and advertising.

As seen from the literature, meeting, or exceeding, customers' expectations may lead to more loyal customers, which would result in a higher market share for the airline. These differences, as well as similarities, are important for airlines wanting to increase their customer satisfaction levels by meeting their customers' expectations in different areas throughout the service provision, from check-in to after flight customer service.

Overall, it is important to mention that the response rate was low and thus results may vary, especially considering each country had a different amount of participants.

“Blessed is he who expects nothing, for he shall never be disappointed” (Passikoff, 2008, p. 2).

8.0 References

- AirAsia. (2010). *Route map*. Retrieved 21.05-2011, from <http://www.airasia.com/my/en/flightinfo/routemap.page>
- Airline Alliances. (2010). *Alliances*. Retrieved 20.05-2011, from <http://airlinealliances.org/category/alliances/>
- Anderson, S. W., Baggett, L. S., & Widener, S. K. (2009). The Impact of Service Operations Failures on Customer Satisfaction: Evidence on How Failures and Their Source Affect What Matters to Customers. *MANUFACTURING & SERVICE OPERATIONS MANAGEMENT*, 11(1), 52-69.
- Anonymous. (2005). Hill rises as next editor of JPP&M [Article]. *Marketing News*, 39(14), 46-46.
- Armstrong, R. W., Mok, C., Go, F. M., & Chan, A. (1997). The importance of cross-cultural expectations in the measurement of service quality perceptions in the hotel industry. *International Journal of Hospitality Management*, 16(2), 181-190. doi:10.1016/s0278-4319(97)00004-2
- Ascend. (2012). *2011: safest year on record for air travel and for insurers, lowest claims for seven years, says Ascend*. Retrieved 20.01-2012,
- Ashforth, B. E., & Humphrey, R. H. (1993). EMOTIONAL LABOR IN SERVICE ROLES: THE INFLUENCE OF IDENTITY [Article]. *Academy of Management Review*, 18(1), 88-115. doi:10.5465/amr.1993.3997508
- Ashkanasy, N. M. (2007). The Australian Enigma. In R. J. House, Chhokar, J. S., & Brodbeck, F. C. (Ed.), *Culture and Leadership Across the World: The GLOBE Book of In-Depth Studies of 25 Societies* (pp. 299-333). Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Atwater, L., Wang, M., Smither, J. W., & Fleenor, J. F. (2009). Are Cultural Characteristics Associated With the Relationship Between Self and Others' Ratings of Leadership? *Journal of Applied Psychology*, 94(4), 876-886. doi:10.1037/a0014561
- Auckland International Airport Limited. (2010). *Fast fact - Auckland Airport*. Retrieved 14.07.2011, from <http://www.aucklandairport.co.nz/Corporate/AboutUs/FastFacts.aspx>
- Babbar, S., & Koufteros, X. (2008). The human element in airline service quality: contact personnel and the customer. *International Journal of Operations & Production Management*, 28(9), 804-830.
- Bamford, D., & Xystouri, T. (2005). A case study of service failure and recovery within an international airline. *Managing Service Quality*, 15(3), 306-322.
- Barclay, B. (2010). *CRM & Loyalty Strategies for Travel*. Retrieved 24.08.2011, from http://www.ehow.com/list_6769747_crm-loyalty-strategies-travel.html
- Beauchesne, E. (2005). Bad word of mouth a business killer: Know-nothing clerks draw most complaints: survey. *Calgary Herald*, pp. E.3-E3. Retrieved from <http://ezproxy.aut.ac.nz/login?url=http://search.proquest.com/docview/245248532?accountid=8440>
- Beaujean, M., Davidson, J., & Madge, S. (2006). The 'moment of truth' in customer service [Article]. *McKINSEY QUARTERLY*(1), 62-73.
- Binggeli, U., Gupta, S., & de Pommès, C. (2002). CRM in the air. *THE McKINSEY QUARTERLY*, 3, 6-10.
- Birchfield, R. (2010). NZ'S MOST REPUTABLE ORGANISATION: Air New Zealand: Flying people not planes. *New Zealand Management magazine*, September.
- Bisson, P., Stephenson, E., & Viguerie, P. (2010). Global forces: An introduction. *McKINSEY QUARTERLY*, June, 1-4.
- Bitner, M. J., Booms, B. M., & Tetreault, M. (1990). The service encounter: diagnosing favorable and unfavorable incidents. *Journal of Marketing*, 54(1), 71-84.
- Booth, S. (2007). Inspirational Variations? Culture and Leadership in England. In R. J. House, Chhokar, J. S., & Brodbeck, F. C. (Ed.), *Culture and Leadership Across the World: The GLOBE Book of In-*

- Depth Studies of 25 Societies* (pp. 335-359). Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Boyatzis, R. E. (1998). *Thematic analysis and code development: Transforming Qualitative Information*: SAGE Publications, Inc.
- Brady, M. K., Cronin, J. J., & Brand, R. R. (2002). Performance-only measures of service quality: a replication and extension. *Journal of Business Research*, 55(17-31).
- Braff, A., & DeVine, J. C. (2008). Maintaining the customer experience. *THE MCKINSEY QUARTERLY*, December, 1-4.
- Branson, R. (2010). *Reach for the Skies: Ballooning, Birdmen, and Blasting into Space*. New York: Current, Penguin Group.
- Brewer, P., & Venaik, S. (2010a). Avoiding uncertainty in Hofstede and GLOBE. *Journal of International Business Studies*, 41(8), 1294-1315.
- Brewer, P., & Venaik, S. (2010b). GLOBE practices and values: A case of diminishing marginal utility? *Journal of International Business Studies*, 41(8), 1316-1324. doi:10.1057/jibs.2010.23
- Brodbeck, F. C., Frese, M., & Javidan, M. (2002). Leadership made in Germany: Low on compassion, high on performance. *The Academy of Management Executive*, 16(1), 16-29.
- Brotheridge, C. M., & Grandey, A. A. (2002). Emotional Labor and Burnout: Comparing Two Perspectives of "People Work". *Journal of Vocational Behavior*, 60(1), 17-39. doi:10.1006/jvbe.2001.1815
- Bryman, A., & Bell, E. (2007). *Business research methods* (2 ed.). Oxford, England: Oxford University Press.
- Buzzell, R., & Gale, B. (1987). The PIMS principles. *The Free Press, New York*.
- Cannarella, C., & Piccioni, V. (2008). "Bad news travels faster": The role of word of mouth in innovation propagation in rural areas [Article]. *New Educational Review*, 14(1), 121-155.
- Carboni, A., Nguyen, M., Schiff, A., & Vuletich, S. (2011). The New Zealand Aviation Operational Environment: A Guide for the Tourism Sector - Interim Summary. *Tourism and Aviation: Critical Linkages*, 1-15.
- Carlzon, J. (1989). We Used To Fly Airplanes; Now We Fly People. *Business Forum*, 14(3), 6-6.
- Carson, I. (2001, March 10). Survey: The sky is the limit. *The Economist*.
- Centre for Asia Pacific Aviation. (2011, 16.03.2011). *World Airport Rankings 2010: Big changes to global Top 30. Beijing up to #2, Heathrow falls to #4*. Retrieved 14.07.2011, from <http://www.centreforaviation.com/news/2011/03/16/world-airport-rankings-2010-big-changes-to-global-top-30-beijing-up-to-2-heathrow-falls-to-4/page1>
- Chang, Y.-H., & Yeh, C.-H. (2002). A survey analysis of service quality for domestic airlines. *European Journal of Operational Research*, 139(1), 166-177. doi:10.1016/s0377-2217(01)00148-5
- Changi Airport Group. (2011). *Airlines serving Changi - Changi Airport*. Retrieved 14.07.2011, from <http://www.changiairport.com/flight-info/airlines/airlines-serving-changi>
- Chau, V. S., & Kao, Y.-Y. (2009). Bridge over troubled water or long and winding road? Gap-5 in airline service quality performance measures. *Managing Service Quality*, 19(1), 106-134. doi:10.1108/09604520910926836
- Chau, V. S., & Witcher, B. J. (2005). Implications of Regulation Policy Incentives for Strategic Control: An Integrative Model [Article]. *Annals of Public & Cooperative Economics*, 76(1), 85-119. doi:10.1111/j.1370-4788.2005.00272.x
- Chen, F.-Y., & Chang, Y.-H. (2005). Examining airline service quality from a process perspective. *Journal of Air Transport Management*, 11(2), 79-87. doi:10.1016/j.jairtraman.2004.09.002
- Church, A. H. (1995). Linking leadership behaviours to service performance: do managers make a difference? *Managing Service Quality*, 5(6), 26-31.
- Commonwealth Secretariat. (2011). *Member States*. Retrieved 09.06.2011, from <http://www.thecommonwealth.org/Internal/191086/142227/members/>

- Costa, P. R., Harned, D. S., & Lundquist, J. T. (2002). Rethinking the aviation industry. *THE MCKINSEY QUARTERLY 2002 SPECIAL EDITION: RISK AND RESILIENCE*, 88-100.
- Coulthard, L. J. M. (2004). A review and critique of research using SERVQUAL. *International Journal of Market Research*, 46(4), 17.
- Covey, S. R. (2004). *The 7 Habits of Highly Effective People*. Sydney, Australia: Simon & Schuster.
- Creative Research Systems. (2010). *Sample Size Calculator*. Retrieved 09.06.2011, from <http://www.surveysystem.com/about.htm>
- Cunningham, L. F., Young, C. E., & Lee, M. (2004). Perceptions of Airline Service Quality: Pre and Post 9/11. *Public Works Management & Policy*, 9(10), 10-25. doi:10.1177/1087724X04265135
- Custom Insight. (n.d.). *Survey Random Sample Calculator*. Retrieved 09.06.2011, from <http://www.custominsight.com/articles/random-sample-calculator.asp>
- Davies, B., Baron, S., Gear, T., & Read, M. (1999). Measuring and managing service quality. *Marketing Intelligence & Planning*, 17(1), 33-33-40. doi:10.1108/02634509910253795
- Dean, R. (1999). Psychology in direct marketing. *Direct Marketing*, 61(10), 3.
- Dichter, A., Lind, F., & Singham, S. (2008). Turning around a struggling airline: An interview with the CEO of Malaysia Airlines *THE MCKINSEY QUARTERLY*, November, 1-9.
- Donnelly, R. (2004). managing the moment of truth for a service organization. *SuperVision*, 65(12), 3-6.
- Donthu, N., & Yoo, B. (1998). Cultural Influences on Service Quality Expectations. *Journal of Service Quality Expectations*, 1(2), 178-186. doi:10.1177/109467059800100207
- Drege, S. (1991). Customer retention strategies. *Business Mexico*, 52-53.
- Dube, L., & Maute, M. (1996). The antecedents of brand switching, brand loyalty and verbal responses to service failure [Article]. *Advances in Services Marketing and Management*, 5, 127-151. doi:10.1016/s1067-5671(96)05054-8
- Edvardsson, B. (1992). Service Breakdowns: A Study of Critical Incidents in an Airline. *Journal of Service Management*, 3(4), 17.
- Edvardsson, B., & Thomasson, B. (1989). *Kvalitetsutveckling i privata och offentliga tjänsteföretag*. Stockholm.
- Ekdahl, F., Gustafsson, A., & Edvardsson, B. (1999). Customer-oriented service development at SAS. *Managing Service Quality*, 9(6), 403-410.
- Epperson, J. (2006). Word of mouth can be a great marketing tool. *Furniture Today*, 31(1), 51-51.
- Field, D. (1997). Business-flier plan paying off for United. *USA TODAY*, p. 1. Retrieved from <http://ezproxy.aut.ac.nz/login?url=http://search.proquest.com/docview/408725481?accountid=8440>
- Fodness, D., & Murray, B. (2007). Passengers' expectations of airport service quality. *The Journal of Services Marketing*, 21(7), 492-506. doi:10.1108/08876040710824852
- Gale, B. (1992). Monitoring customer satisfaction and market-perceived quality. *American Marketing Association Worth Repeating Series, No. 922CSO I*.
- George, W. R., & Berry, L. L. (1981). Guidelines for the Advertising of Services [Article]. *Business Horizons*, 24(4), 52. doi:10.1016/0007-6813(81)90056-2
- Gilbert, D., & Wong, R. K. C. (2002). Passenger expectations and airline services: a Hong Kong based study. *Tourism Management*, 24, 519-532. doi:10.1016/S0261-5177(03)00002-5
- Glisson, L. M., Cunningham, W. A., Harris, J. R., & Lorenzo-Aiss, J. D. (1996). Airline industry strategic alliances: marketing and policy implications. *International Journal of Physical Distribution & Logistics Management*, 26(3), 26-34.
- Goh, K., & Uncles, M. (2003). The benefits of airline global alliances: an empirical assessment of the perceptions of business travellers. *Transportation Research Part A*, 37, 479-497.
- Grandey, A. A. (2000). Emotion Regulation in the Workplace: A New Way to Conceptualize Emotional Labor. *Journal of Occupational Health Psychology*, 5(1), 95-100.

- Grandey, A. A., Dickter, D. N., & Hock-Peng, S. (2004). The customer is not always right: customer aggression and emotion regulation of service employees [Article]. *Journal of Organizational Behavior*, 25(3), 397-418. doi:10.1002/job.252
- Green, L. (2006). Travelling without toothpaste - learning from the kings of Customer Service. *Market Leader*(35), 1-6.
- Gursoy, D., Chen, M.-H., & Kim, H. J. (2005). The US airlines relative positioning based on attributes of service quality. *Tourism Management*, 26(1), 57-67. doi:10.1016/j.tourman.2003.08.019
- Hamburger, S., & Lawry, P. (2008). Storytelling with international millionaires - a creative approach to research. *ESOMAR: Annual Congress, Montreal, September 2008*, 1-15.
- Hampden-Turner, C. M., & Trompenaars, F. (2002). A mirror-image world: doing business in Asia. In M. Warner & P. Joynt (Eds.), *Managing Across Cultures: Issues and Perspectives* (pp. 284). Padstow, Cornwall: Thomson Learning.
- Hart, C., Heskett, W. L., Sasser, J. L., & Earl, J. W. (1990). The Profitable Art of Service Recovery [Article]. *Harvard Business Review*, 68(4), 148-156.
- Heracleous, L., Wirtz, J., & Pangarkar, N. (2006). *Flying High in a Competitive Industry: Cost-Effective Service Excellence at Singapore Airlines*. Singapore: McGraw-Hill Education (Asia).
- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, J. W. E., & Schlesinger, L. A. (1994). Putting the Service-Profit Chain to Work [Article]. *Harvard Business Review*, 72(2), 164-170.
- HITC: NEWS. (2011). The Global Financial Centres Index - Top 10. *HITC: NEWS*. Retrieved from <http://news.hereisthecity.com/2011/03/22/asia-the-main-area-for-growth/>
- Hoare, R. J., & Butcher, K. (2008). Do Chinese cultural values affect customer satisfaction/loyalty? *International Journal of Contemporary Hospitality Management*, 20(2), 156-171.
- Hofstede, G. (1980a). *Culture's Consequences*. Beverly Hills, CA: Sage.
- Hofstede, G. (1980b). *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills, CA: Sage.
- Hofstede, G. (2006). What did GLOBE really measure? Researchers' minds versus respondents' minds. *Journal of International Business Studies*, 37(6), 882-882-896. doi:10.1057/palgrave.jibs.8400233
- Hofstede, G. (2009a). *Geert Hofstede™ Cultural Dimensions*. Retrieved 21.08.2011, from <http://www.geert-hofstede.com/>
- Hofstede, G. (2009b). *Geert Hofstede™ Cultural Dimensions - Hofstede Scores*. Retrieved 31.08.2011, from http://www.geert-hofstede.com/hofstede_dimensions.php
- Hofstede, G. H., Hofstede, G. J., & Minkov, M. (2010). *Cultures and organizations: software of the mind : intercultural cooperation and its importance for survival*: McGraw-Hill. Retrieved from <http://books.google.com/books?id=o4OqTgV3V00C>
- Hollis, N. (2010). Globalization does not imply homogenization. *WPP Atticus Awards: Merit*, 1-2.
- House, R. J. (2004). Illustrative Examples of GLOBE Findings. In R. J. House, P. J. Hanges, M. Javidan, P. W. Dorfman, & V. Gupta (Eds.), *Culture, Leadership and Organizations: The GLOBE Study of 62 Societies* (pp. 818). Thousand Oaks, California; London, England; and New Delhi, India: Sage Publications, Inc.
- House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (2004). *Culture, Leadership, and Organizations: The GLOBE study of 62 societies*. Thousand Oaks, California; London, England; and New Delhi, India: Sage Publications.
- House, R. J., Javidan, M., & Dorfman, P. W. (2004). A Nontechnical Summary of GLOBE Findings. In R. J. House, P. J. Hanges, M. Javidan, P. W. Dorfman, & V. Gupta (Eds.), *Culture, Leadership, and Organizations: The GLOBE study of 62 societies* (pp. 818). Thousand Oaks, California; London, England; and New Delhi, India: Sage Publications.
- Hoyer, W. D., & MacInnis, D. J. (2008). *Consumer Behavior* (5 ed.). Mason, OH: South-Western Cengage Learning.

- IATA. (2011a). PREMIUM TRAFFIC MONITOR OCTOBER 2011. IATA *economics*: <http://www.iata.org/whatwedo/Documents/economics/Premium-Monitor-Oct11.pdf>.
- IATA. (2011b). PREMIUM TRAFFIC MONITOR: MARCH 2011. IATA *Economics*: www.iata.org/economics.
- Jagdeep S. Chhokar, Felix C. Brodbeck, & House, R. J. (2007). *Culture and Leadership Across the World: The GLOBE Book of In-Depth Studies of 25 Societies*. Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Javidan, M., & House, R. J. (2001). Cultural Acumen for the Global Manager: Lessons from Project GLOBE. *Organizational Dynamics*, 29(4), 289-305.
- Jetstar Airways Pty Ltd. (2011). *Route Map (Qantas Group Airline)*. Retrieved 21.05-2011, from <http://www.jetstar.com/au/en/planning-and-booking/where-we-go/route-map>
- Johnson, M. D., Herrmann, A., & Gustafsson, A. (2002). Comparing customer satisfaction across industries and countries. *Journal of Economic Psychology*, 23(6), 749-769.
- Johnson, R. (2008). Customer Satisfaction & Employee Satisfaction: Do they Go Hand in Hand with a Profitable Airline? *HowWasYourFlight.com*.
- Jones, C. (2011). 2011 shaping up to be 'safest ever' year for fliers. Retrieved 31.12.2011, from <http://travel.usatoday.com/flights/story/2011-12-28/2011-shaping-up-to-be-safest-ever-year-for-fliers/52258502/1>
- Kennedy, J. C. (2007). Leadership and culture in New Zealand. In C. R. J. House, J. S., & Brodbeck, F. C. (Ed.), *Culture and Leadership Across the World: The GLOBE Book of In-Depth Studies of 25 Societies* (pp. 397-432). Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Kiger, P. J. (2002). Why Customer Satisfaction Starts with HR. *Workforce Management*, 81(5), 26-32.
- Kinman, G. (2009). Emotional labour and strain in "front-line" service employees: Does mode of delivery matter? *Journal of Managerial Psychology*, 24(2), 118-135. doi:10.1108/02683940910928847
- Koopman, P. L., Hartog, D. N. D., Konrad, E., & et.al. (1999). National Culture and Leadership Profiles in Europe: Some Results From the GLOBE Study [Article]. *European Journal of Work & Organizational Psychology*, 8(4), 503-520. doi:10.1080/135943299398131
- Kotler P. (1994). *Marketing Management: Analysis, Planning, implementation, and Control*: Prentice Hall.
- Laroche, M., Kalamas, M., & Cleveland, M. (2005). "I" versus "we": How individualists and collectivists use information sources to formulate their service expectations. *International Marketing Review*, 22(3), 279-308. doi:10.1108/02651330510602213
- Laurent, A. (1983). THE CULTURAL DIVERSITY OF WESTERN CONCEPTIONS OF MANAGEMENT [Article]. *International Studies of Management & Organization*, 13(1/2), 75-96.
- Ledwidge, J. (2007). British Airways: the case for a human makeover: New approaches would leave the airline less prone to disruptions and PR blunders. *Human resource management international digest*, 15(5), 7-10. doi:10.1108/09670730710762807
- Lee, J. A., & Kacen, J. J. (2008). Cultural influences on consumer satisfaction with impulse and planned purchase decisions. *Journal of Business Research*, 61, 265-272.
- Lenth, R. V. (2001). Some Practical Guidelines for Effective Sample-Size Determination. *Department of Statistics, University of Iowa*, 1-11.
- Levitt, T. (1983). The globalization of markets. *Harvard Business Review*, 61(3), 92-102.
- Lewig K. A., & Dollard M. F. (2003). Emotional dissonance, emotional exhaustion and job satisfaction in call centre workers [Article]. *European Journal of Work & Organizational Psychology*, 12(4), 366-392. doi:10.1080/13594320344000200
- Lewis, R. D. (2006). *When Cultures Collide: Leading Across Cultures* (3 ed.). London, UK: Nicholas Brealey Publishing.
- Li, J., Ngin, P. M., & Teo, A. C. Y. (2007). Culture and Leadership in Singapore: Combination of the East and the West. In C. R. J. House, J. S., & Brodbeck, F. C. (Ed.), *Culture and Leadership*

- Across the World: The GLOBE Book of In-Depth Studies of 25 Societies* (pp. 947-968). Mahwah, New Jersey: Lawrence Erlbaum Associates.
- Li, M. Z. F. (2002). Distinct features of lasting and non-lasting airline alliances. *Journal of Air Transport Management*, 6(2), 65-73.
- Lin, C. C., Tu, R., Chen, K. A., & Tu, P. (2007). The Changing Expectations of Consumers in Cross-Cultural Service Encounters. *International Management Review*, 3(3), 27-35,106-107.
- Liou, J. J. H. (2009). A novel decision rules approach for customer relationship management of the airline market. *Expert systems with Applications*, 36, 4374-4381. doi:10.1016/j.eswa.2008.05.002
- Liou, J. J. H., Hsu, C.-C., Yeh, W.-C., & Lin, R.-H. (2011). Using a modified grey relation method for improving airline service quality. *Tourism Management*, 32(6), 1381-1388. doi:10.1016/j.tourman.2011.01.013
- Lloyd, A. E., & Luk, S. T. K. (2011). Interaction behaviours leading to comfort in the service encounter. *Journal of Services Marketing*, 25(3), 176-189. doi:10.1108/08876041111129164
- Longpre, M. (2007). INSIDE INFORMATION: Word-of-mouth pros use mobile phones to stay nimble. *PRweek*, 10(44), 13-13. Retrieved from <http://ezproxy.aut.ac.nz/login?url=http://search.proquest.com/docview/232046121?accountid=8440>
- Lovelock, C. H., Patterson, P. G., & Wirtz, J. (2011). *Services marketing: An Asia-Pacific and AUstralian Perspective* (5 ed.). Frenchs Forest, NSW: Pearson Australia Ltd.
- Luk, S. T. K., de Leon, C. T., Leong, F. W., & Li, E. L. Y. (1993). Value segmentation of tourists' expectations of service quality. *Journal of Travel and Tourism Marketing*, 2(4), 22-38.
- MaCorr Research. (2011). *Sample Size Calculator | MaCorr Research*. Retrieved 09.06.2011, from http://www.macorr.com/ss_calculator.htm
- Mann, S. (1999). Emotion at Work: To What Extent are We Expressing, Suppressing, or Faking It? [Article]. *European Journal of Work & Organizational Psychology*, 8(3), 347-369. doi:10.1080/135943299398221
- Marsden, P. (2006). Measuring the Success of Word of Mouth. *Market Research Society, Annual Conference*, 1-7.
- Martin, G. S., Resick, C. J., Keating, M. A., & Dickson, M. W. (2009). Ethical leadership across cultures: a comparative analysis of German and US perspectives. *Business Ethics: A European Review*, 18(2), 127-144.
- Maruca, R. F. (2000). Mapping the World of Customer Satisfaction. *Harvard Business Review*, 78(3).
- Maseland, R., & Van Hoorn, A. (2009). Explaining the negative correlation between values and practices: A note on the Hofstede-GLOBE debate. *Journal of International Business Studies*, 40(3), 527-532. doi:10.1057/jibs.2008.68
- Mathur-Helm, B. (2006). Women and the glass ceiling in South African banks: an illusion or reality? *Women in Management Review*, 21(4), 311.
- Mattila, A. S. (1999). The role of culture and purchase motivation in service encounter evaluations. *The Journal of Services Marketing*, 13(4/5), 376-376-389.
- McKinnon, D. (2004). Conflict Resolution: A Commonwealth Perspective. *RUSI Journal*, 149(2), 16.
- Minkov, M., & Hofstede, G. (2011). The evolution of Hostede's doctrine. *Cross Cultural Management: An International Journal*, 18(1), 10-20. doi:10.1108/13527601111104269
- Mithas, S., Krishnan, M. S., & Fornell, C. (2005). Why Do Customer Relationship Management Applications Affect Customer Satisfaction? [Article]. *Journal of Marketing*, 69(4), 201-209. doi:10.1509/jmkg.2005.69.4.201
- Morris, J. A., & Feldman, D. C. (1996). The Dimensions, Antecedents, and Consequences of Emotional Labor. *The Academy of Management Review*, 21(4), 986-1010.
- Nadiri, H. (2011). Customers' zone of tolerance for retail stores. *Service Business*, 5(2), 113-137. doi:10.1007/s11628-011-0105-y

- New Media Age. (2006). WORD-OF-MOUTH MARKETING: Spread the word. *New Media Age*(13647776), 26-26-27.
- Owen, W. F. (1984). INTERPRETIVE THEMES IN RELATIONAL COMMUNICATION [Article]. *Quarterly Journal of Speech*, 70(3), 274-287.
- Oxford University Press. (2008). FAQ.7. *How do I recruit a sample of research participants?* Retrieved 14.07.2011, from http://www.oup.com/uk/orc/bin/9780199202959/01student/toolkit/page_10.htm
- Oyewole, P., Sankaran, M., & Choudhury, P. (2008). Information Communication Technology and the Marketing of Airline Services in Malaysia: A Survey of Market Participants in the Airline Industry [Article]. *Services Marketing Quarterly*, 29(4), 85-103. doi:10.1080/15332960802218802
- Panagopoulou, E., Kersbergen, B., & Maes, S. (2002). THE EFFECTS OF EMOTIONAL (NON-)EXPRESSION IN (CHRONIC) DISEASE: A META-ANALYTIC REVIEW. *Psychology & Health*, 17(5), 529.
- Parasuraman, A. (2004). Assessing and improving service performance for maximum impact: insights from a two-decade-long research journey. *Performance Measurement and Metrics*, 5(2), 45-52. doi:10.1108/14678040410546064
- Parasuraman, A., Berry, L. L., & Zeithaml, V. (1991). Understanding Customer Expectations of Service. *Sloan Management Review*, Spring.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *The Journal of Marketing*, 49(4).
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perception of service quality. *Journal of Retailing*, 64(1), 12-40.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1994). Reassessment of expectations as a comparison standard in measuring service quality: implications for further research. *Journal of Marketing*, 58, 111-124.
- Park, J.-W., Robertson, R., & Wu, C.-L. (2004). The effect of airline service quality on passengers' behavioural intentions: a Korean case study. *Journal of Air Transport Management*, 10(6), 435-439. doi:10.1016/j.jairtraman.2004.06.001
- Passikoff, R. (2008). Customisation and customer expectations. *admap*(498), 1-6.
- Powell, S. (2006). Geert Hofstede: Challenges of cultural diversity. *Human resource management international digest*, 14(3), 12-15. doi:10.1108/09670730610663187
- Price, C. W., Brigham, B., & Fitzgerald, L. (2008). SERVICE QUALITY IN REGULATED NETWORK INDUSTRIES [Article]. *Annals of Public & Cooperative Economics*, 79(2), 197-225. doi:10.1111/j.1467-8292.2008.00360.x
- Pugh, D. S., & Hickson, D. J. (2002). On organizational convergence. In M. Warner & P. Joynt (Eds.), *Managing Across Cultures: Issues and Perspectives* (pp. 284). Padstow, Cornwall: Thomson Learning.
- Raosoft Inc. (2004). *Sample Size Calculator by Raosoft, Inc.* Retrieved 09.06.2011, from <http://www.raosoft.com/samplesize.html>
- Reed, D. (2007). Airlines may never fly right on customer service, experts warn. *USA TODAY*, 17th October.
- Reis, D., Pena, L., & Lopes, P. A. (2003). Customer satisfaction: the historical perspective. *Management Decision*, 41(2), 195-198. doi:10.1108/00251740310457641
- Reynolds, M. (2004). Marketing as 'Psychology'. *Multichannel News*, 25(4), 22-22A.
- Rhoades, D., & Waguespack, B. (2008). Twenty years of service quality performance in the US airline industry. *Managing Service Quality*, 18(1), 20-33. doi:10.1108/09604520810842821
- Robertson, M. (2003). Global Airlines: Competition in a transnational industry (Book) [Book Review]. *Journal of Revenue & Pricing Management*, 1(4), 389.

- Robledo, M. A. (2001). Measuring and managing service quality: Intergrating customer expectations. *Managing Service Quality*, 11(1), 22-31.
- Rosenberg, M. (2011). Busiest Airports. *About.com Geography*. Retrieved from <http://geography.about.com/od/urbaneconomicgeography/a/busiestairports.htm>
- Rust, R. T., Zahorik, A. J., & Keiningham, T. L. (1995). Return on quality (ROQ): Making service quality financially accountable. *Journal of Marketing*, 59(2), 58-58.
- Saglietto, L. (2009). Airline alliances: When competitiveness can be approached with specific social networks. *Competitiveness Review: An International Business Journal incorporating Journal of Global Competitiveness*, 19(4), 304-304-322. doi:10.1108/10595420910977425
- Sant, R. (2009). Mind the gap between brand expectation and delivery. *Admap*, November, 1-4.
- Saxenian, A. (2002). Brain Circulation. *Brookings Review*, 20(1), 28-31.
- Schlesinger, L. A., & Heskett, J. L. (1991). Breaking the Cycle of Failure in Services. *MIT Sloan Management Review*, 32(3), 17-17.
- Sellers, P. (1991). Pepsi keeps going after No. 1. *Fortune*, 62-70.
- Shi, X., & Wang, J. (2011). Interpreting Hofstede Model and GLOBE Model: Which Way to Go for Cross-Cultural Research? *International Journal of Business and Management*, 6(5), 93-93-99.
- Singh, J. (1990). A Typology Of Consumer Dissatisfaction Response Styles. *Journal of Retailing*, 66(1), 57-57.
- Sklair, L. (2002). Globalization and management: the role of the transnational capitalist class. In M. Warner & P. Joynt (Eds.), *Managing Across Cultures: Issues and Perspectives* (pp. 284). Padstow, Cornwall: Thomson Learning.
- Skytrax. (2011a). *Singapore Airlines official 5-Star Ranking of Product and Service Quality*. Retrieved 31.12.2011, from <http://www.airlinequality.com/Airlines/SQ.htm>
- Skytrax. (2011b). *SKYTRAX | World Airline and Airport Quality Advisors*. Retrieved 30.05.2011, from <http://www.skytraxresearch.com/>
- Smith, A. M., & Reynolds, N. L. (2002). Measuring cross-cultural service quality: A framework for assessment. *International Marketing Review*, 19(5), 450-481.
- Smith, D., & Grogan, A. (1997). Freeing yourself from the Customer Satisfaction Straightjacket. *ESOMAR: Marketing in Latin America, Rio, May 1997*, 1-13.
- Smith, P. B. (2006). When elephants fight, the grass gets trampled: the GLOBE and Hofstede projects. *Journal of International Business Studies*, 37(6), 915-921. doi:10.1057/palgrave.jibs.8400235
- Soderlund, M. (1998). Customer satisfaction and its consequences on customer behaviour revisited: The impact of different levels of satisfaction on word-of-mouth, feedback to the supplier and loyalty. *International Journal of Service Industry Management*, 9(2), 169-169-188. doi:10.1108/09564239810210532
- Sonnenberg, F. K. (1991). *Marketing To Win*, Harper and Row, New York, NY.
- Strauss, B., & Mang, P. (1999). "Culture shocks" in inter-cultural service encounters? *Journal of Services Marketing*, 19(4/5), 329-346.
- Sultan, F., & Simpson, M. (2000). International service variants: airline passenger expectations and perceptions of service quality. *The Journal of Services Marketing*, 14(3), 188-216.
- Sydney Airport. (2011). *International Airlines*. Retrieved 14.07.2011, from <http://www.sydneyairport.com.au/SACL/Airlines-International.html>
- Szabo, E., Brodbeck, F. C., Den Hartog, D. N., Reber, G., Weibler, J., & Wunderer, R. (2002). The Germanic Europe cluster: Where employees have a voice. *Journal of World Business*, 37(1), 55-68.
- Tax, S. S., & Brown, S. W. (1998). Recovering and learning from service failure. *Management Review*, 40(1), 75-88.
- Taylor, R. C. (2008). The Price of a Dissatisfied Customer. *Postitude, RCTaylor Group, Inc.*, 2.
- Taylor, S., & Tyler, M. (2000). Emotional Labour and Sexual Differences in the Airline Industry. *Work, Employment & Society*, 14(1), 77-95.

- Taylor, S. E. (1991). Asymmetrical Effects of Positive and Negative Events: The Mobilization–Minimization Hypothesis. *Psychological Bulletin*, 110(1), 67-85. doi:10.1037/0033-2909.110.1.67
- TeachingValues.com. (2009). *The Golden Rule in World Religions*. Retrieved 10.08-2011, from <http://www.teachingvalues.com/goldenrule.html>
- The Economist. (2011, 12/11). The airmiles-high clubs: Three airline alliances cover most of the world—where do they go next? *The Economist*.
- The Economist. (2012). *Airline safety: A good year for accidents* Retrieved 20.01-2012,
- The Gale Group. (2006). Global Industry Overview: Air Transportation. *Gale Global Industry Overviews: 2006*, 1-16.
- The Gale Group. (2011). Global Industry Overview: Air Transportation. *Gale Global Industry Overviews: 2011*, 20.
- Tiernan, S., Rhoades, D., & Waguespack, B. (2008). Airline service quality: Exploratory analysis of consumer perceptions and operational performance in the USA and EU. *Managing Service Quality*, 18(3), 212-224. doi:10.1108/09604520810871847
- Transnationale.org. (2010a). *Largest companies from: New Zealand*. Retrieved 08.07.2011, from <http://www.transnationale.org/countries/nzls.php>
- Transnationale.org. (2010b). *Welcome to Transnationale.org: analysis of the world's largest companies*. Retrieved 08.07.2011, from <http://www.transnationale.org/default.php>
- Trinidad, C., & Normore, A. H. (2005). Leadership and gender: a dangerous liaison? *Leadership & Organization Development Journal*, 26(7/8), 574-590. doi:10.1108/01437730510624601
- Tsai, W.-C., & Huang, Y.-M. (2002). Mechanisms Linking Employee Affective Delivery and Customer Behavioral Intentions. *Journal of Applied Psychology*, 87(5), 1001-1008.
- Tyler, M., & Abbott, P. (1998). Chocs Away: Weight Watching in the Contemporary Airline Industry. *Sociology*, 32(433), 433-450. doi:10.1177/0038038598032003002
- VG Nett. (2011, 29.12.2011). *2011 blir tidenes tryggeste flyår*. Retrieved 30.12.2011, from <http://www.vg.no/reise/artikkel.php?artid=10032869>
- Virtual Oceania. (2011). *Virtual New Zealand: New Zealand Facts - Overview*. Retrieved 14.07.2011, from <http://www.virtualoceania.net/newzealand/facts/>
- Wang, X. (2011). The effect of inconsistent word-of-mouth during the service encounter. *Journal of Services Marketing*, 25(4), 252-259.
- Wangenheim, F. V. (2005). Postswitching Negative Word of Mouth. *Journal of Service Research : JSR*, 8(1), 67-67-78.
- Warc. (2010). Warc Briefing: Service Brands. *Warc Exclusive: November 2010*, 1-4.
- Warner, M., & Joynt, P. (2002). Introduction: cross-cultural perspectives. In M. Warner & P. Joynt (Eds.), *Managing Across Cultures: Issues and Perspectives* (pp. 284). Padstow, Cornwall: Thomson Learning.
- Wharton, A. S. (1993). The Affective Consequences of Service Work : Managing Emotions on the Job. *Work and Occupations* 1993, 20(2), 205-232. doi:10.1177/0730888493020002004
- Whitelegg, D. (2002). Cabin pressure: The dialectics of emotional labour in the airline industry. *The Journal of Transport History*, 23(1), 73-86.
- Whiteside, S. (2010). How Research Can Build Customer Loyalty – Insights from Data Matters 2010 *Warc Exclusive: February 2010*, 1-5.
- Williams, C. (2003). Sky Service: The Demands of Emotional Labour i the Airline Industry. *Gender, Work and Organisation*, 10(5), 513-550.
- Winsted, K. F., "The service experience in two cultures: a behavioral perspective", *Journal of Retailing*, Vol. 73 No. 3, pp. 337-60. (1997). The service experience in two cultures: a behavioral perspective. *Journal of Retailing*, 73(3), 337-360.
- Wouters, C. (1989). The Sociology of Emotions and Flight Attendants: Hochschild's Managed Heart. *Theory Culture Society*, 6(1), 95-123. doi:10.1177/026327689006001005

- Yeandle, M. (2011). *The Global Financial Centres Index March 2011*: ZYEN, Long Fiance, . Retrieved from <http://www.zyen.com/PDF/GFCI5.pdf>
- Zapf, D. (2002). Emotion work and psychological well-being: A review of the literature and some conceptual considerations. *Human Resource Management Review*, 12(2), 237-268. doi:10.1016/s1053-4822(02)00048-7
- Zapf, D., Vogt, C., Seifert, C., Mertini, H., & Isic, A. (1999). Emotion Work as a Source of Stress: The Concept and Development of an Instrument [Article]. *European Journal of Work & Organizational Psychology*, 8(3), 371-400. doi:10.1080/135943299398230
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1993). The Nature and Determinants of Customer Expectations of Service. *Journal of the Academy of Marketing Science*, 21(1), 1-12.
- Zeithaml, V. A., Parasuraman, A., & Berry, L. L. (1990). Developing quality service: Balancing customer perceptions and expectations. *The Free Press, New York*.

Appendix 1 – Survey

Do service expectations when flying long haul differ between consumers of different nationalities? -A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand)

The following survey questionnaire is part of a research project on possible differences in airline customer service expectations across four British Commonwealth countries.

Your cooperation in this research is highly appreciated.

Answering the questionnaire is 100% voluntary, and by completing the questionnaire you indicate your consent to participate as well as to the use of this data for this and other research projects. Participants can at any time choose to withdraw without this affecting them in a discomforting or negative way. Since I do not have any direct contact with you, the participant, it will not be possible for me to identify you in any way, questionnaires can therefore not be returned. Your company will be sent a summary of the research (if this is wanted) you can thus access the results from the person in your company that invited you to attend in this research.



1) What is your nationality?

British

Singaporean

- Australian New Zealander

Other (please state below)

2) What is your gender?

- Male
- Female

3) What is your educational background?

- Completed some education but did not graduate high school
- High school graduate
- Bachelor
- Master
- Higher

Please indicate how strongly you agree with the following statements (1-6, 1=disagree, 6=completely agree):

	1	2	3	4	5	6
4) Past experiences heavily influence my choice of airlines						
5) It only takes a very few failures for me to decide not to use an airline again						
6) Word of mouth heavily influences my choice of airlines						
7) News media communication (TV, radio, newspaper coverage) heavily influence my choice of airlines						
8) If previous service levels exceed my expectations I will strongly consider flying with the same airline again (if possible)						
9) I find that advertising of airlines heavily influence my choice of provider (for example:)						
10) <u>Newspapers</u>						
11) <u>Magazines</u>						
12) <u>TV</u>						
13) Outdoor (for example billboards and posters)						

Please rank the following dimensions from 1-5, with 5 being the one dimension being most important to you;

	1	2	3	4	5
14) <i>Tangibles (modern-looking aircrafts, office/terminal/gate areas are visually appealing, neat looking staff)</i>					
15) <i>Reliability (consistent service, on-time departures/arrivals)</i>					
16) <i>Responsiveness (Prompt handling of complaints and requests, efficient service)</i>					
17) <i>Assurance (Employees make sure customers feel safe, knowledgeable employees)</i>					
18) <i>Empathy (Employees giving personal attention, convenient operating hours, understand individual needs)</i>					

Please state how important each factor is to you on this 1-6 scale used for the following part (1=unimportant, 6=very important)

It is of crucial importance to me that:	Very					
	Unimpo rtant	Not important	so Impor tant	Impor tant	impor tant	Very impor tant
	1	2	3	4	5	6
Tangibles						
19. the appearance of employees are neat and tidy						
20. physical information provided will be visually appealing						
21. the in-flight entertainment system is up to date						
22. the cabin facilities are modern						
23. the aircraft is modern						
24. the seating is spacious and comfortable						
25. the waiting lounges are comfortable						
26. the quality of the food and beverages are excellent						
Reliability						

27.	the flight depart and arrives as scheduled						
28.	the safety record is excellent						
29.	the check-in procedure is quick and accurate						
30.	I do not have to worry about my luggage getting lost						
31.	the airline shows interest in solving any problem that might occur						
32.	the airline has global partners in order to provide a wider network and smoother transfers						
Assurance							
33.	service staff behaviour inspires confidence in customers						
34.	service staff are knowledgeable and can answer general enquiries						
35.	the airline has a good image and reputation						
36.	the delivery of luggage is quick and my luggage is not damaged in any way						
37.	the emergency service information is clearly communicated						
Empathy							
38.	the service staff take my view seriously						
39.	the service staff understand my individual needs and are consistently courteous with me						
40.	the service staff have the customer's best interest at heart						
41.	the airline provides non-stop services to a range of destinations						
42.	the operating hours and frequencies of flights are convenient						
43.	the service staff gives me personal attention						
44.	the service staff can communicate in the languages of the departure and destination country						

Responsiveness							
45.	the service staff inform me on when services will be performed throughout the flight						
46.	the service staff are always willing to help						
47.	the service staff will not be too busy to meet customer demands						
48.	the intercom messages are broadcasted clearly and effectively						
49.	the service staff seem confident about what to do in any possible emergency event						
50.	the overall service gives good value for money						

51. From your personal experiences, do you feel that some services are missing or that new/other services would benefit you/make your travel more comfortable and enjoyable?

52. What do you see as the main differences between airlines you often fly with and those you prefer not to fly with? If any.

53. Comments and extra detailed answers for any of the questions above are welcomed in the following text box:

Thank you for your time!

Appendix 2 – Open Ended Coding

New Zealand

Themes	Occasions	Per cent
Service Provided		30.28
Customer Service	13	11.93
Independent Needs	11	10.09
Prompt on Ground Info		0.00
Make Customers Feel at Ease	1	0.92
After Flight Customer Service	1	0.92
Airline Reachable		0.00
Price/Quality Relationship	7	6.42
Language		0.00
Comfort Attributes		28.44
Seat Comfort and Space	8	7.34
In Flight Entertainment	6	5.50
Quality of Meals	7	6.42
Check in Process	4	3.67
Quick Luggage Delivery	1	0.92
Power Outlets		0.00
Overhead Locker Size	1	0.92
Wifi on Board	2	1.83
Mobile Phones		0.00
Cleanliness	2	1.83
Surrounding		11.93
Reputation	1	0.92
Modern Aircraft and Facilities	5	4.59
Safety Record	3	2.75
Better Lounges	3	2.75
Communal Areas		0.00
Airport Maps and Signals Better	1	0.92
Flying Process		29.36
Flight Schedule (and timing with network)	10	9.17
Frequent Flyer	7	6.42
Nonstop Services	5	4.59

Airport Pick Up		0.00
Network	1	0.92
Better Transfer Info	2	1.83
On Time	7	6.42
Total:	109	100

Australia

Themes	Occasions	Per cent
Service Provided		25.49
Customer Service	7	13.73
Independent Needs	2	3.92
Prompt on Ground Info		0.00
Make Customers Feel at Ease	1	1.96
After Flight Customer Service		0.00
Airline Reachable		0.00
Price/Quality Relationship	2	3.92
Language	1	1.96
Comfort Attributes		23.53
Seat Comfort and Space	4	7.84
In Flight Entertainment	2	3.92
Quality of Meals	2	3.92
Check in Process	1	1.96
Quick Luggage Delivery		0.00
Power Outlets	1	1.96
Overhead Locker Size	1	1.96
Wifi on Board	1	1.96
Mobile Phones		0.00
Cleanliness		0.00
Surrounding		15.69
Reputation		0.00
Modern Aircraft and Facilities	2	3.92
Safety Record	6	11.76
Better Lounges		0.00
Communal Areas		0.00
Airport Maps and Signals Better		0.00

Flying Process		35.29
Flight Schedule (and timing with network)	6	11.76
Frequent Flyer	3	5.88
Nonstop Services	2	3.92
Airport Pick Up		0.00
Network	2	3.92
Better Transfer Info		0.00
On Time	5	9.80
Total:	51	100.00

The United Kingdom

Themes	Occasions	Per cent
Service Provided		13.64
Customer Service	6	13.64
Independent Needs		0.00
Prompt on Ground Info		0.00
Make Customers Feel at Ease		0.00
After Flight Customer Service		0.00
Airline Reachable		0.00
Price/Quality Relationship		0.00
Language		0.00
Comfort Attributes		43.18
Seat Comfort and Space	6	13.64
In Flight Entertainment	2	4.55
Quality of Meals	4	9.09
Check in Process	1	2.27
Quick Luggage Delivery	2	4.55
Power Outlets	2	4.55
Overhead Locker Size		0.00
Wifi on Board	1	2.27
Mobile Phones	1	2.27
Cleanliness		0.00
Surrounding		18.18
Reputation	1	2.27

Modern Aircraft and Facilities	4	9.09
Safety Record	2	4.55
Better Lounges		0.00
Communal Areas	1	2.27
Airport Maps and Signals Better		0.00
Flying Process		25.00
Flight Schedule (and timing with network)	3	6.82
Frequent Flyer		0.00
Nonstop Services	2	4.55
Airport Pick Up	1	2.27
Network	1	2.27
Better Transfer Info	1	2.27
On Time	3	6.82
Total:	44	100.00

Singapore

Themes	Occasions	Per cent
Service Provided		52.63
Customer Service	4	21.05
Independent Needs	1	5.26
Prompt on Ground Info	1	5.26
Make Customers Feel at Ease		0.00
After Flight Customer Service	2	10.53
Airline Reachable		0.00
Price/Quality Relationship	2	10.53
Language		0.00
Comfort Attributes		21.05
Seat Comfort and Space	1	5.26
In Flight Entertainment		0.00
Quality of Meals	1	5.26
Check in Process	1	5.26
Quick Luggage Delivery		0.00
Power Outlets		0.00
Overhead Locker Size		0.00
Wifi on Board	1	5.26

Mobile Phones		0.00
Cleanliness		0.00
Surrounding		15.79
Reputation		0.00
Modern Aircraft and Facilities	2	10.53
Safety Record	1	5.26
Better Lounges		0.00
Communal Areas		0.00
Airport Maps and Signals Better		0.00
Flying Process		10.53
Flight Schedule (and timing with network)	1	5.26
Frequent Flyer		0.00
Nonstop Services	1	5.26
Airport Pick Up		0.00
Network		0.00
Better Transfer Info		0.00
On Time		0.00
Total:	19	100.00

Participant Information Sheet



Date Information Sheet Produced:

25.09.2011

Project Title

Do service expectations when flying long haul differ between consumers of different nationalities?

-A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand)

An Invitation

My name is Daniel Trinborg. I am a student at Auckland University of Technology, currently enrolled in the Master of Business programme, majoring in International Business.

I would like to invite you to participate in my research and any assistance you are able to offer me is highly appreciated. As stated in the project title, my research is looking at cultural differences regarding service expectations in the airline sector. Your participation in this specific research is completely voluntary and you can withdraw from the research at any time prior to your completion of the questionnaire.

What is the purpose of this research?

This cross-cultural dissertation aims to explore airline service expectations amongst different country nationals in order to find out if service expectations when flying long haul differ between the countries stated. This research specifically looks at possible differences across one group of countries,

namely some of the British Commonwealth countries; The UK, Singapore, Australia and New Zealand.

The dissertation that this research will result in will go towards the completion of my Master's degree. The results of this study may be further published.

How was I identified and why am I being invited to participate in this research?

You have been chosen for this research because of your experience with long haul business travels. By initially contacting your company, you were recommended (invited) because of your relevant experience.

What will happen in this research?

For you to participate in this research I would ask about ten to fifteen minutes of your time to respond to the attached questionnaire on the online link provided further down, under point M.

Answering the questionnaire is 100% voluntary, and by completing the questionnaire consent to participate as well as to the use of this data for this and other research projects is indicated. Since I do not have any direct contact with you as a participant it will not be possible for me to identify you in any way, questionnaires can therefore not be returned. Your company will be sent a summary of the research (if this is wanted). You can then collect the results of the study from the person in your company that invited you to attend in this research.

What are the discomforts and risks?

I do not believe that you will experience any discomfort while responding to the questionnaire. The questions will solely be about what you expect from an airline when flying. The report will be completely anonymous. If you feel uncomfortable you are free to withdraw at any time, as well as skip any questions you are not comfortable with answering.

How will these discomforts and risks be alleviated?

Your anonymity is taken seriously, thus no personal or company related details will be traceable in the dissertation. This is why I only approached your business through one of the publicly official e-mail addresses and did not ask for information about you directly. Answering the questionnaire is completely voluntary.

If information is to be provided to me this will be kept safely stored and shall not intervene with my analysis, anonymity will be guaranteed in the final report.

What are the benefits?

People's different expectations on customer service on different airlines can be reasons for choosing one airline over another. Airlines will possibly be able to diversify and further customise their way of providing services and differ between larger markets. This will help increase the customer service airlines provide to their different markets/customers. Passengers flying business and/or higher classes are seen as highly important by airlines and I therefore believe they should take the time to value this research and your responses and possibly execute possible improvements (as seen with the customers eyes).

This again can affect the market share and profitability of the airlines in specific countries since international markets are of crucial importance to airlines.

Airlines will benefit from this research as well as you as a customer that can receive more customised treatment according to possible varying national expectation levels. The academic literature will also benefit from this research in order to help to close a gap in the specific area of study.

How will my privacy be protected?

I will not meet or get to know you directly, and because e-mails will be sent to your company's publicly official contact e-mail address to establish contact your personal details will be unknown to the researcher. If I should know your name and/or specific contact information, this will be safely stored and anonymity will be guaranteed in the final report.

What are the costs of participating in this research?

This research is believed to take about ten to fifteen minutes of your time.

What opportunity do I have to consider this invitation?

Participating in this research is completely voluntary, though I would kindly ask that you reply to this letter within one week of receiving. You are free to withdraw from the research at any time up until mid-October 2011 (about 3 weeks after receiving the questionnaire). By letting the person that sent you the invitation know that you do not want to participate and informing that individual to inform me, as the researcher that one possible participant is unable to attend. This will be highly appreciated.

How do I agree to participate in this research?

If you wish to participate in this research, please inform the person that sent you this invitation and kindly ask him/her to contact the researcher and state that 1 person (or more) from your company are participating to the questionnaire provided.

The survey is to be found here:

<http://www.surveymonkey.com/s/TL63BN9>

Will I receive feedback on the results of this research?

I will contact your business in Early 2012 to provide you with a copy of the summarised research report.

What do I do if I have concerns about this research?

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Associate Professor Romie Littrell, romie.littrell@aut.ac.nz, +64 9 921 9999 ext 5805.

Concerns regarding the conduct of the research should be notified to the Executive Secretary, AUTEK, Dr Rosemary Godbold, rosemary.godbold@aut.ac.nz +64 9 921 9999 ext 6902.

Whom do I contact for further information about this research?

Researcher Contact Details:

Daniel Trinborg

Hgc9012@aut.ac.nz

+64 21 257 7758

Project Supervisor Contact Details:

Romie Littrell

Romie.littrell@aut.co.nz

+64 9 921 9999 ext 5805

Approved by the Auckland University of Technology Ethics Committee on *4/10-2011*, AUTEK Reference number *11/213*.

Management Information Sheet



Date Information Sheet Produced:

25.09.2011

Project Title

Do service expectations when flying long haul differ between consumers of different nationalities?

-A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand)

An Invitation

My name is Daniel Trinborg. I am a student at Auckland University of Technology, currently enrolled in the Master of Business programme, majoring in International Business.

I would like to invite your business' employees (5 to 10 employees) to participate in a study I am doing on customer expectations and airlines. The participation will take about ten- fifteen minutes by answering a few questions in an online survey. This study may enable airlines to make long haul travel somewhat more pleasant.

Any assistance you are able to offer me is highly appreciated. As stated in the project title, my research is looking at cultural differences regarding service expectations in the airline sector. Participation in this specific research is completely voluntary and participants can withdraw from the research at any time prior to your completion of the questionnaire.

What is the purpose of this research?

This cross-cultural dissertation aims to explore airline service expectations amongst different country nationals in order to find out if service expectations when flying long haul differ between the

countries stated. This research specifically looks at possible differences across one group of countries, namely some of the British Commonwealth countries; The UK, Singapore, Australia and New Zealand.

The dissertation that this research will result in will go towards the completion of my Master's degree. The results of this study may be further published.

How was I identified and why am I being invited to participate in this research?

Your company has been chosen because it is listed as one of your country's 20 largest companies on <http://www.transnationale.org/> and because you have an international profile.

What will happen in this research?

For your business to participate in this research I would ask about ten to fifteen minutes of someone that flies business related long haul flights' time to respond to the attached questionnaire on the online link provided further down, under point M.

Answering the questionnaire is 100% voluntary, and by completing the questionnaire consent to participate as well as to the use of this data for this and other research projects is indicated. Since I do not have any direct contact with the participants it will not be possible for me to identify the person(s) in any way, questionnaires can therefore not be returned. Your company will be sent a summary of the research (if this is wanted). You can then collect the results of the study from the person in your company that invited you to attend in this research.

What are the discomforts and risks?

I do not believe that there will be any discomfort while responding to the questionnaire. The questions will solely be about service quality expectations when flying. The report will be completely anonymous. If anyone should feel uncomfortable they are welcome to withdraw at any time, as well as skip any questions they are not comfortable with answering.

How will these discomforts and risks be alleviated?

Anonymity is taken seriously, thus no personal or company related details will be traceable in the dissertation. This is why I only approached your business through one of the publicly official e-mail addresses and did not ask for information about any participants directly. Answering the questionnaire is completely voluntary.

If information is to be provided to me this will be kept safely stored and shall not intervene with my analysis. Anonymity will be guaranteed in the final report.

What are the benefits?

People's different expectations on customer service on different airlines can be reasons for choosing one airline over another. Airlines will possibly be able to diversify and further customise their way of providing services and differ between larger markets. This will help increase the customer service airlines provide to their different markets/customers. Passengers flying business and/or higher classes are seen as highly important by airlines and I therefore believe they should take the time to value this research and your responses and possibly execute possible improvements (as seen with the customers eyes).

This again can affect the market share and profitability of the airline in specific countries since international markets are of crucial importance to airlines.

Airlines will benefit from this research as well as you as a customer that can receive more customised treatment according to possible varying national expectation levels. The academic literature will also benefit from this research in order to help to close a gap in the specific area of study.

How will my privacy be protected?

I will not meet or get to know the participants directly. E-mails will be sent to the companies' publicly official contact e-mail address to establish contact. The person replying to general incoming emails has been invited to pass on the questionnaires to eligible respondents without giving the researcher any specific contact information. If information is to be provided to the researcher this will be kept safely stored and shall not intervene with the researcher's analysis, anonymity will be guaranteed in the final report.

What are the costs of participating in this research?

This research is believed to take about ten to fifteen minutes.

What opportunity do I have to consider this invitation?

Participating in this research is completely voluntary, though I would kindly ask that the contact person replies to this email within one week. Any participant is free to withdraw from the research at any time up until mid-October 2011 (about 3 weeks after receiving the questionnaire). This can be done by letting the person that sent the invitation know that the possible participant do not want to participate and informing that individual to inform me, as the researcher that one possible participant is unable to attend. This will be highly appreciated.

How do I agree to participate in this research?

If any business traveller wish to participate in this research, it will be highly appreciated if they inform the person that sent this invitation to them and kindly ask him/her to contact the researcher and state that 1 person (or more) from your company are responding to the questionnaire provided.

The survey is to be found here:

<http://www.surveymonkey.com/s/TL63BN9>

Will I receive feedback on the results of this research?

I will contact your business in early 2012 to provide you with a copy of the summarised research report.

What do I do if I have concerns about this research?

Any concerns regarding the nature of this project should be notified in the first instance to the Project Supervisor, Associate Professor Romie Littrell, romie.littrell@aut.ac.nz, +64 9 921 9999 ext 5805.

Concerns regarding the conduct of the research should be notified to the Executive Secretary, AUTEK, Dr Rosemary Godbold, rosemary.godbold@aut.ac.nz +64 9 921 9999 ext 6902.

Whom do I contact for further information about this research?

Researcher Contact Details:

Daniel Trinborg

Hgc9012@aut.ac.nz

+64 21 257 7758

Project Supervisor Contact Details:

Romie Littrell

Romie.littrell@aut.co.nz

+64 9 921 9999 ext 5805

**Approved by the Auckland University of Technology Ethics Committee on 4/10-2011, AUTEK
Reference number 11/213.**

Request for Company participation in graduate research

Hello,

My name is Daniel Trinborg. I would like to request that your business' employees (5 to 10 employees) participate in a study I am doing on customer expectations and airlines. The participation will take about ten- fifteen minutes by answering a few questions as an online survey. This study may enable airlines to make long haul travel somewhat more pleasant.

This study is part of my master's degree programme that I am doing in New Zealand, on international business. My dissertation topic is:

Do service expectations when flying long haul differ between consumers of different nationalities? -A Cross Cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand).

This cross-cultural dissertation aims to explore airline service expectations amongst different country nationals in order to find out if service expectations when flying long haul differ between the countries stated. This research specifically looks at possible differences within one group of countries, namely some of the British Commonwealth countries; The UK, Singapore, Australia and New Zealand.

People's different expectations on customer service can be reasons for choosing one airline over another. Airlines will possibly be able to diversify and further customise their way of providing services and differ between larger markets. This can help increase the customer service airlines provide to their different markets and customers.

It would be highly appreciated if some of you would be able to respond to the mentioned survey (the total amount of time needed will be approximately 10 minutes).

Also, I will kindly ask for you to be my contact person in your company.

An information sheet is provided as an attachment, one for the participant and one for the management of your company.

Regards,

Daniel Trinborg

hgc9012@aut.ac.nz

(Student at AUT University, Auckland, New Zealand)



MEMORANDUM

Auckland University of Technology Ethics Committee (AUTEC)

To: Romie Littrell

From: **Dr Rosemary Godbold** Executive Secretary, AUTEC

Date: 4 October 2011

Subject: Ethics Application Number 11/213 **Do service expectations when flying long haul differ between consumers of different nationalities? A cross cultural study on four British Commonwealth countries (United Kingdom, Singapore, Australia and New Zealand).**

Dear Romie

Thank you for providing written evidence as requested. I am pleased to advise that it satisfies the points raised by the Auckland University of Technology Ethics Committee (AUTEC) at their meeting on 22 August 2011 and I have approved your ethics application. This delegated approval is made in accordance with section 5.3.2.3 of AUTEC's *Applying for Ethics Approval: Guidelines and Procedures* and is subject to endorsement at AUTEC's meeting on 31 October 2011.

Your ethics application is approved for a period of three years until 4 October 2014.

I advise that as part of the ethics approval process, you are required to submit the following to AUTEC:

- A brief annual progress report using form EA2, which is available online through <http://www.aut.ac.nz/research/research-ethics/ethics>. When necessary this form may also be

used to request an extension of the approval at least one month prior to its expiry on 4 October 2014;

- A brief report on the status of the project using form EA3, which is available online through <http://www.aut.ac.nz/research/research-ethics/ethics>. This report is to be submitted either when the approval expires on 4 October 2014 or on completion of the project, whichever comes sooner;

It is a condition of approval that AUTEK is notified of any adverse events or if the research does not commence. AUTEK approval needs to be sought for any alteration to the research, including any alteration of or addition to any documents that are provided to participants. You are reminded that, as applicant, you are responsible for ensuring that research undertaken under this approval occurs within the parameters outlined in the approved application.

Please note that AUTEK grants ethical approval only. If you require management approval from an institution or organisation for your research, then you will need to make the arrangements necessary to obtain this. Also, if your research is undertaken within a jurisdiction outside New Zealand, you will need to make the arrangements necessary to meet the legal and ethical requirements that apply within that jurisdiction.

When communicating with us about this application, we ask that you use the application number and study title to enable us to provide you with prompt service. Should you have any further enquiries regarding this matter, you are welcome to contact me by email at ethics@aut.ac.nz or by telephone on 921 9999 at extension 6902.

On behalf of AUTEK and myself, I wish you success with your research and look forward to reading about it in your reports.

Yours sincerely

Dr Rosemary Godbold

Executive Secretary
Auckland University of Technology Ethics Committee

Cc: Daniel Rene Trinborg trinborg@hotmail.com