

# Airasia consumer behaviour assignment

[Business](#), [Marketing](#)



Consumer Decisions Making process 4. 1 . Problem recognition 4. 2.  
Information search . 3. Evaluation of alternatives 4. 4. Purchase decisions 4.  
5. Postprocessor decisions 5. 0. Conclusion 6. 0. Bibliography EURASIA:

Eurasia is a Malaysian company, that introduced the Low Cost Carrier service to the domestic market and eventually the Asian region. Currently Eurasia is the leader in this market segment. Before it becomes the Eurasia that we all know today, Eurasia was a poorly performed company owned by a government-link company (CLC) in Malaysia, DRY-WHICH.

In 2001, it was sold to the current owner, Tony Fernando and its Tunisia company, for a sum of only RMI . 00 or approximately SIS\$O. 30, together with its accumulated debt of RMI million (Eurasia, 2008). Within two years, Tony Fernando exceeds everyone's expectations, and turned Eurasia to a profit making Eurasia Consumer Behavior By intimidator company. By the third year it was listed in the Kuala Lumpur bourse with outstanding IPO (initial public Offer) of RM 4 million (Treat, 2008). In 2006, it was given the use of ELECT terminal in Malaysia, because its passenger load have expanded to such a capacity.

This assignment will describe how Eurasia, managed to become the company it is today, started with a fleet of only 1 aircraft in 2001, to a fleet of 72 aircrafts, flies over 61 domestic and 108 international destinations, and operates over 400 flights daily from hubs located not only in Malaysia, but also Thailand and Indonesia, and launched Eurasia X for longer haul flights with its wide- body aircrafts, through the eyes of Consumer Behavior, from psychological drivers, sociological drivers and consumer decision making process. . 0. Psychological Drivers of consumer behavior There are

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psychological drivers that influence the consumer's behavior. They are; motivation, perception, learning, values, beliefs and attitudes, and lifestyle, are useful or interpreting the consumer's buying process and directing the company's marketing efforts. 2. 1 . Motivation. Motivation is the energize force that causes behavior that satisfies a need.

The needs are hierarchical, from the basic of it and higher. 2. 1. 1 . Hierarchy of Needs From this Maslow's Hierarchy of Needs, before Eurasia, air travel is generally considered in the higher hierarchy of needs, esteem, where some people intend to show others their ability to travel by air, and visit destinations that others can't.

This is what Eurasia realized, they created the tagging “ now everyone can fly’, hence raising the awareness to the people, and also created the motivation that now air travel is no longer considered in the ‘ esteem’ hierarchy of needs, people can travel just to fulfill their Love/Belonging needs, whether people travel to seek the ones they love, friends or family, or they travel to please those loved ones, such as holiday destinations, by air.

2. 1. 2. Means-end chain.

Means-end chain follow a time-honored approach for thinking about motivational issues. The central premise that objects have value only because they produce desirable consequences or enable one to avoid negative consequences is at the heart of most modern conceptualizations of motivation (Atkinson, 1964, Levin, 1951 , Dolman 1 The above chain shows that at the end of the day, a consumer who purchase Eurasia as way of their

air travel, will have excess money to save or to spend on something else in their travel or holiday.

The ad above, shows that because of the Raisin's cheap price of articulated to London, consumers get to spend their money on something else, like shopping and visiting heritages places in London. Eurasia marketing people created the motivation of a desirable consequences if consumer purchase their service 2. 2. Perception. Perception is " the process of assembling sensations into a useable mental representation of the world,.. Perception creates faces, melodies, works of art, illusions out of the raw material of sensation" (Con, 1983) or to summarize, is the process by which physical sensations are selected, organized and interpreted.

Individuals with the same need might not purchase or choose similar products or service due to the difference in perception. From the perceptual process model above (Solomon, 2 ), Eurasia succeeded in creating stimulations and attentions, and try to generalized the perception of people that now everyone can fly. Obviously they stimulate the sights first, by using the same tagging in every ads, media and online and billboards. Thus, consumers remember this information, which results when they want to purchase an airline ticket, Eurasia is the first choice comes to mind. 2. .

Learning Learning is " the process by which relatively permanent changes occur in behavioral potential as a result of experience" (Anderson, 1995).

Raisin's marketing people understand consumer's learning process affecting their decision making. 2. 3. 1 . Behavioral Learning. Repeated exposure to an experience will result in the process of developing an automatic response to

that particular situation. In the Eurasia case, the company is trying to develop that automatic response is choosing Eurasia as their airline, overtime a customer wants to buy an airline ticket. . G: As Eurasia owns by Tune group who also owns the Hotel chain of Tune Hotel, the company able to sell air tickets together with hotel fares, resulted in cheaper and convenient way to travel. Customers learned that through the website, they can purchased the air ticket together with hotel. This resulted in repeated behavior of purchasing Eurasia ticket, as the customer find it more convenient. . 3. 2. Cognitive Learning. Eurasia is trying to make connections between the two ideas of purchasing airline ticket together with the hotel.

But now, as the customers uses the Eurasia website to purchase the air ticket, they can also choose a wider range of hotel choices, not just the Raising's own Tune Hotel Chain. Eurasia through their website now also act as an agent, where customer, as they're saving money by buying raising's ticket, have the options to spend more whether to indulge in more luxurious way of staying, by choosing more luxurious hotels that now available in the company's website. The above screenings of raising's website shows that consumers can purchase air ticket and hotel vouchers at the same time. . 3. 3. Brand Loyalty. One of the way of doing application learning principles by Eurasia is introducing their reward programs to Raising's customers, there are the frequent flyer miles, or free ticket, or holiday vouchers to give away to its customers. These things reinforce their behavior and build brand loyalty toward Eurasia itself. Eurasia is trying to educate the people, they themselves become the catalyst of the learning process. The outcome of learning is memory.

By putting inputs and intimation out there, “ now everyone can fly’, even the people who are not in needs of air travel, learned that there is now a cheap way to fly. Hence, this information is recovered from memory when these consumers are in need of air travel, and choose Eurasia. 2. 4. Beliefs and Attitudes. Beliefs and attitudes play an essential role in influencing the buying decisions of consumers. No matter how good the service is, but if the consumer feels it is useless, he/she would never purchase it.

From the attitude-towards-the-ad models, Eurasia, creates such an exposure to ads or consumers, with the same theme of red and white, in their billboards ads, websites look, magazine and newspaper’s ads, thus affecting the beliefs towards the Eurasia brand. Constant exposure to these ads and commercials, Witt red and white colored themed, create the attitude of choosing Eurasia, when the time is come for consumer to make a choice. 2. 5. Lifestyle. A person’s activities, interests and opinions, often resulted in that particular person’s lifestyle. The technology nowadays created a new lifestyle in people’s life.

Internet and smartness is becoming more and more important to people. Eurasia agonized this, beside website as their purchasing portal, now people also can purchase air ticket and hotel voucher as well through their smartness, by creating application for smartness platforms such as sis and android. 3. 0. Sociological Drivers of consumer behavior 3. 1. Personal Influence. Personal influences resulted from the interaction between one individual and others. These influences can also come from opinion leaders, where one individual can exert certain influence over other people. . G. , in a

working environment, when a manager decided to use Eurasia, even for his/her personal travel, his/her subordinates will be influenced to do the same thing.

3. 2. Reference Groups. When a certain individual looks to a group of people, as a basis of self-appraisal or as a source for personal standards, these group of people can be considered as Reference groups. Marketers must understand: how groups influence individual behavior, how group influences vary across products and brands, how to use group influences to develop effective strategies.

Recognizing these groups can help the marketing people of Eurasia for their marketing strategies. There are three types of reference groups to create a difference in marketing implications:

3. . 1 . Membership group. A membership group is where an individual is actually belong to.

3. 2. 2. Aspiration An aspiration group is a group where an individual want to be intensified to.

3. 2. 3. Dissociation group. A dissociation group is a group where one individual wants to maintain a distance to, because of differences in values or behavior.

33 The Family.

Differential influence of family members can affect the purchasing decisions. Eurasia recognized this by introducing one credit card for all transactions in their home website. In Asian region, in a family, decision usually carried out by the head of the family (the father), or the one who is providing for the whole family. Thus, even where a situation like a joint decision making is raised, the father who has the biggest income usually make the decision. In their website, a father, can create a surname, which already included with all the credit card's data.

In this case, any family member who wants to purchase air ticket can easily use their husband's/father's surname. 3. 4. Social Class. Social class is a relatively permanent, homogeneous divisions in a society into which people sharing similar values, interests, and behavior are grouped. The determinant of social class usually include occupation, source of income and education. Raisin's marketing strategies and advertisement spotted these social classes in society, especially the middle-class. The rise of middle-class economy in Asia pacific region created more value-oriented consumer, where value for money is important.

Co-workers, students even housewives group can now easily travel and spend holiday together. 3. 5. Culture Culture refers to the set of values, ideas and attitudes that are accepted by a homogeneous group of people and transmitted to the next generation. The South East Asian region, where Eurasia is based, is translated to a growing market. By studying the buying patterns of these people, Eurasia can focused their marketing strategies. These growing market in South East Asia, which also recognized by the growing economies, means more and more people have an extra disposable income.

The South East Asian people are easily affected by others. A trend is easily formed, if a group of workers, families or students are using Eurasia to travel and explore new places and shared their experiences through social media, it can easily influence there similar groups in the society to do the same thing. 4. 0. Consumer Decision Making process. 4. 1 . Problem recognition. First stage of the consumer decision making process is the problem



recognition. At this stage, a consumer is perceiving a need. In Raisin's case, is the need to travel.

In some Raisin's advertisement, the marketing people shows a numerous travel destination, with each separate own picture, and shows how cheap it is now to get to those places by using Eurasia as their airline. Hence, it is underlining the need of the people. This relates to marketing rant, of PRODUCT, PRICE and PLACE. For PRODUCT and PRICE, no airlines before Eurasia can provide this low fare of article's. As for PLACE, Eurasia provides more destination regionally than any other airlines and also have new sales office in major cities not just in Malaysia, but also Indonesia and the Philippines.

Another thing, the internet booking, now Eurasia manage to save consumer's time in purchasing of article, people can now buy their article's online, or even from their smartness. The ad shows how cheap it is to travel to Paris. The need to travel, especially overseas, maybe as honeymoon, is already there, but now Eurasia, with these immemorial all over the place, is enhancing that need. 4. 2. Information search The information search by the consumers, clarify what options are there available to them. Which airline is the cheapest, which one is the most comfortable, hassle free and so on.

There are two steps of information search; 4. 2. 1 . Internal Search. Internal search is where one search one's memory, recall any previous experience or information, in this case, related to air travel. An individual may remember how hard it is to purchase a ticket using a physical store, where the need to be at the travel agent physically and purchased the ticket. In marketing mix,

PROMOTION, Eurasia is going all-out with their “ now everyone can fly’ tagging. Consumer can see this tagging everywhere; billboards on roadsides, magazines, newspaper, even on news website as pop-up advertisement.

Eurasia is trying to plant this tagging inside everyone’s mind, hence, by the time they want to purchase article, they straight away remember of Raisin’s “ now everyone can fly’. 4. 2. 2. External Search. Sources for external information are usually friends and family, public sources, and marketer-dominated source. Marketer-dominated sources are where Raisin’s marketing team excelled at. Their advertising aggressive all over the place and media, their websites are constantly updating with new time-limited promotions, causing people to access it more often.

Now, consumer’s can even subscribe for their newsletter by emails. In relation to marketing mix, Eurasia provide new P / REVIVE. The screenings above shows Eurasia comes up with hassle free website, with its flash page technology, that shows multiple destinations pictures that always changing in the home page. At this stage, a consumer is evaluating what are the alternatives of choices he/she has. The company will always enhancing what are their superiority over interiors. PRICE is one obvious thing why consumer choose Eurasia, theirs will often cheaper than others.

Other way doing this is always one step ahead in the technology side of marketing. Eurasia is the first airline that providing online purchasing through the internet. Now, where other low-cost airline also have the same feature on their website, Eurasia have come up with smartened application. This application can be downloaded to a consumer’s smartened, and he/she

can easily make flight queries or purchasing ticket(s) or even buying hotel voucher, just by using his/her smartphone. 4. 4. Purchase decision At this stage, consumers are making their decision in which airline service to choose.

Raisin's marketing people understand at the previous stages of CDC, they have excelled. Hence, at this stage, their marketing mix, PRODUCT, PRICE, PROMOTION and PLACE of Eurasia have successfully targeted the consumer and guided them into purchasing their service. 4. 5. Postprocessor behavior At this stage, the consumer compares the service they purchased with expectations and is either satisfied or dissatisfied. Expectancy discrimination with performance approach (Oliver, 1997) and the balancing paradigm (Fourier and Mice, 1999) are two current theories of consumer satisfaction.

Satisfaction is more likely to lead to repeat purchase/loyalty and positive Word of Mouth (WOMB). Dissatisfaction is more likely to lead to brand switching, complaints and negative word of mouth (WOMB). In Raisin's case, they try to minimize the consumer's expectations as low as possible. The two pictures above are the screenshots of the Eurasia website when a consumer is purchasing a ticket. It clearly shows that passengers will not get in-flight refreshment, no complimentary luggage, no choice of seats, unless they purchase all of these things on the website.

By doing this, Eurasia managed to get their customer's expectations as low as possible, because they don't promise other than the service that you, as a customer, already purchased online. Eurasia has established themselves as a profit-making company and a successful low-cost carrier that prompted other airlines in the South East Asian region to do the same thing. This company

build their brand name with their tag line “ now everyone can fly’, telling people that flying is now more affordable and easy. This tagging is also shaping their marketing mix.

For their Product, Price, and Place, Eurasia clearly introduced a new way of flying by airlines, a cheap and easy one. At Consumer Decision Making process, the Product and Price influenced consumer at the Problem recognition and Information search step process. With Promotion, they influence the steps of Information search and Purchase decision in the CDC process. Eurasia is so aggressive in their promotional activities, by putting their tagging “ now everyone can fly’ in every advertisement and commercials. By understanding the psychological drivers and sociological drivers of consumer, Eurasia have executed its marketing plan