

Factors influencing passengers satisfaction and loyalty in airasia

[Environment](#), [Air](#)



Low cost carriers play a significant role in the airline industry which have changed the competitive environment within modern markets and have made great impacts in the passengers' market globally, that had previously been controlled by full service network carriers (O'Connell and Williams, 2005). Airlines services classified as low cost carriers or LCCs appeared in the airline industry in the South-East Asia region following deregulation in the early 2000s. AirAsia pioneered low cost traveling in Malaysia as well as Asia in general. The airline was established in 1993. It operates scheduled domestic and international flights and it is considered as Asia's largest low-fare, no-frills airline. It is also the first airline in the region to implement fully ticketless travel. AirAsia facilitates online transactions through e-commerce system for customers and business partners. It took eight and a half years for AirAsia, which started with just two aircraft and 200 staff, to become the continent's largest low-cost carrier (LCC) by breaking the 100-million-passenger mark. The AirAsia group has grown fast, with a fleet of 96 aircrafts connecting 22 countries with 139 routes and 8, 000 staff. AirAsia's current annual passenger records are already well above those of leading carriers in the region. For example, International Air Transport Association statistics show full-service airlines Cathay Pacific carried 18. 1 million passengers last year, Thai Airways International 17. 9 million, Singapore Airlines 16. 3 million and Malaysia Airlines 11. 9 million (Fernandes, 2010).

AirAsia reaches to more than 20 destinations worldwide including Iran. AirAisa had started operation to Iran twice-weekly since July 2010, and increased to daily operation nowadays. Iran market for AirAisa is quite potential since Iranians have big middle class income and desire to travel

<https://assignbuster.com/factors-influencing-passengers-satisfaction-and-loyalty-in-airasia/>

internationally. Malaysia accepts Iranian tourists without visa requirements, and there's already an established Iranian expat community in Malaysia. Apart from travelling to Malaysia for the purpose of vacation, a number of Iranians are flocking to Malaysia, attracted by a fellow Islamic country with a relatively low cost of living, instead of pursuing their dreams in traditional exile hubs such as Canada or Sweden. Easy visa, high educational standards, freedom, low cost of living and great transportation facilities are among Malaysia's attractions for Iranian people. According to the statistics provided by Tourism Malaysia, there were 101, 000 visits made by Iranians to Malaysia in 2009. After the 9/11 attacks, people from the Middle East feel more secure in Islamic countries. So as the number of Iranians moving to Malaysia is increasing, the airline market and flight transportation between Iran and Malaysia becomes more competitive. Therefore, AirAsia as a newly operating carrier in Iranian market should consider all the necessities to get the competitive advantages over its full service competitors such as Iran Air, Etihad Airways, Mahan Air, Emirates, Qatar Airways, and Gulf Air that are operating between the two countries.

Airline services regardless of whether they are full service or low cost carriers are made up of a very complex mix of intangibles (Gursoy et al., 2005). Thus, measuring customers' expectations, and their service quality is difficult because customer satisfaction is measured by many intangible factors such as atmosphere and condition of the cabin, crews behaviors, etc. (Fitzsimmons and Fitzsimmons, 1994).

Understanding and meeting customers' expectations, and gaining the competitive advantages over the competitors are important in order to survive in today's world of globalization. It is important that service companies measure and monitor service quality and satisfaction based on their customer needs and expectations (Saha and Theingi, 2009).

Service offerings are changing increasingly in recent years within the airline industry (Atilgan et al., 2008). As the passengers' needs and wants are growing in variety, challenge in airline market is becoming tough. In such an occasion, airline companies need to be aware of the latest shift and trend to be able to react on time. Since the culture of customers varies in different nationalities, airline companies need to consider the market trend and people's culture of the market they are entering. Thus, precise and timely information on a wide range of customer needs and expectations become critically important.

Airline companies need to consider and apply the valuable service strategy to increase customer satisfaction and customer loyalty. Airline companies as ambassadors that carry the image of their origin countries, need to increase their service level to attract more tourists and improve the tourism industry.

As Malaysia is a touristic country that attracts Iranians frequently, the airline industry has an important effect on its travel and tourism industry. In the wake up of increasing competition and improving tourism industry, there is a need for airline providers to recognize the importance of service improvement in order to establish competitive advantages. High service

quality fosters customer satisfaction, stimulates intention to return and encourages recommendations (Nadiri and Hussain, 2005). In a highly competitive airline industry, managers must find ways to make their services stand out amongst competitors. To achieve this, managers should understand their customers' needs, and improve their service quality level to meet customers' wants and needs.

Problem Statement

A study has been done in the airline industry focusing on low cost carriers in Malaysia (Azmi A., Hanim A., Norzalita A., Asbudin A., 2010). But the study considered only domestic flights as well as short-haul trip to collect data in order to measure service quality, customer satisfaction and loyalty, and therefore the resulted underlying dimensions of service quality might not be applicable to the long-haul trips or international flights. In addition, the study focused mostly on Malaysian market as well as Malaysian passengers. The study evaluated the service quality offered by AirAsia and measured customer satisfaction and loyalty based on what Malaysian customers expect and perceive. This might differ from Iranian customers in terms of culture and background. The study also applied SERVQUAL model to measure service quality and customer satisfaction. Considering the weaknesses of SERVQUAL model, this study is applying AIRQUAL model developed by Erik, Hussain and Bavik (2006), in the guidance of Churchill (1979) and Parasuraman et al. (1985; 1988) to control the psychometrical application problems of the existing quality scales. Kalthom , Noor and Kamariah (2007) conducted a study to measure the service quality of airline services in

Malaysia examining the effect of ethnicity on expectations and perceptions of service quality. They attempted to compare the travel behaviour, perceptions and expectations of Malay and non-Malay passengers.

Since AirAsia is considered as one of the most popular and successful budget airlines in South East Asia (Cassandra, J., 2007), that newly entered in Iranian market, there is a need to investigate the factors influencing the Iranian airline passengers' satisfaction and loyalty in order to improve the service quality to remain different from its competitors in Iranian market and increase its market share in Iran. Before AirAsia started its operation in Iran, Air Arabia was the only operating low cost carrier in the country. Although, some studies have been conducted to measure service quality and to explore customer satisfaction and loyalty in full service airlines in Iranian market (Khalia M., Aghdasi M., 2006) and also ranking airlines' service quality factors in Iranian society (Nejati, M., 2008), but there is no study that focused on low cost carriers in Iran. Therefore, this study is seeking to identify the weakness(s) of AirAsia service quality as well as the factors influencing AirAsia Iranian passengers' satisfaction and loyalty in terms of service quality, by applying the AIRQUAL model.

Objectives

The main purpose of this study is to identify the outstanding service quality dimensions for AirAsia. This study is also seeking to determine the dimension(s) or factor(s) that significantly influence the satisfaction level of AirAsia Iranian passengers. The service dimensions to be identified in this

study are based on passengers' perceptions of AirAsia service quality. Specifically the study is aimed at addressing the following objectives:

To identify service quality expectations and perceptions of AirAsia` Passengers in Iranian market.

To connect these perceptions to their satisfaction and repurchase intentions.

To examine how customer satisfaction and repurchase intention influence the word of mouth communication.

To explore whether customers' expectations of service quality in Iranian market differs from Malaysian market so that AirAsia sets its service quality according to Iranian expectations.

Research Questions

To fulfill the objectives, the research questions can be expressed as:

What are the Iranian passengers` perceptions of AirAsia service quality?

What are the main factors influencing passengers` satisfaction and loyalty in Iranian market?

How the passengers` satisfaction can influence their repurchase intention as well as word of mouth communication?

How do customers` perceptions of service quality in Iranian market differ from Malaysian market?

Literature Review

In this section the literature review related to the research is discussed, which consists of two parts. Part one is the background of the study and part two discusses about the model of the study as well as the relevant hypotheses.

Background of the study

This part discusses and reviews the studies have been done about the important elements of the study such as service quality, service quality measurement tools, SERVQUAL and AIRQUAL model, the importance of service quality in airline services, service quality in AirAsia, airline market in Iran, customer satisfaction and loyalty, the relationship between customer satisfaction and service quality, and customer satisfaction and word of mouth.

Service Quality

Quality has become a significant worry for those in the service industry, specifically the airline industry. Although people primarily use airplanes to satisfy their need to go from one place to another, procedures from ticketing, checking, boarding and traveling to baggage handling, etc. can also deeply influence travelers' attitudes to the services provided by airlines and their satisfaction with those services (Feng-I.; Kuang L.; Jin-Long L., 2005).

Service quality can be defined in the marketing literature as a post consumption evaluation of services by customers (Holdford & Reinders, 2001). Headley and Bowen (1997) believe that service quality is the

difference between what customers expect and need, and what they certainly perceive once they consume the product and service. According to Mostafa (2005), service quality has become a famous research topic because of its important relationship to costs, profitability, customer satisfaction, customer retention, service guarantees, and financial performance.

Parasuraman, Berry and Zeithaml (1991) illustrate perceived service quality as the customer-based performance measure. Perceived service quality is also seen in the customer's global point of view or judgment of the overall excellence or superiority of the service (Ugboma, et al., 2004).

In order to be competitive, service providers must provide quality service to their customers. Past studies have attempted to evaluate customers' expectations, needs and their perceptions of service quality and the effect of customer satisfaction levels on their future behavior as well as their intention to repurchase. Using the finding of these studies, various strategies for achieving customer satisfaction and customer loyalty have been suggested to companies.

Service Quality Measurement Tools

Most of the research in services marketing focuses on understanding services and service quality from customer's point of view (Brown et al. 2006). The use of service quality as a competitive edge has been widely addressed in marketing literature (Shostack 1977; Lovelock 1983; Gronroos 1978, 2006; Parasuraman, Zeithaml & Berry 1985, 1988, 1991, 1994, 1994; Bitner, Booms & Tetreault 1990; Rust, Zahorik & Keiningham 1995; Rust & Chung 2006; Kasper, Helsdingen, & Gabbott 2006). However, service quality

is an indefinable and conceptual construct that is difficult to measure (Cronin et al. 2000).

Several quality evaluation methodologies are provided. Some come as a result of the realization of conceptual models produced to understand the evaluation process and others come from practical analysis and experimentation.

For comparison between different service quality evaluation tools, some analysis criteria such as data collection, sample size, questionnaire format used to collect data, items number, questionnaire dispensing, data analysis, dimensions number considering for service evaluation, questionnaire reliability, theoretical method base ground, customer-tool interference degree, personal peculiar (idiosyncratic) effect on interviewed customers and data pre-evaluation have been considered (Franceschini and Cinetti, 1998).

Most famous tools for service quality evaluation described by the Franceschini and Cinetti (1998) are given below:

SERVQUAL: was developed by Parasuraman, Zeithaml, and Berry (PZB model encouraged by a conceptual model offered in 1985 by them. In this model service quality is judged by calculating the difference (gap) between what customer expects and what he/she really perceives. SERVQUAL has been revised since 1985.

AIRQUAL Scale: was developed by Erik, Hussain and Bavik (2006), in the guidance of Churchill (1979) and Parasuraman et al. (1985; 1988) to control

the psychometrical application problems of the existing quality scales. The scale has five separate dimensions (airline tangibles, terminal tangibles, personnel, empathy, and image) that is expected to manage successfully to measure the quality perceptions of airline customers (case of North Cyprus National Airline by Nadiri H., Hussain K., Haktan Ekiz E., Erdogan S., 2007).

Two-way: Developed by Schvaneveldt at 1991, evaluated service quality from two viewpoints. First ' Objective' included the presence or absence of a particular quality dimension, and the second ' Subjective' included the users resulting sense of satisfaction or dissatisfaction.

SERVPERF: Developed by Cronin and Taylor (1992), the main feature of this method is its focus on customer`s perceptions.

NQ: Normal Quality was proposed by Teas (1993), to better define the meaning of expectations. Expectations maybe performed by customers in two distinct ways, ideal level or feasible level. The NQ method focuses respondents` attention toward both kinds of expectations, but asks the customers for another set of questions, stimulating potential personal peculiarity (idiosyncratic) effects.

QUALITOMETRO: Developed and proposed by Franceschini and Rossetto (1997), for evaluation and online quality service control and monitoring. It is also used in situations where there are infrequent service users. An important feature of this method is the possibility of a separate measurement of expected and perceived quality without the potential for cross influence.

SERVQUAL And AIRQUAL Model

Since its development, SERVQUAL has been used to measure service quality in various service industries such as, appliance repair and maintenance, retail banks, long-distance telephone providers, securities brokers, and credit card companies (Parasuraman, Zeithaml and Berry, 1988); hospitals (Babakus and Mangold, 1989); CPA firms (Bojonc, 1991); physicians (Brown and Schwartz, 1989); dental school patient clinics, business school placement centers, tire stores, and acute care hospitals (Carmen, 1990); public recreation programs (Crompton and Mackay, 1989); real-estate brokers (Johnson, Dotson and Dunlop, 1988); higher education institutions (Galloway, 1998); retail apparel specialty stores (Gagliano and Hathcote, 1994); health clubs (Walker and Baker, 2000); and hospital services (Hwang, Eves and Desombre, 2003).

Although many studies have been done to measure service quality, still there is no agreement on which measurement scales are strong enough for measuring and comparing service quality (Jain and Gupta, 2004). The service literature proposes a number of models, the most popular being SERVQUAL and SERVPERF. Many studies have tried to evaluate the advantage of the two scales with no certain evidence as to which one is a better scale. Over the years, SERVQUAL has appeared as the most popular standardised questionnaire to measure service quality. The model is applicable through a battery of twenty-two expectations and perceptions statements. It measures Gap 5 of the Gaps model of service quality. Parasuraman et al. (1985, 1988) identified five service dimensions that are efficient enough to measure the

service quality expectations of respondents who have different quality perceptions about firms in several categories, and these were namely:

Tangibles: Physical facilities, equipment, and appearance of personnel

Reliability: Ability to perform the promised service dependably and accurately

Responsiveness: Willingness to help customers and provide prompt service

Assurance: Knowledge and courtesy of employees and their ability to inspire trust and confidence

Empathy: Caring, individualised attention the firm provides its customers

Assurance and empathy contain items representing seven of the original dimensions such as: communication, credibility, security, competence, courtesy, understanding/knowing customers, and access. Reliability appeared as the most critical dimension in various studies followed by responsiveness, assurance, empathy, and finally tangibles.

Many authors (Carman, 1990; Cronin and Taylor, 1992, 1994; Teas, 1993; Buttle, 1996; Llosa et al., 1998; Sureshchandar et al., 2001) have either upgraded or criticised the model. Carman (1990) suggests that “ it is better to collect data in terms of the perception-expectation difference directly rather than to ask about each separately. It is also important to take into account the level of experience of the customer with the service.” Cronin and Taylor (1992) argue that the current evaluation and measurement of

service quality through the perception-expectation gap is inaccurate. They suggest that service quality should be evaluated as a reaction of customers and support the use of a performance-based measure of service quality. Also, they claim that their SERVPERF model is better to the SERVQUAL model since it explains a higher percentage of overall variation in the different dimensions of service quality and measures customer satisfaction with a service. SERVPERF measures and evaluates only perceptions of customers, that seems to reduce time and boredom during conducting of the survey. In general the criticisms against SERVQUAL are either theoretical or operational in nature, and can be summarised as follows: Theoretically, SERVQUAL is based on a disconfirmation model rather than an attitudinal model and fails to predict established economic, statistical and psychological theory (Cronin and Taylor, 1992). Evidence indicates that customers evaluate service quality in terms of P-E gaps. The model focuses on the process of service delivery, not the outcome of the service encounter. The five dimensions are not global and there is a mutual connection among them. Operationally, the term expectations is arguable, consumers often use standards other than expectations to evaluate service quality. Four or five items cannot predict the variability within each service quality dimension. Customers' evaluations of service quality may vary from each service encounter to another. According to Cronin and Taylor, the differentiation of items in the scale causes respondent error and makes the seven-point likert scale inaccurate. Also, two administrations of the instrument cause boredom and confusion, and finally, overall SERVQUAL score accounts for a disappointing portion of item variances.

Recently some studies have explored the impact of cultural background on customer expectations and perceptions of service (Ling et al., 2005; Cunningham et al., 2002; Sultan and Simpson, 2000). The applicability of SERVQUAL as an instrument for measuring service quality across cultures can be questioned. Mattila (1999) found that customers from Western cultural backgrounds evaluate service quality based on tangible cues from the physical environment while Asian customers rely on intangible dimensions. Furrer, Lui and Sudharshan (2000) conclude that customers from different cultures assigned different importance weights to the five SERVQUAL dimensions, which in turn is reflected in their perceptions of service quality. Sultan and Simpson indicated that in an international environment, customer expectations and perceptions varied by nationality. Customers with different cultures show different behavioural intentions towards service quality (Liu et al., 2001). Also, little has been done to examine the applicability of service quality models to the service industries in developing countries (Jain and Gupta, 2004).

Despite the various criticisms of the SERVQUAL model, it is still the most widely used scale for measuring service quality. The SERVQUAL scale has been applied to airlines (Nel et al., 1997; Sultan and Simpson, 2000; Cunningham et al., 2002), hotels (Ingram and Daskalakis, 1999; Juwaheer, 2004), financial services (Kangis and Passa, 1997; Lassar et al., 2000), health care (Desombre and Eccles, 1998; Kilbourne et al., 2004) and the public sector (Donnelly et al., 1995; Brysland and Curry, 2001).

Researchers who used the SERVQUAL model to examine service quality in the air travel industry found that reliability was the most important service quality dimension and a significant determinant of passengers' satisfaction (Sultan and Simpson, 2000; Kozak, Karatepe, and Avci, 2003; Natalisa and Subroto, 2003). As Young et al. (1994) stated, "Reliability was a surrogate for on-time performance/timeliness in the air travel industry".

According to Newman (2001) SERVQUAL is rather unclear in measuring service quality and does not provide an accurate evaluation of the consumer's priorities with different service attributes. Also in the case of North Cyprus, Kozak, Karatepe and Avci (2003) and Johns, Karatepe and Avci (2004) reported that dimensions of SERVQUAL scale: tangibles; reliability; responsiveness; assurance; and empathy, were not validating in measuring service quality and customer satisfaction. Ekiz et al. (2006) developed an AIRQUAL scale to conquer the psychometrical application problems of the existing quality scales, in the guidance of Churchill (1979) and Parasuraman et al. (1985, 1988).

According to Ekiz AIRQUAL model, five distinct dimensions (airline tangibles, terminal tangibles, personnel, empathy, and image) were identified for the scale to measure the quality perceptions of airline customers. This model has been used by Ekiz in 2006 and also by Nadiri, Hussein, Ekiz and Erdogan in 2008 to measure the service quality perceptions of customers in North Cyprus National Airline. In 2006 Ekiz successfully developed the AIRQUAL scale but failed to connect it to repurchase and WOM intentions which are proven to be very significant in customer loyalty (Dean, 2007; Kau and Loh,

2006; Schiffman and Kanuk, 2004; Yi, 1990). In 2008, Nadiri, Hussein, Ekiz and Erdogan took Ekiz et al.'s (2006) one step further to explain the behavioral intentions of North Cyprus National Airline customers. In doing so, they borrowed six dimensions (customer satisfaction and five quality dimensions mentioned above), composed of 38 items, from using Ekiz et al. (2006) and 6 items for measuring repurchase and WOM intentions from Karatepe and Ekiz (2004). Considering the mentioned weaknesses and disadvantages of SERVQUAL model, this study follows the model used by Nadiri, Hussein, Ekiz and Erdogan in 2008 for the case of North Cyprus, to measure and identify the customers' perceptions of AirAisa in Malaysia.

The Importance of Service Quality in Airline Services

Passengers traveling on airlines for any purposes, business, official duties or for holidays, they expect certain levels of service quality, and this applies to specifically Malaysian air travelers as well (Kalthom A., Noor H., Kamariah M., 2007). Although many researches and studies have been done under service quality during years, but only few studies have examined customer expectations of service quality in airline industry (Cunnigham et al., 2002).

Consumers' overall impressions of service quality are linked to how efficiently an organization renders its services, and it is this impression that determines customers' behavioral intentions to continuously patronize the airline or not. Good service quality helps organizations increase profits (Buzzell and Gale, 1987) and maintains their competitive advantage within their specific industry (Park, Roberson, and Wu, 2004). Since service quality and delivery are tangible, customers can make comparison between good

and poor service providers. Thus, it is important for airlines to develop passenger-focused services by making an effort to understand passengers' expectations (Park, Robertson, and Wu, 2004). Airlines also need to be aware of differences in service expectations among airline passengers in different parts of the world and among different nationalities (Sultan and Simpson, 2000; Cunningham, Young and Lee, 2002).

Service Quality in AirAsia

The growth of low cost carriers has shown that they can successfully compete with full-service carriers, particularly when it comes to budget constraints (Fourie and Lubbe, 2006). According to Wikipedia (2006) low cost carrier can be defined as “ an airline that offers generally low fares in exchange for eliminating many traditional passenger services.” Grönroos (2000) describes there are four aspects that airline passengers, regardless of them being full-service or low cost carrier passengers, consider most significantly in their flying experience.

1. Care and Concern: The passengers would feel that the airline company, its employees and its operational systems are dedicated to solve their problems.
2. Spontaneity: The employees show a willingness and readiness to serve passengers and take care of their problems.
3. Problem solving: The contact employees would have the knowledge and skills to take care of their duties and responsibilities towards the customers and perform following by standards.

4. Recovery: If problems happen or something unexpected occurs, the contact employees would take the actions to control the situation and find the solution.

There are some factors that influence passenger's choice of low cost carriers such as the market presence, service quality, flight safety, flyer membership, fare prices, travel restrictions, and schedule convenience provided by each available flight.

It is necessary to take into consideration that customers' expectations vary based on the brand image they hold and their culture background.

Obviously, what customers expect from a high cost and luxury airline differs from what they expect from a low cost carrier. In addition, customers' nationality and culture background have an impact on their expectations and perceptions of service quality (Ling et al., 2005; Cunningham et al., 2002; Sultan and Simpson, 2000). Based on Iranian culture, what Iranians expect might be different from what other nationalities expect. In order to survive, most businesses need to ensure that they provide good customer support and service based on their customers' wants and needs. Many blogs and websites indicate some frustration with the level of customer service provided by AirAsia. That doesn't mean that it is all bad, but some people do have some concerns with the ability of AirAsia to provide good service and effective problem solving.

AirAsia, as a newly entering carrier in Iranian market, should consider the Iranian culture, their specific expectations and needs to set its service

quality accordingly. It is quite a critical issue to understand passengers' carrier choice behaviors for low cost carriers. If AirAisa learn how passengers' carrier choices are affected by service quality, they may make effective decisions on marketing strategies.

Airline Market in Iran

After the Islamic revolution of Iran in 1979, the airline industry was strongly influenced by Iranian and global political regimes. Iran`s airline industry has been struggling with the U. S. sanctions and suffering from the embargo on purchasing new aircraft to renew its old fleet, and supplying critical spare parts. Therefore, due to the old fleet and lack of flight safety, it is expected that passengers prefer to fly on non-local airlines rather than flying on local airlines such as Iran Air, Iran Mahan Air and Aseman Airlines. Basically, the airlines which are operating in Iran-East Asia routs are Iran Air, Iran Mahan Air, Etihad Airways, Emirates, Qatar Airways, Gulf Airways, Saudi Arabian Airlines, and AirAsia. Having a look at the number of carriers operating in this rout, it is obvious that AirAisa has entered to a competitive market.

Nejati M., 2008, did a study on ranking airlines` service quality factors in Iranian society. The findings of this study shows that the most important quality factors for Iranian customers are flight safety, good appearance of flight crew and offering high level of quality service 24 hours a day.

Customer Satisfaction And Loyalty

Zeithaml and Bitner (2000) defined customer satisfaction as the “ customers' evaluation of a product or service in terms of whether that product or service

has met their needs and expectations”. Therefore, satisfaction is a consumer’s post-purchase evaluation and affective response to the overall product or service experience. In other words, what consumer perceives after a product or service consumption determines his/her satisfaction. Many researches have concluded that satisfaction can determine the customer loyalty (Bearden and Teel, 1983; Cronin and Taylor, 1992; Caruana, 2002; Dick and Basu, 1994; Oliva et al., 1992; Selnes, 1993). Also, Oliver (1999) defined customer loyalty as “ a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts have the potential to cause switching behavior”. The satisfaction/dissatisfaction occurring through a matching or mismatching of expectations and perceived performance leads to loyalty behavior (Bitner, 1990).

Asuncion et al. (2004) concluded that customer satisfaction was the key factor that affects mostly on service loyalty. Oliver (1999) suggested that satisfaction is a delightful performance and in order to be effective on loyalty, satisfaction should occur for the maximum and must be met in all the stages of service or product consumption. Zairi (2000) found that satisfied customers possibly share their experiences with five or six people while dissatisfied clients might inform another ten. Since customer loyalty responses represent levels of customer commitment towards the service provider (Chiou et al. 2002; Oliver, 1997, 1999), satisfaction is also expected to be related to customer loyalty.

Simply stated, customer s