

Case study between al etihad and emirates marketing essay



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Attitudes play a pivotal role in influencing a person's behavior. The study of attitudes is the key to understanding consumer behavior towards a particular product or brand. Thus, this case study examined the influences between attitude and consumer behavior towards the two leading UAE Airline companies: the Etihad Airways and Emirates airlines.

Moreover, this case study will focus on the two recognized international airlines over the years. Consequently, this will be based on the related literature readings related to the subject matter and to which all information with reference to Emirates Airlines and Etihad Airways.

It had to identify how attitude influenced consumer behavior towards Emirates and Etihad airlines. Identified the scheme that are involved in obtaining, consuming, and disposing of the products and services that consumers should display in search to purchased, used and evaluated. Furthermore, to recognize how consumer behavior is being influenced by attitude demographically and psycho-graphically.

Hence, this study used a questionnaire as a plain representation to identify how attitude influences consumer behavior towards the two airlines related to personal characteristics, values, attitudes, interest or lifestyle. As such has significant influence on an individual's behavior, particular for consumers' behavior towards buying or purchasing certain products or services. Since attitude is formed on the basis of learning, predisposition, belief, faith, etc. that can be good or bad, optimistic or pessimistic, etc, may change with several external factors too.

INTRODUCTION

People are not born with an attitude, but they develop it over the growing and learning period. This case study will focus on examining how attitude influences the consumers' behavior towards the products and services attributes of the two leading airline companies in United Arab Emirates: Etihad Airways and Emirates airlines. Consumer behavior as defined by the dictionary business in marketing as an understanding how and why consumers behave. An appropriate marketing stimulus is formulated based on customers' personality and needs to prompt sales (www. allbusiness. com). Thus, the consumers adjust their behavior to the marketplace based on internal needs and interpersonal needs.

In this research case study, the researcher will further ascertain how does attitude towards Etihad and Emirates airlines through the different attributes attested to investigate how it influences consumer behavior.

STATEMENT OF THE PROBLEM

This research simply investigates attitudes towards the both leading navigation competitors of U. A. E.: the Etihad Airways and the Emirates Airlines.

1. What are the “ products or services” of Etihad Airways and Emirates Airlines?
2. How consumers consider the product/ services or variable/ attributes in evaluating the two airlines in the degree to which they believe both “ brands” posses through rating these attributes?

3. What are demographic and psychographic variables? What are the similarities and differences of Emirates and Etihad airlines in terms of: demographic and psychographic variables?

METHODOLOGY

This research paper will use a set of the questionnaire as a survey into two. One set of a questionnaire involve the personal information with demographic and psycho graphic variables that would probably affect the consumers' attitude. Although other set will use a rating scale, which rates some attributes from " poor" to " excellent". Both are a closed-end questions type.

The researcher will apply the Fishbein method of attitude measurement through examining how attitude influences the consumer's behavior towards the two leading U. A. E. airlines in terms of their products or services offered.

*Excellent - 5 *Very Good - 4 *Good - 3 * Fair - 2 *Poor - 1

ATTRIBUTES

EMIRATES AIRLINES

ETIHAD AIRWAYS

Cabin Feature

5

4

In-flight Experience

3

5

Young Flyers

3

3

Chauffeur - drive

2

3

Baggage Delivery

4

1

Services by Flight

3

4

Airport Facilities

5

5

ATTRIBUTES

IMPORTANCE

RATING

ETIHAD

AIRWAYS

EMIRATES

AIRLINES

Cabin feature

5

5

25

4

20

In-flight experience

5

3

15

5

25

Young Flyers

5

3

15

3

15

Chauffeur – Drive

5

2

10

3

15

Baggage Delivery

5

4

20

2

10

Services by flight

5

3

15

4

20

Airport Facilities

5

5

25

5

25

Total

125

130**REVIEW OF THE RELATED LITERATURE****AIR TRANSPORTATION**

Travelling by air is probably the most respected transportation innovation in the twentieth century, which has enabled the transportation of passengers in the shortest time and has boosted the demand for long-haul trips. In such fact, there is no part of the world has now more than 24 hours flying time from any other part (Copper et al, 2008). As a result, air transport plays an integral role in the way of life. It represents the fastest way to ship most types of cargo over long distances, in which passengers and cargo can be transported by air either over regularly scheduled routes or on charters which are routing specifically designed for a group of travelers or particular cargo. Actually, air transport industry is one of the best prototypes of the future world where all human activities will be integrated including administrations, companies and contractors (<http://pagebox.net/airtransport.html>). Thus, it is being the most modern and quickest mode of transport that has been gaining popularity and among the different modes of transport; air transport has experienced the fastest growth.

Moreover, air transportation has managed in the past few decades to gain an extremely significant share of the transportation market, especially for the movements over 500 km (Copper et al, 2008). Thus, air transport in United Arab Emirates

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About Emirates Airlines and Etihad Airways

The two UAE carriers are among 10 international airlines that have formed a group called Aviation Alliance, the primary goal of which is to end the “Home Country” rule, which was agreed to through the Organization for Economic Co-operation and Development (OECD) (Gale, 2010) is the main core of this case study – the Emirates airlines and Etihad Airways.

Born as the international airline of the United Arab Emirates over twenty years ago, Emirates Airline has been recognized many times for the quality of their in-flight cuisine, the breadth of the in-flight entertainment, and the excellence of their overall services. October 25, 1985 Emirates Airlines flew its first routes out of Dubai with just two aircraft. Recently, as their goal was quality and not quantity and through the years taking those first small steps onto the regional travel scene, Emirates has evolved into a globally influential travel and tourism multinational. It has known globally for their commitment to the highest standards of quality in every aspects of their business. Emirates is wholly owned by the Government of Dubai and has grown in scale and stature not through protectionism but through competition, a competition with the ever-growing number of international carriers that take advantage of Dubai’s open-skies policy. It is not only seeing policy as a support but as a vital in maintaining their identity and their competitiveness. After making the initial start-up investment, Dubai Government saw fit to treat Emirate as an extremely independent business entity and nowadays they are booming because of it. Recently, flying over 100 destinations in 60 countries around the world the network is expanding

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constantly. Moreover, with their continuous explosive growth and striving to provide the best service in the industry at the same time is the secret of Emirate's success ([www. emirates. com](http://www.emirates.com)).

With their award winning, international cabin crew and one of the youngest, most modern fleets in the skies, it provides the most comfortable, relaxing environment for the travels. With more choices and higher quality, their in-flight entertainment options will keep one occupied on an end. Enjoy the world-class comfort in their departure lounges as one relax, refresh, and prepare for the next step in one's travels. As it is renowned for its First Class and Business Class experience in the air. The themed lounges for the First Class and Business Class bring that outstanding service to Emirates Terminal 3, additionally they have also lounges privileges throughout the world. Also, complimentary chauffeur - driven cars are available for their First Class and Business Class passengers in many of the cities they serve. Special services and treatment help take the stress out of travel for the passengers and the children, from booking to arrival, as their excellent selection of movies, video games, and other diversions will help the time fly for children of all ages. They also offer a variety of special meals prepared just for the tastes and special requirements of children. Thus, whether your child is up to 16 years old and travelling alone, or sixteen months old and travelling in one's lap, their young passengers receive the utmost care and attention. Comfortable and modern, their fleet has been acclaimed by industry insiders and passengers alike. As they operate one of the youngest fleets in the world. And regular upgrades mean we'll continue to provide their passengers with a superior flight experience. Whenever your travels take you, you'll find

comfort, convenience, and exceptional service are part of the Emirates experience (www.emirates.com).

On the other hand, Etihad Airways has in just under seven years established itself as the world's leading airline (www.etihadairways.com). Set up Royal (Amiri) Decree in July 2003, Etihad commenced commercial operations in November 2003 and have gone on to become the fastest growing airline in the history of commercial aviation. Governed by a Board of Directors under the chairmanship of HH Sheikh Hamed bin Zayed Al Nahyan and are led by James Hogan. Its main business is the international air transportation of passengers, which also operate Etihad Holidays, Etihad Crystal Cargo and a global contact center organization as part of their commercial group. Furthermore, Abu Dhabi - the capital of U. A. E., is its hub; in which it seeks to reflect the best of Arabian hospitality - cultured, considerate, warm and generous - as well as to enhance the prestige of Abu Dhabi. Additionally, as of October 2010, Etihad's fleet of 56 aircraft operated close to 1, 000 flights per week, serving an international network of 66 destinations in 43 countries. And has 26 code-share agreements in place, building the airline's international network (www.etihadairways.com).

Etihad Airways has different products/ services offering as a " brand". Like, they're offering three gust travel classes - Diamond first Class, Pearl Business Class and Coral Economy Class. Flying on a brand new aircraft with the latest in-flight entertainment systems, the finest dining and impeccable service. Stay entertained on the flight with E-BOX, our on-demand entertainment system, while enjoying the latest movies, TV shows, music and interactive games. One can recharge the laptop or mobile phone, or <https://assignbuster.com/case-study-between-al-etihad-and-emirates-marketing-essay/>

connect the personal devices to the system. Younger guests/ young flyers have also a pleasant experience with Etihad and are constantly adding the little touches to make flying memorable experience for the entire family. In addition, to baby-friendly hosts on the flight, they offer everything to make the baby's journey comfortable, such service like changing facilities, baby meals and bassinets; and wishing to carry milk or food for the baby, one can have these warmed up on board and have some soft toys and games to keep the youngest guests happy and entertained on the flights. Also, to the younger guests aged 2-11 years can expect an exciting flight with Etihad, like toys and games that the child can enjoy a range of in-flight entertainment programs and interactive games specially designed for kids. Also have a special menu to pamper the child guests as you place the child meal request at the time of booking or at least 24 hours before departure. And special service offered for unaccompanied minors, if the child is between 5 and 11 years old inclusively and travelling alone, the treated differently. Simply just submit a completed form at the time of checking-in. however, children between the ages of 12 and 17 years are not permitted to escort Ums and the child must be travelling on a firm ticket. Thus, after checking-in, the child is their responsibility. They guide them through the passport control - taking care all their travel documents - and security checks right up to the flight. Finally, upon landing, they will be introduced to an Etihad ground host, who will escort them through airport immigration to arrivals and hand them over to the parent or guardian. At he airport, the warm welcome begins long before the flight takes off and lasts for a long time after one have landed.

Terminal 1 of Abu Dhabi International Airport has a world-class facilities situated next to Etihad Terminal 3. While Abu Dhabi International Airport <https://assignbuster.com/case-study-between-al-etihad-and-emirates-marketing-essay/>

Etihad's Terminal 3 is an exclusive facility for their guests, as enjoying a modern, spacious and luxurious terminal at the same time. Connecting passengers from Abu Dhabi International Airport is also one of the Etihad's service. Guests transferring between flights at Abu Dhabi Airport can take advantage of the facilities in both Terminals 1 and 3. And arriving at Abu Dhabi Airport, welcoming Abu Dhabi as one of the most talked about destinations in the world, both Etihad terminals 1 and 3 are sharing the same arrivals facilities. As if one is picking up a visitor from the airport. It'll find it easy to track down the guests. An extended service from its official hub to the other airports, serving more than 60 destinations worldwide Etihad Airways spans the globe. Whichever airport one fly on, one can expect to be treated like a guests in excellent facilities. At the airport, or any other major airports they can lend you a stroller to help you through the airport, and for the Diamond First and Pearl Business, their new Family Room in Abu Dhabi offers soft toys, comfortable seating, books, games and qualified nannies. Plus of course, there are always plenty of Etihad staff to lend a caring hand, as knowing that caring for a child in an airport environment isn't always easy. Moreover at Abu Dhabi Airport, they offer a designated UM (unaccompanied minors) lounge. While waiting for Etihad flight need not be a tiresome experience, thus, they offer departure lounge facilities to their Diamond first and Pearl Business Guests at all the destinations they fly from, so stop a while and relax. Etihad chauffeur, their premium limousine service, creates a unique door-to-door experience for their Diamond First Class and Pearl Class guests. It has one of the most modern fleet in the world. Their all-new fleet gives one the world's most sophisticated flight deck and represents the ultimate in performance, operational efficiency, extended cabin space

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and increased flying range. For other services, as such baggage information, they've put together all the information one may need in order to plan a trip: what and how much luggage to carry, when and where to check-in, and how visiting the UAE has just become easier with their visa services. However, if lost baggage has been declared and have already informed the Etihad of the lost baggage they can easily track it through their world tracer services.

(www.etihadairways.com)

Since both two airlines posses its own characteristics and different products/ services are recommended as such will serve as the list of variable/ attributes in evaluating the two airlines in the degree to which they believe both " brands" posses through rating these attributes.

DEMOGRAPHIC AND PSYCHOGRAPHIC VARIABLES

Demographic information as cited by Albo (2009) is the kind of stuff that can be categorized and labeled from a statistical perspective. It is the average or typical characteristics of the people who buy the products or services. These characteristics include age, income, education, status, type of occupation, region of the country, or household size. Things like race, gender, religion, also can include the age of the children, the status of the home ownership, one's home value, etc. Albo emphasized that demographic information consists of the facts and nothing else.

On the other hand, Albo (2009) defines psycho-graphic information as opposed to demographic information, which is not quantifiable with numbers. It characterizes how the target market feels, what they want, how they go about their day-to-day lives, what is necessary to them and how they

make purchasing decisions. Further, it includes people's lifestyle and behavior. However, they like to have vacation with the kinds of interest they might have. This includes the values they hold, beside how they behave. Additionally, it includes personality type - introvert or extrovert, high / low ego drive, independent, compulsive, gregarious, and group worker (Copper et al, 2008).

Thus, getting such information is a decisive factor in conducting research survey to those people who have bought the products or services that were being offered by the company. This is such to hone this information to fit the marketing needs. Also, need to know both demographics and psychographics in order to advertise and sell the product effectively. Furthermore, in order to match the consumer's characteristics of the media to choose with the characteristics of the desired purchasers. As a result, such an act might cause for losing precious dollars on wasted advertising and marketing will be avoided.

ATTITUDES

Attitudes are related to motivation are presumed to facilitate social behavior, can exist in relation to any object, and can be changed; however, of interest to marketing communications is how attitudes to places and services can be influenced (McCabe, 2009). Hence, attitude is affected, as it has been understood as a learned predisposition that projects a positive or negative behavior consistently toward various objects of the world. These are the tangible and intangible objects on the way to which one can form an attitude are called attitude objects. In consequence, attitudes influence the way we think, behave, and are therefore crucial for the marketers who study them to <https://assignbuster.com/case-study-between-al-etihad-and-emirates-marketing-essay/>

understand how a consumer behaves. In addition, have certain characteristics.

On the other hand, what is a consumer behavior? One “ official” definition for consumer behavior according to Perner (2010) is the study of individuals, Groups, or organizations and the process they use to select, secure, use, and dispose of products, services, experiences, or ideas, to satisfy needs and the impacts that these processes have on the consumer and society.” In which in some useful points consumer behavior involves services and ideas. This is as well as tangible products with the involvement of use and disposal of the products. Further, it is such study of how they are purchased. On the other hand, such product, this is frequently used of considerable interest to the marketer. This is because they may influence how a product is best positioned or how we can encourage increased consumption.

The formation of consumer attitudes according to Gogia (2010) is strongly influenced by personal experience, the influence of the family and friends, direct marketing and mass media. However, they are formed, as we grow up, based on the environment in which we grow up. Attitudes can either be of high or low degree and the intensity depends on the strength of the conviction with which the person believes in them. Thus, how are these demographic and psycho graphic variable influence consumers’ behaviors, where the researchers are concerned? Gogia (2010) presented a list on high each variable influenced consumer’s attitudes:

Recognizing the importance of direct experience, marketers frequently attempt to stimulate trial of new products. This is done by offering cents-off

coupons or even free samples. If a product satisfies the needs of the consumer, it will build a positive attitude and will raise sale.

Direct and experience the primary means by which attitudes towards goods and services are formed id through the consumer's direct experience while trying and evaluating them.

Influence of family and friends: as we have been exposed to others, especially family, close friends, and admired individuals, we form attitudes that influence the life. The family is extremely valuable source of influence in the formation of attitudes, for it is the family that provides us with many of the basic values and a wide range of beliefs. And

Direct marketing: marketers are increasingly using highly focused direct marketing programs to target small consumer's niches with products and services that fit their interests and lifestyles.

From the marketing point of view this is based on the need fulfillment of a buying behavior. McCabe (2010) presented Solomon's outline of the four main functions that attitude performs:

Utilitarian - related to basic principles of pleasure and pain; positive attitudes are formed towards products which provide a pleasurable experience in which consumers buy products to fulfill their need, enjoy some benefit, get some extra features and receive after sales service. If they it as per their expectations, they develop a positive attitude towards that product. If not than a negative attitude is developed. Marketers usually stress and highlight the positive aspects of their products to form a positive attitude.

Value-expressive- attitudes which are related to identity and an individual's value. These attitudes form an important strand of research on lifestyle which looks at how consumers' activities, interests and opinions express their values/ identities as people. Hence, the importance of values in the life cannot be over emphasized. We learn it through the upbringing and training. This value system prevents or encourages the buyers to buy certain products related to smoking, drugs, environment, health, ethics, wildlife, etc.

Ego-defensive - attitudes that are formed to protect a person against external threats or internal feelings. So, we are all concerned about self-esteem and ego and always to try to safe guard those. Products related to boosting the ego or self-esteem is the target of such a kind of attitude.

Knowledge function - attitudes which are formed in response to the need for structure and meaning, as such as a man is ever inquisitive, curious, seeking knowledge. He gets new information and understanding about the products and services which help in creating, modifying, and changing the attitude towards it.

McCabe (2010) stressed the importance to understand these functions, since if the marketer knows which functions the product/ service serves or put another way how the product benefits the consumer. Wherein, they can create messages which highlight these benefits.

Since consumer behavior is the study of when, why, how, and where people do or do not buy, it involves the psychological process that consumers go through in recognizing needs, finding ways to solve these needs, making

purchase decisions, interpret information, make plans, and implement these plans.

Perner (2010) emphasized that consumer attitudes are a composite of consumer's beliefs, feelings about, and behavioral intentions toward some object - within the context of marketing, usually in a brand. As such these components are viewed together since they are highly interdependent and together represent forces that influence how the consumer will react to the object.

This research is trying to find out how Emirates Airlines and Etihad Airways provide their products in services in terms of punctuality, services by flight, in-flight experiences, young flyers, the fleet and the cabin features.

Moreover, if the company began to collect, consolidate and analyze the customers' information in order to understand their needs, most likely they could turn into a more profitable company. With the above-mentioned features and services of which the consumers' key concerns would be structured and prioritized, the company is already putting the customers' forefront. The realization of a customer-oriented business and enhancing customers' value resulted for a successfully more profitable airline.