

## ANALYSIS OF THE DIMENSIONS OF CUSTOMER EXPERIENCE WITH REFERENCE TO INDIGO AIRLINES AND JET AIRWAYS

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**Abstract:** In this competitive and fast paced world ensuring the delivery of advanced customer experience is becoming a matter of great attention in the service sector. The key to gaining competitive advantage over a majority of hostile products or services the companies need to offer varied market contributions that fuel durable experiences. Customer experience in the civil aviation sector is budding as a vital constituent. To gain competitive advantage in the industry it is essential for airline companies to put forward pleasurable experiences to customers. This study hence investigates the character and degree of experiences that customer's receive in the civil aviation sector. Moreover, the study investigates the civil aviation sector's extent of customer experience in employing Exploratory Factor Analysis. The research is done on a sample size of 305 respondents from two major air carriers of India i.e. Jet Airways and Indigo Airlines. The result of hierarchical regression model, exploratory factor analysis, and ANOVA illustrate that aviation sector's customer experience is a multidimensional construct, the holistic customer experience is significantly affected by observed dimensions and the customer experience with various airlines demonstrates a significant difference. The results also showed that Indigo Airlines has a superior level of customer experience than Jet Airways.

**Keywords:** Customer Experience, Dimensional Analysis, Indigo Airlines, Jet Airways.

**Introduction:** The swift-paced highly reasonable new perspective of experience market has launched customer experience as a promising prospect. It has come up as a critical element for service organisations and its blow on industry are receiving enormous thought (Klaus, 2011). Customer experience is becoming a point of focus for airlines and other stakeholders in order to improve flight experience (Graham, 2001). According to Millard (2006) it can be said that customer experience is the distinction between what the customer expects to receive and what they actually get. Customer experience is considered a way to enhance relationships with customers and build up customer loyalty (Verhoef et al., 2009). Recently the most important part of customer assessment and contentment with service has been recognised as the views and reaction of customers while consuming the service (Otto and Riech, 1995). Holbrook and Hirschman in 1982 formulated the concept of 'customer experience' as a new observed approach towards the behaviour of a customer. Pine and Gilmore (1998), by their milestone work initiated widespread interest towards a novel management theory which lays emphasis on the transformation from service delivery to experience creation.

'The current trend in the business world is to create lasting experience for the customers' (Carbone, 1998; Pine and Gilmore, 1998; Rowley, 1999; Berry et al., 2002; Gilmore and Pine, 2002). Today it is no longer an effective to differentiate exclusively on the basis of conventional physical elements such as price, delivery and lead times since customer experience is the new contrasting element (Shaw and Ivens, 2002). Companies have been totally neglected the emotional

and value facets of the product or service while primarily focusing on the physical facets which resulted in decrease in number of customers (Nunes and Cespedes, 2003).

**Literature Review :** The following segment focuses on the existing literature on service experience research. Schembri (2006) and other such researchers consider that being the key determinant of customers' service delivery the service experience of customers' must be the spotlight of research. Researchers around the world are becoming curious about the 'customer experience' model. Providing advanced merchandise and outstanding services are crucial factors in the business world today. Customers are becoming knowledgeable with each passing hour and airlines have to be conscious of new ways to sway customer experience. Verhoef et al. (2009) proposed a theoretical model to discuss the diverse determinants of customer experience. Chauhan and Manhas (2014), through their study on 3 major Indian carriers, suggested that 'Customer experience is a multidimensional construct; There is a significant impact of experiential dimensions on the overall customer experience and There exists a significant difference on the basis of airlines regarding customer experience'. Frow and Payne (2007), recommended strategic plans for delivering exceptional customer experience at a reasonable cost, thereby leading to customer loyalty. The results exposed that preceding customer experience influences customer experiences yet to be delivered. Kim, Ritchie and McCormick (2012) formulated a convincing and dependable seven domains measuring scale i.e., 'Hedonism, Refreshment, Local Culture, Meaningfulness, Knowledge, Involvement, And

Novelty'. Further, Otto and Richie (1996) created and tested a scale to improve the thought of service experience in the tourism industry transversely three of its industries viz., 'hotels industry, airlines industry and tours and attractions'. According to Pareigis et al. (2011) and Tsiros and Parasuraman (2006) customer involvement, safety and physical artefacts are a variety of dimensions that are significant for customer experience with reference to public transport users. The results of this study showed the value of connections with the clients and the materials surroundings in increasing the customer's experience quality. Klaus and Maklan (2012) factually authenticated a 'multiple-item scale for mapping customers' service experience' and establish that 'The service experience has a major impact on customer satisfaction, loyalty and word-of-mouth intentions'. Another study by Lemke, Clark and Wilson (2010) found that customer experience is definitely prejudiced by customer relationship results by anticipating a theoretical model for customer experience excellence. Bel (2005) conducted a study to assimilate key concepts into an all-inclusive administrative outline for experiencing endorsement in the airline industry. Grace and Cass (2004) in a study established that feelings, contentment and brand attitudes drastically affect the service experience. Moufakkir (2010) in his study empirically tested the strategy of paid in-flight food and drinks on travellers' experience.

**Research Gap:** The present study has been done in order to link the breach in existing literature, to inspect the Indian civil aviation sector's customer experience in context of objectives and hypotheses as mentioned below.

**Objectives:** The following objectives are outlined for the present study:

1. To scrutinise the character and degree of significance of customer experience in aviation industry.
2. To discover customer experience's underlying dimensions.
3. To evaluate if the holistic customer experience is affected by the observed dimensions.
4. To recognise the significant dissimilarities in both airlines regarding customer experience.

#### **Hypotheses Formulation:**

1. Customer experience about the aviation services is a multidimensional construct.
2. The holistic customer experience is significantly affected by observed dimensions.
3. The customer experience with various airlines demonstrates a significant difference.

#### **Research Methodology:**

**Types of sample:** Customer experience can be measured through many different qualitative and quantitative techniques. In this case the researcher

used survey method to collect data from the respondents due to its convenience, versatility, efficiency and generalizability.

**Size and breakup of sample:** Stratified sampling technique (Liu and Lui, 2008; Hsu, 2009) was used with a sample size of 400 was taken but only 305 valid responses have been taken into consideration.

**Tools of data collection:** Primary data was used in the research collected through a structured questionnaire drafted out after wide-ranging literature review (Otto and Ritchie, 1996; Oliver, Rust and Varki, 1997; Pine and Gilmore, 1998; Gentile, Spiller and Noci, 2007; Palmer, 2010; Xu and Chan, 2010; Kim, Ritchie and McCormick, 2010; Kim et al., 2012).

**Analysis of data: tools:** The questionnaire consists of 2 sections. Section A-demographic profile of the respondents, Section B-items relating to passenger experience all based on 5 point Likert scale ranging from 1= Strongly Disagree to 5= Strongly Agree. To test the reliability of the respondents, Cronbach's Alpha (0.873) and split half (Malhotra, 2008) (Group a = 3.73 and Group b = 3.68) proved to be quite reliable.

The various statistical tools like Factor analysis, ANOVA and regression analysis were used to analyse the data.

**Locale:** The study was conducted at New Delhi airport.

**Discussions and Findings:** The results of the research study have been discussed as under:-

The customers' demographic profile of Jet Airways and IndiGo at New Delhi airport have been discussed in detail through the use of descriptive analysis as follows:-

The total number of respondents was 305, out of which 204 (67 per cent) were male respondents which were more than double of the females 101 (33 per cent). Married respondents accounted for more than half of the total respondents i.e., 180 (59 per cent). A majority of 143 (47 per cent) respondents belonged to the age group of 20-39 years followed by 125 (41 per cent) respondents in the age group of 40-59 years. Most of the respondents i.e., 146 (48 per cent) were post graduates followed by 98 (32 per cent) who were graduates. Most of the respondents were employed in public sector 116 (38 per cent) followed by private sector 91 (30 per cent). Out of all the respondents, 155 (51 per cent) respondents were from Jet Airways and 150 (49 per cent) respondents were from IndiGo.

#### **Comparative Analysis of Customer Experience among the Selected Organisations:**

The mean scores show that a majority of the statements have received higher rating by the respondents of IndiGo Airlines. Therefore, it can be interpreted that both the airlines must focus on the areas with values less than the mid values of 3 on 5 point scale concurrently

keep up the good work for all the items with values more than 3 on 5 point scale.

**Testing Of Hypotheses:** H1: Customer experience about the aviation services is a multidimensional construct.

**Customer Experience:** The combined mean score of all the dimensions was 3.67 and total variance explained was 69.661 representing that the quality of experience delivered to customers who tour on the airlines under study showed a prominent increase. The factors are discussed in detail as below:-

**Pleasure (Factor 1):** The foremost factor with mean = 3.62, Eigen value = 8.124 encloses 8 statements.

**Uniqueness (Factor 2):** The next factor with mean = 3.61, Eigen value = 5.957 encloses 8 statements..

**Impregnability (Factor 3):** The third factor with mean = 3.66, Eigen value = 4.291 encloses 6 statements.

**Acknowledgement (Factor 4):** The fourth factor with mean = 3.83, Eigen value = 2.583 encloses 6 statements.

**Ease (Factor 5):** The last factor with mean = 3.65, Eigen value = 1.089 encloses 7 statements.

Hence, the outcome supports the hypothesis ‘Customer experience about the aviation services is a multidimensional construct.’

H2: The holistic customer experience is significantly affected by observed dimensions.

**Insert Table 1 here.:**

**The equation for regression model is as follows:**

$$OEC = \alpha + \beta_1 \text{Factor } 1 + \beta_2 \text{Factor } 2 + \beta_3 \text{Factor } 3 + \beta_4 \text{Factor } 4 + \beta_5 \text{Factor } 5$$

$$OEC = .239 + .386 P + .405 U + .389 I + .336 A + .303 E$$

Where  $\alpha$  is the constant, the coefficient of regression for the diverse independent factors are signified by  $\beta_1, \beta_2, \beta_3, \beta_4$  and  $\beta_5$ , OEC represents Overall Experience of Customer, P = Pleasure, U = Uniqueness, I = Impregnability, A = Acknowledgement and E = Ease. When P is increased by one unit, OEC increases by .386. Likewise, when U, I, A, E increases by one unit, OEC increases by .405, .389, .336, .303 correspondingly. Five independent factors were drawn as a result of step-wise regression analysis noteworthy in anticipating the dependent variable viz., ‘Impregnability’, ‘Pleasure’, ‘Uniqueness’ and ‘Acknowledgement’, ‘Ease’. The values of R (.397, .508, .642 and .727, .798) indicate high positive correlation between the predictor and the outcome.

**Research Contribution:** This paper is an effort to offer a comprehensive interpretation of the customer experience construct and consequently, discusses explicit determinants of customer experience, highlighting those that are particularly in requirement of further research. This paper offers realistic observations for initiating and implementing valuable strategies based on experiences.

Table 1: Hierarchical Regression Analysis: Impact of customer experience dimensions on the overall experience of customers

Model	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error of Estimate	F value ANOVA	Sig. Level	$\beta$	Durbin-Watson
a	.397	.158	.158	.28777	201.055	.000	.386	2.056
b	.508	.258	.257	.25153	225.148	.000	.405	
c	.642	.412	.411	.21704	298.321	.000	.389	
d	.727	.528	.527	.19842	347.382	.000	.336	
e	.823	.677	.675	.16452	417.577	.000	.303	

- a. Predictors: (Constant), Impregnability
- b. Predictors: (Constant), Impregnability, Pleasure
- c. Predictors: (Constant), Impregnability, Pleasure, Uniqueness
- d. Predictors: (Constant), Impregnability, Pleasure, Uniqueness, Acknowledgement
- e. Predictors: (Constant), Impregnability, Pleasure, Uniqueness, Acknowledgement, Ease
- f. Dependent Variable: Overall Experience of Customer is outstanding.

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