FACTORS CONTRIBUTING TOWARDS AIRLINE CUSTOMER LOYALTY IN KENYA: A CASE STUDY OF KENYA AIRWAYS (KQ)

BY

SUNDAY OKON ONOMO

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER, 2016
FACTORS CONTRIBUTING TOWARDS AIRLINE CUSTOMER LOYALTY IN KENYA: A CASE STUDY OF KENYA AIRWAYS (KQ)

BY

SUNDAY OKON ONOMO

A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Master of Business Administration (MBA)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

SUMMER, 2016
STUDENT DECLARATION

I, the undersigned declare that this is my original work and that it has not been submitted to any other College, Institution or University other than the United States International University for academic purposes.

Signed: __________________________ Date: __________________________

Sunday Okon Onomo (ID. No: 629003)

This project has been presented for examination with my approval as the appointed supervisor.

Signed: __________________________ Date: __________________________

Prof. Paul Katuse

Signed: __________________________ Date: __________________________

Dean, Chandaria School of Business
ABSTRACT

The general objective of the study was to examine the factors contributing towards airline customer loyalty at Kenya Airways. The specific objectives that the study were; to examine how customer satisfaction influence customer loyalty towards Kenya Airways; To determine the extent to which perceived value and quality contribute to customer loyalty towards Kenya Airways; To assess how corporate image influences customer loyalty towards Kenya Airways.

The study adopted a descriptive research design. The study sampled 340 individuals who were customers of Kenya Airways. The study assumed a simple random sampling approach and used structured questionnaires to collect relevant data from the research participants. The study used both descriptive and inferential statistics to analyze the data obtained from the survey. Chi-Square tests, correlations and cross-tabulations were calculated to make deeper sense of the data obtained. The researcher used Statistical Package for Social Scientists (SPSS) to analyze the data.

The study found that several customers’ satisfaction had a great influence on customers’ loyalty to KQ. The study found that a variety of elements of customer satisfaction, including the variety and quality of food offered, the presence of professional and courteous staffs at KQ, the departure and arrival times, assistance for disabled and special needs persons while aboard, the attitude of the staff were critical factors influencing customer loyalty. The study also determined that the manner that KQ takes care of its customers when flights are delayed or canceled were also fundamental in determining customer loyalty to the airline.

The study also found that perceived value and service quality were equally crucial in affecting customer loyalty to KQ. Among the attributes of perceived value and service quality that were found to influence customer loyalty included, the tailoring of KQ services to meet customer’s specific or unique needs, the manner in which KQ employees instilled confidence on customers throughout their flight experience, the politeness of the cabin crew and the competence of the service crew to react to emergencies. The study found further that the manner in which KQ informed its customers on key services while in flight, the manner the airline handled customers luggage and assured the safety of
luggage and the airlines ticket prices were significant factors that influenced the loyalty of customers to the airline.

The study determined that KQ’s corporate image was also significant in affecting customer loyalty to the airline. The study found that certain image attributes including the exterior and interior design of the plane, the design of KQ’s toilets and seats were attributes of the airline’s corporate image that influenced the loyalty of its customers. Other image factors that the study found to have a significant bearing on customer loyalty to the airline included; uniform color of the cabin crew, the neatness or cleanliness of the crew, the appearance of utensils, the kind of aircrafts that the airliner used and the company’s reputation within the Kenyan society.

The study concludes by postulating that customer satisfaction has a huge impact on customer loyalty. Satisfied customers make the most loyal customers. It argues that the role that perceived value and quality plays in customer loyalty to KQ is highly significant. It reiterates that the image that KQ has created for itself in the minds of its customers is influential in determining the loyalty of its customers.

The study recommends the following; that the management of KQ should introduce several, unique packages that appeal to individuals from different age groups to enhance customer satisfaction. It suggests that the airline must appreciate the nature of the environment in which it operates as one which is highly competitive. The study further proposes that the airline must take radical and strategic steps to ensure that it maintains its reputation as the pride of Africa. The study also advises that future researchers should conduct more research on the factors that influence customer loyalty in the airline industry.
ACKNOWLEDGEMENTS

I acknowledge my project supervisor whose intellectual support was indispensable in the completion of this study. I acknowledge my employer, Westcon Group for its support and understanding in permitting me to take time off to complete the project.
DEDICATION

It is with great humility that I dedicate this work to my mum (Late) Mrs. Ikwo Onomo.
# TABLE OF CONTENTS

STUDENT DECLARATION............................................................................................................. ii  
ABSTRACT................................................................................................................................... iii  
ACKNOWLEDGEMENTS .............................................................................................................. v  
DEDICATION................................................................................................................................ vi  
LIST OF ABBREVIATIONS .......................................................................................................... vi  
LIST OF TABLES ........................................................................................................................... vii  
LIST OF FIGURES ......................................................................................................................... viii

CHAPTER ONE ........................................................................................................................................ 1  
1.0 INTRODUCTION......................................................................................................................... 1  
1.1 Background of the Problem .................................................................................................... 1  
1.2 Statement of the Problem ...................................................................................................... 6  
1.3 General Objective .................................................................................................................. 6  
1.4 Specific Objectives ................................................................................................................. 6  
1.5 Significance of the Study ....................................................................................................... 7  
1.6 Scope of the Study .................................................................................................................. 8  
1.7 Definition of Terms ............................................................................................................... 8  
1.8 Chapter Summary ................................................................................................................. 9

CHAPTER TWO ...................................................................................................................................... 10  
2.0 LITERATURE REVIEW .............................................................................................................. 10  
2.1 Introduction............................................................................................................................. 10  
2.2 Influence of Customer Satisfaction on Airline Customer Loyalty ....................................... 10  
2.3 Influence of Perceived Value and Quality on Airline Customer Satisfaction ..................... 17  
2.4 Influence of Corporate Image on Airline Customer Loyalty .............................................. 25  
2.5 Chapter Summary .................................................................................................................. 29

CHAPTER THREE ........................................................................................................................... 30  
3.0 METHODOLOGY ..................................................................................................................... 30  
3.1 Introduction............................................................................................................................. 30  
3.2 Research Design.................................................................................................................... 30  
3.3 Population and Sampling Design ......................................................................................... 31  
3.4 Data Collection Method ....................................................................................................... 33
3.5 Research Procedure .............................................................. 34
3.6 Data Analysis Method ............................................................ 34
3.7 Chapter Summary ................................................................. 35

CHAPTER FOUR ............................................................................. 36
4.0 RESULTS OF THE STUDY ............................................................ 36
4.1 Introduction ............................................................................. 36
4.2 Background Information ......................................................... 36
4.3 Influence of Customer Satisfaction on Airline Customer Loyalty ........ 40
4.4 Influence of Perceived Value and Quality on Airline Customer Satisfaction .......... 46
4.5 Influence of Corporate Image on Airline Customer Loyalty .................. 52
4.6 Cross-Tabulation and Correlation Analysis between Selected Variables .... 57
4.7 Chapter Summary ................................................................. 63

CHAPTER FIVE ............................................................................. 64
5.0 CONCLUSION AND RECOMMENDATION ........................................ 64
5.1 Introduction ............................................................................. 64
5.2 Summary ................................................................................ 64
5.3 Discussions ............................................................................ 65
5.4 Conclusion .............................................................................. 68
5.5 Recommendations ................................................................. 70

REFERENCES .............................................................................. 73
APPENDIX 1: LETTER OF INTRODUCTION ............................................. 78
APPENDIX 2: INTERVIEW SCHEDULE ............................................... 79
APPENDIX 3: RESEARCH BUDGET .................................................... 84
APPENDIX 4: IMPLEMENTATION PLAN ............................................. 85
### LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPV</td>
<td>Customer Perceived Value</td>
</tr>
<tr>
<td>DSE</td>
<td>Dar-es-Salaam Stock Exchange</td>
</tr>
<tr>
<td>KLM</td>
<td>Koninklijke Luchtvaart Maatschappij</td>
</tr>
<tr>
<td>KQ</td>
<td>Kenya Airways</td>
</tr>
<tr>
<td>NSE</td>
<td>Nairobi Stock Exchange and</td>
</tr>
<tr>
<td>USE</td>
<td>Ugandan Stock Exchange</td>
</tr>
</tbody>
</table>
## LIST OF TABLES

Table 4.1: Categorization of Respondents by Age .......................................................... 37
Table 4.2: Categorization of Respondents by Educational Level Attained .................. 37
Table 4.3: Respondents’ Frequency of Using KQ over the Past Year ............................ 39
Table 4.4: Preference of KQ over Other Airlines ......................................................... 40
Table 4.5: Professional and Courteous to Customers ..................................................... 41
Table 4.6: Satisfaction with On-Board Assistance for the Disabled .............................. 42
Table 4.7: Satisfaction with Staffs' Response to Customer Needs ................................. 43
Table 4.8: Satisfaction with How KQ Returns Value for Money .................................... 44
Table 4.9: Satisfaction with KQ as First Choice for Air Travel ...................................... 46
Table 4.10: Employees Instill Confidence on Customers ............................................... 47
Table 4.11: KQ Cabin Crew Competent to Handle Emergencies ................................. 48
Table 4.12: Passengers Informed of Key Services .......................................................... 49
Table 4.13: Satisfaction with the Manner Luggage is Handled ...................................... 50
Table 4.14: Luggage Safety Assured in KQ ................................................................. 51
Table 4.15: Satisfaction with Design of On-Board Toilets ............................................ 53
Table 4.16: Satisfaction with Color of the Cabin Crew's Uniform ................................. 54
Table 4.17: Satisfaction with Cleanliness/Neatness of Cabin Crew ............................... 55
Table 4.18: KQ has State-of-the Art Art Aircrafts ......................................................... 56
Table 4.19: Overall Satisfaction with KQ ...................................................................... 57
Table 4.20: Occupation * Frequency of Using KQ over the Past Year Crosstabulation .... 57
Table 4.21: Loyalty to KQ * Preference of KQ over Other Airlines Crosstabulation....... 58
Table 4.22: Age * Loyalty to KQ Crosstabulation ......................................................... 59
Table 4.23: Loyalty to KQ * Services Tailored to Specific Needs Crosstabulation ....... 59
Table 4.24: Loyalty to KQ * Air Ticket Prices Crosstabulation ...................................... 60
Table 4.25: Loyalty to KQ * Exterior Design of KQ Planes Crosstabulation ................. 60
Table 4.26: Loyalty to KQ * Interior Design of KQ Planes Crosstabulation ................. 61
Table 4.27: Correlation Analysis between Selected Variables ................................. 62
LIST OF FIGURES

Figure 4.1: Categorization of Respondents by Gender ................................................. 36
Figure 4.2: Categorization of Respondents by Occupation ........................................... 37
Figure 4.3: Categorization of Respondents by Tenure as KQ Customer ......................... 38
Figure 4.4: Categorization of Respondents by their Loyalty to KQ ............................... 39
Figure 4.5: Satisfaction with Variety of Quality Foods Offered ....................................... 40
Figure 4.6: Satisfaction with Departure and Arrival Times ............................................ 42
Figure 4.7: Satisfaction with Attitudes of On-Board Staff .............................................. 43
Figure 4.8: Treatment of Customers During Flight Delays/Cancelation ......................... 44
Figure 4.9: Comparison with other Airlines ..................................................................... 45
Figure 4.10: KQ Services Tailored to Meet Customer's Specific Needs ......................... 46
Figure 4.11: KQ Cabin Crew are Polite ........................................................................... 47
Figure 4.12: Satisfaction with Care Give to Special Needs Customers .......................... 48
Figure 4.13: KQ Staff Knowledgeable and Competent .................................................. 49
Figure 4.14: Satisfaction with Air Ticket Prices .............................................................. 51
Figure 4.15: Satisfaction with Exterior Design of KQ Planes ......................................... 52
Figure 4.16: Satisfaction with Design of Seats ............................................................... 53
Figure 4.17: Satisfaction with Interior Design of KQ Planes ......................................... 54
Figure 4.18: Attractiveness of On-Board Utensils Used ................................................ 55
Figure 4.19: Satisfaction with KQ Reputation With the Kenyan Society ....................... 56
CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

Globally, the airline industry is one of the more intangible industries dealing principally with the provision of services contributing over $12.9 billion in 2006 (Adeola & Adebìyi, 2014). Being global in nature, the recent world economic downturn of 2008 and 2009 period has had a tremendous blow on the industry (Johan, Noor, Bahar, Yan, & Ping, 2014). The airline industry is considered one of the commanding heights of global economy, aiding globalization by facilitating the rate of international economic exchanges among nations (Johan, et al., 2014). The economic circumstance in which the airline industry finds itself has impacted not only on the revenues for the airlines but also on competition for customers.

Kim and Lee (2011) contend that in Asian markets such as Korean and Japanese domestic airline markets competition among airline companies has resulted in price wars precipitating emergence of low-cost airlines. In Thailand, the oriental Airline, the Nok Air, the Thai Air Asia, Thai Smile Air and Solar Air have also adopted strategies aimed at ensuring customer retention or loyalty (Han, 2013). The issue of airline customer loyalty is indeed at the heart of strategic calculations among the airlines in the Asia Pacific rim. In this region, traditional carriers such as JAL Express, Skymark, and Air Do in Japan as well as Indonesian Citilink are currently facing a lot of competition from modern low-cost carriers. To this group of airlines customers loyalty is vital so as not to shed their customer base to the new entrants (Chen & Dubinsky, 2003; Chiou, 2004).

In China, the economic miracle that has propelled China from a state of economic backwardness to one of economic prosperity has resulted in a growing demand for air travel (Wang, Lo & Yang, 2004). It is estimated that between the year 2000 and 2009, the country’s air travel increased by 20% making the country the most rapidly increasing air transport in the world (An & Noh, 2009). The increasing competition between emerging Chinese airlines and other established airlines such as those from Japan, Korea, Europe and North America is apparent. In Singapore, the airline industry is also well developed and characterized with local and international competition. The major airlines competing
for airline customer market in Singapore include, Silk Air, Lufthansa, Lion Air and Air Asia among others (Chen, 2004).

This trend is not restricted to Asia but is a trend witnessed in Europe and North America as well as South America the Middle East and Africa (Adeola & Adebiyi, 2014). In Europe and North America, the growing competition among the airlines has resulted in growing apprehension by airline operators of the need to retain customers. The American Airlines (AA) and South West Airlines (SWA) for instances have endeavored to ensure customer loyalty by adopting strategies that bring low-cost flight services and other incentives (Jan, Abdullah & Sail, 2013). According to Baker (2013) in the U.S the passenger airline industry forms a fundamental part of the tourism industry.

This is true for Africa, as it is for the rest of the world. In Nigeria, the airline industry is one of the major pillars of the economy, as just between 8.3 million passengers and over 181,000 tons of freight were transported domestically (Adeola & Adebiyi, 2014). Such is the situation in which Kenya Airways finds itself. Kenya Airways popularly known as KQ is Kenya’s largest airline. KQ prides itself as the continental airline (Kamua & Stanley, 2015). The company was established in 1977 and wholly owned by the Government of Kenya (GoK) up 1996 when it became privatized. Currently the corporation’s largest shareholders are GoK and Frances KLM with 29.8% and 26.7% stake respectively. The private individuals hold the rest of the shares, which are traded in the three security markets of East Africa, namely; Nairobi Stock Exchange (NSE), Dar-es-Salaam Stock Exchange (DSE), and Ugandan Stock Exchange (USE) (Kamua & Stanley, 2015).

KQ is operating in an industry, which continues to be infiltrated by foreign advanced airlines as well as local low-cost airlines, a situation in which customers’ loyalty is an indispensable need (Kama & Stanley, 2015; Riwo-Abudho, et al, 2013). Currently, several international airlines operate in Kenya bringing visitors to Kenya and other parts of the country and also taking travelers to various parts of the world. Some of the most obvious airlines in Kenya include Kenya Airways (KQ), KLM, Turkish Airlines, Air France, Rwanda Air, British Airways, Qatar Airways, Ethiopian Airways, Fly Emirates and Fly540 among many others (Riwo-Abudho, et al, 2013). Just by the number of
airlines in operating in Kenya, it is apparent that the airline industry is well developed and that the competition is stiff (Kamau & Stanley, 2015).

Therefore, the airline industry is broad, important and robust such as it has never been before. Without the industry, international movement of factors of production, goods and services would be significantly hampered (Doganis, 2006). Furthermore, the industry provides jobs to thousands of people either directly or indirectly by creating employment opportunities for those operating within the industry or related sectors such as the tourism, manufacturing and hospitality sectors among others (Data Monitor, 2009). Ahmad and Khan (2011) have contended that the tourism sector comprising of restaurants, hotels and resort owe their well-being to the health of the airline industry (Ahmad & Khan, 2011).

However, the industry has been experiencing a lot of turbulence owing to the various developments including the emergence of low-cost carriers, insecurity brought about by international terrorism and epitomized by the 9/11 terror attacks in the United States (US) among other developments (Kamau & Stanley, 2015). Furthermore, more than any other industry, the airline industry is subject to rapid flux due to transformations in competitor moves, government or international regulations, employee dynamics and more importantly, customer expectations (which is influenced markedly by competitor moves) (Jan, et al, 2013). These trends have therefore intensified the need for airlines to ensure that they obtain and retain customers (An & Noh, 2008). Consequently, attaining and sustaining customer loyalty has been a primary concern for the airline brands worldwide (Mahmud, Jussof & Hadijah, 2013).

Jan, et al, (2013) contends that in the modern competitive milieu, customer loyalty is imperative in the development and execution of airlines’ strategies. Achieving and maintaining customer loyalty is of great value and indeed a prerequisite for the airlines to sustain a competitive advantage (Johan, et al, 2014). In the face of competition and with the need to maximize profits, airlines are in constant need to strengthen their position by retaining customers despite the presence of other competitors in the market (Mahmud, et al, 2013).

Apparently, loyal customers not only enable the organization to realize reduced costs associated with attraction of new customers, but also enhance the value of the firm
In fact, retention of customers is one crucial way in which organizations can not only ensure profitability and growth but wade of competition be maintain a relative competitive edge. Ensuring customer loyalty has become one of the key or overriding concerns for service industry in particular especially as competition has continued to intensify in a globalized world (Riwo-Abudho, Njanja, & Ochieng, 2013). Establishing and sustaining brand loyalty with existing customers is crucial for a firm’s continuity in a competitive environment.

Keynes (2009) point out the for the airline industry to realize customer loyalty several three elements must be realized, these include; customer satisfaction, perceived value and quality as well as corporate image. Khan and Khan (2014) contend that customer satisfaction is of fundamental importance to the airline industries. Lucchesi, et al, (2015) observes that the attainment of customer satisfactio is currently of crucial importace due to the competition. Satisfied customers are loyal customers and remain committed to the firm because they perceive the firm as according them value for their money if not more (An & Noh, 2009).

Most scholars who have tried to conceptualize the issue of customer loyalty have focused on and employed some of the key theories of customers satisfaction (Srivastava, 2015). One such theory is the assimilation theory developed by Leon Festinger in 1957. The assimilation theory is arises from the dissonance theory which contends that costomers make some form of cognitive comparision between a service expectations and the actual service (Peyton, Pitts & Kamery, 2003). The case for a post-experiencial assessment was introduced Festinger in the assimilation theory whereby it is held that customers evade dissonance by endeavoring to adjust perceptions relating to a goven service so as to bring it closer to prior expectations (An & Noh, 2009). The assimilation theory further posits that customers reduce the potential tension from expectations-experience discrepancy by adjusting expectations to coinside with the service experience thereby heightening satisfaction levels hence loyalty to the service provider (Peyton, et al, 2003). However, as Peyton, et al, (2003) observe, the unforgiving omission of the assimilation thoery is that it perceive a linear association between expectations and satisfaction, hence loyalty without elucidating how disconfirmation may result in dissatistaction and disloyalty.

(Doganis, 2006).
Another theoretical perspective that has attempted to explain customer satisfaction is the consistency theory (McEachern, 2014). According to Cohen and Houston (2003) the consistency theory when a customer obtains as much satisfaction as initially expected from a brand, switching to other brands (brand switching) accords him limited incentive say for the value of novelty itself. What the consistency theory perceives is that people tend to be consistent or unswerving in their actions *ceteris paribus* (holding other factors constant) especially in public. However, this theory is problematic in that it holds only if the customer was sufficiently aiming to justify their actions or loyalty to a corporation either to themselves or to others (Cohen & Houston 2003).

Indeed, in instances of reasonable brand satisfaction their exists limited conflict between subjective decision making on the one hand and decision justification (McEachern, 2014). The Equity theory also offers an important insight into the conceptualization of customer loyalty. Vogel, Evanschitzky and Ramaseshan (2008) argues that the equity theory is centered on one should obtain rewards that are proportional to his or her rewards. Loyal customers are those that perceive a given organization to which they are loyal to as capable of giving them equitable return on investments. Keynes (2009) contends that these customers perceive their relations with the corporation as beneficial.

Certainly, the decision making process regarding customer selection of an airline is influenced by a multiplicity of factors including the airline’s corporate image, perceived values, perceived service quality and customer satisfaction(Yang & Peterson, 2004). Doganis (2006) explains further that the there are pre-flight, in-flight and post-flight factors that influence the manner factors assess an airline and its services which contribute to their loyalty or untrustworthiness.

Customers have sighted pre-flight factors such as an airline’s reliability, responsiveness and discounts as well as in-flight services such as courtesy, language skills and tangibles as important to them when deciding to remain committed to an airline (Namukasa, 2013). Namukasa (2013) notes further post-flight service quality such as frequent flyer programs and timeliness also encourage customers to remain committed to an airline. The impact of these factors on customer retention for airline corporations is vital and with the ever present problem of completion it customer loyalty is hugely imperative (Mahmud, et al, 2013).
1.2 Statement of the Problem

In the contemporary business milieu characterized by breakneck competition, customer loyalty is increasingly becoming the most effective means for corporations to ensure profitability (Reinartz & Kumar, 2002). For Kenya Airways, marinating customer loyalty is just as important as it is important to other airlines operating in Kenya. The firm is currently considered among the leading and most profitable in Kenya – being termed “the Pride of Africa” (Kamau & Stanley, 2015, p. 87). This implies that the company has a lot to lose in terms of customers if the customers perceive it as incapable of providing value for money.

Consequently, the company has recognized the urgent need for it to enhance customer loyalty as primary strategy to increase its revenues maintain a competitive advantage vis-à-vis peers in a turbulent global airline market (Riwo-Abudho, et al, 2013). The company recently made strategic moves aimed at achieving and maintaining customer loyalty including the introduction of the low-cost carrier, the Jambo Jet, the extension of rewards and promos to its customers as well as developing a positive brand image (Kamau & Stanley, 2015). Indeed, while these are commendable strategic moves, the extent to which they have actually influenced customer loyalty is yet to be assessed and is indeed the need for the current study.

However, while a lot of research has been conducted to assess the factors affecting customer loyalty in various industries; little attention has been accorded to the analysis of such factors in the airline industry especially in a developing country such as Kenya (Kamau & Stanley, 2015). The current study will aim at addressing these gaps in literature by examining how three underpinning factors, namely, rewards, low-cost carrier services and brand loyalty has influenced customer loyalty towards Kenya Airways.

1.3 General Objective

The general objective of the study was to examine the factors contributing towards airline customer loyalty at Kenya Airways;

1.4 Specific Objectives

1.4.1 To examine how customer satisfaction influence customer loyalty towards Kenya Airways;
1.4.2 To determine the extent to which perceived value and quality contribute to customer loyalty towards Kenya Airways;

1.4.3 To assess how corporate image influences customer loyalty towards Kenya Airways;

1.5 Significance of the Study

The findings of this study will be important to a number of stakeholders in the airline industry.

1.5.1 The KQ Airline Customers

The customers of Kenya airways will gain from the study, knowledge of various services, benefits as well as prices available at Kenya airways. As such, the customers will gain knowledge of how to use the various customer-oriented services and pricing strategies to their own advantage. Furthermore, the customers will also gain information on some of the customer-relevant practices that KQ has that they may have modified or terminated.

1.5.2 Kenya Airways (KQ)

The study will be of vital importance to the KQ management, as it will equip them with crucial information regarding the various factors influencing customer loyalty towards the airline. As such, the study will influence managerial decision making regarding customer strategy. In fact, the information provided in the study will be fundamental in helping the KQ management in forming customer strategy to achieve or maintain a competitive advantage vis-à-vis its key competitors.

1.5.3 Other Airline Service Industries

Other airline industries especially those operating in the Kenyan market as KQ also stand to gain from the study. The study will provide these companies with important information regarding market and customer trends, which they can use, develop effective strategies. The management of other airline industry will be able to read from the study the competitive strategies employed by KQ and other competitors within the Kenyan
market and develop their competitive, customer or marketing strategies that may help them improve their customers’ loyalty and commitment or attract others.

1.5.4 Other researchers and academicians

The study aims to contribute to the general literature and theory on customer loyalty and particularly on this pertinent factors influencing customer loyalty in the airline industry. As such, the study aims to aid future researchers on customer loyalty with relevant information that will help them understand the issue more deeply. Furthermore, future researchers can use the information provided in the study as part of their literature review.

1.6 Scope of the Study

The study was conducted within Nairobi among the current customers of Kenya Airways (KQ). The study focused on customer loyalty in particular and not on the general broad area of customer loyalty. The study aimed to unearth on the factors that influence customer loyalty in the airline industry, the extent to which perceived value and quality contribute to customer loyalty in the airline industry and how corporate image influences customer loyalty in the airline industry. The data collection will be conducted among 340 the KQ customers at the Jomo Kenyatta International Airport (JKIA) over a period not exceeding two weeks by use of a structured interview schedule. The data will be collected over a period not exceeding one-and-a-half weeks.

1.7 Definition of Terms

Following are definition of key terms and concepts that will be used in the course of the study.

1.7.1 Corporate Image

According to Zins (2001), corporate image is the underpinning customer’s emotional stereotypes or labels associated with a airline corporation.

1.7.2 Perceived Value

Perceived value can be conceptualized as the outcome of the customer’s tradeoff or exchange between quality discernment and the monetary and non-fiscal sacrifices (Zins, 2001).
1.7.3 Satisfaction

Satisfaction refers to the ability of a firm (in this case airline company) to provide its customers (or passengers) with the benefits that surpass their expectations in so doing give them a perception that some value has been added (Lucchesi, et al, 2015).

1.7.4 Service Quality

Service quality has been defined as the consumer’s or customer’s overall impression or evaluation of the efficiency of an organization or a firm’s services (Namukasa, 2013).

1.8 Chapter Summary

Chapter One has presented the introduction of the thesis. It has explained that the research aims at examining the factors contributing towards airline customer loyalty at Kenya Airways. The chapter has further identified three areas specific objectives of the study, namely; To examine how customer satisfaction influence customer loyalty towards Kenya Airways; To measure the extent to which perceived value and quality contribute to customer loyalty towards Kenya Airways; and, to assess how corporate contribute to customer loyalty towards Kenya Airways. The chapter has further indicated that the study will be conducted among Kenya Airways (KQ) customers at the Jomo Kenyatta International Airport (JKIA) over a period not exceeding two weeks using a structured interview schedule. Chapter Two is the literature review and therefore examines existing texts to assess what previous studies have found and what they have omitted. Chapter Three highlights and explains the methodology of the study including the research design the population, the sampling design, the research procedure and the data analysis. Chapter Four will provide the study findings while Chapter Five will provide the summary of the study, the discussions of the findings, the conclusion and recommendations of the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This examines existing literature on customer loyalty in general and customer loyalty in the airline industry in particular. The chapter review a spectrum of academic sources of secondary information including journal articles, books, peer reviewed journals and press releases by organization to determine what existing literature says about the research problem. Therefore, the literature reviewed concerns the meaning and conceptualization of customer satisfaction, and the literature relating to the three research objectives, namely; influence of customer satisfaction on airline customer loyalty; influence of perceived value and quality on airline customer loyalty; and, influence of corporate image on airline customer loyalty.

2.2 Influence of Customer Satisfaction on Airline Customer Loyalty

2.2.1 Conceptualizing Customer Loyalty and Customer Satisfaction

2.2.1.1 Customer Loyalty

Customer loyalty, conceptualized as the extent to which customers remain committed to one brand despite several alternatives, is an increasingly important factor in the success of corporations especially those in the service industry such as the airline industry (Jan, et al, 2013). Indeed, the airline transport market liberalization has resulted in the intensification of competition among operators as formerly foreign airline brands have entered local markets bringing with them expertise in quality service and pricing strategies (Keynes, 2009). The need for Airlines to establish long-term and sustainable relationship with their customers is perceptible in such a highly competitive industry (An & Noh, 2009).

Srivastava (2015) perceives customer loyalty is a multidimensional and complex concept comprising or attitudinal and behavioral rudiments. Other scholars have concurred with this conception of customer loyalty and have pointed out that the behavioral definition of customer loyalty must be expanded to encompass attitudinal essentials (Bandopadhyay & Martell, 2007). The attitudinal loyalty implies the extent to which the customer is willing to retain and sustain a relationship with the service provider (Srivastava, 2015). Thus, a
customer that does not view with importance the need to maintain a rapport with the service provider or a brand is not a loyal customer (Jan, et al, 2013).

With these perspectives in mind, Srivastava (2015) conceptualizes customer loyalty as the a customer’s commitment to re-patronize or re-buy a preferred service or product constantly in the future resulting in a same-brand purchasing despite marketing efforts and contextual influences with the potential to compel the customer to switch behavior. In other words, customer loyalty is a sustained satisfaction tied with customers’ emotional attachment to the service providers that emerges out of the customers’ consistency and willingness to maintain the relationship (Evanschitzky & Wunderlich, 2006; Kotler & Keller, 2006).

Yunus, et al, (2013) explain that a customer loyalty is underscored by the customers attitudnal elements such as purchase of supplementary services or products or the firm, repurchase intention or willingness to suggest the firm to others while resisting stimulations to switch to competitors. At times loyalty also implies the customers readiness to pay a price premium (Bandyopadhyay & Martell, 2007). Therefore, customer loyalty can also be conceptualized as the customers expression of intended behavior associated with the service, corporation or product (Keynes, 2009; Evanschitzky & Wunderlich, 2006).

2.2.1.2 Customer Satisfaction

According to Srivastava (2015) customer satisfaction implies the customer’s total or overall assessment of a service or a product over a given period of time and as a consequence of purchase and use experience. Others have defined customer satisfaction as the end-user’s post-use evaluation of a product or a service to provide expected joy and fulfilment (Khan & Khan, 2014; Peyton, et al, 2003). As such, customer satisfaction can be perceived as the customer’s emotional states of contentment and enjoyment or disappointment and discontent with a product or a service as a result of comparison of his or her perception and expectations of the service or product performance (Kotler & Keller, 2006). Srivastava (2015) points out that a dissatisfied customer is a customer whose expectations outweigh his or her perceived actual service performance while for a satisfied customer the service or product interaction matches or even surpasses the initial expectations of the customer.
Peyton, et al, (2003) opine that analysts have assumed a causal link between customer satisfaction and customer loyalty. The former being considered the most perceptible antecedent for the latter. Nonetheless, this link has been refuted by some scholars who concluded after conducting a research on the association between customer satisfaction and customer loyalty that there is no any real direct or even indirect relationship between the two factors (Srivastava, 2015). Other scholars have even identified some moderators and mediators that influence the relationship between the two factors, like the exchange-relevant constructs (Khan & Khan, 2014; Evanschitzky & Wunderlich, 2006).

In the service industry, customer satisfaction is considered an imperative predictor of customer satisfaction (Kotler & Keller, 2006). In fact, several studies have indicated that customer satisfaction is perhaps the most researched customer satisfaction antecedent often finding a positive correlation between the two (Khan & Khan, 2014; Peyton, et al, 2003; Evanschitzky & Wunderlich, 2006; Kotler & Keller, 2006). An and Noh (2009) found a positive correlation between customer satisfaction and customer loyalty in the airline industry. Indeed, the foregoing review indicates several studies on customer loyalty in the airline industry has determined customer satisfaction is perhaps the most fundamental predictor and determinant of customer loyalty in this service industry (Ahmad & Khan, 2011; Kamau & Stanley, 2015; Mahmud, et al, 2013).

2.2.2 Habit and Customer Loyalty

The role of habit in predicting behavior has been verified in previous studies (Gefen, et al, 2003). Most habitual behavior arises and proceeds efficiently, effortlessly, and unconsciously and habit can predict customers’ future behavior (Ribbink, et al, 2004). Yee and Faziharudean (2010) conceptualize habit as what an individual usually does when there is a behavioral preference in the present. Habitual behavior leads to the continuation of the same type of behavior (Gefen, et al, 2003; Petrick & Backman).

This is aligned with Yee and Faziharudean (2010) who contended that once a behavior has become a habit or well-practiced behavior, it becomes automatic and is carried out without conscious decision. This tendency to repeat a behavior or action has been established as a factor, which partly accounts for loyalty and commitment behavior among human beings (Curtis, 2012; Armstrong & Kotler, 2003). This implies that habit is guided by automated cognitive processes, rather than by elaborate decision-making processes. In
Internet banking, the acquire skill to use a particular website resulting in habit (Yee & Faziharudean, 2010). According to Belmer and Greyser (2006), a habit will dampen switching to use other product brands or other services that require new skill and familiarity.

In a study, it was found that just between 40–60% of customers' repeat purchase from the same store through force of habit (Yee & Faziharudean, 2010). Petrick and Backman (2002) contend that highlighted of a habit can directly affect behavioral intentions more than do attitude and social norms. In a study, Gefen, et al, (2003) determined that Gefen (2003) found that habit alone could explain a large proportion of the variance in the customer’s sustained commitment to an organization. Wang, et al, (2004) contends that the findings indicate that the customers’ likelihood of repeating purchases of products or services of a specific firm or business enterprise (one they have routinely purchased goods and products from in the past), increases directly due to the strengthening of the habit of visiting that specific website.

In the research done by Lin and Wang (2006), they claimed that customers visit websites out of habit, rather than through a conscious evaluation of the perceived benefits and costs entailed. When habit is well entrenched, people tend to ignore external information or rational strategy. Such an effect is a central element in Triandis' (1971) theory of attitude and attitude change, in which behavioral intentions are the product of attitude, social norms and affect caused by habit. They concluded that habitual prior preferences in the use of specific m-commerce systems directly and strongly increased a consumer's intention to continue using the same systems.

2.2.3 Positive Airline-Customer Relationship

Johan, et al, (2014) argues that establishing positive or cordial airline-customer relationships results in increased customer satisfaction. A rewarding encounter for the customer when using the airline influences the customers desire and yearning to use the airline’s services in the future (Kotler, 2003). Kotler and Keller (2006), explain further that customer loyalty is indicated by the customer’s constancy and willingness to purchase products and services of a given company. This consistent behavioral consistency implies a re-purchase intention, which is the potential of the customers to buy a
companies services repeatedly despite marketing efforts and a spectrum of situational influences (Kamau & Stanley, 2015; Doganis, 2006).

Studies conducted to examine the customer loyalty in the commercial airline industry, the general conclusion has always been that customer satisfaction result in customer loyalty (Srivastava, 2015). Even while some studies have even determined a causal relationship between customer satisfaction and profitability in the airline industry, some studies have contradicted such findings by determining no direct or indirect association between customer satisfaction and loyalty (Jones & Sasser, 2005). This satisfaction that customers derive from their relationships or interactions with airline employees relate the kind of service that they obtain. According to Jan, et al, (2013) these include the manner in which the cabin crew relate with the passengers including how they receive, handle and respond to the customers’ specific needs.

2.2.4 Airlines’ Reliability

Empirical studies have found that service quality is an essential factor influencing customer loyalty in the airline industry (Yunus, et al, 2013). Riwo-Abudho, et al, (2013) contend that an airlines reliability is an essential factor that contributes to customer loyalty to that airline and that unreliable airlines often have low customer retention rates. Jan, et al, (2013) conceptualize an airline’s reliability as the ability of that airline to perform a pledged service accurately and dependably. In this sense reliability precipitates or leads to customer satisfactions which ultimately results in customer loyalty since customers believe that they will consistently receive the same kind of service every time that they use a particular airline (Doganis, 2006; An & Noh, 2009).

Keynes (2009) explains that consistent on-time departures and service delivery by an airline creates high levels of trust for the airline by customers. Yunus, et al, (2013, p.334) concurs with Keynes and point out that “doing the right thing the first time” creates a feeling that the airline is reliable and able to provide value for money. Punctuality is also an elemental factor in customers perception of airlines responsiveness. According to Jan, et al, (2013), passengers who are rushing to meetings and conferences value punctuality and would be highly disappointed in instances of delays in departure time and arrival times. These kind of passengers include businessmen, lawyers, doctors and diplomats that
value their time and would want and value consistency in an airlines departure and arrival times in order to meet their tight schedules (Mahmud, et al, 2013; Srivastava, 2015).

Kamau and Stanley (2015) contends however, that a one-time delay in departure and arrival time would not result in a customers overall dissatisfaction with an airline and as such may not decrease a customer’s level of loyalty to an airline and less the delays are consistent. Nonetheless, it can be argued that reliability impact on the customer’s short and long-term orientation regarding future use or nonuse of the service. It is largely accepted that reliability affects customer loyalty more in the developed countries where passengers are less tolerant to inconsistencies and inaccuracy in service airline service delivery as opposed to passengers in the developing countries (Gothan & Erasmus, 2008). Johan, et al, (2014) and Velimirovic, et al, (2011) contend that customers who perceive an airline to be grossly and consistently unreliable will most certainly switch to alternative or other existing airlines that their consider very reliable.

2.2.5 Airlines Convenience

The modern airline passenger is well informed, smart and has access to real time information. Through internet available in customer’s Smartphones and computers, passengers can now access more information concerning services and prices offered by an airline, quickly make comparisons and decide on which airline offers value for money (Curtis, 2012). This means that the modern airline passenger is less loyal and the patronage bond that the traditional customers had relied on with an airline travel agent or agency for his or her flight are no longer important (Data Monitor, 2009).

The airlines have thus responded in kind by establishing websites and online reservation systems through which potential and even current passengers can access information about the various services offered by the airline (An & Noh, 2009). Hence, the airlines’ customer relationship management (CRM) comprise of such systems as multi-channel customer access system, which enhances customers access and airline-customers exchanges. Furthermore, CRMs also include the call centers, websites, emails and travel agents.

The social media platform is also currently being utilized by the airlines to establish rapport with customers and provide specific responses to customers concerning inquiries
and complaints. Facebook and Twitter are currently some of the most discernible means through which customers have established a continuous feedback system that has facilitated customer loyalty and satisfaction (Curtis, 2012). Thus, convenience in terms of the airline’s responsiveness to customer’s queries about flight or route charges and other inquiries has resulted in greater customer loyalty for airlines that have appreciated technology in this way (Mokaya, Kanyagia & Wagoki, 2012).

Furthermore, convenience for customers has also been achieved through availability of remote check-in, which can be done through a web-based smart mobile device (SMD), a Smartphone or an internet-based computer. These have reduced the costs of going to book flight tickets or the hustle and sometimes-expensive challenges of dealing with travel agencies (Mokaya, et al., 2012). Therefore, the overall impact of convenience on customer loyalty is perceptible, that is, if one accepts that all customers appreciate the online services that the airline offers.

2.2.6 Impact of Trends on Customer Loyalty

Existing trends in the business environment have been found to be potential significant predictors of customer loyalty in several industries (Chen & Ching, 2007). According to Kuo, et al., (2009) trends are the collective upshot of diverse uncoordinated group and or individual activities or behaviors. It is a dynamic and continuing social structure and social relations.

Adeola and Adebiyi (2014) observe that contemporary trends are revealing of or imply that businesses are seen both as abstract entities and as an integral part of the society constantly influencing and being influenced by socio-economic processes in the society. In the contemporary world when it comes to trends, people are most likely to select products/services as a result of marketing efforts and being influenced by the opinions and recommendations of their immediate surroundings such as family, friends, school among others (Reena, 2012). This is because people are more confident buying something a family member or friend has expressed satisfaction with or one in which other people in the society fancy.

In a study conducted by Pinki. (2014), it was found that reference groups have a direct impact on forming a person trends. The effect of these groups is different across products
and brands (Omar, et al, 2007). Furthermore Hawkins et al. (1998) noted that reference groups include, not only, individuals whom a person has frequent contact with, i.e., classmates, friends, family members and work associates, but can also include ones from a different social group that a person does not have direct contact with but wishes to be part of. This social group is called an inspirational group.

According to Close (2001), the customer, while wishing to be part of this group, will be greatly affected by its members and will buy the same products they buy. It must be noted the level of influence varies depending on individuals and groups. Ayob (2010) contends that people are thought to be brand loyal for a number of reasons as follows, they are involved in purchase decisions, they are targeted frequently by marketing communications efforts, and they use brands to become influencers and trendsetters. The factors that influence the purchasing decision may be due to increasing knowledge of the marketplace and product alternatives.

2.3 Influence of Perceived Value and Quality on Airline Customer Loyalty

2.3.1 Meaning and Conceptualization of Perceived Value and Quality

Johan, et al, (2014) define perceived value as the customers’ perception concerning the fiscal value (worth), quality and social psychological outcome of using the product or a service. For Velimirovic, Velimirovic and Stankovic (2011) considers value as the outcome of the customers’ post-use cost-benefit analysis of the product or service vis-à-vis expectation and experience. Value is an essential factor in a customers’ future purchasing decision process as customers often buy products or services with high-perceived value and quality.

Perceived value refers to the customers’ overall evaluation of the standard process of obtaining customer services (Hellier, Ceursen, Carr & Rickard, 2003). Other scholars have conceptualized perceived quality as the degree of compliance rate between customer anticipations about a product or a service’s performance and perceived performance. Johan, et al, (2014) not that regularly informational cue provide the basis upon which customers judge service or product quality. Therefore, just like the case with perceived value, perceived quality directly influences customer’s brand loyalty and purchase decisions (Hellier, et al, 2003). According to Johan, et al, (2014) information cues are therefore rudimental in influencing a customer’s purchase decisions especially in
instances in which the customers lack sufficient information regarding the services or the products that they intend to buy (Amstrong & Kotler, 2003).

According to the Utility Theory, the customers’ probability of purchase or re-purchase intention will increase when they acquire more paybacks than what they part with to obtain a product or a service (Johan, et al., 2014). Velimirovic, et al., (2011) contend customers assess what they part with and what they obtain in an intricate subjective perception whenever they are buying a service or a product. Yang and Peterson (2004) support this standpoint by contending that a positive correlation is found between customers’ perceived value and customer loyalty.

### 2.3.2 Service Quality (SERVQUAL)

If prospects are superior to performance, then professed superiority is less than suitable and henceforth customer discontent happens (Curtis, 2012; Armstrong & Kotler, 2003). Constantly there exists a vital question: why should service excellence be dignified? Measurement permits for contrast before and after alterations, for the position of quality-connected difficulties and for the formation of vibrant values for service transfer. Evanschitzky and Wunderlich (2006) declare that, in their involvement, the starting point in increasing superiority in services is examination and dimension.

Good and proper customer service increases the customer’s confidence to do business with the organization (Cohen & Houston, 2003). According to Ghotbabadi, et al., (2012), the provision of quality services implies that the organization met and actually exceeded the expectations of the individual customers. Employees are allowed to adapt to customers’ needs and meet their demands without following the standard procedure especially when those are inconsequential (Babakus, 2004). As such, the staffs leave a positive and personal impression on the customer and thereby the employee realizes a sense of accomplishments. A good company gains a name by how customers assess its services and products (Hanzae & Mirvaisi, 2011; Kotler & Armstrong, 2007).

On a *prima facie* basis, it is perceptible that service quality affects customer loyalty since customers seldom remain loyal to a corporation in the face of poor quality services. In other words, quality is what customers strive for and their level of satisfaction greatly influenced by how they perceived the quality of the service they receive (Amstrong &
Kotler, 2003). Jan, et al, (2013) explain that service quality is the customers post-use evaluation of the discrepancy between his/her initial perceptions about a service offered by a given airline and the expectation about the firms providing such services. Previous studies in the airline industry including that by Ahmad and Khan (2011), Kamau and Stanley (2015), and Mahmud, et al, (2013) have determined that service quality is a rudimental factor in customer satisfaction in the airline industry. Jan, et al, (2013) while referring directly to the airline industry, contend that high-quality services precipitate customer retention, patronage increased profitability and market share.

Adeola and Adebiyi (2014) perceive a difference in the conceptualization of service quality in the airline industry and how the concept is applied in other industries. In the airline industry, service quality entails intangible and tangible attributes. According to Yunus, et al, (2013) these attributes include on-time arrivals and departures, service frequency and in-flight service among others. Other attributes include reservation systems and service frequency plans (Adeola & Adebiyi, 2014). Service quality can be categorized into two parts, that is, expected quality and perceived quality (Jan, et al, 2013).

Perceived quality of a service comprises of a technical and a functional dimension with the former implying the ability of the service to solve or provide a solution to the problem while the latter implies the manner in which the customers are handled or their complaints mediated. Indeed, while both are fundamental in the service industry, the functional dimension of service quality is more feasible in influencing customer loyalty in the airline industry. As Ahmad and Khan (2011) categorically points out, the manner in which airline employees and staff especially the cabin crew or stewardesses and flight attendants handle clients (passengers) and their complaints is imperative in determining the customers loyalty to the airline.

However, there are those who have contended that service quality only affects customer loyalty if it is a repeated action. It is contended that previously loyal and satisfied customers seldom switch to other airlines if airline staff treat them badly once than when they are consistently treated badly or get poor quality services (Jan, et al, 2013; Belmer and Greyser, 2006). In other words, a one-time or occasional poor quality service does not result in the customer disloyalty if the customer initially perceived the airline as good. This also suggests that for a customer that had disliked the company from the start, a poor
service or a bad treatment results in disloyalty and perhaps switch to other airlines (Amstrong & Kotler, 2003).

2.3.3 Customer Perceived Value (CPV)

Perceived value as been defined as the discrepancy between customers’ perceived costs and perceived benefits (Hellier, et al, 2003). As such, customer perceived value (CPV) can be equated to customer value, which can be defined as the disparity between value a customer obtains from a service and the cost that customers incurs in getting the service (Jan, et al, 2013). Adeola and Adebiyi (2014) observe that CPV can be as being rooted in the equity theory, which measures the customer’s input or output against service provider’s output or input and which suggest how each has gained or lost in the encounter.

Perceived value is considered not as a non-static construct but rather a dynamic one, which is capable of changing its integral components as time goes (Kuo, Wu & Deng, 2009). For example, transaction and acquisition value may dominate immediately after and during buying, while redemption and in-use value can result only at the later stages of product or service use (Wang, et al, 2004; Kuo, et al, 2009). Bandyopadhyay and Martell (2007) examined perceive value and explain that perceived value has certain benefits such as the feeling that one obtains from purchase (intrinsic benefits) and the product/service reputation (extrinsic benefits) and perceive quality. According to Kuo, et al, (2009) the ‘sacrifice’ elements of perceived value comprise of non-monetary (effort, time and energy) and monetary costs (prices).

Previous empirical studies have determined a positive association between perceived quality and customer loyalty (Ahmed & Moosavi, 2013; Kuo, et al, 2009; Adeola & Adebiyi, 2014). Scholars have constructed a conceptual framework for understanding the nexus between perceived value and customer loyalty. One such framework is that of Chen and Dubinsky (2003), which is a B2C e-commerce framework for explaining the connection between perceived value and key influencers. This model augments the definite significance of perceive value in precipitating customer’s intention to purchase goods and products via the internet, that is, online purchase intention (an element of customer loyalty).
Other scholars have found that in instances where perceived value is low, customers are often more inclined to switch to competitors and competing services or products to raise the level of perceived value, hence a decline in loyalty (Wang, et al., 2004; Kuo, et al., 2009; Ahmed & Moosavi, 2013; Omar, Musa & Nazri, 2007). Nonetheless, in a 2002 study, perceived value was found not to be a predictor or an influencing factor of customer loyalty in the golf traveler market (Petrick & Backman, 2002). This was confirmed by a study conducted by Omar, et al., (2007) which focused on the retail market found that perceived value was not an causal factor in the customer store loyalty.

Perceptibly, loyal customers are those that consider the resulting service as providing value for the cost(s) incurred. Zeithaml, Bitner and Gremler (2006) argue that the reason why customers may choose one service or product over an alternative is essentially because they believe or perceive it as returning better value. Kotler, Bowen and Makens (2010) explain that customer value in this sense is what customers believe is the difference between that costs and the benefits of using a service or obtaining a product (perhaps as compared to the cost and benefits of obtaining an alternative). Thus while customers may obtain the core service and how the service is delivered, they may still feel that they are not being given their ‘money’s worth’ (Atalik, 2009).

A corporation that provides superior customer value causes a positive effect on the customers (Jan, et al., 2013). Natsution & Mavondo (2008) agree that a high customer value is associated with a strong customer orientation and purchase intention and is hence a major determinant of customer loyalty. Park, et al., (2006) while noting the importance of service quality in customer loyalty, contends that providing quality services to the customer is not in itself sufficient in retaining or attracting customers to the airline as customers demand value in the pricing and quality strategy of the firm. In other words, a fares and quality work together in determining value for customers (Bandyopadhyay & Martell, 2007).

2.3.4 The Impact of Price on Customer Loyalty

Zhang and Feng (2009) suggest that “price is the monetary cost for a customer to buy products or services.” Therefore, price is an important determinant that will reflect the customers purchasing decision. Price competition in the mobile phone sector is becoming very intense, whereby it plays a vital role particularly for mobile phone service providers.
(Reena, 2012). Price is determined by various factors including, willingness of the buyer to pay and accept markups, the legal environment, intensity of competition, etc. Due to the importance of cost and service charges, customers are most likely to commit to a company that provides cheaper services (Ribbink, et al, 2004; Gefen, et al, 2003).

Haque, et al, (2007) also suggest that, generally, a price dominated mass-market leads to customers having more choice and the chance to compare price packages of different providers. Kollmann (2000) noted that the income of the total minutes of calls made would determine the success of the commercial basis for network providers. It should be noted that the success of the telecommunication provider does not depend only on sales but rather on actual total minutes used by subscriber’s mobile phone.

This indicates that there are two potential subscriber decisions. One is the decision to accept and buy the telecommunication device (e.g. mobile phone) and the other is to accept the charges for using the product (service from a provider).

In this regard (Kollmann, 2000) suggested a pricing policy for the success of service providers to give consumers free of charge mobile phones. On the other hand, (Reena, 2012) noted that variable charges are the most significant factors in the end user’s decision to subscribe to a service. Additionally, Ribbink, et al, (2004) supports this view by stating that price, in particular, plays an important role in the decision to prescribe to a mobile communications service provider.

Moreover, price perceptions among consumers toward the same products may be diverse. Nevertheless, there is an opinion that states that some consumers are more interested in where they purchase their product, as opposed to price or charges of service plan. Thus, price and the service providers (where the service is purchased from) are important elements of value in the mind of the consumers. Companies should, therefore, maintain and continue to offer higher value in order to attract new customers and avoid the risk of customers switching to competitor, that is, to sustain customer loyalty (Ribbink, et al, 2004; Gefen, et al, 2003). Based on the arguments above, the following hypothesis is offered.
2.3.5 Availability of Low-Cost Carriers

The airline industry has experienced fundamental transformation precipitated primarily by the emergence of the low-cost airlines (Groß & Shroder, 2005; Han, 2013). A low-cost airline refers to a no-frills airline, that is, a provider of just the basic transportation services. Low-cost airlines are important today with respect to their impacts on airline competition and fairs, and are considered highly influential factor as far as customer satisfaction is concerned (Mikulic & Prebezac, 2011). Keeney (2015) has however rejected the notion that the availability of low-cost carrier services in an airline positively contributes to customer loyalty arguing that reputation and overall service experience are more fundamental.

Furthermore, empirical studies have also demonstrated that some regular or repeat customers willingly pay premium to use traditional airlines (TA) or traditional flag carriers that are known to be expensive especially if they hold frequent flyer cards (Groß & Shroder, 2005). In addition, research suggests that corporate travelers or passengers are more at ease deviating from their company’s travel policy (to travel in low-cost carrier services) preferring to travel on more expensive carriers that they prefer. This is to suggest that the frequent flyers are likely to pay higher fares than one-time users of an airline service. It also demonstrates mixed results concerning the impact of a low-cost carrier services (Han, 2013).

Cost is at the heart of customers perception of both value and service quality in the service industry (Snyder & Tai, 2014). It is the fiscal value or price pegged on a service by the airline industry and, which customers must offset in order to obtain the service. The price of a service is a rudimentary factor that influences the customer’s perception of level of satisfaction with the service he or she obtains. Therefore, low-quality costs are cheaper that equivalent high quality services (Ahmad & Khan, 2011; Snyder & Tai, 2014). However, high-quality services do not necessarily result in greater customer satisfaction, as customers do not have to obtain high-quality services to get satisfied. Nonetheless, competitive prices provide a motive for attracting new customers since customers often perceive service price as indicative of a low or a high-quality service especially instances where prior knowledge or experience with the product exists (Snyder & Tai, 2014).
2.3.6 Influence of Trust

Previous studies conceive trust in three ways; as a set of particular beliefs concerning the benevolence, ability and integrity of a third party (Ribbink, van Riel, Liljander & Streukens, 2004). Trust is also conceived as a universal belief that a third party is trustworthy and is also considered as a trusting intension or the readiness of a person or a group to be susceptible to the actions of a third party (Wang, et al, 2004). Lastly, trust is construed as an affected indicated by emotions and feelings of self-assurance and security in the considerate response of the other party (Ribbink, et al, 2004).

Some scholars including Omar, et al, (2007) has considered the first two conceptualizations jointly while others such as Ribbink, et al, (2004) have considered them separately. This latter group considers the particular beliefs of the first two aspects as antecedents of a universal or common belief (Gefen, Karahanna & Straub, 2003). Yee and Faziharudean (2010) disregard the discrepancies in existing literature regarding the conceptualization of trust and adopt the understanding of trust as particular beliefs that comprise of ability, benevolence, predictability and integrity that is applied un business particularly in the context of online shopping.

Certainly, this conceptualization of trust is associated with existing literature in which trust has been mostly used to assess ongoing economic associations regarding buyer-seller and firm interactions (Ribbink, et al, 2004; Gefen, et al, 2003; Petrick & Backman, 2002). Indeed, other scholars such as Lin and Wang (2006) have adopted this understanding of trust of trust as a set of precise beliefs dealing principally with three attributes. The three attributes include benevolence (trustee motivation and caring to do something in the interest of the trusters), integrity (trustee promise keeping and honesty), predictability (trustee’s behavioral consistency) of a particular m-vendor and competence (ability of trustee to do what the truster's needs).

Thus, conceive, trust is expected to and has been found to influence the customer’s readiness to purchase or by things over the internet (Yee & Faziharudean, 2010). According to Yee and Faziharudean (2010), online customers usually avoid electronic vendors whom they do not trust. In a study conducted by Chiou (2004) in 2003, it was found that perceived trust had unswerving and affirmative influence upon the loyalty of customers. This findings were confirmed in a study by Yee and Faziharudean (2010)
which focused on internet-based corporations and found that there is a strong positive effect of trust on loyalty.

Moreover, Ribbink, et al. (2004) investigated the role of customer evaluations of electronic service and e-trust in explaining customer loyalty to online retailers. The findings showed that entrust directly and positively affects e-loyalty. Additionally, Kuo, et al., (2009) predicted that lack of trust is frequently cited as a reason for not purchasing from online merchants. Although most of the literature showed a positive impact of trust on loyalty, Yee and Faziharudean (2010) found that in an online environment, trust is not considered as a major contributor to loyalty.

2.4 Influence of Corporate Image on Airline Customer Loyalty

2.4.1 Corporate Image: Meaning and Conceptualization

According to Johan, et al., (2014) conceptualizes corporate image as the customer’s mental or psychological perception of the organization or the firm. It implies the kind of customers’ associations of what they derive from goods and services from the corporation. Belmer and Greyser (2006) explain that the concept of corporate image is intricate and multidimensional in that it covers a spectrum of factors, however, with respect to customers, the most fundamental aspects of corporate image are reducible to three, namely; organizational, functional and merchandise image.

The sources of or precipitating factors of corporate image are attributed to the emergence of customers consciousness of firms as physical bodies with peculiar behaviors and nature having a name (corporate name), management philosophy and tradition and product or service diversification (Nguyen & Leblanc, 2002). Park, Robertson and Wu (2006) conducted a study in 2005 and found that image was a fundamental factor that affected customers’ behavioral intention towards an airline. This study confirmed earlier findings by Zin (2001) that corporate image had the most profound influence on customer loyalty in the commercial airline industry. These studies therefore confirm the need to assess the impact or influence of corporate image on customer loyalty in the airline industry.

Corporate image is associated with brand loyalty. In instances where there exists a positive corporate image, the customers show high levels of commitment to the corporate brand. Jan, et al., (2013) contend that one of the most telling impact of corporate image on
customer loyalty is brand loyalty. Brand loyalty is conceived as the deeply-held psychological or mental dedication to re-patronize or re-buy a preferred service or product time and again, resulting in a repetitive same brand-set pr same-brand purchasing (Oliver, 1999).

Oliver (1999) perceives three fundamental requisites for true brand loyalty to persist. One, the beliefs or attribute ratings for the brand must outweigh competitive offering; two, that the first point must correspond with a sentimental preference or attitude for the brand; and three, that there must be higher intention on the part often consumer to purchase the brand relative to the intention to buy alternatives (Oliver, 1999). Jan, et al, (2013) and Johan, et al, (2014) note that service quality and customer satisfaction are of rudimental impact on customers brand loyalty and that with a decrease in the service quality and overall customer satisfaction precipitates a decrease in brand loyalty for a particular airline brand

2.4.2 Airlines Responsiveness

Responsiveness refers to the general willingness by the airline through its relevant employees to assist customers and provide prompt services to the customers when they need it (Jan, et al, 2013). Yunus, Bojei & Rashid (2013) contends that in demonstrating responsiveness, the airline employees not only show willingness in offering assistance but are also able to show interest in providing solution(s) to the problem. The airline employees also show empathy, that is providing individualized consideration for customers and their needs (Oliver, 1999; Yunus, et al, 2013). Riwo-Abudho, et al, (2013)explain further that courteousness demonstrated by airline cab crew is also a fundamental part of responsiveness. Knowing customers’ needs including such issues as the foods or drinks that they should take and those that they should not take, the disability status among other personal characteristics helps in showing empathy and providing the individualized attention that the customers need.

Moreover, efficiency with respect to the manner in which the cabin crew or the marketing department provide clear and effective service guidance to the customers contribute to the customers overal assessment of the airline as responsive (Johan, et al, 2014). Elements of service guidance include providing smooth seating to customers especially those with specific needs as well as prompt handling of customers requests, inquiries or complaints
also amount to responsiveness (Kamau & Stanley, 2015; Mahmud, et al, (2013; Ahmad & Khan, 2011). However, Jan, et al, (2013) contends that these elemental responsive services should be considered as integral part of high service quality.

2.4.3 An Airlines Tangibles and the Intangibles

According to Yunus, et al, (2013) tangibles in the airline industry implies the appearance of and the physical facilities associated with a particular airline. Customers are wary of the physical appearance or the cabin crew in as much as they are concerned about the manner in which the cabin crew treats them (Mahmud, et al, 2013). The cleanliness of the staff and the airplane’s interior gives the customers confidence and trust in the airlines ability to provide quality services and or the cabin crew to provide healthy and clean in-flight foods and refreshments. Therefore, tangible attributes such as cleanliness of airline staff has been found to be indispensable factors in the customers decision to use the airline in the future (Yunus, et al, 2013).

Furthermore, the kind of equipments that a given airline has implies the airlines ability to provide the service that it claims to provide or the services that the customers may need in the course of using the airline (Srivastava, 2015). The possession of technical equipments and materials show the customes that the airline is capable of not only providing the appropriate support to the customers but are capable of handling flight emergencies should they occur (Park, et al, 2006). The customers therefore draw a conclusion that they are safe whenever they use the airline especially in the eventuality of a flight emegency (Namukasa, 2013).

Other significant tangible factors associated with the corporate image or an airline brand image include the interior look or design of the aircraft, which accords the passengers a feeling of value for money hence satisfaction. Han (2013) observes that the physical environment, how it affects customers has received a lot of attention in the analyses of customer loyalty. The intangible aspects of the physical environment such as scent or odor, noise or sound as well as the air and the temperature of one’s surroundings do greatly influence the customer’s cognitive and experiential perception of satisfaction and loyalty (Lin & Worthley, 2012; Han, 2013).

Other environmental factors include attributes such as furniture, equipments, layout, devices and amenities, in the airline industry, comfort and safety are the most imperative
aspects of atmospherics that influence customer’s perception about the airline (Lin & Worthley, 2012). Passengers also look for comfortable seats and good or high-end entertainment equipment facilities (Yunus, et al, 2013). According to Han (2013) in the airline industry, function and ambience attributes can have either a negative or a positive impact passenger’s loyalty formation or decision-making.

### 2.4.4 An Airlines Level of Flexibility

Snyder and Tai (2014) conceptualize flexibility as an airlines ability or capacity to respond to the changing needs of customers and in customer orders. Wisner, Tan and Leong (2008) contend that due to potential of instances where owners of booked seats fail to show-up at departure (no-shows) and instances of appearance at time of departure of passengers with valid tickets but without reservations (go-shows), airlines can have a policy of accepting access reservations. Such a flexible arrangement allows the go-shows to take occupy the empty seats belonging to the go-shows (Han, 2013).

As such, there are no disappointments for the go-shows, no incidences of denied boarding (refusing customers with tickets to aboard flights) and at the same time, the airlines do not bear the cost of having empty but booked seats. Should there be a case of overbooking, that is, when number of ticked customers that want to aboard a plane exceed the seats available, the airline can then outsource the services of other airlines. In essence, therefore, flexibility allows the airline to respond promptly and effectively to developments in the course of daily operations. This does not only benefit the airline but results in customer satisfaction, the as they perceive the airline as responsive. With customer, satisfaction come customer loyalty since the customers believe that the airline will not disappoint in any way (Cohen & Houston, 2003).

An airline that is known for flexible ticket prices may realize greater customer loyalty, as the prices are elastic depending on customers’ needs at any given time. Some airlines ticket prices are tied to the speed at which the customer buys them, that is, the sooner one buys the ticket the lower the price with those buying tickets just before departure paying more than those that bought the tickets hours or days earlier. However, some airlines offer cheap tickets just before departure so that seats do empty (Snyder & Tai, 2014).
2.5 Chapter Summary

Chapter Two has reviewed existing literature on the four areas of interest for the current study. The literature reviewed relate to; the meaning and conceptualization of customer satisfaction, and the literature relating to the three research objectives, namely; influence of customer satisfaction on airline customer loyalty; influence of perceived value and quality on airline customer loyalty; and, influence of corporate image on airline customer loyalty. It is evident that there exists extensive empirical and theoretical literature on customer loyalty and factors affecting customer loyalty. However, scholars and research results indicate discrepancies in the conceptualization of the various elements influencing customer loyalty in the airline industry. The current study aims to contribute literature to this issue by examining the factors contributing towards airline customer loyalty at KQ by focusing on how customer satisfaction, perceived value and service quality as well as corporate image influences customer loyalty in the towards KQ. The next chapter provides the research mythology for the study.
CHAPTER THREE

3.0 METHODOLOGY

3.1 Introduction

This chapter discusses the research design that was utilized in this study. It also discusses the population and sampling design, data collection methods, research procedures and data analysis methods that were used in this particular study.

3.2 Research Design

According to Creswell (2014), a research design reflects the entire processes that the researcher intends to undertake in the course of the study. According to Robson (2004), the research design is the blueprint of the study and defines every step that the researcher intends to take to reach conclusions for the study. As such, research design is the entire plan for linking the conceptual problems of research and the underpinning and attainable empirical research.

Blanche, Durrheim and Painter (2002) elucidate that the research design defines the kind of data to be collected, the research techniques to be applied in data collection and the data analysis techniques as well as the manner in which the researcher answers the research questions. Several research designs exist, including experimental designs, descriptive designs, exploratory design as well as explanatory research design among others (Robson, 2004).

Herein, the researcher adopted a descriptive research design to elucidate on the various factors contributing to customer satisfaction. Robon (2004) and Creswell (2014) explain that a descriptive research provides and precise and legitimate representation of the variables or factors that pertain to the research problem and questions. The general objective of the current study was to examine the factors contributing towards airline customer loyalty at Kenya Airways and as such, a descriptive research design allowed both the identification and explanation of the variables influencing customer loyalty. Furthermore, since a descriptive research deals with the “how” question, it facilitated the realization of the three specific research objectives for the study.
3.3 Population and Sampling Design

3.3.1 Population

According to Creswell (2014), a population refers to the sum of individuals, incidences, events and phenomena bearing certain common observable features. The population therefore, is the entirety of individuals, items and incidences that conform to a given specification (Robon, 2004; Creswell, 2014). It is upon the population that the research obtains the individuals or items to include in the study as the sample. It is also on the population that the researchers postulates, applies or generalizes the results of the study (Blanche, et al, 2002; Creswell, 2014).

The population for the current study comprised of the current customers of KQ. This population was estimated at 4.2 million in 2015 according to the company website. However, only about 3000 of this population are accessible. This population was deemed the most suitable in providing information regarding customer satisfaction. Indeed, since they are customers, they had relevant information and opinions concerning why they preferred to use the airline as compared to several other airlines existing in the Kenyan market. It is from these population that the researcher selected a sample of participant to participate in the study.

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

Sampling is the systematic selection of research participants or individuals that the research wants to take part in the study (Creswell, 2014). Hence, sampling frame ideally contains all the elements in the population and is the list that singles out the individual elements of the population (Pedhazur & Schmelkin, 2005). The sampling frame or the list of the elements of the current study was obtained from the Sales and Marketing Department located at the company’s Ticketing Offices at the ground floor of Barclays Plaza along Loita Street. This department was considered to hold all the information pertaining to the firm’s existing customers.
3.3.2.2 Sampling Technique

Sampling technique is the methods used in drawing samples from a population was driven by the objectives of a given research activity (Robon, 2004; Creswell, 2014). The sampling process was regulated by the parameters in the population in line with specific objectives of the study. The study assumed a simple random sampling approach to give everyone an equal chance of participating in the study since it is an opinionated survey.

The strategy for selecting the \(n^{th}\) person to include in the study was developed by randomization using a computer-generated table consisting of number of instances equivalent to the sample size. Pedhazur & Schmelkin (2005) contend that this approach allowed all elements of the population an equal chance of participating in the study and thereby adds to the generalizability of the data and the research results.

3.3.2.3 Sample Size

Pedhazur and Schmelkin (2005) explain that a sample consists of a subset of elements selected from the population according to the sample design, which defines the operations and rules by which a sample is chosen. Due to the infeasibility of conducting a research survey from all the individuals in the populations, the researcher naturally identifies a proportion of the population that is accessible within the stipulated time and with the available resources. This is what is referred to as the sample size.

Mugenda and Mugenda (2003) propose that the sample size of a population of less than 10,000 individuals can be given by the following formula;

\[
\text{Sample Size} = \frac{\text{distribution of 50\%}}{[(\text{margin of error\% / Confidence Level Score})^2]} 
\]

2. Finite Population Correction

\[
\text{True Sample} = \frac{\text{Sample size} \times \text{Population}}{(\text{Sample Size} + \text{Population} - 1)} 
\]

Where;

Margin of error = 0.05, Confidence level = 1.645 (measured at 90\%)
Sample size = [(0.5 x (1 – 0.5)) / [(0.05/1.96)^2] = 0.25/0.000651…

= 384.02

Calculating for true sample

True Sample = 384.02*3000/ 384.02 + 3000 – 1 = 1152073.73/3383.02

= 340

Therefore, the sample size chosen for the study will comprise of 340 individuals.

3.4 Data Collection Method

Structured questionnaires were used to collected relevant data from the research participants. The researcher developed a structured questionnaire containing several questions pertaining to the three specific research objectives of the study. To make the instrument easy to respond to and to avert respondent fatigue, the researcher ensured that the data collection tool short enough to allow respondents to respond faster to questions and long enough to ensure that all the relevant data is collected.

Furthermore, the researcher divided the data collection instrument into four key parts. The first part of the questionnaire comprised of queries aimed at assessing the respondents’ background. This part is deemed necessary as it helped to assess the personality factors that influence respondent’s loyalty towards the airline. The next three parts of the data collection instrument corresponded to each of the three research objectives.

Consequently, part two of the questionnaire solicited responses regarding how customer satisfaction influences customer loyalty towards Kenya Airways. The variables assessed in this part were; nature of Airline-Customer Relationship, Airlines’ Reliability and Airlines Convenience among others. Part three of the data collection instrument asked question pertaining to the second research objective, that is, the extent to which perceived value and quality contribute to customer loyalty towards Kenya Airways. The variables tested were; Service Quality (SERVQUAL), Customer Perceived Value (CPV) and Availability of Low-Cost Carriers among other variables specific to this research objective. The fourth part of the tool pertained to the third research question; how corporate image influences customer loyalty towards Kenya Airways. The variables
assessed here were; Airlines Responsiveness, Airline’s Tangibles and the Intangibles and Airlines Level of Flexibility among other variables specific to this research objective.

3.5 Research Procedure

The researcher developed the data collection instrument as has been mentioned. The researcher developed an introductory letter and has it/them stamped at USIU research office thereby obtain authorization to conduct the study. The researcher then used the introductory letter to obtain an authorization to conduct the study from relevant authorities of Kenya Airways. After getting the go ahead, the researcher first conducted a pilot study to test the feasibility of the actual study and to the validity or suitability of the data collection instrument. The researcher however did not include the results of the study in the final data as the purpose of the pilot study was principally to tests the possibility of the actual survey and the consistency of the data collection instrument with the aim of addressing any challenges that could occur.

After ascertaining that the survey was possible and that the data collection instrument was appropriate, the researcher proceeded to collect the relevant data from the research participants. Using a predetermined strategy, as defined under the sampling technique, the researcher visited, called or email the respondents and to administer the questionnaire to them. The researcher accorded the respondents between 15 and 25 minutes to fill in the questionnaire should their agree to take part in the survey.

After obtaining the required data volume, the researcher then coded the data collection instruments and entered the data into the SPSS. Transformation of the data was essential as it permitted the researcher to change the data into a more sensible form. The researcher then proceeded with data analysis after all the data are entered into the SPSS.

3.6 Data Analysis Method

The study used both descriptive and inferential statistics to analyze the data obtained from the survey. According to Creswell (2014), descriptive statistics refers to the use of visually recognizable statistics including, bar graphs, frequency tables, pie charts as well as column bar graphs. The inferential statistics imply the use of complex calculations including Chi-Square tests, correlations, deviations and cross-tabulations to make deeper sense of the obtained data. The current study used the Microsoft Excel and Statistical
Package for Social Scientists (SPSS) to generate the descriptive statistics and inferential statistics respectively.

3.7 Chapter Summary

Chapter 3 has provided the methodology of the study and has described the blue print of the study or the research design. The chapter has identified a descriptive research design as the design that the study intends to utilize. The chapter has also described the study population and the sampling design. The chapter has mentioned that the sampling design for the study was simple random sampling and the method of data collection was the use of structured questionnaires. The study has further mentioned that descriptive was used to present the data, which was analyzed through SPSS. The chapter has also mentioned that through the use of SPSS, the researcher generated inferential statistics that provided more in-depth understanding of the data. The next chapter, Chapter 4 provides the results of the survey.
CHAPTER FOUR

4.0 RESULTS OF THE STUDY

4.1 Introduction

Chapter 4 shows the study results. The chapter makes use of a variety of descriptive statistics and inferential statistics to depict what the study found.

4.2 Background Information

This part of the chapter shows the results that were obtained concerning the background information of the respondents.

4.2.1 Categorization of Respondents by Gender

As shown in Figure 4.1, 43% (f = 60) of the research participants were females and 57% (f = 78) were males. This suggests that more males than females participated in the study.

![Figure 4.1: Categorization of Respondents by Gender](image)

4.2.2 Categorization of Respondents by Age

Fifteen respondents (10.9%) were “Under 25 Years” old. Eighty-one participants (58.7%) were between 25 and 35 years old. Thirty-one respondents (22.5%) were aged between 36 and 46 years. Ten respondents (7.2%) were aged between 47 and 57 years while only one respondent (0.7%) was aged “Over 58 Years. The results do indicated that the majority of the research participants were youths aged between 25 and 35 years. Table 4.1 shows the findings.
Table 4.1: Categorization of Respondents by Age

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 25 Years</td>
<td>15</td>
<td>10.9</td>
</tr>
<tr>
<td>25 - 35 Years</td>
<td>81</td>
<td>58.7</td>
</tr>
<tr>
<td>36 - 46 Years</td>
<td>31</td>
<td>22.5</td>
</tr>
<tr>
<td>47 - 57 Years</td>
<td>10</td>
<td>7.2</td>
</tr>
<tr>
<td>Over 58 Years</td>
<td>1</td>
<td>0.7</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.3 Categorization of Respondents by Occupation

Figure 4.2 shows the categorization of the research respondents by how they responded regarding their occupation. Twenty-three-point two per cent of the participants (f = 32) were civil servants. Forty-five-point seven of the respondents (f = 63) indicated being company employees. Seven-point-two percent of the respondents (f = 10) indicted they were “Business owners”. Ten-point-nine percent of those studies (f = 15) indicated they were students while 13% of the respondents (f = 18) specified they were professionals. Hence, the majority of the research participants were company employees.

Figure 4.2: Categorization of Respondents by Occupation

4.2.4 Categorization of Respondents by Educational Level Attained

The researcher grouped the respondents according to their educational level. One participant (0.7%) admitted being a high school leaver. Fourteen respondents (10%) indicated that they were “Diploma” holders while 60 of the individuals studied (43.6%) indicated they were “Bachelor’s Degree” holders. Fifty-nine persons studied (42.8%)
were “Master’s Degree” holders. The rest of the persons studied, consisting of 4 individuals (2.9%) indicated they were PhD holders. The results suggest that the majority of the research participants were either “Bachelor’s Degree” or “Master’s Degree” holders. The results are shown in Table 4.2.

Table 4.2: Categorization of Respondents by Educational Level Attained

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>1</td>
<td>0.7</td>
</tr>
<tr>
<td>Diploma</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>60</td>
<td>43.6</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>59</td>
<td>42.8</td>
</tr>
<tr>
<td>PhD</td>
<td>4</td>
<td>2.9</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.5 Categorization of Respondents by Tenure as KQ Customer

Indicated in Figure 4.3, is the categorization of the study participants by their tenure as customers of KQ. Fifteen-point-nine percent of the respondents (f = 22) specified that they had been customers of KQ for “Few to Several Months”. Forty-one-point-three percent of the respondents (f = 57) had been customers of KQ for 1 to 5 years. Twenty-five-point-four percent of the respondents (f = 35) had used KQ’s customers for 6 – 11 years. Seventeen-point-four percent of the research participants (f = 24) had been customers of KQ for over 11 years.

Figure 4.3: Categorization of Respondents by Tenure as KQ Customer
4.2.6 Respondents’ Frequency of Using KQ over the Past Year

Table 4.3 is indicative of participants’ frequency of using KQ for air travel over the past year. Twenty-five respondents (18.1%) had used KQ only “Once” over the past year. Fifty-participants (36.2%) had used the airline between 1 and 3 times over the past year. Thirty-two respondents (23.2%) had used KQ between 4 and 5 times over the previous one year. Ten research participants (7.2%) had used the airline “6 Times) while 21 participants (15.3%) had used the airline for “Over 10 Times”.

Table 4.3: Respondents’ Frequency of Using KQ over the Past Year

<table>
<thead>
<tr>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once 25</td>
<td>18.1</td>
</tr>
<tr>
<td>1 - 3 Times 50</td>
<td>36.2</td>
</tr>
<tr>
<td>4 - 5 Times 32</td>
<td>23.2</td>
</tr>
<tr>
<td>6 Times 10</td>
<td>7.2</td>
</tr>
<tr>
<td>Over 10 Times 21</td>
<td>15.3</td>
</tr>
<tr>
<td>Total 138</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.7 Categorization of Respondents by their Loyalty to KQ

The researcher grouped the respondents by “their Loyalty to KQ”. Four-point-three percent of the respondents (f = 6) specified they were “Not Sure” of their loyalty to the airline. Twenty-one-point-seven percent of the participants (f = 30) admitted they were not loyal to KQ. Forty-five-point-seven percent of those studied (f = 63) and 25.4% (f = 35) of the participants indicated they were “Somewhat Loyal” and “Loyal” to KQ respectively. Two-point-nine percent of those studied (f = 4) indicated they were “Very Loyal” to KQ. The results are shown in Figure 4.4.

Figure 4.4: Categorization of Respondents by their Loyalty to KQ
4.2.8 Preference of KQ over Other Airlines

As indicated in Table 4.4, the respondents had varying opinions on whether they preferred KQ to other airlines. Ten participants (7.2%) said they were “Not Sure”. Forty participants (29%) indicated they had poor preference for KQ to other airlines. Thirty-four participants (24.6%) and 50 participants (36.3%) indicated that they had “Somewhat Better” and “Better” preference for KQ to other Airlines respectively. Four respondents (2.9%) indicated having the “Best” preference for KQ to other airlines.

Table 4.4: Preference of KQ over Other Airlines

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>10</td>
<td>7.2</td>
</tr>
<tr>
<td>Poor</td>
<td>40</td>
<td>29</td>
</tr>
<tr>
<td>Somewhat Better</td>
<td>34</td>
<td>24.6</td>
</tr>
<tr>
<td>Better</td>
<td>50</td>
<td>36.3</td>
</tr>
<tr>
<td>Best</td>
<td>4</td>
<td>2.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3 Influence of Customer Satisfaction on Airline Customer Loyalty

This part presents the results of the study concerning the first specific research objective. It presents the respondents’ take on specific questions regarding customer loyalty to KQ.

4.3.1 Satisfaction with Quality of Variety Foods Offered

Figure 4.5: Satisfaction with Quality of Variety Foods Offered
Figure 4.5 shows the results obtained on research participants’ satisfaction with the quality of the variety of foods offered by KQ during flight. Three participants (2.2%), 28 participants (20.3%) and 50 participants (36.2%) answered that they were “Very Satisfied”, “Satisfied” and “Somewhat Satisfied” correspondingly. Fifty-two participants (37.7%) were “Not Satisfied” with the quality of the variety of foods offered by KQ during flight. Five participants (3.6%) were “Not Sure”.

4.3.2 Professional and Courteous to Customers

Table 4.5 shows the results of the respondents’ take on whether KQ staffs were professional and courteous to customers. Two participants (1.4%) were “Not Sure” while 24 participants (17.5%) admitted they were “Not Satisfied”. Thirty participants (23.2%) indicated they were “Somewhat Satisfied”. Seventy-one participants (51.4%) and 7 participants (6.5%) responded that they were “Satisfied” and “Very Satisfied” KQ staffs were professional and courteous to customers, congruently.

Table 4.5: Professional and Courteous to Customers

<table>
<thead>
<tr>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>2</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>24</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>32</td>
</tr>
<tr>
<td>Satisfied</td>
<td>71</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
</tr>
</tbody>
</table>

4.3.3 Satisfaction with Departure and Arrival Times

The respondents were asked if they were satisfied with KQ’s departure and arrival times. As is displayed in Figure 4.6, 2 respondents (1.4%) were “Very Satisfied” while 29 participants (21%) responded that they were “Satisfied”. Forty-two participants (30.4%) were “Somewhat Satisfied” while 60 respondents (43.6%) indicated they were “Not Satisfied”. Five participants (3.6%) were “Not Sure”. Therefore, the study results suggest that the majority of those who participated in the study are not contented or pleased with the manner KQ organizes its departure and arrival times.
Figure 4.6: Satisfaction with Departure and Arrival Times

4.3.4 Satisfaction with On-Board Assistance for the Disabled

Table 4.6 is indicative of respondents’ satisfaction with the kind of on-board assistance KQ offers to disabled and special needs customers. Twenty-eight participants (20.3%) were “Not Sure”. Five participants (3.6%) answered they were “Not Satisfied with the services KQ offers to disabled persons. Twenty-six participants (18.8%), 56 participants (40.6%) and 23 participants (16.7%) indicated they were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” with the kind of on-board assistance KQ offers to disabled and special needs customers.

Table 4.6: Satisfaction with On-Board Assistance for the Disabled

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>28</td>
<td>20.3</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>5</td>
<td>3.6</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>26</td>
<td>18.8</td>
</tr>
<tr>
<td>Satisfied</td>
<td>56</td>
<td>40.6</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>23</td>
<td>16.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.5 Satisfaction with Attitudes of On-Board Staff

Figure 4.7 displays results regarding respondents’ satisfaction with the attitudes of On-Board Staff. Seventeen of those studied (12.4%) were “Not Satisfied” while 29
participants (21%) were “Somewhat Satisfied” with the attitudes of On-Board Staff. Seventy-four participants (53.6%) and 18 participants (13%) responded that they were “Satisfied” and “Very Satisfied”, congruently, with the attitudes of On-Board Staff.

![Figure 4.7: Satisfaction with Attitudes of On-Board Staff](image)

**4.3.6 Satisfaction with Staffs' Response to Customer Needs**

The researcher asked those that participated in the study whether they were satisfied with the manner the staffs of KQ responded to customer needs. Ten respondents (7.2%) were “Not Sure” while 11 respondents (8%) were “Not Satisfied” with the manner the staffs of KQ responded to customer needs. Fifty-Seven respondents (41.3%), 47 participants (34.1%) and 13 participants (9.4%) responded that they were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied”, correspondingly, with the manner the staffs of KQ responded to customer needs.

**Table 4.7: Satisfaction with Staffs' Response to Customer Needs**

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>10</td>
<td>7.2</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>57</td>
<td>41.3</td>
</tr>
<tr>
<td>Satisfied</td>
<td>47</td>
<td>34.1</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>13</td>
<td>9.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3.7 Treatment of Customers During Flight Delays/Cancelation

Figure 4.8 displays the results obtained concerning respondents satisfaction with KQ’s treatment of customers during flight delays and cancelation. Ten participants (7.2%) pointed out they were “Not Sure”. Fifty-Five participants (39.9%) were “Not Satisfied”. Thirty-Six participants (26.1%) specified they were “Somewhat Satisfied”. Thirty-Five participants (25.4%) and 2 participants (1.4%) pointed out that they were “Satisfied” and “Very Satisfied”, respectively, with the manner the staffs of KQ responded to customer needs.

![Figure 4.8: Treatment of Customers During Flight Delays/Cancelation](image)

4.3.8 Satisfaction with How KQ Returns Value for Money

The respondents were asked to indicate their satisfaction with how KQ returns value for money to customers.

Table 4.8: Satisfaction with How KQ Returns Value for Money

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>10</td>
<td>7.2</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>49</td>
<td>35.5</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>40</td>
<td>29</td>
</tr>
<tr>
<td>Satisfied</td>
<td>36</td>
<td>26.1</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>3</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Ten participants (7.2%) were “Not Sure”. Forty-Nine participants (35.5%) were “Not Satisfied” with how KQ returns value for money to customers. Forty participants (29%) were “Somewhat Satisfied”. Thirty-Six participants (26.1%) were “Satisfied” with how KQ returns value for money to customers while 3 participants (2.2%) were “Very Satisfied”.

4.3.9 Comparison with other Airlines

The researcher questioned the respondents on their satisfaction with KQ as compared to other airlines in the Kenyan air travel market. As displayed in Figure 4.9, 1 participant (0.7%) and 30 participants (21.7%) pointed out that they were “Very Satisfied” and “Satisfied” respectively with satisfaction with KQ as compared to other airlines. Sixty-Nine participants (50%) indicated they were Satisfied with the airline. Thirty-Five participants (25.4%) were “Not Satisfied” while 3 participants (2.2%) were “Not Sure.

Figure 4.9: Comparison with other Airlines

4.3.10 Satisfaction with KQ as First Choice for Air Travel

Table 4.9 displays the study outcome when the research participants indicated their satisfaction with KQ as their first choice for air travel. Twelve-participants (8.7%) were “Not Sure” of their satisfaction with KQ as their first choice for air travel. Fifty-Nine participants (42.8%) were “Not Satisfied with “KQ as First Choice of Air Travel”. Thirty-Six respondents (26.1%), 25 participants (18.1%) and 6 participants (4.3%) were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” with satisfaction with KQ as their first choice for air travel.
Table 4.9: Satisfaction with KQ as First Choice for Air Travel

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>12</td>
<td>8.7</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>59</td>
<td>42.8</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>36</td>
<td>26.1</td>
</tr>
<tr>
<td>Satisfied</td>
<td>25</td>
<td>18.1</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>6</td>
<td>4.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4 Influence of Perceived Value and Quality on Airline Customer Loyalty

With relevance to the second research objective, the research asked the respondents’ questions that would help understand the nexus between perceived value and quality on customer satisfaction. This part of the chapter presents the results that were obtained.

4.4.1 KQ Services Tailored to Meet Customer’s Specific Needs

Figure 4.10 shows the results on respondents take on how KQ had tailored its services to meet customers’ specific needs. One respondent (0.7%) and 28 participants pointed out respectively that they were “Very Satisfied” and “Satisfied” with how KQ had tailored its services to meet customers’ specific needs. Sixty-One participants (44.2%) were “Somewhat Satisfied”. Thirty-Four participants (24.6%) and 14 participants (10.2%) were “Not Sure”.

Figure 4.10: KQ Services Tailored to Meet Customer’s Specific Needs
4.4.2 Employees Instill Confidence on Customers

Table 4.10 displays the results of respondents’ satisfaction with how KQ staffs or employees instill confidence on customers. Six respondents (4.3%) indicated they were “Not Sure”. Twenty-Six participants (18.8%) indicated they were “Not Satisfied” with how KQ staffs or employees instill confidence on customers. Twenty-Seven participants (19.7%) pointed out that they were “Somewhat Satisfied” while 71 participants (51.4%) were “Satisfied”. Eight participants (5.8%) were “Very Satisfied”.

Table 4.10: Employees Instill Confidence on Customers

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>6</td>
<td>4.3</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>26</td>
<td>18.8</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>27</td>
<td>19.7</td>
</tr>
<tr>
<td>Satisfied</td>
<td>71</td>
<td>51.4</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>8</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.3 KQ Cabin Crew are Polite

The respondents were asked if they were satisfied, that KQ’s Cabin Crew were polite. Five participants (3.6%) were “Not Sure”. Twelve participants (8.7%) were “Not Satisfied” that KQ’s cabin crews were polite. Twenty-Five participants (18.1%) were “Somewhat Satisfied”. Seventy-Nine participants (57.2%) and 17 participants (12.3%) were “Satisfied” and “Very Satisfied” that KQ’s cabin crews were polite. Figure 4.11 shows the results.

Figure 4.11: KQ Cabin Crew are Polite
4.4.4 KQ Cabin Crew Competent to Handle Emergencies

Table 4.11 displays the study outcome when the respondents were asked if they were satisfied, that KQ cabin crew were competent to handle emergencies. Twenty respondents (14.5%) indicated they were “Not Sure” while 13 respondents (9.4%) indicated they were “Not Satisfied”. Thirty-Five respondents (25.4%), 62 respondents (44.9%) and 8 respondents (5.8%), were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” respectively.

Table 4.11: KQ Cabin Crew Competent to Handle Emergencies

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>20</td>
<td>14.5</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>13</td>
<td>9.4</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>35</td>
<td>25.4</td>
</tr>
<tr>
<td>Satisfied</td>
<td>62</td>
<td>44.9</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>8</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.5 Satisfaction with Care Give to Special Needs Customers

The participants were asked to indicate their satisfaction with care given to special need customers by KQ. Thirty-one participants (22.5%) said they were “Not Sure” while 4 participants (2.9%) said they were “Not Satisfied”. Thirty participants (21.7%) said they were “Somewhat Satisfied”. Sixty-One participants (44.2%) and 12 participants (8.7%) said they were “Satisfied” and “Very Satisfied”, congruently as depicted in Figure 4.12.

Figure 4.12: Satisfaction with Care Give to Special Needs Customers
4.4.6 Passengers Informed of Key Services

Table 4.12 shows the responses obtained when the respondents were asked to specify their satisfaction with how passengers are informed of major services during the flight. Five participants (3.6%) specified they were “Not Sure” while 17 participants (12.3%) specified they were “Not Satisfied”. Forty-eight participants (34.8%) indicated they were “Somewhat Satisfied” while 61 participants indicated they were “Satisfied” with how passengers are informed of major services during the flight. Seven participants (5.1%) indicated they were “Very Satisfied”.

<table>
<thead>
<tr>
<th>Satisfaction Level</th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>5</td>
<td>3.6</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>17</td>
<td>12.3</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>48</td>
<td>34.8</td>
</tr>
<tr>
<td>Satisfied</td>
<td>61</td>
<td>44.2</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>7</td>
<td>5.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.7 KQ Staff Knowledgeable and Competent

The participants gave the results displayed in Figure 4.13 when asked if they were satisfied that the staffs of KQ were knowledgeable and competent.

Figure 4.13: KQ Staff Knowledgeable and Competent
Eight participants (5.8%) and 75 participants (54.3%) said they were “Very Satisfied” and “Satisfied” correspondingly that KQ staff were knowledgeable and competent. Forty-Four participants (31.9%) indicated that they were “Somewhat Satisfied” that the staffs of KQ were knowledgeable and competent. Three participants (2.2%) were “Not Satisfied” while 8 participants (5.8%) were “Not Sure”.

4.4.8 Satisfaction with the Manner Luggage is Handled

Table 4.13 displays the results obtained concerning respondents satisfaction with the manner in which KQ handles customer luggage. Three respondents (2.2) said they were “Not Sure” if they were satisfied with how KQ handles customers’ luggage while 31 participants (22.5%) said they were “Not Satisfied”. Thirty-Seven respondents (26.8%) indicated they were “Somewhat Satisfied”. Fifty-Nine participants (42.7%) pointed out they were “Satisfied” while 8 participants (5.8%) specified they were “Satisfied” and “Very Satisfied”, respectively.

Table 4.13: Satisfaction with the Manner Luggage is Handled

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>3</td>
<td>2.2</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>31</td>
<td>22.5</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>37</td>
<td>26.8</td>
</tr>
<tr>
<td>Satisfied</td>
<td>59</td>
<td>42.7</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>8</td>
<td>5.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.9 Satisfaction with Air Ticket Prices

The respondents’ satisfaction with KQ air ticket prices were as displayed in Figure 4.14. Eighteen participants (13%) and 33 participants (23.9%) said they were “Satisfied” and “Somewhat Satisfied” congruently. Eighty-Four participants (60.9%) answered that they were “Not Satisfied” with KQ air ticket prices. Three participants (2.2%) indicated they were “Not Sure”. The study results thus indicate that the majority of those who use KQ are not pleased with the prices of its air tickets.
4.4.10 Luggage Safety Assured in KQ

Table 4.14 is a display of results obtained when respondents were asked if they were satisfied with the manner in which KQ assured the safety of their luggage. Six participants indicated they were “Not Sure” while 28 participants (20.3%) pointed they were “Not Satisfied”. Fifty-Two participants (37.8%), 46 participants (33.3%) and 6 participants (4.3%) pointed out that they were Somewhat Satisfied”, “Satisfied” and “Very Satisfied” respectively, with the manner in which KQ assured the safety of their luggage.

Table 4.14: Luggage Safety Assured in KQ

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>6</td>
<td>4.3</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>28</td>
<td>20.3</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>52</td>
<td>37.8</td>
</tr>
<tr>
<td>Satisfied</td>
<td>46</td>
<td>33.3</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>6</td>
<td>4.3</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
</tbody>
</table>
4.5 Influence of Corporate Image on Airline Customer Loyalty

The research also sought to determine the influence of corporate image on airline customer loyalty. The researcher asked the research participants questions, whose answers can help explain the nature of the relations between corporate image and airline customer loyalty. This part displays and describes the results that were obtained.

4.5.1 Satisfaction with Exterior Design of KQ Planes

The participants were asked to specify their satisfaction with the exterior (external) design of KQ planes. Twenty-Six respondents (18.8%) and 89 respondents (64.5%) specified, respectively that they were “Very Satisfied” and “Satisfied” with the exterior (external) design of KQ planes. Seventeen participants (12.4%) specified they were “Somewhat Satisfied”. Five participants (3.6%) and 1 participant (0.7%) specified that they were “Not Satisfied” and “Not Sure” respectively. Figure 4.15 displays the results.

![Bar Chart: Satisfaction with Exterior Design of KQ Planes]

Figure 4.15: Satisfaction with Exterior Design of KQ Planes

4.5.2 Satisfaction with Design of On-Board Toilets

Table 4.15 displays the respondents’ satisfaction with the design of on-board toilets in KQ airliners. Three participants (2.2%) were “Not Sure”. Twenty-Two participants (15.9%) were “Not Satisfied” with the design of on-board toilets in KQ airliners. Twenty-Five participants (18.1%), 67 participants (48.6%) and 21 participants (15.2%), indicated they were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” correspondingly.
Table 4.15: Satisfaction with Design of On-Board Toilets

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>3</td>
<td>2.2</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>22</td>
<td>15.9</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>25</td>
<td>18.1</td>
</tr>
<tr>
<td>Satisfied</td>
<td>67</td>
<td>48.6</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>21</td>
<td>15.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

### 4.5.3 Satisfaction with Design of Seats

The researcher asked those who participated in the study about their satisfaction with the design of seats on KQ. Eight participants (5.8%) said they were “Not Satisfied”. Forty-eight participants (34.8%) indicated they were “Somewhat Satisfied” while 62 participants (44.9%) said they were “Satisfied”. Twenty participants (14.5%) said they were “Very Satisfied”. Figure 4.16 is a display of these results.

![Figure 4.16: Satisfaction with Design of Seats](image)

### 4.5.4 Satisfaction with Color of the Cabin Crew's Uniform

Table 4.16 displays the results concerning the respondents’ satisfaction with the color of the uniform of KQ’s cabin crew. Fifteen participants (10.9%) were “Not Satisfied”. Twenty-Eight participants (20.3%) were “Somewhat Satisfied” with the color of the uniform of KQ’s cabin crew. Sixty-Five participants (47.1%) and 30 participants (21.7%) indicated they were “Satisfied” and “Very Satisfied” correspondingly.
Table 4.16: Satisfaction with Color of the Cabin Crew's Uniform

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Satisfied</td>
<td>15</td>
<td>10.9</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>28</td>
<td>20.3</td>
</tr>
<tr>
<td>Satisfied</td>
<td>65</td>
<td>47.1</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>30</td>
<td>21.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.5.5 Satisfaction with Interior Design of KQ Planes

The participants were asked to specify their satisfaction with the interior (internal) design of KQ planes. Twenty-Two respondents (15.9%) and 73 respondents (52.9%) specified, respectively that they were “Very Satisfied” and “Satisfied” with the interior (internal) design of KQ planes. Thirty-Three participants (23.9%) specified they were “Somewhat Satisfied”. Ten participants (7.3%) specified that they were “Not Satisfied”. Figure 4.17 displays the results.

Figure 4.17: Satisfaction with Interior Design of KQ Planes

4.5.6 Satisfaction with Cleanliness/Neatness of Cabin Crew

Table 4.17 displays the respondents’ satisfaction with the cleanliness/neatness of KQ’s cabin crew. Four participants (2.9%) were “Not Sure”. Sixteen participants (11.6%) were “Not Satisfied” with the cleanliness/neatness of KQ’s cabin crew. Twenty-Four

54
participants (17.4%), 68 participants (49.3%) and 26 participants (18.8%), indicated they were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” correspondingly.

Table 4.17: Satisfaction with Cleanliness/Neatness of Cabin Crew

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>4</td>
<td>2.9</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>16</td>
<td>11.6</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>24</td>
<td>17.4</td>
</tr>
<tr>
<td>Satisfied</td>
<td>68</td>
<td>49.3</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>26</td>
<td>18.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.5.7 Attractiveness of On-Board Utensils Used

The participants were asked to specify their satisfaction with the attractiveness of on-board utensils on KQ. Twenty-Three respondents (16.7%) and 50 respondents (36.2%) specified, respectively that they were “Very Satisfied” and “Satisfied” with the attractiveness of on-board utensils on KQ. Thirty-Eight participants (27.5%) specified they were “Somewhat Satisfied”.

Twenty-four participants (17.4%) specified that they were “Not Satisfied” while 3 participants (2.2%) indicated they were “Not Sure”. Figure 4.18 displays the results.

Figure 4.18: Attractiveness of On-Board Utensils Used
4.5.8 KQ has State-of-the-Art Aircrafts

Table 4.18 displays the respondents’ satisfaction that KQ has the State-of-the-art-aircrafts. Seven participants (5.1%) were “Not Sure”. Eight participants (5.8%) were “Not Satisfied” that KQ has the State-of-the-art-aircrafts. Sixty-Three participants (45.7%), 42 participants (30.4%) and 18 participants (13%), indicated they were “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” correspondingly, that KQ has the State-of-the-art-aircrafts.

Table 4.18: KQ has State-of-the Art Aircrafts

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>7</td>
<td>5.1</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>8</td>
<td>5.8</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>63</td>
<td>45.7</td>
</tr>
<tr>
<td>Satisfied</td>
<td>42</td>
<td>30.4</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>18</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.5.9 Satisfaction with KQ Reputation With the Kenyan Society

Displayed in Figure 4.18 are the results when participants were asked to specify their satisfaction with KQ’s reputation within the Kenyan society. Four participants (2.9%) were “Not Sure”. Thirty-Five participants (25.4%) were “Not Satisfied” with KQ’s reputation within the Kenyan society. Thirty-Four participants (24.6%) were “Somewhat Satisfied”. Fifty-One participants (37%) and 14 participants (10.1%) were “Satisfied” and “Very Satisfied” with KQ’s reputation within the Kenyan society.

Figure 4.19: Satisfaction with KQ Reputation With the Kenyan Society
4.5.10 Overall Satisfaction with KQ

Table 4.19 displays the respondents’ overall satisfaction with KQ. Five participants (3.6%) were “Not Sure” of their overall satisfaction with KQ. Twenty-Nine participants (21%) indicate they were generally “Not Satisfied”. Thirty-Two participants (23.2), 61 participants (44.2%) and 11 participants (11%), indicated they were generally “Somewhat Satisfied”, “Satisfied” and “Very Satisfied” correspondingly.

Table 4.19: Overall Satisfaction with KQ

<table>
<thead>
<tr>
<th></th>
<th>Frequency (f)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>5</td>
<td>3.6</td>
</tr>
<tr>
<td>Not Satisfied</td>
<td>29</td>
<td>21</td>
</tr>
<tr>
<td>Somewhat Satisfied</td>
<td>32</td>
<td>23.2</td>
</tr>
<tr>
<td>Satisfied</td>
<td>61</td>
<td>44.2</td>
</tr>
<tr>
<td>Very Satisfied</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.6 Cross-Tabulation and Correlation Analysis between Selected Variables

4.6.1 Cross-Tabulation of Selected Variables

4.6.1.2 Occupation * Frequency of Using KQ over the Past Year Cross tabulation

Table 4.20: Occupation*Frequency of Using KQ over the Past Year Cross tabulation

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency of Using KQ over the Past Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Once 1 - 3 Times 4 - 5 Times 6 Times Over 10 Times</td>
<td></td>
</tr>
<tr>
<td>Civil Servant</td>
<td>11     9          8          1           3</td>
<td>32</td>
</tr>
<tr>
<td>Company Employee</td>
<td>5       28         16         5           9</td>
<td>63</td>
</tr>
<tr>
<td>Business Owner</td>
<td>2       2          5          0           1</td>
<td>10</td>
</tr>
<tr>
<td>Student</td>
<td>5       8          0          1           1</td>
<td>15</td>
</tr>
<tr>
<td>Professional</td>
<td>2       3          3          3           7</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong>  <strong>50</strong>    <strong>32</strong>      <strong>10</strong>       <strong>21</strong></td>
<td><strong>138</strong></td>
</tr>
</tbody>
</table>
From the cross-tabulation, it is noticeable that 11 respondents, who indicated they were civil servants. This group of respondents admitted to having used KQ only once over the past one year. However, those that admitted to have used the airline both between 1 and 3 times and between 4 and 5 times indicated they were company employees. They included 28 and 16 individuals respectively. This is perhaps suggestive that those who used KQ over the past one year were mostly company employees. Table 4.20 is a display of the cross-tabulation between occupation and frequency of using KQ.

4.6.1.3 Loyalty to KQ * Preference of KQ over Other Airlines Cross tabulation

Table 4.21 is a display of the results of the cross-tabulation of Loyalty to KQ to other Airlines. It can be seen that 18 respondents who admitted “Not” being loyal to KQ admitted that their preference to KQ was poor. On the other hand, 14 participants and 22 participants, and 22 participants that admitted they were somewhat loyal to KQ also admitted their satisfaction with KQ as the preferred airline vis-à-vis other airlines was “poor”, “Somewhat Better” and “Better” respectively. A more detailed presentation of the results of the cross-tabulation is displayed in the table.

Table 4.21: Loyalty to KQ * Preference of KQ over Other Airlines Cross tabulation

<table>
<thead>
<tr>
<th>Loyalty to KQ</th>
<th>Preference of KQ over Other Airlines</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Not Sure</td>
<td>Poor</td>
</tr>
<tr>
<td>Not Sure</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Not Loyal</td>
<td>4</td>
<td>18</td>
</tr>
<tr>
<td>Somewhat Loyal</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Loyal</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Very Loyal</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>40</td>
</tr>
</tbody>
</table>

4.6.1.4 Age * Loyalty to KQ Cross tabulation

Table 4.22 is a display of the cross-tabulation analysis of age and loyalty to KQ. Six participants and 5 participants aged under 25 years indicated that they were “Somewhat
Loyal” and “Loyal” to KQ. No respondent aged under 25 indicated that he/she was loyal to the airline. On the other hand, 17 participants aged between 25 and 35 years indicated they were not Loyal to the airline while 42 participants said they were “Somewhat loyal” to the airline and another group comprising of 17 participants indicated they were “Loyal” to KQ. Table 4.22 is a display of the cross-tabulation between age and Loyalty to KQ.

Table 4.22: Age * Loyalty to KQ Cross tabulation

<table>
<thead>
<tr>
<th>Age</th>
<th>Not Sure</th>
<th>Not Loyal</th>
<th>Somewhat Loyal</th>
<th>Loyal</th>
<th>Very Loyal</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 25 Years</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>5</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>25 - 35 Years</td>
<td>3</td>
<td>17</td>
<td>42</td>
<td>17</td>
<td>2</td>
<td>81</td>
</tr>
<tr>
<td>36 - 46 Years</td>
<td>1</td>
<td>10</td>
<td>13</td>
<td>7</td>
<td>0</td>
<td>31</td>
</tr>
<tr>
<td>47 - 57 Years</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Over 58 Years</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>30</td>
<td>63</td>
<td>35</td>
<td>4</td>
<td>138</td>
</tr>
</tbody>
</table>

4.6.1.5 Loyalty to KQ * Services Tailored to Specific Needs Cross tabulation

Table 4.23 displays the results of the cross-tabulation between Loyalty and services tailored to customers’ needs. As shown, 35 of the participants who indicated they were “Somewhat Loyal” to KQ also indicated they were satisfied that the airlines services were tailored to meet specific needs.

Table 4.23: Loyalty to KQ * Services Tailored to Specific Needs Cross tabulation

<table>
<thead>
<tr>
<th>Loyalty to KQ</th>
<th>Not Sure</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Not Loyal</td>
<td>6</td>
<td>13</td>
<td>6</td>
<td>5</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat Loyal</td>
<td>4</td>
<td>17</td>
<td>35</td>
<td>6</td>
<td>1</td>
<td>63</td>
</tr>
<tr>
<td>Loyal</td>
<td>0</td>
<td>1</td>
<td>18</td>
<td>16</td>
<td>0</td>
<td>35</td>
</tr>
<tr>
<td>Very Loyal</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>34</td>
<td>61</td>
<td>28</td>
<td>1</td>
<td>138</td>
</tr>
</tbody>
</table>
4.6.1.6 Loyalty to KQ * Air Ticket Prices Cross tabulation

Table 4.24 is indicative of results of cross-tabulation analysis between loyalty to KQ and Airlines Ticket prices. In the table, 43 participants who specified they were “Somewhat Loyal” to the airline also indicated they were not satisfied with the airline’s air ticket while 15 of those who were “Somewhat Loyal” indicated they were “Somewhat Satisfied”

Table 4.24: Loyalty to KQ * Air Ticket Prices Cross tabulation

<table>
<thead>
<tr>
<th>Loyalty to KQ</th>
<th>Not Sure</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>1</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Not Loyal</td>
<td>1</td>
<td>23</td>
<td>3</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat Loyal</td>
<td>1</td>
<td>43</td>
<td>15</td>
<td>4</td>
<td>63</td>
</tr>
<tr>
<td>Loyal</td>
<td>0</td>
<td>14</td>
<td>10</td>
<td>11</td>
<td>35</td>
</tr>
<tr>
<td>Very Loyal</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3</strong></td>
<td><strong>84</strong></td>
<td><strong>33</strong></td>
<td><strong>18</strong></td>
<td><strong>138</strong></td>
</tr>
</tbody>
</table>

4.6.1.7 Loyalty to KQ * Exterior Design of KQ Planes Cross tabulation

Table 4.25 displays the results of the cross-tabulation between Loyalty to KQ and Exterior design of KQ planes. It can be observed that 26 and 39 participants, who indicated they were “Somewhat Loyal” and “Loyal” to KQ, respectively, also indicated they were “Satisfied” with Exterior design of KQ planes.

Table 4.25: Loyalty to KQ * Exterior Design of KQ Planes Cross tabulation

<table>
<thead>
<tr>
<th>Loyalty to KQ</th>
<th>Not Sure</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Not Loyal</td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>19</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat Loyal</td>
<td>0</td>
<td>1</td>
<td>6</td>
<td>39</td>
<td>17</td>
<td>63</td>
</tr>
<tr>
<td>Loyal</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>26</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Very Loyal</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1</strong></td>
<td><strong>5</strong></td>
<td><strong>17</strong></td>
<td><strong>89</strong></td>
<td><strong>26</strong></td>
<td><strong>138</strong></td>
</tr>
</tbody>
</table>
4.6.1.8 Loyalty to KQ * Interior Design of KQ Planes Cross tabulation

Table 4.26 displays the results of the cross-tabulation analysis between Loyalty to KQ and interior design of KQ planes. It is evident from the table that 33 and 22 participants, who indicated they were “Somewhat Loyal” and “Loyal” to KQ, respectively, also indicated they were “Satisfied” with interior design of KQ planes.

Table 4.26: Loyalty to KQ * Interior Design of KQ Planes Cross tabulation

<table>
<thead>
<tr>
<th>Loyalty to KQ</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Sure</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Not Loyal</td>
<td>7</td>
<td>11</td>
<td>11</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td>Somewhat Loyal</td>
<td>1</td>
<td>13</td>
<td>33</td>
<td>16</td>
<td>63</td>
</tr>
<tr>
<td>Loyal</td>
<td>2</td>
<td>7</td>
<td>22</td>
<td>4</td>
<td>35</td>
</tr>
<tr>
<td>Very Loyal</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>10</td>
<td>33</td>
<td>73</td>
<td>22</td>
<td>138</td>
</tr>
</tbody>
</table>

The cross-tabulation analysis suggests that there are interesting associations between the various variables of the study. However, the cross-tabulation does not provide insight into the nature of the relationship among these variables hence a correlation analysis, which indicates whether there is association among variables, and the nature of such relationships is vital.

4.6.2 Correlation Analysis between Selected Variables

Table 4.23 displays the results of the correlation analysis between selected variables. The correlation analysis has generated values that range between -1 and +1. The closer to -1 the weaker the relationships and the closer to +1 the stronger the association. A value of 0.00 implies complete absence of association. From the table, the correlation between the Age and the frequency of using KQ produced a weak positive value, \( r = 0.11, p < .05 \). This suggests that the number of times that a person uses KQ depends to some degree on the age of that person. The correlation analysis between frequency of using KQ and Occupation also generated a weak positive value, \( r = 0.18, p < .05 \) also indicating that the nature of one’s job influences the number of times they use KQ.
Table 4.27: Correlation Analysis between Selected Variables

| Variable                                      | 1     | Gender | 0.00 | Age | 0.08 | Occupati on | 0.08 | Level of Educatio n | 0.22 | Frequenc y of Using KQ | 0.05 | Loyalty to KQ | 0.01 | Preference of KQ | 0.04 | Variety & Quality Foods | 0.11 | Departure and Arrival Times | 0.00 | Assistance for the Disabled | -0.14 | Attitudes of On-Board Staff | -0.08 | Response to Customer Needs | -0.06 | Delays/Cancelatio n | -0.16 | Comparison with other Airlines | -0.02 | Luggage Safety | 0.00 |
|-----------------------------------------------|-------|--------|------|-----|------|-------------|------|----------------------|------|----------------------|------|---------------|------|----------------------|------|----------------------|------|----------------------|------|----------------------|------|----------------------|------|
| Correlation is significant at the 0.05 level (2-tailed) | 62 |
4.7 Chapter Summary

Chapter 4 has displayed and described the results of the study. The Chapter has used bar graphs, pie charts and frequency tables to show the outcome of the survey. The chapter has also presented the results of cross-tabulations and correlation among certain selected variables. Subsequent chapter, Chapter 5, is the final part of the report and presents the summary of the study, the deliberations on the study findings, the conclusion and the study recommendations.
CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATION

5.1 Introduction

Chapter Five presents the conclusions and the recommendations of the study. The chapter commences with a summary of the study before discussing the study results against the previous findings and literature.

5.2 Summary

The study found that several customer satisfaction had a great influence on customer’s loyalty to KQ. The study found that a variety of elements of customer satisfaction, including the variety and quality of food offered, the presence of professional and courteous staffs at KQ, the departure and arrival times, assistance for disabled and special needs persons while aboard, the attitude of the staff were critical factors influencing customer loyalty. The study also determined that the manner that KQ takes care of its customers when flights are delayed or canceled were also fundamental in determining customer loyalty to the airline.

The study also found that perceived value and service quality were equally crucial in affecting customer loyalty to KQ. Among the attributes of perceived value and service quality that were found to influence customer loyalty included, the tailoring of KQ services to meet customer’s specific or unique needs, the manner in which KQ employees instilled confidence on customers throughout their flight experience, the politeness of the cabin crew and the competence of the service crew to react to emergencies. The study found further that the manner in which KQ informed its customers on key services while in flight, the manner the airline handled customers luggage and assured the safety of luggage and the airlines ticket prices were significant factors that influenced the loyalty of customers to the airline.

The study determined that KQ’s corporate image was also significant in affecting customer loyalty to the airline. The study found that certain image attributes including the exterior and interior design of the plane, the design of KQ’s toilets and seats were attributes of the airline’s corporate image that influenced the loyalty of its customers.
Other image factors that the study found to have a significant bearing on customer loyalty to the airline included; uniform color of the cabin crew, the neatness or cleanliness of the crew, the appearance of utensils, the kind of aircrafts that the airliner used and the company’s reputation within the Kenyan society.

5.3 Discussions

5.3.1 Influence of Customer Satisfaction on Airline Customer Loyalty

The correlation analysis between preference of KQ and departure/arrival times yielded a positive value, $r = .50$, $p < .05$ suggesting that regular departure and arrival times are critical determinants of customers likelihood of remaining loyal to an airline. Keynes (2009) explains that consistent on-time departures and service delivery by an airline creates high levels of trust for the airline by customers. Certainly, passengers who are rushing to meetings and conferences value punctuality. These types of customers would be highly disappointed in instances of delays in departure time and arrival times.

The correlation analysis has revealed further positive associations between attitudes of staff on-board and frequency of using KQ, Loyalty to KQ and Preference for the Airline, as $r = .22$, $r = .39$ and $r = .42$ at $p < .05$ suggesting that this variable has influence on customer loyalty to the airline. In fact, these findings confirms Triandis' (1971) theory of attitude and attitude change, in which behavioral intentions are the product of attitude, social norms and affect caused by habit. The fact that some people tend develop loyalty to KQ is perhaps because they appreciate the manner in which the staff do handle them and their needs.

Srivastava (2015) has conceived customer loyalty is a multidimensional and complex concept comprising or attitudinal and behavioral rudiments. In the service industry, the manner in which customers view the service experiences as having been satisfactory is critical in determining whether they remain loyal to the firm. Adeola and Adebiyi (2014) observe that customer satisfaction can be achieved through the provision of high quality services. It is a known fact that satisfied customers are loyal customers. The study has found that certain service attributes such as quality of food variety, staff courtesy, regular departure and arrival times, the attitude of staff and the manner in which an airline responds to customers’ specific needs are critical in determining customer loyalty.
Another critical element of satisfaction that can help account for customer satisfaction is the manner in which customers’ needs are handled by the airline staff. Again, the correlation analysis helps understand the manner in which satisfaction affects loyalty. The correlation analysis between response to customer needs and loyalty to KQ and frequency of using the airline has produced positive values, \( r = .33, p < .05 \) and \( r = .36, p < .05 \) respectively.

This confirms previous studies that have found the nature of how an airline responds to customers’ needs to be significant in determining whether a customer will repeatedly use the airline. Riwo-Abudho, *et al.*, (2013) points out that knowing customer’ needs including such issues as the foods or drinks that they should take and those that they should not take, the disability status among other personal characteristics helps in showing empathy and providing the individualized attention that the customers need.

### 5.3.2 Influence of Perceived Value and Quality on Airline Customer Loyalty

The correlation coefficient for quality of variety of foods offered and customer loyalty produced a positive value, \( r = .49, p < .05 \). The value is suggestive that if the airline provides high quality goods then customers will be more loyal to it. Nonetheless, there are other factors such as the time the meals are served, courtesy and or politeness of the cabin crew, the smartness of cleanliness of the cabin crew, all, which may affect customer loyalty. These variables that affect customers overall assessment of the perceived value has limits the influence of food quality in customer loyalty and this is perhaps why the value obtained is positive but weak.

This is also probably why the correlation analysis between the variety of quality foods offered and frequency of using the airline also gives a positive but weak correlation coefficient, \( r = .38, p < .05 \). Response to the needs of customers and the customer loyalty to KQ and customers’ frequency of using the airline provide a weak positive value as well. The values derived are; \( r = .36 \) and \( r = .33 \) at \( p < .05 \). Again, the weak correlations are due to other contending factors that influence customers’ overall assessment of the flight experience. The manner in which a person or a customer evaluates the quality and social psychological outcome of using the product or a service influences whether that person will continue to do business with the firm in question.
At the core of perceived value is also the cost of the ticket. Airline ticket prices give the customers a credible point of reference when assessing post-use value of the flight experience. From the study, it was found through a cross-tabulation analysis that 43 participants who specified they were “Somewhat Loyal” to the airline also indicated they were not satisfied with the airline’s air ticket while 15 of those who were “Somewhat Loyal” indicated they were “Somewhat Satisfied”

The current study has found that airline ticket prices, the handling of the disabled, communication regarding major events while on-board KQ and the politeness of the cabin crew are critical determinants of customer loyalty. These factors are critical in the customers overall evaluation of the flight experience and this is why the customers hold them dearly.

Perceived value refers to the customers’ overall evaluation of the standard process of obtaining customer services (Hellier, Ceursen, Carr & Rickard, 2003). The study found that the tailoring of services to meet customers’ needs somehow influences customer loyalty. As is evidenced by the cross-tabulation analysis between Loyalty and services tailored to customers’ needs, 35 of the participants who indicated they were “Somewhat Loyal” to KQ also indicated they were satisfied that the airlines services were tailored to meet specific needs.

However, 13 participants and 17 participants who specified they were “Not Loyal” and “Somewhat Loyal” to KQ admitted they were “Not Satisfied” that the airline did not tailor its services to meet specific needs. These latest results do suggest that there are other important factors as far as customer satisfaction is concerned. Indeed, just like the case with perceived value, perceived quality directly influences customer’s brand loyalty and purchase decisions.

The findings in this study that do suggest a linear correlation between various elements of perceived value and customer loyalty and frequency of use of the airline are not abstracted from previous studies that have found similar outcomes. In fact, the study confirm the findings of studies by Ahmed and Moosavi (2013) Kuo, et al, (2009) and Adeola and Adebiyi (2014) all who in previous studies determined a positive association between perceived quality and customer loyalty.
5.3.3 Influence of Corporate Image on Airline Customer Loyalty

The study has found image attributes such as; the exterior design of the aircraft, the interior design of the aircraft, uniform color and cleanliness of staff and the reputation of the airline to be critical factors influencing customer loyalty. For instance, as was indicated in table 4.25 on the cross-tabulation analysis, such an element of image as the exterior design of the airlines’ aircrafts influences customer loyalty. It was found that 26 and 39 participants, who indicated they were “Somewhat Loyal” and “Loyal” to KQ, respectively, also indicated they were “Satisfied” with Exterior design of KQ planes.

Additionally, in another cross-tabulation analysis, it was found that 33 and 22 participants, who indicated they were “Somewhat Loyal” and “Loyal” to KQ, respectively, also indicated they were “Satisfied” with interior design of KQ planes. The study found that up to 89 respondents (64.5%) specified, that they were “Very Satisfied” and “Satisfied” with the exterior (external) design of KQ planes.

As to whether this alone translate to their loyalty to the airline is a subject for further analysis and can be taken up by future studies. This finding is in conformity with assertion made by Mahmud, et al, (2013) that customers are wary of the physical appearance or the cabin crew in as much as they are concerned about the manner in which the cabin crew treats them.

The correlation analysis between customer loyalty and luggage safety produced a positive value, r = .46, p < .05 and the correlation analysis between luggage safety and preference for the airline produced a positive value r = .47, p < .05. These correlation values, despite being weak do suggest that if the airline is known for providing customers’ luggage the safety expected, then customers will be loyal to the airline and will use it more. Again the weakness of these values suggest that there are other contending consideration when it customers perception of an airlines image and whether they want to stay committed to the airline.

At the same time, the correlation analysis between loyalty to KQ and comparison with other airlines generated a positive value, r = .48, p < .05, and that between comparison with other airlines and preference for KQ suggest that image is again a critical factor in customer loyalty. The value derived from the correlation analysis is r = .66, p < 0.05. This
a much stronger value than that generated by the correlation analysis between loyalty to KQ and comparison with other airlines. It suggests that while customers may prefer to use and airline because of many issues including reputation, interior and exterior design of its aircrafts, these may not necessarily imply that they will be loyal to the airline.

Corporate image is the customer’s mental or psychological perception of the organization or the firm. Corporate image implies the kind of customers’ associations of what they derive from goods and services from the corporation (Belmer & Greyser, 2006). Park, Robertson and Wu (2006) conducted a study in 2005 and found that image was a fundamental factor that affected customers’ behavioral intention towards an airline. These studies therefore confirm the need to assess the impact or influence of corporate image on customer loyalty in the airline industry.

This intangible attributes of image has a direct bearing on customer loyalty. Therefore, tangible attributes such as cleanliness of airline staff has been found to be indispensable factors in the customers decision to use the airline in the future (Yunus, et al, 2013). Nonetheless, other intangible attributes such as furniture, equipments, layout, devices and amenities, in the airline industry, comfort and safety are the most imperative aspects of atmospherics that influence customer’s perception about the airline (Lin &Worthley, 2012). It is therefore highly perceptible that the airlines should play around with and exploit the opportunities offered by image to establish and sustain customer loyalty.

5.4 Conclusion

5.4.1 Influence of Customer Satisfaction on Airline Customer Loyalty

Customer satisfaction has a huge impact on customer loyalty. Satisfied customers make the most loyal customers. The current airline industry is marked by intense competition among various airlines, an environment in which customer satisfaction is crucial. The current study has found that such aspect of customer satisfaction as the quality and variety of foods provided during flight, fixed departure and arrival times, on-board assistance for persons with disabilities and the attitudes of the staff are crucial in establishing customer loyalty. The ability of KQ to play around with these factors of satisfaction and ensure that there could be fundamental in ensuring that it obtains and sustains the loyalty of its customers.
5.4.2 Influence of Perceived Value and Quality on Airline Customer Loyalty

The role that perceived value and quality plays in customer loyalty to KQ is highly significant. Customers demand value for their money, the ability of KQ to provide these is critical in determining the extent to which people remain committed to it as customers. The ability of the airline to imply to its customers that has their best interests at heart other than pursuing the profit agenda is critical. Also critical is the ability of KQ’s staff to instill confidence upon the customers that assures them of high quality services throughout their flight experience. Therefore, the ticket prices offered must conform to the services available in the airline and the post-flight experience should confirm rather than disconfirm previously held perceptions about KQ. A disconfirmation may result in the loss of customers.

5.4.3 Influence of Corporate Image on Airline Customer Loyalty

The image that KQ has created for itself in the minds of its customers is influential in determining the loyalty of its customers. Customers are mindful of such things as the external and internal design of the aircraft, the uniform color of the cabin crew, the airlines standing among Kenyans and kind of airplanes it uses. These image attributes for an airliner do determine the extent to which a customer is willing to be associated with the airline.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Influence of Customer Satisfaction on Airline Customer Loyalty

KQ should embrace the findings of the current study for strategic purposes. The management of KQ should introduce several unique packages that appeal to individuals from different age groups to enhance customer satisfaction. The airline should observe that it maintains its departure and arrival times to avoid inconveniencing its customers especially those that may have tight schedules.

The airline should ensure that its services are of the highest quality possible and are capable of returning to the customers, value for their money. KQ should train well its
cabin crew to ensure that they are competent in addressing different needs of customers and are able to take good care of its special needs customers.

5.5.1.2 Influence of Perceived Value and Quality on Airline Customer Loyalty

KQ must ensure that its services are of the highest quality possible. The airline must appreciate the nature of the environment in which it operates as one which is highly competitive. KQ must ensure that its employees are competent enough to handle various possible emergencies. The airline must ensure that highly personalized services are offered to all its passengers especially the special needs customers while in flight. KQ management should ensure that its luggage handling capacity is efficient to ensure that customers do not lose their luggage. The airline should establish competent agents at all airports in which it operates to assist its clients get processed at immigration centers in the countries in which it operates. Such a strategy would help the airline establish itself as a customer-oriented airline in comparison to other airlines.

5.5.1.3 Influence of Corporate Image on Airline Customer Loyalty

The airline must take radical and strategic steps to ensure that it maintains its reputation as the pride of Africa. KQ management should pay particular attention to exterior and interior design of the planes to establish itself as a classic airline. The airline must pay particular attention to how the seats and toilets of its airplanes are designed to offer customers a memorable comfort that creates a lasting memory in the minds of its customers. KQ must ensure that their cabin crews have the right unique color of uniform that establish a positive image in the minds of the customers. The cabin crew must also be clean and neat at all times to send a picture of being professional.

5.5.2 Recommendations for Future Research

Future researchers should use the current study as a source of inspiration of research into customer loyalty in the airline industry. They conduct more research on the factors that influence customer loyalty in the airline industry. Such future studies should focus on factors influencing customer loyalty among the local airliners that fly domestically. Researchers should improve on the current study results by focusing exclusively on how any of the factors identified to influence customer loyalty in the current study actually does influence the loyalty. Future studies should seek also to understand the factors that
contribute to customer satisfaction with an aim of identifying whether such factors are similar to those that influence customer loyalty.
REFERENCES


APPENDIX 1: LETTER OF INTRODUCTION

Sunday Okon Onomo
+254 – 720754049
May, 2016.

Dear Sir/Madam

RE: LETTER OF INTRODUCTION

I am currently, pursuing a Master of Business Administration at the United States International University Africa (USIU-A). In partial fulfillment of the requirements of my degree program, I am in the process of developing a thesis entitled, “FACTORS CONTRIBUTING TOWARDS AIRLINE CUSTOMER LOYALTY IN KENYA: A CASE STUDY OF KENYA AIRWAYS (KQ)”. As the pick suggests, I am collecting information from KQ customers to complete the study.

I have picked you as among those that I would want to participate in the study. With this in mind, I am writing this letter in request for a participation in the study. I also request that you may avail others whose information you think will be critical in helping me realize the objectives of this study.

I affirm to abide by the rules and regulations pertaining to social research as stipulated in the laws of Kenya and the research guidelines by USIU. The questionnaires will be destroyed after the data are codified. As such, rest assured that the information you give will not impact on you negatively but will facilitate the completion of the current study, permit an in-depth conceptualization of customer loyalty in the airline industry and contribute to the general literature on customer loyalty.

Yours Sincerely,

Sunday
APPENDIX 2: INTERVIEW SCHEDULE

FACTORS CONTRIBUTING TOWARDS AIRLINE CUSTOMER LOYALTY IN KENYA: A CASE STUDY OF KENYA AIRWAYS (KQ)

Date: ___________________

The general objective of the study is to examine the factors contributing towards airline customer loyalty at Kenya Airways. The study seeks to: examine how customer satisfaction influence customer loyalty towards Kenya Airways; determine the extent to which perceived value and quality contribute to customer loyalty towards Kenya Airways; to assess how corporate image influences customer loyalty towards Kenya Airways;

Kindly read each query cautiously and respond to it the best of your ability, where necessary mark [✓] the boxes provided. There are no accurate or inaccurate responses; your answers are crucial to the study. All replies to this survey are completely confidential. All identifying information if any will be removed during the data entry and analysis; however, you are advised to respond anonymously.

Thank you for your participation in this study.

PART 1: BIOGRAPHICAL INFORMATION

For all questions in this section, please circle the number that best typifies your response

1. Kindly indicate your gender.

2. Kindly indicate your age bracket.

3. Kindly indicate your occupation.

4. What is your educational level?

5. Indicate your tenure as a customer of Kenya Airways (KQ).
   [4]= over 11 Years
6. How frequent have you used KQ over the past one year?

7. How would you rate your level of loyalty to KQ?

8. How would your rank KQ against your alternative preferred airline?

---

**PART 2: INFLUENCE OF CUSTOMER SATISFACTION ON AIRLINE CUSTOMER LOYALTY**

*For each of the following statements indicate your level of satisfaction with each of the statements*

<table>
<thead>
<tr>
<th>statements</th>
<th>Not Sure</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Offers a variety of quality of food</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. Professional and courteous customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Departure and arrival times</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. On-board assistance for disabled persons</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. The attitudes of the staff on board</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Duration of Staff response to your particular needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. How KQ takes care of customer whenever flights are delayed or cancelled</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. How KQ returns value for money whenever you use the airline</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. In comparison with other airlines, I am satisfied with KQ</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. KQ as the first choice for air transport</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

80
11. Kindly provide a general comment on your satisfaction with KQ and the services it offers

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

PART 3: INFLUENCE OF PERCEIVED VALUE AND QUALITY ON AIRLINE CUSTOMER SATISFACTION

For each of the following statements indicate your level of satisfaction with each of the statements

<table>
<thead>
<tr>
<th>statements</th>
<th>Not Sure</th>
<th>Not Satisfied</th>
<th>Somewhat Satisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. KQ has tailored its services to meet your specific needs?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. KQ employees instill confidence to passengers from check in to disembarking</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. KQ cabin crew are polite.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. KQ cabin crew appear to be competent to handle unforeseen emergencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. How aged and special needs passengers are taken care of.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Passengers kept informed about key services including time foods and snacked will be served in advance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Kenya Airways staff are knowledgeable and competent in their work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. The manner your luggage was handled throughout the flight</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Price of air ticket</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Luggage Safety assured when you fly KQ</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
11. Kindly provide general comment on what you think is the impact of perceived value and quality on customer loyalty.

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

PART 4: INFLUENCE OF CORPORATE IMAGE ON AIRLINE CUSTOMER LOYALTY

(For all questions in this section, please circle the number that best typifies your response)

<table>
<thead>
<tr>
<th>statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design of the exterior of the plane</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design of on-board toilets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design of seats</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uniform color of the cabin crew</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The interior design of the plane</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The cleanliness of the staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attractiveness of utensils used on board</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KQ has got state-of-the-art aircrafts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KQ’s reputation within the Kenyan society</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall impression with KQ</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
11. Please provide a general comment on what you thing about KQ’s corporate image and customer loyalty

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

The End

Thanks for Your Participation
## APPENDIX 3: RESEARCH BUDGET

<table>
<thead>
<tr>
<th>Budget line items</th>
<th>Cost (Ksh)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Proposal development</strong></td>
<td></td>
</tr>
<tr>
<td>• Materials</td>
<td>10,000</td>
</tr>
<tr>
<td>• Printing</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>2. Data collection (fieldwork)</strong></td>
<td></td>
</tr>
<tr>
<td>• Printing</td>
<td>1,000</td>
</tr>
<tr>
<td>• Photocopying</td>
<td>5,000</td>
</tr>
<tr>
<td>• Travelling</td>
<td>3,000</td>
</tr>
<tr>
<td>• Research assistants</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>3. Report writing and dissemination</strong></td>
<td></td>
</tr>
<tr>
<td>• Report writing</td>
<td>2,000</td>
</tr>
<tr>
<td>• Binding and dissemination</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>Total cost</strong></td>
<td>Ksh. 35,000</td>
</tr>
</tbody>
</table>
## APPENDIX 4: IMPLEMENTATION PLAN

<table>
<thead>
<tr>
<th>Research Activities</th>
<th>Timeframe</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposal Development</td>
<td>January 2016 to March 1(^{st}) 2016</td>
<td>4 Months</td>
</tr>
<tr>
<td>Data Collection (Fieldwork)</td>
<td>May 2016 to May 1(^{st}) 2016</td>
<td>3 Weeks</td>
</tr>
<tr>
<td>Data Analysis and Implementation</td>
<td>May 2016 to June 2016</td>
<td>2 Weeks</td>
</tr>
<tr>
<td>Report Writing</td>
<td>June 2016 to July 2016</td>
<td>3 Weeks</td>
</tr>
<tr>
<td>Report Dissemination</td>
<td>July 2016</td>
<td>1 Week</td>
</tr>
</tbody>
</table>