

**FACTORS INFLUENCING MILLENNIALS CONSUMER PURCHASE
BEHAVIOR WITHIN THE AIRLINE INDUSTRY IN KENYA: A CASE STUDY
OF UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA**

BY

CATHERINE WAMBUI MWANGI

UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

SPRING 2018

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CATHERINE WAMBUI MWANGI

**A Project Submitted to the Chandaria School of Business in Partial Fulfillment of
the Requirement for the Degree of Masters in Business Administration (MBA)**

UNITED STATES INTERNATIONAL UNIVERSITY AFRICA

SPRING 2018

STUDENT'S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed: _____

Date: _____

Catherine Wambui Mwangi (ID No. 620175)

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

Signed: _____

Date: _____

Dr. Peter Kiriri

Signed: _____ **Date:** _____

Dean, Chandaria School of Business

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ABSTRACT

The general objective of this study was to examine the factors influencing millennials consumer purchase behavior within the airline industry in Kenya. The study was guided by three specific objectives; to determine the influence of price on millennials consumer choice of airline; determine the influence of product on millennials consumer choice of airline; and determine the influence of marketing communications on millennials consumer choice of airline.

The descriptive research design was adopted for the research. The target population of the study was students of USIU – Africa, a sampling frame of 6,766 students enrolled in Spring Semester 2018. Stratified random sampling procedure was utilized which involved distinguishing the target population into post-graduate and undergraduate students in the population. Use of mathematical sampling procedures to determine the sample size was used to establish the sample for the study as 384 respondents. The study relied on primary data which was collected using a structured questionnaire that was distributed to the students. The questionnaire consisted of two sections seeking the background information and variable information. The variable information was gathered using 5 – point Likert scale items to gather the perceptions and attitudes of respondents on factors that influence their consumer choice of airline.

Quantitative methods were used for data analysis. Specifically, the study used descriptive statistics, inferential statistics, specifically correlation and regression to analyze the data and relationships between factors and consumer choice of airlines among millennials and to find meaning in the collected data. The Statistical Package for Social Sciences (SPSS) Version 23 was used to analyze the data. Frequencies and percentages were used to analyze the nominal data (general information) and mean and standard deviation were used to analyze the interval data (Likert scale items). The data was presented in tables and supported by the researcher's interpretation.

In determining the influence of price on millennials consumer choice of airline, it was deduced that the price of an airline ticket is based on a number of factors and for purposes of this research focus was on the demand, operation costs and competitor pricing. The findings show that respondents choose an airline that bundles the air ticket together with

accommodation and tours together when deciding what airline to travel with, a strategy used in competitor pricing.

With regards to the influence of product on millennials consumer choice of airline, it was deduced that the perception of the product of an airline is reliant on various factors and for purposes of this research focus was on the consumer tastes and preferences, brand perception and customer loyalty. It was found that respondents preferred to plan, book and pay for their air tickets online which is a strategy used to meet the millennials tastes and preferences as they are a digital intensive generation.

In determining the influence of marketing communications on millennials consumer choice of airline, the variables that the study focused on were the influence of advertising, social media and sales promotion. The findings were that advertisements of an airline determined how respondents felt and thought about an airline.

The study recommends that airlines and travel agents should design travel packages and airline travel fares that are suitable or target the millennials; that airlines and travel agencies should design their products on digital and online platforms so as to reach millennials; that airlines and travel agencies should advertise their services and products on digital and online platforms so as to reach more of the millennials market. There is need for further study that utilizes secondary data to deduce determinants of consumer choice of airline among millennials.

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First and foremost I would like to thank God for the good fortune, health and wellbeing, that was core to completing the Master's degree program. I owe special thanks to my parents, brothers, sisters, friends and classmates who were a source of emotional support throughout the journey. I would like to thank my supervisor Dr. Peter Kiriri, who shared his vast knowledge, experience, insight and guidance from the start which enabled me to finish this research successfully. Thank you all and may God Bless you abundantly more than you can ever imagine.

DEDICATION

I would like to dedicate this work to my parents, brothers, sisters, friends and classmates. I am forever grateful for the support and encouragement throughout the period, may God bless you abundantly.

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LIST OF ACRONYMS AND ABBREVIATIONS

GDP	Gross Domestic Product
IATA	International Air Transport Association
KAA	Kenya Airports Authority
KLM	Koninklijke Luchtvaart Maatschappij N.V., the national airline of the Netherlands
SAATM	Single African Air Transport Market
SITA	Société Internationale de Télécommunications Aéronautiques, one of the world's leading specialist in air transport communications and information technology.
USIU-Africa	United States International Univeristy - Africa

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of Study

Consumer purchase behavior according to Kotler and Armstrong (2010), has been defined as the buying behavior of the person that purchases goods and services for their own personal consumption. It is an everlasting field of research to marketers and organizations as a whole as its essence helps with creation of marketing strategies that are more in line with the consumers' expectations and the organizations strategic plan. According to Pandey and Pandey (2013), the underlying concepts behind consumer purchase behavior is that there are various factors that influence the purchase behavior of a consumer, that is, factors that determine why, when and how a consumer purchases a certain good or service. By understanding the factors that influence a consumer's purchase decision, then an organization or marketer can play around with these variables so as to be the consumer's preferred option. Customer needs, tastes and preferences are always evolving due to changes in the socioeconomic environment and lifestyle. As a result, these changes create a platform where the consumer's purchase behavior changes accordingly and this presents an opportunity for organizations to research and observe these behaviors and leverage on their unique findings.

The millennial generation has been of interest in studies which according to Dimock (2018), comprises those individuals with birth years ranging from 1981 to 1996 and those born after that are considered generation x. This generation is characterized by a development in communication patterns, social networking usage, and computerized advancements. As a result of these advancements, they are described as the most liberal generation in social, political, religious and cultural ideologies. They are a generation defined by technology as they grew up in the burst of technology and are fluent and savvy in technology. Further to this, in some parts of the world millennials are considered the largest generation since the baby boomers in countries such as in America according to Worland (2016) and in Kenya according to Moseti (2016).

In today's world according to McKinsey Global Institute (2015), companies more than ever have been faced with fierce competition regardless of the industry in which they operate in with new entrants coming in with cheaper and more sophisticated versions of the products being sold or service being offered. As a result, the consumers have evolved to be more refined with hybrid preferences when it comes to their purchase decisions as they take price, brand, product quality, value perception, market perception, peer recommendation and media reviews into consideration. Thus, for companies to remain relevant and profitable they must first understand the consumers buying behavior (Price, 2017). To study the consumer purchase behavior, one must first define what kind of behavior that their customers portray, then understand the buying decision process and lastly, identify what factors within the environment influence the consumer's behavior towards a product or service.

According to Kotler and Armstrong (2010), there are three types of consumer behaviors, that is, complex buying behavior, dissonance reducing buying behavior, habitual buying behavior and variety seeking buying behavior. Complex buying behavior is that which the consumer is very much involved in the purchasing process due to the nature of the product or service being purchased being very expensive, infrequent, risky and highly self-expressive. Dissonance reducing is similar to complex behavior; the difference is only in the fact that the consumer sees no much difference in the competing brands. Further to this, according to Panda (2007), habitual buying behavior is the opposite of complex buying behavior as there is low consumer involvement and little significant differences between the brands. Lastly, variety seeking consumer behavior is similar to habitual buying behavior only difference is that there are actually perceived brand differences.

Secondly, according to Kotler and Armstrong (2010), there is a defined buying decision process that consumers go through to arrive at their purchase decision. The first stage of the buying decision process is the problem or need recognition. This is when the consumer realizes that they are faced with a challenge which only a certain product or service would address. Once they are aware of their need, they then embark on their journey for information gathering on the various products or services that could meet their needs. Information is gathered from company advertisements, company product packaging, company websites, mass media, consumer reviews, internet search, social

media conversations, product experiential, influencers and consumer recommendations from their families and social circles. They then proceed with evaluation of alternatives based on the information that they have gathered which they use to make the purchase decision. However, buying the product or service does not mark the end of the process rather according to Sharma (2016), it marks the beginning of a relationship as the customers do go through post purchase evaluation where they review the product or service offering. This sets the precedence for repeat purchase or one time purchase behavior.

Lastly, to identify what factors within the environment influence the consumer's behavior towards a product or service, the stimuli-response model adapted from Kotler and Armstrong (2010) will be used which states that buying behavior is influenced by the company's marketing efforts and the external environment in which the consumer is exposed to. The company's marketing efforts are the efforts made to stimulate the consumers buying decision through the use of product, price, place and promotion, while the external environment are the consumers cultural, social, economic, technological and psychological influence that come into play.

Within the airline industry, studying the consumer behavior is vital due to the nature of the airline industry being very fluid, with everyday being different from the other as competition intensifies. Studying the millennials consumer behavior especially is of importance as they have been the fastest growing customer segment within the industry in the last five years. According to SITA (2017), out of 7,031 respondents from 17 countries across the Americas, Asia, Europe, Middle East and Africa, millennials made up the majority of the respondents to have travelled at least once in the last 3 months of Q2 2017. Additionally, according to Cohen (2016), on average millennials took 7.4 business trips in 2015, compared to generation x and baby boomers generations who took 6.4 and 6.3 business trips respectively. Their increasing frequency in flying is also increasing their spending on flights as according to Barton, Haywood, Jhunjhunwala and Bhatia (2013), the Boston Consulting Group are predicting that millennials will contribute to nearly 50% of all business travel revenue from flights by the year 2020. Taking these notable trends into consideration, it appears that airlines have entered a state of scramble for the millennial passenger in a bid to win them over the competition.

Over the last decade, there have been new entrants into the global airline industry especially with the rise of Middle East carriers, that is, Emirates, Qatar Airways and Etihad. The main motivation for increased competition is the low entry barriers and low cost of operations for Middle East carriers due to their oil resources as according to IATA (2017), in 2016 fuel accounted for 19% of operating costs for airlines. With the new entrants, there has been a growing need to gain competitive advantage globally with the growing number of international travellers.

Within Kenya, according to the KAA (2016), there are 40 passenger airlines that operate in and out of the Kenya's main international airport, Jomo Kenyatta International Airport. Additionally in 2016 there were a total of 6.5 million passengers who transited through the airport. The competition in Kenya has been intensified too by the lowering of barriers of entry due to globalization and also the aviation liberalization where the foreign airlines can fly in and out of the country many times within a given day. According to the IATA (2018), Kenya is among the African countries that signed into the SAATM which is an initiative by the African Union to open up Africa's skies which essentially means that it allows for African airlines have been granted fifth freedom to connect passengers more seamlessly from one country to another and also travel requirements of passengers such as visa requirements have been made more lenient. At the same time, according to IATA (2017), there has been rising fuel prices and operation costs which have seen some airlines come up with strategies that not only try to beat competition in order to win the customer, but to also try stay afloat during these changing and tough economic times.

From the market perspective, Kenya's GDP growth rate as at 2016 was 5.8% according to World Bank (2016), part of which was attributed to the growth in tourism. The middle class population, who are the majority of the air travel passengers, has been growing in Kenya and currently their purchasing power has also been increasing as the average monthly income for those in the employment sector increased by 46% in the last 5 years according to Ndekei (2016). According to Reddy and Sawaswathi (2007), purchasing power has been defined as the quantity of goods and services that a consumer can purchase according to their disposable income. This is an indicator that Kenya is going towards its goal of becoming a middle-income nation by 2030 as per its national long-term development policy, that is, Kenya Vision 2030.

According to the IATA Billing and Settlement Plan Report (2016), the total amount of air tickets sales in Kenya totaled to USD 284.9 million. Majority of the revenue generated was from passengers traveling to Dubai, London, Guangzhou, New York, Atlanta, Washington, Johannesburg, Amsterdam, New Delhi, Bangkok, Lagos and Paris. The majority of the revenue share is dominated by Emirates with 4 daily flights out of Nairobi, Ethiopian Airlines who have 7 daily flights, Qatar Airways with 3 daily flights, KLM Royal Dutch Airlines with two daily flights and Kenya Airways with direct flights to these destinations. With these players servicing the market, there has been fierce competition as there is an excess in supply to these destinations compared to the demand from the market. Airlines as a result are focusing their marketing strategies to maximize their revenue generation from the Kenyan market at the lowest cost possible.

This research was based on the case of United States International University, one of Kenya's top private universities. They offer American and Kenya-accredited degrees for Undergraduate, Graduate and Doctoral programs in Business, Humanities, Social Sciences, Science and Technology, Pharmacy and Health Sciences, a total of 24 degree programs. According to the school's registrar for the spring semester 2018, there were 6,776 students representing over 70 different nationalities (USIU, 2018).

1.2 Statement of the Problem

In Kenya, the national carrier is Kenya Airways, one of Africa's leading airlines. Kenya Airways started their operations in 1977 and over the decades, they have grown to become an international renowned airline as a member of the Sky Team Alliance flying to 51 destinations across the world and annually carrying over three million passengers. They operate 32 aircrafts including the state of the art Boeing 787 Dreamliner (Kenya Airways, 2018). Internationally, it has been named Africa's Leading Airline in the last two years and Africa's Leading Business Class Airline in the last 7 years in the World Travel Awards which are the travel industry's most prestigious awards programme (World Travel Awards, 2017). However, despite the resources and accolades at hand, Kenya Airways has been reporting losses over the past years. Kenya Airways reported a Sh.6.1 billion net loss as at December 2017 where management attributed the losses to high fuel costs and election period however, on the contrary the posting of losses has been a trend as in March 2017 they reported a net loss of Sh. 9.96 billion, March 2016 a net loss of Sh. 26.2 billion, March 2015 a net loss of Sh 25.7 billion which have all been

attributed to increased fuel costs and growing competition within the market (Kenya Airways, 2017).

On the contrary when looking at competitors' performance within Kenya and Africa, according to CAPA Center of Aviation (2016), foreign airlines are increasingly dominating the African intercontinental market where passengers are opting to fly intercontinentally with other airlines other than their own national airlines. For instance in 2016, on routes between Africa and Asia, Emirates had the biggest market share in Africa of 22% while for routes between Africa and North America European airlines had the biggest market share of 38% (CAPA, 2016). Ideally, because the home market is Africa you would expect passengers to have had a preference for the African carriers; however, from the report by CAPA (2016) the results show that majority of the time, Middle Eastern and European carriers were the preferred airlines of choice in 2016 to these destinations as they had bigger market shares than the African carriers.

As a result, one of the main strategic objectives for Kenya Airways and other African carriers alike is to turnaround their business and become profitable by increasing bookings and revenues through increasing their market share within Kenya and other parts of the world according to a statement by the current Kenya Airways Chief Executive Sebastian Mikosz (Kamau, 2018).

With this scenario in mind where there is fierce competition amongst the airlines while at the same time airlines are trying to minimize on operation costs, airlines operating in Kenya are in a cut throat business where they are focusing on pricing. However, from a millennials consumer's point of view, they take other factors into consideration beyond the price of the ticket. Some take into consideration the airline's product in terms of type of aircraft that the airline operates and the general customer experience with the airline throughout their travel while others opt for an airline purely based on the familiarity with the airline or brand recall through the airline's marketing communications efforts. As a result, there is a situation in the Kenya airline industry where there is a knowledge gap as management have been struggling to determine whether it is price, product or marketing communications that influence the millennials customer decision making process and buying behavior.

1.3 General Objective

The general objective of this study was to determine factors influencing millennials consumer purchase behavior within the airline industry in Kenya.

1.4 Specific Objectives

1.4.1 To determine the influence of price on millennials consumer choice of airline.

1.4.2 To determine the influence of product on millennials consumer choice of airline.

1.4.3 To determine the influence of marketing communications on millennials consumer choice of airline.

1.5 Significance of the Study

1.5.1 Airline Industry in Kenya

All airlines operating within Kenya will benefit from the study as it will be able to determine and highlight whether it is price, product or marketing communications that defines the millennials customer decision making process and buying behavior. This will aid in their strategy building for their overall operations within Kenya with these marketing principles as the drivers of revenue generation amongst the fastest growing international travel consumer segment, the millennials.

1.5.2 Travel Agencies in Kenya

In Kenya, 65% of the air travel is generated from the trade, that is, the travel agencies. As key players in the revenue generating process for airlines, the study will be of significance to them as they will learn the consumer behavior of the millennials, some of whom go to book their tickets through them. By gaining perspective on this, they will be able to effectively position their company and service offering to the millennials thus giving them a competitive advantage.

1.5.3 Academia

This will be of academic interest to those who wish to gain insight on the millennials consumer behavior within the Kenya airline industry. In a growing economy where the purchasing power of the millennials is growing however, their sensitivity to marketing

dynamics is more intricate than ever before, identifying the main drivers of the millennials consumer behavior is of utmost importance.

1.6 Scope of the Study

This study was based on the insights from millennials who travel internationally at least once a year and are based in Nairobi. The study relied on insights drawn from millennials who fall under the business or leisure air travel customer segments. The research was conducted in the month of May 2018.

Although the research was carefully prepared, the main limitation of the study was the lack of available online database for the questionnaires to be distributed online. The questionnaires however, were physically distributed amongst the students within the campus.

1.7 Definition of Terms

1.7.1 Price

According to Keegan (2014), price may be defined as the amount of money that customers are willing to pay to obtain products or services that they intend to use.

1.7.2 Product

Kotler and Armstrong (2010) define a product as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need.

1.7.3 Marketing Communication

Marketing communications according Keller (2009), is a representation of the voice of the company and its brands and thus help create a persona with which the company can engage and interact with the customers through building relationships and dialogue.

1.7.4 Consumer Behavior

Mothersbough and Hawkins (2016) define consumer behavior a multidimensional process that consumers go through when they are selecting, securing, using and disposing products and services to satisfy their needs.

1.7.5 Consumer Choice

According to Willcox (2015), consumer choice refers to the decisions that a customer makes about a product or service and is important to study how the consumers do so in order to be successful.

1.7.6 Millennials

According to Dimock (2018), millennials are individuals whose birth years range from 1981 to 1996. They follow generation x and are the largest generation since the baby boomers generation. They are described as the most liberal generation in social, political, religious and cultural ideologies. They are a generation defined by technology as they grew up in the burst of technology and are fluent and savvy in technology.

1.7.8 Purchasing Power

According to Reddy and Sawaswathi (2007, p.55), “purchasing power means the quantity of goods and services that one can buy with the given money income”.

1.8 Chapter Summary

This first chapter provided insight into the background of the study which entails the broad concept of consumer purchase behavior and the factors that influence millennials consumer purchase behavior that directly influence the revenue generated by an airline. The chapter also highlighted the current environment of the airline industry globally and within Kenya, the existing competitor and economic environment, both which affect the overall performance of airlines operating within Kenya. Taking the concept of consumer purchase behavior, the prevalent growth in the millennial population within the airline industry with their complemented increase in purchasing power, there lay a problem statement together with the objectives of the study, the scope and the significance of the study. The terms used within the study are with reference to the context of the study, that is, airline industry terms.

The next chapter, Chapter 2, is the literature review, with the literature being in context with the study based on the objectives of the study. This is followed by Chapter 3 which describes the methodology of the research study giving more details pertaining to the research design or method, the research approach to the population and sampling, the data

collection methods, the research process and the methods of data analysis. Chapter 4 presents the results and findings of the study while lastly Chapter 5 presents a summary of the study, discussion of the study findings, conclusions and recommendations of the study.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter provides an overview of various concepts and previous studies on the factors that influence the millennials consumer purchase behavior. In this chapter, focus is on the influence of price, product and marketing communications on the millennials consumer purchase behavior within the airline industry in Kenya.

2.2 The Influence of Price on Millennials Consumer Choice of Airline

According to Keegan (2014), price may be defined as the amount of money that customers are willing to pay to obtain products or services that they intend to use. Price in studying consumer behavior is an important factor to be considered. This is because price influences the customer's perception of a product or service offering as it determines their demand for the product and whether they will be repeat customers. It is said that setting price is one of the most important and profit-sensitive decision that a company can ever make (Baker, Marn & Zawada, 2010).

According Chaparro (2017), when analyzing a research done about millennials' attitude towards money by UBS, a global financial services company, it was found that millennials place saving money as a high priority in their lives, more than any other generation, and thus they live more frugally and are less likely to commit themselves in huge long-term investments. This has had a direct impact on the pricing strategy of a company, and in this case the airline industry as it translates to mean that to gain competitive advantage with the millennials, the pricing of the ticket must be affordable with a sense of cost saving to them as airline passengers.

Within the airline industry, management is then tasked with the objective to set the right price as it affects the airline's product perception. The price of an airline ticket is based on a number of factors and for purposes of this research focus is on the demand, operation costs and competitor pricing.

2.2.1 Pricing and Demand

According to Free (2010), demand has been defined as the amount of product that a consumer is able and willing to buy at a given price. Moreover, according to Schlossberg (2008), the buyer's demand for a good or a service at any given time will depend on the price that has been set where the lower the price, the more demand by the buyer. The same is applicable within the airline industry and it also works vice versa, that is, demand for an airline determines the ticket price set by the airline, the perceived trend being that the higher the demand, the higher price for their tickets. This is because airlines seek to maximize their revenues on the destinations that they have the highest demand from so as to neutralize the routes in which they operate in that are not profitable, a concept they refer to as revenue management. However, this is not always the case as according to Free (2010), the laws of economics come into play where the observation is that customers are more willing and able to buy more of a product or service as the price goes lower. In the airline industry therefore, the role of marketing and revenue management is to ensure that the pricing is right as it has a direct impact on the perception of the airline's brand and in turn influence the demand.

Price plays an important role on the consumer behavior and more so in this case the millennials demand for a specific airline. Within the service industry, the most prevalent strategy is price-discrimination as according to Kotler (2009), it is a significant tool for stimulating demand and maximizing revenue opportunities for organizations. Traditionally within the airline industry, price-discrimination had been implemented through the categorization to class of travel, that is, economy, business or first class travel. Today however, so as to attract the millennial market segment, it extends to include bundled pricing where value-add services are bundled together so as to create value and cost savings to them.

Another strategy that is being employed by airlines to lure the millennial traveller segment is by creating value for money through experiences. According to McMahon (2017), millennials on average have smaller travel budgets and less vacation time, thus their travel behavior has evolved to be one where they will only invest in travel if either an adventurous or unique experience is guaranteed. As holiday experiences is not the airline's core business for majority of the, airlines today have sought to partner with tour and travel companies. These partnership arrangements are set up in a way that the role of

the tour and travel operator is to provide deals for accommodation and travel activities, while the airline's role is to provide special discounted air fares.

In Kenya, the domestic travel within the country has always been considered very expensive to the extent where it is far more affordable to travel to another country than travel locally as one would save much more money. However, according Mburu (2017), there are companies such as Bonfire Adventures, a Kenyan tours and travel operator, who recognized this market gap and the company started on the idea of providing unique services and holiday packages that people, and especially millennials, needed and would love. Today they are one of the leading tours and travel operator with regards to providing local travel packages, and part of the success has been through key partnerships with the airline operators and hotels. Their main target audience is the millennial travel segment in Kenya, evident from their marketing communications strategy where their main distribution channel for the packages is online or social media, and their marketing communication strategy is employing millennial public figures in their advertisements. On observation, when one does a cost analysis of planning a holiday package by themselves or through Bonfire Adventures, their deals from observations on average are about 15% to 40% lower than when one goes directly to the airlines or hotels and thus appeals to the millennial travel segment because of the cost saving aspect.

Further to this, airlines have leveraged their pricing position by extending discounted pricing to group tours, where the bigger the group, the more discount each individual gets. This is a strategy that they have evolved to adapt the millennial market segment keeping in mind from research such as that carried out by Carlson Wagonlit Travel (2017), it was found that millennials prefer to travel in groups, rather than alone as they are more sociable and more concerned about their personal safety compared to the older generations. In the study report, it was deduced that 58% of millennials travel with others, 43% travel with colleagues and 15% with friends or family; which is in contrast with the baby boomers generation who nearly 71% of them travel alone, 23% travel with colleagues and only 6% travel with friends or family. This has presented airlines with the opportunity for them to market more of their group fares targeting millennials.

At the same time, airlines are also adopting bare minimum pricing strategy where the millennial market segment who wishes to travel at the lowest price can do so, but with

stripped off travel benefits. This is a no-frills kind of pricing where the pricing is based purely on the core benefit of the product which is to fly a passenger from point A to B. This has proved to be a successful strategy especially to price-sensitive millennials due to their travel shoe-string budgets. According to Goldstein (2017), airlines have begun to woo younger, non-luxury travelers who fall under the Millennial customer segment however, this low cost of air ticket comes at a price they have to bear, for example, when one flies from Dublin to North America on Aer Lingus on Saver ticket, as much as the passenger has benefited from paying the lowest air fare possible, they do not get travel benefits such as getting a blanket as one has to pay extra for this travel benefit. As a result, this leaves a gap where the millennial passenger is trading his comfort in order to save money.

2.2.2 Pricing and Costs

According to Bragg (2010), traditionally, pricing should be based on costs with an acceptable profit margin as for there to be profits, all product and operating costs must first be covered. Within the airline industry, the product and operating costs include the aircraft costs, fuel costs, salaries, office space, marketing costs, and onboard meals for passengers, aircraft cleaning and servicing and duties paid to the airport and government authorities. These costs are fixed, variable or recurrent costs and they do determine the profitability of the airline's operations within any country. To the airline, their mandate is to be able to set prices that meet the costs and go beyond in order to make profits.

However, airlines globally and also within Kenya have not been successful in striking this balance between meeting the operational costs and the needs of the price-sensitive millennial so as to operate profitably due to price wars brought about through last minute promotional pricing. Airlines during their sales projections tend to offer last minute promotional deals by discounting the price of the tickets so as to mitigate their risk of operating a flight unprofitably. Price wars have thus been successful within the airline industry through the concept of flash sales and seasonal sales and have greatly impacted the consumer behavior amongst millennials. Flash or seasonal sales are promotions that take place when there is an anticipated growth in demand for travel or during the low season for travel.

According to Lee, Bai, and Murphy (2012), price wars has had an impact on millennial travelers as they tend to only make purchase decisions strategically in order to ensure the purchased product is worth their money. The millennial traveller therefore tends to evolve to being a deal seeking traveller who does not book their air tickets until the very last minute as according to Chen et al. (2011), they continue to keep searching for better deals so as to optimize their booking. Additionally, price wars implemented by airlines who offer the basic need of travel with the exemption of travel amenities and value add services has had an impact on some travellers. According to Goldstein (2017), low airfares have been a hit amongst millennials customers however, it is often linked to a loss of travel standards and has led to negative perceptions by some millennial consumers and negatively impacted the airlines' bottom line.

2.2.3 Pricing and Competition

Lastly competitor pricing as a pricing factor has to be taken into consideration so as to gain competitive advantage. The airlines do so using various strategies such as matching competition, pricing lower than competition or giving complementary value add service to the customers.

According to Donnelly and Scaff (2013), millennials are said to be practicing more than ever a concept known as “show rooming”. This is when a potential customer examines merchandise and window shops around between different competing brands then goes to shop for the same item online in order to find the lowest price while comparing between the various brands. Within the airline industry, this has been noted too among the airlines and travel agents within Kenya where millennial customers go around shopping looking for the best air ticket deal and comparing with what is available online. As a result, airlines have strategically encouraged this phenomenon by offering their air tickets at a lower rate on their official airline websites compared to when purchasing offline. This is because, with online purchases, there are minimal costs to the company unlike offline costs which attract a service charge as there are staffs who serve you personally. Additionally, airlines do understand the millennials’ evolving purchase behavior where according to Kestenbaum (2017), millennials unlike other generations are more likely to purchase goods and service using their mobile devices through the use of the internet.

2.3 The Influence of Product on Millennials Consumer Choice of Airline

Kotler and Armstrong (2010) define a product as anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need. They also define service as any activity or benefit that one party can offer to another that is essentially intangible and does not result in ownership of anything. Within the airline industry, the term product takes form of both physical and intangible aspects of the offering to the customer. The physical aspects of the product are the aircraft, ticketing offices, check-in counters, airport lounges, aircraft seats, aircraft screens, aircraft lavatory, aircraft lounge area, amenity kits, meals served and entertainment on board. The intangible aspects of the product offering are the customer service and the seamless digital customer experience on their official website, mobile applications and social media platforms.

Within the airline industry, the product offering has been evolving faster than ever before with technology as the contributing factor. From faster, sleeker aircrafts through innovation, to more immediate customer service on real-time basis thanks to social media and finally more personalized customer experience thanks to advanced customer relationship management systems.

Airlines have been seeking competitive advantage and especially to tap into the millennials customer segments through these product offering avenues. This is important in the study as according to Dong and Siu (2013), due to the competitive nature of services, success in the hospitality marketplace is typically only achieved when the service experience exceeds the customer's expectations. The product therefore in regards to this research study boils down to creating the ultimate customer experience for the millennial traveller segment.

2.3.1 Product on Consumer Tastes and Preferences

The Millennial consumer can be referred to be smarter based on the hypothesis that they are exposed to vast information at any given moment, information is at their fingertips through the evolution of the internet and smart phones. Millennials grew up being exposed to the internet and world wide web and thus according to Whitley (2016), their early interaction with the technological advancements and their increased internet usage has had an adverse effect of shaping the millennials behavior to the extent of shaping

their core behaviors of how they communicate and think. More than ever, the information on various products and offerings are gathered faster through the internet using platforms such as company websites, social media platforms and expert reviews. As millennials go seeking as much information on a product, the more exposed they are to different brands and the more their current tastes and preferences are shaped. Their tastes and preferences will be based on a combination of their core needs, their purchasing power and the current available value propositions from the market. With reference to the airline industry, these factors can be aligned as; the core needs being the need for air travel, their purchase power being their travel budget and the current available value propositions being the various airlines offerings. Airlines therefore have invested and spent both time and money in investing in their product offering.

In order to create value and meet millennials' needs, airlines have aligned themselves according to their underlying strengths that give them a competitive advantage. Within the airline industry there are two main categorizations of airlines with regards to product classification, that is, Legacy airlines and low-cost airlines. Legacy airlines are those airlines offering full service to the passenger and the cost of the full service offering is already factored in the ticket fare. Low cost on the other hand, offer only ticket fare without additional services to the passenger, therefore a passenger must purchase the services at an additional cost. This is an important factor to take into consideration due to the changing millennial consumer behavior where their needs are becoming more defined. According to Dron (2017), in the UK surprisingly the airline that holds the largest market share of passengers is easyJet and not their national carrier, that is, British Airlines. In this case, as British Airways is considered a legacy airline and easyJet a low cost carrier, it is observed that more passengers, predominantly the millennials, are opting to be served with the basic need for air transport from one point to another without the need for any additional services. Thus, those opting for easyJet shows that the millennials were seeking to fulfill the core need, air transport, without the value add benefits such as meals, internet, and inflight entertainment.

Another aspect of consumer tastes and preferences to be taken into consideration with reference to the millennial market segment within the airline industry is the digital space, that is, the internet and World Wide Web in particular. Due to the early exposure and adaption of the internet and World Wide Web into their lives, millennials' consumer

behavior has progressed rapidly over the years. According to Walsh (2014), they do not use technology and the internet to only research, plan and book for their travels, but they have proceeded to use these platforms throughout their journey as they tend to always share their experiences with their family and friends using social media platforms. In Kenya, this applies the same for the millennial traveller within the airline industry, where these digital natives as they are referred to at times, rely solely on the internet and social media platforms when it comes to planning and experiencing air travel. Their reliance on the internet and social media platforms is not that they do not want to engage with human beings, but it's more so because they want to avoid human error (Mayock, 2014).

As a result, in product strategy formulation, airlines must focus on the millennials' needs from a product offering view so that they may align themselves accordingly. Today within Kenya, some airlines have aligned themselves to appeal to the different millennial passengers and especially paying attention to their digital experience expectations. For millennials who are price-sensitive who are seeking to fulfill the basic need for air transport without the value add services, they are catered for by an airline such as Jambojet as they are a low-cost airline (Jambojet, 2018).

Meanwhile, others airlines have enhanced their product to include the digital personalized experiences such as KLM Royal Dutch Airlines who have their Social Customer Care which is a customer care service offered on their social media platforms 24/7 which appeals to millennials as their pre and post travel experience is interactive as they engaging with them through their websites and social media platforms (KLM, 2017). While others have concentrated their efforts to providing memorable travel experiences to the millennials through operation of high end aircrafts and implementation of trendy technology within their aircrafts such as Wi-Fi enabled service within Emirates flights out of Kenya that ensures millennials are constantly connected to the internet throughout their journey (Emirates, 2018).

2.3.2 Product and Brand Perception

According to Keller (2008), the most important thing that helps a brand distinguish itself from competitor brands is the overall perception and feelings that the consumer grows and has towards the company's products with reference to its attributes and performance, their brand name and what they brand name stands for, and generally what the company

is associated with, this in totality then gives shape to the company's brand equity. Within the airline industry, an airline's product does have an effect on its brand perception to the customers. All airlines, at their core, they have the basic product which is the aircrafts which are used to transport people and goods from one point to another in the hopes of making profits. However, brand perception comes into play when airlines strategically make decisions to differentiate themselves from just being categorized based on the aircrafts, but take it further by bringing in the aspect of enhancing the customer experience through their products.

At the core of enhancing the customer experience lays the physical product and service queues that lead to the customer having an emotional notion toward the brand, that is, brand perception. The physical aspect of the product within the airline industry lies in the aircraft type which management within airlines has been trying to create brand affinity by creating ownership of their product category through innovation. According to Fromm (2017), millennials are attracted to and yearn for products and services that can feed their active imaginations, curiosity and need for efficiency and being trendy, and in this case, the greatest changes are happening as a result of innovation. Airlines have responded to the anticipated millennials need for cutting edge innovations within the airline industry as according to Airbus (2017), one of the world's leading aircraft manufacturers, they announced that during the 2017 Paris Air Show, a total of \$39.7 worth of new business was made from various airlines who in total had made an order of 326 new and innovative aircrafts. Ordering of new modernized, state of the art aircrafts by airlines is an indication of the airlines' commitment in enhancing the millennials customer experience through innovation. Within Kenya, this has been observed too as the national carrier, Kenya Airways, acquired new state of the art aircrafts, namely the Dreamliner, in a bid to improve and modernize their product and service offering to be of world class standards which appeals to the millennials too (Capital FM Business, 2014).

Service queues are another avenue that airlines are using to enhance the customer experience. This has been done over the years by all airlines so as to stay abreast of competition in order to not only become profitable, but to gain brand affinity from the customers. As illustrated by Amadeus (2015) the Trip Cycle chart below, service within the airline industry for the millennials starts from the moment the need to travel arrives, that is the inspire stage. From there they decide to shop around to gain information about

various airlines and destinations therefore they come into contact with the airline's brand in search for information. After this, they proceed to the actual buying process, that is booking, then the travel experience and which for the millennials their post travel experience is characterized by sharing of their experience on various social media platforms.



Figure 2.1: The Trip Cycle
Source: Amadeus (2015).

For instance, Emirates airlines brand value is estimated to being worth \$6.6 billion, which makes it the most valuable airline globally, with the main contributing factor to their brand value being their exceptional world class service and their reliability (Emirates, 2018). Within millennials target segment, the efficiency and reliability of an airline is of utmost importance due to their need for speedy service delivery. Millennials are said to be constantly on the go, with a need for instant gratification and fulfillment. This need of urgency and things to be done instantly has led to their consumer behavior to revolve around self-reliance. According to Whitley (2016), due to millennials' need for speed and

self-reliance, companies are today offering more flexible options in the ways that a Millennial customer can purchase their goods and services by offering services such as online shopping platforms, same day-shipping options as opposed to standard shipping which takes more than a day for delivery. As a result, airlines have been revolutionizing the millennial traveller's journey by digitizing their service offering where from the dreaming, planning, booking, experiencing and sharing phase of their travel experience, they have digitized by making their services available on their websites and mobile applications such as online booking, online payments, online self-check-in and online baggage tracking. Additionally within Kenya, at the international departures terminal within Jomo Kenyatta International Airport, there are also self-service automated machines that allows for millennial passengers to check themselves in through the system (Nyabiage, 2009).

2.3.3 Product on Customer Loyalty

Using the Pareto principle of sales which states that 80% of sales come from 20% of existing customers, the need for customer loyalty has been of key focus in organizations and also within the airline industry as airlines are striving to achieve this through their product offering. According to Wensveen (2007), airline product goes beyond the physical aspects of the airlines such as aircrafts, offices or meals they offer. It goes further to include the services that the airline offers to the passengers that they consider useful to them, these include services cues such as reliability, efficiency, safety, convenience, their number of flights to a destination in a day, their services from the on ground staff and systems at the airport while they are checking in, the way their baggage are handled, the level of service by the cabin crew while onboard and their after sale services when they arrive at their destination. Airlines through innovation have been enhancing the experience at these major customer touching points in order to gain brand affinity and customer loyalty especially with shifting focus on the millennial traveller segment as they are said to be the growing spending customers when travelling as according to MMGY Global (2017). Further, according to Fromm (2017), millennials are likely to spend more on travel as in the United States; the average millennial traveler spent \$4,594 on vacations in the year 2017 which was an 8% increase from 2016.

An example of an airline that has been achieving customer loyalty through product targeting specifically millennial travellers is KLM. They saw the need to be where the

customers, in this case, millennials, and challenged themselves to achieve this through digital innovations that was rolled out globally including in Kenya. According to Horwitz (2016), KLM carried out a research where they discovered that their millennial customer base were highly digital, meaning their use of smart phones, the internet and social media platforms was very high, therefore they needed to find a new way of how they offer customer service to this target segment in a very personal and interactive way with a touch of real-time basis. In 2015 the airline began exploring integration of social media platforms into the customer service department. The result was the formation of artificial intelligent chatbots that would address the millennials travel enquiries not only on real-time basis, but around the clock basis. This served as a major milestone not only within the airline industry but more so for KLM Royal Dutch Airlines as in 2017 they won ‘The Marketing Award’ at the Airline Strategy Awards where they highlighted that every innovation that they create is rooted on their belief in basing it on the millennials’ evolving trends and their consumer behavior of being a digital generation (Jones, 2017).

The millennial market segment has a hybrid approach to defining what customer loyalty is. They go beyond associating themselves with just the name of the company as they have been observed to concentrate more on the product and service offering quality. According to Whitley (2016), millennials are peculiar in that they are proactive in researching for information about various products and services, and out of free will, they have a tendency of voicing their opinions and reviews about their experiences with different brands on their social media platforms or various internet forums. Thus as a result the millennials customer loyalty not only lies on the traditional loyalty program product within the airline industry, but goes beyond to be based on their travel experience. According to a study by Bowen and McCain (2015), their findings was that within the airline and hotel industries, for them to remain relevant and for millennials to remain loyal to them, the traditional current loyalty programs that were developed in the 1980s will not be effective as it was only effective on the baby boomers generation. Millennials customer loyalty on the other hand is won over by made to feel special through special and customized travel experiences (Mayock, 2014). According to Fromm (2017), millennials as a generation are characterized as a generation that places high value on things and experiences that make them feel unique and special, to the extent that whereas the previous generation were reserved when it came to their travel experience

preferences, the millennials are bold and would rather indulge in travel experiences that are more adventurous and customized.

2.4 The Influence of Marketing Communications on Millennials Consumer Choice of Airline

Marketing communications is important for organizations as they must communicate to their customers the value proposition they offer. This communication must be planned and conveyed through different promotion tools such as advertising, sales promotion, personal selling, public relations and direct marketing (Kotler & Armstrong, 2010). Marketing communications therefore is a representation of the voice of the company and its brands and thus help create a persona with which the company can engage and interact with the customers through building relationships and dialogue (Keller, 2009). The purpose of building the relationship and dialogue with the consumers is so that to instill knowledge to the customers about the company's product offerings, provide information of the benefits of the product, their value proposition, provide competitive advantage information and also serve as a reminder to the consumers as to why they should opt for their brand as opposed to other competitor brands. Marketing communications therefore becomes a source of brand equity for companies.

Within the airline industry in Kenya, the marketing communications space is the same. With over 40 different airlines operating to and from Kenya according to the KAA (2016), there is a scramble for the airline passengers and one of the key strategies being deployed is marketing communications. However, according to Zoeller (2017), with the digital savvy millennial generation, social media has had an adverse effect in the way that brands communicate with millennials, thus has created a phenomenon where if brands do not change how they send messages and have dialogues with the millennials, they will have no choice but to falter in their businesses. Airlines likewise have and must continue to strategize how to effectively communicate to the digital savvy millennials.

2.4.1 The Influence of Advertising on Consumer Behavior

According to Kotler and Armstrong (2010), advertising has been defined as any paid form of communication that enables promotion of ideas, goods or services. It may take the form above the line advertising such as use of television, radio, newspaper and billboards;

or below the line advertising which entails use of flyer distribution, direct mail, events and catalogs; difference being that the above the line advertising strategy is most costly than below the line however, the audience reach is higher.

According to Carroll (2009), brands traditionally were defined by the level of product quality, trust and reliability delivery to the customers. This has however, evolved as brands today serve more of a psychological value to the customers where they serve to be a source of the customers' self-expression, self-realization and self-identity. Marketing communication through advertising therefore has been used as the driver of brand perception within the airline industry amongst millennials as it gives a sense of validation to the millennials of the brand positioning that they allocate for the various airline brands. The process in which marketing communication assimilates the consumer to developing a specific brand positioning mentally for specific brands is through brand building.

As the consumer is exposed to the various forms of marketing communication through advertising over a period of time, they get to be informed about the brand, that is, what the purpose of the product is and its value proposition in what is referred to as brand-building. Therefore, as according to Ghodeswar (2008), brand-building must be integrated with the company's organizational processes as this alignment is what helps deliver the promise or value proposition to the customer through their experience with the brand.

The notion that brands offer self-identity to customers is especially true amongst millennials as according to Bowen and McCain (2015), for the millennial generation, a purchase decision is not as simple as it may seem on a normal business transaction, as millennials view purchases as a source and form of self-expression. Millennials additionally with their vast access to product knowledge and company information through the use of the internet tend to purchase brands that are in line with their values as these are a reflection of their true selves (Gurau, 2012).

One of the things that millennials value is travel and according to a study carried out by the US Travel Association (2015), it was discovered that six out of ten millennials would rather spend money on experiences rather than on material things in the United States. According to Fromm (2017), the millennial generation is known for placing a high

emphasis on budding their personal identity through enriched travel experience that entail culturally rich experiences and out of the ordinary explorations around the world. This value for travel has changed how airlines communicate to millennials from the traditional communication about the aircraft product, to a broader concept capturing travel experiences.

Additionally, as millennials are digitally savvy, organizations including airlines have sought to opt for digital marketing advertising. According to Brill (2018), digital advertising involves the use of digital platforms such as websites, mobile applications and social media platforms through which an organization may acquire advertising space which is used to run their advertisements to a specified target audience. The target audience is determined based on the target audience's aggregate online information such as their tastes, preferences, interests and demographic. The main benefits of digital advertising are they are cost efficient as one can post an advertisement for as low as \$5 on Facebook, the advertiser can select the specific target audience that they seek to reach and also that the advertisement is run on a real-time basis (Brill, 2018).

Within the airline industry, there have been successful advertising campaigns. For instance, in 2012 Emirates launched a marketing communications campaign that was also launched in Kenya dubbed "Hello Tomorrow" whose main objective was to position the airline beyond being just an airline but adding a human and personal perspective to it. The campaign according to Voight (2014), was implemented through advertisements that were run on television, radio, newspaper, magazines and on digital platforms such as through Google advertisements and Facebook advertisements. Their brand positioning strategy of the campaign was so as to make Emirates as a brand, come out of being considered only a premium airline that is for the affluent target segment, but to gain a brand position as an airline brand that is affordable to anyone who wishes to travel (Voight, 2014). Additionally according to World Airline News (2012), another connotation of the brand campaign was to position Emirates as the airline brand that not only acts as an enabler of connecting the world from both a geographic perspective but also through meaningful experiences and adventures. This campaign was very effective not only globally but in Kenya too as it led to increased brand recognition and lasting permanent brand perception of Emirates offering an ultimate travel experience both within the aircraft and beyond to the actual destination amongst millennials locally.

2.4.2 The Influence of Social Media on Consumer Behavior

Social Media according to Hudson (2017), has been defined as a series of websites and applications that are designed to allow people to communicate and share content with one another on a real-time basis. Social media today is now core and a part of the lives of millennials as they are the generation that have been raised using these platforms as the golden age of social media began in 2001 with the onset of social media applications such as Friendster and MySpace, then in 2003 LinkedIn was launched followed by Facebook in 2004, Twitter in 2006, Instagram in 2010 and Snap Chat in 2011 (Morrison, 2015).

Social media has been used by marketers as a platform to build brand equity. Brand equity is the overall combination of perception and feelings that consumers have towards a product with regards to its attributes, how it performs, and its name, what it stands for and how it distinguishes it from its competitor brands (Keller, 2008). Brand equity is as a result of the summation of all the brand knowledge that the consumers form subconsciously through the organizations marketing programs and activities.

Within the airline industry, brand equity is important as according to Chen and Tseng (2010), airlines with high brand equity are at an advantageous position as customers create a higher preference for these airlines and this leads to higher conversions as the customer's purchase intentions are more deliberate than speculative when comparing with other brands. Moreover in today's world, millennials are said to be dictating the brand health of organizations all over the world as they are the fastest growing generation from an economic point of view, and also the most complex from a psychological view with the onset of social buying where their purchase decision is based on peer influence and reviews on brands. According to The Harris Poll (2017), a poll based on an academically vetted brand equity model, American Airlines won the 'Full Service Airline Brand of the Year Award'. This report was released in January 2017, and it is supported by the year on year profit generation by the organization as American Airlines Group Inc. posted a pre-tax profit of \$1.3 billion in their second quarter for the financial year 2017 (American Airlines Group Inc., 2017).

Amongst millennials, the biggest source for brand equity with regards to marketing communications within the airline industry would have is word of mouth or referrals which has been enabled and catalyzed mainly through social media platforms. This is

according to a research carried out amongst travelling millennials by Dillon (2016), who when they were asked what has been the most influential factor in their purchase decisions for travel, accommodation or dining, 79% of the respondents attributed word of mouth or referrals from family, friends or public figures as the most influential in their purchase decision making followed by digital advertising.

Globally, there have been various social media campaigns that have been implemented by airlines in a bid to create excitement, talk ability and increase sharing of content amongst traveling millennials. According to Davidson (2015), one of the airlines who are renowned to having done one of the most remarkable campaigns is Turkish Airlines which launched its marketing communication campaign dubbed “Kobe vs. Messi: The Selfie Shootout” in 2013. This was a social media campaign targeting the millennial traveller segment as it incorporated two famous athletes, Kobe Bryant and Lionell Messi, who are known for their renowned awards in basketball and football respectively, two sports that are also enjoyed by millennials in Kenya. The aspect of “The Selfie Shootout” communicates to the millennials as this is what millennials look forward to when they are travelling, that is, taking pictures of themselves, that is, selfies, and sharing these pictures with their friends and family through various social media platforms. The marketing campaign was so successful that YouTube named it the advertisement of the decade having over one hundred and forty six million views to date (Davidson, 2015). This campaign as it is relatable with millennials captures the observation that has been made amongst marketers that according to Jarboe (2016), millennials seek to gain information as fast as possible and in the most entertaining manner thus they turn to video content frequently when making purchase decisions as they are attracted more to visually, entertaining and educative communication thus viral marketing communications plays a vital role in creating brand equity amongst millennials.

In Kenya, another way that airlines are leveraging on social media platforms is by the use of online content marketing through public figures. This is because according to Marcenko (2015), millennials are good communicators who are highly committed to their social media platforms as they use these channels as avenues to share their experiences be it their opinions and to review comments. As a result, they have shaped how brands, including airlines in Kenya, communicate with them where it is no longer a one way form of communication but a dialogue form of communication. Over the recent years, airlines

within Kenya have transformed how they used to market themselves to millennials locally where instead of pushing product information, they have cultivated a culture of creating meaningful, shareable and authentic content with millennials through influential marketing or storytelling in their advertisements. Referral Marketing therefore plays an important role for airlines within Kenya to gain brand equity as also based on the findings on millennials by Dillon (2016), when millennials were asked about their perception of advertisements or social media posts that were generated directly by the company compared to those generated by a third-party or a guest, nearly 87% of them responded that they trust the guest generated content more than those generated by the company as they found this content more authentic and trustworthy.

2.4.3 Influence of Sales Promotions on Consumer Behavior

Globally, there have been new entrants into the airline industry which has led to increased and intensified competition as with new entrants it leads to the challenge of overcapacity within any country. Overcapacity within the airline industry exists when within any given market, there is more supply than demand for air travel and sales promotions in this case serves to solve this challenge of excess capacity or performance below capacity (Adeniran, Egwuonwu & Egwuonwu, 2016). Globally and in Kenya too, air travel demand is seasonal where the observation is that there is high demand during major global holidays such as seasonal travel where people travel a lot during summer season, religious holidays, new years and public holidays, while there is low demand during other months. Additionally, airlines may be faced with low demand due to competition where the passengers opt to travel with the other competitor airline, or they are new players within a market. As a result, airlines tend to try to bridge these low demand gaps by maximize their revenues through sales promotions.

According to Kotler and Armstrong (2010), sales promotion involves the use of short-term incentives so as to encourage buyers to buy more or sellers to sell more of the organizations goods or services. They are similar to advertising as both have the objective of stimulating increased purchases or sales, however, they differ in the sense that advertising gives reasons as to why you should buy more or sell more, but sales promotions justify why you should buy more or sell more right now. There are three types of sales promotions, namely, consumer promotion which is targeted towards the final user of the product or service, trade promotion which is targeted towards the resellers and

business promotions which are geared towards generation of business leads and increased purchases (Kotler & Armstrong, 2010).

Within the airline industry with regards to the millennial travelling market, consumer sales promotions are the most prevalent used due to the nature of their purchases, that is, millennials are known to make more purchases online when compared to other generations as according to Junco and Mastrodicasa (2007), millennials on average spend 33 hours per week on the internet of which 83% of the time is used to visit social networking sites. Airlines have sought to leverage on this trend by pushing their consumer sales promotions using social media platforms by communicating coupon codes that the consumers can use online at the point of purchase. For instance globally, in January 2018 Qatar Airways launched their global consumer sales promotions dubbed referred to as ‘Global Travel Boutique’ which offered consumers up to 40% air ticket discounts wishing to travel on either economy or business class and additional special discounts for families traveling with children through the ‘kids special offer’ for bookings made on their website (Qatar Airways, 2018). The consumer sales promotion took place for 2 weeks allowing passengers intending to travel within 2018 to take advantage of the sales promotion and pushing them to purchase their tickets. Such sales promotions appeal to millennials as there is cost savings being made through such purchases and the sense of instant gratification by satisfying the millennials need for speed, convenience and customization (Danaher, 2018).

2.5 Chapter Summary

This chapter delved into the subject of consumer purchase decision and specifically amongst the millennials within the airline industry. Three main themes in this research have been explored with regards to the underlying principles and concepts of product, price and marketing communications towards consumer purchase decision. In the next chapter, the methodology that was embarked during the study is discussed.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

The general objective of this study was to determine factors influencing millennials consumer purchase behavior within the airline industry in Kenya. This chapter describes the methodology of the research study giving more details pertaining to the research design or method, the research approach to the population and sampling, the data collection methods, the research process and the methods of data analysis.

3.2 Research Design

The research design according to Kumar (2014), is a procedural arrangement adapted by the researcher to address questions truly, impartially, precisely and economically. It may be viewed as the overall strategy that is used to integrate the various aspects of the research study, that is sampling, data collection, measurement and data analysis, in a way that not only brings out the research in a coherent and logical way but it also effectively ensures that the research problem is addressed. The objective of this research was to address the factors influencing millennials consumer purchase behavior within the airline industry in Kenya; therefore as the research was based on the travelling millennial market segment, the descriptive design, with a qualitative approach using the cross-survey method was used for the study.

Descriptive research is a study of status which according to Koh and Owen (2000), its importance is based on the proposition that through observation, analysis and description, problems can be resolved and practices improved. The main motivation to using the descriptive research design was because the subject matter with regards to the research objective was highly targeted towards a specific market segment, that is, the millennial travel segment, within the airline industry in Kenya. A qualitative approach was selected for its reliability and validity as a research method. According to Creswell (2014), qualitative research has been defined as a research approach that is used to gain deeper understanding on why individuals or groups relate to common social or human problems.

Descriptive research design emphasizes on description and feelings through the samples experiences and perceptions on a subject matter according to Kumar (2014), thus it is relevant and effective for the research study based on the research objective which was based on the cognitive psychology of the millennial traveller market segment with regards to their choice of airline in Kenya. The main focus was therefore be to employ the cross-survey technique where there was observation, analysis and description of the millennial traveller market segment purchasing behavior in a bid to answer the problem statement of finding out what factors affect their purchase decisions within the airline industry. In this study, consumer purchase behavior of the millennial traveller market segment in Kenya's airline industry was the dependent variable while the influence of the airline's price, product and marketing communications were the independent variables.

3.3 Population and Sampling Design

3.3.1 Population

Population according to Kumar (2011), has been defined as the people or subject matter that the researcher wants to find out about. They are usually a group of people living in the same area, working in the same organization, come from the same community or have a common special issues. For purposes of this study, the population that was studied was individuals who were considered to be millennials studying at USIU-Africa, who had ever travelled by air for either purposes of business, leisure, education, health or visiting family and friends. According to USIU (2018), the university recorded a population of 6,776 students in the spring semester 2018; therefore the population size was 6,776 distributed as shown in Table 3.1.

Table 3.1 Population Distribution

Strata	Population	Percent
Potential Millennial Airline Customers based in USIU-Africa – Undergraduate Students	5,111	75
Potential Millennial Airline Customers based in USIU-Africa – Post-Graduate Students	1,665	25
Total	6,776	100

Source: USIU (2018)

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

A sampling frame according to Remler and Ryzin (2015), is a list or map of a population from which a sample is drawn. It is therefore a list of elements in the population that are relevant and related to the research study, from which a sample may be drawn. For purposes of this research study, the sampling frames were drawn from the list of millennial USIU-Africa students who had ever traveled before by air with various airlines and were based in Kenya.

3.3.2.2 Sampling Technique

The sampling technique implemented in this research study was probability sampling, making use of the stratified random sampling technique. According to Leedy and Ormrod (2015), probability sampling is a sampling selection process in which the chances of each member being chosen are equal. Stratified random sampling technique is a form of probability sampling where the total population is first classified into subgroups based upon characteristics and elements that are synonymous to each subgroup, a sample is then selected from each subgroup (Kumar, 2011).

The basis of using the stratified random sampling technique was based on the definition of the population which entailed millennial USIU-Africa students who had ever traveled by air and were based in Kenya. The millennial USIU-Africa students' population was classified into two main subgroups, that is, millennial undergraduate students and millennial post-graduate students. The main benefit of using the stratified random sampling technique according to Clark (2017), and also observed in this research study was that the technique allowed for accurate representation of the wider population, in this case, it provided a true representation of the whole millennial traveller population based in Kenya.

3.3.2.3 Sample Size

According to Kumar (2011), sample size has been defined as the number of individuals that you obtain the required information from, which is denoted by the letter n. For any research, the research is always confronted with the question as to how large a sample should be. According to Lammers and Badia (2004), the sample size depends on various factors ranging from the population variability, economic factors with regards to budget

concerns for the research, the availability of the participants, statistical issues such as the dependability of the accuracy of the results based on the sample size selected and also the importance of the research problem. The general rule of the thumb is that the larger the sample size, the less probability there will be for erroneous conclusions from the research as the sample values will be more approximate to the wider population values. However, the main constraints to drawing a large sample are the high cost implications as it is extremely expensive and additionally it is very time consuming. However, previous studies carried out by Nielsen according to Lammers and Badia (2004), show that of key importance is the representativeness of the sample therefore insightful conclusions can be drawn using a small number of observations. Previous studies such as that by Parniana, Hosseinia and Fen (2013), have based their criteria for selection on sample size based on findings by a clinical researcher, Dr. Saiful, who discovered that a sample size larger than 30 and less than 500 for most research is the appropriate sample size.

With regards to this research study, the Cochran sample size formula was used to determine the sample size. According to Israel (2003), the sample size is determined using a formula formed by Cochran below that can be used to yield a representative sample for proportions:

$$n_0 = \frac{Z^2pq}{e}$$

Where:

n is the sample size

Z is the selected critical value of desired confidence level set at 95 % (1.96)

p is the proportion of the population being researched on

q is the proportion of the target population estimated not to have the characteristic being measured and is calculated as $q=1-p$

e is the Margin of error or the desired level of precision set at 5% (0.05)

When there is no estimate available of the proportion of the target population who has the characteristics under study, 50% will be used as **p**.

Therefore, $n_0 = (1.96 \times 1.96 \times 0.5 \times 0.5) / (0.05 \times 0.05) = 384.16$

When the study population is less than 10,000 sample size is adjusted using the formula:

$$n = N / 1 + \{(n_0 - 1) / N\}$$

Where:

n is the desired sample size when population is < 10,000

no is the desired sample size when the population is >10,000

It therefore follows that:

N was the estimate of the population size, which was about the 6,776 students at USIU-Africa

Therefore;

$n = 384.16/1 + \{(384.16-1)/6,776\} = 384.22$. Approximately 384 students.

This adjustment (called the finite population correction) can substantially reduce the necessary sample size for small populations. Therefore our sample size was a total of 384 students which was an accurate representativeness of the population as demonstrated in Table 3.2.

Table 3.2 Sample Size Distribution

Strata	Population	Sample Size	Percent
Potential Millennial Airline Customers based in USIU-Africa – Undergraduate Students	5,111	288	75
Potential Millennial Airline Customers based in USIU-Africa – Post-Graduate Students	1,665	96	25
Total	6,776	384	100

3.4 Data Collection Methods

The primary data was collected using questionnaires. According to Kumar (2014), primary data has been defined as the information that is collected first hand from primary sources while a questionnaire has been described as a data collection tool where there is a list of written questions which the respondents give answers to. In this case therefore the collection of first-hand information, primary data, was from the potential millennial airline customers based in USIU-Africa based in Nairobi. This was done using physical questionnaires which were administered through circulation to the students. Using questionnaires as a primary data collection method was beneficial to the study due to its convenience as it is a time and cost effective method of collecting data considering the sample size selected for the study.

The questionnaire had questions in the form of closed questions. Closed questions are questions that provide the respondent with possible answers to the question asked that they can pick as their answer (Kumar, 2014). As closed questions were used, attitudinal scales and specifically the likert scale were used for the study. This was important to the research study as likert scales go beyond providing the researcher with a yes or no response, but it delved deeper in providing more concise information as the responses were categorized on a scale of 1 to 5, or scaling based on the degree of agreement or disagreement the respondent relates with each question. Additionally likert scales were relevant to this research study as according to Vanek (2012), in a likert scale question, all items will be completely comparable so that the summed score turns into a solid estimation of the specific behavior or psychological quality that is being measured.

The questionnaire was structured with two sections. The first section provided general information about the respondent and their travelling habits with regards to their frequency of travel, reason for travel, destinations and method of purchase. The other section addressed the research objectives. Therefore the second section entailed questions with regards to the influence of price on their purchase decision touching on aspects such as costs and competitor comparisons; the influence of an airline's product on their purchase decision covering ground on their tastes and preferences, brand perception and customer loyalty; and lastly the influence of marketing communications with relation to advertising, social media and sales promotions.

3.5 Research Procedures

For the research procedures, authority to carry out the research was first sought after. For purposes of this study the collection of primary data was collected from undergraduate and post-graduate students enrolled at USIU - Africa. An informed consent, according to Kumar (2014), suggests that subjects are made aware of the kind of information needed from them, why the information is being looked for, what reason it will be put to, how they are relied upon to take an interest in the study, and how it will straightforwardly or by implication influence them. The introductory letter from the researcher's university was used by the researcher to seek consent from these organizations so as to gain support for the research study.

Upon getting informed consent from USIU - Africa, a pilot testing for the questionnaire took place so as to measure its reliability as a data collection tool with regards to the research study being conducted. Knowing how reliable the questionnaire was to this study was very important so as to determine the effectiveness of the questionnaire to the research study by identifying the strengths and weaknesses of the questionnaire.

The main way of knowing the extent to which the data collection tool is reliable is that, according to Kumar (2014), the more noteworthy the level of consistency and dependability in an instrument, the more reliable it is. Once pre-testing had been done and any necessary adjustments to be made on the questionnaire were done, the questionnaires were then administered physically to the undergraduate and post-graduate students enrolled at USIU - Africa.

To ensure that the respondents were aware of the survey and to encourage them to complete the survey, the questionnaires were distributed based on the convenience of the respondents which was after their classes and at the cafeteria where they could fill them in during their leisure time. This was an opportunity to capture any concerns or address any challenges that the respondents may have had with regards to the questionnaire. This exercise took place over a period of two weeks.

3.6 Data Analysis Methods

Data analysis is when the researchers process and analyze the collected data to make it more meaningful as it helps to isolate important information and findings (Kotler & Armstrong, 2010). For data processing and analysis, as the data collection tool was the questionnaires, the quantitative method of data analysis was used. The exercise involved data editing, data coding and finally data analysis. Data editing is also referred to data cleaning where the researchers objective is to ensure that the questionnaires were filled completely by the respondents and checking for internal consistency where follow ups were done to the respondent in case of any inconsistency or missing information as a way to reduce the problem of inconsistent data (Kumar, 2014).

Once the data was “cleaned”, coding was done which according to Kumar (2014), is a procedure that is principally gone for changing the data. Data was analyzed using the descriptive and inferential analysis method. Descriptive analysis statistics simply describe what the data shows and according to Creswell (2014), descriptive analysis is one where

the results are described through means, range of scores and standard deviations. The inferential analysis conducted was the Pearson (r) correlation and multiple regression analysis. The proposed regression model was;

$$Y = a + bX_1 + cX_2 + dX_3 + \epsilon_j$$

Where:

Y = Consumer choice of airline

a = Constant, b, c, and d are coefficients of X_1 , X_2 , and X_3 respectively.

X_1 = Price

X_2 = Product

X_3 = Marketing communication

ϵ_j = Error term

The data was presented on tables and figures so to help people understand and interpret the analyzed data.

3.7 Chapter Summary

The research methodology for the study has been discussed in this chapter, starting with identifying the research design, the population, and the sampling frame, sampling technique and sample size. Once identification of the number of individuals who were studied was done, description of the data collection methods to be used in the research procedures and lastly the data analysis methods have been elaborated. In the next chapter, Chapter 4, results and findings from the study are presented.

CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter of the study presents the results and findings of the study. The chapter is presented in section of the demographic information, influence of price, product, and marketing communications on millennials consumer choice of airline. Out of the 384 questionnaires administered, the study was able to get back 318 questionnaires that were used in the analysis which corresponded to an 83 % response rate.

4.2 Demographic Information

The study sought to identify the demographic profile of the respondents. Demographic factors play an important role in consumer choices for goods and services and this was also important for airline choice. The study sought information on respondents' gender, age, nationality, university program, occupation, frequency of travel, reason of travel, ticket purchase, ticket booking, local air travel, and international air travel preferences.

4.2.1 Gender

In terms of their gender, the findings show that 54.0 % of the sample was female and the rest of the 46.0 % were male respondents as shown in Table 4.1. This finding agreed with the statistics of USIU – Africa in spring semester 2018 enrolment which showed that the majority of students were female.

Table 4.1: Gender Distribution of Respondents

Gender	Frequency	Percent
Male	146	46.0
Female	172	54.0
Total	318	100.0

4.2.2 Age

Table 4.2 shows the age group distribution of the sample, the results indicate that 54.0 % were between the age group of 18-25 years, followed by those in age group 26-33 years representing 44.0 % of the sample and 2.0 % being in the 34-41 years age group.

Millennials are individuals who are born between the years of 1981 and 1996 and thus the largest presentation of the sample fell in this category.

Table 4.2: Age Distribution of Respondents

Age	Frequency	Percent
18 – 25 Years	172	54.0
26 – 33 Years	140	44.0
34 – 41 Years	6	2.0
Total	318	100.0

4.2.3 Nationality

USIU-Africa consists of students from different nationalities. Therefore, the study asked respondents to indicate their nationality and it was found that 86.0 % were Kenyan and 14.0 % were international students as shown in Table 4.3.

Table 4.3: Nationality of Respondents

Gender	Frequency	Percent
Kenyan	273	86.0
International	45	14.0
Total	318	100.0

4.2.4 University Program

The study sought to determine the respondents program; the findings indicate that 75.0 % were pursuing their undergraduate studies compared to 25.0 % who were pursuing their post-graduate studies as presented in Table 4.4.

Table 4.4: Respondents' Programs

Gender	Frequency	Percent
Post-graduate	80	25.0
Undergraduate	238	75.0
Total	318	100.0

4.2.5 Occupation

The study was interested to establish the occupations of the respondents, the findings revealed that 67.0 % were unemployed, 31.0 % of respondents were employed, and 2.0 % of respondents were self-employed as indicated in Table 4.5. This finding can be

explained by the large number of undergraduate students who are engaged in their studies and are therefore not participating in any form of employment.

Table 4.5: Occupation Distribution of Respondents

Occupation	Frequency	Percent
Employed	99	31.0
Self Employed	6	2.0
Unemployed	213	67.0
Total	318	100.0

4.2.6 Frequency of Travel

Table 4.6 shows the respondents frequency of travel where 67.0 % mentioned that they traveled once annually, 7.0 % indicated traveling every month, 11.0 % travelled once in three months, and 14.0 % traveled in once in 6 months.

Table 4.6: Respondents' Frequency of Travel

Frequency of travel	Frequency	Percent
Every Month	22	7.0
Once in 3 months	35	11.0
Once in 6 months	45	14.0
Once in a Year	216	67.0
Total	318	100.0

4.2.7 Reason of Travel

The study was interested in finding out the purposes for travel among the respondents. Table 4.7 shows that 58.0 % had traveled for leisure / holiday / recreation / touring, 18.0 % had traveled for business purposes, 14.0 % had traveled to study, and those that had visited friends and family representing 10.0 % of the sample.

Table 4.7: Respondents' Reason of Travel

Reason of travel	Frequency	Percent
For business purposes	57	18.0
For leisure / holiday / recreation / touring	184	58.0
To visit friends and family	32	10.0
To study	45	14.0
Total	318	100.0

4.2.8 Airline Choice

In regard to airline choice, the findings show that 53.0 % selected airlines themselves, 26.0 % of respondents selected an airline through family and friends, 16.0 % selected through a travel agency, and 5.0 % used their company policy as shown in Table 4.8.

Table 4.8: Airline Choice of Respondents

Airline choice	Frequency	Percent
Self	169	53.0
Travel Agency	51	16.0
Company policy	16	5.0
Family and Friends	82	26.0
Total	318	100.0

4.2.9 Ticket Purchase

The study findings show that respondents who purchased tickets on the airline's company website accounted for 56.0 % of the sample, 18.0 % purchased tickets through a local travel agent, 17.0 % purchased tickets through an online travel agent, and those who purchased through in the airlines company sales office represented 9.0 % as revealed in Table 4.9.

Table 4.9: Ticket Purchase of Respondents

Source of ticket purchase	Frequency	Percent
On the Airline's Company Website	178	56.0
In the Airline's Company Sales Office	29	9.0
Through a local Travel Agent	57	18.0
Through an Online Travel Agent	215	17.0
Total	318	100.0

4.2.10 Ticket Booking

In terms of the ticket booking process, the findings show that 33.0 % booked their ticket a week before travel, 25.0 % booked their tickets 2-3 weeks before travel, 17.0 % booked a month before travel, 15.0 % booked 2-3 months before travel, and 10.0 % booked more than 3 months before travel as shown in Table 4.10.

Table 4.10: Respondents Duration before Booking a Ticket

Duration before ticket booking	Frequency	Percent
Week before travel	105	33.0
2-3 weeks before travel	80	25.0
1 month before travel	54	17.0
2-3 months before travel	48	15.0
More than 3 months before travel	31	10.0
Total	318	100.0

4.2.11 Local Air Travel

The study sought to identify the airline choices for local travel among the respondents. The findings indicate that 37.0 % flew with Kenya Airways, followed by 28.0 % who flew JamboJet, those who flew Fly 540 represented 12.0 %, 9.0 % chose to fly with Safari Link and Skyward Express, and 5.0 % flew with Fly SAX as shown in Table 4.11.

Table 4.11: National Airlines Used For Local Travel

National airline	Frequency	Percent
Fly SAX	16	5.0
Fly 540	37	12.0
Jambojet	89	28.0
Kenya Airways	118	37.0
Safari link	29	9.0
Skyward Express	29	9.0
Total	318	100.0

4.2.12 International Air Travel

Table 4.12 shows international airlines used among the respondents. The findings show that 32.0 % used Emirates for their international travel, 16.0 % selected Kenya Airways, and 10.0 % used Qatar Airways and KLM Royal Dutch Airlines respectively. More findings indicate that British Airways was used by 8.0 % of the respondents, Ethiopian Airlines, Etihad Airways, and Lufthansa German Airlines were mentioned by 4.0 % of respondents.

Table 4.12: Respondents' Choice of International Airlines

International airlines	Frequency	Percent
British Airways	25	8.0
China Southern Airlines	13	4.0
Emirates	103	32.0
Ethiopian Airlines	13	4.0
Etihad Airways	13	4.0
Kenya Airways	52	16.0
KLM Royal Dutch Airlines	31	10.0
Lufthansa German Airlines	13	4.0
Qatar Airways	31	10.0
RwandAir	6	2.0
South African Airways	6	2.0
Swiss International Airlines	6	2.0
Turkish Airlines	6	2.0
Total	318	100.0

4.3 Influence of Price on Millennials Consumer Choice of Airline

The first objective of the study was to establish the influence of price on millennials consumer choice of airline. The sub-variables used were pricing and demand, pricing and costs, and pricing and competition. This section presents the descriptive findings of each of these sub-variables.

4.3.1 Pricing and Demand

The respondents were asked to indicate their level of agreement with statements on pricing and demand on consumer choice of airline. The findings show that the overall mean score for pricing and demand was 4.31 and a standard deviation of 0.598 as shown in Table 4.13.

Table 4.13: Pricing and Demand Descriptive Statistics

Pricing and demand statements	Mean	Std. Deviation
I always plan and budget for my trip(s) a month or more before travelling.	4.48	0.615
When travelling by air, I buy my ticket as early as possible to avoid paying higher prices in the future.	4.34	0.553
I always shop around different airlines looking for the best deals when planning my trip.	4.11	0.626
Overall mean score	4.31	0.598

4.3.2 Pricing and Costs

The respondents were asked to show their level of agreement with pricing and costs statements on their choice of airline. Table 4.14 presents the findings which revealed that the overall mean score was 4.24 and a standard deviation of 0.842.

Table 4.14: Pricing and Costs Descriptive Statistics

Pricing and costs statements	Mean	Std. Deviation
I prefer travelling with family members, friends, and colleagues or as part of a group so that we can benefit from the discounts given to people travelling in groups.	4.43	0.800
I prefer buying my tickets online and not at the airline's office so as to avoid paying extra money for service charge fees.	4.13	0.873
When planning for a trip, I will choose an airline that saves me the most money.	4.21	0.862
When choosing an airline, my goal is to travel from destination A to B at the lowest price possible.	4.20	0.833
Overall mean score	4.24	0.842

4.3.3 Pricing and Competition

Table 4.15 shows the respondents level of agreement with statements on pricing and competition in regards to their choice of airline. The findings indicate that the overall mean score was 4.47 and a standard deviation of 0.746.

Table 4.15: Pricing and Competition Descriptive Statistics

Pricing and competition statements	Mean	Std. Deviation
I only travel during low seasons and avoid high seasons because then the price of the air ticket is lowest.	4.47	0.837
I am willing to travel more than once a year on condition that the price of the air ticket is very low.	4.45	0.667
When deciding on the airline to travel with, I will only choose an airline that bundles the air ticket together with accommodation and tours together.	4.50	0.735
Overall mean score	4.47	0.746

4.4 Influence of Product on Millennials Consumer Choice of Airline

The second objective of the study was to establish the influence of product on millennials consumer choice of airline. This section presents the descriptive findings of the sub-variables of product and consumer tastes and preferences, product and brand perception, and product and customer loyalty.

4.4.1 Product and Consumer Tastes and Preference

The study asked respondents to show their level of agreement in regards to product and consumer tastes and preferences on their choice of airline. The findings show that the overall mean score was 4.20 and a standard deviation of 0.933 as shown in Table 4.16.

Table 4.16: Product and Consumer Tastes and Preference Descriptive Statistics

Product statements	Mean	Std. Deviation
Before purchasing my air ticket, I compare information gathered from the airline offices and travel agents about the air ticket prices.	4.31	1.126
I always choose an airline with the latest aircraft models and inflight technology.	4.19	0.908
I prefer to plan, book and pay for my air tickets online.	4.32	0.867
I tend to always first seek as much information online about the different airlines before deciding on which airline to travel with.	3.97	0.832
Overall mean score	4.20	0.933

4.4.2 Product and Brand Perception

Table 4.17 shows the respondents level of agreement with product and brand perception statements on their choice of airline. The results indicated that the overall mean score was 4.06 and a standard deviation of 0.863.

Table 4.17: Product and Brand Perception Descriptive Statistics

Product and brand perception	Mean	Standard deviation
I value efficiency and reliability of an airline more than the kind of aircrafts they have.	4.14	0.788
I prefer to travel with airlines that offer extra legroom, inflight entertainment and meals.	3.99	0.893
I only get in touch with the airline directly through the airline's social media platforms such as their Facebook, Instagram or Twitter pages.	4.05	0.908
Overall mean score	4.06	0.863

4.4.3 Product and Customer Loyalty

The study participants were asked to show their level of agreement with product and customer loyalty influence on consumer choice of airline. The findings reveal that the overall mean score was 4.12 and a standard deviation of 0.930 as presented in Table 4.18.

Table 4.18: Product and Customer Loyalty Descriptive Statistics

Product and Customer Loyalty	Mean	Standard deviation
My loyalty to an airline is based on how special an airline makes me feel through ensuring I receive a personalized travel experience.	4.09	0.739
Before purchasing my air ticket, the type of aircraft and service by staff of the airline are important factors that I consider first before buying my air ticket.	4.14	1.057
The perception I have about an airline is purely based on the products and services that the airline offers.	4.12	0.993
Overall mean score	4.12	0.930

4.5 Influence of Marketing Communication on Millennials Consumer Choice of Airline

The third objective of the study was to determine the influence of marketing communication on millennials consumer choice of airline. This section presents findings on the sub-variables of advertising and consumer behavior, social media and consumer behavior, and sales promotion and consumer behavior.

4.5.1 Advertising and Consumer Behavior

The study sought to determine the level of agreement of respondents on the association between advertising and their choice of airline. The findings indicated that the overall mean score was 3.65 and a standard deviation of 0.983.

Table 4.19: Advertising and Consumer Behavior Descriptive Statistics

Marketing communication statements	Mean	Std. Deviation
The advertisements of an airline determine how I feel and think about an airline.	4.31	1.126
I rely on an airline's message in the advertisement in deciding whether to fly with them or not.	3.78	1.071
When viewing different airlines advertisements, I feel more drawn to entertaining advertisements that feature celebrities.	3.14	0.936
I feel that the airline I travel with is a true representation of my identity and personality.	3.37	0.799
Overall mean score	3.65	0.983

4.5.2 Social Media and Consumer Behavior

The study participants were asked to show their level of agreement with regards to social media and their choice of airline. The findings showed that the overall mean score was 3.40 and a standard deviation of 1.084 as depicted in Table 4.20.

Table 4.20: Social Media and Consumer Behavior Descriptive Statistics

Social Media and Consumer Behavior	Mean	Std. deviation
Peer recommendations from social media platforms are very important when considering which airline to travel with.	3.71	1.207
I trust social media posts created by followers more than an advertisement created and posted by the airline.	3.37	1.004
I always tend to share my air travel experiences by posting personal pictures or comments on social media.	3.13	1.040
Overall mean score	3.40	1.084

4.5.3 Sales Promotion and Consumer Behavior

The study asked respondents to indicate their level of agreement on sales promotion and their choice of airline. The study showed that the overall mean score was 3.40 and a standard deviation of 1.012 as shown in Table 4.21.

Table 4.21: Sales Promotion and Consumer Behavior Descriptive Statistics

Sales Promotion and Consumer Behavior	Mean	Std. deviation
When deciding on which airline to travel with, I hold off buying my air ticket until there is a sales promotion.	3.37	0.970
I often respond to sales promotions that are posted on the airline's social media pages by visiting the page to find out more information.	3.19	1.109
I only purchase tickets that are on sale because of the cost saving I get.	3.64	0.956
Overall mean score	3.40	1.012

4.6 Inferential Statistics

This section of the chapter presents the inferential statistics results. The study conducted correlation and regression analysis. Pearson (r) correlation was done to assess the strength of association between the independent and dependent variables. Multiple regression analysis was done to determine the strength of influence of independent variables on the dependent variable.

4.6.1 Correlation Analysis

Table 4.22 shows the outcome of the bivariate correlation of the independent variables and the dependent variable. The findings show that there was a positive and statistically significant relationship between price ($r = 0.272$, $p = 0.046$), product ($r = 0.012$, $p = 0.007$), and marketing communications ($r = 0.081$, $p = 0.028$). This means that an increase in price, product, and marketing communications results to an increase in consumer choice of airline which indicates a linear relationship between the study variables.

Table 4.22: Correlation Coefficient Results

		Price	Product	Marketing Communication
Price	Pearson Correlation	1		
	Sig. (2-tailed)			
Product	Pearson Correlation	.292**	1	
	Sig. (2-tailed)	.000		
Marketing Communication	Pearson Correlation	.314**	.503**	1
	Sig. (2-tailed)	.000	.000	
Consumer Choice	Pearson Correlation	.272	.102	.081
	Sig. (2-tailed)	.046	.007	.318
	N	318	318	174

** . Correlation is significant at the 0.01 level (2-tailed).

4.6.2 Regression Analysis

The study conducted a multiple regression analysis between the three independent variables (marketing communication, price, and product) and consumer choice of airline. Table 4.23 shows the model summary statistics which indicate that the Coefficient of Determination ($R^2=0.580$) which means that the model explained 58.0 % of change in the dependent variable.

Table 4.23: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.762 ^a	.580	.591	.55382

a. Predictors: (Constant), Marketing Communication, Price, Product

A regression analysis also produces a second table, the ANOVA, which shows the overall significance of the model. Table 4.24 show that the F statistic (3, 315) = 3.683 and the p value of 0.033 which means that the model is statistically significant in explaining the influence of product, marketing communication, and price on consumer choice of airline among USIU-Africa students.

Table 4.24: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	.629	3	.210	3.683	.033 ^b
Residual	52.141	315	.307		
Total	52.770	318			

a. Dependent Variable: Consumer Choice

b. Predictors: (Constant), Marketing Communication, Price, Product

Table 4.25 is the final table produced after conducting a regression analysis and it indicates the amount of influence that each predictor variable has on the response variable. The results from the coefficients results indicate that price, product, and marketing communications had a positive and significant effect on consumer choice of airline as their *p* values were less than 0.05. The proposed regression equation therefore became:

$$\text{Consumer Choice of Airline} = 4.474 + 0.244 + \text{Product} + \text{Marketing communication}$$

This means that unit increase in price led to a 0.244 increase in consumer choice of airline and this was significant (*p* = 0.045). A unit increase in product results to a 0.193 increase in consumer choice of airline and this is significant (*p* = 0.047). A unit increase in marketing communication results to a 0.157 increase in consumer choice of airline and this was significant (*p* = 0.029).

Table 4.25: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	4.474	.837		5.343	.000
Price	.244	.192	.061	.749	.045
Product	.193	.089	.063	.709	.047
Marketing Communication	.157	.150	.094	.044	.029

a. Dependent Variable: Consumer Choice

4.7 Chapter Summary

This chapter presented the results and findings of the study in sections of respondents' general information and information on the study variables. The data was analyzed using descriptive statistics (frequencies, percentages, mean, and standard deviation). The next chapter of the study presents the discussion, conclusion, and recommendations of the study.

CHAPTER FIVE

5.0 DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study, discussion of the study findings, conclusions and recommendations of the study. The chapter presents the discussions, conclusions, and recommendations for improvement in line with the study research objectives. Recommendations for further research are also presented in this section.

5.2 Summary

The study aimed to examine the factors influencing millennials consumer purchase behavior within the airline industry in Kenya. The study was guided by three specific objectives; to determine the influence of price on millennials consumer choice of airline; determine the influence of product on millennials consumer choice of airline; and determine the influence of marketing communications on millennials consumer choice of airline.

The study adopted descriptive research design to conduct the study. The study sampling frame was the 6,766 students enrolled in USIU – Africa in spring semester 2018. The study utilized stratified random sampling procedure and using mathematical sampling procedures determined the sample size as 384 was used to administer the questionnaire to students within the university grounds. The study relied on primary data which was collected using a structured questionnaire. The data was analyzed using descriptive statistics (frequencies, percentages, mean, and standard deviation) and inferential statistics (correlation and regression) to analyze the data. Tables supported by the researcher's interpretation were used to present the data.

The first objective of the study was to establish the influence of price on millennials consumer choice of airline. The findings showed that pricing and competition had the highest overall mean score ($M=4.47$, $SD=0.746$), followed by pricing and demand ($M=4.31$, $SD=0.598$), and pricing and costs ($M=4.24$, $SD=0.842$). These findings suggested that competitor prices in the airline industry were a big determinant for millennials consumer choice of airline. Correlation and regression analysis confirmed

positive and significant relationship between price and consumer choice of airline among millennials.

The second objective of the study was to establish the influence of product on millennials consumer choice of airline. The overall mean score for consumer tastes and preference was the highest (M=4.20, SD=0.933), followed by customer loyalty (M=4.12, SD=0.930), and brand perception (M=4.06, SD=0.863). This implied that in regards to product factors, millennials were more interested in satisfying their tastes and preferences when choosing an airline. Correlation and regression analysis confirmed positive and significant relationship between product and consumer choice of airline among millennials.

The third objective of the study was to determine the influence of marketing communication on millennials consumer choice of airline. The descriptive statistics indicated that advertising had the highest mean score of 3.65 and standard deviation of 0.983. This was followed by sales promotion (M=3.40, SD=1.012), and social media (M=3.40, SD=1.084). This suggested that advertising was a determinant of consumer choice of airline among millennials. Correlation and regression analysis confirmed positive and significant relationship of marketing communications and consumer choice of airline among millennials.

5.3 Discussion

5.3.1 Influence of Price on Millennials Consumer Choice of Airline

With regards to the influence of price on millennials consumer choice of airline, it was found that that pricing and competition had the highest overall mean score, followed by pricing and demand and lastly pricing and costs. This suggested that competitor prices in the airline industry were a big determinant for millennials consumer choice of airline. Correlation and regression analysis confirmed positive and significant relationship between price and consumer choice of airline among millennials.

This result indicated that millennials were willing to pay the most affordable price that was offered in the market for an airline ticket which also implied that airlines were more flexible to set attractive prices for consumers depending on the demand of travel that was in the market. The results showed that millennials were planning and budgeting for trip(s) a month or more before travelling, buying tickets as early as possible so as to avoid

paying higher prices in the future, and shopping around for different airlines looking for the best deals when planning trips. This confirmed Schlossberg (2008) notion that the buyer's demand for a good or a service at any given time will depend on the price that has been set where the lower the price, the more demand by the buyer. The same is applicable within the airline industry and it also works vice versa, that is, demand for an airline determines the ticket price set by the airline, the perceived trend being that the higher the demand, the higher price for their tickets.

Additionally it supported Kotler (2009) who was of the opinion that price plays an important role on the consumer behavior and more so in this case the millennials demand for a specific airline. Within the service industry, the most prevalent strategy is price-discrimination. Price is a significant tool for stimulating demand and maximizing revenue opportunities for organizations. Traditionally within the airline industry, price-discrimination had been implemented through the categorization to class of travel, that is, economy, business or first class travel.

The study findings also suggested that millennials attach their choice of airline on their budget and amount of money that they have at the time of the travel. According to McMahon (2017), millennials on average have smaller travel budgets and less vacation time, thus their travel behavior has evolved to be one where they will only invest in travel if either an adventurous or unique experience is guaranteed. Several past studies have shown that travel companies are engaged in promoting tour packages that target millennials and are commonly low budget or lower pricing and costs. For instance, in Kenya, Mburu (2017) noted that Bonfire Adventures targets the millennial market and are able to offer deals that are often 15 % to 40 % lower than average costs for the travel trip. In Europe, Goldstein (2017), reported that airlines are wooing younger, non-luxury travelers who fall under the Millennial customer segment however, this low cost of air ticket comes at a price they have to bear, for example, when one flies from Dublin to North America on Aer Lingus on Saver ticket, as much as the passenger has benefited from paying the lowest air fare possible.

5.3.2 Influence of Product on Millennials Consumer Choice of Airline

With regards to the influence of product on millennials consumer choice of airline, the overall mean score for consumer tastes and preference was the highest, followed by customer loyalty and brand perception. This implied that in regards to product factors,

millennials were more interested in satisfying their tastes and preferences when choosing an airline. Correlation and regression analysis confirmed positive and significant relationship between product and consumer choice of airline among millennials.

As tastes and preferences for travel was an important determinant for millennials when selecting their choice of airline, this highlighted the notion that millennials compared information gathered from airline offices and travel agents about the air ticket prices. This supports the stance by Amadeus (2015) where it is noted that when travelling, the first phase that a customer goes through is the information gathering. The results also show that millennials chose an airline with the latest aircraft models and inflight technology indicative that products offered by airlines were a significant determinant for choosing that airline.

Additionally, the study showed that millennials preferred to plan, book, and pay for their air tickets online. This evidence was supported by Horwitz (2016), citing a KLM Royal Dutch Airlines research where it was discovered that their Millennial customer base were highly digital, meaning their use of smart phones, the internet and social media platforms was very high, therefore they needed to find a new way of how they offer customer service to this target segment in a very personal and interactive way with a touch of real-time basis. This observation also corroborated with Walsh (2014) results that millennials do not use technology and the internet to only research, plan and book for their travels, but they have proceeded to use these platforms throughout their journey as they tend to always share their experiences with their family and friends using social media platforms. Furthermore, Mayock (2014) noted that millennials rely solely on the internet and social media platforms when it comes to planning and experiencing air travel.

The consumer decision-making purchase decision process begins with the consumer seeking information about the options that are available. The literature showed that consumers are constantly seeking information and the internet and social media have become popular means among the millennials. The respondents indicate that online platforms were mostly used to plan, book, and pay for their air tickets. Others airlines have enhanced their product to include the digital personalized experiences such as KLM Royal Dutch Airlines who have their social customer care which is a customer care service offered on their social media platforms 24/7 which appeals to millennials as their

pre and post travel experience is interactive as they engaging with them through their websites and social media platforms (KLM, 2017).

The outcome means that in product strategy formulation, airlines must focus on the millennials' needs from a product offering view so that they may align themselves accordingly. Today within Kenya, some airlines have aligned themselves to appeal to the different millennial passengers and especially paying attention to their digital experience expectations. For millennials who are price-sensitive who are seeking to fulfill the basic need for air transport without the value add services, they are catered for by airlines such as Jambojet.

5.3.3 Influence of Marketing Communications on Millennials Consumer Choice of Airline

With regards to the influence of marketing communication on millennials consumer choice of airline, the descriptive statistics indicated that advertising had the highest mean score, followed by sales promotion, and social media. This suggested that advertising was a determinant of consumer choice of airline among millennials. Correlation and regression analysis confirmed positive and significant relationship of marketing communications and consumer choice of airline among millennials.

According to the study, millennials agreed that advertisements of an airline determined how they felt and thought about an airline. Millennials in the study also revealed that they relied on an airline's message in the advertisement in deciding whether to fly with them or not. The findings also revealed that millennials were more drawn to entertaining advertisements that feature celebrities and felt that the airlines they traveled with was a true representation of their identity and personality. This meant that advertisements of an airline played a significant role in decision-making of millennials when choosing an airline which support Carroll (2009) notion that marketing communication, through advertising, has been used as the driver of brand perception within the airline industry amongst millennials. This is because it gives a sense of validation to the millennials of the brand positioning that they allocate for the various airline brands (Carroll, 2009).

The study also revealed that millennials are digitally savvy and airline organizations including airlines have sought to opt for digital marketing advertising. According to Brill (2018), Digital Advertising involves the use of digital platforms such as websites, mobile

applications and social media platforms through which an organization may acquire advertising space which is used to run their advertisements to a specified target audience. The observation support Gurau (2012) who stated that millennials with their vast access to product knowledge and company information through the use of the internet tend to purchase brands that are in line with their values as these are a reflection of their true selves.

Additionally, this finding that millennials agreed that advertisements of an airline determined how they felt and thought about an airline supported Voight (2014) study which found that an Emirates campaign was very effective not only globally but in Kenya too. This is because the advertising campaign led to increased brand recognition and lasting permanent brand perception of Emirates offering an ultimate travel experience both within the aircraft and beyond to the actual destination amongst millennials locally. Within the airline industry, there have been successful advertising campaigns. The Kenyan campaign dubbed “Hello Tomorrow” main objective was to position the airline beyond being just an airline but adding a human and personal perspective to it.

However, this study goes against previous studies which found that advertisements did not influence millennials consumer choice of airline. Dillon (2016) found that millennials biggest source for brand equity with regards to marketing communications within the airline industry was word of mouth or referrals. The study found that 79 % of the respondents attributed word of mouth or referrals from family, friends or public figures as the most influential in their purchase decision making followed by digital advertising.

5.4 Conclusion

5.4.1 Influence of Price on Millennials Consumer Choice of Airline

The first objective of the study was to determine the influence of price on millennials on consumer choice of airline. The findings showed that the overall mean score was the highest among the three factors included in the study. The respondents indicated choosing an airline that bundles the air ticket together with accommodation and tours together when deciding what airline to travel with. The study therefore concludes that price is an important factor in consumer choice of airline.

5.4.2 Influence of Product on Millennials Consumer Choice of Airline

The second objective of the study was to determine the influence of product on millennials on consumer choice of airline. The findings show that respondents preferred to plan, book and pay for their air tickets online. The study therefore concludes that millennials prefer to use online and digital sources of information for choosing an airline to travel with.

5.4.3 Influence of Marketing Communications on Millennials Consumer Choice of Airline

The third objective of the study was to determine the influence of marketing communication on millennials on consumer choice of airline. The study found that advertisements of an airline determined how respondents felt and thought about an airline. The findings also show that marketing communications had the least effect on consumer choice of airline. The study therefore concludes that advertisements influenced millennials consumer choice of airline.

5.5 Recommendations

5.5.1 Recommendations for Improvements

5.5.1.1 Influence of Price on Millennials Consumer Choice of Airline

The study recommends that airlines and travel agents should design travel packages and airline travel fares that are suitable or target the millennials. The study recommends that airlines and travel agents should also design travel packages for millennials that bundle together air ticket fares, accommodation and tours.

5.5.1.2 Influence of Product on Millennials Consumer Choice of Airline

The study recommends that airlines and travel agencies should design their products on digital and online platforms so as to reach millennials. The study also recommends that airlines and travel agencies should provide online options for planning, booking, and payment of tickets.

5.5.1.3 Influence of Marketing Communications on Millennials Consumer Choice of Airline

The study recommends that airlines and travel agencies should advertise their services and products on digital and online platforms so as to reach more of the millennials market. The study recommends that internet, social media and online advertisements should be the main marketing strategies for airlines.

5.5.2 Recommendations for Further Studies

The study relied on primary data to establish the influence of price, product, and marketing communications on consumer choice of airline among millennials. There is need for further study that utilizes secondary data to determine the factors that influence consumer choice of airline among millennials. Such a study could use secondary data from airlines, travel companies and agencies. This study adopted descriptive statistics and therefore recommends that there is need to use inferential statistics, such as, correlation and regression to analyze the relationships between factors and consumer choice of airlines among millennials.

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APPENDICES

Appendix I: Cover Letter

Catherine Wambui Mwangi,
P.O.BOX 67564-00800,
Nairobi,
Kenya.
November 02nd 2017

To The Dean,
Chandaria School of Business,
USIU-Africa,
P.O.BOX 14634-00800,
Nairobi- Kenya.

Dear Prof. Peter M. Lewa,

RE: PERMISSION TO CONDUCT RESEARCH STUDY

I am writing to request permission to conduct a research study at your institution. I am an MBA student in the Chandaria School of Business at United States International University-Africa, currently undertaking a research titled "Factors Influencing millennials Consumer Purchase Behavior within the Airline Industry in Kenya."

The purpose of this questionnaire is to provide feedback relating to finding out the key factors influencing millennials consumer purchase behavior when they are purchasing airline tickets in Kenya. This is designed to gain insight on their perception of various aspects of the airline industry that influence greatly their purchase decision making. This is designed to help the airlines within Kenya in benchmarking with what is important to them as Millennial Travellers. The responses will be used by airline marketers, travel agencies and those individuals with academic interest on the subject. Their responses to this questionnaire will be confidential and anonymous as they will not be identifiable in any way. I intend to recruit 384 students from the school to anonymously complete a 3-page questionnaire as per the copy attached. If approval is granted, the questionnaire will be distributed to the volunteer students after their classes and at the cafeteria where they complete them during their leisure time. This exercise will take place over a period of two weeks.

Your approval to conduct this study will be greatly appreciated.

Sincerely,

Catherine Wambui Mwangi

Appendix II: Questionnaire

MILLENNIAL TRAVELLERS CONSUMER PURCHASE BEHAVIOR IN KENYA

Catherine Wambui Mwangi is an MBA student in the Chandaria School of Business at United States International University-Africa, currently undertaking a research titled "Factors Influencing millennials Consumer Purchase Behavior within the Airline Industry in Kenya."

The purpose of this questionnaire is to provide feedback relating to finding out the key factors influencing millennials consumer purchase behavior when they are purchasing airline tickets in Kenya. This is designed to gain insight on your perception of various aspects of the airline industry that influence greatly your purchase decision making. This is designed to help the airlines within Kenya in benchmarking with what is important to you as a Millennial Traveller. Your responses will be used by airline marketers, travel agencies and those individuals with academic interest on the subject. Your responses to this questionnaire will be confidential and anonymous as you will not be identifiable in any way.

Section 1: General Information

<p>1. What is your gender? Male <input type="radio"/> Female <input type="radio"/></p> <p>2. How old are you? Below 18 Years <input type="radio"/> 18 – 25 Years <input type="radio"/> 26 – 33 Years <input type="radio"/> 34 – 41 Years <input type="radio"/> Above 41+ Years <input type="radio"/></p> <p>3. Indicate your nationality: _____</p> <p>4. In which program are you currently enrolled in: Undergraduate Program <input type="radio"/> Post-Graduate Program <input type="radio"/> Other(Specify): _____</p> <p>5. What is your occupation? Employed <input type="radio"/> Self Employed <input type="radio"/> Unemployed <input type="radio"/> Retired <input type="radio"/></p> <p>6. How often do you travel by air within the country or abroad? Every Week <input type="radio"/> Every Month <input type="radio"/> Once in 3 months <input type="radio"/> Once in 6 months <input type="radio"/> Once in a Year <input type="radio"/></p>	<p>7. What was your main reason for travelling by air within the country or abroad? For business purposes <input type="radio"/> For leisure/ holiday/ recreation / touring <input type="radio"/> For religious purposes <input type="radio"/> To visit friends and family <input type="radio"/> To study <input type="radio"/> Other(Specify): _____</p> <p>8. Who determines the airline you fly with for your trip? Self <input type="radio"/> Travel Agency <input type="radio"/> Company policy <input type="radio"/> Family and Friends <input type="radio"/> Other(Specify): _____</p> <p>9. How do you buy your air ticket? On the Airline's Company Website <input type="radio"/> In the Airline's Company Sales Office <input type="radio"/> Through the Airline's Contact Center <input type="radio"/> Through a local Travel Agent <input type="radio"/> Through an Online Travel Agent <input type="radio"/></p> <p>10. When travelling by air, how long before travelling do you book a ticket? At the point of travel <input type="radio"/> Within 24 hours before travel <input type="radio"/> 2-3 days before travel <input type="radio"/> Week before travel <input type="radio"/> 2-3 weeks before travel <input type="radio"/> 1 month before travel <input type="radio"/> 2-3 months before travel <input type="radio"/> More than 3 months before travel <input type="radio"/></p>
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<p>11. When travelling within Kenya, most of the times your preferred airline of choice to travel with is:</p> <p>African Express Airways <input type="radio"/></p> <p>Air Kenya <input type="radio"/></p> <p>Fly SAX <input type="radio"/></p> <p>Fly 540 <input type="radio"/></p> <p>Jambojet <input type="radio"/></p> <p>Jet link Express <input type="radio"/></p> <p>Kenya Airways <input type="radio"/></p> <p>Mombasa Air Safari <input type="radio"/></p> <p>Safari link <input type="radio"/></p> <p>Skyward Express <input type="radio"/></p> <p>Other(Specify): _____</p>	<p>12. When travelling abroad from Kenya, most of the times your preferred airline of choice to travel with is:</p> <p>British Airways <input type="radio"/></p> <p>China Southern Airlines <input type="radio"/></p> <p>EgyptAir <input type="radio"/></p> <p>Emirates <input type="radio"/></p> <p>Ethiopian Airlines <input type="radio"/></p> <p>Etihad Airways <input type="radio"/></p> <p>Kenya Airways <input type="radio"/></p> <p>KLM Royal Dutch Airlines <input type="radio"/></p> <p>Lufthansa German Airlines <input type="radio"/></p> <p>Oman Air <input type="radio"/></p> <p>Qatar Airways <input type="radio"/></p> <p>RwandAir <input type="radio"/></p> <p>Saudia / Saudi Arabian Airlines <input type="radio"/></p> <p>South African Airways <input type="radio"/></p> <p>Swiss International Airlines <input type="radio"/></p> <p>Turkish Airlines <input type="radio"/></p> <p>Other:(Specify) _____</p>
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Respond by selecting from the following scale to indicate your agreement or disagreement with the following statements. Where 1= Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

PART A: The Influence of Price on millennials Consumer Choice of Airline.	1	2	3	4	5
1. I always plan and budget for my trip(s) a month or more before travelling.					
2. When travelling by air, I buy my ticket as early as possible to avoid paying higher prices in the future.					
3. When planning for a trip, I will choose an airline that saves me the most money.					
4. I always shop around different airlines looking for the best deals when planning my trip.					
5. I only travel during low seasons and avoid high seasons because then the price of the air ticket is lowest.					
6. I am willing to travel more than once a year on condition that the price of the air ticket is very low.					
7. When deciding on the airline to travel with, I will only choose an airline that bundles the air ticket together with accommodation and tours together.					
8. I prefer travelling with family members, friends, and colleagues or as part of a group so that we can benefit from the discounts given to people travelling in groups.					
9. I prefer buying my tickets online and not at the airline's office so as to avoid paying extra money for service charge fees.					
10. When choosing an airline, my goal is to travel from destination A to B at the lowest price possible.					
PART B: The Influence of Product on millennials Consumer Choice of Airline	1	2	3	4	5
1. Before purchasing my air ticket, I compare information gathered from the airline offices and travel agents about the air ticket prices.					

2. Before purchasing my air ticket, the type of aircraft and service by staff of the airline are important factors that I consider first before buying my air ticket.					
3. I tend to always first seek as much information online about the different airlines before deciding on which airline to travel with.					
4. I prefer to travel with airlines that offer extra legroom, inflight entertainment and meals.					
5. I prefer to plan, book and pay for my air tickets online.					
6. I only get in touch with the airline directly through the airline's social media platforms such as their Facebook, Instagram or Twitter pages.					
7. I always choose an airline with the latest aircraft models and inflight technology.					
8. The perception I have about an airline is purely based on the products and services that the airline offers.					
9. I value efficiency and reliability of an airline more than the kind of aircrafts they have.					
10. My loyalty to an airline is based on how special an airline makes me feel through ensuring I receive a personalized travel experience.					
PART C: The Influence of Marketing Communications on Consumer Choice of Airline.	1	2	3	4	5
1. The advertisements of an airline determine how I feel and think about an airline.					
2. I rely on an airline's message in the advertisement in deciding whether to fly with them or not.					
3. I feel that the airline I travel with is a true representation of my identity and personality.					
4. When viewing different airlines advertisements, I feel more drawn to entertaining advertisements that feature celebrities.					
5. Peer recommendations from social media platforms are very important when considering which airline to travel with.					
6. I trust social media posts created by followers more than an advertisement created and posted by the airline.					
7. I always tend to share my air travel experiences by posting personal pictures or comments on social media.					
8. When deciding on which airline to travel with, I hold off buying my air ticket until there is a Sales Promotion.					
9. I often respond to sales promotions that are posted on the airline's social media pages by visiting the page to find out more information.					
10. I only purchase tickets that are on sale because of the cost saving I get.					