

**EFFECT OF RELATIONSHIP MARKETING ON CUSTOMER SATISFACTION
IN THE AIRLINE INDUSTRY IN KENYA**

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D53/OL/22100/2011

**A RESEARCH PROJECT REPORT SUBMITTED TO SCHOOL OF BUSINESS
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD
OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION OF
KENYATTA UNIVERSITY**

November 2013

DECLARATION

This is my original work and has not been presented for the award of a degree in any other university or any other award.

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DEDICATION

I dedicate this thesis to my parents who gave me the opportunity of an education and for teaching me that even the largest task can be accomplished if it is done one step at a time. To my siblings, for their love, support and encouragement to complete this task.

ACKNOWLEDGEMENT

I thank God for the wisdom and perseverance that he has bestowed upon me during this research project, and indeed, throughout my life.

First and foremost, I would like to express my sincere gratitude to my supervisor Dr. James Kilika for his criticism, insightful comments, guidance, and immense knowledge that greatly helped me in compiling this project, and in making this research possible.

My appreciation also goes to my friends for their continual support and encouragement throughout this program. Of course, this project would not have been possible without the participation of the subjects.

Last but not least, I would like to thank my parents Mr and Mrs Lang'at, my sisters Clara, Yvonne and Stella and my brother Patrick, for their unconditional support, love and encouragement throughout my masters program.

ABSTRACT

In the intensely dynamic and increasingly competitive global market customer satisfaction is critical to the survival and sustenance of airlines. Airline companies have to seriously acknowledge, assess, and respond to the growing importance of the role their customers play in their success. A thorough appreciation of the factors that affect customer satisfaction was therefore critical. Customer satisfaction is the foundation on which organizations build their success. The main objective of this research was to investigate the effect of relationship marketing on customer satisfaction in the airline industry in Kenya. The specific objectives were to establish how relationship marketing programs can be used for building trust and to influence customer satisfaction in the airline industry in Kenya. Another objective was to determine the extent to which employee and organizational commitment in providing excellent services influence customer satisfaction. Also investigated was the effect of conflict handling programs and employee competence on customer satisfaction. This research employed descriptive and explanatory designs. The study targeted 1880 customers for various airlines that fly to JKIA and 60 managers. Stratified sampling was done for the customers while purposive sampling was used to sample the managers. Primary data was collected using a questionnaire. Statistical Package for Social Science (SPSS) was used to analyze the responses using descriptive and inferential statistics. The study found out that customers were satisfied with the level of confidence in the airlines' products and services, reliability of the airline and airlines' ability to fulfill its obligations to its customers. The results are presented in frequency tables, percentages, pie charts, bar graphs. Cross tabulations and correlations between variables. The study concludes that the competition among the airlines at JKIA is cut throat with near similar responses from both customers and managers. The study recommends that the airlines should improve the professionalism of its staff, enhance communication to address conflict handling, increase resources and tools for the staff, encourage initiative and innovativeness among the managers and employees alike and furthermore training the staff to be able to complete transactions at a faster rate. The study suggests further research in this area specifically a comparative study of relationship marketing in the home airports for each of the airlines since, at JKIA, Kenya Airways was more or less favoured by conditions and an observational study on the customer care and services at the airport so as to maximize and corroborate the responses from the customers and managers alike.

ABBREVIATIONS AND ACRONYMS

CUSS	Common-use Self-service kiosk
EU	European Union
IATA	International Air Transport Association
ICAO	International Civil Aviation Authority
ICT	Information Communication Technology
JKIA	Jomo Kenyatta International Airport
KCAA	Kenya Civil Aviation Authority
KLM	Koninklijke Luchtvaart Maatschappij (Royal Dutch Airline)
KQ	Kenya Airways

DEFINITION OF OPERATIONAL TERMS

Customer: in this study, this term is used to denote passengers flying different airlines from time to time, who will be respondents in this study.

Customer satisfaction: the degree to which the preferred airline products and services meet or exceed the customers' requirements.

Relationship marketing (RM): is the process of identifying, developing, maintaining, and terminating relational exchanges with the purpose of enhancing performance in an organization.

Loyalty Card: frequent flier card that gives members certain privileges depending on the miles accrued.

Product: the loyalty card, code sharing, cargo services and other services that the chosen airline offers its customers.

Staff qualification: denotes the knowledge or skill that the staff possess to enable them offer quality service to the customers of the chosen airline.

Staff training: the educational skills that the airline staff acquired through the facilitation by the airline or through their own initiative.

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CHAPTER ONE: INTRODUCTION

This chapter begins with an overview on Relationship Marketing and its effect on customer satisfaction in the airline industry in Kenya. It contains sections on background to the study, statement of the problem, and research objectives. It also contains sections on research questions, significance of the study, limitations and scope of the study.

1.1 Background to the Study

Relationship marketing (RM) is the process of identifying, developing, maintaining, and terminating relational exchanges with the purpose of enhancing performance (Palmatier, 2008). Retention of existing customers by strengthening relationships and preserving their loyalty is regarded as the essence of relationship marketing. It may also require serving the customer as a client. In some cases the situation may demand transformation of indifferent customers and winning their confidence (Lo, 2012)

Relationship marketing generates short-term feelings of gratitude that has long-lasting benefits in terms of both performance and profits. Gratitude is the emotional component of human behavior that most firms may use to expand their business by preserving consumer's loyalty. A gratitude related behavior can be expected in return from the customer. Investment in relationship marketing generates customer value and creates more businesses. Aspects of relationship marketing qualities include consumer trust and satisfaction which are positively related to the loyalty of the customer and contribute largely to the business growth. Hence it is ideal for businesses to use a combination of both aspects while adopting successful marketing strategies for customer satisfaction (Palmatier *et al.*, 2009).

Marketing process considers acquiring new customer to be an intermediate step (Wagner *et al.*, 2009). Lending support to customers even during closing hours develops within customers more respect for the organization (Palmatier *et al.*, 2009). It also serves as an example of good salesmanship. Gratitude here is the key factor that enhances the quality

of relation on one hand and obtains positive outcome for the seller on the other. Customers will never leave the organization if they are kept happy. This necessitates monitoring of some factors like availability of substitutes, customer satisfaction, trust and quality of services offered (Theron and Terblanche, 2010). Customers are found to be very particular about relationships. A careful study of past experiences, expectations and desires gives a good idea of consumer behaviour. Relationship Marketing simply does the job of collecting information based on which firms can identify their preferred customers and retain them. Relationship marketing is considered to be the tactic to achieve this. Many of the activities mentioned under the concept of relationship marketing are already being used by the firms. This increases customers' trust and satisfaction and in turn enhances profitability of the firm (Ashley *et al.*, 2011).

Relationship marketing occurs at three levels. Level one relationship marketing relies primarily on pricing incentives to secure customers' loyalty. However the sustainability of competitive advantage is minimal on this level one, as pricing moves can be matched quickly. Level two relationship marketing relies primarily on social bonds, though pricing is still a vital element. This involves personalization and customization of the relationship. Level three relationship marketing relies on structural solutions to customer problems (Palmatier, 2008)

Relationship marketing marks a significant paradigm shift in marketing, a movement from thinking solely in terms of competition and rivalry toward thinking in terms of mutual interdependence and cooperation. It recognizes the importance of various parties—suppliers, employees, distributors, dealers, retailers—cooperating to deliver the best value to the target customers. Relationship marketing characteristics are that it focuses on partners and customers rather than on the company's products, puts more emphasis on customer retention and growth than on customer acquisition, relies on cross-functional teams rather than on departmental-level work, and relies more on listening and learning than on talking. (Kotler, 2008)

According to Kotler and Armstrong, (2008), the marketing process involves five steps. The first step is, understanding the marketplace and customer needs and wants. The second step is designing a customer-driven marketing strategy. The third step is constructing an integrated marketing program that delivers superior value. The fourth step is building profitable relationships and creating customer delight. The fifth step is capturing value from customers to create profits and customer equity. In the first four steps, companies work to understand consumers, create customer value, and build strong relationships. In the final step, companies reap the rewards of creating superior customer value. By creating value for consumers, they in turn capture value from consumers in the form of sales, profits and long-term customer equity. Marketing is all about creating value for customers. So, as the first step in the marketing process, the company must fully understand consumers and the marketplace in which it operates. (Kotler and Armstrong, 2008)

In Relationship Marketing, the product should satisfy the consumer demands. The product should always be tailored to exceed consumer expectations. Marketers can expand the current product mix by increasing a certain product line's depth or by increasing the number of product lines. Marketers should consider how to position the product, how to exploit the brand, how to exploit the company's resources and how to configure the product mix so that each product complements the other. The marketer must also consider product development strategies. (Needham, 2006) The Price or the amount the consumer pays should complement the other elements of the marketing mix. The price is very important as it determines the company's profit and hence, survival. The price should be set based on the customer perceived value for the product so that the customer can have a feel of value for his money. Promotion of the product is also vital in that if information about the product or service is not given out, then the sales will be low. For example, when an airline plans to operate a new route, advertising is done way before to attract customers who may want to fly this new route. The concept of Place refers to providing the product at a place which is convenient for consumers to access. In the airline industry, this is enabled through code sharing which allows greater access to

cities through a given airline's network without having to offer extra flights, and makes connections simpler by allowing single bookings across multiple planes.

Relationship Marketing favors more direct marketing to the customer, thus reducing the role of middlemen. It also favors offering alternatives to customers to choose the way they want to order, pay for, receive, install, and even repair the product. Physical evidence is the elements within the store like the store front, the uniforms employees wear, signboards which enable customers to easily identify their airline of choice. The concept of People is the employees of the organization with whom customers come into contact. Employees are key in providing customer satisfaction through their customer service. Employees should always strive to provide impeccable customer service to maintain the brand of the company and ensure repeat business through their good service. Process involves the processes and systems within the organization that affects its marketing process like the ICT systems. Relationship Marketing therefore, is everything a firm does to make their prospective and current customers aware of their products and services, position the business in their minds as the obvious choice, and help the firm to build lifelong, profitable relationships with them. A company must take into consideration the components of relationship marketing which are, trust, commitment, conflict handling and competence to ensure its survival. Firms must build programs to maintain trust with the customers, and be committed to providing excellent services that exceed customers' expectations. They should have proper channels of communication to handle conflicts and the staff must be competent in providing the required services. Excellent relationship marketing therefore ensures customer satisfaction and customer loyalty which is key in the survival of the business; satisfied customers are definitely repeat business as they are highly likely to 'spread the good word' and will be happy to do business again with the firm.

1.1.1 Relationship Marketing and Customer Satisfaction

Customer satisfaction is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as the number of customers or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals (Farris, et al 2012). Customers switching has emerged as a new challenge in the world of business and competition. Here customer satisfaction has emerged as an essential component for successful business in the context of world economy. It has already assumed double digit growth and is expected to grow more in the coming years (Nijssen and Herk, 2009). Such shopping involves a variety of products and services and is never confined to any specific product. All these have increased the need for preserving customer loyalty (Sichtmann and Selasinsky, 2010). Studies also show that the consumers do not want to participate in surveys or campaigns that are designed to measure the effects of relational marketing programs carried out by firms. They simply do not show any interests in these programs. In this environment of rivalry, businesses need to ensure that the customers are more interested in their product or service and not that of their rivals. Successful marketing strategies for customer retention involve creating a psychological attachment of the customer towards the firm's product. Appealing and convenient loyalty programs are now being undertaken by many firms so as to win consumer's confidence and preserve their loyalty (Ashley *et al.*, 2011). Besides such psychological attachment bonding, relationship benefits, competence, alternative attractions, extension of customization and shared values are considered to be equally important for satisfying customers (Homburg *et al.*, 2011). This factor contributes largely in maintenance of long term relationships with customers. Consumers' inclination towards a product depends positively on the dynamic relationship buyer and seller (Theron and Terblanche, 2010). Businesses in addition have to include the personalization effect in order to differentiate themselves from other potential rivals (Alvarez *et al.*, 2010)

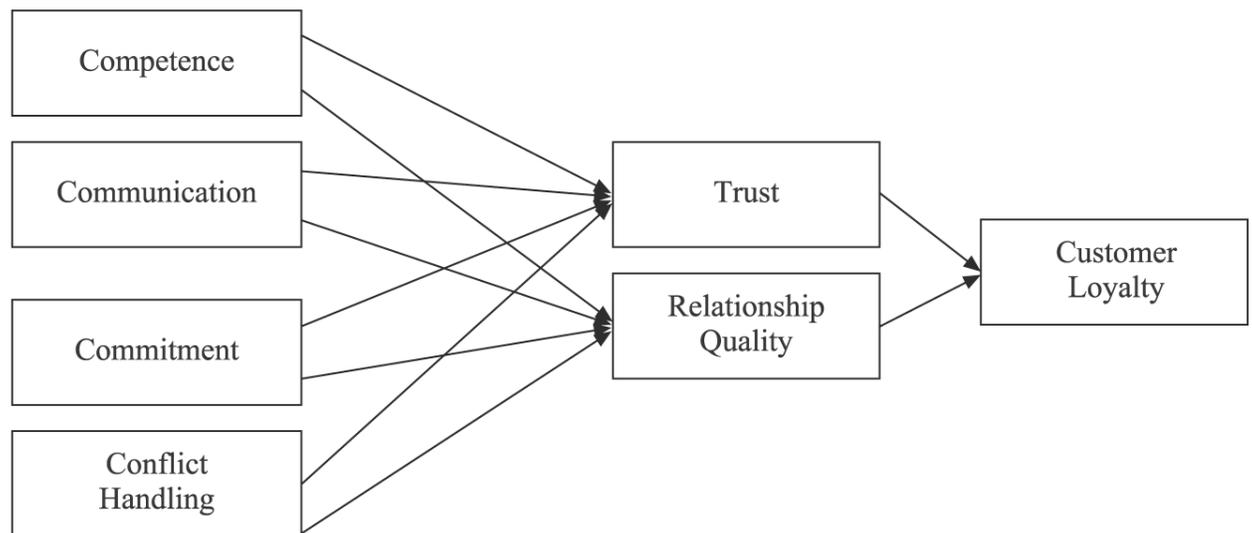
According to Lo (2012), Relationship Marketing is chiefly concerned with building relationships at each and every possible point of interaction between the firms and the customers. This implies mutual benefit for the firms and the customers. Overall relationship marketing focuses on identifying factors affecting customer relationship with firms and works towards those factors in order to retain clients. Customer satisfaction plays a key role in influencing the risks on returns of a company's stocks (Sarлак and Fard, 2009; Jiang *et al.*, 2009). Studies on this have suggested that there exists positive correlation between customer satisfaction and profitability baselines. This has also become the driving factor in the stock markets (Grewal *et al.*, 2010). So before investing, evaluation of performance of the firms including the important criterion of customer satisfaction is equally important as that of returns on stocks. Else the investors might miss out some profit making opportunities (Tuli and Bharadwaj, 2009). A lot of research works have been undertaken to find out the impact of marketing actions on the level as well as heterogeneity of customer satisfaction. These aspects emerge as key factors in shaping up shareholder value (Grewal *et al.*, 2010). Customer related outcomes obtained during short run affects a firm's performance in the long run (Tuli and Bharadwaj, 2009). Managers in recent times are assigned the task of striking a balance between customer retention policies and customer acquisition. This is done for tracing out the growth prospects of the firm (Grewal *et al.*, 2010). Credibility of a firm in terms of performance and profitability in the eyes of stakeholders depends upon the entire performance of the managers (Samaha *et al.*, 2011). Customer relationship has now also emerged as a factor through which stakeholder's examine a firm in terms of profitability perspectives. Thus Relationship Marketing also brings in new investors for the firm.

Customer satisfaction is influenced by quality of the product, service delivery, and nature of staff interaction, the reputation of the firm and the cost of the product or service. Marketing is one of the key function and aggregation of processes in an organization aimed at creating and delivering values to the customers. It creates effective relationships

with the customer besides successful communication on behalf of the organization. This proves beneficial to the firms and stakeholders (Tuli and Bharadwaj, 2009).

According to Shahram Gilaninia et al., (2012) all the components of relationship marketing namely trust, commitment, communication, conflict handling and competence all impact on customer satisfaction. Competence, commitment, communication, and conflict handling have a direct association with trust and relationship quality, as well as an indirect association with customer loyalty and customer satisfaction as shown in figure 1 below.

Figure 1: Relationship Marketing and Customer Loyalty



Ndubisi et al., (2004)

A successful marketing strategy and appropriate management of relationships ensures that customers are retained. For that it is important to focus on the concept of personalization in marketing that will drive the commitment value to the customer (Ashley *et al.*, 2011). Commitment is termed as a natural ingredient in businesses for manufacturing a product as well as for a service rendered (Liu *et al.*, 2011). Firms may take into account consumers' complaints as well as suggestions and work towards them

as part of their commitment towards customers. The basic rule for marketing a product is to provide the customers with the best products and services in the industry. This needs to be followed from the beginning to the end so as to maintain customer loyalty.

Relationship marketing therefore serves the purposes of forming social contacts with the customer, building partnerships, improving customer service by understanding the psyche of the customer, protecting the emotional well-being and ultimately improving profitability of the firm. Assurance is considered as a great weapon for influencing a customer (Alqahtani, 2011). The best chances of customer retention are provided through practice of an exercise. Here the direct responses obtained through campaigns should be analyzed and the suggestions should be carefully looked upon. Customer retention through after sales service earns goodwill for the company. This in turn will attract new customers. A good 'word of mouth' from the customer makes the firm more competitive and increases profit in the long run. A satisfied customer will tell of the good service he received and will recommend a friend to fly the particular airline based on that. A good customer relationship surely enhances the buyer-seller relationship. It also suffices within the customer a natural desire to receive things for the entire lifecycle apart from the core service or product. Consumers are known to derive satisfaction mainly because of good consumption experience or it may be some good after sales services (Theron and Terblanche, 2010).

1.1.2 The Airline industry

The commercial airline industry as we know it today began on April 22, 1952. That was the day the Board of Directors of The Boeing Company authorized \$15 million to develop a commercial airplane powered by a jet engine and called project 367-80 (www.airlines.org). Since then air travel has grown and remains a large and growing industry. It facilitates economic growth, world trade, international investment and tourism and is therefore central to globalization taking place.

The Airlines are grouped in many ways, depending on their size and what they transport. The most common classifications for airlines are the major passenger airlines, low-cost carriers, and air freight, and regional or commuter carriers. These flights are the type many passengers are accustomed to. There are main "hubs" that are at few airports across their servicing area. These are larger airports that can accommodate much larger aircraft and traffic volumes. (Southwest.com)

Worldwide, IATA, International Air Transport Association, forecasts international air travel to keep growing in the next decade. (www.iata.org). In Europe and North America, where the air travel market is already highly developed, slower growth of 4%-6% is expected. The most dynamic growth is centered on the Asia/Pacific region, where fast-growing trade and investment are coupled with rising domestic prosperity. In terms of total passenger trips, however, the main air travel markets of the future will continue to be in and between Europe, North America and Asia.

Since then, airlines have had to recognize the need for radical change to ensure their survival and prosperity. A number of factors are forcing airlines to become more efficient. In Europe, the European Union (EU) has ruled that governments should not be allowed to subsidize their loss-making airlines. The EU's final stage of deregulation took effect in April 1997, allowing an airline from one member state to fly passengers within another member's domestic market.

Despite this, the airline industry has proceeded along the path towards globalization and consolidation, characteristics associated with the normal development of many other industries. Hundreds of airlines have entered into alliances, ranging from marketing agreements and code-shares to franchises and equity transfers. (www.southwest.com)

The outlook for the air travel industry is one of strong growth. For airlines, the future will hold many challenges. Successful airlines will be those that continue to tackle their costs and improve their products, thereby securing a strong presence in the key world aviation markets. The workforce of an airline can define the customers' perceptions of the

airlines' image. A Pleasant workforce can encourage repeat business. A sullen workforce can drive customers away to rivals. (www.southwest.com)

An airline with a reputation for reliable service has been shown to develop a positive image among customers, which can lead to more repeat business. Reliability in the air travel industry is measured by several elements: reports of mishandled baggage, the on-time arrival of flights, involuntary boarding denials from overbooking flights, and passenger complaints. Those airlines that are able to control these elements are said to provide better service to the customer, and thus offer more reliable service. (www.southwest.com)

The travel market like any other industry is based on supply and demand. The supply side is differentiated into providers for air travel, cars, hotels, cruises, rail travel, among others. Demand arises from end customers who act via an agent for the most part in order to obtain an adequate overview of the multitude of offers. Thus the value chain in the travel industry can be divided into five parts; these are Suppliers-airlines, hotels, car rental companies, Inventory management- administration of the inventory in a central reservation system, Distribution- usually Global Distribution Systems, but also aggregators, consolidators and organizers, Sales- end customers can arrange their travel purchase through the agency , one of the online agencies or even the provider directly on the corresponding website, Market- the traveler or the company. (Strauss, 2009)

The emergence of airline alliances occurred after the market deregulation, that is when the regulations for international air-traffic began to weaken, and the “big-players” of the industry began to move together. Strategic alliances were an appropriate reply by the airlines to a market changed by liberalization and globalization in air travel (Weber, 2001). Four major alliances emerged. Star Alliance is the largest, with a 23.6 percent market share, followed by Sky Team with 20.7 percent and One World with 13.5 percent (IATA, 2005a). Wings, a fourth alliance, was initially proposed by the US carriers

Northwest Airlines and Continental Airlines with the European flag carriers KLM Royal Dutch Airlines of the Netherlands and Italy's Alitalia. However, it folded in 2004.

According to the national aviation industry regulator KCAA, the Kenyan market is served by 14 airline operators. Whereas KQ is the largest player in the domestic airline, customers have a variety of choice to destinations such as Kisumu, Mombasa, Malindi and Eldoret. Therefore there is competition in this market. There are also chartered plane providers operating from Wilson Airport in Nairobi. All airlines must be IOSA registered, observe all ICAO recommended safety practices, and provide support to Civil Aviation Authority in the discharge of its safety oversight responsibilities as well as train and continuously retrain staff to achieve high productivity. Africa is one of the fastest growing markets in the world. This has resulted in stiff competition and the influx of many foreign airlines. The real opportunity for African airlines is in growing the intra-African market; cooperation among airlines will speed up market penetration, lower market entry costs and stimulate demand (Chingosho, 2011). Competition is especially high in routes being plied by various major airlines like Dubai, Amsterdam, London, and thus the need for Relationship Marketing so as to maintain customer loyalty.

The global airline industry has witnessed the arrival of new operators in recent years. This compounded with the recent financial challenges experienced globally, has led to heavy financial losses. This has meant increased competition in the airline sector with more products and services available to customers. However, as a result of these changes in the market, both established airlines and new competitors are faced with the real issues that affect customer satisfaction.

As a result a lack of customer retention and declining customers' satisfaction will affect the profitability and stability of an airline. Airlines are increasingly encountering customers switching due to the decreasing level of customer satisfaction. One of the biggest problems affecting businesses these days is poor customer service that leads to

customer dissatisfaction. Low satisfaction can put a business into a downward trend in performance. Providing customers with poor customer service can cause a chain of events that can leave an organization or business without enough clients to survive. In the most severe cases, providing poor customer service can even cause a company to shut down. Poor customer service results in customers leaving the business due to dissatisfaction and move to the competitor. The customers who remain are disgruntled. The organization gets affected in that the company can develop a bad reputation and maybe loose customers and money. The staff can be poisoned with bad attitude and a bad atmosphere to work in. It could turn away new talent for potential employees who were thinking of working for your organization (Wanyama, 2009).

1.2 Statement of the Problem

Research has shown that customer satisfaction is a precursor of improved performance as well as customer retention for any business. With the stiff competition from various airlines, every airline has come to realize that customer satisfaction is key to their business. It has become a key factor of business strategy. Customer satisfaction is critical for service industries to be successful in today's competitive business environment (Wanyama, 2009).

Extensive research has been carried out on relationship marketing in the country. However, most of these studies concentrated on the banking industry. For example, Weroh (2012) examined the application of relationship marketing in Kenya Commercial Bank limited. Oduor (2011) analyzed the effects of relationship marketing on customer retention in the Kenyan banking sector. Oloko (2011) evaluated the influence of Relationship Marketing on Performance of Commercial Banks in Kenya. Kuria (2010) did a survey of relationship marketing practices among commercial banks in Kenya. Kuria (1999) carried out an investigation of the state of relationship marketing strategy in the Kenyan banking sector.

Few studies have been done on customer satisfaction in the airline industry in Kenya. Those that concentrated on the factors that influence customer satisfaction show that it is influenced by many factors. Abdullah and Rozario (2009) assert that the level of customer satisfaction may be influenced by various internal and external factors. Gunga (2009) on the other hand accentuate that ICT has an effect on the level of customer satisfaction. In a study to establish factors influencing customer satisfaction in the telecom industry, Hanif (2010) deduced that price fairness and quality of service are the factors that influence the level of satisfaction most.

In his research Wangondu (2009) investigated factors that influence customer satisfaction in the airline industry in Kenya. The general objective of the study was to investigate factors affecting customer satisfaction in the Airline industry with special focus on Kenya's flag carrier Kenya Airways (KQ). His findings were that customers were highly dissatisfied by delay and cancellation of flights, long queues and slow process at check-in counters, lost baggage, mishandled or pilfered baggage. From the study, he concluded that reservations and ticketing, check-in procedures, in-flight services and baggage handling and collection do affect customer satisfaction in the Airline industry. The limitations of this study were methodological limitations, research design, resource constraints and under sampling. This study, therefore, sought to investigate how Relationship Marketing influences customer satisfaction, with particular reference to airlines operating to and from the JKIA.

1.3 Objectives of the study

1.3.1 General Objective

The general objective of the study was to investigate the effect of relationship marketing on customer satisfaction in the airline industry in Kenya.

1.3.2 Specific Objectives

The study however, sought specifically to:

- i. Establish how relationship marketing programs can be used for building trust and to influence customer satisfaction in the airline industry in Kenya;
- ii. Determine the extent to which employee and organizational commitment in providing excellent services influence customer satisfaction in the airline industry in Kenya;
- iii. Investigate the effect of conflict handling programs on customer satisfaction in the airline industry in Kenya;
- iv. Find out how employee competence influenced customer satisfaction in the airline industry in Kenya;

1.4 Research Questions

The study was guided by the following questions:

- i. How do Relationship marketing programs for building trust influence customer satisfaction in the airline industry in Kenya?
- ii. To what extent does employee and organizational commitment influence customer satisfaction in the airline industry in Kenya?
- iii. What are the effects of conflict handling programs on customer satisfaction in the airline industry in Kenya?
- iv. How does employee competence influence customer satisfaction in the airline industry in Kenya?

1.5 Significance of the Study

This study was meant to find out whether airlines have reengineered their processes to meet the ever increasing demands of their customers. It also aimed to understand the customer's preferences and likes in flying a particular airline and their grievances as well. The results of this study were intended to provide feedback to the airline management and spur them into implementing new measures to gain, retain and constantly delight

their customers. The study would also be significant to the airline industry in its endeavor to maintain service levels and implement international performance standards.

It was hoped that scholars, academics and researchers would find this study as a crucial contribution to the existing literature on customer satisfaction particularly in regard to airlines. Practically, it was hoped that this study would provide a foundation upon which continuing research into the factors that affect customer satisfaction in the airline industry was premised.

1.6 Limitations and Assumptions of the Study

1.6.1 Limitations

This study was confined to customers of diverse airlines at the JKIA and selected employees of these airlines. The respondents were picked from the customers who fly these airlines through Nairobi. The study was also limited to the study of the effects of Relationship Marketing on customer satisfaction and that are likely to influence their choice of airline. The other major limiting factor was financial constraints; the researcher being a self-sponsored, part-time student. If the study were to be wider, it would call for more financial commitment, which was beyond the means of the researcher.

Time constraints also limited the study. The researcher was in full-time employment and carried out the research during her free time. The researcher had therefore to balance between work, study and family responsibilities. This affected the sample size as the researcher was not be able to reach a bigger number of respondents as possible. This proved a challenge when generalizing the results to a larger group.

1.6.2 Assumptions

In this study, the following assumptions were made:

- i. That all respondents were able to respond to the questionnaire because it was simple and the questions were not technical;

- ii. All respondents cooperated and provided honest and reliable responses;
- iii. That all respondents were fully aware of their rights to be given satisfactory service and services by the airline.

1.7 Scope of the Study

The scope of this study was Airline customers travelling through JKIA. This was because JKIA is the largest as well as the busiest airport in Kenya and the larger Eastern Africa region therefore most international and domestic flyers travel to and from here. The JKIA was also selected because of its close proximity to the researcher.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviewed literature related to the subject of study. The researcher tackled the theoretical as well as the empirical review of literature. A summary of identification of the research gap is given. The chapter has a conceptual framework for the study.

2.2 Theoretical Review

Organizations that operate in any environment need to pay more attention to the concept of customer satisfaction. The concept of customer satisfaction has attracted much attention in recent years. Organizations that try to analyze this concept should begin with an understanding of various customer satisfaction models. Such models clarify various theories about customer satisfaction, making research and analysis in this topic more focused and less wasteful of research resources (Gichuru, 2011). This section will provide an overview of models of customer satisfaction. These emanate from a wide range of available literature on this subject. This pool of research includes models that integrate the concept of customer satisfaction in a network of related concepts, such as value, quality, complaining behavior, and loyalty.

2.2.1 The SERVQUAL Model

Developed by Parasuraman, Zeithamal and Berry in 1988, SERVQUAL is an instrument built for measuring consumer perceptions of service quality in the service industry. SERVQUAL addresses many elements of service quality divided into the dimensions of tangibles, reliability, responsiveness, assurance, and empathy. The most widely accepted conceptualization of the customer satisfaction concept is the expectancy disconfirmation theory. The theory was developed by Oliver (1980), who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occurs when product or service is better than expected. On the other hand, a performance worse than expected, results with dissatisfaction (negative

disconfirmation). Providing services that customers prefer is a starting point for providing customer satisfaction.

According to the SERVQUAL model, service quality can be measured by identifying the gaps between customers' expectations of the service to be rendered and their perceptions of the actual performance of service. SERVQUAL is based on five dimensions of service: *Tangibility*: Tangibility refers to the physical characteristics associated with the service encounter. The physical surroundings represented by objects (for example, interior design) and subjects (for example, the appearance of employees). *Reliability*: The service provider's ability to provide accurate and dependable services; consistently performing the service right. *Responsiveness*: A firm's willingness to assist its customers by providing fast and efficient service performances; the willingness that employees exhibit to promptly and efficiently solve customer requests and problems. *Assurance*: Diverse features that provide confidence to customers (such as the firm's specific service knowledge polite and trustworthy behaviour from employees). *Empathy*: The service firm's readiness to provide each customer with personal service.

SERVQUAL means to measure the scale of quality in the service sectors. SERVQUAL was originally measured on 10 aspects of service quality: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the customer and tangibles. It measured the gap between customer expectations and experience. The basic assumption of the measurement was that customers can evaluate a firm's service quality by comparing their perceptions with their expectations. Service quality was originally measured on 10 aspects.

By the early 1990s, the authors had refined the model to the useful acronym RATER: reliability, assurance, tangibles, empathy, and responsiveness (Hanif, 2010).

2.2.2 The Kano Model

The Kano model is a theory developed in the 80's by Professor Noriaki Kano and his colleagues of Tokyo Rika University. The Kano et al (1996) model of customer satisfaction classifies attributes based on how they are perceived by customers and their

effect on customer satisfaction. The model is based on three types of attributes: basic or expected attributes, performance or spoken attributes, and surprise and delight attributes. The performance or spoken attributes are the expressed expectations of the customer. The basic or expected attributes are as the meaning implies the basic attributes without any major significance of worth mentioning. The third one, the surprise and delight attributes are those, which are beyond the customers' expectations.

Kano model measures satisfaction against customer perceptions of attribute performance; grades the customer requirements and determines the levels of satisfaction. The underlying assumption behind Kano's method is that customer satisfaction is not always proportional to how fully functional the product or service is or in other words, higher quality does not necessarily lead to higher satisfaction for all product attributes or services requirements.

In his model, Kano (Kano, 1984) distinguishes between three types of basic requirements, which influence customer satisfaction. They are: Must be requirements – If these requirements are not fulfilled, the customer will be extremely dissatisfied. On the other hand, as the customer takes these requirements for granted, their fulfilment will not increase his satisfaction; One-dimensional Requirements – they are usually explicitly demanded by the customer – the higher the level of fulfilment, the higher the customer's satisfaction and vice versa. Attractive Requirement – These requirements are the product/service criteria which have the greatest influence on how satisfied a customer will be with a given product. The additional attributes, which Kano mentions, are: Indifferent attributes, Questionable attributes, and Reverse attributes.

The Kano model offered some insight into the product attributes which were perceived to be important to customers. The purpose of the tool was to support product specification and discussion through better development of team understanding. Kano's model focuses on differentiating product features, as opposed to focusing initially on customer needs. A

competitive product met basic attributes, maximized performances attributes, and includes as many attributes as possible at a cost the market can bear (Wikipedia, 2013).

2.3 Empirical Review

This section presents an overview of prior empirical research on the various factors affecting customer satisfaction. The section reviews literature on customer satisfaction, trust, commitment, conflict handling through good communication, competence and market orientation.

2.3.1 Customer Satisfaction

Customer satisfaction is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as the number of customers or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals (Farris, et al 2010). Customer satisfaction has a strong positive effect on customer loyalty intentions across a wide range of product and service categories. Customer satisfaction is one of the most important issue concerning business organizations of all types, which is justified by the customer oriented philosophy and the principles of continuous improvement in modern enterprise. Firms have come to realize that their customers are the most important assets and that they must keep those assets, grow them, and profit from them (Gustafsson, Johnson, & Roos, 2005).

A firm interacts with its customers repeatedly: fulfilling transactions, providing after-sales service, creating and expanding more sales opportunities etc. All these are aimed at creating value from the customer base that a firm intends to capture down the road. This means that firms have to identify the key drivers of long-term customer retention and profit from them. Managers commonly believe that satisfied customers have a higher likelihood of repeat patronage and that therefore satisfied customers are an asset for the

firm. For the reason, customer satisfaction should be measured and translated into number of measurable parameters (Hanif, 2010).

Customer satisfaction measurement may be considered as the most reliable feedback, providing client's preferences and experiences in an effective, direct, meaningful and objective way. Thus, customer satisfaction may be considered as a base line standard of performance and a possible standard of excellence for any organization. Managers need to know how their consumer groups define satisfaction and then interpret satisfaction scales to accurately target, report, and respond to satisfaction levels. Guided by our framework, managers should conduct post-purchase segmentation, realizing that consumers vary with respect to the components and related properties of satisfaction. Results suggest that different industries may need to use different satisfaction scales, or a single industry may need to tailor scales to different types of consumers. More importantly, managers can recognize that the satisfaction focus and timing can be customized for their needs. Rather than looking at all aspects of choice/consumption experience, managers can concentrate on those that are of direct interest or are directly controllable. As a result, managers are able to obtain "true" consumer responses that are relevant to managerial decision making (Gies, 2009).

As customer satisfaction remains the basis upon which every service firm can achieve success, a complete and thorough understanding of the determinants affecting customer satisfaction is crucial to every service organization (Zeithaml et al., 2009)

2.3.2 Trust

Wong and Shoal (2002) defined trust as a willingness to rely on an exchange partner in whom one has confidence. A betrayal of this trust (by the supplier or service provider) can lead to defection (Ndubisi et al., 2004). Gronroos (2000) asserted that the resources of the seller – personnel, technology and systems – have to be used in such a manner that the customer's trust in the resources involved and, thus, in the firm itself is maintained and strengthened. Schurr and Ozanne (2005) defined the term as the belief that a partner's word or promise is reliable and a party will fulfill his/her obligations in the

relationship. Other authors have defined trust in terms of, shared values, mutual goals, opportunistic behavior, making and keeping promises, uncertainty, and actions with positive outcomes. A firm must build trust with its employees for them to provide impeccable service. When a firm trusts its employees, they are encouraged to produce quality results on their own without supervision, they feel trusted and motivated and thus become more involved in their work and they become self-reliant and able to produce quality work, (Gopal, 2004)

The service quality of a firm should be one that customers can trust. Service quality is a consumer's judgment about the overall superiority of a product or service. It is widely acknowledged as one of the most important determinants of brand loyalty. Service quality is an essential strategy for success and survival of any business organization, as it can influence customer purchase behaviour and organization performance (Zeithaml, et al, 2009).

Customer service interaction starts with what a customer thinks and what will happen or what he expects. Overtime, as the customer uses the service, this dimension changes and becomes past experience. How the customer has been treated in the past will affect what the customer expects to happen on a particular encounter. Service quality and customer satisfaction are the two core concepts in any organization. In today's world of intense competition, the key to sustainable competitive advantage lies in delivering high quality service that will in turn result in satisfied customers. The importance of service quality on customer satisfaction as the ultimate goals of service providers cannot be emphasized enough (Hanif, 2010).

Achieving high levels of customer satisfaction requires that organizations continually monitor and examine the experiences, opinions, and suggestions of their customers and people who are potential customers. Improving service quality to meet customers' standards is an ongoing part of doing business (Malallah, 2011). The product design must be tailored to satisfy the consumer demands and product differentiation should be key in

attracting consumers and maintaining customer loyalty and trust (Wikipedia, 2013). The use of the loyalty card is widely adopted by many airlines with an aim of maintaining their customers' loyalty. Many airlines have also set up a website helpdesk to answer to their customers' queries and give them more information about the airline. All these help in building trust with the customers.

Processes are the processes and systems within the organization that affect its marketing process for example, ICT. Information technology generates fundamental changes in the nature and application of technology in business. Information Communication Technologies (ICTs) can provide powerful strategic and tactical tools for organizations, which, if properly applied and used, could bring great advantages in promoting and strengthening their competitiveness (Gholami, et al 2008). Ensuring that customers have ease of access and readily available channels to use is an integral step towards guaranteeing the convenience of delivery channels for the customer. The firm needs to develop systems and programs that can build customers' trust and maintain this trust. The customer has been used to the immediacy offered by technology and is therefore demanding speed and convenience from the service providers (KPMG, 2012).

2.3.3 Commitment

Commitment is the intention to continue or maintain a relationship with the other party (Rashid, 2004). In sociology, the concept of commitment is used to analyze both individual and organizational behavior and as a descriptive concept to mark out forms of action characteristic of particular kinds of people or groups (Wong and Sohal, 2002). In marketing, Moorman et al. (2002) defined commitment as an enduring desire to maintain a valued relationship. This implies a higher level of obligation to make a relationship succeed and to make it mutually satisfying and beneficial. Since commitment is higher among individuals who believe that they receive more value from a relationship, highly committed customers should be willing to reciprocate effort on behalf of a firm due to past benefits received (Mowday et al., 2002) and highly committed firms will continue to enjoy the benefits of such reciprocity.

A firm must always be committed in providing quality service to its customers so as to gain satisfied, committed or loyal customers. It should continually come up with strategies that will make customers loyal to its products and services. Companies are now turning to e-marketing in order to cope with the current demand of getting more from marketing resources while simultaneously meeting greater expectations to establish durable relationships with customers. Organizations can improve customer acquisition and retention by integrating IT into their marketing practices to foster rich interactions with their customers. E-marketing encompasses a broad set of interaction-enabling technologies that are frequently used in industrial business-to-business markets including customer relationship management, sales force automation, e-commerce websites, and extranets. E-marketing has had positive contribution in the life of modern societies especially the consuming societies. It allows the customer to purchase goods and services cheaply and with no limit or restrictions. It allows the customer to make a free selection and comparison between the prices of goods at the electronic stores through the Internet. E-marketing also allows customization, personalization, and niche targeting in a much more flexible, easier, quicker and cheaper way (Hanif 2010).

The introduction of Common-Use Self-service (CUSS) Kiosk at JKIA has helped a great deal in minimizing queues and improving service delivery. Online check-in is also a good move as customers need not rush so much once they have done the online check-in, it is time efficient. Customers can also credit their miles to their loyalty cards online making it easier for them as they avoid queues and there is no loss of miles even on already flown tickets which were not previously credited. This increases their loyalty to the airline with an aim of gaining more miles targeting a reward at the end of it all. Taking feedback from customers and acting on them is also a show of commitment as a firm can use this feedback to improve on the service to suit its customers' needs and thus meeting their expectations.

2.3.4 Conflict Handling

Conflict handling was defined by Dwyer et al. (2000) as the supplier's ability to minimize the negative consequences of manifest and potential conflicts. Conflict handling reflects the supplier's ability to avoid potential conflicts, solve manifest conflicts before they create problems and the ability to discuss openly, solutions when problems arise. How conflicts were handled will ensure loyalty, exit or voice. Rusbult et al. (2001) concluded that the likelihood that an individual will engage in these behaviors depends on the degree of prior satisfaction with the relationship, the magnitude of the person's investment in the relationship and an evaluation of the alternatives one has.

Communication is key in conflict handling; customers always appreciate when they are communicated to in case of inconveniences caused to them. Communication is all formal and informal exchanges that make meaningful and timely information exchange between buyer and seller (ranjbarian & barari, 2009). It is the ability of the firm to provide timely and trustworthy information. Communication is an interactive dialogue between the company and its customers that takes place during the pre-selling, selling, consuming and post-consuming stages (Anderson and Narus, 2002). Communications in supplier-customer relationship means providing information that can be trusted; providing information if a delivery problem occurs; providing information on quality assurance, providing procedural information to customers, opportunity for customer feedback, etc. It is the communicator's task to create awareness, build consumer preference by promoting quality, value, performance and other features, convince prospects and encourage them to make the purchase decision (Ndubisi et al., 2004). Communication also tells a dissatisfied customer what the organization is doing to rectify the source of dissatisfaction.

In cases where customers are inconvenienced like in flight delays, flight cancellations, baggage pilferage, or mishandled baggage, the airline must communicate with its customers and give a regular update on the progress of the inconvenience caused. Grand inconveniences should also be compensated for like in cases of flight over-sale or

overbooking. When a customer's luggage cannot be located, the customer should be compensated in good time. Customers really appreciate when they are communicated to and are less likely to cause havoc and become more understanding.

2.3.5 Competence

Competence is defined as the buyer's perception of the supplier's technological and commercial competence. This is in line with the operationalisation employed in Anderson and Weitz (2000). From this, there are four items that are linked to competence. The supplier's knowledge about the market for the buyer, ability to give good advice on the operating business, ability to help the buyer plan purchases and ability to provide effective sales promotion materials. Competence also refers to the ability of the firm to serve customers well (Ndubisi et al., 2004). Customer Satisfaction is the feeling or attitude of a customer towards the goods or services that could affect consumer buying behavior (Maleki & Darabi, 2008). It comes from good customer experience.

Employees of the firm need to be competent in their provision of services to the customers. The People concept refers to the employees of the organization with whom customers come into contact with. The influence of employee satisfaction on customer satisfaction has received considerable attention in marketing literature and practice in recent years. It has been argued that behavior of satisfied employees plays an important role in shaping customers' perceptions of business interactions. This phenomenon may occur as satisfied employees are more apt to be friendly, enthusiastic, attentive, and empathetic toward customers. Jeon & Choi, (2012)

Customer service is all about the people (employees) because they appear more often to be the most tangible clue to customers' perception of what quality service entails. Customer satisfaction relies on motivated and qualified staff. The people rendering the services to customers should have the attribute of knowledge and ability to inspire trust and confidence in the customers. It is crucial for any organization to keep their current customers satisfied, while attracting new customers. If the staff is not knowledgeable and

considerable, they would not be able to render quality services to the customers. Customer service is diverse and cuts across various industries, sectors, and environments. Hence there is no definite set of qualifications for the staff to possess. However, despite the diversity of circumstance, all customer service has human interaction at its core. Customer service is always about people helping other people, and as such, certain attributes are universally helpful for the staff who have to serve the customer to possess (Chaichi, 2012).

Malallah (2011) states that training, has been an important mechanism for re-focusing existing staff on customer satisfaction, as a new priority and for developing or strengthening their customer service skills. In addition, structured communication with staff has helped planners identify and respond to customer service challenges. Training is a viable method to build and maintain a customer focus and to keep the current customer base. Customer service training is based on the assumption that changing the organization's service culture by empowering employees to better serve the customer through personal enrichment training. There is need for employee training and restructuring of human resources procedures and policies in order to build and maintain a good business relationship with the customers.

Additionally, the contagion effect explains how satisfied employees influence others around them to feel good in that employee job satisfaction is positively related to customers' perceptions of service. This notion suggests that employees who have higher levels of job satisfaction also believe they are able to deliver excellent service. It is also expected that happy or satisfied employees are more inclined to share these positive emotions with customers. Jeon & Choi, (2012)

2.3.6 Market Orientation

Market orientation is a company philosophy focused on discovering and meeting the needs and desires of its customers through its product mix. Unlike past marketing strategies that concentrated on establishing selling points for existing products, market

orientation works in reverse, attempting to tailor products to meet the demands of customers. In essence, market orientation can be thought of as a coordinated marketing campaign between a company and its customers (Investopedia, 2013). A firm in the market economy survives by providing products that persons are willing and able to buy. Consequently, ascertaining consumer demand is vital for a firm's future viability and even existence as a going concern. This implies that the company focuses its activities and products on consumer demands.

In the consumer-driven approach, consumer wants are the drivers of all strategic marketing decisions. No strategy is pursued until it passes the test of consumer research. Every aspect of a market offering, including the nature of the product itself, is driven by the needs of potential consumers. The starting point is always the consumer. The rationale for this approach is that there is no reason to spend research and development funds developing products that people will not buy. History attests to many products that were commercial failures in spite of being technological breakthroughs. Market orientation is an organizational culture consisting of three behavioral components, namely; customer orientation, competitor orientation and inter-functional coordination. (Wikipedia.org)

2.4 Summary and Research Gaps

From the empirical review, it is apparent that the study on the effect of relationship marketing on customer satisfaction in the Airline industry in Kenya is not well known to development scholars, commentators and practitioners. Therefore, this study seeks to address the above mentioned gaps by performing a meaningful survey in order to add to the existing body of knowledge on this subject. Further research should be undertaken to establish whether relationship marketing affects customer satisfaction in the established and new airlines equally. Research should be carried out to establish whether the factors impact the same on international and domestic airlines. A study to establish if the factors that affect customer satisfaction apply across the various categories of airlines should be conducted. This research seeks to establish among others, the impact of trust, and the role of commitment, conflict handling and competence of staff on customer satisfaction.

Exploration of the possibilities to overcome the persistent factors affecting customer satisfaction should continue. The study therefore will exhaustively explore these factors and give suggestions as to how negative influences are to be eliminated and advice as to how to take advantage of them for the prosperity of the airline industry.

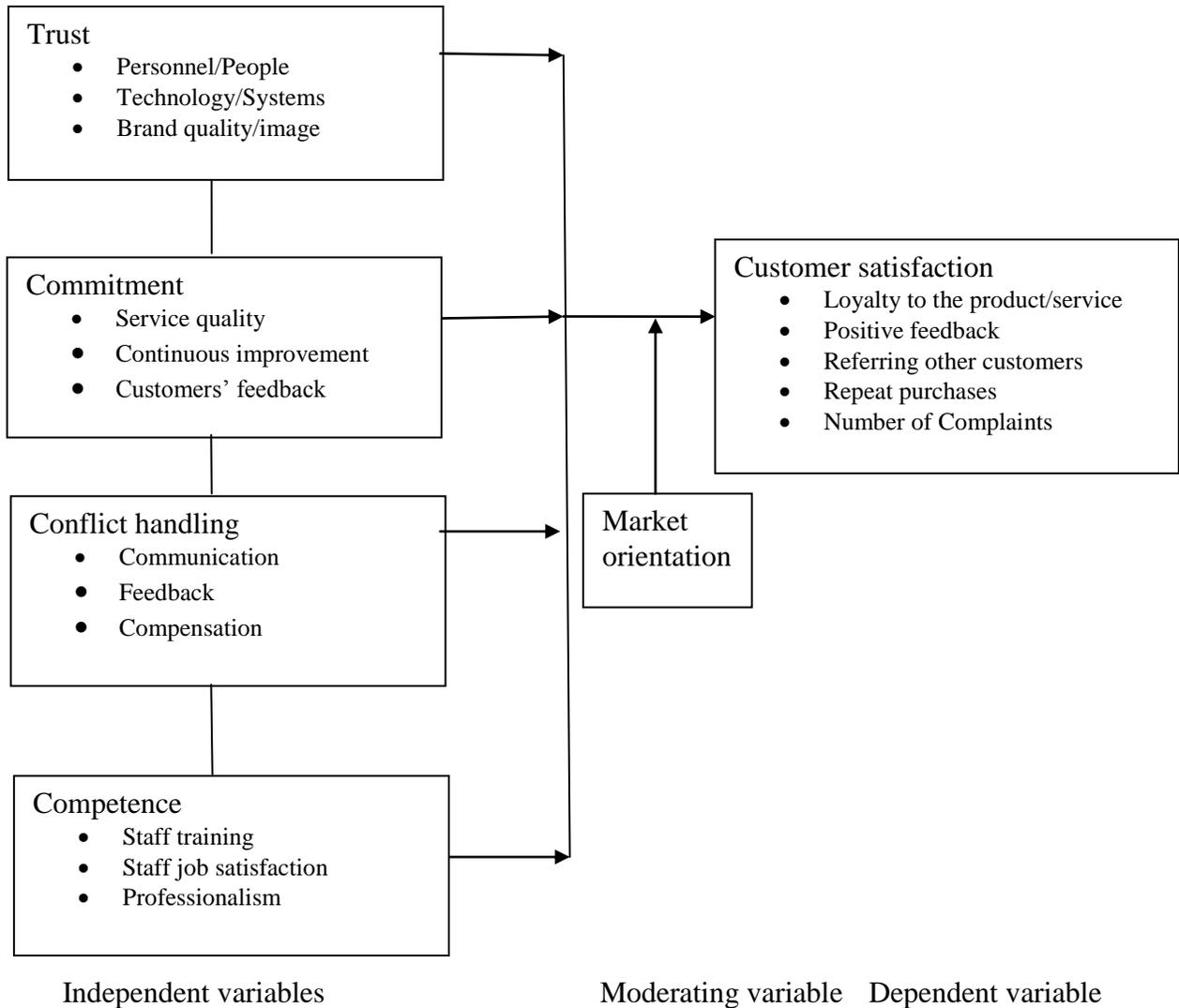
2.5 Conceptual Framework

In this section, the researcher tackles the issue of the conceptual framework which guided the study, as shown in figure 3.1 below. The figure shows that trust on the service quality determine customer satisfaction within the airline. For an airline to retain a sustainable competitive advantage it ought to provide high quality service that exceeds consumer expectations and tailor products to meet consumer demands so as to achieve customer satisfaction and ensure repeat business. The airline should be trustworthy in their service provision so as to build customer loyalty.

Commitment of the firm in providing excellent service to its customers impacts on customer satisfaction. Employees must be committed in providing this service and always strive to delight the customer. Customers will be attracted to the airline that provides fast and effective service and whose staff are professional. Investing in and deploying relevant ICT resources and solutions by airline operators ensures flexibility and availability of information and services to customers, and improvement of their value. All these fall under the firm's commitment to customer satisfaction. Conflict handling must be through proper channels of communication. The firm must always communicate with its customers so as to handle conflicts effectively and ensure customer satisfaction. Competence of employees also impacts on customer satisfaction. The People or employees who come in contact with the customers should be well trained and be satisfied or motivated with their work so as to provide impeccable customer service and hence customer satisfaction. Satisfied and well trained employees are more friendly, efficient and effective in meeting customer demands. They are generally professional and more competent in providing customer service.

Market orientation affects customer satisfaction. Services or goods developed with the needs and wants of customers in mind are likely to be taken up. When products are tailored to meet consumer demands there is a high possibility of repeat business due to a satisfied customer.

Figure 2: Conceptual Framework



Source: Researcher (2013)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter described the procedures that will were followed in conducting the study. This helps other researchers in understanding one's study particularly in the case of replication. The chapter therefore discusses research design, target population, sampling techniques and sample size, research instruments, pilot study/pre-testing, validity, reliability, logistical and ethical considerations, as well as data presentation, analysis and discussion.

3.2 Research Design

The study used descriptive survey research. Bryman, (2012) explains that descriptive/survey research is concerned with describing the characteristics of a particular individual, or of a group. Descriptive research is therefore concerned with specific predictions, with narration of facts and characteristics concerned with individuals, group or situations. According to Mugenda and Mugenda (2003), descriptive research design includes surveys and fact finding enquiries of different kinds. Descriptive research aims at describing the state of affairs. The researcher must be able to define clearly, what is to be measured and adequate measures of finding it along with a clear cut definition of population he wants to study.

3.3 Target Population

The target population for this study was all customers for various airlines that fly to JKIA, and managerial employees of the airlines operating in Kenya. There are 27 airlines operating in Kenya, see Appendix 4. The criterion for selecting 6 airlines is according to the routes flown by these airlines. Europe, United Arab Emirates and parts of Africa was selected to represent all the other routes because of the high number of customers. On any given day there are at least 1880 customers that the selected airlines fly from JKIA. The total number of managers was 60. Thus the total population targeted is 1940. Their population is as indicated in table 3.1 below.

Table 3.1: Target Population

Airline	Population Category		Frequency	Percentage
	Managers	Customers		
Kenya Airways	30	450	480	24.74
KLM	4	250	254	13.09
Emirates	4	350	354	18.25
Ethiopian Airlines	4	320	324	16.70
South African Airways	4	285	289	14.90
Egypt Air	4	225	229	11.80
TOTAL	60	1880	1940	100

Source: Researcher (2013)

3.4 Sample Selection and Size

A stratified random sampling method was used to get the sample size of 10% of the total population. A sample of 169 from the 1,880 customers was therefore picked. The study sampled 25 managers through convenience sampling because of their duty station in customer care management. The airlines were selected through purposive sampling and the customers were selected using stratified sampling method as:

Table 3.2: Sampling Technique

Airline	Population of customers	Sample size
Kenya Airways	450	40
KLM	250	22
Emirates	350	32
Ethiopian Airlines	320	29
South African Airways	285	26
Egypt Air	225	20
TOTAL	1880	169

Source: Researcher (2013)

3.5 Data Collection Instruments

A self-administered questionnaire was used for collecting data. The questionnaire had both open and closed ended questions. The research questionnaire had simple and logical questions in order to obtain the information intended.

The questionnaire method has the advantages of low costs, freedom from bias of the interviewer, adequacy of time to give well thought out answers, convenience in reaching respondents, and that large samples can be made use of and the results can be more dependable and reliable.

3.5.1 Validity

Validity is the extent to which data gathering methods assess what they were supposed to measure and the extent to which research is what it asserts or affirms to be. Validity is about accuracy of the data and it is crucial in descriptive research as it depends heavily on the collected data in order to validate the outcomes (Saunders et al., 2009).

Validity of the questionnaire was done by using an expert in the particular field, in this case, the supervisor, for guidance on assessing what concept the instrument is trying to measure. The researcher also sought to determine whether the set of items or checklist accurately represents the concept under study. A pilot study was conducted on respondents who did not participate in the final study. The purpose of the pre-test was to assess the relevance, validity and cultural acceptability of the questions.

3.5.2 Reliability

According to Saunders, Lewis, & Thornhill, (2009) reliability is the ability of data collection techniques used in the research to result in consistent findings that are compatible with the observations and conclusions of other research. They further indicate that reliability addresses the issue of whether repeated measurements or assessments provide a consistent result given the same initial circumstances. The researcher assessed reliability by sending a second questionnaire.

Reliability was established using a pilot test by collecting data from 20-30 subjects not included in the sample. Data collected from the pilot test were analyzed using Chronbach's Alpha score/reliability test. To determine stability, the pilot test was repeated on the same subjects. Results were then compared and correlated with the initial test to give a measure of stability. The respondents who were used for the pretesting did not participate in the main research.

3.6 Data Collection Procedures

Initial contact with respondents was through face-to-face interview to introduce the researcher and the nature of the study. During this interview, the respondents were asked to fill in the questionnaires and the researcher would pick them after a few minutes. Each questionnaire was numbered. These numbers were used in lieu of the names of the respondents. This was particularly important to instill confidence in the respondents as their identity would remain undisclosed.

3.7 Data Analysis and Presentation

The data collected was edited and scrutinized to eliminate errors and omissions. Data was grouped in line with the study's objectives. The data was coded by assigning numerals to the responses. The data was then fed into statistical software, the Statistical Package for Social Science (SPSS), and analyzed. After final analysis and coding, the results of the study are presented on frequency tables, pie charts and graphs where applicable. A description of the same was also given and conclusions made. Descriptive statistics were used to describe the basic features of the data in this study and to provide simple summaries about the sample and the measures. Together with simple graphics analysis, they will form the basis of quantitative analysis of data. Inferential statistics was used to reach conclusions that extend beyond the immediate data alone and to make inferences from the data to more general conditions. The data was analyzed using correlation and factor analysis tools and conclusions and suggestions were drawn from the analysis.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The chapter provides analysis of the data based on the structure of the questionnaire. The data was analyzed and presented in line with the main areas and variables. The research sought to obtain data from respondents. The chapter is divided into four sections where the customers' responses are presented in the first part and the managers' responses in the second part.

4.2 Respondents' Bio-data

4.2.1 Respondents' Gender

The study found out that there were 54 male respondents and 46 female respondents for the customers. The representation was fair and the sampling nearly achieved gender parity. Seven (7) of the respondents though did not respond to this question.

Table 4.3: Respondents' Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	54	50.5	54.0	54.0
Female	46	43.0	46.0	100.0
Total	100	93.5	100.0	
Missing System	7	6.5		
Total	107	100.0		

Source: Research Data (2013)

When the respondents were asked about the airline they had used, the majority (24.3%) had used Kenya Airways, 15.9% had used KLM, 16.8% Emirates, 14% South African Airways, 14% Egypt Air and 15% Ethiopian Airlines.

Table 4.4: Airline being flown

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid KQ	26	24.3	24.3	24.3
KLM	17	15.9	15.9	40.2
Emirates	18	16.8	16.8	57.0
South African Airways	15	14.0	14.0	71.0
Egypt Air	15	14.0	14.0	85.0
Ethiopian Airlines	16	15.0	15.0	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

When asked of the frequency of flying, the majority of them (50.5%) had flown for between 5 and 10 times, another 22.4% had flown between 10 and 15 times while another 19.6% had flown for less than 2 times. Only 5 respondents (4.7%) and 3 (2.8%) had flown for between 15 and 20 times and over 20 times respectively. This is a clear indication that the sample was good enough to paint a picture of the kind of customer satisfaction the airlines have at Jomo Kenyatta International Airport (JKIA)

Table 4.5: Customers' Frequency of flying with the airline

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than twice	21	19.6	19.6	19.6
5 -10 times	54	50.5	50.5	70.1
10-15 times	24	22.4	22.4	92.5
15-20 times	5	4.7	4.7	97.2
Over 20 times	3	2.8	2.8	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

4.3 Descriptive Analysis

The study also sought to find out whether several factors affected customers' satisfaction regarding the airline. When asked if the airline exceeded their expectations any time they traveled, on average the respondents said that they were satisfied (2.46) with a standard deviation of 0.75633 a further indication that the response was nearly uniform. When asked whether the services offered adequately responded to their needs, the respondents also on average said they were satisfied (2.47) and a standard deviation of 0.76904 but were fairly satisfied (2.67) when asked if the airline was highly committed to excel in delighting customers. On whether the airline offered excellent reception every time they flew, they were again fairly satisfied (2.53) though the standard deviation (1.18) indicates that they were not uniform in their response. When asked if they would refer other people to the airline they have used, the respondents also were fairly satisfied (2.60) though the standard deviation (0.80094) shows that they were rather in agreement as regards this view.

Table 4.6: Statistics on Airline Customer Satisfaction

		Exceed expectations	Services respond	Committed to excel	Excellent reception	Refer people
N	Valid	107	107	106	106	106
	Missing	0	0	1	1	1
Mean		2.4673	2.4766	2.6792	2.5377	2.6038
Std. Deviation		.75633	.76904	.83435	1.18863	.80094
Skewness		.979	.587	.465	3.533	.277
Std. Error of Skewness		.234	.234	.235	.235	.235

Source: Research Data (2013)

The study sought to find out if the responses, in the above table differed significantly to which majority of the respondents who used Kenya Airways (12) were fairly satisfied that the airline exceeded their expectations any time of travel, majority (12) were satisfied for KLM, 13 were satisfied for Emirates, 11 were satisfied for South African Airways, 8 were satisfied for Egypt Air and 12 were fairly satisfied for Ethiopian Airlines. On whether the services offered by the airline adequately responded to the needs of the customer, the majority (12) for Kenya Airways were satisfied, the majority for KLM (10) were satisfied while the majority of Emirates (13) were also satisfied. This was also similar for South African Airways where majority (10) was satisfied, and an equal number of passengers (7) of Egypt air were fairly satisfied and satisfied but the majority (11) was fairly satisfied for Ethiopian Airlines.

On whether the airline was highly committed to excel in delighting customers, the results indicated that the majority (10) were satisfied for Kenya Airways, 9 were satisfied for

KLM, 9 were satisfied for Emirates, 7 were fairly satisfied for South African Airways, 12 were fairly satisfied for Egypt Air and 11 were also fairly satisfied for Ethiopian Airlines. On average and considering all the airlines, the majority of the respondents (52) were fairly satisfied while another 37 respondents were satisfied with airline being highly committed to excel in delighting customers. On whether the customer care staff offer an excellent reception at the airlines, 11 for Kenya Airways were satisfied, 8 were satisfied for KLM and 9 were satisfied for Emirates. Six (6) respondents were satisfied for South African Airways and another 4 respondents were highly satisfied with the customer care staff offering excellent reception at the airline. For Egypt Air, 8 were fairly satisfied and another 7 were satisfied. However, for Ethiopian Airlines, 7 respondents were satisfied but uniquely 6 respondents indicated that they were dissatisfied with the customer care staff offering an excellent reception an element (response) which is not evident in other airlines.

When the respondents were asked whether they are always ready to refer other people they know to travel using their preferred airline to which for Kenya Airways, 11 respondents were satisfied that they can refer another person while another 2 were highly satisfied. Two (2) respondents though were dissatisfied while another 1 was highly dissatisfied with KQ. For KLM, 8 were satisfied and another 2 were highly satisfied while for Emirates 9 were satisfied while another 3 were highly satisfied. For South African Airlines, 9 respondents were satisfied, 6 were fairly satisfied while no respondent was highly satisfied with the fact that they can refer somebody they know to the airline. For Egypt Air, 12 were fairly satisfied, 2 were satisfied but 1 respondent was actually dissatisfied. In the case of Ethiopian Airlines, 14 respondents were fairly satisfied while another 1 was satisfied and yet another 1 respondent was highly dissatisfied. In total 49 respondents were fairly satisfied while 40 others were satisfied that they are always ready to refer other people they know to travel using their preferred airline.

When asked about their overall rating of the airline, majority of the respondents (54.2%) said that they were fairly satisfied while another 33.6% were satisfied. Only 2.8% of the respondents were highly satisfied, 6.5% were dissatisfied while the remaining 1.9% was highly dissatisfied.

Table 4.7: Customers' Rating of Airline

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Satisfied	3	2.8	2.8	2.8
Satisfied	36	33.6	34.0	36.8
Fairly Satisfied	58	54.2	54.7	91.5
Dissatisfied	7	6.5	6.6	98.1
Highly dissatisfied	2	1.9	1.9	100.0
Total	106	99.1	100.0	
Missing System	1	.9		
Total	107	100.0		

Source: Research Data (2013)

When asked about their level of confidence in the airline's product and service, 57% said that they were satisfied while another 3.7% said that they were highly satisfied. However, 34.6% said that they were fairly satisfied with the products and services of the airline. Only 4.7% said that they were dissatisfied with the products and services of the airline.

Table 4.8: Customers' Level of Confidence on Airline

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Satisfied	4	3.7	3.7	3.7
Satisfied	61	57.0	57.0	60.7
Fairly Satisfied	37	34.6	34.6	95.3
Dissatisfied	5	4.7	4.7	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

When asked to rate their level of satisfaction on the reliability of the airline, the majority of them (63.6%) said that they were satisfied while another 26.2% said that they were fairly satisfied. Only 3.7% of them said that they were dissatisfied while another 6.5% said that they were highly satisfied with the reliability of the airline.

Table 4.9: Airlines' Reliability

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Satisfied	7	6.5	6.5	6.5
Satisfied	68	63.6	63.6	70.1
Fairly Satisfied	28	26.2	26.2	96.3
Dissatisfied	4	3.7	3.7	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

When asked to rate their satisfaction on the airline’s ability to fulfill its obligations to its customers, 52.3% rated it as satisfied while 31.8% rated it as fairly satisfied. 9.3% of them said that they were dissatisfied while the remaining 5.6% said that they were highly satisfied.

Table 4.10: Airline Fulfilling Obligations to Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Satisfied	6	5.6	5.7	5.7
	Satisfied	56	52.3	52.8	58.5
	Fairly Satisfied	34	31.8	32.1	90.6
	Dissatisfied	10	9.3	9.4	100.0
	Total	106	99.1	100.0	
Missing	System	1	.9		
Total		107	100.0		

Source: Research Data (2013)

The study also sought to find out the satisfaction with the staff competence in perspectives of professionalism, timeliness in delivery of service and the knowledge of the airline staff in handling your requests and managing customers. Majority of the respondents (64) said they were satisfied with the professionalism while another 28 respondents were fairly satisfied with the professionalism.

Table 4.11: Staff Professionalism

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Satisfied	6	5.6	5.6	5.6
Satisfied	64	59.8	59.8	65.4
Fairly Satisfied	28	26.2	26.2	91.6
Dissatisfied	8	7.5	7.5	99.1
Highly dissatisfied	1	.9	.9	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

On timeliness of service delivery, majority of them (43.9%) were fairly satisfied while another 41.1% were satisfied with the timeliness. Only 13 of them were dissatisfied and the remaining 3 were highly satisfied with the timeliness of the service delivery.

Table 4.12: Staff Timeliness

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Satisfied	3	2.8	2.8	2.8
Satisfied	44	41.1	41.1	43.9
Fairly Satisfied	47	43.9	43.9	87.9
Dissatisfied	13	12.1	12.1	100.0
Total	107	100.0	100.0	

Source: Research Data (2013)

On their rate about the knowledge of the airline staff in handling customer requests and managing customers, 49.5% of them said that they were satisfied while another 39.3% were fairly satisfied. Only 4 respondents were highly dissatisfied while another 4 were dissatisfied while the remaining 2 respondents were highly satisfied with the handling of requests and management of customers.

Table 4.13: Knowledge of Staff

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Satisfied	2	1.9	1.9	1.9
	Satisfied	53	49.5	50.0	51.9
	Fairly Satisfied	42	39.3	39.6	91.5
	Dissatisfied	4	3.7	3.8	95.3
	Highly dissatisfied	4	3.7	3.8	99.1
	Total	106	99.1	100.0	
Missing	System	1	.9		
Total		107	100.0		

Source: Research Data (2013)

The study also sought to find out the rate the characteristics of the customer service representatives of the airlines from various perspectives. On average, the respondents were satisfied with the representative's knowledge of product (2.3), were also satisfied on average (2.1) on the courteousness of the representative. On the willingness to help of the representative, the respondents were also satisfied (2.11) while they were fairly satisfied on average (2.7) when it came to the efficiency of the airlines' representatives. They were also fairly satisfied (2.65) on the ability of the airline representative to complete transactions.

Table 4.14: Statistics on Staff Skills

	Knowledge of product	Courteousness	Willingness to help	Efficiency	Complete transactions
N Valid	105	105	106	106	104
Missing	2	2	1	1	3
Mean	2.3429	2.1429	2.1132	2.7642	2.6538
Std. Deviation	.64790	.84840	.86543	.83440	.83340
Skewness	.824	.973	.946	.370	.729
Std. Error of Skewness	.236	.236	.235	.235	.237

Source: Research Data (2013)

When asked if satisfied or not with how the airline acts on feedback given by its customers, the majority (45) said that they were fairly satisfied, 28 of them said they were satisfied while another 14 of them said they were dissatisfied. Only 5 of them were highly dissatisfied while the remaining 3 of them were highly satisfied with the feedback to customers by the airline.

Table 4.15: Airlines' Feedback to Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Satisfied	3	2.8	3.1	3.1
	Satisfied	28	26.2	29.2	32.3
	Fairly Satisfied	45	42.1	46.9	79.2
	Dissatisfied	14	13.1	14.6	93.8
	Highly dissatisfied	5	4.7	5.2	99.0
	Total	96	89.7	100.0	
Missing	System	11	10.3		
Total		107	100.0		

Source: Research Data (2013)

When the respondents were asked to rate their level of satisfaction on how the airline communicates with its customers on any inconveniences caused, the majority of them (41.1%) were fairly satisfied while another majority 29.9% of them said they were satisfied with the way the airline communicated. 15 respondents representing 14% said that they were dissatisfied with the way they communicated while 5 of them were highly dissatisfied. The remaining 3 of them were highly satisfied with the way the airline communicated and handled inconveniences caused.

Table 4.16: Airlines' Communication to Customers

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Satisfied	3	2.8	3.0	3.0
	Satisfied	32	29.9	32.3	35.4
	Fairly Satisfied	44	41.1	44.4	79.8
	Dissatisfied	15	14.0	15.2	94.9
	Highly dissatisfied	5	4.7	5.1	100.0
	Total	99	92.5	100.0	
Missing	System	8	7.5		
Total		107	100.0		

Source: Research Data (2013)

When asked if the airline is always committed to serving its customers and has proper channels of communication to deal with conflicts, majority of the respondents (49) said that they were fairly satisfied while another 26 respondents said that they were satisfied. Sixteen (16) of them said that they were dissatisfied while only 4 respondents said that they were highly dissatisfied with how the airline was committed to serving its customers and has proper channels of communication to deal with conflict

Table 4.17: Airlines' Channels of Communication

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfied	26	24.3	27.4	27.4
	Fairly Satisfied	49	45.8	51.6	78.9
	Dissatisfied	16	15.0	16.8	95.8
	Highly dissatisfied	4	3.7	4.2	100.0
	Total	95	88.8	100.0	
Missing	System	12	11.2		
Total		107	100.0		

Source: Research Data (2013)

4.4 Inferential Analysis

4.4.1 Correlations

The study also sought to find out if there existed any correlations between various variables of the study. It is evident that there exists a significant correlation between the airline used and communication (0.424) at 1% level of significance and also between the airline and the efficiency of the staff at these airlines (0.471). There also exists a significant correlation (0.504) between communication between the airline and the customers and the efficiency of the staff at the airline. Between communication and professionalism, there exists between communication of the airline and the professionalism (0.229) while the correlation between efficiency of the staff at the airline (0.525).

Table 4.18: Correlations

		Gender	Airline	Communication	Efficiency	Professionalism
Gender	Pearson Correlation	1	.112	-.032	-.009	.055
	Sig. (2-tailed)		.266	.762	.926	.590
	N	100	100	92	99	100
Airline	Pearson Correlation	.112	1	.424**	.471**	.141
	Sig. (2-tailed)	.266		.000	.000	.149
	N	100	107	99	106	107
Communication	Pearson Correlation	-.032	.424**	1	.504**	.229*
	Sig. (2-tailed)	.762	.000		.000	.023
	N	92	99	99	98	99
Efficiency	Pearson Correlation	-.009	.471**	.504**	1	.525**
	Sig. (2-tailed)	.926	.000	.000		.000
	N	99	106	98	106	106
Professionalism	Pearson Correlation	.055	.141	.229*	.525**	1
	Sig. (2-tailed)	.590	.149	.023	.000	
	N	100	107	99	106	107

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

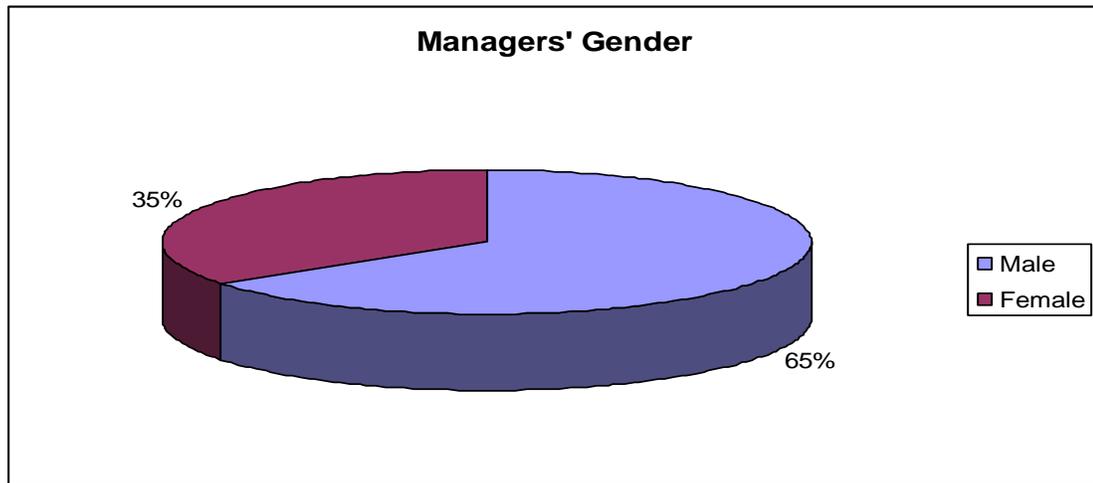
* . Correlation is significant at the 0.05 level (2-tailed).

Source: Research Data (2013)

4.4.2 Managers' Responses

On the side of the managers, there were 65% male and 35% female. This represents disparity between genders since a bigger percentage are male.

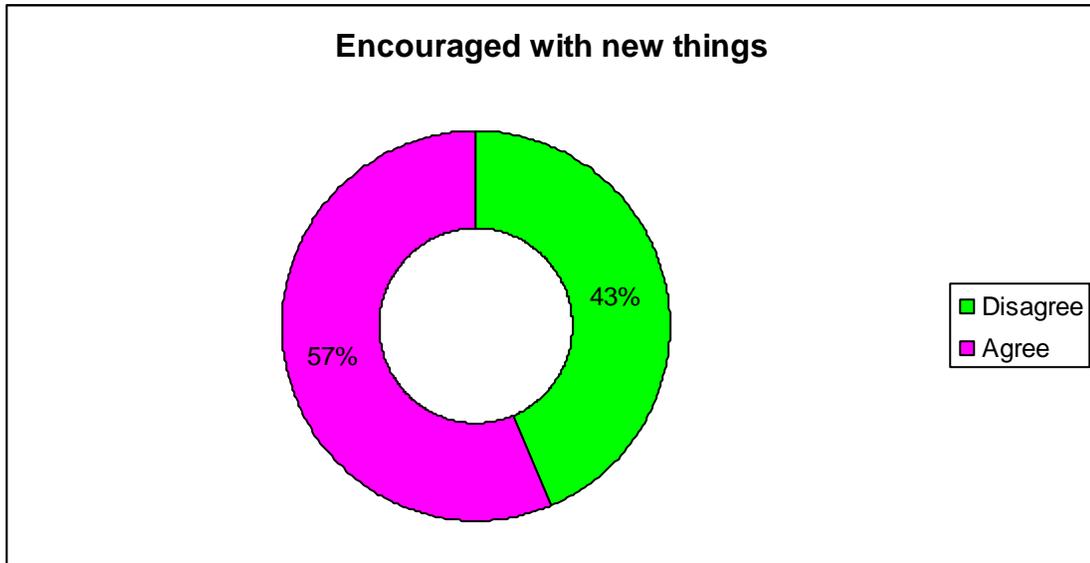
Figure 3: Gender



Source: Research Data (2013)

For the managers, the majority of those who responded were managers from Kenya Airways (8) while the other airlines sampled, had 3 managers each responding. When the managers were asked if they feel encouraged to come up with new and better ways of doing things, the majority (57%) agreed that they were encouraged while the other 43% disagreed that they felt encouraged.

Figure 4: Encouraged with New Things



Source: Research Data (2013)

When asked if their work gave them a feeling of personal accomplishment, the majority (12) agreed, 9 others disagreed while only 1 of them strongly agreed that they felt personal accomplishment.

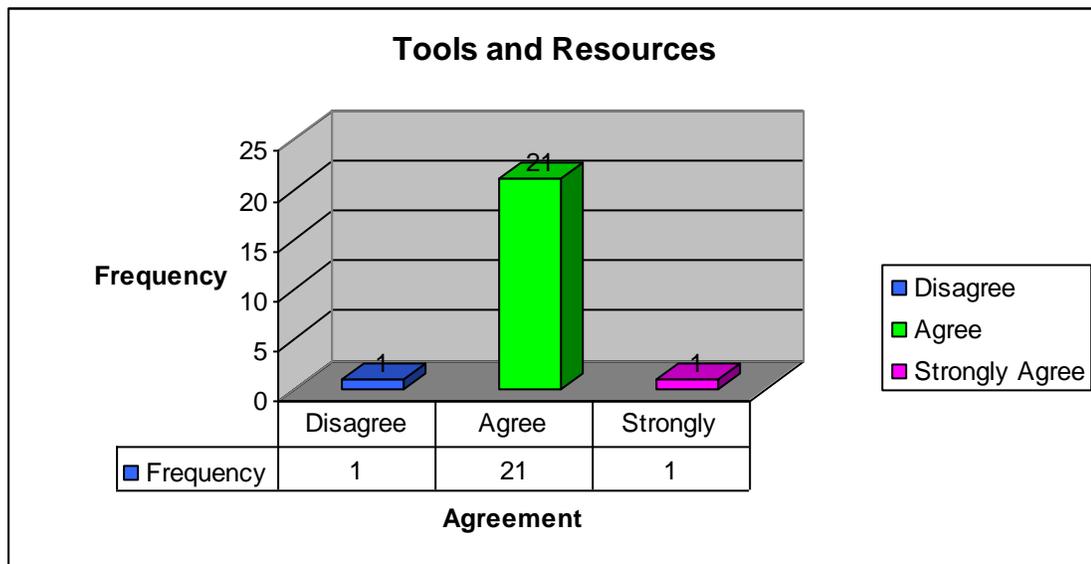
Table 4.19: Personal Accomplishment

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Disagree	9	37.5	39.1	39.1
Agree	12	50.0	52.2	91.3
Strongly Agree	1	4.2	4.3	95.7
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

When asked if they had the tools and resources to do their jobs well, the majority (87.5%) agreed that they had the necessary tools and resources for their performance and conducting of duty while 4.2% of them (1) said that they strongly agreed that they had the necessary tools and resources. Only 1 respondent (4.2%) said that they disagreed with that and that they did not have the necessary tools for the job.

Figure 5: Resources



Source: Research Data (2013)

When asked if they had clearly defined quality goals at their jobs, 54.2% agreed, 37.5% disagreed while another 1 (4.2%) strongly disagreed that there were clearly defined goals within their jobs.

Table 4.19: Clearly Defined Goals

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	4.2	4.3	4.3
	Disagree	13	54.2	56.5	60.9
	Agree	9	37.5	39.1	100.0
	Total	23	95.8	100.0	
Missing	System	1	4.2		
Total		24	100.0		

Source: Research Data (2013)

When asked if their jobs makes good use of their skills and abilities, the majority (15) disagreed but 7 of them agreed with another 1 respondent strongly agreed as represented in the table below.

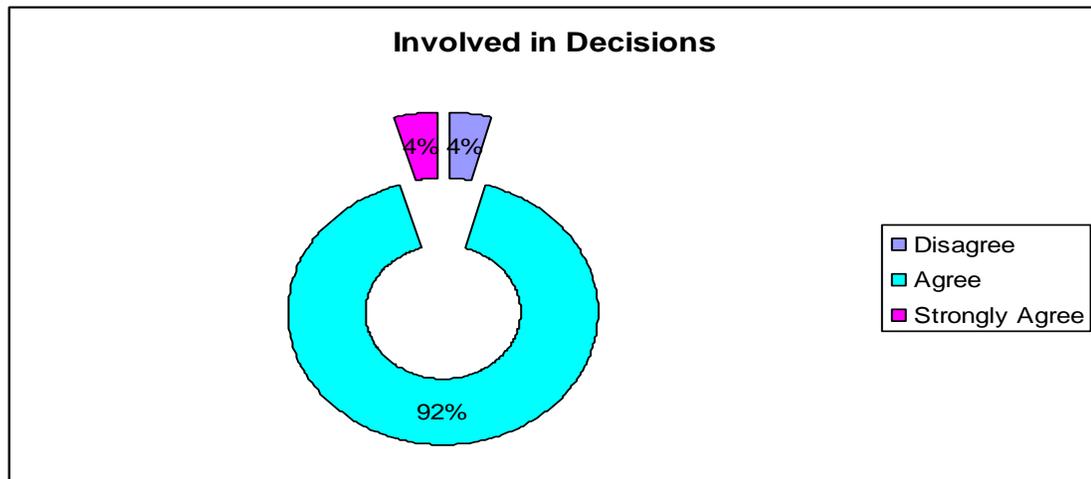
Table 4.201: Good use of Skills

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	15	62.5	65.2	65.2
	Agree	7	29.2	30.4	95.7
	Strongly Agree	1	4.2	4.3	100.0
	Total	23	95.8	100.0	
Missing	System	1	4.2		
Total		24	100.0		

Source: Research Data (2013)

The study also sought to find out if the respondents (managers) were involved in decisions that affected their work to which 92% of them agreed that they were involved while another 4% strongly agreed. Another 4% disagreed that they were involved in decisions that affected their work.

Figure 6: Involvement in Decisions



Source: Research Data (2013)

When asked if they had an opportunity to get a better job in their present airline, the majority (14) disagreed that there was an opportunity while 2 of them also strongly disagreed. Six (6) respondents however agreed that they had an opportunity to get a better job within their current employer.

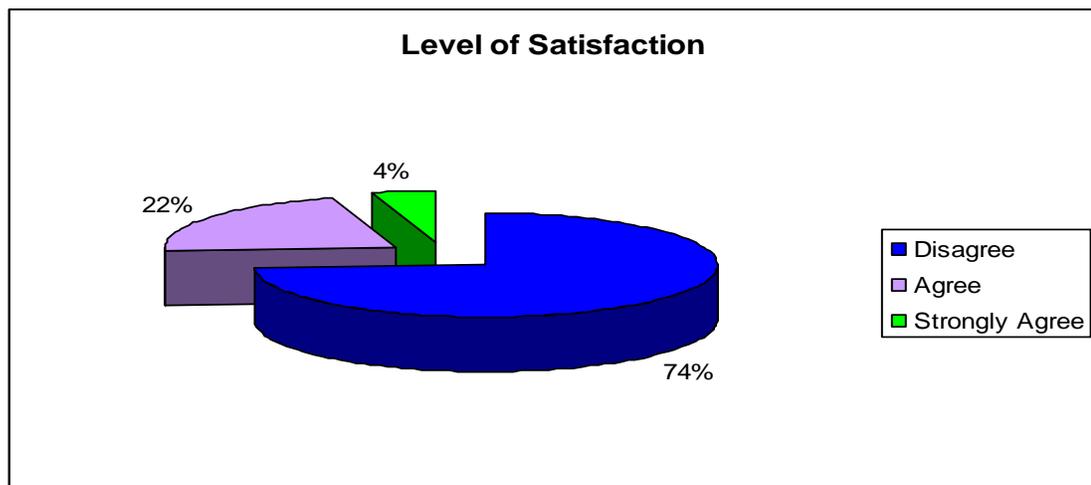
Table 4.21: Opportunity for a better job

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	8.3	8.7	8.7
	Disagree	14	58.3	60.9	69.6
	Agree	6	25.0	26.1	95.7
	Total	23	95.8	100.0	
Missing	System	1	4.2		
Total		24	100.0		

Source: Research Data (2013)

The study also sought to find out from the managers whether they were satisfied or not with their current employer to which 74% disagreed with this indicating that they are not satisfied with the employment while 22% of them agreed that they were satisfied. Only 4% of them strongly agreed that they were satisfied with the employment.

Figure 7: Satisfaction with Current job



Source: Research Data (2013)

When the managers were asked whether they experience personal growth such as updating skills and learning different jobs in their daily duties at the airline, majority of them (13) agreed while 8 of them disagreed. Another 1 respondent strongly disagreed while 1 other strongly agreed.

Table 4.22: Personal Growth

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	1	4.2	4.3	4.3
Disagree	8	33.3	34.8	39.1
Agree	13	54.2	56.5	95.7
Strongly Agree	1	4.2	4.3	100.0
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

When asked whether the top level managers encourage the respondents to do their best, the majority (15) disagreed with this with another manager strongly disagreeing with the statement. Only 7 respondents agreed that the top level managers encourage them to do their best.

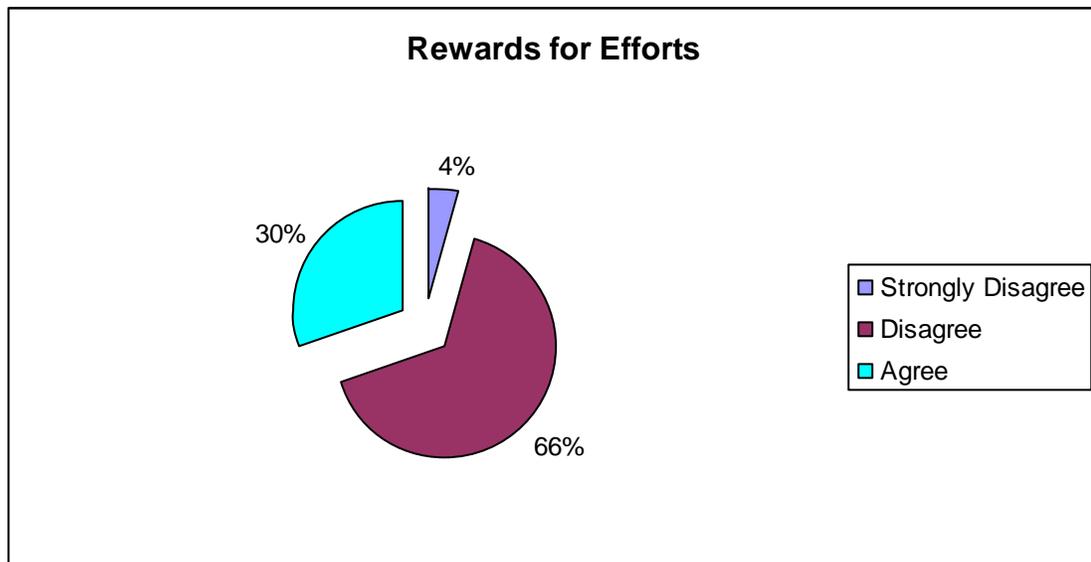
Table 4.23: Encouraged by Managers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	1	4.2	4.3	4.3
Disagree	15	62.5	65.2	69.6
Agree	7	29.2	30.4	100.0
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

The study also asked the respondents whether they are rewarded for the quality of their efforts to which the majority (66%) disagreed that they are rewarded while 30% agreed that they are rewarded. only 4% of the respondents strongly disagreed that they are rewarded for their efforts.

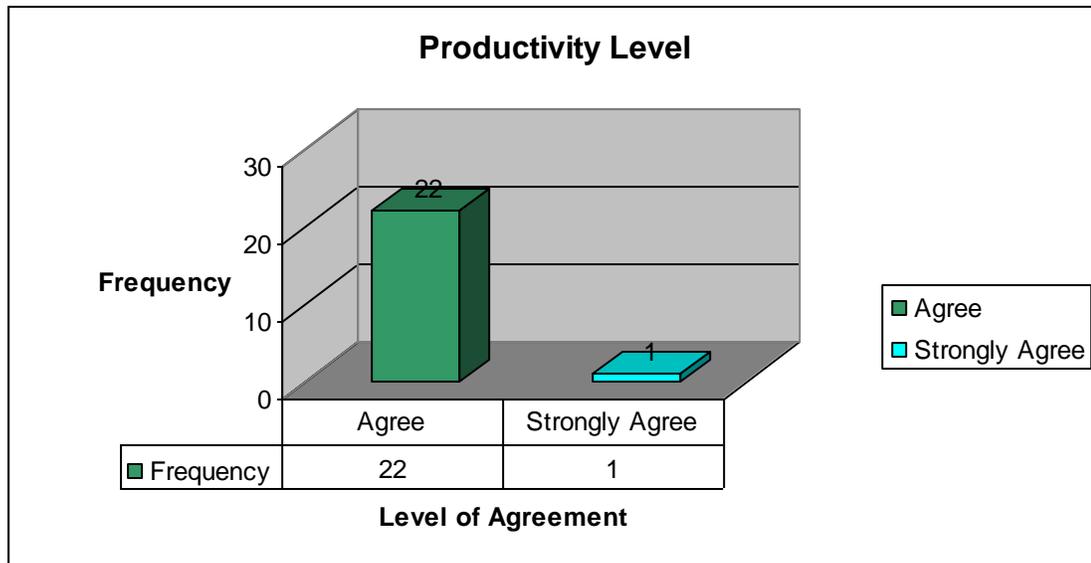
Figure 8: Rewards



Source: Research Data (2013)

When the study sought to find out if the respondents were highly productive and that the quality of their work is outstanding, the majority (22) agreed that they were highly productive while only 1 respondent strongly agreed that he/she was productive and that the work was outstanding.

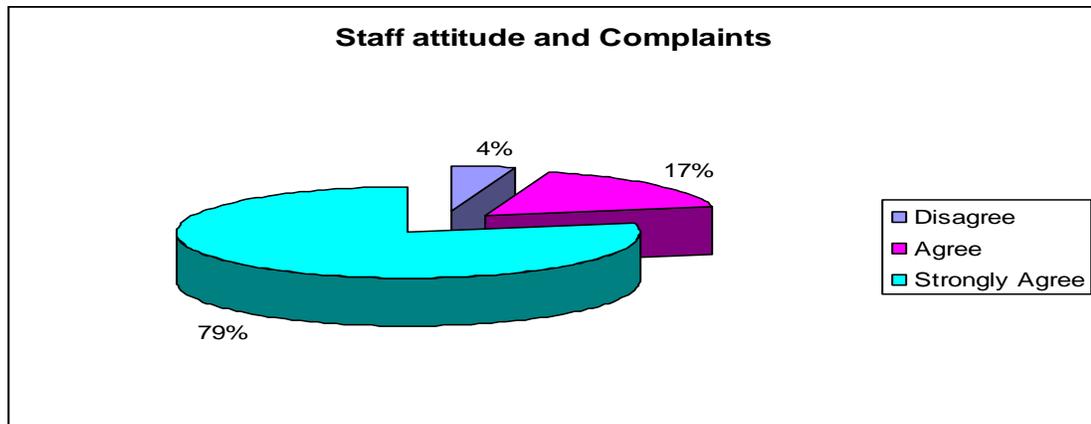
Figure 9: Level of Productivity



Source: Research Data (2013)

The study was also keen in knowing how complaints are handled at their airline. When asked if the attitude of staff was a major source of customer complaints to which 79% of them strongly agreed that it did affect how complaints were handled while another 17% agreed to that too. Only 1 respondent (4%) disagreed.

Figure 10: Attitude and Complaints



Source: Research Data (2013)

The study asked the respondents if the inefficiency of service is the major source of customer complaints within the airline and majority of the respondents (20) strongly agreed while the remaining 3 respondents agreed that the inefficiency of services being provided by the airlines was a major source of customer complaints.

Table 4.24: Inefficiency of Service

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Agree	3	12.5	13.0	13.0
Strongly Agree	20	83.3	87.0	100.0
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

On whether communication was key in handling complaints of customers at the airline, 91.7% strongly agreed that it was indeed key while the remaining 1 respondent (4.2%) agreed.

Table 4.25: Communicating to Customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Agree	1	4.2	4.3	4.3
Strongly Agree	22	91.7	95.7	100.0
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

The study also sought to find out if compensation to clients when they are inconvenienced as a result of the airline's fault helped in resolving conflicts to which the majority (16) agreed, 4 respondents strongly agreed while 3 others disagreed with this.

Table 4.26: Compensation for Inconveniences

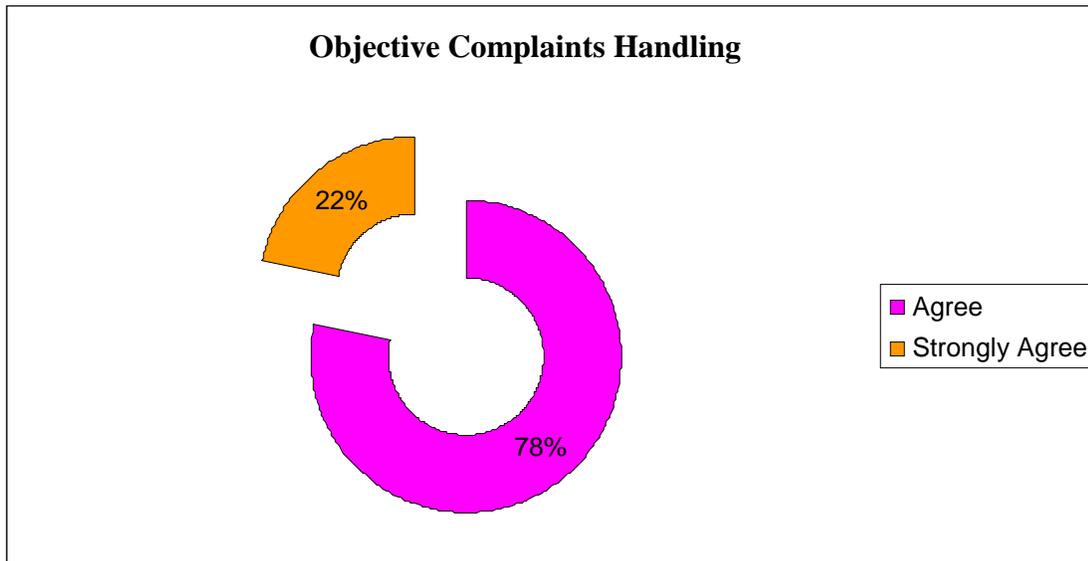
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Disagree	3	12.5	13.0	13.0
Agree	16	66.7	69.6	82.6
Strongly Agree	4	16.7	17.4	100.0
Total	23	95.8	100.0	
Missing System	1	4.2		
Total	24	100.0		

Source: Research Data (2013)

The study sought to know from the managers if they are always objective when handling customer complaints to which the majority (78%) agreed while the remaining 22%

strongly agreed. This means the respondents were generally in agreement that they always handle complaints objectively.

Figure 11: Complaints Handling



Source: Research Data (2013)

On whether giving feedback to customers always helped in resolving customer complaints and improves customer satisfaction, nearly all the respondents (22) strongly agreed while the remaining 1 respondent agreed that it helped in resolving complaints.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter provides a summary of the findings that the respondents gave, provides a conclusion for the various variables that the study sought to study, as well as providing the recommendations from the conclusions drawn for each of the variables. The chapter also suggests areas of further research by future researchers since it was not possible for this study to have completely exhausted issues to do with internet learning.

5.2 Summary of Findings

This study was done to answer four research questions. The data analyzed and presented in chapter four on the findings of the study, is summarized on this section in line with each of the research questions. The summary is presented for both customers and managers.

5.2.1 Relationship Marketing Programs for Building Trust

54.2% of the respondents were fairly satisfied with the customer experience at the airline they have used while 33.6% were satisfied. This is an indication that they were at least satisfied with the services they had received at the airline. When asked about the trust that the customers had with the airline, 57% said that they were satisfied with the level of confidence in the airlines' products and services, 63.6% were satisfied with the reliability of the airline and the majority (52.3%) were satisfied with the airlines' ability to fulfill its obligations to its customers.

5.2.2 Employee and Organizational Commitment

When asked if the airline was highly committed to excel in delighting customers, 10 were satisfied for Kenya Airways, 9 were satisfied for KLM, 9 were satisfied for Emirates, 7 were fairly satisfied for South African Airways, 12 were fairly satisfied for Egypt Air and 11 were also fairly satisfied for Ethiopian Airlines. In respect to customer care that staff offers at the airlines, 11 for Kenya Airways were satisfied, 8 were satisfied for KLM and

9 were satisfied for Emirates. Six (6) respondents were satisfied for South African Airways and another 4 respondents were highly satisfied. For Egypt Air, 8 were fairly satisfied and another 7 were satisfied. However, for Ethiopian Airlines, 7 respondents were satisfied but uniquely 6 respondents indicated that they were dissatisfied a response which is not evident for other airlines.

When asked whether they would refer other people to use the airline they have used, 11 respondents were satisfied and could refer others to Kenya Airways, 2 were highly satisfied, 2 others though were dissatisfied while another 1 was highly dissatisfied. For KLM, 8 were satisfied, 2 were highly satisfied while for Emirates 9 were satisfied and 3 were highly satisfied. For South African Airlines, 9 were satisfied and 6 fairly satisfied while for Egypt Air, 12 were fairly satisfied, 2 were satisfied but 1 respondent was dissatisfied. In the case of Ethiopian Airlines, 14 respondents were fairly satisfied while another 1 was satisfied and yet another 1 respondent was highly dissatisfied.

5.2.3 Effects of Conflict Handling Programs

The study was also keen in knowing from the customers' viewpoint the airlines' commitment on conflicts handling to which the majority of them (45) were fairly satisfied with how the airline acted on feedback given by its customers, while another 28 of them were satisfied. But on how the airline communicated with its customers on any inconveniences caused, the majority of respondents (41.1%) said they were fairly satisfied while another 29.9% of them said they were satisfied. When asked whether the airline was always committed to serving its customers and has proper channels of communication to deal with conflicts, 49 of the respondents said that they were fairly satisfied while another 26 said that they were satisfied.

5.2.4 Employee Competence

On the satisfaction with the staff competence in perspectives of professionalism, 64 respondents were satisfied, (43.9%) were fairly satisfied while another 41.1% were satisfied. On timeliness in delivery of service and on the knowledge of the airline staff in handling customer requests and managing customers 49.5% of them said that they were

satisfied while another 39.3% were fairly satisfied. When the study sought to find out the customers' feel of the characteristics of the customer service representatives of the airlines from various perspectives, the respondents were satisfied with the representatives' knowledge of product on average (2.3) and were also satisfied on average (2.1) on the courteousness of the representatives. On the willingness to help of the representatives, the respondents on average were satisfied (2.11) while they were fairly satisfied on average (2.7) when it came to the efficiency of the airlines' representatives. They were also fairly satisfied (2.65) on the ability of the airlines' representatives to complete transactions.

5.2.5 Customer Satisfaction

The analysis was also based on the respondents for each different airline where the respondents were drawn. From the results of cross tabulations between the airline and whether they exceeded expectations, the majority of those who used Kenya Airways (12) were fairly satisfied, majority (12) were satisfied for KLM, while the highest was 13 for Emirates who were satisfied. For South African Airways, 11 were satisfied while 8 customers were satisfied for Egypt Air and 12 were fairly satisfied for Ethiopian Airlines. On whether the services offered by the airline adequately responded to the needs of the customer, the majority (12) for Kenya Airways were satisfied, the majority for KLM (10) were satisfied while the majority of Emirates (13) were also satisfied. This was also similar for South African Airways where majority (10) was satisfied, and an equal number of passengers (7) of Egypt air were fairly satisfied and satisfied but the majority (11) was fairly satisfied for Ethiopian Airlines.

5.2.6: Summary of Findings for Managers

On the side of the managers who were respondents, majority (65%) were male, while 35% were female of whom the majority were from Kenya Airways (8) while the other airlines sampled, had 3 managers each. Majority of the managers (57%) feel encouraged to come up with new and better ways of doing things, but 43% disagreed that they felt encouraged. When asked about their job satisfaction on various fronts, 12 respondents agreed that their work gave them a feeling of personal accomplishment while 9 of them

disagreed. Asked if they had the tools and resources to do their jobs well, the majority (87.5%) agreed but when asked if they had clearly defined quality goals at their jobs, 54.2% agreed while 37.5% disagreed yet the majority(15) disagreed that their jobs makes good use of their skills and abilities but 7 of them agreed. On whether they (managers) were involved in decisions that affected their work, 92% agreed that they were involved while another 4% strongly agreed and when asked if they had an opportunity to get a better job in their present airline, the majority (14) disagreed that there was an opportunity while 2 of them also strongly disagreed. The respondents indicated that they were not satisfied with the current employer with 74% disagreed while 22% agreed that they were satisfied. Majority (13) agreed that they were experiencing personal growth such as updating skills and learning different jobs in their daily duties at the airline while 8 disagreed.

The study also sought to know if the top level managers encourage the respondents to do their best to which the majority (15) disagreed but 7 respondents agreed. When asked whether they were rewarded for the quality of their efforts, 66% disagreed while 30% agreed that they are rewarded. Twenty two (22) respondents agreed that they were highly productive and that the quality of their work is outstanding. When asked on how complaints were handled at the airline, 79% strongly agreed that the attitude of staff affected how customer complaints were handled, 20 respondents strongly agreed that inefficiency of service was a major source of customer complaints within the airline. On whether communication was crucial in handling complaints of customers at the airline, 91.7% strongly agreed but on whether compensation to clients when they are inconvenienced as a result of the airline's fault helped in resolving conflicts, 16 agreed and another 4 strongly agreed. 78% of the managers agreed that they were always objective when handling customer complaints while the remaining 22% strongly agreed. Twenty two (22) respondents also strongly agreed that giving feedback to customers always helped in resolving customer complaints and improves customer satisfaction.

5.3 Conclusion

From the findings of the study, it can be concluded that the gender parity among employees at the airline industry is nearly balanced, and that the majority of the airline clients at JKIA were customers of Kenya Airways courtesy of the fact that the airport was their headquarters. It can also be said that the customers at JKIA were regular with majority of them indicating that they had flown for between 5 and 10 times. As regards customer experience at the airport, the majority respondents said they were fairly satisfied with the experience while the others were satisfied which means the customer experience at the airport was not that bad after all.

On the trust that the customers had with the airline respondents were satisfied with the level of confidence in the airline's product and service (57%), were satisfied with the reliability of the airline (63.6%) and were also satisfied with the airline's ability to fulfill its obligations to its customers (52.3%). Respondents were satisfied with the staff competence in perspectives of professionalism (64), 41.1% were satisfied timeliness in delivery of service and on the knowledge of the airline staff in handling customer requests and managing customers 49.5% of them said that they were satisfied. On the customers' feel of the characteristics of the customer service representatives of the airlines, the respondents were satisfied with the representative's knowledge of product on average (2.3) and were also satisfied on average (2.1) on the courteousness of the representative. On the willingness to help of the representative, the respondents on average were satisfied (2.11) while they were fairly satisfied on average (2.7) when it came to the efficiency of the airlines' representatives. They were also fairly satisfied (2.65) on the ability of the airline representative to complete transactions.

Customers of Kenya Airways (10) were satisfied that the airline was highly committed to excel in delighting customers, 9 satisfied for KLM, 9 were satisfied for Emirates, 7 were fairly satisfied for South African Airways, 12 were fairly satisfied for Egypt Air and 11 were also fairly satisfied for Ethiopian Airlines. Kenya Airways lead in customer care

that staff offered (11), 8 were satisfied for KLM, 9 were satisfied for Emirates and 6 were satisfied for South African Airways and another 4 respondents were highly satisfied. For Egypt Air, 8 were fairly satisfied and another 7 were satisfied. However, for Ethiopian Airlines, 7 respondents were satisfied but uniquely 6 respondents indicated that they were dissatisfied a response which is not evident for other airlines. For Kenya Airways, 11 were satisfied and could refer others and a further 2 were highly satisfied, 8 were satisfied for KLM and 2 were highly satisfied while for Emirates 9 were satisfied and 3 were highly satisfied and could refer other clients to the airline. South African Airlines respondents 9 were satisfied and could refer, Egypt Air, 12 were fairly satisfied, and for Ethiopian Airlines, 14 were fairly satisfied and could refer clients to the airline.

Majority (65%) of managers was male with majority from Kenya Airways (8) and all other airlines sampled had 3 managers each. Majority of the managers (57%) felt encouraged to come up with new and better ways of doing things, 12 managers agreed that they were satisfied with their job on various fronts including that their work gave them a feeling of personal accomplishment. Majority (87.5%) agreed that they had the tools and resources to do their jobs well, but 54.2% of the managers agreed that they had clearly defined quality goals at their jobs. The majority (15) however disagreed that their jobs makes good use of their skills and abilities, but the majority (92%) agreed that they were involved in decisions that affected their work. Fourteen (14) disagreed that if they had an opportunity to get a better job in their present airline they would take it up. The respondents indicated that they were not satisfied with the current employer (74%) disagreed but the majority (13) agreed that they were experiencing personal growth such as updating skills and learning different jobs in their daily duties at the airline.

On whether the top level managers encouraged the respondents to do their best, 15 managers disagreed and the majority (66%) also disagreed that they were rewarded for the quality of their efforts.

5.4 Recommendations

The study, from the forgoing conclusion, recommends that there is need for other airlines to increase their customer base at JKIA since majority of the respondents were for Kenya Airways. Since the majority of respondents said they were fairly satisfied with the experience while the others were satisfied, there is need for the airlines to improve the customer experience. Since majority of respondents were satisfied with the level of confidence in the products and services of the airlines, reliability of the airline, the airline's ability to fulfill its obligations to its customers, there is need to capitalize on these strengths and increase the level of satisfaction among the clients. Airlines operating at JKIA should also enhance staff competence in perspectives of professionalism, timeliness in delivery of service and on the knowledge of the airline staff in handling customer requests and managing customers since the respondents were satisfied and this can be increased.

Since the respondents were satisfied with the representative's knowledge of product, on the courteousness of the representative and were satisfied on the willingness of the representative to help, the airlines should focus in enhancing these values, but since the customers were fairly satisfied on average when it came to the efficiency of the airlines' representatives, the airlines needs to put in places steps to enhance the willingness of the representatives to help the clients as well as the ability of the airline representative to complete transactions.

On the perspective of the managers, there are more managers for Kenya Airways (8) than other airlines courtesy of the fact that JKIA is its hub airport. There is need for airlines to motivate their managers since some are not satisfied with their job on various fronts. Most airlines had sufficient and appropriate tools and resources to do their jobs well, but there is need for managers to have clearly defined quality goals at their jobs. The airlines should also ensure that jobs for the managers make good use of their skills and abilities and that there is need for the airlines to provide opportunities for the managers to grow within their job and within the airline.

5.5 Suggestions for further Research

The study sought to know the effect of relationship marketing on customer satisfaction in the airline industry in Kenya and specifically among the airlines that operated at JKIA, but the results opened a new chapter in relationship marketing. Thus this study recommends that further research be conducted in the following areas: A Comparative study of relationship marketing in the home airports for each of the airlines since, at JKIA, Kenya Airways was more or less favored by conditions and an observational study on the customer care and services at the airport so as to maximize and corroborate the responses from the customers and managers alike.

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APPENDICES

Appendix 1: Introduction letter

Hilda C Stanley
Department of Business Administration
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P.O Box 7495, 00100
Nairobi
Tel: 0722-596971

Dear Sir/Madam,

I am a post-graduate student pursuing Master of Business Administration (MBA) degree at Kenyatta University. I am carrying out a research on customer satisfaction. The objective of the study is to establish the effect of relationship marketing on customer satisfaction in the airline industry in Kenya. You have been selected as one of the respondents in this study. Therefore, this is to kindly request you to complete the attached questionnaire as candidly and as honestly as possible. Please be assured that all information you provide will be kept strictly confidential. Your name or other identifying information will not appear on any study report. If you have any questions or concerns about completing the questionnaire or about participating in this study, you may contact me on 0722-596971 or at hilda.stanley2@gmail.com. Your participation represents a valuable contribution to this research, and I thank you for your cooperation.

Yours faithfully,

Hilda C. Stanley

Appendix 2: Questionnaire I - Customers

Please take a moment of your time to answer this questionnaire as it would be of great help in my project that aims to study the effect of relationship marketing on customer satisfaction in the airline industry in Kenya.

Kindly respond to the following questions by ticking on the appropriate box [√] or filling in the answer in the blank spaces.

Please use the following options:

Highly satisfied 2) Satisfied 3) Fairly satisfied 4) Dissatisfied 5) Highly dissatisfied

NB: The information given will be used for the purpose of the study only and will be treated confidentially.

GENDER: MALE [] FEMALE []

CUSTOMER SATISFACTION

Name of airline being flown _____

Frequency of travel by air per year

- Less than 2 times []
- 5 -10 times []
- 10 - 15 times []
- 15 - 20 times []
- Over 20 times []

Indicate the level at which you as a customer for this airline, you are satisfied with the quality of the service offered. Please use the key above:

	1	2	3	4	5
The airline exceeds my expectations any time I travel					
The services offered adequately respond to my needs					
The airline is highly committed to excel in delighting customers					

The customer care staff offer an excellent reception					
I am always ready to refer other people I know to travel using my preferred airline					

1. What is your overall rating of your preferred airline?

1	2	3	4	5
---	---	---	---	---

If 1 or 2, state in which ways

.....

.....

.....

.....

2. If 4 or 5, what do you think should be done to the service products by the airline stated above to improve customer satisfaction?

.....

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.....

.....

TRUST

3. What is your level of confidence in the airline's product and service?

1	2	3	4	5
---	---	---	---	---

4. What is your level of satisfaction on the reliability of the airline?

1	2	3	4	5
---	---	---	---	---

5. How would you rate your satisfaction on the airline's ability to fulfill its obligations to its customers?

1	2	3	4	5
---	---	---	---	---

STAFF COMPETENCE

6. How satisfied are you with the level of professionalism of employees at the Airline?

1	2	3	4	5
---	---	---	---	---

7. How satisfied are you with the airline's timeliness in delivery of service?

1	2	3	4	5
---	---	---	---	---

8. How satisfied are you with the rate of knowledge of the airline staff in handling your requests and managing customers?

1	2	3	4	5
---	---	---	---	---

9. Please rate the following characteristics of the customer service representative on a scale from 1 to 5 as indicated on the key above.

	1	2	3	4	5
Knowledge of the product					
Courteousness					
Willingness to help					
Efficiency/quickness					
Ability to complete transactions					

COMMITMENT AND CONFLICT HANDLING

10. How satisfied are you with how the airline acts on feedback given by its customers?

1	2	3	4	5
---	---	---	---	---

11. What is your level of satisfaction on how the airline above communicates with its customers on any inconveniences caused?

1	2	3	4	5
---	---	---	---	---

12. The airline is always committed to serving its customers and has proper channels of communication to deal with conflicts. Please rate your satisfaction

1	2	3	4	5
---	---	---	---	---

13. What do you think the airline should do with regards to communication to improve satisfaction of the customers?

.....

.....

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.....

.....

THANK YOU

5. I am involved in decisions that affect my work.

1	2	3	4	5
---	---	---	---	---

6. I have an opportunity to get a better job in this company.

1	2	3	4	5
---	---	---	---	---

7. Considering everything, I am very satisfied with my job.

1	2	3	4	5
---	---	---	---	---

8. What suggestions do you have on the airline's improvement?

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.....

.....

.....

JOB PASSION AND SELF-EVALUATION

9. I experience personal growth such as updating skills and learning different jobs.

1	2	3	4	5
---	---	---	---	---

10. Top level managers encourage me to be my best.

1	2	3	4	5
---	---	---	---	---

11. I am rewarded for the quality of my efforts.

1	2	3	4	5
---	---	---	---	---

12. I am highly productive and my quality of work is outstanding.

1	2	3	4	5
---	---	---	---	---

CONFLICT HANDLING

13. Staff attitude is the major source of customer complaints.

1	2	3	4	5
---	---	---	---	---

14. Inefficiency of service is the major source of customer complaints.

1	2	3	4	5
---	---	---	---	---

15. Communication is key in handling complaints.

1	2	3	4	5
---	---	---	---	---

16. Compensation for inconveniences caused always helps in resolving conflicts.

1	2	3	4	5
---	---	---	---	---

17. I am always objective when handling customer complaints.

1	2	3	4	5
---	---	---	---	---

18. Giving feedback always helps in resolving customer complaints and improves customer satisfaction.

1	2	3	4	5
---	---	---	---	---

RELATIONSHIP MARKETING PROGRAMS

19. Please list relationship marketing programs being used by your airline to improve customer satisfaction.

.....

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.....

.....

THANK YOU

Appendix 4: List of airlines operating at JKIA

Airlines	Destinations
1. African Express Airways	Berbera, Dubai, Entebbe, Galkayo, Hargeisa, Mogadishu, Sharjah
2. Air Arabia	Sharjah
3. Air Mauritius	Mauritius
4. Air Uganda	Entebbe
5. British Airways	London-Heathrow
6. Brussels Airlines	Brussels
7. Condor	Frankfurt
8. Daallo Airlines	Mogadishu
9. Egypt Air	Cairo
10.Emirates	Dubai
11.Ethiopian Airlines	Addis Ababa
12.Etihad Airways	Abu Dhabi
13.Fly540	Eldoret, Juba, Kisumu, Malindi, Mombasa, Zanzibar
14.Jubba Airways	Mogadishu
15.Kenya Airways	Abidjan, Abu Dhabi, Accra, Addis Ababa, Amsterdam, Antananarivo, Bamako, Bangkok-Suvarnabhumi, Blantyre, Brazzaville, Bujumbura, Dar es Salaam, Delhi, Djibouti, Douala, Dubai, Dzaoudzi, Eldoret, Entebbe, Gaborone, Guangzhou, Harare, Hong Kong, Jeddah, Johannesburg-OR Tambo, Juba, Khartoum, Kigali, Kilimanjaro, Kisumu, Kinshasa-N'djili, Lagos, Lilongwe, Livingstone, London-Heathrow, Luanda, Lubumbashi, Lusaka, Mahé, Malindi, Maputo, Mombasa, Mumbai, Nampula,

	Ndola, Paris-Charles de Gaulle, Yaoundé
16.KLM	Amsterdam
17.Korean Air	Seoul-Incheon
18.LAM Mozambique Airlines	Maputo, Nampula
19.Nasair Eritrea	Asmara
20.Precision Air	Dar es Salaam, Kilimanjaro, Zanzibar
21.Qatar Airways	Doha
22.RwandAir	Kigali
23.Saudia	Jeddah
24.South African Airways	Johannesburg-OR Tambo
25.Swiss International Air Lines	Zürich
26.Turkish Airlines	Istanbul-Atatürk
27.Yemenia	Sana'a

Source: KAA (2013)