

CONSUMER SATISFACTION ON AIRLINE PASSENGER LOYALTY: ANTECEDENTS AND OUTCOMES

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ABSTRACT

The purpose of this paper is to examine how companies can boost their brand image and their customers' loyalty and engagement through consumer satisfaction constructs by leveraging customer expectation and perception of price. Empirical evidence from both in-depth interviews and data collected from 110 survey forms was integrated into a conceptual model. This causal model was tested using structural equation modeling and validated using Smart PLS 2.0. Findings of this study reveal that Customer expectation and perceived price positively influenced consumer satisfaction, which was a strong factor affecting consumer engagement, followed by brand image and customer loyalty. Additionally, customer satisfaction mediated the effect of customer expectation and perceived price on consumer loyalty. Practical implications – One of the key measures that airlines can use to retain customers' patronage and spur them into making business referrals is to enhance their loyalty and satisfaction by leveraging customer expectation, customer engagement, and brand image.

Keywords: Brand image, Customer engagement, Customer expectation, Customer loyalty, Customer satisfaction, Perceived price.

INTRODUCTION

In recent years, industry trends have shifted toward expanding domestic and international services. Airline business transactions are examples of high-interaction service encounters. Consequently, a company service should consider formulating its strategic marketing, particularly when its level of service interactions is high. Business travelers are important to airlines because these passengers are more likely to travel several times a year and tend to purchase upgraded services with higher profit margins for the airlines. On the other hand, leisure travelers are less likely to purchase these premium services and are typically very price sensitive. Many companies worldwide tend to create and maintain strong links with their customers, carefully managing all sensitive points in relation to customers in order to maximize their loyalty. Consumers today are more sophisticated, difficult to please, and more aware of quality, price, and content. They expect and ask for more benefits and forget less easily. Competitors offer more alternatives to provide the same, for example for forgetting negative experiences or even better products, services, and facilities.

Badan Pusat Statistik (2017), the Indonesian government's statistics agency, conducts thorough surveys on the country's population size only once per decade. Based on an online news report released by the Indonesia-investments in 2017, Indonesia was reported to have more than 260 million inhabitants in 2017. Indonesia is the fourth largest country in the world in terms of population size. It is also the largest country in the Association of Southeast Asian Nations (ASEAN) region in terms of its population and total land area of 1.86 million square kilometers, accounting for 42% of the region's total land area. Consisting of around 17,000 islands, Indonesia has numerous large cities as well. Garuda Indonesia Airlines (GIA) is particularly tasked to improve connectivity between islands and cities in remote areas. As the national flag carrier, it has the authority to coordinate and allocate international flight schedules in its airports, which was a general mechanism in the Asia Pacific region in the early development of its air transport sector (Hooper, 2002). Airline groups in Indonesia own several brand identities, where the main company offers different services from its subsidiaries. This strategy aims to accommodate a wide range of customers, from low-end to high-end types. Indonesia is possibly unique as it is the only country with a law that requires airline companies to classify their services into three categories: no-frill, medium, or full service. For each category, different ceiling prices are imposed for domestic flights, stipulated under Minister Decree No. 26/2010, at 100%, 90%, and 85% of stated ceiling prices for full, medium, and no-frill services, respectively. GIA positions itself as the leader at the full-service end of the market that targets premium passengers, while its subsidiary Citilink focuses on the low-cost end, competing with Lion on domestic trunk routes (Indonesia National Air Carriers Association-INACA, 2015).

Basically, there are two opposing marketing approaches that can be applied by a business organization (i.e. transactional marketing and relationship marketing). The transactional marketing approach focuses on maximizing the number of sales, while the relationship marketing approach focuses on building a relationship between a company and its stakeholders. Relationship marketing is developing because of scholars see that mass marketing does not fit customer needs anymore, especially in the service industry (Hapsari et al., 2017). The ultimate goal of relationship marketing is to enhance customer equity by acquiring new customers and taking care of existing customers (Kotler and Keller, 2016).

GIA commenced full operations at Terminal 3 of Soekarno-Hatta International Airport (SHIA) in Tangerang, Banten in May 2017. It is increasing its fleet in response to the high demand for comfortable flights. To provide easy access and excellent services, GIA has opened the exclusive Terminal 3 Ultimate at SHIA as one of the strategies to retain its customers for a long time and increase their satisfaction, which is important for operating an airline business (Garuda Indonesia, 2017). When a company is a service business, building customer satisfaction is imperative. The effects of customer satisfaction on consumer

behavior are diverse and go beyond purchase intention. For example, satisfaction influences communication among consumers (word-of-mouth [WOM] effect) (Eggert and Ulaga, 2002), and it is the pillar for building a brand image (Yang et al., 2011) and customer loyalty (Choi et al., 2008; Eggert and Ulaga, 2002). The global airline industry has also focused on improving customer loyalty to increase profitability as it operates in a very competitive environment (Chen and Hu, 2010). The Indonesian airline industry will need to build its customer base by increasing customer retention numbers to enhance the airlines' competitive advantage. The airline industry is extremely sensitive to costs, such as fuel, labor, and loans. Many studies have examined airline passenger loyalty in general, but limited literature exists regarding business consumers (Lars Meyer, 2013; Al-Msallam et al., 2015; Hapsari et al., 2017). This research paper provides valuable insights into the measurement of customer expectation (CEX), perceived price (PP), customer satisfaction (CS), brand image (BI), customer engagement (CEN), and customer loyalty (CLO) in the high-end Indonesian airline industry. More research is needed to understand customer satisfaction and customer loyalty in emerging economies. The purpose of this research is to improve the understanding of the effects of customer expectation and perceived price on customer satisfaction, the effects of customer satisfaction on brand image, and the effects of customer engagement on customer loyalty, specifically in airline transport.

LITERATURE REVIEW

Customer expectation (CEX)

Customer expectation is the main determinant of consumption experience, satisfaction, and loyalty (Msallam et al., 2014). Basically, customers seek information before buying, which leads to an expectation about upcoming service encounters with a particular company. Individuals have different levels of expectation based on their assessment of past experiences and the provision of different services during customer-employee interactions (Miller, 1977). As a consequence, the customer expectation level should be considered one of the significant factors of satisfaction or dissatisfaction (Dolnicar, 2002). A study (Sara et al., 2009) finds that outcome satisfaction comes from the consumer's comparison of expectations before buying, with his or her perceptions at the moment of purchase and/or consumption. Satisfaction is a feeling of wellbeing that occurs when a need is met; on the other hand, dissatisfaction is a sense of disappointment in a company's failure to meet expectations (Kotler and Keller, 2016); such expectations are based on previous experiences, recommendations, or other information sources. The concept of satisfaction implies the fulfillment of the expectations about the purchase, as well as a positive emotional state based on the results of the purchase or the maintenance of the relationship (Agrebi and Jallais, 2015). Based on the preceding discussion, the following hypothesis is formulated:

H1. Customer expectation has a positive effect on customer satisfaction.

Perceived price (PP)

In the service context, perceived price plays a significant role in decision making (Kaura, 2013). Msallam and colleagues (2014) point out that the perceived price can possibly show the buyers' intention to repeat their purchase behavior and includes all the costs they incur when making a purchase (Jin and Sternquist, 2003). Schiffman and Kanuk (2010, p. 193) argue that perceived price should reflect the value that the customer receives from the purchase. Price is an important element in consumers' purchases; therefore, it has a significant influence on their satisfaction judgments (Herrmann et al., 2007; Han and Ryu, 2009) and loyalty. Moreover, customer satisfaction and customer loyalty are found to have positive impacts on price acceptance (Asadi et al., 2014). The perceived price construct means understanding how much value consumers place on the benefits they receive from a product and setting a price that fits this value. If consumers perceive that the price is greater than the product's value, they will not buy it. Therefore, the following hypothesis is proposed:

H2. Perceived price has a positive effect on customer satisfaction.

Customer satisfaction (CS)

Customer satisfaction is a construct that represents consumers' favorable or unfavorable feeling resulting from their appraisal of the correspondence or the discrepancy between the overall performance of the producer of the goods or services and their expectations (Zeithaml et al., 2008; Briliana, 2013; Msallam et al., 2014; Sumaedi et al., 2014; Hapsari et al., 2017). If consumers are satisfied with the product or the service, they are more likely to make a purchase and more willing to spread positive WOM (Msallam et al., 2014). Fornell and colleagues' (1996) findings indicate that enhancing the customer satisfaction level contributes to building customer loyalty in terms of the repurchase likelihood and price tolerance, given the repurchase. Although using customer satisfaction is not the only strategy, a fundamental way to improve customer loyalty is to increase customer satisfaction levels (Han and Ryu, 2009). Sheth and Sisodia (1999) point out that customer satisfaction is positively associated with a company's market value and return on investment. The concept of satisfaction implies the fulfillment of the expectations for the purchase, as well as a positive emotional state based on the results of the purchase or the maintenance of the relationship with the mobile seller (Agrebi and Jallais, 2015). Overall satisfaction with a service experience not only leads to customer loyalty but is also one of its important determinants (Pantouvakis and Lymperopoulos, 2008). In this current study (Brodie et al., 2011; Brodie et al., 2009; Kandampully et al., 2011; Amin et al., 2013; Jani and Han, 2014; Saleem and Raja, 2014) argue that customer satisfaction does have a significant effect on brand image. When customers found that a company could satisfy their needs, they may experience increased pride and confidence in the brand, believe in its integrity and become passionate about it. Such feelings are the psychological aspects of customer engagement (Brodie et al., 2011). Moreover customer satisfaction have a significant effect on customer engagement (So et al., 2012; Brodie et al., 2013) Therefore, there is a need to investigate the relationship among these important construct in the context of the airline industry.

Therefore, the following hypotheses are proposed:

H3a. Customer satisfaction has a positive effect on customer loyalty.

H3b. Customer satisfaction has a positive effect on brand image.

H3c. Customer satisfaction has a positive effect on customer engagement.

Brand image (BI)

Kotler and Keller (2016) state that an airline company establishes a strong brand image by developing a superior product or service, ensuring its availability, and backing it with engaging communications and reliable performance. Brand image can be categorized as a post-experience attitude, which is a result of a customer’s confirmation or disconfirmation of the quality of a service (Hapsari et al., 2017). Based on Kang and James’ (2004) study, image is viewed as a filter in terms of a customer’s perception of quality. Thus, a corporate image is the net result of the interaction of all experiences, impressions, beliefs, feelings, and knowledge that people have about a company (Hsiung-Ming et al., 2011). All companies strive to build a brand image with as many strong, favorable, and unique brand associations as possible. Important higher order marketing constructs, such as service quality, perceived value, customer satisfaction, and brand image, are often noted as antecedents of customer loyalty (Cronin, Brady and Hult, 2000; Clemes, Gan and Ren, 2011). Therefore, the following hypothesis is proposed:

H4. Brand image has a positive effect on customer loyalty.

Customer engagement (CEN)

From a marketing perspective, the customer engagement construct is conceptualized as a customer’s psychological connections with a particular brand (Brodie, Hollebeek, Jurić and Ilić, 2011). Vivek and Morgan (2012) propose that the psychological connection enables a customer to engage with a particular brand and become more loyal to it. Bowden (2009) and Brodie et al. (2011) point out that keeping customers engaged is strategically essential to increase the number of loyal customers, as loyal customers are instrumental in the value creation process for most organizations. Hapsari and colleagues (2017) note that customer engagement has a positive influence on loyalty as reflected in the behavioral intentions of Indonesian air travelers. Therefore, the following hypothesis is proposed:

H5. Customer engagement has a positive effect on customer loyalty.

Customer loyalty (CLO)

The customer loyalty concept was first introduced by Jacoby and Kyner (1973), who define the construct as a behavioral manifestation that includes repatronizing or rebuying products or services. Thus, customer loyalty leads to an increase in both sales and profitability. Moreover, perceived price proves to be an important predictor of customer satisfaction, directly or indirectly influencing customer loyalty (Han and Ryu, 2009). Some studies (e.g., Chi, 2005) have confirmed a significant positive relationship between customer satisfaction and customer loyalty or retention. This current study measures customer loyalty as a customer’s intention to recommend a service to other people and remain loyal to the organization.

Mediation effect

Previous studies (e.g., Msallam et al., 2015) have found that customer satisfaction mediates the relationship between customer expectation and customer loyalty in the banking sector. They also report that customer satisfaction mediates the relationship between perceived price and customer loyalty. Another study (Hapsari et al., 2017) finds that customer satisfaction partially mediates the relationship between customer engagement and customer loyalty. Furthermore, customer satisfaction fully mediates the relationship between brand image and customer loyalty in the airline industry. Based on Hapsari and colleagues’ (2017) findings, this study proposes the following hypotheses:

H6. Customer satisfaction mediates the relationship between customer expectation and customer loyalty.

H7. Customer satisfaction mediates the relationship between perceived price and customer loyalty.

H8. Brand image mediates the relationship between customer satisfaction and customer loyalty.

H9. Customer engagement mediates the relationship between customer satisfaction and customer loyalty.

H10. Customer engagement mediates the relationship between customer satisfaction and customer loyalty.

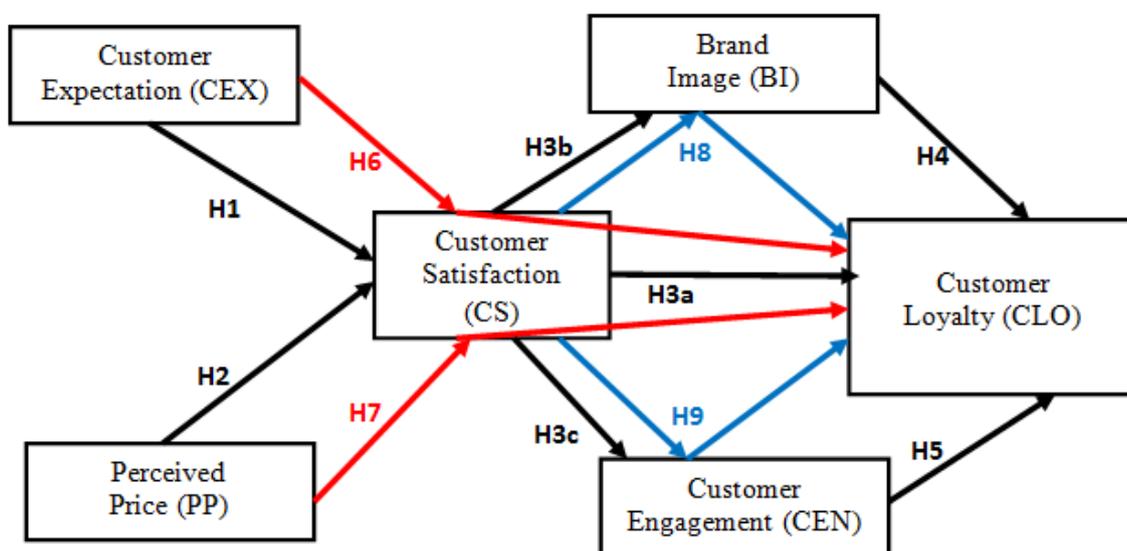


Fig. 1. Research framework.

Research methodology

Partial least squares (PLS)-structural equation modeling was chosen for this study because of its particular interest in predicting the key target constructs and identifying their key drivers (Hair et al., 2017). Additionally, PLS analysis was selected because it can assess all paths simultaneously for model prediction and does not need a large sample size (Briliana et al., 2015). Furthermore, as suggested by Briliana and Mursito (2017) that PLS-SEM is a predictive research-oriented method of a less developed theory in marketing, as with most social studies, data tends to be abnormally distributed and PLS does not require normality assumptions. This study used a self-administered questionnaire with closed-ended questions. The questionnaire was distributed by using non-probability purposive sampling, but the breakdown of most of the demographic characteristics of the respondents was representative of the general population of Indonesia. Cross-sectional data were collected by means of a structured survey in Jakarta over multiple days in November 2017. The survey was based on an area sampling technique conducted at SHIA Terminal 3. The survey respondents qualified according to preset criteria, that is, they often used GIA or routinely used airlines for business travel, so they were potential GIA customers. All of the questionnaires were distributed at the Garuda Indonesia Executive Lounge at SHIA to people with Garuda Miles (GIA's frequent flyer program, presented in appreciation and encouragement of customer loyalty to GIA).

Constructs	Measurement items	Reference
Customer expectation (CEX)	CEX1: Overall my expectations of the quality of this airlines is good. CEX2: I think this airline will meet my personal requirements CEX3: I believe that this airlines could reliable to fly.	Al-Msallam (2015)
Perceived price (PP)	PP1: I think the price I would have to pay if I bought the services from this airlines would be fair. PP2: I think the price I would have to pay if I bought the services from this airlines would be acceptable. PP3: I think the price I would have to pay if I bought the services from this airlines would be Unfair. PP4: I think the price I would have to pay if I bought the services from this airlines would be satisfactory.	Al-Msallam (2015)
Customer satisfaction (CS)	CS1: I had a satisfying experience flying with this airline.. CS2: I did the right thing when I choose to fly with this airline. CS3: Overall, I believe that this airline ideal for me to fly	Al-Msallam (2015) and Hapsari et al (2017)
Brand image (BI)	BI1: I believe that this airline has a better image than its competitors. BI2: This airline has a good reputation for safety BI3: I have always had a good impression of this airline. BI4: Overall, I believe that this airline has a positive image in the marketplace.	Hapsari et al. (2017)
Customer engagement (CEN)	CEN1 : I am proud of this airline's success CEN2 : When someone praises this airline, it feels like a personal compliment CEN3 : I am passionate about this airline. CEN4 : I pay a lot of attention to any information about this airline. CEN5 :When interacting with this airline, it is difficult to detach myself. CEN6 :I am immersed in my interaction with this airline. CEN7 :I am someone who enjoys interacting with like-minded others that fly with this airline. CEN8 : In general, I thoroughly enjoy exchanging ideas with other people that fly with this airline.	Hapsari et al (2017)
Customer loyalty (CLO)	CLO1:I intend to say positive thing about this airline to other people. CLO2 :I would recommend my friends to fly with this airline CLO3 :I would recommend my family and relatives to fly with this airline CLO4 : Consider this airlines your first choice to buy services. CLO5 : I intend to fly with this airline again in the future. CLO6 : Continue to do business with this airlines if its prices increase somewhat. CLO7 : Pay a higher price than competitors charge for the benefits you currently receive from this airlines. CLO8 : Switch to a competitor if you have experienced a problem with this airlines service. CLO9 : Overall, given the other choices of airline companies, I will remain flying with this airline.	Al-Msallam (2015) and Hapsari et al (2017)

Research results and analysis

The distribution of 150 questionnaires resulted in a return of 110 questionnaires, of which 110 were usable for further analysis. From the respondent's profile, the study found the majority (48.1%) were in the 40 to 49 years of age group, holders of bachelor degrees (58.2%). Most of them (76.4%) admitted that they using Garuda Indonesia Airlines more than 4 times per month, and they join GIA's frequent flyer program since 4 years ago (80%).

Measurement, validity, and reliability

A set of deliberations on PLS methods was used to evaluate the criteria for reliability, convergent validity, and discriminant validity using composite reliability, factor loadings, average variance extracted (AVE), and Cronbach's alpha. As shown in Table 2, the loadings of all indicators were above 0.7, demonstrating convergent validity. In this study, Cronbach's alpha and composite reliability scores were used to ensure the reliability of the measurement scales, and AVE was used to assess convergent validity, as well as internal consistency. The results showed (Table 2) that Cronbach's α scores of all constructs were higher than 0.7, and the composite reliability scores clearly indicated that the indices exceeded the recommended value of 0.7, which demonstrated adequate internal consistency of the scales (Chin, 1998). From the results, all indicators exhibited an estimated coefficient higher than 0.7, and the AVE scores ranged from 0.6 to 0.84 for customer engagement and customer expectation, respectively. Thus, as can be concluded from these data, the constructs had appropriate reliability and convergent validity.

Table 2. Partial least squares (PLS) results of convergent validity measures.

Variables	Items	Loadings	AVE	R Square	Cronbach Alpha	Composite Reliability
Customer Expectation (CEX)	CEX1	0.923	0.843		0.728	0.837
	CEX2	0.927				
	CEX3	0.927				
Perceived Price (PP)	PP1	0.834	0.767		0.760	0.863
	PP2	0.905				
	PP3	0.908				
	PP4	0.854				
Customer Satisfaction (CS)	CS1	0.895	0.777	0.956	0.790	0.829
	CS2	0.878				
	CS3	0.870				
	CS4	0.890				
	CS5	0.981				
Brand Image (BI)	BI1	0.857	0.806	0.396	0.784	0.863
	BI2	0.907				
	BI3	0.894				
	BI4	0.930				
Customer Engagement (CEN)	CE1	0.737	0.602	0.462	0.947	0.955
	CE2	0.781				
	CE3	0.753				
	CE4	0.798				
	CE5	0.781				
	CE6	0.760				
	CE7	0.761				
	CE8	0.829				
	CE9	0.732				
	CE10	0.798				
Customer Loyalty (CLO)	CLO1	0.751	0.628	0.779	0.856	0.885
	CLO2	0.805				
	CLO3	0.836				
	CLO4	0.788				
	CLO5	0.806				
	CLO6	0.813				
	CLO7	0.814				
	CLO8	0.851				
	CLO9	0.754				
	CLO10	0.799				

Table 3. PLS results of path coefficients and hypothesis testing.

	Relationship	Coefficient	SE	t-value	Supported
H1	CEX → CS	0.106	0.087	1.961*	Yes
H2	PP → CS	0.121	0.065	1.836*	Yes
H3a	CS → CLO	0.991	0.041	24.040**	Yes
H3b	CS → BI	0.530	0.228	2.328**	Yes
H3c	CS → CEN	0.679	0.075	8.982**	Yes
H4	BI → CLO	0.629	0.074	8.473**	Yes
H5	CEN → CLO	0.998	0.058	17.183**	Yes

Note: significance at * $p < 0.05$, ** $p < 0.01$

Table 4. Results of mediation test using PLS analysis.

	IV	M	DV	Point estimate	SE	t-value	Supported
H6	CEX	CS	CLO	0.200	0.018	1.855	Yes
H7	PP	CS	CLO	0.035	0.057	0.534	No
H8	CS	BI	CLO	0.645	0.232	2.780	Yes
H9	CS	CEN	CLO	0.247	0.090	7.746	Yes

Note: * significance at $p < 0.05$,

IV refers to independent variable; M refers to mediator; DV refers to dependent variable.

The results show that H1 is supported, as customer expectation has a positive impact on customer satisfaction ($\beta = 0.106$; t -value = 1.916). These findings are consistent with those of a previous study about the relationship between customer expectation and customer satisfaction (Al-Msallam et al., 2015). To meet customer expectation, airlines must provide excellent customer satisfaction. The link between customer expectation and customer satisfaction has been well documented in the literature (Churchill and Surprenant, 1982; Ofir and Simonson, 2007; Berman and Evans, 2010; Sumaedi et al., 2011; Gures et al., 2014).

The results also support H2 as perceived price is positively related to customer satisfaction ($\beta = 0.121$; t -value = 1.836). The findings are consistent with those reported by Hermann et al., 2007; Martin-Consuegra et al., 2007; Al-Msallam 2015). Support for H3a is shown as well, as customer satisfaction has a positive impact on customer loyalty ($\beta = 0.991$; t -value = 24.040). The link between customer satisfaction and customer loyalty has been well documented in the literature (Szymanski and Henard, 2001; Ranaweera and Neely, 2003; Chi et al., 2005; Han and Ryu, 2009; Yoo and Bai, 2013; Al-Msallam, 2015; Hapsari et al., 2017; Kaura et al., 2015). Regarding H3b, this study finds a significant relationship between customer satisfaction and brand image ($\beta = 0.530$; t -value = 2.328). These findings are consistent with those of previous studies involving hotels/resorts and airlines; customer satisfaction has a significantly positive effect on brand image (e.g., Hapsari et al., 2017). Similarly, the results confirm H3c; customer satisfaction has a positive impact on customer engagement ($\beta = 0.679$; t -value = 8.982). These findings are consistent with those of previous studies about the relationship between customer satisfaction and customer engagement. Previous research about customer satisfaction finds that the customers who are satisfied with the service provided are more likely to have a long, enhanced interaction with the company (Van Doorn et al., 2010; Hapsari et al., 2017).

As for H4, this study shows that the relationship between brand image and customer loyalty is significant ($\beta = 0.629$; t -value = 8.473). Hapsari and colleagues (2017) explain that brand image has a significant positive influence on customer loyalty as reflected in the customers' behavior. Regarding H5, which examines the effects of customer engagement on customer loyalty, the findings indicate that customer engagement is positively related to customer loyalty ($\beta = 0.998$; t -value = 17.183). The link between customer engagement and customer loyalty has been well documented in the literature (Hapsari et al., 2017).

The outcome of the mediation analysis (H6) shows that customer satisfaction with airline services mediates customer expectation and customer loyalty. In contrast, H7 is disproven; customer satisfaction does not mediate the perceived price of airline services. This finding contradicts that of Msallam and colleagues (2014), whose sample was derived from a different geographic location where the population might have different views of integrity (Teah, 2009). Lastly, the PLS analysis of H8 reveals that brand image mediates the relationship between customer satisfaction and customer loyalty (t -value = 2.780), and H9 is also supported (t -value = 7.746), concluding that customer engagement mediates the relationship between customer satisfaction and customer loyalty. This current study is supported by an earlier one that explains the importance of the effects of satisfaction and loyalty, which are mediated by customer engagement and brand image, respectively, especially in the airline industry (Hapsari et al., 2017).

Discussion and conclusion

This study finds that customer satisfaction is the most important variable in developing customer engagement and customer loyalty, as customer satisfaction has the largest positive effect on customer loyalty and customer engagement. An individual's personal characteristics, such as particular needs or level of expectation for a service, cause two individuals to evaluate their satisfaction levels with the same product differently. The consumer's experience with the product category or the level of information available also influences his or her expectations and thus the evaluation of his or her satisfaction. Satisfactory experiences in flights may result in an increase in engaged customers. Customer satisfaction reflects a consumer's expectations and experiences with a product or a service. Expectations reflect both past and current product evaluations and use experiences.

Price is an important element in consumers' purchases; hence, it has a large influence on their decisions regarding a service (Herrmann et al., 2007). In the aviation industry, the pricing structure is complex and exclusive because it involves security risks; therefore, transparency plays an important role in customer satisfaction. Marketers must know how improvement in service quality influences customer satisfaction and what price levels they should determine to increase customer satisfaction and to influence positively the quality that the consumer perceives. The consumer judges a product or a service with a higher price to be of greater quality (Zeithaml, 1988). Thus, from the service provider's point of view, expectation and reasonable price are two essential elements that determine the level of customer satisfaction. Furthermore, customer satisfaction, brand image, and customer engagement ultimately enhance customer loyalty. Brodie and colleagues (2011) also argue that once customers find that a company can meet their needs and satisfy them, then they may experience pride and confidence in the brand, believe in its integrity, and acquire a passion for it.

In the context of the airline industry, especially in full-service airlines, customer satisfaction, brand image, and customer engagement are important aspects that customers consider when they choose an airline brand. Airline brand image can be

identified through both tangible and emotional aspects. Passengers are aware that when they choose a full-service or a five-star airline, they will receive better service compared with low-cost carriers or lower-ranked airlines. Additionally, choosing a brand with a reputable image could increase passengers' pride, which could motivate them to be more engaged with the airline brand. A passenger who perceives a positive image of an airline company will have higher expectations of its services.

This study's results support the argument that in order for aviation service strategies and tactics to yield the desired outcomes, attention should be given to increasing the loyalty of passengers and customers. Since satisfaction increases with the repeat purchase of services, loyalty requires primary consideration. In time, satisfaction turns into loyalty. By introducing the concept of the Garuda Indonesia Experience, GIA is creating a special brand identity for the company and simultaneously promoting Indonesia at the international level.

For managers, the results obtained from this research point out the relevance of the concepts of customer expectation, perceived price, customer satisfaction, brand image, customer engagement, and customer loyalty. Indonesia's rising middle class and affluent consumers, along with the trend toward urbanization and the growth of its metropolitan cities, are expected to create an increased demand for airlines' passenger transport services. With a large-scale fleet, a broad product portfolio, a robust presence in major cities, extensive distribution networks and marketing channels, as well as a widely recognized brand to meet the growing consumer demand and provide the best service for consumers, GIA is in a strong position to accomplish its corporate mission.

This study has several limitations. First, the use of airport passenger samples may not be representative of the larger population. Another avenue for further research is to replicate the proposed model on other samples, not only airport passengers, to increase the generalizability of the results. Second the current study was limited to Jakarta-Indonesia. For results comparisons, subsequent researches should contemplate replicating this study in other developing countries. Therefore, future studies are needed to examine the generalizability and robustness of the proposed model with a larger set of product and service categories.

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