
COMPARATIVE STUDY OF CONSUMER PREFERENCES BETWEEN GARUDA AIRLINES AND BATIK AIR*STUDY PERBANDINGAN TERHADAP KETERTARIKAN KONSUMEN ANTARA GARUDA AIRLINES DAN BATIK AIR*

by:

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Abstract: For the full service airlines in Manado are served by two airlines, which is Garuda and Batik Air. The Research results are expected to be used as a reference for future research primarily on how the comparison between the airlines with full services to become a consumer choice in air transportation. There are 130 respondents from passengers who have experience flight with Garuda Airline and Batik Air. By using Independent Sample t Test the result shows that there is significant difference on Consumer Preference measured by Service Quality, Luggage Capacity, Price and Comfort, meanwhile there is no significant difference on Consumer Preference measured by Ease of Online Booking. For Garuda Airlines and Batik Air as full service airlines should pay attention all of the customer preferences and must continue to keep evaluating and maintaining each aspect. Batik Air should keep improving and developing more because they lack behind Garuda Airlines in points of Service Quality, Luggage Capacity, Price and Comfort. For Garuda Airlines, they should maintain the advantage that they have ahead from Batik Air such as Service Quality and Comfort.

Keywords: *Consumer Preferences, Airlines*

Abstrak: Saat ini di Indonesia, terutama di Kota Manado melayani dengan maskapai penerbangan dari tarif rendah hingga tarif tinggi, dengan berbagai jenis layanan dan fasilitas yang disediakan dari yang rendah hingga tinggi. Untuk layanan penerbangan lengkap di Manado dilayani oleh dua maskapai penerbangan, yaitu Garuda dan Batik Air. Hasil penelitian diharapkan bisa dijadikan referensi untuk penelitian selanjutnya terutama mengenai bagaimana perbandingan antara maskapai penerbangan dengan layanan penuh menjadi pilihan konsumen dalam transportasi udara. Ada 130 responden dari penumpang yang sudah berpengalaman terbang dengan Garuda Airline dan Batik Air. Dengan menggunakan Independent Sample t Test hasil penelitian menunjukkan bahwa terdapat perbedaan yang signifikan pada Preferensi Konsumen yang diukur dengan Kualitas Pelayanan, Kapasitas bagasi, Harga dan Kenyamanan, sedangkan tidak terdapat perbedaan yang signifikan pada Preferensi Konsumen yang dihitung dengan Kemudahan Pemesanan Online. Bagi Garuda Airlines dan Batik Air sebagai maskapai penerbangan penuh harus memperhatikan semua preferensi pelanggan dan harus terus menerus mengevaluasi dan menjaga setiap aspek. Batik Air harus terus berkembang dan berkembang lebih banyak karena kekurangan Garuda Airlines dalam hal Kualitas Pelayanan, Kapasitas bagasi, Harga dan Kenyamanan. Bagi Garuda Airlines, mereka harus menjaga keunggulan yang mereka dapatkan dari Batik Air seperti Kualitas Pelayanan dan Kenyamanan.

Kata Kunci: *Preferensi Konsumen, Airlines*

INTRODUCTION**Research Background**

Consumer preferences is where a customer becomes the main role in choosing and using the product or service provided. Today many products and services are provided with various options, such as air transportation, land transportation and sea transportation. Transportation is one of the aspects that are very dynamic and changes constantly throughout the period. One of the most effective transportation channels is the Airlines. Airplane services have some advantages comparing with the other transportation modes. A high speed, highly sophisticated machine tools and operational crew who are trained to make the aircraft as a mode of transportation that is very flexible and comfortable for the passengers who are travelling.

For passengers, the numbers of Airlines Company of course provides the flexibility for them to choose which airline that they want to choose to travel according to what the airlines provide on its service and other supporting aspects along with it. The full service airlines that are operating in the commercial flight industry with full service and full facility that allows many consumers who still prefer and afford to pay the high tariffs of flight.

At this time in Indonesia, especially in Manado city is serving by varieties of airlines from low fare to high tariffs, with various kinds of services and facilities provided from low to high. On the other hand, there are several of people who still prefer to choose the airlines that provide a full service on their flight. Various aspects such as high level of income, safety reason, and prestige are some reason that makes the full service flight still is mostly chosen by some Indonesian traveler. For the full service airlines, Indonesia particularly in Manado are serve by two airlines, which is Garuda Airlines and Batik Air. Therefore it the consumer prefers to use aircraft with full service and full facility they had to pay a heavy price is they can feel the satisfaction of service and facilities provided by Garuda and Batik, the consumer cannot get from another airplane.

Research Objective

To determine the significant difference factors between Garuda Airlines and Batik Air

THEORITICAL REVIEW**Marketing**

According to Kotler and Keller (2012), "Marketing is about identifying and meeting human and social needs. One of the shortest good definitions of marketing is "meeting needs profitably". Marketing is to identify and satisfy human needs and social. One good definition and a brief of marketing is meet the needs in a profitable way. Every companies and organization really needs the profit, but they also have to consider about the value that customer get in their product or services.

Consumer Preferences

Schiffman and Kanuk (2008) defined the Consumer preferences as a selection of two or more alternative options. In other words, alternative options should be available for a person when making decisions.

Service Quality

Roderick, James and Gregory (2008) service quality is a measure of the levels of service quality are assumed to be related to the price development. According to Yang (2004) Ease of Online booking is Responsiveness, credibility, ease use, reliability, comfort, communication, access, competence, personalized, collaboration, security and aesthetics. Easy Bookings is a straightforward easy to use commission free online booking system. Just simply add a link to your website and allow your customers to check availability and make a booking online. EasyBus (2004) Booking means your booking for travel and Service upon which a reservation is made and the Fare and Card processing Fee (if applicable) are paid. According to EasyBus (2004) Luggage means the two pieces of property, which you may bring baggage without charge. According to Djasmin Saladin 2001 Price is mean can used to get product or service with the amount of money. Basu Swastha and Irawan 2005 The Price is something that is needed to get a combination of services added the product with paying the amount of money that has become standard. According to Buchari Alma 2002 Price is a value determined for a

specified goods or services with money. According to Kolcaba (2003) comfort as a state has fulfilled the fundamental basis of Human Needs, individualized and holistic. According to Osborne (1995) is very difficult to define because it is more responsive to individual votes.

Belch and Belch (2007), consumer behavior is the process and activities people engaged in when searching for, selecting, purchasing, using, evaluating, and disposing products and services so as to satisfy their needs and desires. Kotler (2007) consumer behavior is the study of how individuals, groups and organizations select, purchase, use and positioning of goods, services, ideas, or experiences to satisfy their needs and desires. Consumer behaviour is the study if individuals, groups or organizations and the process they use to select, secure, use and dispose of products, services, experiences or ideas to satisfy need and the impact that these processes have on the consumer and society Hawkins, Best and Coney, (2008).

Previous Research

Yasir Ali Soomro, Irfan Hameed, Rehan Sakhoor, Atif Shahab butt, Sana Abbas Kaim Khani (2012) Factors Effecting Consumer Preferences in Airline Industry. This research paper is an attempt to study and identify the factors such Ease of Online Booking and luggage capacity and their effect on Customer Preference in the airline service industry of Pakistan. To carry out this research questionnaire survey was conducted on the sample identified through unrestricted non probability sampling technique to generalize the results on the population of the air industry. This report mainly focuses on the factors that influence air passenger preferences of selection of a particular airline for traveling. Several aspects related to service quality of airlines have been discussed in this report. Different methods & dimensions is being used in such type of researches in order to know the impact of service provided by airline to their passengers on the choice of airline selection while making a decision for traveling.

Ayantoyimbo, Benedict Boye (2015) Preferences for Nigerian Domestic Passenger Airline Industry : A Conjoint Analysis. Satisfaction of passengers in terms of service arises when an airline firm can provide passengers with benefits that exceed their expectation. If customers are satisfied with the product or service which the company is providing then they will patronize more often. There are three basic steps involved in the estimation of preferences using conjoint analysis. First, relevant attributes peculiar to Nigerian domestic airline industry and their levels are defined in a way consistent with the customers understanding of the domestic airline industry. Second, an appropriate experimental design and survey instrument are constructed to collect the conjoint data. At this stage, a set of airlines profile is defined by combining their service attributes at various levels. The final step of conjoint analysis involves the analysis of the customers' utilities for various attribute that passengers can sacrifice if any for a lower price when choosing an airline.

Five major service attributes were specified which are; Flight price, flight convenience, frequency of flight, on board comfort, courtesy, booking and ticketing.

M. Barath (2013) Changes of Passenger Preferences in Air Transportation. The passengers purpose of travel can be classified as business and leisure. Traditionally business passengers travel for commercial reasons quite often, timetable is vital to them in order to get to the meetings on time, and as long as their company pays for their travel, they do not regard price as a major factor. The method of selecting people was determined in a way that every fifth person shall be asked starting from the end of the queue. In case of no line for a certain flight, only those people could be inquired who happened to be there. The results are distorted by the fact that passengers travelling on evening flights have not been asked, by the unwillingness of people to take part in the survey and also by the existence of language barriers.

Conceptual Framework

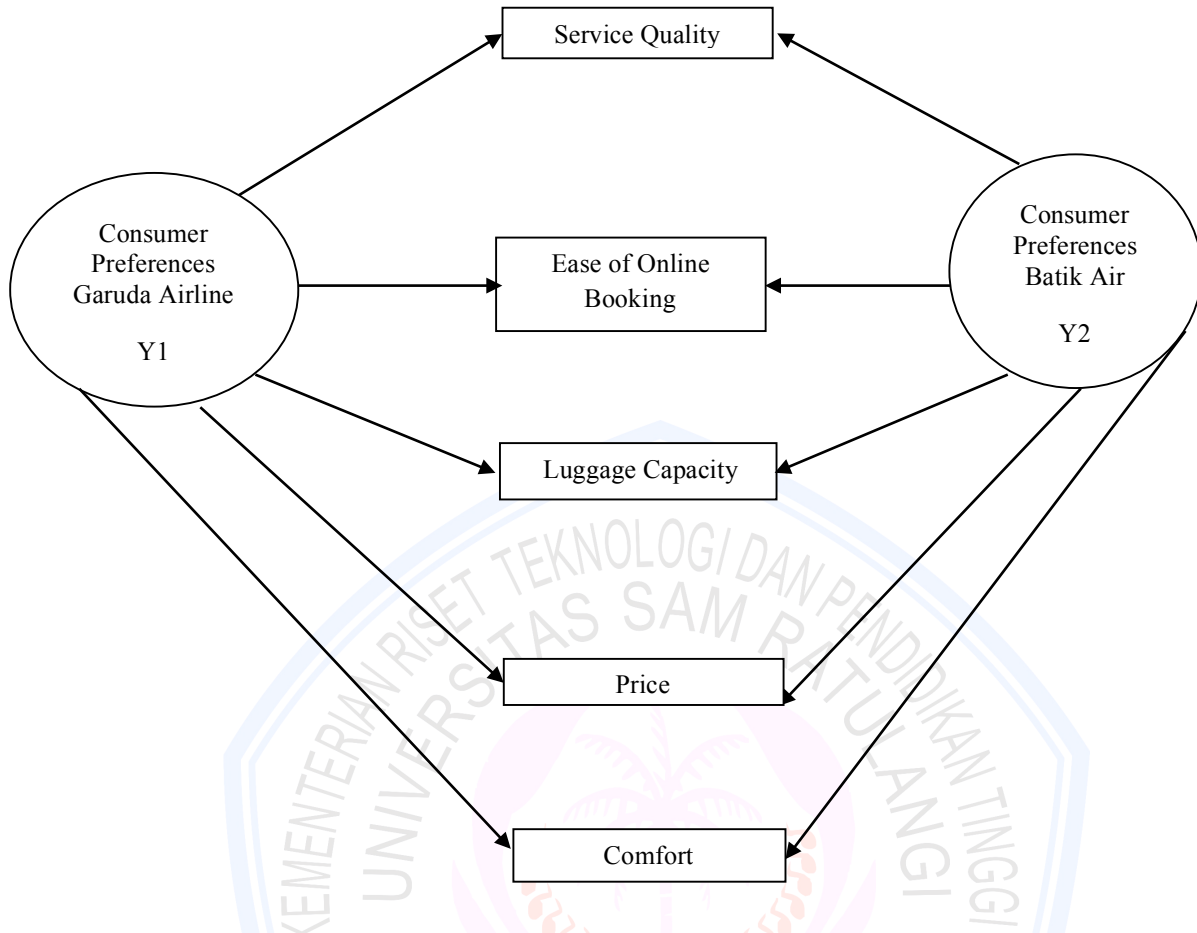


Figure 1. Conceptual Framework

RESEARCH METHOD

Type of Research

The type of this research is quantitative research. This research use comparative analysis to investigate the consumer’s preferences between Garuda consumer and Batik Air consumer

Place and Time of Research

This research has conducted in Manado from months from June – October 2017.

Research Procedure

1. Determine factors
2. List indicators in questionnaire
3. Survey by questionnaire
4. Collecting questionnaire
5. Tabulation and data processing
6. Analyse level of consumer prefer and priority handling

Population and Sample

Population is generalized to the object or subject which has a certain quantity and characteristic that is required by researcher to studying and to gain conclusion (Sugiyono, 2005). The population of this research is peoples in Manado who has experiences as passengers of Garuda and Batik Air at least three times using the services of both airlines. Passengers from both airlines are referred to as respondents in this research. Sample is "thus a subgroup or subset of the population. By studying the sample, the researcher should able to draw conclusion that are general to the population of interest". (Sekaran and Bougie 2009). The respondent are 130 by picked or selected from those who have experience flight with Garuda Airline and Batik Air for destination Manado to Jakarta and Jakarta to Manado.

Data Collection Method

The source of data for this research are from primary and secondary data. Primary data of this research is from the questionnaire result. Secondary data used for this research are from journals, textbooks and relevant literature from library and internet.

Data Analysis**Validity and Reliability Test**

Validity is the ability of a measure to measure what it is supposed to measure, Zikmund (2003).

Reliability is the degree to which measures are free from error and therefore yield consistent results, Zikmund (2003).

RESULT AND DISCUSSION**Result****Table.1 Correlations**

	Service Quality	Ease of Booking	Online	Luggage Capacity	Price	Comfort
Pearson Correlation	1	.228**		.705**	.484**	.756**
Service Quality						
Sig. (2-tailed)		.009		.000	.000	.000
N	130	130		130	130	130
Pearson Correlation	.228**	1		.220*	.251**	.285**
Ease of Online Booking						
Sig. (2-tailed)	.009			.012	.004	.001

	N	130	130	130	130	130
Luggage Capacity	Pearson Correlation	.705**	.220*	1	.651**	.619**
	Sig. (2-tailed)	.000	.012		.000	.000
	N	130	130	130	130	130
Price	Pearson Correlation	.484**	.251**	.651**	1	.593**
	Sig. (2-tailed)	.000	.004	.000		.000
	N	130	130	130	130	130
Comfort	Pearson Correlation	.756**	.285**	.619**	.593**	1
	Sig. (2-tailed)	.000	.001	.000	.000	
	N	130	130	130	130	130

Source: Data Processed, 2017

Independent Sample t-test for Each Variables use Divided Between the Garuda Airlines and Batik Air
Table. 2 Group Statistics

	Airlines	N	Mean	Std. Deviation	Std. Error Mean
Service Quality	Garuda Airlines	65	20.4769	3.36391	.41724
	Batik Air	65	16.6154	2.53533	.31447
Ease of Online Booking	Garuda Airlines	65	20.3692	2.87538	.35665
	Batik Air	65	20.1846	2.73800	.33961
Luggage Capacity	Garuda Airlines	65	19.0308	3.34463	.41485
	Batik Air	65	16.2769	2.57092	.31888
Price	Garuda Airlines	65	17.8769	3.22833	.40043
	Batik Air	65	16.4154	2.73800	.33961
Comfort	Garuda Airlines	65	20.6462	3.32806	.41279
	Batik Air	65	16.3231	2.97966	.36958

Source: Data Processed, 2017

The interpretation of Service Quality: Normality test results shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of - smaller than 0.05 shows that the variance between the study samples was not homogeneous. Because the Service Quality is not homogeneous need to see the interpretation of equal variances not assumed. Based on the table above the average perception of Service Quality of Garuda Airlines at 20.47 and perception of Service Quality of Batik Air at 16.61.

Independent Sample t-test for Ease of Online Booking between Garuda Airlines and Batik Air

The interpretation of Ease of Online Booking: Normality test results shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of – bigger than 0.05 shows that the variance between the study samples was homogeneous. Because the Ease of Online Booking is homogeneous we need to see the interpretation of equal variances assumed. Based on the table above the average perception of Ease of Online Booking of Garuda Airlines at 20.36 and perception of Ease of Online Booking of Batik Air at 20.18.

Independent Sample t-test for Luggage Capacity between Garuda Airlines and Batik Air

The interpretation of Luggage Capacity: Normality test results shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of - smaller than 0.05 shows that the variance between the study samples was not homogeneous. Because the Luggage Capacity is not homogeneous we need to see the interpretation of equal variances not assumed. Based on the table above the average perception of Luggage Capacity of Garuda Airlines at 19.03 and perception of Luggage Capacity of Batik Air at 16.27, it shows that there are differences in the average perception of a significant, means more positive perception of consumer preferences of Luggage Capacity on Garuda Airlines than Batik Air.

Independent Sample t-test for Price between Garuda Airlines and Batik Air

The interpretation of Price: Normality test results shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of - bigger than 0.05 shows that the variance between the study samples was homogeneous. Because the Price is homogeneous we need to see the interpretation of equal variances assumed. Based on the table above the average perception of Price of Garuda Airlines at 17.87 and perception of Price of Batik Air at 16.41.

Independent Sample t-test for Comfort between Garuda Airlines and Batik Air

The interpretation of Comfort: Normality test results shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of - bigger than 0.05 shows that the variance between the study samples was homogeneous. Because the Comfort is homogeneous we need to see the interpretation of equal variances assumed. Based on the table above the average perception of Comfort of Garuda Airlines at 20.61 and perception of Service Quality of Batik Air at 16.32.

Discussion**Consumer Preference Between Garuda Airlines and Batik Air Measured by Service Quality**

Comparing mean of Garuda Airlines and Batik Air show there are significant difference between the groups. Garuda Airlines and Batik Air customers are answering the preference of Airline based on their past experience. Seems that Service Quality as their preference is better at Garuda Airlines than Batik Air, shows that there is difference perception of Service Quality as Consumer Preference. This compare means does proven by significant different between Garuda Airlines and Batik Air, means both of these groups are significantly different.. Therefore, there is significant difference in consumer preference between Garuda Airlines and Batik Air customers measured by Service Quality.

Consumer Preference Between Garuda Airlines and Batik Air Measured by Ease of Online Booking

Comparing mean of Garuda Airlines and Batik Air show there are no significant difference between the groups. Garuda Airlines and Batik Air customers are answering the preference of Airline based on their past experience. Seems that Ease of Online Booking as their preference is almost the same on Garuda Airlines and Batik Air, it shows that there is no difference perception of Ease of Online Booking as Consumer Preference. This compare means does not have proven by significant different between Garuda Airlines and Batik Air, means both of these groups are not significantly different.. Therefore, there is no significant difference in consumer preference between Garuda Airlines and Batik Air customers measured by Ease of Online Booking.

Consumer Preference Between Garuda Airlines and Batik Air Measured by Luggage Capacity

Comparing mean of Garuda Airlines and Batik Air show there are significant difference between the groups. Garuda Airlines and Batik Air customers are answering the preference of Airline based on their past experience. Seems that Luggage Capacity as their preference is better at Garuda Airlines than Batik Air, shows that there is difference perception of Luggage Capacity as Consumer Preference. This compare means does proven by significant different between Garuda Airlines and Batik Air, means both of these groups are significantly different.. Therefore, there is significant difference in consumer preference between Garuda Airlines and Batik Air customers measured by Luggage Capacity.

Consumer Preference Between Garuda Airlines and Batik Air Measured by Price

Comparing mean of Garuda Airlines and Batik Air show there are significant difference between the groups. Garuda Airlines and Batik Air customers are answering the preference of Airline based on their past experience. Seems that Price as their preference is better at Garuda Airlines than Batik Air, shows that there is difference perception of Price as Consumer Preference. This compare means does proven by significant different between Garuda Airlines and Batik Air, means both of these groups are significantly different.

Consumer Preference Between Garuda Airlines and Batik Air Measured by Comfort

Comparing mean of Garuda Airlines and Batik Air show there are significant difference between the groups. Garuda Airlines and Batik Air customers are answering the preference of Airline based on their past experience. Seems that Comfort as their preference is better at Garuda Airlines than Batik Air, it shows that there is difference perception of Comfort as Consumer Preference. This compare means does proven by significant different between Garuda Airlines and Batik Air, means both of these groups are significantly different.. Therefore, there is significant difference in consumer preference between Garuda Airlines and Batik Air customers measured by Comfort.

CONCLUSION AND RECOMMENDATION**Conclusion**

There is significant difference on Consumer Preference measured by Service Quality and LuggageCapacity. The mean of Service Quality and Luggage Capacity preference on Garuda Airlines are better than Batik Air. There is significant difference on Consumer Preference measured by Comfort and Price. The mean of Comfort and Price preference on Garuda Airlines are better than Batik Air. There is no significant difference on Consumer Preference measured by Ease of Online Booking. The mean of Ease of Online Booking preference on Garuda Airlines and Batik Air are almost the same.

Recommendation

Garuda Airlines and Batik Air as full service airlines should pay attention all of the customer preferences and must continue to keep evaluating and maintaining each aspect. Each of them must keep following the trend and knowing what the consumer wants so they won't the market that they have until now. Batik Air should keep improving and developing more because they lack behind Garuda Airlines in points of Service Quality, Luggage Capacity, Price and Comfort. Service Quality and Comfort must be focused because the gap between mean difference of it with Garuda Airlines is little far. There is still a lot of room for improvement on Batik Air because they still categorized new in the market. If Batik Air now how to set strategies well in the future, they still can keep up with Garuda Airlines. Garuda Airlines should maintain the advantage that they have ahead from Batik Air such as Service Quality and Comfort. By keep giving the best on the aspect Garuda Airlines have advantage on they can always become the first choice of their loyal consumer. But Garuda Airlines still should be careful because Batik Air still developing more considering they are new in the market and gives many promotion strategies toward customer.

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