

ONLINE CASE 2.14 SKYTRAX BEST AIRLINES 2005 AWARDS

supplemental material to the text of

Modern Marketing Research: Concepts, Methods, and Cases

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Background

Aero Airlines is a French aviation firm, headquartered in Paris, providing its customers both domestic and international flights. Several years ago, the CEO of Aero Airlines retired and, with the arrival of the new CEO, the team of top executives was replaced as well. Jaclyn Benedict was hired into a marketing manager position as part of this new organizational restructure. One of the initiatives that she brought into the organization was the QualityTrack Program, which monitored on a constant basis the service levels that the firm offered to its customers. Tracking the complaint rate and generating feedback for improvements were among the main activities undertaken by the QualityTrack Program. The Complaint Rate Report was delivered twice monthly to Jaclyn, who always thoroughly digested it and then benchmarked the most recent scores against those in previous reports.

For the past two months, the reports grimly indicated a steady upward trend in the complaint rate. Jaclyn sat at her desk, thinking about the last report that she just read and wondering what was generating all these additional complaints, as day-to-day company operations were unchanged. There was no evidence of decreased bookings either. Jaclyn decided to purchase the Skytrax Airline of the Year 2005 survey, which reported that Aero Airlines' ranking dropped five places since last year alone. She hoped that the Skytrax report would explain the increased complaint rate among Aero customers, saving the company the cost and time of conducting its own primary research into the matter.

As she was placing an online order for the Skytrax survey, Jaclyn wondered if the change was driven by internal flaws within Aero Airlines itself, by improved competition, or by something else entirely. She remembered the press release of a competitor firm announcing a huge investment aimed at improving its cost structure and service quality. However, Jaclyn had no data on how consumers were reacting to these changes, or even whether they did at all.

The Skytrax online survey order went through seamlessly, and Jaclyn asked herself whether it would adequately answer her questions or if she would have to conduct an additional study internally to identify the drivers of mounting customer dissatisfaction with Aero Airlines. The company had a huge customer database, albeit one that was utilized mainly for marketing activities rather than for research; and there were people in the marketing department with the necessary skills to carry out such a research project if need be, reducing outsourcing costs.

About the Skytrax Airline of the Year Survey

Skytrax Airline of the Year survey, conducted by Skytrax Research, is an annual, global barometer of passenger opinions about airlines around the world and is regarded as an important benchmarking tool for passenger airline satisfaction levels. The firm provides aviation product and service research, including customer satisfaction surveys, competitive performance, quality audits, service and product analysis, and global ranking surveys.

Skytrax Airline of the Year 2005 surveyed 12.3 million eligible respondents of 94 nationalities over an 11-month period. The survey includes both first class and economy class

customers, both business and leisure travelers, among its respondents. Data sources for the survey include:

- passenger interviews
- corporate travel interviews and questionnaires
- Skytrax’s panel interviews
- online surveys of passengers
- e-mail questionnaires
- telephone interviews

The 2005 survey measured the following aspects of passenger satisfaction for each airline’s product and service standards, evaluating the “typical” travel experience:

GROUND / AIRPORT	ONBOARD PRODUCT	ONBOARD SERVICE
<ul style="list-style-type: none"> • User-friendly Internet Site • Online Booking Service • Ticket Counter Service • Waiting Times at Check-in • Quality of Check-in Service • Boarding Procedures • Friendliness of Ground Staff • Efficiency of Ground Staff • Transfer service • Quality of Arrival Services • Baggage Delivery Times • Handling of Delays 	<ul style="list-style-type: none"> • Cabin Seat Comfort • Cabin Cleanliness • Toilet Cleanliness • Cabin Lighting / Ambience • Cabin Temperatures • Selection of Reading Materials • Standard of Airline Magazine • Sound / Vision Quality of Movies • Choice of Movie Programs • Choice of Audio Programs • Quality of Meals • Quantity of Food Served • Meal Choice Availability • Selection of Drinks 	<ul style="list-style-type: none"> • Assistance during Boarding • Friendliness of Staff • Service Attentiveness • Staff Language Skills • Efficiency Serving Meals • Availability thru Flight • Making PA Announcements • Problem solving Skills • General Staff Attitudes • Staff Grooming Standards

Source: Skytrax - <http://www.airlinequality.com/>

Skytrax used a number of methods to reduce error, such as monitoring the ISP and user information of online surveys, deleting duplicate submissions, and pattern-checking all survey responses with a proprietary “poll-breaker” program to identify nominations that followed similar rating patterns or duplicated earlier entries. The “poll-breaker” program resulted in 10.36 percent of total responses being ruled ineligible. Detailed interviews were conducted of a representative sample of survey respondents. The data were weighted to compensate for differences in airline size so that smaller regional airlines were rated according to actual quality rather than size.

Case Questions

- 1 In your opinion, could the Complaint Rate Report be used as a reliable indicator of customer satisfaction levels with Aero Airlines? Why or why not? What could be potential biases built into such a metric?
- 2 Considering the description of the Skytrax Airline of the Year survey, do you believe it will provide useful answers to Jaclyn's questions? Explain your reasoning. What, if anything, might it measure inaccurately or miss entirely?
- 3 Considering Skytrax survey's sample size and data collection methods, do you believe the sample is representative of the target segment(s) intrinsic to Aero's predicament? What factors should be examined in general, and in regard to each data input source, to assess sample representativeness?
- 4 In your opinion, were the measures taken by Skytrax to identify ineligible online responses effective? Explain your answer. If not, what additional safeguards or screens could be put into place?
- 5 Evaluate Skytrax's idea of adjusting for different sizes of airlines in order to ensure that the rankings are inferred based on a "quality" merit. What are the advantages and the disadvantages of weighting data in this manner? What else might have been done to achieve similar ends?
- 6 Discuss the suitability of a customer survey conducted *internally* to address Jaclyn's concerns. How would such a survey compare to one conducted with a broader respondent pool, both positively and negatively? What issues are critical to ensure that the resulting responses are relatively free of foreseeable biases?
- 7 In Jaclyn's position, how would you designate a population definition, a sampling frame, a sampling procedure, and a method for determining the accuracy of the results for the internally conducted customer survey?

Sources: "Cathay Pacific Selected as World's Best Airline." *Finfacts Ireland*, June 7, 2005.
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