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SALIENT ATTRIBUTES ON THE CHOICE OF AN AIRLINE SERVICE PROVIDER: A Case of Domestic Airlines in Tanzania

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ABSTRACT

This paper reports the findings of a study that assessed the attributes influencing customers' choice of airline on domestic routes. Its 4 predictor variables were service quality, price, image and airline schedules. A structured questionnaire was administered with 120 airline passengers at Julius Nyerere International Airport (JNIA). Quantitative data have been analysed with the help of the Statistical Package for Social Sciences (SPSS) version 22 and presented as descriptive statistics. Moreover, the study carried out regression analysis to ascertain the strength of the relationship between the four constructs and the choice of an airline service provider in the domestic market. The study found that airline schedules, price and airline image significantly influenced the customers' choice of an airline. Service quality attributes, on the other hand, did not seem to have significant bearing on airline choice. Thus, the paper recommends that airline firms should focus on providing convenient schedules in their service provision. Moreover, fares should be set at considerably fair rates as the majority of the clients are price-sensitive. Furthermore, there is a need to foster good and positive airline image.

Key words: *Service quality, Airline schedule, price and Airline images.*

INTRODUCTION

Technological advancements have resulted in significant developments in the airline industry which across the world serves as not only a reliable means of transportation but also acts as an enabler in achieving economic growth and development. In fact, air transport facilitates the integration into the global economy and provides vital connectivity on a national, regional, and international scale. According to IATA annual Review (2017), Aviation brings people together, transports vital medicines to patients in need, and facilitates the exchange of experiences and ideas. It also creates significant employment hence contributing to making a living through created income. According to Pleiss-Fraissard (2004), air transport creates 3.9 million jobs all over the world. Large improvements in aircraft technology coupled with the rise of Low-Cost Carriers (LCCs), also known as budget airlines, accounts for more than half of total capacity, hence allowing many people to fly for the first time.

The USA Air Commerce Act states the power to establish airways, certify aircrafts and enforce air traffic regulations. The first commercial airlines were Pan American, Western Air Express and Ford Transport Service. Later on, other modern day airlines emerged as major players (Harris, 2010). In 1938, the Civil Aeronautics Board (CAB) was established, which in turn led to the regulation of the airline industry (Gilliland, 1971). The board was

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responsible for controlling airline routes and regulating prices for passenger fares. Essentially, the CAB's role was to protect the industry from itself through government intervention. NewMyer (1990) reveals that this protection covered various CAB actions which limited competition among airlines through pricing controls, and route controls in addition to limiting the formation of new, large airline companies. During this time, few airlines were operating, with the majority being low fares; nevertheless, the quality of service was the main focus (Harris, 2010). The board determined whether competition in a particular area is necessary to assure the sound development of an appropriate system. In exercising this discretion, the Board was duty-bound to protect the industry against the evils of unrestrained competition, on the one hand, and the adverse consequences of monopolistic control, on the other. Competition invites comparison on the equipment, cost, personnel, organisation, methods of operation, solicitation and handling of traffic, all of which tend to ensure the development of an air transportation system (Gilliland, 1971).

The overly regulated airline market in the US opened up to the private companies after the introduction of the De-regulation Act in 1978. The De-regulation Act minimised entry barriers, hence paving the way for the introduction of several commercial airlines introduced, and opening of new routes directly connecting cities. Moreover, government intervention was minimal. In the meantime, the fares were determined by the airline companies following the De-regulation Act. Overall, De-regulation resulted in increased competition which led airlines to compete based on pricing and total collapse of some of the major full carriers such as Pan American and Trans World Airline which had hitherto dominated the sky (NewMyer, 1990; Harris, 2010).

Owing to the nature of the airline market structure which is oligopolistic, few companies do dominate a limited market. Customers are hypersensitive to fare, causing airlines to operate close to the break-even seat factor. On average, 80% of airline companies use flexible pricing whereby most of the seats are on discount basis to fill the aircraft because empty seats are perishable (Malik, 2016). The competition that started in 1978 continues to exist to the present in most of the countries around the world.

Tanzania on its part acquired its first airline in 1977, a year before the liberalisation of the airline market across the world. Tanzania is one of the fastest growing regions in the continent in terms of international traffic with an average growth rate of 6-7% compared to the global average of 5.8% and 7.9% in the Middle East and Asia Pacific, respectively. In Europe, Latin America and North America are projected to record lower international passenger growth rate of 5.0, 5.8% and 4.9%, respectively (Guardian, 2018).

Air Transport in Tanzania

Before 1977, air transport was not the major form of transportation for the majority of the people in Tanzania (Skwirk, 2014). Indeed, people travelled mostly by land followed by water-based transport (ibid.). Most people found air transport to be too expensive for them to afford, regardless of the time saved when it is used as an option. This reality is in line with the truism that the majority of the Tanzanians are poor, many of whom live on less than a dollar per day. Inevitably, the majority of them were unable to pay for the expensive flights. This scenario necessitated the introduction of low-cost carriers (LCCs) in 2012 (Timanywa, 2017). In Tanzania, Fastjet was the first airline to apply the LCC business model. Initially, it

operated only domestic flights before expanding its services to other Sub-Saharan African countries.

The introduction of LCC airlines has allowed a considerable number of Tanzanians passengers to shift from land and water transport to air transport as the fares for travelling have been considerably fair and in some few cases they have competed with land transport fares. This trend culminated in increased airline passengers in the domestic market. Table 1 shows the trend of the growth of the airline passengers over years.

Table 1: Passengers traffic records for government Airports in Tanzania

Year	No of Passengers	Average No per month	Average No per day
1999	1,269,397	105,783	3,526
2000	1,381,400	115,117	3,837
2001	1,418,872	118,239	3,941
2002	1,561,608	130,134	4,338
2003	1,732,395	144,366	4,812
2004	2,200,064	183,339	6,111
2005	2,458,082	204,840	6,828
2006	2,766,956	230,580	7,686
2007	3,177,258	264,772	8,826
2008	3,212,414	267,701	8,923
2009	2,966,829	247,236	8,241
2010	3,228,908	269,076	8,969
2011	3,877,949	323,162	10,772
2012	4,359,418	363,285	12,109
2013	4,954,074	412,840	13,761
2014	5,193,265	432,772	14,426
2015	5,114,835	426,236	14,208
2016	7,135,903	594,659	19,822

Source: Tanzania Airport Authority (2016)

As Table 1 illustrations, the number of passengers travelling on domestic routes increased from an average of 3,526 passengers in 1999 to 19,822 passengers per day in 2016. According to Tanzania Invests (2016), the number of air passengers in Tanzania increased by 62% in the past five years from 2.1 million in 2010 to 3.5 million in 2015. Such an increase marks a shift of passengers to air transport, meaning that the demand for using air transport service is increasing. This increase in the average number of passengers in 2012 coincides with the introduction of FastJet Tanzania. This first LCC in Tanzania motivated certain travel segments to use air transport. ForwadKeys—a Spanish company—conducted analysis in 2016 on international air travel to East Africa and found Tanzania to be one of the top ten

Africa air travel destinations. Specifically, ForwadKeys ranks Tanzania 8th with a 3% share of the total international air arrivals to Africa. South Africa ranks 1st with 13% share, followed by Egypt with 9%, Morocco (8%), Mauritius (5%), Kenya (4%), Algeria (4%), and Tunisia (4%). Ethiopia (3%) is at the same level with Tanzania but above Nigeria (2%).Other countries in Africa account for 45% (Tanzania Invests, 2016). The growth of economic activities at least in the mining and tourism sectors has been associated to significantly accounting for this growth (Ibid). Despite the LCC being introduced, the number of Tanzanians using air transport taking advantage of the model is not in proportion to the entire Tanzania population of about 54.5 million, with the majority using land transportation.

The 2nd commercial airline to operate in Tanzania was Air Tanzania Corporation (ATC). It was established in 1977 to provide air transport services suspended after the collapse of 1st East African Airways jointly owned by Tanzania, Kenya and Uganda. This was followed by Coastal Aviation (1987) operating routes along the coastal regions. Later on, other airlines emerged such as Precision Air (1991), ZanAir (1992), Air Excell famous by the name TingaTinga, Regional Air (1997), Tropical Air (1999), Sky Aviation (2006) and FastJet (2012). The current study focuses on three major airlines—Air Tanzania, PrecisionAir and FastJet to ascertain the factors influencing the choice of airline to use in Tanzania's domestic market.

Market share for the selected Airlines

Market share represents the percentage of an industry, or market's total sales**,** a particular company earns over a specified period. The statistic in table 2 represents the market share of leading airlines in the Tanzania Domestic market for the selected airlines.

Table 2: Market share of the Tanzania airline industry

Domestic Air Operators (% Market Share)							
Airline Company	**2009**	**2010**	**2011**	**2012**	**2013**	**2015**	**2016**
Precision Air Services PLC	48.4	57.8	58.58	62.7	48.33	21.4	23.3
Coastal Travel Limited	12.9	16.5	21.8	8.57	8.05	5.6	6.9
Zan Air	5.5	6.9	4.2	4.8	4.03	5.6	6.9
Auric Air Services	1	1.9	2	-	-	8	8.3
Air Tanzania Company Limited	19.2	6.7	0.4	-	-	3	2.5
FastJet Airline	-	-	-	5.94	19.45	46.8	42.6
Others	13	10.2	12.8	17.99	20.14	13.1	12.6

Source: Tanzania Civil Aviation Authority (2017)

Thrust of the Paper

Air transport is generally the safest and fastest way to travel to the desired destinations. On daily basis, there are about 93,000 scheduled commercial aircraft flights across the world (Becker, 2014). Despite the good reasons for using air transport, the number of people using air transport particularly in Tanzania and elsewhere is not significantly growing mainly because of stiff competition in the market (Harris, 2010) coupled with low demand for air transport service. Both internal and external airline operators compete among themselves and with other means of transport. Tanzania has more than 70 airlines offering domestic services

across the country as well as services within the East Africa region and outside the region (Timanywa, 2017). The airline sector that starved of competition for more than 30 years now has multiple players vying for business. This can only result in a faster, more efficient and effective travel experience for business travellers.

One of the major sources of competition in this industry is the liberalisation of market access and the De-regulation Act of 1978 in the US which reduced the entry barriers in the industry. According to the International Air Transport Association (IATA), about 1,300 new airlines have been established over the last 40 years (Cederholm, 2014). Competition tends to increase when new airlines enter the market or when the existing airlines expand their services to new markets. Mondliwa (2015) claims that in the airline industry the bargaining power of customers is relatively high since most airlines are forced to cut costs by aggressive competitors. Ismael (2015) re-affirms that the bargaining power of customers in the airline industry is relatively high because airlines are highly vulnerable to any price reduction measures introduced by their competitors due to the lack of brand loyalty associated with the airline industry. Therefore, customers enjoy high bargaining power because switching to another airline is simple and is not associated with additional expenses (Winsen, 2016).

In this regard, Malik (2016) argues that, this situation prompts most of the airlines to operate at break-even or less. The persistence of the problem might cause collapse of these competitive incapacitated airline businesses. As such, Airline companies need to address the problem in different ways. The management in the airline companies can adopt the *marketing mix* elements model to create desired response in the target market (Isoraite, 2016). These elements which are often in form of product, price, place and promotion decisions (Kotler & Armstrong, 2012) can be controlled to meet consumers' needs and achieve company's goals by stimulating the demand for air transport.

Generally, delivering *quality service* (which is an important Product decision attribute) is an essential strategy for attaining business success and ensuring survival (Ramseook-Munhurrun, Lukea-Bhiwajee & Naidoo, 2010). In fact, quality service has a direct relationship with the *image* of the airline company. In consequence, managers in the service sector are under pressure to demonstrate that their service is customer centric, no matter their financial and resource constraints (ibid.). In this regard, Geraldine & Chikwendu (2013) urge managers in airline companies to improve the quality of their service to boost their respective airline's *image*, which also determines the passengers' choice and decision of repeat patronage.

According to Kotler & Armstrong (2010) and Armstrong *et al.*(2018) advertisement is an effective way of communicating a company's product/service via text, sound and colour. Advertising helps to form a long-term *sustainable image* of the product in addition to stimulating sales. Mohapatra (2016) opines that the use of promo-tools such as discounts and good online or offline advertising tends persuades customers to choose certain airlines over others.

Scheduling on the other hand determines where and when the airline will fly. Efficient schedules, which match the supply and demand, are key to airline profitability (Jacobs *et al.*, 2012). Profitable solutions need anticipation of the market conditions, cost of capital, fuel, labour, and competition level. Scheduling issues such as route availability, punctuality,

timing and frequency can be addressed with large-scale combinatorial optimisation techniques. Implicitly, more experts in managing constraints and use of technology for optimisation are required (Gervet, 2001).

Price is the determinant of choice of air transport in a highly price sensitive market (Ukpere, *et al.*, 2012). Many businesses charge a competitive fare as technique applied for influencing positive demand. One major effort aimed to reduce competition and stimulate demand for air transport was the introduction of LCCs, which provides the lowest price for consumers by undercutting the price levels of Legacy Carriers (Hameed, 2011). This strategy currently seems largely inadequate as other airlines now offer the same advantage to the customers, provided clients made early bookings. As a result, the same competitive environment experienced earlier by the airline companies remained the norm. It is against this backdrop that the paper seeks to determine the attributes influencing customers' choice of an airline.

Objective and Structure of the paper

The paper assesses the influence of airline service quality, price, image and schedule-based factors on the choice of airline for different domestic destinations in Tanzania. The study was conducted with passengers at the Julius Nyerere International Airport in Dar es Salaam, the largest international airport in Tanzania. It begins by presenting the theoretical basis of the paper, before reviewing empirical literature and establishing the research gap. Then the paper presents the conceptual framework, hypotheses, the methods, the results and analyses, and, finally, the discussion of the findings prior to concluding and making the recommendations of the study.

THEORETICAL BASES OF THE PAPER

The paper has adopted four theories: The Customer Matrix Model, Theory of Reasoned Action, EKB Model and Gap Analysis Model as they complement each other in adequately explaining the variables under study.

Customer Matrix Model

Bowman & Faulkner (1997) came up with a Bowman's Strategy Clock model which extends from the three Porter's generic strategies of focus, differentiation and cost leadership. Bowman's Strategy Clock is adopted in this paper because of its flexibility in interpreting combined Porter's Generic Strategies Model and in its relaxation of some of the Porter's assumptions that have proven inadequate in the business world (Utrilla *et al.*, 2012). The model considers different combinations of value and price. These are termed as Perceived User Value (PUV) and Perceived Price (PP). The low-cost strategy (Cost leadership) is position 1-2 on the clock, differentiation is position 4, and a hybrid strategy is position 3. The hybrid strategy may be appropriate in certain scenarios and environments and lead to different results. Customers' needs manifested through value and pricing do generally differ. This implies that it is important to take into account different combinations of the quality of service offered and attach the corresponding price for each category of the service. It should then be possible to identify different market segments with different levels of readiness for the value and price in the airline industry. Thus, airline companies in Tanzania should stimulate demand which can, consequently, influence choice through all possible strategies by having a sufficient number of least cost carriers and legacy carriers with differentiated price points as Figure1 illustrates.

Theory of Reasoned Action

Ajzen & Fishbein (1969) adopted the Theory of Reasoned Action. The theory posits that, consumers act on a behaviour based on their intention to create or receive a particular outcome. Consumer only takes a specific action when there is an equally specific result expected. From the time the consumer decides to act to the time the action is completed, the consumer retains the ability to change his or her mind and decide on a different course of action.

Siringoringo & Noversyah (2015) applied Theory of Reasoned Action to explain consumer behaviour in the use of Islamic banking in Jakarta. The study established that, pre-existing attitude influenced purchase intention and, finally, the choice of using Islamic banking. Implicitly, air passengers would initially choose only certain airline services based on the pre-existing knowledge and the repeated service purchase behaviour would happen when the expectations is met during the clients' first experience. Therefore, airlines should make sure that first time fliers get good experience by providing quality service, charging a competitive and fair price, ensuring punctuality and route availability for areas with a high demand.

Suelin (2010) developed Engel, Kollet, Blackwell (EKB) Model, (which extends from the Theory of Reasoned Action) to interpret how customers reach decisions when purchasing a service or product. The model consists of five sequential steps for information processing before reaching a consumption decision. First is need or problem recognition. This is followed by a search for alternative solutions which involves obtaining relevant information from internal and external sources. Information is also obtainable from various advertisements exposed to customers. The third stage involves the evaluation of alternatives that is subjected to the consumer's personal criterion in deducing the preference. Then, the consumer moves into the fourth stage where the buying of the selected alternative takes place. The final step involves post-purchase evaluation.

This theory attest to how the relevant information companies expose customers when trying to create image to the public through advertisement facilitate the making of comparison and, ultimately, reach a decision. In this regard, provision of sufficient information through different communication channels such as adverts and websites can simplify the airline customer search process. In other words, this theory helps to explain why provision of good services can ensure customer satisfaction and positive post-purchase evaluation and, hence give the airline firm a competitive edge.

Empirical studies

Extant literature indicates that several related studies have been conducted on the airline industry consumer behaviour with variations from the current one. A study by Soomro *et al.* (2012) in Pakistan found boarding and clearance time and ease of e-ticketing to have significant impact on customer preference and positively lead to purchasing intention of the services the airline companies in the market. Similarly, Buaphiban's (2015) study conducted in Thailand found that subjective norms, perceived behavioural control, airline reputation, price, and service quality had a positive impact on intentions whereas behavioural intentions positively influenced buying behaviour. Moreover, the Low-Cost Carrier (LCC) passengers were found not only to be after low price, but more significantly factors such as service quality, airline reputation, and social acceptability—subjective norms—played a significant

role in the choice of LCCs over Full Service Carriers (FSCs). Neverheless Sai, Ekiz & Kamarulzaman (2011) in Malaysia came up with different findings for either FSCs or LCCs. The study found safety and service quality to exert a significant positive effect on choice decision in Full Service Airline whereas price, strategic alliance and loyalty programme exerted significant positive effects on the choice decision for Low Cost Carriers.

OAG Worldwide (2000) which is an air travel intelligence company based in the United Kingdom studied on factors influencing passenger choices of airlines. The survey established that 3,000 business air travellers around the world (including the US, Europe, Singapore, and Australia) singled out convenient schedules, reputation for safety, frequent flier programmes, on-board comfort, leg-room and efficient check-in procedures as the highly featured factors when business passengers chose an airline. Such travellers were not concerned about obtaining the cheapest fare.

Fourie & Lubbe (2006) in South Africa focused on business air travellers and factors they consider in selecting either full-service or low-cost carriers. Results indicate that, for both business travellers using LCCs and those using FSCs, the three most important service factors were seat comfort, the schedule/frequency of trips and the price of the air ticket, whilst in-flight entertainment was regarded as the least important. Ukpere *et al*. (2012) study in Nigeria found that gender, age, marital status, income, comfort, on-board services, frequency, crew behaviour, ticket fare and power of monopoly were significant influencing variables. A study by Onomo (2016) on factors behind airline customer loyalty in Kenya revealed that perceived value, quality, customer satisfaction and corporate image impact on customer loyalty. Similarly, Kising'u's (2012) study on the factors influencing the passengers' choice of airline in Kenya airways found that social factors such as influence from friends or celebrities, personal factors such as ticket fare and customer service, psychological factors such as safety records do have a bearing on the choice of airline. On the other hand, cultural factors such as attachment to a national flag carrier did not influence their choice. Study conducted by Namukasa (2013) in Uganda examined the pre-flight (back office operations), the in-flight and the post-flight service quality effect on passenger satisfaction. The study also ascertained whether satisfaction affects passenger loyalty. The findings show that there was a strong relationship between the proposed variables and customer satisfaction.

In the case of Tanzania, Naji's (2016) study found that, poor compensation, poor technical support, poor direct communication, and poor complaint handling strongly affected customer satisfaction. The implication of this study on the customer choice of airline is that, customers who go for airlines with high ability of service recovery in case of emergency would become loyal to one airline.

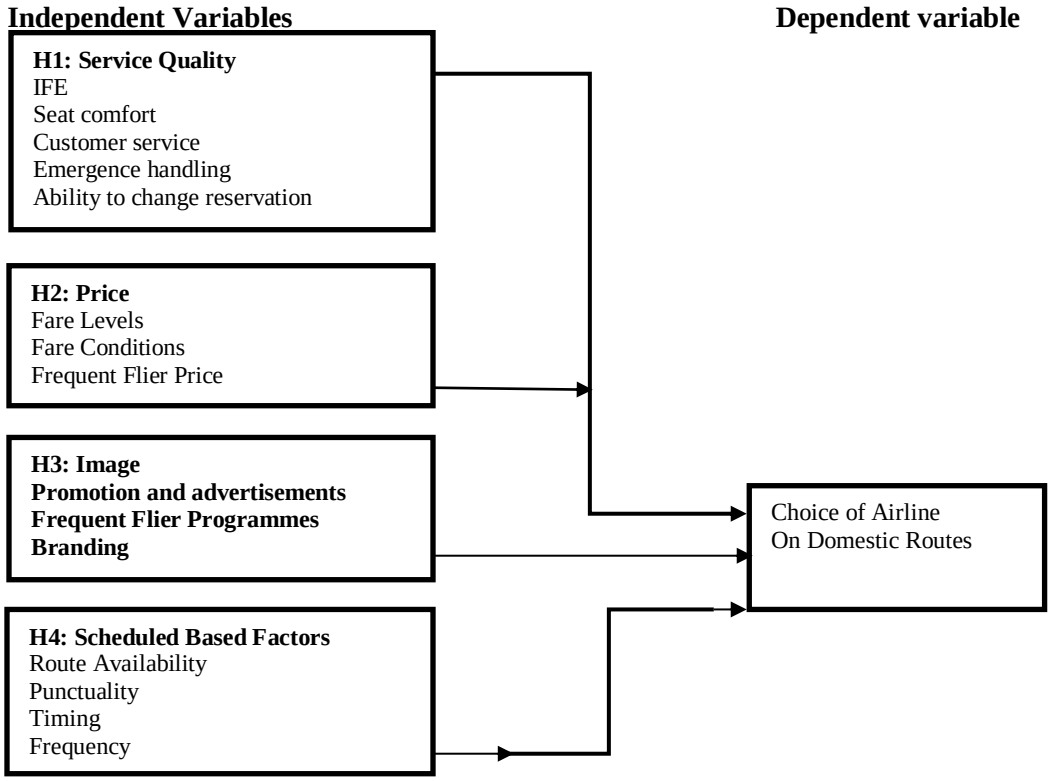
Research Gap

Different literatures related to the study around the world and Tanzania in particular have been presented. These other studies did not consider service quality, price, image and scheduling-based factors constructs as influencing customers' choice of an airline, which is the focus of the current study. Moreover, it is not logical to generalise the results from studies conducted in different contexts to a particularised situation because different markets have different needs, characteristics, policies and even challenges.

Conceptual framework for the study

The conceptual framework informing the study has four independent variables namely service quality, price, image and schedule-based factors that presumably influence the choice of an airline in the domestic market. The variables have been developed following an extensive review of literature related to the study.

Figure 2 Conceptual Framework



Source: Developed from extant literature

Hypotheses formulation

Delivering ***quality service*** is considered an essential strategy for success and survival in today's competitive environment (Parasuraman *et al*., 1985, 1988; Zeithaml, 1996). Good customer service at the airport and customer service by phone by cabin crew, IFE availability (audio only, overhead TV etc.), seat comfort, how an emergency is handled, how customers who miss a flight are treated and the ability of a customer to change reservation ideally have direct influence on the customer selection process of an airline. As service quality affects the customer decision, the first hypothesis to be tested which relates with service quality is thus presented:

(a) H1: Quality of service offered has a significant influence on customer choice of airline.

The most important considerations for a consumer in deciding on their purchases are their overall income, which account for their budgetary constraints (Boundless economics, 2016). ***Price*** is an important factor to consider, especially in a price-sensitive market such as

Tanzania. In fact, the pricing factor has become a dominant variable in a short-haul markets or routes. In consequence, low cost airlines have had a major impact on this industry nowadays (Doganis, 2010). Thus, we come to our second hypothesis which states:
(b) H2: Price has significant influence on customers when choosing an airline.

Moreover, good advertising, whether online or offline, influences consumer purchases (Mohapatra, 2016). Marketers are highly concerned about knowing how the brand names influence the customer purchase decision (Alamgir *et al*, 2010). FFPs have become an influential factor in airline choice, especially for business travellers and leisure passengers. Its main goal is to sell more seats (Doganis, 2010). The third hypothesis is thus deduced based on the positive impact of airline image:
(c) H3: Airline Company's image has significant influence on the customers' choice of an airline.

Schedule-based features consist of a number of frequencies of operation, the timing which consist of departure and arrival times, points served or route availability. Different markets have different scheduling requirements. Schedule-based features constitute core elements of schedule airline product on short-haul routes and business travellers consider them to be the most important (Doganis, 2010). As such, we hypothesise as thusly:
(d) H4: Schedule-based factors have significant influence on the customers' choice of airline.

METHODS

Research paradigm and design

The study has adopted a positivistic paradigm because it is quantitative in nature. It partially adopts interpretivistic paradigm because qualitative data also serve to complement quantitative data in the analysis. Our population of interest in this study is limited to all domestic air travellers from three domestic operators in Tanzania, namely PrecisionAir, FastJet and Air Tanzania Company Ltd. These are leading airline companies by market share on domestic routes in Tanzania. Statistics shows that the Julius Nyerere International Airport (JNIA) has had an average of 6,800 air travellers per day for four years back from 2013 (TAA, 2016).

Non probabilistic convenience sampling was employed to gather data from a sample of 120 passengers. Tabachnic & Fidel's (1996) rule of the thumb was used to determine the sample. Accordingly, to select sample that enables the use of strong statistical analysis, the sample size should be N>**104+M** where **M** is the number of independent variables and N is the number of cases. For our case, we have 4 independent variables, hence making 108 passengers as the minimum sample that can be chosen using this approach. Generally, a large sample increases statistical power (Hair et al., 2006); therefore, a sample of 120 was selected for such a purpose.

Passengers were approached both at the waiting space at JNIA before entering for check-in and at the JNIA sales offices while making ticket reservations. Self-administered structured questionnaires were used to collect data from passengers in a 5-day period. Only domestic passengers were selected from the entire population. This was achieved by the pre-screening question in the questionnaires.

On the other hand, purposive sampling was employed to get3 marketing managers of the three largest airlines under research namely PrecisionAir, FastJet and Air Tanzania Company Ltd who served as key informants. These provided in-depth information on the nature of the study (Crossman, 2017) Purposive sampling helps to reach target sample quickly with the assurance that the sample chosen shall respond and provide relevant information. This method helped researcher to save time and money.

Reliability and Validity Tests

The Cronbach's alpha test was employed to measure the internal consistency (reliability) of the study variables. All the variables met the minimum acceptable Cronbach's alpha of 0.70 (Tavakol & Dennick, 2011). For validity, the study focused on content validity, which is particularly the most recommended (Taherdoost, 2016). In this regard, exhaustive literature reviews to extract the related items was done followed by pre-testing of the questionnaires with5 passengers not included in the final sample. The pre-testing helped to identify a few unclear questions, which were corrected accordingly before the instrument was rechecked by two experts prior to final application in the field(ibid.).

FINDINGS, ANALYSIS AND DISCUSSIONS

This study examined the attributes influencing the choice of airline among domestic travellers in Tanzania. The following are the mean, standard deviations and inferential statistics and discussion of the study:

Mean and Standard Deviations of the Study Variables

The mean and standard deviations were computed for all the study variables. The results are as summarised in Table 3.

Table3: Mean and Standard Deviations of the Study Variables

	N	Mean	Std. Deviation
Service Quality	120	2.8403	.7150
Price	120	4.2146	.68622
Airline Image Attributes	120	3.7167	.85847
Schedule-based Factors	120	4.2958	.65704

Source: Field Data (2017)

The results in Table 3show that all the study variables but for service quality had high mean scores (4.21 for price, 3.72 for airline image, and 4.30 for schedule-based factors). This means price, airline image and schedule-based factors have a significant influence on the choice of airline on the domestic routes. The schedule-based factor is the most influencing factor followed by pricing as their highest mean indicate. However, the mean of service quality was 2.84, which is less than the neutral score (that is 3), hence indicating that service quality had no significant bearing on the choice of airline on domestic routes. On the other hand, the standard deviations for all the variables are moderately small (less than 3), which signals that there was minimum dispersion of opinions among the respondents (Mbura, 2007).

Results on Inferential Statistics

Under this section, the paper presents the results stemming from the correlation and regression analyses as per research objectives. These analyses were preceded by a test on the model fitness.

Model Fitness

The fitness of the model was assessed using the R square and F statistics as indicated in Table 4.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	sig
1	.879	.773	.765	.27442	97.882	**.000**
Dependent Variable: Choice of Airline on Domestic Routes						
Predictors: (Constant), Schedule Based Factors, Service Quality, Airline Image Attributes, Price						

Source: Field Data (2017)

The results in Table 4 show that the overall model was good and statistically significant at 5% level of significance. The coefficient of determination was high (R^2=0.773), implying that 77.3% of the variation in choice of airline on domestic routes as the explanatory variables (Price, Airline image, service quality and Schedule-based factors) affirm. The remaining 22.7% is explained by other variables not included in this study.

Correlation Analysis

Running the correlations for the pairs of independent variables was useful in checking for multicollinearity among the independent variables. It is ideally emphasised that there should be no significant associations between covariates, as this gives rise to the problem known as collinearity (Pedhazur, 1997; Miles & Shevlin, 2001). When there are more than two covariates that are highly correlated, this is multicollinearity. The consequence effects of high mutlicollinearity are to have misleading results on the dependent variable. The findings on correlation analysis amongst independent variables are presented in Table 5.

Table 5: Correlation Matrix for Study Variables

		Choice of Airline on Domestic Routes	Service Quality	Price	Airline Image Attributes	Schedule Based Factors
Choice of Airline on Domestic Routes	Pearson Correlation	1	.135	.405**	.639**	.552**
	Sig.		.234	**.000**	**.000**	**.000**
Service Quality	Pearson Correlation	.135	1	.015	.033	.106
	Sig	.234		.875	.813	.124

Price	Pearson Correlation	.405**	.015	1	.103	.280**
	Sig.	**.000**	.875		.263	**.002**
Airline Image Attributes	Pearson Correlation	.639**	.033	.103	1	.255**
	Sig.	**.000**	.813	.263		**.005**
Schedule Based Factors	Pearson Correlation	.552**	.106	.280**	.255**	1
	Sig.	**.000**	.124	.002	**.005**	
****. Correlation is significant at the 0.05 level**						

Source: Field Data (2017)

The results in Table 5 show that all the independent variables except service quality at least moderately correlated with each other. In particular, Price and Airline Image had strong correlations with Scheduled-based factors (r=.208 and r=.255, respectively). These results show that there was multicollinearity problem. In the views of Slinker & Glantz (1985), there is a redundancy of information about the response, a situation called multicollinearity, that leads to numerical problems in estimating the parameters in regression equations; the parameters are often of incorrect magnitude or sign or have large standard errors. One of the procedures used to mitigate multicollinearity problem is through applying multiple linear regression analysis which provides the Variance Inflation Factor (VIF).

Multiple Linear Regression Analysis

Multiple linear regression analysis was performed to identify the statistically significant variables in explaining the choice of an airline on domestic routes. The results are presented in Table 6.

Table 6: Results of Multiple Linear Regressions

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.	VIF
		B	Std. Error	Beta			
1	(Constant)	1.470	.471		3.119	.002	
	Service quality	-.094	.075	-.092	-1.245	.216	1.034
	Price	.324	.065	.329	4.985	**.000**	1.088
	Airline Image Attributes	.200	.073	.209	2.729	**.007**	1.072
	Schedule-based Factors	.523	.072	.557	7.282	**.000**	1.188
a. Dependent Variable: Choice of Airline on Domestic Routes							

Source: Field Data (2017)

The findings in Table 6 show that all the factors have VIF value of less than 5. This implies that the multicollinearity problem has been sorted out by linear regression analysis. Variance Inflation Factors (VIFs) are used to detect collinearity (also called multicollinearity) among

predictors in a multiple linear regression model (Belsley *et al*., 2005). High VIFs reflect an increase in the variances of estimated regression coefficients due to collinearity among predictor variables, over variances obtained when predictors are orthogonal (Murray *et al*., 2012). Salmerón *et al.* (2018) suggest that the presence of high collinearity in a multiple linear regression model implies that the conclusions of the analysis can be questioned, because of a lack of accuracy of the estimations due to the high variances of the estimators.

Moreover, airline image, price and schedule-based factors were statistically significant in inducing the choice of airline on domestic routes as indicated by their respective significance values which were less than 0.05 (0.000, 0.007 and 0.000 for price, airline image and scheduled based factors, respectively). Service quality had no significant influence on the choice of airline on domestic routes because its significance value is 0.216, which is greater than 0.05. Furthermore, price, airline image and schedule-based factors had a positive effect on the choice of airline on domestic routes as indicated by their coefficients which are all positive (0.324, 0.200, and 0.523 for price, airline image and scheduled-based factors respectively). Thus, the results of multiple regressions analysis indicate that the clients' choices of airline on domestic routes are significantly influenced by the price, airline image and schedule-based factors.

DISCUSSION OF FINDINGS

Service Quality and Choice of Airline

The study results presented in Table 6 reveal that there is no significant relationship between *service quality* and *choice of airline* on domestic route as the level of significance of 0.216 is greater than 0.05 and the negative coefficient which is -0.092. This finding on service quality attributes and airline choice is contrary to the finding by Namukasa (2013) in Uganda whose study underscore the importance of service quality as manifested by customer satisfaction with pre-flight, in-flight and post-flight services. In addition, Ukpere *et al.* (2012) have reported that customers will choose airlines with comfortable seats, good on-board services with good customer service (crew behaviour). Furthermore, a study by Onomo (2016) in Kenya revealed that perceived value, quality, customer satisfaction and corporate image have a positive impact on customer loyalty. All these studies were done by people outside Tanzania. This implies that service quality attributes (seat comfort, in-flight entertainment, customer service) considered in this study do not seem to be of much concern in the Tanzania local air market.

Due to competitive pressure, airlines offer in-flight entertainment to match with what their competitors are doing (Doganis, 2010). However, surveys repeatedly show that in-flight entertainment is way down on the list of factors that influence the customer choice of an airline. After all, most of the domestic routes are short-haul and, therefore, customers do not spend more time travelling. The Tanzania market, in this regard, seems to be more preoccupied with price, airline schedules and airline image. Therefore, marketing managers in Tanzania should focus more on these attributes to attract more airline passengers. One airline company marketing manager acknowledged the importance of quality service along with other proven influencing factors. He said:

"The majority of air travellers are sensitive to time. Our good airline schedules avail business travellers and other time-sensitive travellers to prefer our airlines. Moreover, we rely on making sure that our customers get better services as we know that they can be a

source of creating good public image, which eventually influences customer choices. Things such as seat comfort, IFE are minor issues in short-haul routes; however, the seat should fairly and considerably be comfortable".

Price and the choice of Airline

The assessment of the influence of *price on the choice of airline*, whose results have been presented in table 5, reveals that price has a significant value of 0.000 which is less than 0.005 and a positive standardised coefficient of 0.329. This suggests that price has a positive significant influence on the choice of an airline. This result is consistent with the finding from the study conducted by Kamarulzaman *et al* (2011) which also found price to be the main determinant factor of the clients' choice of an airline in a highly price-sensitive domestic market. The price attributes deployed in that study include variation of levels of price, discounted frequent flier price, and fairly tickets fare conditions. Similarly, Buaphiban (2015) and Soomro *et al.* (2012) found that the price hadinfluence on customer choice of an airline.

This implies that the price should be competitive and attractive enough to lure other potential travellers to use air transport. In this regard, one of the airline company marketing managers argued against over-reliance on price to attract and retain customers:

"*Price should be looked at carefully considering that the majority of the customers are budget conscious who seek lower prices. This can evidently be justified by the big shift of customers in case of small change in price".*

Image and the choice of Airline

As table 5 illustrates, there exists significant relationship between airline *company image and choice of an airline*. Corollary to these findings, Onomo (2016) found that image influences customer choice. Doganis (2010), on the other hand, contends that creating image through promotion, branding and frequent flier programme are important techniques airlines should use to influence customer choice. An airline's image manifested attributes such as the popularity of brand, frequent flier loyalty programmes, and promotion and advertisement may be meaningful. This finding concurs with those by Khraim (2013) who studied the airline image and service quality effects on travelling customers' behavioural intentions in Jordan. Themain results of his study revealed that a significant effect of airline image was observed on customers' behavioural intentions at the level of ($\alpha \leq 0.05$) as well as a significant effect of service quality on customers' behavioural intentions at the level of ($\alpha \leq 0.05$). Kotler & Armstrong (2010) concur that a good company image createsa long-term sustainability of the product. Overall, image-related attributes are manifested in terms of frequency of operations, route availability to a destination, punctuality of the airline in terms ofarrival and departure time and proper programming of the airline schedule. A marketing manager from one Airline Company augmented the findings by indicating how newness of Aircraft creates positive image in the thoughts of the customer:

"An airline company should make sure that they create a good image in the eyes of the public as this variable plays a significant role in influencing airline choice. New product can sometimes create an image and influence customer choice. The coming of Bombardier, a popular brand of aircraft manufacturer, for example has drawn the attention of many Tanzanians who now seem to show interest in travelling aboard these Bombardiers".

Schedule-based factors and the choice of Airline

The significant relationship between *schedule-based factors and choice of airline* vividly emerged in Table 6. This finding is in line with a survey conducted by *SAS (1981),* which indicated arrival and departure times are significant factors when clients choose an airline. A study conducted by American air travel intelligence company OAG Worldwide (2000) came up with similar results. Moreover, Fourie & Lubbe (2006) insist on the contribution of schedule-based factors such as frequency on airline selection. In fact, Brueckner & Flores-Fillol (2006) contend that convenient airline schedules are of paramount concern to air passengers. Attributes that were used for determining schedule-based factors include an airline having at least two (morning and evening flights) frequency of operation per day, which is good for business competition on the domestic market, route availability to a destination, punctuality of the airline and a well-programmed airline schedules.

In this regard, a marketing manager from one Airline Company augmented the findings by saying:

"*Most of the air passengers are sophisticated. They demand too much on time performance. Delays, cancellations of flight and inconsistent departure times are the issues that customers cannot tolerate, especially business and customers travelling for official purposes."*

CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS

The regression analysis has generally shown that all the factors except service quality attributes have a significant influence on customer choice of airline. The following provides the implications and recommendations:

Most of the air passengers in Tanzania are people who are time sensitive. Airline companies should, thus, guarantee timely and on-schedule flight services. Tanzanian airline companies should also prioritise on route diversification to make sure that different destinations are reachable by flights. The current 29 airports in Tanzania need to be enhanced to allow accessibility by different models of aircraft.

Despite the presence of legacy and hybrid model of airline operations, managers from different airline companies in Tanzania should set fares with a customer-oriented mind-set to make air transport affordable to the majority of middle-income groups. This may suggest the introduction of more LCCs and few hybrid and legacy airlines to accommodate corporate customers and a few high-end users.

As the study findings show that airline company image plays a significant role in the selection of airline, airlines in Tanzania should to create and enhance a good image in the minds of the consumer. Doing so could significantly influence the customers' airline choices.

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