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THE QUALITY OF AIR TRANSPORT SERVICES IN FUNCTION OF IMPROVING THE TOTAL QUALITY OF TOURISM OFFER

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Growing rivalry among competitive airlines in the air travel market, appearance of new competitors which of course have been located in the profitable parts of the market, changes in the behaviour of potential passengers, insufficient and therefore high-priced airport and air traffic control infrastructure, as well as the increased competition of the alternatives to the air transport such as telecommunications media and super-fast trains, characterise the present competition in the air transport market.

Significant changes in behaviour of potential users of airline services have appeared on the side of air transport service demand, and the airlines themselves have less and less influence on distributions channels. The result of it are the increasing price-pressure and considerable decrease of passengers loyalty. Due to the increase of travel intensity passengers have become more experienced and critical in quality estimation of offered service as well as in checking whether the price of service corresponds to its quality. This has forced airlines to adapt permanently to new and more demanding passenger requirements.

Those airlines which are not able to follow cost decreasing trend are obliged to improve their own competitive position looking for the reserve in other business fields. This is the only way of surviving in their fight for passengers. Therefore, the quality of air transport service plays an increasing role in the development of their competition capability. Since tourism offer consists of different kind of products and services, air transport service being one of them, it is of utmost importance that all of them meet to a maximum degree with passengers quality requirements. In such manner passengers will get an impression that it is a question of an unbroken chain making a total quality concept of services they have expected, companies will capitalise money and time they have spent in developing service quality and improving their own productivity, and tourist industry will be able to respond to the most recent market challenges in a more adequate way.

Key words: quality, air transport service, quality of air transport services, total quality of tourism offer

1 INTRODUCTION

Post war return of relatively large number of tourists to Croatia has focused attention on a problem that despite its extreme importance received inadequate attention not only during the war years but after as well. The problem in question is defining quality of products and services making up our tourism offer and their management. Perhaps Tom Peters in his book "A Passion for Excellence" nicely epitomises the importance and significance of that same problem. He says, "It appears that every angry person has 250 friends; 150 of them will hear about the bad experience angry person has had with you, and half of them will pass the story on to their friends".

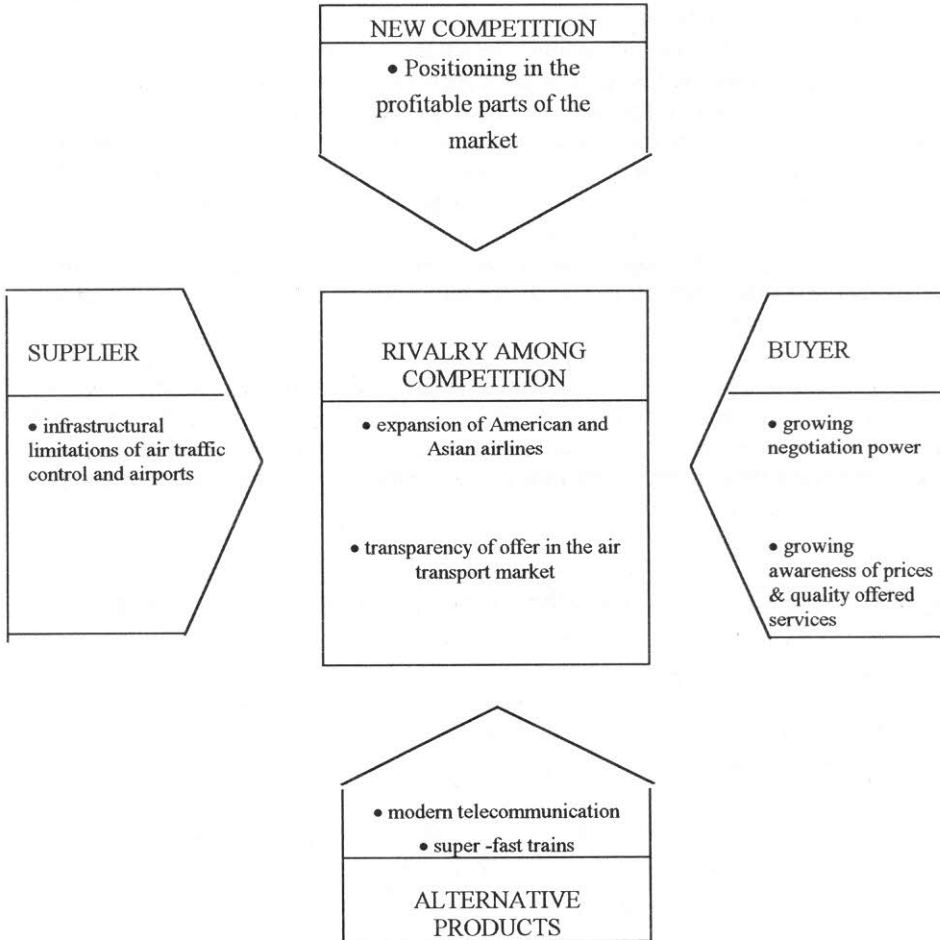
Can any tourist industry, in the circumstances of tough market competition and more demanding consumer requirements, afford to ignore this warning? Customer satisfaction must be climax of all efforts put into understanding and fulfilling customers requirements by those working or involved in tourist industry. It might sound too simple but one should excel in meeting all customer's needs and wants and the rest will come by itself. Reactions of all those working in tourism should be timely and should anticipate negative reactions of customers. Tourism employees should be in position to control and manage the quality at any time, because that is the only way how they can avoid to control and analyse the damage that has been done.

Since tourism offer consist of different kind of products and services, transport being one of them, it is of utmost importance that all of them, and we underline all of them, and their quality, fully meet customer's requirements. In such manner passenger will get an impression that it is a question of an unbroken chain making a total quality concept of services they have expected, companies will capitalise money and time they have spent in developing quality of their services and improving of their own productivity and the tourist industry will be able to respond to the most recent market challenges in a more adequate way.

2 QUALITY OF AIR TRANSPORT SERVICE

Growing rivalry among competitive airlines in the air travel market, appearance of new competitors which of course have been located in the profitable parts of the markets, changes in the behaviour of potential passengers, insufficient and therefore high-priced airport and air traffic control infrastructure, as well as the increased competition of the alternatives to air transport such as new telecommunications media and super-fast trains, characterise the present competition in the air transport market. The relation between competition forces in the air transport market is shown in figure 1.

Figure 1 Relations among competition in the air transport market



Source: Heribert Meffert, Manfred Bruhn, Dienstleistungsmarketing, Gabler, Wiesbaden, 1995, (p. 447)

Ever growing globalisation of airlines and uncompromising market competition, mainly characterised by aggressive price wars waged in order to expel the competition from the market, have in its goal development of a market that would bear all the features of oligopoly.

On the other hand growing homogeneity of basic service and increased transparency of offer, e.g. time table, wide range of prices and aircraft seat availability in any part of the world add to intensity of airlines' competition providing potential passengers

with comparative view of complete level of services available in the market. Air transport market has expanded considerably and has become in fact one huge global market.

Due to increase of travel intensity, passengers have become more experienced and critical not just in the assessment of quality of the services provided but also in comparing corresponding service quality in relation to its prices. This has forced the airlines to adopt permanently to new and more demanding passenger requirements. Basic services which airlines provide, and that is transport of passengers or goods from A to B, have become nearly uniform with many companies. As a result of their size or favourable cost structure numerous airlines operate today as low-cost carriers. Hence they are able to supply their services world-wide and at prices that are more favourable than competition's. Airlines unable to follow cost reduction trend must attempt to improve their market position by seeking resources in other areas as that proves to be the only way to survive wars for passengers. Therefore, the quality of air transport service plays an increasing role in the development of airlines' competitive capability and is one of key preconditions to securing economically viable future.

Airlines that base their operation on the high quality of services perceive quality as absolute rather than relative concept. Figure 2 shows that in such case quality can be hypothetically defined as an area of isosceles triangle whose three sides represent passenger's expectations, services provided by competition and business goals of company that is providing services.

Figure 2 Understanding of the air transport quality service concept

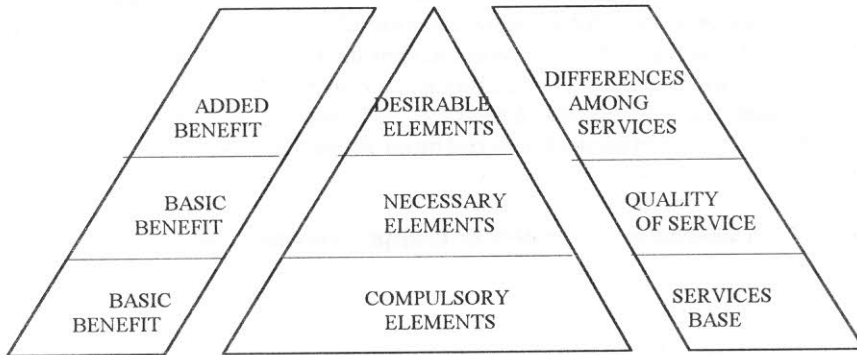


Source: Ibid., (p. 457)

Although there is no quality service unless all three elements are respected, starting point should nevertheless be passenger's expectations in relation to services that selected airline should be providing. It is of utmost importance that the airlines understand that their basic task is no longer transport of passengers from the point of origin to their

final destination but providing of maximum satisfaction to passengers. Hence changed approaches in creation of air transport services structure, as shown in Figure 3 emerged.

Figure 3 Structure of air transport services



Source: Darko Prebežac, Upravljanje marketingom u međunarodnom zračnom prometu, PhD, Zagreb, 1997

Every air transport service consists of compulsory, necessary and desirable elements. Compulsory elements imply airline's flying and technical competence i.e. ability to carry out safe and reliable passenger air transport. They are key elements of every air transport service and for passengers represent basic benefit that is resulting from consumption of services. Necessary elements represent airline's ability to provide certain level of services (good timetable, wide route network and numerous other features that for passenger still represent basic benefit). Desirable elements represent readiness of airline to fully dedicate itself to satisfying requirements of all potential passengers. These elements in the form of special services before and after the flight represent an added benefit for passengers and make it possible for an airline to distinguish itself from the rest of its competition.

3 ELEMENTS OF AIR TRANSPORT SERVICE

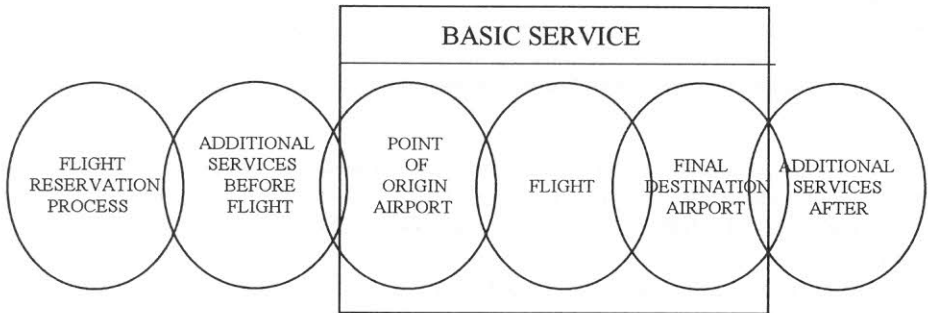
In creation of every individual element of air transport services offered to potential passengers airlines must:

- be capable to listen and to understand wishes of potential passengers and find a adequate way to meet these wishes making at the same time anticipated profit.
- define services strategy that is to be offered to the market where potential passengers have already been identified.
- define standards of services but equally instruments to control established standards.

- educate and train employees to perform their tasks but also stimulate and award those delivering good performance.
- become aware of own advantages over competition

From passengers' perspective quality air transport service is one that meets his or her expectation and needs in every single aspect of service. Services are assessed by every passenger on the basis of individual criteria. At that, the journey about to be taken is viewed as an unbroken chain of services consisting of a number of chain links. Passenger is neither interested in the individual service elements nor in their individual providers but exclusively in the quality of service as a whole. The quality is the responsibility of the airline that has been selected to meet his or her needs in terms of air transport. Figure 4 shows in simplified way how chain of air transport services provided by an airline looks like.

Figure 4 Elements in an airline's air transport service chain



Source: Ibid., (p. 287)

It is evident that successful marketing of services requires slightly more than just compulsory and necessary elements or that company is focused on basic services only. For passenger key role in his or her opinion on quality of services rests on the fact that the service is provided in a manner they expected and that it contains elements that are provided in a distinct and individualised manner. Passengers are not interested in the amount of money airline has invested in enhancing the services it is providing but are almost exclusively interested in personal benefits they can obtain from using services of an airline. Therefore, airlines must carefully investigate if all elements of quality service satisfy passengers requirements or only the interests of the airline.

Passengers expect full and comprehensive service that solves all air transport related problems and perceive all their elements as one whole. Therefore all elements must be synchronised in such way as to form concept on the basis of which passenger will get an impression that what is in question is an unbroken chain. Over the years services offered by airlines have become more complex. In the early stage of air traffic development airlines were almost exclusively concentrated on flight itself. Later they expanded their basic service

to include services at airports of departure and arrival. Today that unbroken chain has three additional links: Flight reservation services (e.g. good timetable, transparency and availability of services), additional service before the flight (good airport connections - train, bus, public transport) and additional services after flight (good city connections - train, bus, public transport).

4 TRENDS IN PLANNING OF AIR TRANSPORT SERVICES

Expectations of passengers in relation to the quality of different segments of services vary greatly. This means that airlines must with adequate services satisfy various passengers' requirements (e.g. passengers flying in economy, business and first class, passengers in the business, leisure or VFR market, passengers on domestic, European or intercontinental flights). It is very important that services meet their specific and individual requirements as much as possible keeping in mind that all passengers deserve and are entitled to appropriate level of service irrespective of their class of travel.

In order for airlines to survive in the market it is no longer sufficient to meet passengers' expectations but to permanently improve the service quality identifying at the same time passengers' hidden needs. In this way an airline distinguishes itself from the rest of existing competition. Developing clear, unambiguous and unique profile of company providing first class services is one way of differentiating from the rest of competition.

In order for airlines to be successful in this they must incorporate in their strategy elements dealing with service quality . These elements can be summarised as follows:

- passengers' wishes come first and they are measure of company's success. Passenger exercise direct impact on airlines' market success and hence airlines must offer punctuality, reliability and safety to potential passenger throughout the world.
- airlines are service companies. Their purpose is to supply services of the highest quality and that bring maximum benefits to potential passengers. Therefore it is necessary permanently to measure present quality in all its stages (e.g. before, during and after the flight).
- in order to successfully compete airlines must supply services that excel those of competition but are at the same time price competitive.
- the main strength of airline companies are modern aircraft and motivated employees functioning together as a team.
- the result of successful airline business is services from which passengers benefit, owners that make profit and employees that have long term security and perspective.

Today competition result is most frequently determined on the ground. It is on the ground that speed, the biggest advantage of air transport, is most easily gambled away.

There are more and more target groups with different requirements and it is clear that airlines shall not be able to supply let's say 35 different cabin configurations or interiors.

Airlines will have to respond to growing passenger segmentation and differences in requirements in one of the following ways:

1. The main purpose of an airline is no longer transport of passengers from A to B but providing of maximum level of satisfaction to their passenger which is achieved by introduction of principles of service individualisation and total quality concept of integral air transport services.
2. Fixed and unalterable configurations of passenger cabins are no longer acceptable. Aircraft must enable airlines to make quick and simple adjustments of leg room between seats and to move galleys and toilettes in the cabin within several hours.
3. Every aspect of integral air transport services should provide passengers with as wide as possible range of services that are naturally provided faster and more frequently than those of competition.
4. Inflight service is an aspect of service where passengers' wishes change most frequently hence increased level of imagination and creativity is and will be required in this area.
5. The level of services should depend on their price as it is unnecessary and economically unjustified to provide same level of service to those travelling on lower fares.
6. In satisfying specific needs of its passengers airline will have to stimulate strong emotional bonds between company and passenger. In this way airlines win passengers' loyalty.
7. Key factor in developing passenger's preference towards a specific airline is individual ability of company employees which is tested in their daily contacts with passengers. There is no greater and more important task for airline management than to select suitable employees, to educate them and motivate them in order that they are able to meet all passengers' expectations.

Services that airlines provide must terminate at a certain point in time but it is very important that they have been comprehensively provided and on such quality level that they represent safe investment in the selection of all forthcoming flights. In absolute sense service can and must terminate but they must be remembered. They must transform in that much needed thread that binds passenger to an airline. In this way airline helps the passenger to avoid dilemmas when choosing an airline (e.g. "If you are in doubt where, don't be in doubt with whom").

Majority of passengers almost certainly select an airline whose services are familiar and with whose services they have been happy. Quality of services doesn't terminate. It stays and live on long after air transport bit has been completed. Quality

represents preconditions for future prosperity of every airline. If the task of providing services of the highest quality is sublimed into business philosophy of an airline preconditions have been created to develop rapport of confidence between passenger and the airline. Habit to use services "Made by..." has also been created. In the end this results in increased competitiveness of the airline company.

5 QUALITY MANAGEMENT OF AIR TRANSPORT SERVICES

Quality management is very complex and permanent process. There are two key elements to successful managing of quality:

- air transport services are very complex and have numerous components that all together form an unbroken chain or so called integral air transport services. It is important that airline offers to potential passengers services based on equal level of services principle, secures that required level of services and all its components is provided and constantly tries to enhance the services better and faster than the competition. All of this is to follow ever changing wishes and needs of passengers.
- employees must be aware of the necessity of having quality services. They must take active part in all decision making processes but must equally bear consequences and/or get credits for achieving or failing to achieve established levels of quality. Quality of services must be defined in such a way that is easily understood by every employee that personally contributes in its realisation. Quality must be based on the principle "Agreeing with defined passengers' requirements". It means that all employees will do what has been agreed between them and management and in relation to satisfying passengers that have chosen their airline.

Quality defined in such manner eliminates every danger of subjectivity and focuses attention of employees on passengers and their specific needs, wishes and expectations. For years basic orientation of airlines was: solve problems with a smile. For example:

- in a situation when flight is being delayed for no apparent reason captain will apologise to passengers supplying a usual excuse, chief stewardess will smile and everyone will get a free drink.
- in a situation when passenger arrives to his or her final destination but baggage has been lost authorised airport person will apologise, smile and give already prepared kit containing things required in such an emergency situation or will provide money so that passenger can buy what is required.
- on an overbooked flight we have a very similar scenario: excuse, smile, refund of money and possibly a free trip on one of the next flights.

Many airlines used to spend and still do vast amounts of money and time teaching their employees how to efficiently apologise and smile in a situation when company has failed to meet wishes and expectations or what it has promised to provide. Few companies put a real effort in locating proper reasons behind excuses that their employees have to supply. Management must concentrate on securing all necessary preconditions enabling the airline to deliver services it has promised. Focusing on prevention, i.e. removal of potential causes leading to deterioration of quality an airline will have less need for excuses to its passengers. Quality of air transport is based on genuine and open communication within company itself. Every employee from president down to the porter must understand his or her personal role and responsibility in achieving quality. Every employee must share joint company vision. The result of such effort is an airline capable of meeting expectations of its potential passengers at any time.

It is customary for every airline, depending on its business goals and motifs, to establish ways in which it will monitor quality of its services. One of the most important things an airline needs to determine is the level of passenger satisfaction with every aspect of services provided. For such purpose airlines create different indexes of service quality or passenger satisfaction. Index can be created in the following manner:

- airline determines various factors that might have an effect on the level of passengers' satisfaction or on its choice of an airline. It is very important that selected factors are representative, i.e. that they have been selected as to entail all stages of provided services.
- for selected factors a respective scale to measure passengers satisfaction is determined (e.g. +200 to -300). Obtained results are based on passengers' experience and in fact represent their reaction and judgement in relation to their experience with an airline company. Obtained results are compared with:
 - a) indexes of passengers' satisfaction in previous period. The intention is to determine trends in the area of quality.
 - b) general aviation norms in order to determine market competitiveness.
 - c) quality of service of exactly determined airline, usually of the one providing the best services or one that is deemed to be the strongest competitor.
- obtained results are carefully examined, reasons for possible lower level of service are carefully analysed and measures for enhancements are proposed together with complete package of permanent measures for enhancement of services quality.

Such indexes showing the passengers' level of satisfaction can be obtained through surveys or interviews of real or randomly selected passengers or by using the services of various research organisations that for this purpose employ selected qualified assessors.

Of course, data obtained in researches carried by specialised organisations or market research departments at regular time intervals are not the only way of gathering

information about what passengers think about airline's services, if they are satisfied and what they expect in the future. Equally efficient information gathering instruments are:

- quality and timely analyses of passengers letters, praises, complaints and claims.
- organisation of regular dinners between management and FFP members where information about their experiences with the company or competition are exchanged.
- reports of certain levels of management from their business trips and their observations from flights with their own airline or with competition.
- official reports from cockpit, cabin, ground personnel and their complaints or suggestions related to their respective flights.
- timely and quality analyses of time table reliability in order to remove causes of delay.
- suggestions and proposals by employees which can be regularly delivered to boxes specially designated for that purpose or contacting of in house services such as "Hotline" or "Front Desk" formed specifically for that purpose.

Flights profitability analyses, sales analyses and review of certain management decisions that might or have endangered quality of services might be added to the list of above instruments.

6 INSTEAD OF CONCLUSION

Last but not least: passengers are *raison d'être*. They are key players in the whole marketing process.

An airline that wants to be successful must not forget that. On the contrary, it must constantly feel passengers pulse in order to react promptly and properly. In that way an airline will meet requirements of its passengers, profit from money and time invested in improving quality of its services, considerably increase its profitability, and at the same time become strong and unbreakable link in the chain forming tourism offer of its country.

Without that link and without others that form tourism offer chain potential tourists in that destination cannot be offered quality services that they had expected and for they were prepared to pay a certain amount of money. Only with such perception of quality tourist services it is possible to create conditions in which companies can be efficient and competitive in today's turbulent tourist market.

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Sažetak

KVALITETA USLUGA ZRAČNOG PROMETA U FUNKCIJI POBOLJŠANJA UKUPNE KVALITETE TURISTIČKE PONUDE

Rastuće suparništvo među konkurentskim zrakoplovnim kompanijama na tržištu zračnog prometa, pojavljivanje novih konkurenata koji se naravno pozicioniraju na profitabilnim dijelovima tržišta, promjene u ponašanju potencijalnih putnika, nedovoljna i osjetan pad lojalnosti putnika. Usljed povećanja intenziteta putovanja putnici su postali iskusniji i kritičniji kako u ocjenjivanju kvalitete ponudene usluge tako i u uspoređivanju odnosa kvalitete usluga u odnosu na cijenu te usluge, što je primoralo zrakoplovne kompanije da se permanentno prilagođavaju novim i sve viših zahtjevima putnika.

Na strani potražnje za uslugama zračnog prometa je došlo do značajnih promjena u ponašanju potencijalnih korisnika usluga zrakoplovnih kompanija, a i one same imaju sve manje utjecaja na kanale distribucije. Posljedica su toga povećani pritisak na cijene, i osjetan pad lojalnosti putnika. Usljed povećanja intenziteta putovanja putnici su postali iskusniji i kritičniji kako u ocjenjivanju kvalitete ponudene usluge tako i u uspoređivanju odnosa kvalitete usluga u odnosu na cijenu te usluge, što je primoralo zrakoplovne kompanije da se permanentno prilagođavaju novim i sve viših zahtjevima putnika.

One kompanije koje nisu u stanju pratiti trend smanjivanja troškova moraju pokušati poboljšati svoju konkurentsku poziciju traženjem rezervi na drugim područjima poslovanja, jer samo na taj način mogu opstati u borbi za putnike. Zbog toga kvaliteta usluge zračnog prometa dobiva u sve većoj mjeri ključnu ulogu u razvoju njihove konkurentске sposobnosti. Budući da se turistička ponuda sastoji od raznovrsnih proizvoda i usluga, među kojima se nalazi i usluga prijevoza, veoma je značajno da sve one svojom kvalitetom maksimalno moguće odgovaraju zahtjevima potrošača. Na taj će način putnici steći dojam da se radi o jednom neprekinutom lancu koji čini zatvoreni koncept usluge koju su i očekivali, poduzeća će moći kapitalizirati novac i vrijeme utrošeno u razvoj kvalitete usluge i znatno poboljšati profitabilnost svoga poslovanja, a turističko gospodarstvo će biti u stanju adekvatnije odgovoriti na najnovije tržišne izazove.

Ključne riječi: kvaliteta, usluga zračnog prometa, kvaliteta usluge zračnog prometa, ukupna kvaliteta turističke ponude