

**Consumer Behavior elements that influence buying decisions**

By  
Gabriella Peters  
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University of KWAZULU-NATAL

Supervisor: Professor Elza Thomson

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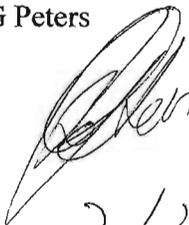
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Signed \_\_\_\_\_

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a cursive 'L' and a horizontal stroke.

Date \_\_\_\_\_

21/3/2006

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I dedicate this research to Yvette Schoeman, my closest friend and inspiration, thank you for your guidance, never ending support and assistance throughout a project that never seemed to end. I am blessed to know someone with such a brilliant mind.

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## ABSTRACT

Retail carts were recently introduced in the terminals at JHB International Airport and a need was identified by the researcher to gain an understanding on the buying behavior of low cost passengers. This segment is growing in double digits yearly and an opportunity for enhancing Airports Company's revenue exists by offering a tailor-made product to this segment.

A profile was established on the low cost passenger in this study, enabling the development of a customized product for this segment. The current product offering was matched to preferences and expectations of the low cost passenger, with recommendations on enhancing retail opportunities and revenue streams within the terminal building contained in this study.

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Introduction

The aim of this research was to identify consumer behaviour elements that could influence buying decisions of passengers departing from Johannesburg International Airport, specifically those passengers traveling on low cost airlines.

Airports Company of South Africa manages 10 airports within the borders of South Africa, where one of the strategic thrusts is to increase commercial revenue and income streams, by identifying new retail opportunities within the airport terminal environment. The low cost passenger market has been increasing in growth in double digits year on year and the researcher identified an opportunity to increase retail revenue for Airports Company by determining the needs and requirements of the low cost segment specifically, as the needs and wants of low cost passengers when traveling was not established at Johannesburg International Airport as yet.

This research targeted low cost passengers departing from the domestic terminal at Johannesburg International Airport and aimed to establish the demographics of low cost passengers and the product choices preferred when departing from the airport. Internal as well as external consumer behavior elements were identified that could influence the low cost traveler's decision to purchase products from retail carts and was utilized to establish a customized product offer at retail carts in the terminal building.

The findings on this study enabled a profile on low cost passengers, (understanding their needs and wants) and a customized product offering, on low cost passengers departing from Johannesburg International Airport.

#### 1.2 Background to research

- Individual consumer behavior elements

In every buying situation a person is influenced by individual perceptions, motivations, values, beliefs and attitudes which could influence the decision to buy.

Perception is a personal phenomenon based on a person's needs, wants and desires, values, expectations and personal experience.

Motivational research, central to this study, is directed to discovering the motives for a person's behaviour, thus finding reasons on why a customer prefers purchasing one item over another. Motivation is the driving force within an individual which impels him or her to take action (Cant, Brink & Brijball 2002). Needs motivate a person to act on a situation and according to psychologist Abraham Maslow, human needs and wants are arranged in a hierarchy starting from the lowest and most urgent needs which are physiological and should be satisfied first, then moving to safety, love, esteem and self actualization needs (Sheth & Mittal 2004). A traveler on 1Time will for example, be aware that no meals are included in the ticketing price and driven by a physiological need to satisfy a hunger, purchase a sandwich, or something to eat, before boarding the aircraft.

Values, beliefs and attitudes are also internal and shape an individual's decision to buy, as it represents the specific individual's standards of good and bad, right or wrong. A person that follows a Muslim religion, for example, will only purchase foods that are Halaal. Lifestyle also influences the decision to buy as it refers to the manner or way in which individuals or families live, represented by their interests, activities and opinions. Lifestyles are dynamic and change with age and with socialization with different cultures. A person's lifestyle is an expression of the goals that are strived for (Cant et al. 2002). Europeans are used to frequent traveling as a lifestyle, as flights have been affordable for a number of years and access to the internet has been available to the general European citizen. In contrast, South Africans have only recently started to adopt frequent travel as a lifestyle, assisted by easier access to the internet, the introduction of additional low cost airlines in South Africa and the upcoming new middle-class.

- External consumer behaviour elements

External factors that are central to this study and influence buying decisions include culture, reference groups, social class and family.

Sheth and Mittal (2004) define culture as everything a person learns and shares with members of a society, which includes ideas, norms, morals, values, knowledge, behaviour and skills. The new political system in South Africa, established after 1994, created a process of acculturation where South Africans became more lenient towards other South Africans and adopted other cultures. Better living standards and the introduction of an additional low cost airline, 1Time Airlines, created a competitiveness in the airline industry and a new trend was established, where the South African population suddenly started to travel more frequently on domestic routes, a trend which is reflected in domestic departing passenger numbers increasing in double digits year on year.

Also external is social class where members share the same behaviour patterns and can be identified as a group of people in a country who are considered equal in status or community esteem (Cant et al. 2002). Reference groups also influence a person's attitude, values and behaviors, serving as a point of comparison in forming responses and performing behaviour.

- Buying decisions

Buying decisions form part of influences on consumer behaviour, where consumers usually follow a 5-step process of: problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation. A consumer may not necessarily follow these steps systematically; one can bypass a stage, withdraw from any of the stages prior to actual purchase or may go through all the stages and eventually decide not to purchase (Cant et al. 2002).

### 1.3 Motivation for research

- Airports Company of South Africa, as a commercially driven entity, needs to understand the profile and demand from low cost passengers to purchase snacks and merchandise before boarding, as these offerings are not part of the ticketing price. An untapped market currently exists where Airports Company can benefit commercially in offering customized products to low cost passengers prior to departure.

- An average of 360 000 passengers depart from the domestic terminal at JHB International Airport monthly. (With an assumption that 50 percent of total passengers travel on low cost carriers, where no meals are included in the ticketing price, the commercial opportunity at an average price of R15.00 per meal that exists, is conservatively R2 700 000 monthly in revenue that Airports Company could collect).

#### 1.4 Value of the project

This research will enable a better understanding of the type of passenger utilizing low cost carriers in South Africa and assist Airports Company with product offerings that are tailor-made to the specific low cost passenger segment that would in turn enhance commercial revenue to the company.

The value of the study will be three fold as:

- Passengers will benefit by being able to purchase products that are customized, enabling customer satisfaction as well as a better customer service
- Airports Company of South Africa at JHB International Airport will benefit commercially
- The findings of this study can be rolled out to other low cost airline destination airports, such as Cape Town, Durban, George, Port Elizabeth and East London Airports' that are also owned by Airports Company of South Africa and further enhance income streams to Airports Company.

#### 1.5 Problem statement

What type of snacks and merchandise does a low cost traveler prefer buying, prior to departing from the domestic terminal at JHB International Airport?

#### 1.6 Hypotheses

##### Hypothesis 1

Significant inter-correlations exist amongst the key variables of the study (preferences, perceptions and expectations) respectively.

### Hypothesis 2

A significant difference exists between males and females on the key variables of the study (preferences, perceptions and expectations), respectively.

### Hypothesis 3

A significant difference exists amongst low cost passengers on the frequency of travel, age group and reason for choosing a low cost airline, if these variables are applied to preferences, perceptions and expectations, respectively.

## 1.7 Objectives of study

The objectives of this study were to:

- identify low cost passenger profiles in the domestic terminal at Johannesburg International Airport (by identifying their preferences, perceptions and expectations) and apply this knowledge to design tailor-made product offerings for low cost passengers, departing from Johannesburg Airport
- grow commercial retail revenue to Airports Company at JHB International Airport by offering tailor-made products to the low cost passenger segment

After researching business models used by low cost airlines internationally, it was established that most services offered by airlines such as Southwest Airlines, Ryanair, EasyJet and GoFly Airlines are similar to those offered by South African low cost airlines such as Kulula and 1Time airlines. These services include online reservations, the ability to change reservations, food and beverage as an option, pre-seating and car rentals as an option. As margins on pricing are very tight, low cost carriers cut operational expenses in general on salaries, wages and benefits, fuel, maintenance and repairs, landing fees and aircraft acquisitions or rentals. Pricing is the most important feature of low-cost airlines. Southwest was the first company to pioneer this low cost, no frills campaign. This company was a success as fares offered were comparably lower in cost to other American airlines.

The strategies used by low cost carriers to reduce operational expenses are online reservations, aircraft choice (one type of aircraft to assist with maintenance costs), ground time and cost reduction (Internet 1, Internet 2, Internet 3).

### 1.8 Research methodology

A survey was designed to obtain respondent's preferences, perceptions and expectations towards purchasing of snacks and merchandise prior to departing on Kulula and 1Time airlines. The methodology chosen was a structured questionnaire which is quantitative in nature and based on a descriptive research designing method. Individual respondents were requested to complete questionnaires in a structured interview situation, performed face to face in the domestic departures terminal. (It can be classified as primary data obtained from respondents directly).

The model utilized for the structured questionnaire in this study was adapted from Marketing Management, Book 3: Specific Topics in Marketing (Bhowan & Lord 2001/2:22). A personal interview was conducted with the Marketing Director of 1Time, to obtain additional primary data on the business model used by the airline (R James 2004).

Eleven passengers were chosen at random on a total of 10 departing flights, including Kulula and 1Time airlines and the sample was chosen in three time periods of early morning, (from 07h00 – 10h00), in the afternoon (between 13h00 – 16h00) and evening (between 18h00 – 21h00).

Secondary data was obtained as background information on low cost carriers internationally and locally, as well as from sources within Airports Company of South Africa.

### 1.9 Limitations of the project

- Theoretical research provided substantial information on low cost carriers internationally, but only limited information was available on domestic airlines as Kulula has only been in operation for over four years and 1Time only commenced with operations in February 2004

- Research in an airport environment is challenging due to time constraints as passengers in domestic departures have limited dwell time available after checking in for flights
- Airports Company does not have a low cost carrier profile at present, (where preferences, expectations and perceptions of passengers traveling on low cost airlines are known), which provides an opportunity for research to determine the needs of this segment, but also a limitation in the current understanding of this segment of the traveling market
- This sample is confined to JHB International Airport and is only relevant to departing passengers in Johannesburg International Airport and is further limited to passengers traveling on low cost carriers

#### 1.10 Structure of the research

Chapter one of this research commences with an introduction, (which includes a literature survey as background to the research, the value and motivation for this research, as well as the problem statement); Chapter two follows with theories and models underlying the research project and in Chapter three the Research Methodology utilized will be discussed. In Chapter four a report will be presented on research findings and finally in Chapter five a discussion on recommendations and possible areas for further research will conclude the study.

#### 1.11 Overview

- Chapter One – Background to research

Lamb, Hair, Mc Daniel, Boshoff and Terblanche (2000) identified three sets of variables that could influence customer behaviour; which included individual factors, social factors and the prevailing buying situation. Consumer behaviour elements that influence buying decisions are central to this study and include both internal (psychological) and external (sociological and demographical) factors. Research on consumer behaviour elements indicates that the buying decision could be influenced by factors such as perception, learning, motivation, lifestyle, attitude, personality and self-concept (Cant et al. 2002). These individual factors are unique to each individual and for the purposes of this study; the parameters were limited to perception,

preferences and expectations. Personal characteristics such as gender and age were incorporated to enable correlations on the demographics of respondents.

Theory on international and local low cost carriers revealed common characteristics on low cost carriers, such as the use of online bookings and no meals being included in the ticketing price. South African carriers and international carriers differ as well; as carriers in South Africa do not fly point to point, but mainly make use of bigger airport hubs, which are more expensive. Flying point to point is a future option to South African low cost carriers, which could enable further cost savings. What is unknown at this stage and provides a retail opportunity to Airports Company of South Africa, is the preference on snacks and merchandise prior to boarding of aircraft by low cost passengers. Also unknown is the specific product choice of the low cost traveler in South Africa.

- Chapter Two - Theories and models underlying the research

The aim of this research is to investigate if low cost passengers, departing from JHB International Airport, will purchase snacks and merchandise if offered prior to departing from the domestic terminal. A profile was established on low cost passengers in South Africa, which enabled a proposal on a customized product offering to the low cost passenger.

- Chapter Three - Research methodology

A survey was designed to obtain respondents' preferences, perceptions, and expectations towards purchasing of meals and merchandise prior to departing on Kulula and 1Time airlines. A survey strategy is very popular in business research as sociological and psychological characteristics of the sample population can be surveyed directly. A descriptive research design method was employed, using quantitative methods to analyze the empirical data collected. The methodology chosen was a structured questionnaire which is quantitative in nature. Individual respondents were approached by two interviewers and requested to complete questionnaires in a structured interview situation, face to face in the domestic departures terminal. Eleven passengers were chosen at random on a total of 10 departing flights, for both Kulula and 1Time airlines and the sample was chosen randomly in three time periods of early

morning, (from 07h00 – 10h00), in the afternoon (between 13h00 – 16h00) and evening (between 18h00 – 21h00).

The three time periods were decided on to enable the categorization and profiling of domestic low cost travelers. The total sample interviewed was 112 passengers on both Kulula and 1Time airlines. The measurement instrument was pre-coded to enable input of data directly from the questionnaire. Prior to constructing the questionnaire the researcher decided which information was central to the problem statement and only included those questions that were simple to answer and relevant to the research, which enabled validity of the research. The questionnaire survey was presented to travelers on Kulula and 1Time airlines in September 2005, to target both business and leisure travelers on these low cost airlines.

Face to face interviews were chosen as a research method as the researcher was aware of an advantage of a 100 percent response rate of completed questionnaires that could be obtained. The drawback of this type of survey, performed in an airport environment, is that domestic travelers are pressured for time in boarding flights and the possibility existed that respondents could either refuse to complete the questionnaire due to time constraints or would not be able to complete the questionnaire on time.

The approach was descriptive in nature as the problem was structured and well understood. The researcher wished to establish if low cost travelers would purchase snacks and merchandise before boarding of aircraft, as well as wanting to establish a passenger profile on low cost travelers, departing from JHB International Airport. The market is clear as it is domestic travelers departing on low cost airlines from JHB International Airport. The total number of all departing domestic travelers monthly, is on average, 360 000 passengers.

#### Sample plan

For the purposes of this study the target population was defined as all persons, including males and females, from 18 years and older, traveling on Kulula and 1Time airlines during September 2005, from JHB International Airport. The random variables measured were; inter alia, the gender of respondent, age of respondent,

business or leisure traveler, frequency of travel, preferences, perceptions and expectations of prospective product offerings on retail carts in the domestic terminal building.

The sample population consisted of 112 low cost travelers on both Kulula and 1Time and the same number of questionnaires were completed in a face to face interview during September 2005. The sample was chosen at random and was representative of the total low cost departing passenger population, ensuring that inferences would be possible and valid. As expected, a 100 percent response or completion rate was achieved. The first portion of the instrument contained personal and background information and respondents were randomly selected in the domestic departures terminal, waiting to depart on flights from Kulula and 1Time airlines. All respondents completed questionnaires in the presence of two research assistants.

#### Questionnaire design

The measurement instrument was pre-coded to enable input of data directly from the questionnaire, once the research was completed. A nominal scale was applied in questions 1, 2, 3, 4, 5 and 6; with a rating 5 point scale and Likert type scale in questions 8 to 24. Question 7 was simply a question on product choice, where the respondent needed to indicate the preferred choices. In this survey, various evaluative statements were made where the lowest number indicated a more unfavorable response and the highest number a more favorable response.

Interval scaled data enabled the computing of means and standard deviations in this study, where a scale of agree and disagree was further employed to indicate the respondent's agreement or disagreement with a statement made.

The survey consisted of 24 questions, three pages in total, pertaining to background information, preferences, perceptions and expectations. The questionnaire was divided into four parts, namely:

- Background Information - This section was required for statistical purposes to enable a profiling on low cost travelers

- Preferences - A better understanding was attempted on the preferences of low cost travelers on snacks and merchandise offered on retail carts
- Perceptions - In this section the aim was to understand how domestic travelers perceive the value that could be offered by snacks and merchandize on retail carts
- Expectations - In this section the aim was to understand which expectations were created by the option of purchasing from retail carts

In questions 8 to 24, respondents were requested to indicate the extent to which they agree or disagree with each statement by circling the appropriate number. The numbers utilized were:

1= Strongly Disagree 2= Disagree 3=Unsure 4= Agree 5= Strongly Agree

(Please refer to Addendum A for the questionnaire)

#### Representativeness

A sample of 112 passengers on Kulula and 1Time Airlines was used and a 100 percent response and completion rate was achieved.

- Chapter Four - Reporting and Discussions on Results

An SPSS model was applied as a technique to analyze data and after evaluation, data was tabulated to determine the empirical distribution of variables and further calculate descriptive statistics, as well as correlations, from the tabulations. An analysis will be presented on frequencies that were established, based on the number of responses made on each question and cross tabulations, as well as descriptive statistics. A graphical representation on variables has also been included.

- Chapter Five - Recommendations

Findings and data analysis in Chapter four made recommendations possible in the last chapter. Airports Company will benefit from this research as a profile on low cost carrier passengers will enable a customized offering with the benefit of optimizing current commercial revenue in JHB International's domestic terminal, with the

offering of a product that would appeal to consumers that depart from JHB International Airport.

The recommendations and findings in this study could prove valuable on further research at other airports in South Africa, such as Cape Town, Durban, George, Port Elizabeth and East London, as low cost carriers also make use of these destination points.

### 1.12 Conclusion

The aim of this research, which was to identify consumer behavior elements that could influence buying decisions of passengers departing from Johannesburg International Airport, was introduced in Chapter one. The structure presented in Chapter one was a discussion on the background and motivation for the research, the value of the study, formulating a problem statement and hypotheses. The objectives of the study, research methodology, limitations of the project, structure of the research and overview on Chapters one to five were presented.

Chapter two will now be introduced with underlying theories and models of the research.

## CHAPTER 2

### THEORIES AND MODELS UNDERLYING THE RESEARCH

#### 2.1 Introduction

Many theories attempt to define and explain buyer behavior - Economists developed models on pleasure and pain, satisfaction and cost; Psychologists on need and gratification; Sociologists on individual roles and group behavior and Social Psychologists on role perceptions and reference group norms (Lipson & Darling 1974). Marketers and related theory on consumer behavior can, however, not provide an explanation on everything there is to know about consumer buying behavior as it is too complex and dynamic.

Shopping behavior in an airport environment context is especially difficult to predict, as a traveler is influenced by many factors that cause anxiety due to unfamiliar surroundings, time pressures and regulations dictated on safety and security. An attempt will be made in this chapter to provide insight into the factors that influence consumer behavior and the processes involved in buying decisions.

#### 2.2 Definition on consumer behavior

Consumer behavior is defined as all mental and physical activities undertaken by household and business customers that result in decisions and actions to pay for, purchase and use products and services (Cant et al. 2002). Consumer behavior is further defined as the study of individuals, groups or organizations and the processes they use to select, secure, use and dispose of products, services, experiences or ideas to satisfy needs and the impact that these processes have on the consumer and society (Hawkins, Best & Coney 2001).

Marx and van der Walt (1989:71) define consumer behavior as “those factors that determine behavior as well as the consumer decision making process underlying behavior”. To explain and forecast human behavior patterns a marketer needs to know why a consumer decides to purchase one product over another.

It is evident from these definitions stated, that consumer behavior and the influences on buying behavior is not a simple task as people are influenced from a very young

age by their environment, upbringing and social interactions. An attempt will be made to provide a deeper understanding on the factors that influence consumer behavior.

### 2.3 Marketing

A consumer does not operate in isolation but is part of a specific marketing environment which will have both external and internal influences on the consumer's decision to buy. Kotler (2003:xiii) defines marketing as "the art and science of choosing target markets and getting, keeping and growing customers through creating, communicating and delivering superior customer value". A market and the consumer buying behaviour processes have to be understood before marketing can be planned. Various factors will now illustrate how the consumers' decision to buy could be influenced.

Marketing identifies unfulfilled needs and wants, then defines and measures their magnitude and potential profitability, defines the target market that can be best served and decides on the appropriate products, services and programs to best serve these markets (Kotler 2003). Marketers are also skilled in stimulating demand for their products and managing this demand (Kotler 2002).

The demand to offer a customized product to low cost passengers can be classified as a latent demand, as customers have a strong need for this product that is as yet unavailable in the airport environment. A gap in the current product offering within the airport context was identified, as the product offering was not customized for the low cost traveler departing from JHB International Airport.

Marketers are constantly rethinking their philosophies, concepts and tools due to environmental changes (Kotler 2003). Marketers also need to adapt to environmental changes and the following trends have been identified:

- relationship marketing (which focuses on building of a long-term relationship with customers, by identifying the most profitable customers)
- customer lifetime value (focuses on making profit by managing customer lifetime value)

- customer share (the focus is on building customer share by offering a larger variety of goods to existing customers)
- target marketing (trying to be the best firm serving well defined target markets rather than trying to sell to everyone)
- individualization (customization of offering to specific target markets)
- customer database (building a data warehouse on individual customer purchases, preferences and demographics)

Solomon (1999) further defines relationship marketing as the interaction with customers on a regular basis, giving customers reasons to maintain a bond with the company over time.

In an article by Fournier, Dobscha & Mick (1998), published in the Harvard Business Review titled “Preventing the Premature Death of Relationship Marketing” it was stated that relationship marketing is powerful in theory but troubled in practice. The authors believe that everyone is so caught up on information gathering and for the potential opportunities on long-term engagements with customers that it has been forgotten that relationships take two. Confidential information and consumer preferences are shared between companies with the consumer ending up feeling victimized. In this article, reference is made to psychologists Michael Argyle and Monica Henderson, Professors at Oxford University, who defined several basic universal rules of friendship and it is believed to regain trust, emotional support should be provided, privacy respected, confidences preserved and a tolerance of other friendships cultivated. Relationship marketing can only succeed if a customer’s personal information is treated privately and valuable by remembering intimacy and vulnerability are intertwined.

Another view on the failure of customer relationship marketing, (CRM), is the assumption that CRM is a software tool that will manage customer relationships. In an article entitled “Avoid the Four Perils of CRM”, published in the Harvard Business Review (Rigby, Reichheld & Schefter 2002), the view is that a customer acquisition and retention strategy first needs to be implemented, before introducing customer relationship marketing. A company should first create a customer strategy by

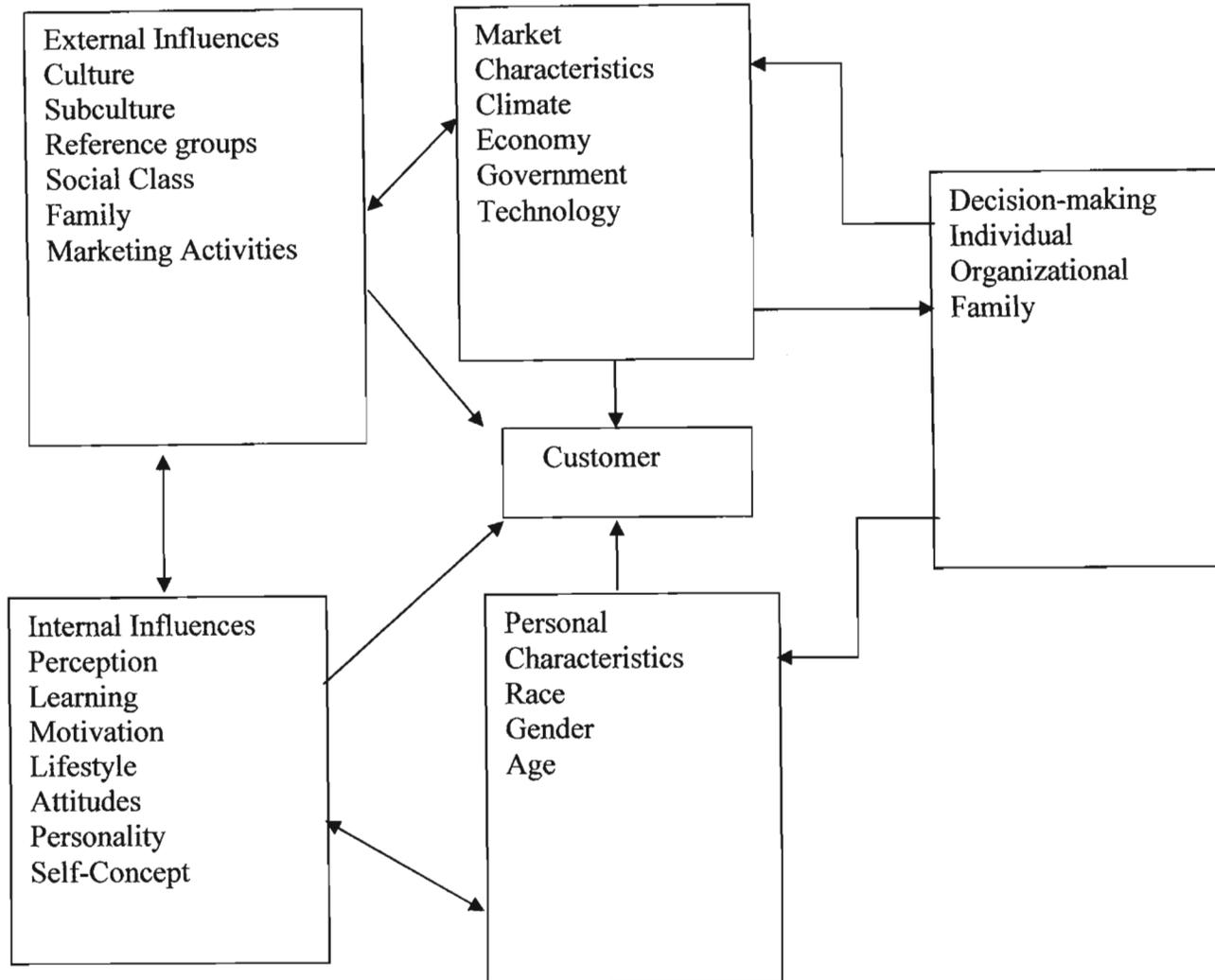
identifying which customers are important enough to build relationships with over the long-term and which customers a company does not wish to build a long-term relationship with.

By segmenting the customer base a company can invest and win back or grow profitable relationships and manage costs or divest from unattractive segments. Once a customer acquisition and retention strategy has been formalized, customer relationship management can be introduced as a long-term objective of retaining and growing those relationships that are most important to the company business.

#### 2.4 Consumer behavior influences

Consumer behavior elements that influence buying decisions are central to this study and include both internal (psychological and physical) and external (sociological and demographic) factors. Lamb et al. (2000) identifies three sets of variables that influence customer behavior; these include individual factors, social factors and the prevailing buying situation. A model on consumer behavior, provided by Cant et al. (2002), will be applied to discuss theories on consumer behavior influences (Figure 2.1).

Figure 2.1: A model on consumer behaviour



Source: Cant, M.C., Brink, A. Brijball, S. (2002:23), *Consumer Behaviour - A Southern African Perspective*, Juta & Co Ltd, Cape Town.

#### 2.4.1 Market characteristics

Consumers work and live in a physical market place with specific characteristics. The climate in South Africa, the economy and technology all have an influence on buying behaviour.

The market place has changed as a result of major forces such as technological advances, globalization and deregulation, creating new consumer behaviour patterns and challenges (Kotler 2003). The Internet and cellular products have changed consumer behaviour as information and connectivity is available on a 24 hour basis.

Customers expect higher quality and service from customization, as fewer real product differences are perceived and less brand loyalty are shown. Extensive product information is available from the Internet and other sources, permitting more intelligent shopping. Customers are also showing greater price sensitivity in their search for value. Brand manufacturers are challenged by domestic and foreign brands which result in rising promotional costs and shrinking profit margins. Powerful retailers further command limited shelf space and are competing with in-store brands.

Disposable income levels of South Africans have increased, if compared to the early 2000's. Interest rates are lower, personal tax has been reduced, more South Africans, (especially the emerging new middle class), have access to technology and the Internet. Low cost carriers are bursting out of their seams to accommodate the demand for flights as the domestic market is expanding with competitive rates offered by 1Time and Kulula. South Africans are taking up the offer of low cost flights and are able to afford regular flights on low cost airlines more often. Consumers can shop whenever they prefer to and are aware that the cheapest flights are available online, not as before where passengers had to book at an airline or travel agent.

#### 2.4.2 Personal factors

South Africa is an ethnic melting pot with retailers needing to provide for specific offerings to various segments in society. Different tastes and preferences must be considered by marketers and the living standards measurement (LSM) is a tool that has been developed by marketers to segment the market in terms of wealth, access to basic facilities and geography, which divides the South African population into ten LSM groups (Cant et al. 2002). The variables used are region, access to electricity, water, television, satellite television, micro wave and a computer at home amongst others. The LSM system had to be adapted to accommodate South Africans that had acquired wealth and access to services after political, environmental and economic changes in South Africa.

In an article by Philip (2005) published in The Sunday Times of 15 May, an updated LSM listing was published, after research was performed by The South African Advertising Research Foundation, (SAARF). South Africa's ten living standards measurement groups are now provided in Table 2.1:

Table 2.1

Living Standards Measurement Level	Description
1 Rural dwellers	<ul style="list-style-type: none"> <li>-Average income R879 a month – mostly social grants</li> <li>- Traditional huts</li> <li>-83 % Unemployment , high illiteracy</li> <li>- No tap water, fridge or insurance</li> </ul>
2 Farm workers	<ul style="list-style-type: none"> <li>- Average income R1068 monthly</li> <li>- 91% live in rural areas</li> <li>-Mostly farm workers and labourers</li> <li>-One third have access to running water</li> <li>-First level to have televisions, (30%) and cell phones (13%)</li> </ul>
3 Matchbox house/ Informal settler level	<ul style="list-style-type: none"> <li>- Average monthly income is R1408</li> <li>-Over a third live in rural areas, mostly matchboxes houses or informal settlements</li> <li>- Half own a television set and fridge</li> </ul>
4 The urban poor	<ul style="list-style-type: none"> <li>- Average monthly income is R1774</li> <li>- High number of backyard and poor township dwellers</li> <li>-Three quarters own a television set</li> </ul>
5 “Something to lose” group	<ul style="list-style-type: none"> <li>- Average monthly income is R2427</li> <li>- Almost 90% have television sets, a video recorder and fridge</li> <li>- Clothing purchases close to middle class levels</li> </ul>
6 Folks in the flats	<ul style="list-style-type: none"> <li>-Average monthly income is R4000</li> <li>- Virtually everyone has a television set, fridge, entertainment center, washing machine and freezer</li> </ul>
7 Toehold in the middle classes	<ul style="list-style-type: none"> <li>-Average monthly income is R6455</li> </ul>
8 Townhouse and retirement generation	

9 Housewives and holiday spenders	
10 Swimming pools, self-employment and suburbia : Welcome to easy street	

Source: Philip, R. (May 2005:5), 'Move over buppies, here come the bappies', *Sunday Times*.

A discussion will now follow on age and life cycle stage, occupation, gender and economic circumstances, which affect a person's taste in food, clothes, furniture and recreation.

- Age and life cycle

Consumption is shaped by the stage of the family life cycle, which influences the financial situation and product preferences. Kotler (1994) identifies nine stages of a family life cycle with different patterns of consumption behaviour.

Table 2.2: Nine stages of a family life cycle

Family life cycle stage	Buying patterns
1 Bachelor: Young single person, not living at home	Few financial burdens, Fashion opinion leaders, buys basic cars, furniture and equipment
2 Newly married couple, no children	Highest purchase rate and highest average purchase rate of durables, buys cars, fridges, stoves and takes vacations
3 Full nest 1 : Youngest child under six	Home purchasing at its peak, liquid assets are low and interest shown in new products
4 Full nest 2: Youngest child six or older	The financial position is better and this consumer buys in bulk, some wives work
5 Full nest 3: Older married couple, dependent children	Better financial position, more wives work, children start working. High purchase of durables, buys more fashionable furniture, magazines and dental services

6 Empty nest 1: Older married couple, no children living with them, head working	Home ownerships at its peak, most satisfied with financial position and savings. Interested in self-education, travel, luxuries and recreation, but not in new products
7 Empty nest 2: Older married couple, no children living with them, head retired	Drastic cut in income, keeps current house, buy medical aid products to assist with health
8 Solitary survivor, in labor force	Income still good, likely to sell home
9 Solitary survivor, retired	Drastic cut in income, special need for attention, security and affection

Source: Kotler, P. (1994:174), *Marketing Management*, 8th ed., Prentice Hall, New Jersey.

Every stage of the family life cycle reflects different income levels and consumption preferences which marketer's should be aware of.

- Occupation, Gender and Economic circumstances

A person's occupation will influence consumption, as a blue collar worker will be focused on survival and be inclined to purchase basic foods and work clothes, where an executive will be focused more on luxury and be inclined to travel regularly, buy expensive suits, and perhaps belong to a country club.

Many products are further targeted towards either men or woman. Differentiating by gender starts at a very early age as baby clothes are available in either pink, (for girls), or blue, (for boys). Woman and men are socialized differently and reflect very distinctive tastes and preferences for products (Solomon 1999). A person's spendable income, savings and assets, debts, borrowing power and attitude towards spending, versus saving, will also influence a person's product choice (Kotler 1994).

#### 2.4.3 Internal influences

Research on theory in consumer behaviour elements indicates that the internal factors that influence buying decisions are perception, learning, motivation, needs and wants, values, beliefs and attitudes, lifestyle and personality. These individual factors are

unique to each individual (Cant et al. 2002). Each individual in society evaluates an experience very differently from others as their reality is a totally personal phenomenon based on the individual's needs, wants and desires, values, expectations and personal experiences. It is the internal influences that make it so difficult to predict consumer behavior as it is not visible but internal to the specific consumer.

- Perception

Perception refers to the process of how a person receives, selects, organizes and interprets stimuli which are detected by one of the five senses. Perception, according to Marx and van der Walt (1989), can be defined as the process whereby an individual selects, organizes and integrates stimuli into a meaningful and coherent overall picture. Kotler (1980), states that perception depends not only on the character of the physical stimuli, but also on the relation of the stimuli to the surrounding field, (Gestalt idea) and on conditions within the individual. People can have different perceptions of the same stimulus situation because of three perceptual processes, which are - selective exposure, (most stimuli are screened out and only a selective few are noticed), -selective distortion, (a stimulus is noticed but twisted to have personal meaning), and selective retention, (retain information that supports personal beliefs and attitudes).

The process of perception has three steps, as per Sheth & Mittal (2004), which are sensation (attending to an object in the environment with one or more of the five senses), organization (categorizing by matching the sensed stimulus with similar object categories in one's memory) and interpretation (attaching meaning to the stimulus, forming a ruling as to whether it is an object you like and of what value it would be to you, the perceiver).

Another view on perception is that it is the process through which individuals detect and decode a given stimulus (Hawkins et al. 2001). Sullivan and Adcock (2002) state that individuals have different levels of detection (such as eyesight) and tend to be selective in what they decode. In other words, individuals are more likely to decode a stimulus if it is relevant to them, thus linked to a current need. Learning (which affects perception), relates to an individual's ability to simplify responding to the multitude of incoming stimuli that cannot be addressed individually. Sullivan and

Adcock (2002:60) state that “we store up a memory bank that allows us to quickly categorize a stimulus and adopt a previously successful response, thus minimizing thinking time”. Having identified the stimulus as familiar or foreign, the shopper will either take advantage of the memory bank (familiar) or embark on a completely new buyer decision making process (foreign).

- Learning

Learning describes changes in an individual’s behavior arising from experience (Kotler 1994). Learning is an ongoing process where our knowledge of the world is constantly being revised as we are exposed to new stimuli and ongoing feedback that allows us to modify our behavior when we find ourselves in similar situations at a later time. According to Solomon (1999) Psychologists who study learning developed various theories to explain the learning process. These theories range from simple stimulus-response theories, (Behavioral theory), to perspectives that regard consumers as complex problem solvers who learn abstract rules and concepts by observing others (Cognitive theory).

Behavioral learning theories assume that learning takes place as a result of responses to external events. Solomon (1999) indicates that this view is represented by two major approaches to learning, classical conditioning, (when a stimulus that elicits a response is paired with another stimulus that does not initially elicit a response, and over time the second stimulus causes a similar response as it is associated with the first stimulus) and instrumental conditioning (consumers respond to jingles, brand names, scents and other marketing stimuli based on the learned connections they have formed over time).

- Motivation

Motivation has two components, the drive or arousal, which is an internal state of tension that produces actions purported to reduce that tension and a goal object, which is something in the external world whose acquisition will reduce the tension (Sheth & Mittal 2004). Motivational research is directed to discovering the motives for a person’s behavior, thus searching for reasons on why a customer prefers to purchase

one item over another. “A motive is a need that is sufficiently pressing to drive the person to act” (Kotler 2003:93).

“Some needs are biogenic; they arise from physiological states of tension such as hunger, thirst, discomfort. Others needs are psychogenic, they arise from psychological states of tension such as the need for recognition, esteem or belonging” (Kotler 2000:93) Sullivan and Adcock (2002) note that, in the western retail system, shoppers tend to be motivated by psychological factors since their biogenic needs are usually satisfied.

A need, according to Solomon (1999) can be utilitarian (a desire to achieve some functional benefit, similar to when a person eats green vegetables for nutritional reasons) or a need can be hedonistic (which is an experiential need, involving emotional responses, which could include a fantasy of eating a juicy steak sizzling on a grill).

Needs motivate a person to act on his situation and according to psychologist Abraham Maslow, human needs and wants are arranged in a hierarchy starting from the lowest and most urgent needs, which are physiological in nature and must be satisfied first, then moving to safety, love, esteem and self actualization needs. The higher level needs such as self actualization, are dormant until lower level needs such as safety and physiological needs are satisfied.

Drive theory focuses on biological needs that produce unpleasant states of arousal (Solomon 1999). Individuals are motivated to reduce the tension causing this arousal and those behaviors that are successful in reducing the drive, by satisfying the underlying need, are strengthened and tend to be repeated. A need becomes a motive when it is aroused to a sufficient level of intensity. A motive is a stimulated need which is sufficiently pressing to direct a person toward the goal of satisfying the need (Kotler 1980).

Hertzberg’s theory of motivation distinguishes a two factor theory of motivation, with satisfiers (effortless shopping at the airport) and dissatisfiers (bad service when

purchasing products at the airport). Satisfiers will act as a motivation to the consumer and a dissatisfier would de-motivate a consumer (Kotler 1994).

- Needs, wants and demands

A successful marketer must understand the needs (basic human requirements such as food, shelter, water and clothing), wants (needs that become wants if they are directed towards specific objects that might satisfy the need) and demands (wants for specific products backed by an ability to pay) of their target market (Kotler 2002). A need is further defined by Kotler (1994) as a state of felt deprivation of some basic satisfaction and a want as desires for specific satisfiers of deeper needs. Understanding customer needs are not simple as some customers have needs that they are not fully conscious of and others cannot articulate these needs into words.

Five types of needs can be distinguished, which are stated, real, understated, delight and secret needs. A further distinction, identified by Kotler (2002), is responsive marketing (the marketer finds a stated need and fills it), anticipative marketing (the marketer looks ahead to the needs that customers may have in the near future) and creative marketing (marketer discovers and produces solutions that customers did not ask for but to which they enthusiastically respond to).

- Values, beliefs and attitudes

A belief is a descriptive thought that a person holds about something (Kotler 2000:95). The extent to which people share a belief system is a function of individual, social and cultural forces. A person's set of values plays an important role in consumption activities, as many products and services are purchased because people believe these products will help them attain a value-related goal (Solomon 1999).

According to Sullivan & Adcock (2002) an understanding of attitudes and beliefs will identify shoppers who have a negative view of a given retailer. Cant et al. (2002) defines attitude in marketing terms, as a learned predisposition to behave in a consistently favorable or unfavorable way toward market related objects, events or situations. Marketers define attitude as the way we think, feel and act toward some aspect of the commercial environment such as a retail store or a product.

- Lifestyle and Personality

Lifestyle is explained by Sullivan & Adcock (2002) as an individual's way of life which is expressed by activities, interests and opinions and incorporates buying habits, the latter of which can be better understood through a process of lifestyle modeling. Typically, an activities-interests-opinions (AIO) inventory is developed with groups of like individuals gathered together in clusters (Hawkins et al., 2001 & Blackwell, Miniard & Engel, 2001).

A lifestyle marketing perspective, according to Solomon (1999) recognizes that people sort themselves into groups on the basis of the things they like to do, how they like to spend their leisure time and how they choose to spend their disposable income. One's choice of goods and services makes a statement about who you are and about the types of people with which you desire to be identified with.

Each person has a distinct personality marked by his or her degree of extroversion versus introversion, creativity versus conventionality and activeness versus passiveness (Kotler 1980). Personality is defined by Sullivan & Adcock (2002:61) as "those distinguishing psychological characteristics that lead an individual to respond in a relatively consistent way over time to the surrounding environments." Personality describes a person's distinguishing character traits, attitudes and habits. According to Solomon (1999) personality refers to a person's unique psychological make-up and how it consistently influences the way a person responds to his or her environment. Sheth and Mittal (2004) define a personality trait as a consistent, characteristic way of behaving. Of specific relevance are personality traits and the shopper's self-concept.

Sullivan and Adcock (2002) note that whilst traits are identifiable personality characteristics that relate directly to response (extrovert/introvert/sociable), self-concept is the mental picture based on the traits the shopper thinks he or she has. Furthermore, "others' self-concept" refers to an individual's mental picture of how others see them and "ideal self-concept" is how they would like to be seen. All three mental pictures have a strong influence on shopping behaviour and the purchases made.

#### 2.4.4 Model on consumer analysis

A wheel on consumer analysis in Olson & Peters (1994) is provided as a framework to study, analyze and understand consumers. The three parts of the wheel on consumer analysis is presented as, affect and cognition (feelings and thinking), behavior and the environment. These three categories describe the major concepts a marketer must analyze to understand consumers.

Affect and cognition are internal, psychological reactions that consumers may have in response to objects and events in the external environment, or to their own behavior. Affect varies in evaluation and intensity. Some affective feelings are positive (love, joy, relaxed) and others are negative (boredom, anger, fear). Affect includes rather intense emotions, such as love or anger, less intense emotions, such as frustration or satisfaction and diffuse moods, such as boredom or relaxation (Olson & Peters 1994).

Cognition refers to the knowledge and thinking processes involved in people's responses to the environment. Cognition includes the knowledge, meanings and beliefs people have acquired from their experiences and have stored in their memories. Cognition also includes remembering past events, forming attitudes and making purchase decisions. Behavior refers to the overt acts of consumers, (what consumers actually do), which include watching television, visiting a store or buying a product. The environment refers to all the physical and social characteristics of consumers' external world, which includes places, objects and other people that influence consumers affect cognition and behavior (Olson & Peters 1994).

Marketers can analyze any consumer behavior situation in terms of the three elements of the wheel of consumer analysis, according to this view. Implementing the framework of the wheel on consumer analysis and applying this analysis to the low cost traveler departing from the airport, the physical environment in the airport was found to be busy with passengers all trying to board flights. The width of the aisles (to push baggage trolley through), the airport layout, (levels and walking distances), directional signage and noise levels influence the passenger's affect, cognition and overt behavior.

Product offerings, music, lighting and temperature also affect the passenger's decision to buy. Marketing strategy decisions by retailers and the design of the airport are part of the environmental influences that will have an impact on the decision to buy. The variety of stores, product offerings, promotional items and package design, are intended to influence the consumer's affect, cognition and behavior.

The behavior patterns that occur when passengers purchase products prior to boarding are, to mention a few, walking to the boarding gate, looking at products that are on sale at the airport, picking up and examining different products, deciding on a specific product, paying for the product and observing other passengers.

Affect and cognition factors that could influence the passenger are - being irritated as the baggage trolley is too heavy, paying attention to the visual appeal of the stores in the terminal - while sub-consciously ignoring the screaming children in the terminal. This passenger is also busy interpreting a large amount of information in the terminal, from the soft music in the background, the friendly airline assistant, to the price tags of the products on display and taking in the variety of brands. The passenger evaluates the products in terms of meeting his needs and those of his family and could remember that his wife needs a new pair of shoes and then consider the price and brand and perhaps decide to surprise his wife with the desired pair of shoes (Olson & Peters 1994).

#### 2.4.5 External influences

External factors that influence buying decisions are culture, reference groups, social class, family and marketing activities. (A model on consumer behaviour is provided in Figure 2.1). Marketers also find it difficult to predict consumer behavior as the consumer is so susceptible to influences which are engrained within his or her culture, as well as other influences from social interactions.

- Culture

Culture refers to a range of symbols and artifacts created by a given society and passed on from generation to generation as determinants and regulators of human behaviour. Culture, according to Sullivan & Adcock (2002:55) "is the pattern of life adopted by people to help them interpret, evaluate and communicate as members of

society.” Blackwell, Miniard and Engel (2001) state that culture is fundamental to the discussion on environmental influences, whilst Kotler (2000) argues that cultural factors exert the broadest and deepest influence.

Sheth and Mittal (2004) state that culture is learned, regulates society, makes living more efficient, is adaptive, is environmental and that multiple cultures are nested hierarchically. Culture is the most fundamental determinant of a person’s wants and behaviour. Whereas the behaviour of lower creatures is largely governed by instinct, human behaviour is largely learned. The child growing up in a society learns a basic set of values, perceptions, preferences and behaviors through the process of socialization involving the family and other key institutions. Olson and Peters (1994) define culture as the meanings that are shared by (most) people in a social group.

According to Kotler (1994) culture is the most fundamental determinant of a person’s wants and behaviour. The growing child acquires a set of values, perceptions, preferences and behaviors through his or her family and other reference groups. Within a culture we also find a set of sub-cultures that provide more specific identification and socialization for its members. (This includes nationalities, religions, racial groups and geographical regions). Social classes are relatively homogeneous and enduring divisions in a society, which are hierarchically ordered and whose members share similar values, interests and behaviour. Social class members behave more alike than those belonging to another social class and show distinct product and brand preferences.

- Sub-cultures – Social class

Sullivan and Adcock (2002) note the existence of sub-cultures within a social group that share the overall cultural norms of the society, the sub-culture retains an associated set of more tightly defined norms that allows it to be differentiated on the basis of geography, ethnicity, religion or demographics. A social class can be defined as identifiable groups of individuals whose behaviour and lifestyles differ from those of members of other classes. Therefore marketers must understand the needs and wants of each social class in order to market their products effectively to them (Cant et al. 2002).

Social class indicates people who are approximately equal in terms of their income and social standing in the community (Solomon 1999). Each culture contains smaller groups or subcultures and each of these provides more specific identification and socialization for its members. Kotler (1980) identifies four types of subcultures, which are nationalities, religious groups, geographical areas and racial groups. Sullivan and Adcock (2002) state that many researchers have identified strong links between behaviour and social class, with elements such as choice of media and advertising exposure and shopping habits all linked to class membership. A person's social class also determines their media usage, where education is the best predictor of media usage (Cant et al. 2002).

Over the past few years South Africa has witnessed the rise of a new middle class of previously disadvantaged people, requiring different market offerings. Socio-cultural changes are also influencing South African consumers as the way in which consumers shop has changed. Shopping is no longer dull but more fun and exciting as retailers are providing consumers with exciting new concepts and shop designs. Through the Internet, customers have more information available to make more informed decisions and internet usage has already influenced the behaviour of many South African consumers. Customers are becoming more demanding and expecting something in return from the organizations they do business with. The trend is that more people are working from home, performing more online transactions in purchasing products and booking accommodation and flights on the Internet.

- Social factors

Reference groups, according to Sullivan & Adcock (2002), are groups of individuals that have a direct or indirect influence on a person's attitudes or behaviour, such as the family, one of the most important reference groups.

Another view by Kotler (1994) is that reference groups influence consumers by exposing the consumer to new behaviors and lifestyles; influencing the consumer's attitude and self-concept as the consumer wants to "fit-in" and further creates pressures for conformity that may affect the consumer's actual product and brand choices. Reference-group influences change as products pass through the product life cycle. When a product is first introduced, the decision to buy is heavily influenced by

others, but the brand chosen is less influenced by others. In the market growth stage, group influence is strong on both product and brand choice. In the product maturity stage, brand choice but not product choice, is heavily influenced by others.

Manufacturers must determine who the opinion leaders are where group influence is strong and determine how to influence the opinion leaders of these reference groups. Family members are the most influential primary reference group and consist of one's parents, spouse and children.

In an article entitled "I Think It's Pretty Good, But Did You Hear What He Said?" (Cowley & Rossiter n.d.), it is stated that consumers often incorporate opinions of other consumers, known as word of mouth, (WOM), when evaluating a product or service. However, little is known about how evaluations are changed by WOM, which consumers are more likely to be influenced and whether the change in evaluation will affect future decisions. It was found that WOM had the greatest affect with consumers who were more uncertain about their initial attribute judgments. In line with dissonance theory it was also found that larger changes in attitude occurred after accepting a WOM message that was accompanied by higher attitude purchase intention correlations.

Sullivan and Adcock (2002) note that many researchers have classified reference groups based on membership status (automatic or sought), degree of formality (clearly defined purpose and roles or a more casual nature) and nature of interaction (close emotional contact or impersonal). Reference groups are all those groups that influence a person's attitudes, opinions and values. Some are primary groups, (also called face-to-face groups such as family and close friends), others are secondary groups, (fraternal organizations or professional associations) and aspiration groups (sport heroes or movie stars).

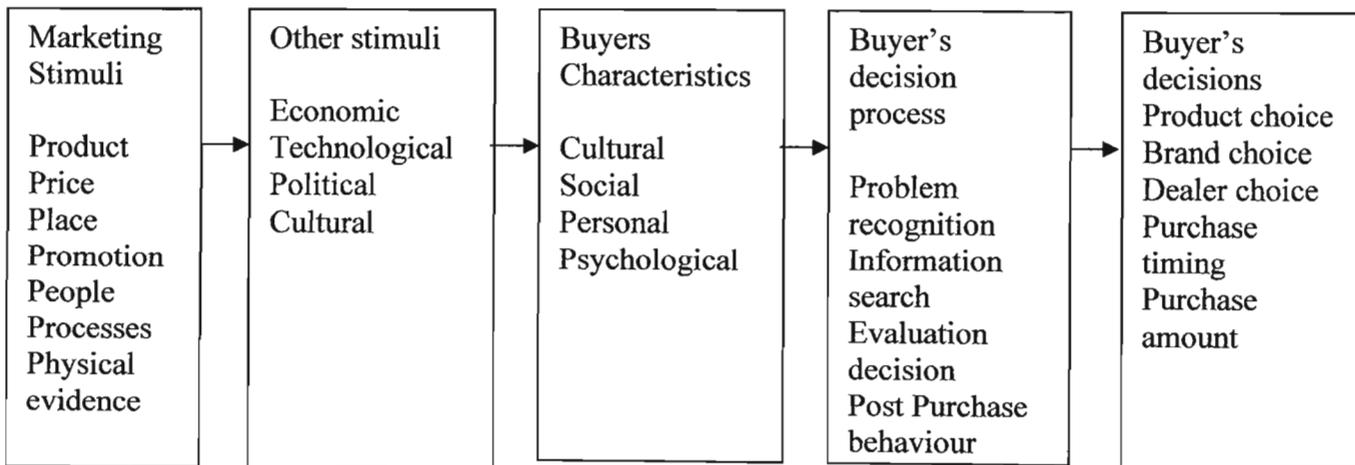
Kotler (2000) elaborates on the significant influence of reference groups: they expose individuals to new behaviors and lifestyles, influence attitudes and self-concept and create pressures for conformity.

Semiotics, according to Solomon (1999) is important in understanding consumer behavior, as consumers use products to express their social identities. Semiotics examines the correspondence between signs and symbols and their role in the assignment of meaning. Every marketing message has three basic components from a semiotic perspective, which is an object, (Marlboro cigarettes) a sign or symbol (cowboy) and an interpretant (rugged, individualistic).

## 2.5 Buying behavior – Model by Kotler

The major factors that influence buying behaviour, according to Kotler (2003) are marketing stimuli - (product, place, price, promotion, people, processes and the physical environment), - other stimuli (economic, technological, political and cultural), - the buyer's characteristics (cultural, social, personal and psychological), - the buyer's decision process (problem recognition, information search, evaluation decision and post purchase behavior) and the buyer's decisions, (product choice, brand choice, dealer choice, purchase timing and purchase amount). Kotler's model will now be discussed, with a focus on the major factors a marketer has to consider on consumer buying behavior influences.

Figure 2.2: Model on buying behaviour



Source: Kotler, P. (2003: 184), *Marketing Management*, 11th ed., Prentice Hall, New Jersey.

Marketers are influenced by certain concepts and use target markets, a marketing mix, market targeting, market segmentation, pricing, the product offering, and packaging as marketing tools to influence buying behavior (Kotler 2002).

### 2.5.1 Marketing Mix

A marketing mix is a tool used by marketers to obtain desired responses from their target markets, detailing product, place, promotion and price; in line with a corresponding customer marketing mix of customer solution, customer cost, convenience and communication (Kotler 2002). It is suggested that additional three 'P's should be added to the marketing mix for services firms; these include people, physical evidence and processes.

Lewis and Chambers (1989:299) state that the marketing mix is "the stage of marketing management and strategy that directly affects the customer. It is the ultimate outcome of the company's philosophy and final delivery of the company's offering to the marketplace".

Customized products on offer to departing passengers within Johannesburg International Airport should contain the following marketing mix elements, it should be conveniently placed, easily accessible, obtained in the shortest time possible due to time constraints, "grab" the attention of the passenger with recognizable branding and priced within reasonable limits by comparing with average market prices.

- People

Market offerings contain a service component, both to meet the needs of the targeted consumer segment and to create a distinctive differentiation to compete with. As services are offered by people it is important that people are highly trained, carefully selected and motivated to increase customer satisfaction.

- Physical evidence

A firm should demonstrate their service quality through the 'look' and observable style where customers are handled.

- Processes

Service companies have specific processes for the delivery of services to their customers (Kotler 2002). Marketing mix is the primary element, marketing managers use to control and serve customers. The aim is to develop a consistent mix where all the elements work together to serve the target market. The starting point for developing marketing mixes is a thorough understanding of consumers in the target market (Olson & Peters 1994).

- Price

In the entire marketing mix, according to Kotler (2002) price is the one element that produces revenue, the others produce costs. Price is also the most flexible element as it can be changed quickly. Most firms do not handle pricing well as pricing is too cost oriented, pricing is not revised enough to take advantage on market changes and price is set independent of the rest of the marketing mix rather than as an intrinsic element of the marketing positioning strategy. Pricing is the selling factor and the mechanism used by low cost airlines to attract customers away from traditional airlines and other low cost airlines.

With a low pricing strategy followed by low cost airlines, these airlines make less income on sales due to lower prices, but generate more volumes of sales per rand of assets. This is achieved if a low cost airline gives good quality and service to its customers. The use of a pricing strategy is dangerous if a clear understanding of the industry, business or customer is lacking, as charging too low a price wins the sale but provides little profit (Kotler 2003).

A low price further attracts the wrong customer who will switch easily and also encourages competitors to match or exceed your price cuts. Hyper competition causes more companies competing for the same customer, leading to price cuts. With the Internet people have easier access to compare prices and choose the lowest offer. The marketing challenge is to find ways to maintain prices and profitability within this environment. The mechanisms to overcome this challenge are through better segmentation, stronger branding and superior customer relationship management.

Low cost airlines use the objective of maximizing market share as a pricing objective to increase sale volumes as they believe it will lead to lower unit costs and higher long-term profit. With a focus on market penetration pricing, firms set the lowest prices, assuming the market is price sensitive. A number of forces such as deregulation and instant price comparisons over the Internet have turned products into commodities in the eyes of consumers and increased their price sensitivity. Companies need to understand the price sensitivity of their target market and the trade-offs people are willing to make between price and product characteristics.

Peter Drucker (1973, quoted in Kotler 2003:xii), defines the aim of marketing as “to make selling superfluous”. Ideally marketing should result in a customer who is ready to buy (Kotler 2002).

A passenger using a low cost carrier is specific in needs and wants and this can be classified as a niche market with products and services that can be customized to the specific target market. Companies must look for trends as the scope for new opportunities is endless. One of the biggest opportunities today has arisen with cheaper flights offered by low cost carriers and making it possible for a very large consumer market - that has been untapped to date - to purchase domestic flights. The traditional airline business has been re-invented by low cost airlines to offer more competitive prices, whilst also remaining profitable.

The growth in demand for low cost flights has provided a new opportunity and segment with specific needs to satisfy. As these airlines are specific in not offering meals as part of the ticketing price, a new opportunity is created for retailers to offer pre-packaged snack packs – in partnership with Airports Company - that are easily carried on board and packed with snacks tailor made to the low cost traveler's requirements.

In an article by Andersen & Simester (2003), published in *The Harvard Business Review*, titled “Mind Your Pricing Cues”, it is stated that a consumer's knowledge of the market is very far from perfect and the consumer relies on the retailer to tell them if they are getting a good price. Customers implicitly trust retailers' pricing cues and, in doing so, place themselves in a vulnerable position. In subtle and not so subtle

ways, retailers send signals to customers, telling them whether a given price is relatively high or low. The cues retailers make use of are sale signs, prices that end in the number 9 (which acts as a discount sign), signpost items (items we frequently buy of which the prices are familiar to us and are then used by us to form an overall impression of a store's prices) and pricing guarantees.

Retailers should, however, manage pricing cues in the same way they manage quality, as no retailer interested in cultivating a long-term relationship would deceive customers with inaccurate pricing cues. By reliably signaling which prices are low companies can retain customers' trust.

- Promotion

Promotion refers to the variety of ways marketers communicate with consumers about products to influence their affect, cognition and behavior (Olson & Peters 1994). Marketing factors on promotions that a marketer must consider, are finding the best media options for reaching the target market, which message should be communicated to consumers about the product and the appropriate image for my product.

- Place (Distribution channels)

Olson and Peters (1994:46) pose marketing questions on place as "which image should retailers portray to influence consumer preference, which specific atmosphere will encourage buying behavior within a store, how will in-store layout, signs, music and displays influence consumer affect, cognition and behavior and where should service facilities be located to make them readily available to consumers?"

- Product

Consumers satisfy their needs or wants with products. A product is anything that can be offered to a market to satisfy a need or want. Products include physical goods, services, experiences, events, persons, places, properties, organizations, information and ideas. The consumer will judge the product on three basic elements, the product features and quality, services mix and quality and price appropriateness (Kotler 2002). The product or offering will be successful if it delivers value and satisfaction to the target market.

It is important that marketers think carefully about the product level on which they wish to attract consumers. Five product levels are identified, where each level adds more customer value. The most fundamental level is the core benefit, the second level is the basic product, the third level is the expected product, on the fourth level the augmented product and on the fifth level the potential product is developed by investigating totally new and added ways of satisfying customer needs.

A product is any offering made for the purpose of exchange, according to Olson & Peters (1994). The marketing questions can include what function the product serves for the target market, what features or attributes are most important to the target market, what types of packaging or labeling information would best attract the target market and what brand name and trademark for the product would create the appropriate image in the target market?

Also part of the product is a product mix, product positioning and packaging. A product mix, also called a product assortment, is the set of all products and items that a specific marketer offers for sale. The product mix can be described in terms of width, (how many product lines are available) length, (total number of items in the mix) depth (how many variants of each product is on offer) and consistency (How closely related are the product lines in terms of end use, production requirements and distribution channels). Considering these four product mix dimensions a company can expand its business by adding new lines, lengthening each line, deepening by adding more variants and by pursuing more product- line consistency (Kotler 2002). Product positioning involves conveying an image in order to influence consumer behavior. To position a product effectively, all four elements of the marketing mix should be designed to work together in creating a consistent image and encouraging buying behavior (Olson & Peters 1994).

Packaging and labeling, also suggested as a fifth 'P', requires a packaging concept, defining what the package should do for the product. Decisions must also be made on the color, size, shape and material of packaging. All packaging elements must be in harmony with the product's pricing, advertising and other marketing elements. The

label identifies the product and can include information on grading, describing and promoting the product.

In an article by Ulwick (2002) which was published in the Harvard Business Review, entitled “Turn Customer Input into Innovation”, it was stated that companies make a mistake in asking customers what they want when developing a product or service, then developing a product based on a customer’s response which then fails to attract sales. The reason for this failure is that a customer has a limited frame of reference and is not an expert in product innovation. The customer should be asked for the outcome not the solution and the question asked should rather focus on what they want the product or service to do for them.

Another view on product development, published in the Harvard Business Review, entitled “Customers as Innovators”, by Thomke & von Hippel (2002) is that customers should be equipped with tools to design and develop their own products. The problem is that product development is difficult as the “need” information resides with the customer and the “solution” information with the manufacturer. Traditionally, manufacturers were responsible to collect need information from customers, which was costly and time-consuming as customer’s needs are complex, subtle and fast changing. Customers also seldom fully understand their needs until a prototype has been tested. With the involvement of customers in the design process this problem can be overcome as the “needs” aspect of the customer is addressed.

#### 2.5.2 Market segmentation and target marketing

A company cannot serve everyone in a broad market (Kotler 2002) as consumers are too numerous and diverse in their buying requirements and needs. Companies perform best when they choose their target markets carefully and design products that are tailor-made for the specific segment. The organization decides on a target market and develops a market offering that is positioned in the target consumers’ minds as delivering some form of benefit. The most targeted marketing strategies are built around meeting each customer’s unique requirements, also called mass customization.

Target marketing, according to Kotler (2002), requires three steps from marketers:

- identify and profile distinct groups of buyers who might require separate products or marketing mixes (market segmentation)
- select one or more market segments to enter (market targeting)
- establish and communicate the product's key distinctive benefits in the market (market positioning).

The logic of market segmentation is that a single product will usually not appeal to all consumers. People's purchase goals, product knowledge and purchase behavior vary and successful marketers adapt their marketing strategies to appeal to specific consumer groups (Olson & Peters 1994). Market segments can be identified by examining demographics, psychographics and behavioral differences and can be utilized to define specific needs and wants of a specific segment to satisfy (Kotler 2002).

Market segmentation identifies groups of consumers who are similar to one another in one way or another and then devises marketing strategies that appeal to one or more group. The dimensions used to slice up the market are demographics, such as age income, gender, race and geography (Solomon, 1999). Once a firm has identified its market segment, marketers can start to evaluate each segment to determine which ones to target and enter. In evaluating different market segments the firm must look at its overall attractiveness (size, growth, low risk, profitability) and if the segment is aligned to the firm's objectives and resources. By targeting low cost passengers, classified as single segment concentration, the researcher aims to understand the needs of the segment market and develop a product offering that is tailor-made for this specific segment (Kotler 2002).

Olson and Peters (1994) identify three tasks in market segmentation, where the first task is defined as analyzing consumer/product relationships, where an analysis is performed of the affect and cognitions, behaviors and environments involved in the purchase or consumption process for a particular product. In the second task, focus groups and other types of primary research are used for identifying differences in attributes, benefits and values for various potential markets. In the third task, secondary research can be used to investigate specific differences in potential target

markets, also to determine sizes of these markets and develop a better understanding of consumers of these products.

Market segmentation aims to increase a company's precision marketing efforts. Four levels of market segmentation, are identified, namely niches, segments, local areas and individuals (Kotler 2002). The low cost passenger is a market segment which consists of a large identifiable group within a market, with similar wants, purchasing power, buying attitudes, buying habits and geographical location. Segment marketing allows a firm to create a finer tuned product or service offering and price it appropriately for the target audience (Kotler 2002).

The choice of distribution and communication channels becomes easier and the firm may face less competition in certain segments. The low cost segment can also be classified on an individual marketing level as low cost airlines primarily sells to customers in the Internet. The biggest discounts are found on the Internet where technologies are allowing marketers to use mass customization and prepare individually designed products and communications on a mass basis to meet each consumer's requirements.

#### 2.6 Model on buying behavior by Nunes and Cespedes

In an article which was published in the Harvard Business Review, entitled "The Customer Has Escaped" (Nunes & Cespedes 2003:101) a statement is made that "traditional go-to-market strategies don't work because they assume customers will stay in the channels that were designed for them. It is time for a fresh look at how shoppers really behave". Customers "channel surf" today and avail themselves of the services of high touch channels only to buy the product at the end point of another. Channels should be designed to support unfettered buyer behavior, rather than designing channels to capture targeted demographic segments (Nunes and Cespedes 2003).

Table 2.3: Four kinds of buyers – Stages of the typical purchasing process

<b>Shopper category</b>	<b>Awareness</b> Recognize need	<b>Consideration</b> Information Search	<b>Preference</b> Evaluate alternatives	<b>Purchase</b> Decide what to buy and when	<b>Post Sale Service</b> Post purchase
Habitual	Run out of products	-Use only information that is easily available -Discover new products in passing	-Fall back on long held preferences -Brand loyal but susceptible to change	-Are both planned and unplanned -Are reminded	-Perform only moderate evaluations, unless switching brands
High value	Need is recognized due to external influences or due to a life event	-Trust retailers -Rely on sales assistance	-Seeks out advice of friends -Use brands to form judgments	-Wait for the right time, like a limited sale -Are often driven by need	-Performs significant re-evaluations after purchase -Are likely to have buyers remorse
Variety loving	Shop as entertainment	-Performs on the spot comparisons -Looks for sales	-Choose spontaneously -Must have minimum standards met -Are willing to try product	By on impulse or suggestion	Evaluate selves as astounded or disappointed
High involvement	-Driven by life goals or longtime interests - Sometimes influenced by events or influences	-Evaluates search versus need -Consider numerous product attributes	Seeks expert advise	Thoughtful In selecting time and location	Little immediate re-evaluation

Source: Nunes and Cespedes, (2003:101), 'The customer has escaped', *Harvard Business Review*.

Customers have become detached from the channels that used to claim them, as they are more adversarial shoppers (they have been conditioned to hunt for bargains), they are more sophisticated and have access to a variety of tools for information gathering. According to Nunes and Cespedes (2003), today's unfettered customer shops differently and as reflected in Table 2.3, four kinds of buyers can be identified, similar to Kotler's classes of buying behavior (Kotler 1980).

Table 2.3 reflects that the time and effort a buyer expends at each stage of the buying process depends on factors such as the nature of the product, the perceived risk and whether this is an initial or repeat purchase. What makes shopping behavior different

today is that shoppers are no longer marching through the five stages in the context of a single channel, but are using all the available channels and entering different ones to fulfill their needs at the different stages. A new channel strategy is proposed that embodies aggregate buying behavior in the entire buying process. It is only possible to determine whether everything a customer needs is offered to the customer, by observing how customers actually behave throughout the entire buying process.

The tools to determine if everything a customer needs is offered to the customer, are the standard market research tools of focus groups, surveys and observations, which will assist to discover how different customers go about shopping for, purchasing and then owning what is sold. Once the different pathways that buyers follow are understood, a go-to-market strategy can be introduced to guide customers through the pathways that are preferred. These pathways should reflect the consumer's behavior as they move from awareness to post sale service, but they should also influence specific choices customers make along the way. The goal is to make it easier for the customer to follow a path that returns more value, than what is invested to support the activities along the way.

## 2.7 Buying decision influences

An evaluation will be performed to compare different models and theories on consumer behavior processes and the influence these processes have on consumer buying behavior. Following this discussion the theory and models on buying decision processes will be discussed.

According to Olson and Peters (1994) consumers use both external and internal information, which is interpreted by their cognitive systems. This view is shared by Kotler (2003), Cant et al. (2002), Solomon (1999), as well as Sullivan and Adcock (2002), where the consumer is influenced by perceived product differences and level of involvement during buyer decisions.

The most important aspect for marketers to understand, according to Olson & Peters (1994) is how consumers make decisions to buy. Consumers use information from their environment, such as the price tag, advertisements, brands, as well as their internal affective responses and own behaviors that are interpreted by their cognitive

systems. According to this theory, consumer behavior involves three cognitive processes, where information gathered from the environment must first be interpreted to create personal meanings. (The consumer will create new knowledge, meanings and beliefs about the environment and their place in it).

The consumer then combines, or integrates this knowledge to evaluate products and chooses among alternative behaviors. (Different types of knowledge will be combined to form overall evaluations of products and secondly make choices among alternative behaviors). Thirdly, the consumer retrieves product knowledge in memory to use in integration and interpretation processes. (The various types of knowledge, meanings and beliefs are stored in memory, where product knowledge retrieved from memory can influence interpretation and integration processes).

In Kotler (1980) the buying decision process is defined as an “elaborate decision process, involving many decisions along the way and the number of sub-decisions involved in buying anything varies with the complexity of the product and buying situation”. Three classes of buying situations are identified by Kotler (1980) and Cant et al. (2002):

- A routinized response behaviour situation, where little information is required, (purchase of a low cost , frequently purchased item)
- Limited problem solving where further information is required, (unfamiliar brand in a familiar product class that requires information before making a purchase choice)
- Extensive problem solving, in which extensive information gathering is required, (unfamiliar product class and buyer is not aware which criteria to use)

The marketer must also identify the participants in the buying decision making process, which are the buyer (influenced by his culture, social, personal and psychological characteristics), the product (features, style, price and quality), the seller (manufacturer, retailer, image of the brand in terms of reliability and image of seller in terms of friendliness and service) and situational characteristics (time pressures, the time of day, the weather and economic climate).

Research by McDonald (1994) identifies three broad categories of shoppers based on two elements, trip duration and their temporal characteristics, which are summarized in Table 2.4.

Table 2.4: Shoppers' Temporal Characteristics

Shopper category	Search time (Hours)	Purchase time (Hours)	Post-purchase time (Hours)	Characteristics
Routine manager (50% of sample)	0.3	2.6	0.2	Moderate sense of purpose, organized, seeks convenience and time savings
Aimless wanderer (37% of sample)	4.1	3.3	0.8	Little purpose, not organized, not routine-orientated
Purposeful organizer (13% of sample)	0.1	2.3	0.1	Strong sense of purpose, highly organized, goal orientated

Source: McDonald, W.J., (1994:4345-4366), 'Time use in shopping: the role of personal characteristics', *Journal of Retailing*, vol. 70.

According to Table 2.4 routine managers tend to have more in common with purposeful organizers owing to their level of planning and organization. Aimless wanderers have the most random approach to shopping, which may account for the longer trip duration. They spend the largest part of their shopping time on search activity, thereby allowing the retailer considerably more time to influence them. Purposeful organizers are the most efficient shoppers, thus tending to have the shortest trip duration. They will require high levels of convenience; will tend to buy from a shopping list and will be largely resistant to influence.

Time constraints deliver a range of adaption behavior that share many similarities with behavior under conditions of crowding. In the case of crowding shoppers found it difficult to deal with the shopping trip in its original format and sought to simplify the process. Similarly, shoppers experiencing time pressures, (in an airport environment), cannot deal with the shopping trip as originally planned and aim to simplify the process. The major simplifications made are to abbreviate exploratory behavior (information search and evaluation) and disregard non-essential purchases, often resulting in purchase quality falling (Sullivan & Adcock 2002).

- Crowding

Crowding, according to Stokols (1972), is the state of psychological stress that results when the individual's demand for space exceeds the supply. Sullivan and Adcock (2002:58) elaborate further, calling it "a subjective experience of an excessively high rate and amount of environmental stimuli leading to the belief that task performance (the shopping process) is being restricted by others or from intrusions by others into one's own personal space." The most common behavioral changes under conditions of crowding are adjustments in shopping time, deviations in shopping plans, reduced levels of exploratory behavior and the use of buying process shortcuts.

- Temporal perspective

A temporal perspective is concerned with issues relating to time. In an airport environment, shopping time and trip frequency are a consequence of the travel booking and will be influenced by the dwell time available after check in and the frequency of air travel. Trip duration – the time spent on any given shopping trip – is however influenced by several factors, both internal and external and task definition. In task definition, Kahn & Schmittlein (1989) found that shoppers are habitually regular or quick in their shopping behaviour. Regular shoppers typically make fewer larger shopping trips, spending more per trip, whilst quick shoppers typically make more trips but spend less per trip. Coupled with this theory are two broad types of shopping tasks: major trips, which are longer, less frequent, involve greater expenditure and satisfy a range of shopping needs, and fill-in trips, which are short, more frequent, involve lesser expenditure and tend to satisfy a limited range of needs.

- Involvement and perceived product differences

Sullivan & Adcock (2002) note, similar to Kotler (2003), that a shopper's approach to buying is not the same for all products and that this idea can be better understood by examining the concepts of involvement and perceived product differences.

Involvement, according to Sullivan and Adcock (2002) depends on familiarity and risk as experienced by the individual, the perceived risk being predominantly financial and social. The greater the perceived risk associated with the purchase and the less experience the buyer has in that particular purchase, the greater the involvement. Perceived product differences determine whether a simplified or complex decision process will be used. If all possible purchase options are perceived as similar, the decision process is likely to involve less options analysis, constituting a simplified decision process. Conversely, if purchase options are perceived as very different, options analysis will increase, representing a complex decision process.

As illustrated by Kotler (2003) different types of behaviour can be identified by combining involvement and perceived product differences (Table 2.5).

Table 2.5: Four types of buyer behaviour

	High involvement	Low Involvement
Significant differences between brands	Complex behaviour <sup>1</sup>	Variety-seeking behaviour <sup>3</sup>
Few differences between brands	Dissonance-reducing behaviour <sup>2</sup>	Habitual behaviour <sup>4</sup>

Source: Kotler, P. (2003: 201), *Marketing Management*, 11th ed., Prentice Hall, New Jersey.

In Solomon (1999) involvement is defined as “the level of perceived personal importance and/or interest evoked by a stimulus within a specific situation”. This definition implies that aspects of the person, the product and the situation combine to determine the consumer’s motivation to process product related information at any give time.

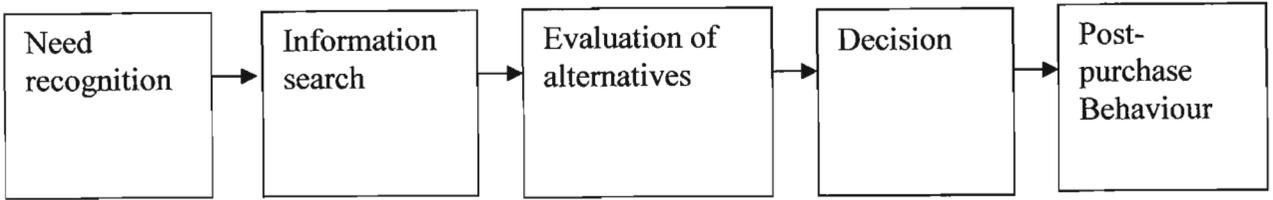
Solomon (1999) concurs with Cant et al. (2002), also Sullivan & Adcock (2002) and Kotler (1980) that the type of information processing followed will depend on the consumer’s level of involvement. It can range from simple processing (in which only the basic features of the message are considered) to elaboration (in which the incoming information is linked to one’s pre-existing knowledge system). Solomon (1999) further elaborates on three broad types of involvement, which are product involvement (related to a consumer’s level of interest in a particular product), message- response-involvement (also known as advertising involvement, which refers to the consumer’s interest in processing marketing communications) and ego involvement (the importance of a product to a consumer’s self-concept).

## 2.8 Buying decision processes

Sullivan and Adcock (2002) share views with Kotler (2002) and Cant et al. (2002) where the basic Stimulus-Organism-Response (SOR) model is used as the starting point for understanding buyer behavior. The model illustrates that an organism (a shopper) is exposed to external stimuli (such as noise) which is processed in a uniquely individual manner to deliver a response. Kotler (2000:160) agrees, elaborating further that “The marketer’s task is to understand what happens in the buyer’s consciousness between the arrival of the stimuli and the buyer’s purchase decisions.”

In making a buying decision, according to Kotler (2003) and Sullivan & Adcock (2002) consumers usually go through a 5-step process of: Problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation (Table 2.6).

Table 2.6: The Buyer Decision Model



Source: Kotler, P. (2003: 204), *Marketing Management*, 11th ed., Prentice Hall, New Jersey.

The model by Kotler (2003) illustrates a similar process as identified by Cant et al. (2002) which starts with the awakening of a need. The buyer senses a difference between his or her actual state and a desired state (Kotler 1994). The need can be triggered by internal or external stimuli. Problem recognition is predominantly a perceptual phenomenon, where the difference between the existing and desired state of affairs triggers a state of motivated behavior (Cant et al. 2002).

Should the consumer undertake further search, (which is dependent on sensing of a difference between his or her actual state and a desired state), a heightened state is distinguished, (the consumer becomes more receptive to information on the product) and active information (the consumer will engage on information gathering by consulting personal sources, commercial sources, public sources and experiential sources (Kotler 1980). Through gathering of information the consumer learns about competing brands and their features (Kotler 1994). This search process provides information that is necessary when evaluating alternatives in order to arrive at the choice that produces the best benefits at the lowest cost (Cant et al. 2002). In terms of information search the shopper firstly gathers information by either referring to the “memory bank” or, in the event of insufficient information, consulting external sources (Sullivan & Adcock 2002).

The shopper is now required to evaluate each purchase option through a process of elimination – referred to as “option reduction” by Sullivan & Adcock (2002:52) until only one remains. When evaluating alternatives, customers make a comparison among product features and assess their characteristics according to pre-established criteria

(Cant et al. 2002). Certain concepts will influence the consumer evaluation process, which are product attributes, (features, price, taste, effectiveness and style); importance weights attached to the product attributes (price and quality versus convenience and design, brand beliefs (where each brand stands on each attribute), utility functions and finally an attitude toward the brand alternatives (Kotler 1980).

There is no simple and single evaluation process used by all consumers in all buying situations and most current models of the consumer evaluation process are cognitively oriented, which means they see the consumer as forming product judgments largely on a conscious and rational basis (Kotler 1994).

The evaluation stage, according to Kotler (1980) leads the consumer to form a ranked set of preferences among alternative objects in the purchase decision stage. Customer decision is the outcome of evaluation and involves the mental process of selecting the most desirable alternative from a set of options that a customer has generated (Cant et al. 2002). The action stage then follows, firstly by means of purchase, which requires numerous decisions to be made such as store and brand choice (Sullivan & Adcock 2002).

In post purchase behavior, the consumer will experience some level of satisfaction or dissatisfaction after buying and trying out the product (Kotler 1994). Post purchase satisfaction depends upon the relationship between the consumer's product expectations and the product's perceived performance. Disconfirmed expectations lead to dissatisfaction (Kotler 1983). The final step, namely post-purchase behavior, involves the evaluation of the purchase to ensure that it has met expectations, delivering in the words of Sullivan & Adcock (2002:53) either "post-purchase satisfaction" if so, or "post-purchase dissatisfaction" if not.

## 2.9 Types of buyer behaviour

Further insight can be gained into buyer behaviour by considering the extremes thereof. Sullivan and Adcock (2002) distinguish between impulse (largely unconsidered) and planned (largely considered) behaviour. Cobb and Hoyer (1986) expand on this theory by classifying such purchase types through two measures of intent: intent to buy the product category and intent to buy the specific brand or

product type. In terms of this approach impulse behaviour can be classified as an absence of either intent whilst both types of intent exist in planned behaviour. Sullivan and Adcock (2002:66) further identified an intermediate behaviour termed “semi-impulse” where there is intent to buy the product category, but no intent to buy a specific brand or product type.

The incorporation of all of these elements is illustrated in Table 2.7:

Table 2.7: Cobb & Hoyer’s buyer behaviour classification (1986)

	Intent to buy the product category	
	Yes	No
Intent to buy the specific brand or product	Yes	Planned
	No	Semi-Impulse
		Impulse

Source: Cobb, C.J., & Hoyer W.D. (1986:384-409), ‘Planned Versus Impulse Purchase Behaviour’, *Journal of Retailing*, vol. 62.

By applying the five-stage SOR (Stimulus-Organism-Response) model of buyer behaviour to the extremes of buyer behaviour, namely impulse, semi-impulse and planned behaviour, Sullivan & Adcock (2002:66), were able to identify the following characteristics, as highlighted in Table 2.8:

Table 2.8: Impulse, Semi-impulse and Planned Behaviour

Impulse	Semi-Impulse	Planned
Problem recognition in-store	Problem recognition outside store	Problem recognition outside store
Information search very limited	Information search and evaluation varies in extent (both in-store and out)	Information search and evaluation varies in extent (largely outside store)
Evaluation of alternatives brief		
Purchase decision made with limited information	Purchase decision usually made with more information (than impulse)	Purchase decision usually made with more information (than impulse)
Post-purchase behaviour varies	Post-purchase behaviour varies	Post-purchase behaviour varies

Source: Sullivan, M. & Adcock, D. (2002:66), *Retail Marketing*, T J International, Padstow, Cornwall.

## 2.10 Conclusion

Insight was provided into the dynamics and complexity of consumer buying behavior in this chapter. Considering different views, theories and models on consumer behavior an understanding was explored on the driving forces behind consumer buying behavior. A consumer departing from Johannesburg International Airport, would be influenced by his immediate environment within the airport, as well as tempted (or not), to purchase merchandise within the airport. The marketing environment was discussed, as well as internal and external influences on consumer behavior; frameworks and models on consumer analysis and buying behavior were provided, as well as categories of shoppers, the aspects of involvement and perceived product differences and finally the types of buying behavior on a continuum of impulse and planned behavior.

The decision to buy would be influenced by the dwell time available to search for products, the marketing mix of the product offering, where price and place (convenience) would especially play a major role, also the category of shopper and perceived product differences on offer, (is this a habitual type of shopper - not very involved in product search) or very involved (extensive information search) and if it is an impulse or planned buy. In an airport environment the decision to buy is mostly an impulse buy due to time pressures within the immediate environment.

Chapter two introduced theories and definitions on buying behavior and the marketing concept, followed by a discussion on internal and external influences on buying behavior, exploring different marketing tools that are used by marketers to influence buying behavior. A discussion followed on buying decision influences, processes and types of buying behavior.

The research methodology utilized to test the assumptions and hypotheses in this study will now be discussed in Chapter three.

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### 3.1 Introduction

This chapter provides the main objectives of the study, with a discussion on the measuring instrument, the methodology approach, definition on the population, questionnaire design and manipulation of data..

#### 3.2 Focus of the study

The primary objective of the study was to determine the needs and wants of low cost passengers at JHB International Airport, in order to design a customized product for this specific segment, which in turn would ensure an increase in retail revenue to Airports Company. The following sub-categories on internal consumer behavior influences on consumer behavior were used, namely preferences, perceptions and expectations.

#### 3.3 Objectives

3.3.1 To identify low cost passenger profiles in the domestic terminal at Johannesburg International Airport (by identifying their preferences, perceptions and expectations) and apply this knowledge to design tailor-made product offerings for low cost passengers, departing from Johannesburg Airport

3.3.2 To grow commercial retail revenue to Airports Company at JHB International Airport by offering tailor-made products to the low cost passenger segment

#### 3.4 Hypotheses

##### Hypothesis 1

Significant inter-correlations exist amongst the key variables of the study (preferences, perceptions and expectations) respectively.

### Hypothesis 2

A significant difference exists between males and females on the key variables of the study (preferences, perceptions and expectations) respectively.

### Hypothesis 3

A significant difference exists amongst low cost passengers on the frequency of travel, age group and reason for choosing a low cost airline, if these variables are applied to preferences, perceptions and expectations, respectively.

## 3.5 Problem Statement

The problem statement in this study was the following:

What type of snacks and merchandise does a low cost traveler prefer buying, prior to departing from the domestic terminal at JHB International Airport?

## 3.6 Methodology approach

A questionnaire was constructed to obtain respondents' preferences, perceptions, and expectations towards purchasing of meals and merchandise from retail carts, prior to departing from JHB International Airport, on Kulula and 1Time airlines. A questionnaire is defined by Sekaran (2000:233) as "a pre-formulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives". A survey strategy is very popular in business research as sociological and psychological characteristics of the sample population can be surveyed directly.

Individual respondents were approached by two interviewers and requested to complete questionnaires in a structured interview situation, face to face in the domestic departures terminal. Eleven passengers were chosen at random on a total of 10 departing flights, for both Kulula and 1Time airlines and the sample was chosen randomly in three time periods of early morning, (from 07h00 – 10h00), in the afternoon (between 13h00 – 16h00) and evening (between 18h00 – 21h00).

Three different time periods were decided on to enable the categorization and profiling of domestic low cost travelers. The total sample interviewed was 112 passengers on both Kulula and 1Time airlines. The measurement instrument was pre-

coded to enable input of data directly from the questionnaire. Prior to constructing the questionnaire the researcher decided which information was central to the problem statement and only included those questions that were simple to answer and relevant to the research. This enabled validity of the research. The questionnaire survey was presented to travelers on Kulula and 1Time airlines in September 2005, to target both business and leisure travelers on these low cost airlines.

Face to face interviews were chosen as a research method as the researcher was aware of an advantage of a 100 percent response rate of completed questionnaires that could be obtained. The drawback of this type of survey, performed in an airport environment, is that domestic travelers are pressured for time in boarding flights and the possibility existed that respondents could either refuse to complete the questionnaire due to time constraints or would not be able to complete the questionnaire in time.

The approach is descriptive in nature as the problem is structured and well understood. The researcher wished to establish if low cost travelers would purchase snacks and merchandise before boarding of aircraft, as well as wanting to establish a passenger profile on low cost travelers, departing from JHB International Airport. The market was clear as it was domestic travelers departing on low cost airlines from JHB International Airport. The total number of all departing domestic travelers monthly, is on average, 360 000 passengers.

### 3.7 Defining the population

For the purposes of this study the target population was defined as all persons, including males and females from 18 years and older, traveling on Kulula and 1Time airlines during September 2005, from JHB International Airport. The random variables measured were; the gender of respondents, age of respondents, business or leisure traveler, frequency of travel, preferences, perceptions and expectations of product offerings on retail carts in the domestic terminal building.

The sample population consisted of 112 low cost travelers on both Kulula and 1Time and a total of 112 questionnaires were completed in a face to face interview during September 2005. The sample was chosen at random and was representative of the

total low cost departing passenger population, ensuring that inferences would be possible and valid. The simple random sampling method was chosen for this study as it was the simplest and least time consuming method. As expected, a 100 percent response or completion rate was achieved. The first portion of the instrument contained personal and background information and respondents were randomly selected in the domestic departures terminal, waiting to depart on flights from Kulula and 1Time airlines. All respondents completed questionnaires in the presence of two research assistants.

3.8 The following tables provide the composition of the sample tested:

3.8.1 Question 1: How regularly do you travel on low cost airlines?

Yearly	52.00%
Monthly	29.00%
Weekly	8.00%
More than 5 times monthly	12.00%

3.8.2 Question 2: Your purpose of travel is usually Business or Leisure?

Leisure	51.80%
Business	42.90%

3.8.3 Question 3: What gender are you?

Male	53.60%
Female	46.40%

3.8.4 Question 4: What age group are you?

18 - 30 years	34.00%
31 - 43 years	36.00%
44 - 56 years	19.00%
57 years & older	12.00%

### 3.9 Questionnaire design

The measurement instrument was pre-coded to enable input of data directly from the questionnaire, once the research was completed. A nominal scale was applied in questions 1, 2, 3, 4, 5 and 6; with a rating 5 point scale, (Likert type) in questions 8 to 24. Question 7 was simply a question on product choice, where the respondent needed to indicate the preferred choices. In this survey, various evaluative statements were made where the lowest number indicated a more favorable response and the highest number the least favorable response.

Interval scaled data would allow the researcher to compute means and standard deviations. A scale, reflecting agree or disagree, was used to indicate the respondent's agreement or disagreement with a statement made.

The survey consisted of 24 questions, three pages in total, pertaining to background information, preferences, perceptions and expectations. The questionnaire was divided into four parts, namely:

- Background Information - This section was required for statistical purposes to enable a profiling on low cost travelers
- Preferences - A better understanding was attempted on the preferences of low cost travelers on snacks and merchandise offered on retail carts
- Perceptions: In this section the aim was to understand how domestic travelers perceive the value that could be offered by snacks and merchandize on retail carts
- Expectations: In this section the aim was to understand which expectations were created by the option of purchasing from retail carts

In questions 8 to 24, respondents were requested to indicate the extent to which they agree or disagree with each statement by circling the appropriate number. The numbers utilized were:

1=Strongly agree, 2=Agree, 3=Unsure, 4=Disagree, 5=Strongly disagree (Please refer to Addendum1 attached herewith for the questionnaire)

### 3.10 Representativeness

A sample of 112 passengers on Kulula and 1Time Airlines was used and a 100 percent response and completion rate was achieved.

### 3.11 Manipulation of data

Data from completed questionnaire's was captured onto a Microsoft excel spreadsheet and a SPSS model applied as a tool to analyze the data obtained from questionnaires. Results were presented in a tabular format and analyzed using both descriptive and inferential statistics as the variables in the questionnaire could be classified and numerically summarized with descriptive statistics, enabling frequencies and measures of central tendencies on findings. Inferential statistics reflected whether or not a difference between two treatment conditions occurred by 'chance' or was a 'true difference'.

#### 3.11.1 Descriptive statistics

The objective of descriptive statistics is "to provide summary measures of the data contained in all the elements of a sample" (Kinnear & Taylor 1991:546). Descriptive statistics refer to the collection of methods for classifying and summarizing numerical data. Descriptive analysis further incorporates frequencies, measures of central tendency, and measures of dispersion.

- Frequency

Sekaran (2000:136) states that "frequencies refer to the number of times various sub categories of a certain phenomenon occur, from which the percentage and cumulative frequency of their occurrence can be easily calculated". Frequencies were used in this study, (reflected in Tables 4.1 – 4.24), where a profile of the sample was established.

- The Mean

Cooper and Emory (1995:395) refer to the mean as the arithmetic average and further define the mean as "the sum of the observed values in the distribution divided by the number of observations. It is the local measure most frequently used for interval-ratio data but can be misleading when the distribution contains extreme values, large or small (Cooper & Emory 1995). The mean was applied in Tables 4.39 – 4.41 of this study.

- The Standard Deviation

Standard deviation, according to Silver (1992), is based on subtracting each individual value from the arithmetic mean. The standard deviation is the positive square root of the variance (Cooper & Emory 1995). Cooper & Emory (1995) is of the view that standard deviation is the most frequently used measure of spread because it improves interpretability by removing the variance's square and expressing deviations in their original units. Like the mean, the standard deviation is affected by extreme scores (Cooper & Emory 1995). The mean was applied in Tables 4.39 – 4.41 of this study.

### 3.11.2 Inferential statistics

Inferential statistics, according to McCall (1994), are methods used to make inferences about a larger group of individuals on the basis of data collected from a smaller group. The objective of inferential statistics is to enable the researcher to determine “whether or not a difference between two treatment conditions occurred by ‘chance’ or is a ‘true difference’ (Dunham 1981:780). The different inferential statistical techniques that were used include the t-test, analysis of variance, correlation and Cronbach's co-efficient alpha.

- T-Test

Cooper and Emory (1995) state that the t-test is used to investigate if there is any significant difference in the means for two groups in the variables of interest and the variations on the t-test are used for independent and related samples. The T-test was applied in Tables 4.50 – 4.53.

- Analysis of variance (ANOVA)

According to Cooper and Emory (1995:457) “The statistical methods for testing the null hypothesis that the means of several populations are equal is known as the analysis of variance”. Cooper and Emory (1995) believe the one-way analysis of variance uses a single factor, fixed-effects model to compare the effects of one factor on a continuous dependent variable. The ANOVA test was applied in Tables 4.54 – 4.62.

- Correlation

Correlation analysis examines the strength of the identified association between variables (Wegner 1995). Pearson's Correlation Matrix indicates the direction, strength and significance of the bivariate relationship among the variables in the study (Cooper & Emory 1995). Correlations were used in Table 4.46 – 4.49 of the study.

- Reliability: Cronbach's Coefficient Alpha

The reliability of the measure indicates the extent to which the measure is without bias (error free) and hence, offers consistent measurement across time and across various items in the instrument (Sekaran 2000). It indicates the stability and consistency with which the instrument measures the concept and helps to assess the 'goodness' of a measure. The closer Cronbach's alpha is to 1, the higher the internal consistency reliability" (Sekaran 2000:308). Reliability analysis of the questionnaire reveals a Cronbach's alpha value of 0.9064, which reveals a high internal consistency.

### 3.12 Conclusion

Chapter three introduced the research methodology used for this study and provided an outline of the measuring instrument and sample plan.

In Chapter three the primary objective of the study, which was to determine the needs and wants of low cost passengers departing at JHB International, was re-enforced, together with the hypotheses and problem statement of the study. The research methodology and approach utilized were discussed, with details of the measuring instrument and sample plan.

In Chapter four, data obtained in Chapter three will be tabulated and analyzed by applying a SPSS model as an analytical tool. Spreadsheets, tables and figures in Chapter four will reflect the different findings on this study and report on the results of this study.

## CHAPTER 4

### PRESENTATION OF RESULTS

#### 4.1 Introduction

This chapter will present the results of this study and provide an analysis on the findings. Descriptive statistics and inferential statistics were employed in this study.

#### 4.2 Presentation of results

The results of this study will be presented by means of tables and reports.

#### 4.3 Objectives

- To identify low cost passenger profiles in the domestic terminal at Johannesburg International Airport (by identifying their preferences, perceptions and expectations) and apply this information to design tailor-made product offerings for the specific low cost passengers, departing from Johannesburg Airport
- To grow commercial retail revenue to Airports Company at JHB International Airport by offering tailor-made products to the low cost passenger segment

#### 4.4 Descriptive Statistics

Descriptive statistics is a description and summarization of the data collected from a group of individuals and will reflect the number of times a specific category is repeated, where a percentage and cumulative frequency of their occurrence will be calculated.

Descriptive statistics - Applied to key variables of:

- frequency of travel
- purpose of travel
- gender
- age
- reason for travelling on a low cost airline
- opinion statement on purchasing of snacks and merchandize

Table 4.1: Question 1- How regularly do you travel on low cost airlines?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yearly	58	51.8	51.8	51.8
	Monthly	32	28.6	28.6	80.4
	Weekly	9	8.0	8.0	88.4
	More than 5 times monthly	13	11.6	11.6	100.0
	Total	112	100.0	100.0	

In terms of the frequency of travel, Table 4.1 reflects that the majority of respondents travel yearly (51.80%), 28.60% travel monthly, 11.6% travel more than 5 times monthly and 8% travel weekly.

Table 4.2: Question 2 - Your purpose of travel is usually

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Business	48	42.9	42.9	42.9
	Leisure	58	51.8	51.8	94.6
	Business & Leisure	6	5.4	5.4	100.0
	Total	112	100.0	100.0	

The purpose of travel is mostly for leisure (51.80%) as reflected in Table 4.2, (42.90%) travel for business, and (5.40%) travel usually for both leisure and business. Note: Table 4.1 and Table 4.2 support one another as yearly travel is usually for leisure and not business purposes.

Table 4.3: Question 3 - What gender are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	52	46.4	46.4	46.4
	Male	60	53.6	53.6	100.0
	Total	112	100.0	100.0	

Of the sample population, (53.60%) are male and (46.40%) are female

Table 4.4: Question 4 - What age group are you?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30 years	38	33.9	33.9	33.9
	31-43 years	40	35.7	35.7	69.6
	44-56 years	21	18.8	18.8	88.4
	57 & over	13	11.6	11.6	100.0
	Total	112	100.0	100.0	

The age group of respondents reflects that the majority (35.70%) are between 31 – 43 years old, (33.90%) are between 18 – 30 years old, (18.80%) between 44 – 56 years old and (11.60%) between 57 and over

Note: The sample reflects a large representation of a young age group (69.60%) is between 18 – 43 years old

Table 4.5 :

Question 5-Do you choose to travel on a low cost airline mainly because of:

	Frequency	Percent	Valid Percent	Cumulative Percent
Price (1)	50	44.6	44.6	44.6
Convenience of online bookings (2)	9	8.0	8.0	52.7
Availability of seats (3)	2	1.8	1.8	54.5
Frequency of flights (4)	10	8.9	8.9	63.4
1&2	32	28.6	28.6	92.0
1&3	4	3.6	3.6	95.5
1&4	4	3.6	3.6	99.1
1&2&4	1	.9	.9	100.0
Total	112	100.0	100.0	

The majority of the population (44.60%) chooses a low cost airline because of price, (28.60%) because of price and convenience of online bookings, (8.9%) because of frequency of flights, (8%) because of convenience of bookings, (3.6%) because of price and availability of seats, (3.6%) because of price and frequency of flights, (1.8%) because of availability of seats and (0.9%) because of price, convenience of online bookings and frequency of flights.

Table 4.6: Question 6 - If you had a choice, would you purchase snacks and merchandise at the boarding gates

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	72	64.3	64.3	64.3
No	40	35.7	35.7	100.0
Total	112	100.0	100.0	

Of the population sample, (64.30%) indicated that they would purchase snacks and merchandise, if it was offered at the boarding gates

Table 4.7: Question 7 - Having an option, I would prefer a choice of the following snacks/merchandise to purchase before boarding of aircraft, in easy to carry containers or bags at the boarding gates:

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Muffins/ Croissants/ Pastries	38	33.9	33.9	33.9
Sandwiches	13	11.6	11.6	45.5
Hot dogs	4	3.6	3.6	49.1
Cold drinks	16	14.3	14.3	63.4
Sweets/Crisps	5	4.5	4.5	67.9
Sugar free/ low fat sweets and snacks	8	7.1	7.1	75.0
Books / Magazines	15	13.4	13.4	88.4
Soft drugs -Disprin, Panado, Bandages	3	2.7	2.7	91.1
NA	8	7.1	7.1	98.2
Missing	2	1.8	1.8	100.0
Total	112	100.0	100.0	

The most popular item of preference indicated by respondents are muffins, croissants and pastries (33.90%), then cold drinks (14.30%), (13.40%) books/magazines, (11.60%) sandwiches, (7.10%) would purchase sugar- free or low fat sweets and snacks and (4.50 %) would purchase sweets and crisps.

Table 4.8: Question 8 - I prefer buying from a retail cart as it is faster and more convenient

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	3.6	3.6	3.6
Disagree	9	8.0	8.0	11.6
Unsure	20	17.9	17.9	29.5
Agree	41	36.6	36.6	66.1
Strongly Agree	38	33.9	33.9	100.0
Total	112	100.0	100.0	

Speed and convenience are important service components as indicated by (70.50%) of respondents, who agreed/strongly agreed with this statement

Table 4.9: Question 9 - I prefer a wide choice of strong brands on retail carts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	7.1	7.1	7.1
	Disagree	7	6.3	6.3	13.4
	Unsure	19	17.0	17.0	30.4
	Agree	48	42.9	42.9	73.2
	Strongly Agree	30	26.8	26.8	100.0
	Total	112	100.0	100.0	

Table 4.9 reflects that (69.70%) of respondents agreed or strongly agreed on a preference for a wide choice of strong brands on retail carts

Note: Strong brands will be easily recognizable when in a hurry to purchase

Table 4.10: Question 10 - I prefer fast service as time is very limited

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	4	3.6	3.6	3.6
	Disagree	5	4.5	4.5	8.0
	Unsure	6	5.4	5.4	13.4
	Agree	46	41.1	41.1	54.5
	Strongly Agree	51	45.5	45.5	100.0
	Total	112	100.0	100.0	

A strong preference of (86.60%) is indicated by the sample population of agree or strongly agree to fast service being important

Table 4.11: Question 11 - I prefer retail carts to be placed closer to boarding gates

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	3.6	3.6	3.6
Disagree	8	7.1	7.1	10.7
Unsure	15	13.4	13.4	24.1
Agree	47	42.0	42.0	66.1
Strongly Agree	38	33.9	33.9	100.0
Total	112	100.0	100.0	

Table 4.11 reflects that (42%) of respondents agree on a preference for retail carts to be placed closer to the boarding gates, (33.90%) strongly agree, (13.40%) are unsure, (7.1%) disagree and (3.6%) strongly disagree.

Table 4.12: Question 12 - I prefer a selection of different products on one retail cart

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	3.6	3.6	3.6
Disagree	4	3.6	3.6	7.1
Unsure	10	8.9	8.9	16.1
Agree	53	47.3	47.3	63.4
Strongly Agree	41	36.6	36.6	100.0
Total	112	100.0	100.0	

Table 4.12 reflects (47.30%) of respondents agree on a preference on a selection of different products on one retail cart, (36.60%) strongly agree, (8.90%) are unsure, (3.6%) disagree and strongly disagree.

Table 4.13: Question 13 - I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	3	2.7	2.7	2.7
Disagree	8	7.1	7.1	9.8
Unsure	31	27.7	27.7	37.5
Agree	36	32.1	32.1	69.6
Strongly Agree	34	30.4	30.4	100.0
Total	112	100.0	100.0	

Table 4.13 reflects that (32.10%) of respondents agree on a belief that take away products sold at carts will be cheaper per category than a sit down meal in the airport, (30.40%) strongly agree, (27.70%) are unsure, (7.10%) disagree and (2.70%) strongly disagree.

Table 4.14: Question 14 - I believe the option to purchase products before boarding will save time

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	3.6	3.6	3.6
Disagree	12	10.7	10.7	14.3
Unsure	15	13.4	13.4	27.7
Agree	50	44.6	44.6	72.3
Strongly Agree	31	27.7	27.7	100.0
Total	112	100.0	100.0	

Table 4.14 reflects that (44.60%) of respondents agree on a belief that an option to purchase products before boarding will save time, (27.70%) strongly agree, (13.40%) are unsure, (10.70%) disagree and (3.6%) strongly disagree.

Table 4.15: Question 15 - I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	6	5.4	5.4	5.4
Disagree	10	8.9	8.9	14.3
Unsure	28	25.0	25.0	39.3
Agree	43	38.4	38.4	77.7
Strongly Agree	25	22.3	22.3	100.0
Total	112	100.0	100.0	

Table 4.15 reflects that (38.40%) of respondents agree to purchase products from retail carts than existing stores, as products would be more accessible and visible, (22.30%) strongly agree, (25%) are unsure, (8.90%) disagree and (5.40%) strongly disagree.

Table 4.16: Question 16 - I believe that snacks and merchandise on retail carts will increase the total value for money offered to me

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	4	3.6	3.6	3.6
Disagree	10	8.9	8.9	12.5
Unsure	16	14.3	14.3	26.8
Agree	57	50.9	50.9	77.7
Strongly Agree	25	22.3	22.3	100.0
Total	112	100.0	100.0	

Table 4.16 reflects that 50.90% of respondents Agree on a belief that snacks and merchandise on retail carts would increase the total value for money offered to respondents, 22.30% Strongly Agree, 14.30% are Unsure, 8.90% Disagree and 3.60% Strongly Disagree.

Table 4.17: Question 17 - I believe the option of buying from retail carts will be more convenient to me

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	4.5	4.5	4.5
	Disagree	7	6.3	6.3	10.7
	Unsure	10	8.9	8.9	19.6
	Agree	62	55.4	55.4	75.0
	Strongly Agree	28	25.0	25.0	100.0
	Total	112	100.0	100.0	

Table 4.17 reflects that 55.40% of respondents Agree on a belief that the option of buying from retail carts will be more convenient to the respondents, 25% Strongly Agree, 8.90% are Unsure, 6.30% Disagree and 4.50% Strongly Disagree.

Table 4.18: Question 18 - I believe retail carts will be more attractive to buy from as only one specific type of product will be sold per cart

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	15	13.4	13.4	13.4
	Disagree	25	22.3	22.3	35.7
	Unsure	27	24.1	24.1	59.8
	Agree	33	29.5	29.5	89.3
	Strongly Agree	12	10.7	10.7	100.0
	Total	112	100.0	100.0	

Table 4.18 reflects that 29.50% of respondents Agree on a belief that retail carts would be more attractive to buy from as only one specific type of product would be sold per cart, 24.10% are Unsure, 10.70% Strongly Agree, 22.30% Disagree and 13.40% Strongly Disagree.

Table 4.19: Question 19 - I expect sugar-free and low calorie health products

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	13	11.6	11.6	11.6
Disagree	23	20.5	20.5	32.1
Unsure	14	12.5	12.5	44.6
Agree	29	25.9	25.9	70.5
Strongly Agree	33	29.5	29.5	100.0
Total	112	100.0	100.0	

Table 4.19 reflects that 29.50% of respondents Strongly Agree on an expectation of sugar-free and low calorie health products, 25.90% Agree, 20.50% Disagree, 12.50% are Unsure and 11.60% Strongly Disagree.

Table 4.20: Question 20 - I expect more convenience and time saving with the additional products on offer at retail carts

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	3	2.7	2.7	2.7
Disagree	6	5.4	5.4	8.0
Unsure	11	9.8	9.8	17.9
Agree	62	55.4	55.4	73.2
Strongly Agree	30	26.8	26.8	100.0
Total	112	100.0	100.0	

Table 4.20 reflects that 55.40% of respondents Agree on an expectation on more convenience and time saving with additional products on offer at retail carts, 26.80% Strongly Agree, 9.80% are Unsure, 5.40% Disagree and 2.70% Strongly Disagree.

Table 4.21: Question 21 - I expect shorter queues and faster service at carts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	2.7	2.7	2.7
	Disagree	7	6.3	6.3	8.9
	Unsure	5	4.5	4.5	13.4
	Agree	57	50.9	50.9	64.3
	Strongly Agree	40	35.7	35.7	100.0
	Agree				
	Total	112	100.0	100.0	

Table 4.21 reflects that 50.90% of respondents Agree on an expectation on shorter queues and faster service at carts, 35.70% Strongly Agree, 6.30% Disagree, 4.50% are Unsure and 2.7% Strongly Disagree.

Table 4.22: Question 22 - I expect food that is not spicy or messy to eat on board at retail carts

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	6.3	6.3	6.3
	Disagree	8	7.1	7.1	13.4
	Unsure	14	12.5	12.5	25.9
	Agree	37	33.0	33.0	58.9
	Strongly Agree	46	41.1	41.1	100.0
	Agree				
	Total	112	100.0	100.0	

Table 4.22 reflects that 41.10% of respondents Strongly Agree on an expectation of food that is not spicy or messy to eat on board at retail carts, 33% Agree, 12.50% are Unsure, 7.10% Disagree and 6.30% Strongly Disagree.

Table 4.23: Question 23 - I expect food and beverages at retail carts to be cheaper than a sit down meal at the airport

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	4.5	4.5	4.5
	Disagree	6	5.4	5.4	9.8
	Unsure	11	9.8	9.8	19.6
	Agree	45	40.2	40.2	59.8
	Strongly Agree	45	40.2	40.2	100.0
	Total	112	100.0	100.0	

Table 4.23 reflects that 40.20% of respondents Strongly Agree and 40.20% Agree on an expectation that food and beverages at retail carts would be cheaper than a sit down meal at the airport, 9.80% are Unsure, 5.40% Disagree and 4.50% Strongly Disagree.

Table 4.24: Question 24 - I expect a different choice of products on retail carts than what is already available in the terminal

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	2.7	2.7	2.7
	Disagree	7	6.3	6.3	8.9
	Unsure	18	16.1	16.1	25.0
	Agree	50	44.6	44.6	69.6
	Strongly Agree	34	30.4	30.4	100.0
	Total	112	100.0	100.0	

Table 4.24 reflects that 44.60% of respondents Agree on an expectation of a different choice of products on retail carts than what is already available in the terminal, 30.40% Strongly Agree, 16.10% are Unsure, 6.30% Disagree and 2.70% Strongly Disagree.

#### 4.4.1 Comparative Statistics-Gender

Cross tabulations were applied to assess if any association was present between males and females.

Table 4.25

**Q1: How regularly do you travel on low cost airlines \* Q3: What gender are you  
Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q1: How regularly do you travel on low cost airlines	Yearly	Count	30	28	58
		% of Total	26.8%	25.0%	51.8%
	Monthly	Count	14	18	32
		% of Total	12.5%	16.1%	28.6%
	Weekly	Count	4	5	9
		% of Total	3.6%	4.5%	8.0%
	More than 5 times monthly	Count	4	9	13
		% of Total	3.6%	8.0%	11.6%
Total		Count	52	60	112
		% of Total	46.4%	53.6%	100.0%

Table 4.25 reflects that the biggest percentage (51.80%) of passengers travel on a yearly basis on low cost airlines, this percentage is further identified as 26.80% Female and 25% Male passengers, 28.60% travel Monthly (12.50% Female and 16.10% Male), 11.60% travel more than 5 times monthly (3.60% Female and 8% Male) and 8% travel Weekly (3.6% Female and 4.5% Male).

Table 4.26

**Q2: Your purpose of travel is usually \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q2: Your purpose of travel is usually	Business	Count	19	29	48
		% of Total	17.0%	25.9%	42.9%
	Leisure	Count	31	27	58
		% of Total	27.7%	24.1%	51.8%
	Business & Leisure	Count	2	4	6
		% of Total	1.8%	3.6%	5.4%
Total		Count	52	60	112
		% of Total	46.4%	53.6%	100.0%

The purpose of travel is identified in Table 4.26 as mostly Leisure at 51.80% (27.70% Female and 24.10% Male), Business as 42.90% (17% Female and 25.9% Male) and a combination of Leisure and Business at 5.40% (1.80% Female and 3.60% Male).

Table 4.27

**Q4: What age group are you \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q4: What age group are you	18-30 years	Count	18	20	38
		% of Total	16.1%	17.9%	33.9%
	31-43 years	Count	18	22	40
		% of Total	16.1%	19.6%	35.7%
	44-56 years	Count	9	12	21
		% of Total	8.0%	10.7%	18.8%
	57 & over	Count	7	6	13
		% of Total	6.3%	5.4%	11.6%
Total		Count	52	60	112
		% of Total	46.4%	53.6%	100.0%

The age group utilizing low cost carriers is identified in Table 4.27 as 31 – 43 years as the major age group at 35.70% (16.10% Female and 19.60% Male), 33.90% in the age group of 18 – 30 years (16.10% Female and 17.90% Male), 18.80% in the age group of 44 – 56 years ( 8% Female and 10.7% Male) and 11.6% over 57 years old (6.30% Female and 5.40% Male).

Table 4.28

**Q5: Do you choose to travel on a low cost airline mainly because of \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q5: Do you choose to travel on a low cost airline mainly because of	Price	Count	20	30	50
		% of Total	17.9%	26.8%	44.6%
	Convenience of online bookings	Count	5	4	9
		% of Total	4.5%	3.6%	8.0%
	Availability of seats	Count	1	1	2
		% of Total	.9%	.9%	1.8%
	Frequency of flights	Count	7	3	10
		% of Total	6.3%	2.7%	8.9%
	12	Count	14	18	32
		% of Total	12.5%	16.1%	28.6%
	13	Count	2	2	4
		% of Total	1.8%	1.8%	3.6%
14	Count	3	1	4	
	% of Total	2.7%	.9%	3.6%	
124	Count	0	1	1	
	% of Total	.0%	.9%	.9%	
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

In Table 4.28 the main reason for choosing a low cost airline is identified as Price on 44.60% of passengers ( 17.90% Female and 26.80% Male), 8.90% for Frequency of Flights (6.30% Female and 2.70% Male), 8% for Convenience of online bookings (4.50% Female and 3.60% Males) and 1.80% for Availability of seats (0.9% Female and 0.9% Male).

In 28.60% of the questionnaires passengers indicated Price and Convenience of online bookings as the reason for choosing a low cost carrier, (12.50% Female and 16.10% Male), 3.6% passengers indicated Price and Availability of seats (1.80% Female and 1.80% Male) 3.6% passengers indicated Price and Frequency of flights (2.70% Female and 0.9% Male) and 0.9% Males indicated Price, Convenience of booking online and frequency of flights as a reason for choosing a low cost airline.

Table 4.29

**Q6: If you had a choice, would you purchase snacks and merchandise at the boarding gates \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q6: If you had a choice, would you purchase snacks and merchandise at the boarding gates	Yes	Count	35	37	72
		% of Total	31.3%	33.0%	64.3%
	No	Count	17	23	40
		% of Total	15.2%	20.5%	35.7%
Total		Count	52	60	112
		% of Total	46.4%	53.6%	100.0%

Table 4.29 reflects that 64.30% passengers (31.30% Female and 33% Male) would purchase snacks and merchandise at the boarding gates and 35.70% (15.20% Female and 20.50% Male) indicated that they would not purchase snacks and merchandise at the boarding gates.

Table 4.30

**Q8: I prefer buying from a retail cart as it is faster and more convenient \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q8: I prefer buying from a retail cart as it is faster and more convenient	Strongly Disagree	Count	2	2	4
		% of Total	1.8%	1.8%	3.6%
	Disagree	Count	3	6	9
		% of Total	2.7%	5.4%	8.0%
	Unsure	Count	10	10	20
		% of Total	8.9%	8.9%	17.9%
	Agree	Count	20	21	41
		% of Total	17.9%	18.8%	36.6%
	Strongly Agree	Count	17	21	38
		% of Total	15.2%	18.8%	33.9%
Total		Count	52	60	112
		% of Total	46.4%	53.6%	100.0%

In Table 4.30 passengers Agreed 36.60% (17.90% Female and 18.80% Male) on a preference buying from a retail cart as it would be faster and more convenient, 33.90% Strongly Agreed a preference on buying from a retail cart as it would be faster and more convenient (15.20% Female and 18.80% Male), 17.90% indicated an Unsure response, (8.90% Female and 8.90% Male), 8% Disagreed on this statement (2.70% Female and 5.40% Male) and 3.60% Strongly Disagreed (1.80% Female and 1.80% Male).

Table 4.31

**Q11:I prefer retail carts to be placed closer to boarding gates \* Q3: What gender are you**  
**Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q11:I prefer retail carts to be placed closer to boarding gates	Strongly Disagree	Count	2	2	4
		% of Total	1.8%	1.8%	3.6%
	Disagree	Count	3	5	8
		% of Total	2.7%	4.5%	7.1%
	Unsure	Count	6	9	15
		% of Total	5.4%	8.0%	13.4%
	Agree	Count	22	25	47
		% of Total	19.6%	22.3%	42.0%
	Strongly Agree	Count	19	19	38
		% of Total	17.0%	17.0%	33.9%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.31 reflects that 42% (19.60% Female and 22.30% Male) Agree that retail carts should be placed closer to the boarding gates, 33.90% Strongly Agree (17% Female and 17% Male), 13.40% are Unsure (5.40% Female and 8.% Male), 7.10% Disagree (2.70% Female and 4.50% Male) and 3.60% Strongly Disagree (1.80% Female and 1.80% Male)

Table 4.32

**Q13: I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q13: I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport	Strongly Disagree	Count	2	1	3
		% of Total	1.8%	.9%	2.7%
	Disagree	Count	0	8	8
		% of Total	.0%	7.1%	7.1%
	Unsure	Count	17	14	31
		% of Total	15.2%	12.5%	27.7%
	Agree	Count	16	20	36
		% of Total	14.3%	17.9%	32.1%
	Strongly Agree	Count	17	17	34
		% of Total	15.2%	15.2%	30.4%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.32 reflects that 32.10% (14.30% Female and 17.90% Male) Agree that take away products sold at carts would be cheaper per category than a sit down meal in the airport, 30.40% Strongly Agree (15.20% Female and 15.20% Male), 27.70% are Unsure (15.20% Female and 12.50% Male), 7.10% Disagree (Males) and 2.70% Strongly Disagree (1.80% Female and 0.9% Male)

Table 4.33

**Q15: I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q15: I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible	Strongly Disagree	Count	4	2	6
		% of Total	3.6%	1.8%	5.4%
	Disagree	Count	1	9	10
		% of Total	.9%	8.0%	8.9%
	Unsure	Count	11	17	28
		% of Total	9.8%	15.2%	25.0%
	Agree	Count	22	21	43
		% of Total	19.6%	18.8%	38.4%
	Strongly Agree	Count	14	11	25
		% of Total	12.5%	9.8%	22.3%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.33 reflects that 38.40% (19.60% Female and 18.80% Male) Agree to rather purchase products from retail carts than from existing retail stores as products would be more accessible and visible, 22.30% Strongly Agree (12.50% Female and 9.80% Male), 25% are Unsure (9.80% Female and 15.20% Male), 8.90% Disagree (0.9% Female and 8% Male) and 5.40% Strongly Disagree (3.60% Female and 1.80% Male)

Table 4.34

**Q16: I believe that snacks and merchandise on retail carts will increase the total value for money offered to me \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q16: I believe that snacks and merchandise on retail carts will increase the total value for money offered to me	Strongly Disagree	Count	1	3	4
		% of Total	.9%	2.7%	3.6%
	Disagree	Count	2	8	10
		% of Total	1.8%	7.1%	8.9%
	Unsure	Count	6	10	16
		% of Total	5.4%	8.9%	14.3%
	Agree	Count	26	31	57
		% of Total	23.2%	27.7%	50.9%
	Strongly Agree	Count	17	8	25
		% of Total	15.2%	7.1%	22.3%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.34 reflects that 50.90% respondents (23.20% Female and 27.70% Male) Agree that snacks and merchandise on retail carts would increase the total value for money offered to the passenger, 22.30% (15.20% Female and 7.10% Male) Strongly Agree, 14.30% (5.40% Female and 8.90% Male) are Unsure, 8.90% Disagree (1.80% Female and 7.10% Male) and 3.60% Strongly Disagree (0.9% Female and 2.70% Male)

Table 4.35

**Q19: I expect sugar-free and low calorie health products \* Q3: What gender are you  
Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q19: I expect sugar-free and low calorie health products	Strongly Disagree	Count	4	9	13
		% of Total	3.6%	8.0%	11.6%
	Disagree	Count	8	15	23
		% of Total	7.1%	13.4%	20.5%
	Unsure	Count	7	7	14
		% of Total	6.3%	6.3%	12.5%
	Agree	Count	16	13	29
		% of Total	14.3%	11.6%	25.9%
	Strongly Agree	Count	17	16	33
		% of Total	15.2%	14.3%	29.5%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

The results in Table 4.35 reflect that 29.50% Strongly Agree to an expectation of sugar-free and low calorie health products (15.20% Female and 14.30% Male), 25.90% Agree (14.30% Female and 11.60% Male), 20.50% Disagree (7.10% Female and 13.40% Male), 12.50% are Unsure (6.30% Female and 6.30% Male) and 11.60% Strongly Disagree (3.60% Female and 8% Male)

Table 4.36

**Q20: I expect more convenience and time saving with the additional products on offer at retail carts \* Q3: What gender are you  
Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q20: I expect more convenience and time saving with the additional products on offer at retail carts	Strongly Disagree	Count	1	2	3
		% of Total	.9%	1.8%	2.7%
	Disagree	Count	1	5	6
		% of Total	.9%	4.5%	5.4%
	Unsure	Count	3	8	11
		% of Total	2.7%	7.1%	9.8%
	Agree	Count	31	31	62
		% of Total	27.7%	27.7%	55.4%
	Strongly Agree	Count	16	14	30
		% of Total	14.3%	12.5%	26.8%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.36 reflects that 55.40% respondents (27.70% Female and 27.70% Male) Agree on more convenience and time saving with additional products on offer from retail carts, 26.80% Strongly Agree (14.30% Female and 12.50% Male), 9.80% are Unsure (2.70% Female and 7.10% Male), 5.40% Disagree (0.9% Female and 4.50% Male) and 2.70% Strongly Disagree (0.9% Female and 1.80% Male).

Table 4.37

**Q21: I expect shorter queues and faster service at carts \* Q3: What gender are you**  
Crosstabulation

			Q3: What gender are you		Total
			Female	Male	
Q21: I expect shorter queues and faster service at carts	Strongly Disagree	Count	1	2	3
		% of Total	.9%	1.8%	2.7%
	Disagree	Count	0	7	7
		% of Total	.0%	6.3%	6.3%
	Unsure	Count	3	2	5
		% of Total	2.7%	1.8%	4.5%
	Agree	Count	28	29	57
		% of Total	25.0%	25.9%	50.9%
	Strongly Agree	Count	20	20	40
		% of Total	17.9%	17.9%	35.7%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

The results in Table 4.37 reflect that 50.90% (25% Female and 25.90% Male) Agree to expect shorter queues and faster service at carts, 35.70% Strongly Agree (17.90% Female and 17.90% Male), 6.30% Disagree (Male), 4.50% are Unsure (2.70% Female and 1.80% Male) and 2.70% Strongly Disagree (0.9% Female and 1.80% Male)

Table 4.38

**Q24: I expect a different choice of products on retail carts than what is already available in the terminal \* Q3: What gender are you Crosstabulation**

			Q3: What gender are you		Total
			Female	Male	
Q24: I expect a different choice of products on retail carts than what is already available in the terminal	Strongly Disagree	Count	2	1	3
		% of Total	1.8%	.9%	2.7%
	Disagree	Count	3	4	7
		% of Total	2.7%	3.6%	6.3%
	Unsure	Count	8	10	18
		% of Total	7.1%	8.9%	16.1%
	Agree	Count	22	28	50
		% of Total	19.6%	25.0%	44.6%
	Strongly Agree	Count	17	17	34
		% of Total	15.2%	15.2%	30.4%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.38 reflects that 44.60% (19.60% Female and 25% Male) Agree on expecting a different choice of products on retail carts than what is already available in the terminal, 30.40% Strongly Agree (15.20% Female and 15.20% Male), 16.10% are Unsure (7.10% Female and 8.90% Male), 6.30% Disagree (2.70% Female and 3.60% Male) and 2.70% Strongly Disagree (1.80% Female and 0.9% Male)

#### 4.4.2 Descriptive Statistics –Central Tendency

The mean is defined as “the sum of the observed values in the distribution divided by the number of observations (Cooper & Emory 1995:395). The standard deviation, also reflected in the following tables, is the positive square root of the variance (Cooper & Emory 1995).

Table 4.39

		Statistics				
		Q8	Q9	Q10	Q11	Q12
N	Valid	112	112	112	112	112
	Missing	0	0	0	0	0
Mean		3.89	3.76	4.21	3.96	4.10
Median		4.00	4.00	4.00	4.00	4.00
Mode		4	4	5	4	4
Std. Deviation		1.077	1.133	.988	1.043	.958
Variance		1.160	1.284	.975	1.088	.918
Range		4	4	4	4	4
Minimum		1	1	1	1	1
Maximum		5	5	5	5	5

The results in Table 4.39 reflect that the Mean or the local measure most frequently used by respondents is 4 (Agree) on Questions 8 – 12, which relate to preferences. The middle value or Median on Questions 8 – 12 is also 4 (Agree), the Mode or value which has the highest times of occurrence on questions 8 – 12 is 4 (Agree) for Questions 8, 9 , 11 and 12, however on Question 10 the Mode is 5 (Strongly Agree). The standard deviations indicated in Table 4.39 of 1.077, 1.133, 0.988, 1.043 and 0.958 reflect a variation in respondent’s Preferences and the variances of 1.160, 1.284, 0.975, 1.088 and 0.918 further reflect that respondent’s do not share similar Preferences towards the variables tested in Questions 8 – 12.

Table 4.40

		Statistics					
		Q13	Q14	Q15	Q16	Q17	Q18
N	Valid	112	112	112	112	112	112
	Missing	0	0	0	0	0	0
Mean		3.80	3.82	3.63	3.79	3.90	3.02
Median		4.00	4.00	4.00	4.00	4.00	3.00
Mode		4	4	4	4	4	4
Std. Deviation		1.038	1.067	1.090	1.006	.995	1.223
Variance		1.078	1.139	1.189	1.012	.990	1.495
Range		4	4	4	4	4	4
Minimum		1	1	1	1	1	1
Maximum		5	5	5	5	5	5

The results in Table 4.40 relate to Questions 13 – 18 on Perceptions and reflect that the Mean or the local measure most frequently used by respondents is 4 (Agree). The middle value or Median on Questions 13 - 17 is 4 (Agree) and on Question 18 the Median is 3 (Unsure). The Mode or value which has the highest times of occurrence is 4 (Agree) on Questions 13 – 18. The standard deviations indicated in Table 4.40, which are 1.090, 1.006, 0.995 and 1.223 reflect a variation in respondent's Perceptions towards the variables tested in Questions 13 – 18 and the variances of 1.078, 1.139, 1.189, 1.012, 0.990 and 1.495 further reflect that respondent's do not share similar Perceptions towards the variables tested in Questions 13 – 18.

Table 4.41

		Statistics					
		Q19	Q20	Q21	Q22	Q23	Q24
N	Valid	112	112	112	112	112	112
	Missing	0	0	0	0	0	0
Mean		3.41	3.98	4.11	3.96	4.06	3.94
Median		4.00	4.00	4.00	4.00	4.00	4.00
Mode		5	4	4	5	4	4
Std. Deviation		1.399	.910	.943	1.181	1.059	.980
Variance		1.956	.829	.889	1.394	1.122	.960
Range		4	4	4	4	4	4
Minimum		1	1	1	1	1	1
Maximum		5	5	5	5	5	5

The results in Table 4.41 relate to Questions 19 - 24 on Expectations and reflect that the Mean or the local measure most frequently used by respondents is 3 (Unsure) on Question 19 and 4 (Agree) on Questions 20 - 24. The middle value or Median on Questions 19 – 24 is 4 (Agree). The Mode or value which has the highest times of occurrence is 5 (Strongly Agree) on Questions 19, 22 and 4 (Agree) on Questions 20, 21, 23 and 24. The standard deviations indicated in Table 4.41 of 1.399, 0.910, 0.943, 1.181, 1.059 and 0.980 reflect a variation in respondent's Expectations and the variances of 1.956, 0.829, 0.889, 1.394, 1.122 and 0.960 further reflect that respondent's do not share similar Expectations towards the variables tested in Questions 19 – 24.

#### 4.4.3 Overall Comparative Descriptive Stats-Gender

An overall view is presented in Table 4.42 for preferences on questions 8 – 12, in Table 4.43 for perceptions on Questions 13 – 18 and also in Table 4.44 for expectations on questions 19 – 24.

**Preferences \* Q3: What gender are you**

			Q3: What gender are you		Total
			Female	Male	
Preferences	Strongly Disagree	Count	1	2	3
		% of Total	.9%	1.8%	2.7%
	Disagree	Count	1	2	3
		% of Total	.9%	1.8%	2.7%
	Unsure	Count	7	5	12
		% of Total	6.3%	4.5%	10.7%
	Agree	Count	29	34	63
		% of Total	25.9%	30.4%	56.3%
	Strongly Agree	Count	14	17	31
		% of Total	12.5%	15.2%	27.7%
Total	Count	52	60	112	
	% of Total	46.4%	53.6%	100.0%	

Table 4.42 reflects an overall view on Questions 8 – 12, relating to Preferences with 56.30% (25.90% Female and 30.40% Male) that Agree, 27.70% (12.50% Female and 15.20% Male) Strongly Agree, 10.70% are Unsure (6.30% Female and 4.50% Male), 2.70% Disagree and Strongly Disagree (0.90% Female and 1.80% Male), on Preferences relating to Questions 8 – 12.

Table 4.43

## Perception \* Q3: What gender are you

			Q3: What gender are you		Total
			Female	Male	
Perception	Strongly Disagree	Count	1	1	2
		% of Total	.9%	.9%	1.8%
	Disagree	Count	1	5	6
		% of Total	.9%	4.5%	5.4%
	Unsure	Count	8	16	24
		% of Total	7.1%	14.3%	21.4%
	Agree	Count	33	33	66
		% of Total	29.5%	29.5%	58.9%
	Strongly Agree	Count	9	5	14
		% of Total	8.0%	4.5%	12.5%
Total	Count		52	60	112
	% of Total		46.4%	53.6%	100.0%

Table 4.43 reflects an overall view on Perceptions in Questions 13 – 18, with 58.90% that Agree (29.50% Female and 29.50% Male), 12.50% Strongly Agree (8% Female and 4.50% Male), 21.40% are Unsure (7.10% Female and 14.30% Male), 5.40% Disagree (0.9% Female and 4.50% Male) and 1.80% Strongly Disagree (0.9% Female and 0.9% Male) on Perceptions relating to Questions 13 – 18.

Table 4.44

## Expectations \* Q3: What gender are you

			Q3: What gender are you		Total
			Female	Male	
Expectations	Strongly Disagree	Count	0	1	1
		% of Total	.0%	.9%	.9%
	Disagree	Count	1	5	6
		% of Total	.9%	4.5%	5.4%
	Unsure	Count	5	6	11
		% of Total	4.5%	5.4%	9.8%
	Agree	Count	29	37	66
		% of Total	25.9%	33.0%	58.9%
	Strongly Agree	Count	17	11	28
		% of Total	15.2%	9.8%	25.0%
Total	Count		52	60	112
	% of Total		46.4%	53.6%	100.0%

Table 4.44 reflects an overall view on Expectations in Questions 19 – 24, with 58.90% that Agree (25.90% Female and 33% Male), 25% Strongly Agree (15.20% Female and 9.80% Male), 9.80% are Unsure (4.50% Female and 5.40% Male), 5.40% Disagree (0.9% Female and 4.50% Male) and 0.9% Strongly Disagree (0.9% Male) on Expectations relating to Questions 19 – 24.

#### 4.5 Inferential Statistics

Inferential statistics were used to draw inferences about a larger group of low cost passengers, based on the data that was collected from a smaller sample of low cost passengers. The different inferential techniques that were applied were correlations, the T-test, Cronbach's co-efficient alpha and analysis of variance (ANOVA)

##### 4.5.1 Cronbach Alpha Test: Reliability Test

Table 4.45:

#### RELIABILITY ANALYSIS - SCALE (ALPHA)

##### Reliability Coefficients

N of Cases = 112.0                      N of Items = 17

Alpha = .9064

##### Interpretation:

Reliability analysis for the questionnaire reveals Cronbach's alpha value 0.9064; this is above 0.7 and closer to 1, which indicative of the high internal consistency, reliability of questionnaire variables.

## 4.5.2 Correlations

Table 4.46

		Correlations				
		Q8	Q9	Q10	Q11	Q12
Q8	Pearson Correlation	1	.407**	.478**	.437**	.490**
	Sig. (2-tailed)	.	.000	.000	.000	.000
	N	112	112	112	112	112
Q9	Pearson Correlation	.407**	1	.463**	.547**	.595**
	Sig. (2-tailed)	.000	.	.000	.000	.000
	N	112	112	112	112	112
Q10	Pearson Correlation	.478**	.463**	1	.595**	.721**
	Sig. (2-tailed)	.000	.000	.	.000	.000
	N	112	112	112	112	112
Q11	Pearson Correlation	.437**	.547**	.595**	1	.707**
	Sig. (2-tailed)	.000	.000	.000	.	.000
	N	112	112	112	112	112
Q12	Pearson Correlation	.490**	.595**	.721**	.707**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.
	N	112	112	112	112	112

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The interpretation in Table 4.46 reveals the following correlations on Questions 8 – 12, which relate to Preferences.

The interpretation that will be used is a Pearson correlation that can only take on values from -1 to +1:

-If  $p = \leq 0.05$  the relationship is statistically significant

-If the correlation is positive, it indicates as one variable increases, the other variable will also increase, or negative, as one variable increases, the other decreases

-The strength of the correlation

$r = 0.10 - 0.29$  or  $-0.10 - -0.29$  (small correlation)

$r = 0.30$  to  $0.49$  or  $-0.30$  to  $-0.49$  (medium correlation)

$r = 0.50$  to  $1.0$  or  $-0.50$  to  $-1.0$  (large correlation)

- On Question 8, the findings indicated a statistically significant correlation with Questions 9 – 12, with a positive relationship, which indicates if one variable increases the other variable will also increase. The Pearson product correlation indicate a medium correlation between Question 8 and Questions 9 – 12
- Question 9 has a statistically significant correlation with Questions 10 – 12 and the Pearson product correlation indicate a medium correlation between Question 9 and Question 10; however a strong correlation exists between Question 9 and Questions 11 and 12
- Question 10 has a statistically significant correlation with Questions 11 – 12, with a positive relationship indicating, should one variable increase, the other variable would also increase and a strong correlation between Question 10 and Questions 11 – 12 is reflected
- On Question 11, which was correlated with Question 12 a statistically significant correlation exists with Question 12, the positive sign indicates a positive relationship between Question 11 and Question 12 and the Pearson product correlation indicates a strong correlation between Question 11 and Question 12

Table 4.47

## Correlations

		Q13	Q14	Q15	Q16	Q17	Q18
Q13	Pearson Correlation	1	.578**	.477**	.470**	.496**	.350**
	Sig. (2-tailed)	.	.000	.000	.000	.000	.000
	N	112	112	112	112	112	112
Q14	Pearson Correlation	.578**	1	.470**	.545**	.611**	.244**
	Sig. (2-tailed)	.000	.	.000	.000	.000	.009
	N	112	112	112	112	112	112
Q15	Pearson Correlation	.477**	.470**	1	.498**	.581**	.410**
	Sig. (2-tailed)	.000	.000	.	.000	.000	.000
	N	112	112	112	112	112	112
Q16	Pearson Correlation	.470**	.545**	.498**	1	.511**	.215*
	Sig. (2-tailed)	.000	.000	.000	.	.000	.023
	N	112	112	112	112	112	112
Q17	Pearson Correlation	.496**	.611**	.581**	.511**	1	.349**
	Sig. (2-tailed)	.000	.000	.000	.000	.	.000
	N	112	112	112	112	112	112
Q18	Pearson Correlation	.350**	.244**	.410**	.215*	.349**	1
	Sig. (2-tailed)	.000	.009	.000	.023	.000	.
	N	112	112	112	112	112	112

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed).

The interpretation in Table 4.47 reveals the following correlations on Questions 13 – 18, which relate to Perceptions of respondents.

- Question 13 has a statistically significant correlation with Questions 14 – 18, with a positive sign, indicating if one variable increases the other variable will also increase and a Pearson product correlation coefficient indicating a medium correlation between Question 13 and Questions 15, 16, 17 and 18 and a strong correlation between Question 13 and Question 14
- Question 14 has a statistically significant correlation with Questions 15 - 18 and a Pearson product correlation indicating a medium correlation between Question 14 and Question 15; a strong correlation between Question 14 and Questions 16 – 17 and a small correlation between Question 14 and Question 18

- On Question 15, a statistically significant correlation with Questions 16 – 18 exists, with a positive relationship between Question 15 and Questions 16 – 18 and a Pearson product correlation coefficient indicating a strong correlation between Question 15 and Question 17 and a moderate correlation between Question 15 and 16 and 18
- On Question 16, a statistically significant correlation with Question 17 exists and the positive sign (+) indicates a positive relationship between Question 16 and Questions 17 – 18, with a strong correlation between Question 16 and Question 17 and a small correlation between Question 16 and 18
- On Question 17, which was correlated with Question 18 a statistically significant correlation exists with a medium correlation between Question 17 and Question 18

Table 4.48

		Q19	Q20	Q21	Q22	Q23	Q24
Q19	Pearson Correlation	1	.218*	.240*	.360**	.147	.131
	Sig. (2-tailed)	.	.021	.011	.000	.123	.170
	N	112	112	112	112	112	112
Q20	Pearson Correlation	.218*	1	.821**	.368**	.562**	.554**
	Sig. (2-tailed)	.021	.	.000	.000	.000	.000
	N	112	112	112	112	112	112
Q21	Pearson Correlation	.240*	.821**	1	.417**	.615**	.573**
	Sig. (2-tailed)	.011	.000	.	.000	.000	.000
	N	112	112	112	112	112	112
Q22	Pearson Correlation	.360**	.368**	.417**	1	.456**	.371**
	Sig. (2-tailed)	.000	.000	.000	.	.000	.000
	N	112	112	112	112	112	112
Q23	Pearson Correlation	.147	.562**	.615**	.456**	1	.585**
	Sig. (2-tailed)	.123	.000	.000	.000	.	.000
	N	112	112	112	112	112	112
Q24	Pearson Correlation	.131	.554**	.573**	.371**	.585**	1
	Sig. (2-tailed)	.170	.000	.000	.000	.000	.
	N	112	112	112	112	112	112

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

The interpretation in Table 4.48 reveals the following correlations on Expectations for Questions 19 – 24.

- On Question 19, which was correlated with Questions 20 – 24, a statistically significant correlation with Questions 22 exists with a small correlation between Question 19 and Questions 20, 21, 23 and 24 and a medium correlation between Question 19 and Question 22.
- On Question 20, which was correlated with Questions 21 - 24 a statistically significant correlation with Questions 21 – 24 exists, with a strong correlation between Question 20 and Questions 21, 23 and 24, and a medium correlation between Question 20 and Question 22
- On Question 21, which was correlated with Questions 22 – 24, a statistically significant correlation with Questions 22 – 24 exists, as

well as a strong correlation between Question 21 and Questions 23 and 24 and a medium correlation between Question 21 and 22

- On Question 22, which was correlated with Questions 23 - 24 a statistically significant correlation exists, with a medium correlation between Question 22 and Questions 23 - 24
- On Question 23, a statistically significant correlation exists with a strong correlation between Question 23 and Question 24

Reflected in Table 4.49 is an overall correlation on Preferences, (Questions 8 – 12), Perceptions (Questions 13 – 18) and Expectations (Questions 19 – 24).

Table 4.49

### Hypothesis 1

Significant inter-correlations exist amongst the key variables of the study (preferences, perceptions and expectations) respectively.

**Correlations**

		Preferences	Perception	Expectations
Preferences	Pearson Correlation	1	.505**	.494**
	Sig. (2-tailed)	.	.000	.000
	N	112	112	112
Perception	Pearson Correlation	.505**	1	.642**
	Sig. (2-tailed)	.000	.	.000
	N	112	112	112
Expectations	Pearson Correlation	.494**	.642**	1
	Sig. (2-tailed)	.000	.000	.
	N	112	112	112

\*\* . Correlation is significant at the 0.01 level (2-tailed).

- Table 4.49 reflects that a statistically significant relationship exists on the overall correlations for preferences, perceptions and expectations
- A positive relationship (if one variable increases the other will also increase), exists between preferences, perceptions and preferences respectively
- The Pearson product correlation reflects a strong correlation on all variables

Hypothesis 1 can therefore be accepted.

## 4.5.3 Table 4.50 - T-test

Hypothesis 2

A significant difference exists between males and females on the key variables of the study (preferences, perceptions and expectations), respectively.

**Independent Samples Test**

		Levene's Test	t-test for Equality of Means		
		F	t	df	Sig. (2-tailed)
Preferences	Equal variances assumed	.055	.031	110	.975
	Equal variances not assumed		.032	109.784	.975
Perception	Equal variances assumed	4.021	2.136	110	.035
	Equal variances not assumed		2.149	109.561	.034
Expectations	Equal variances assumed	.240	2.170	110	.032
	Equal variances not assumed		2.207	109.046	.029

The interpretation on Table 4.50 is that no significant difference exists for males and females on preferences; a significant difference exists however between males and females on perceptions and expectations.

Therefore Hypothesis 2 is

- accepted for perceptions and expectations
- rejected for preferences

## 4.5.4 ANOVA

Table 4.51 - ANOVA: Question 1

How regularly do you travel on low cost airlines, Yearly, Monthly, Weekly or More than 5 times Monthly?

Hypothesis 3

A significant difference exists amongst low cost passengers on the frequency of travel, age group and reason for choosing a low cost airline, if these variables are applied to preferences, perceptions and expectations, respectively.

		Sum of Squares	df	Mean Square	F	Sig.
8. I prefer buying from a retail cart as it is faster and more convenient	Between Groups	6.438	3	2.146	1.895	.135
	Within Groups	122.276	108	1.132		
	Total	128.714	111			
9. I prefer a wide choice of strong brands on retail carts	Between Groups	22.261	3	7.420	6.665	.000
	Within Groups	120.231	108	1.113		
	Total	142.491	111			
10. I prefer fast service as time is very limited	Between Groups	5.551	3	1.850	1.945	.127
	Within Groups	102.725	108	.951		
	Total	108.277	111			
11. I prefer retail carts to be placed closer to boarding gates	Between Groups	9.463	3	3.154	3.060	.031
	Within Groups	111.314	108	1.031		
	Total	120.777	111			
12. I prefer a selection of different products on one retail cart	Between Groups	14.038	3	4.679	5.751	.001
	Within Groups	87.882	108	.814		
	Total	101.920	111			

The ANOVA test results in Table 4.51 reveal that there is a statistically significant difference between frequency of travel and questions 9, question 11 and question 12. No statistically significant difference exists on frequency of travel and question 8 and question 10.

Table 4.52

## ANOVA : Q4

		Sum of Squares	df	Mean Square	F	Sig.
Q8: I prefer buying from a retail cart as it is faster and more convenient	Between Groups	4.291	3	1.430	1.242	.298
	Within Groups	124.423	108	1.152		
	Total	128.714	111			
Q9: I prefer a wide choice of strong brands on retail carts	Between Groups	6.758	3	2.253	1.793	.153
	Within Groups	135.733	108	1.257		
	Total	142.491	111			
Q10: I prefer fast service as time is very limited	Between Groups	2.059	3	.686	.698	.555
	Within Groups	106.218	108	.983		
	Total	108.277	111			
Q11: I prefer retail carts to be placed closer to boarding gates	Between Groups	3.713	3	1.238	1.142	.336
	Within Groups	117.064	108	1.084		
	Total	120.777	111			
Q12: I prefer a selection of different products on one retail cart	Between Groups	2.534	3	.845	.918	.435
	Within Groups	99.386	108	.920		
	Total	101.920	111			

In Table 4.52 the ANOVA test results reveal that no statistically significant difference exists on preferences if the age group is applied to questions 8, questions 9, question 10, question 11 and Question 12.

Table 4.53

## ANOVA :Q5

		Sum of Squares	df	Mean Square	F	Sig.
Q8: I prefer buying from a retail cart as it is faster and more convenient	Between Groups	2.943	7	.420	.348	.930
	Within Groups	125.771	104	1.209		
	Total	128.714	111			
Q9: I prefer a wide choice of strong brands on retail carts	Between Groups	5.771	7	.824	.627	.732
	Within Groups	136.720	104	1.315		
	Total	142.491	111			
Q10: I prefer fast service as time is very limited	Between Groups	5.272	7	.753	.760	.622
	Within Groups	103.004	104	.990		
	Total	108.277	111			
Q11: I prefer retail carts to be placed closer to boarding gates	Between Groups	11.089	7	1.584	1.502	.175
	Within Groups	109.688	104	1.055		
	Total	120.777	111			
Q12: I prefer a selection of different products on one retail cart	Between Groups	3.381	7	.483	.510	.825
	Within Groups	98.539	104	.947		
	Total	101.920	111			

In Table 4.53 the ANOVA test results reveal no statistically significance difference on preferences, if reason for travel is applied to questions 8, questions 9, question 10, question 11 and Question 12 .

Table 4.54

## ANOVA Question: 1

How regularly do you travel on low cost airlines, Yearly, Monthly, Weekly or More than 5 times Monthly?

		Sum of Squares	df	Mean Square	F	Sig.
13. I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport	Between Groups	13.156	3	4.385	4.446	.005
	Within Groups	106.522	108	.986		
	Total	119.679	111			
14. I believe the option to purchase products before boarding will save time	Between Groups	6.990	3	2.330	2.107	.104
	Within Groups	119.439	108	1.106		
	Total	126.429	111			
15. I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible	Between Groups	8.175	3	2.725	2.377	.074
	Within Groups	123.816	108	1.146		
	Total	131.991	111			
16. I believe that snacks and merchandise on retail carts will increase the total value for money offered to me	Between Groups	10.104	3	3.368	3.560	.017
	Within Groups	102.173	108	.946		
	Total	112.277	111			
17. I believe the option of buying from retail carts will be more convenient to me	Between Groups	4.784	3	1.595	1.638	.185
	Within Groups	105.135	108	.973		
	Total	109.920	111			
18. I believe retail carts will be more attractive to buy from as only one specific type of product will be sold per cart	Between Groups	6.044	3	2.015	1.361	.259
	Within Groups	159.920	108	1.481		
	Total	165.964	111			

Table 4.54 reveals that a statistically significant difference exists on frequency of travel and questions 13, question 15 and question 16. There is no statistically significant difference on frequency of travel and questions 14, question 17 and question 18.

Table 4.55

ANOVA Question: 4

What age group are you, 18 – 30, 31 – 43, 44 – 56 and 57 and over for Questions 13 - 18.

		Sum of Squares	df	Mean Square	F	Sig.
13. I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport	Between Groups	10.829	3	3.610	3.581	.016
	Within Groups	108.850	108	1.008		
	Total	119.679	111			
14. I believe the option to purchase products before boarding will save time	Between Groups	2.208	3	.736	.640	.591
	Within Groups	124.221	108	1.150		
	Total	126.429	111			
15. I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible	Between Groups	3.466	3	1.155	.971	.409
	Within Groups	128.526	108	1.190		
	Total	131.991	111			
16. I believe that snacks and merchandise on retail carts will increase the total value for money offered to me	Between Groups	.726	3	.242	.234	.872
	Within Groups	111.551	108	1.033		
	Total	112.277	111			
17. I believe the option of buying from retail carts will be more convenient to me	Between Groups	3.066	3	1.022	1.033	.381
	Within Groups	106.853	108	.989		
	Total	109.920	111			
18. I believe retail carts will be more attractive to buy from as only one specific type of product will be sold per cart	Between Groups	1.652	3	.551	.362	.781
	Within Groups	164.313	108	1.521		
	Total	165.964	111			

Table 4.55 reveals that a statistically significant difference exists between age group, if applied to question 13. There is no statistically significant difference between age group and questions 14, question 15, question 16, question 17 and question 18.

Table 4.56

ANOVA Question: 5

Do you choose to travel on a low cost airline mainly because of Price, Convenience of Bookings, Availability of seats, and Frequency of Flights ?

		Sum of Squares	df	Mean Square	F	Sig.
13. I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport	Between Groups	6.918	7	.988	.911	.501
	Within Groups	112.761	104	1.084		
	Total	119.679	111			
14. I believe the option to purchase products before boarding will save time	Between Groups	6.058	7	.865	.748	.632
	Within Groups	120.371	104	1.157		
	Total	126.429	111			
15. I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible	Between Groups	5.113	7	.730	.599	.756
	Within Groups	126.878	104	1.220		
	Total	131.991	111			
16. I believe that snacks and merchandise on retail carts will increase the total value for money offered to me	Between Groups	6.541	7	.934	.919	.495
	Within Groups	105.736	104	1.017		
	Total	112.277	111			
17. I believe the option of buying from retail carts will be more convenient to me	Between Groups	1.051	7	.150	.143	.994
	Within Groups	108.869	104	1.047		
	Total	109.920	111			
18. I believe retail carts will be more attractive to buy from as only one specific type of product will be sold per cart	Between Groups	7.979	7	1.140	.750	.630
	Within Groups	157.986	104	1.519		
	Total	165.964	111			

Table 4.56 reveals that no statistically significant difference exists between reasons for traveling on a low cost airline and questions 13 – 18.

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Table 4.57

ANOVA Question 1 - How regularly do you travel on low cost airlines, Yearly, Monthly, Weekly or More than 5 times Monthly.

		Sum of Squares	Df	Mean square	F	Sig.
Q19. I expect sugar-free and low calorie health products	Between Groups Within Groups Total	3.577 213.530 217.107	3 108 111	1.192 1.977	.603	.614
Q20. I expect more convenience and time saving with the additional products on offer at retail carts	Between Groups Within Groups Total	2.235 89.729 91.964	3 108 111	.745 .831	.897	.445
Q21. I expect shorter queues and faster service at carts	Between Groups Within Groups Total	2.411 96.303 98.714	3 108 111	.804 .892	.901	.443
Q22. I expect food that is not spicy or messy to eat on board at retail carts	Between Groups Within Groups Total	7.757 147.020 154.777	3 108 111	2.586 1.361	1.899	.134
Q23. I expect food and beverages at retail carts to be cheaper than a sit down meal at the airport	Between Groups Within Groups Total	12.919 111.643 124.563	3 108 111	4.306 1.034	4.166	.008
Q24. I expect a different choice of products on retail carts than what is already available in the terminal	Between Groups Within Groups Total	1.351 105.212 106.563	3 108 111	.450 .974	.462	.709

Table 4.57 reveals that no statistically significant difference exists between frequency of travel and questions 19, question 20, question 21, question 22 and question 24.

A statistically significant difference does however exist between frequency of travel and question 23.



Table 4.58

ANOVA Question: 4

What age group are you, 18 – 30, 31 – 43, 44 – 56 and 57 and over, for Questions 19 – 24.

		Sum of Squares	Df	Mean Square	F	Sig.
Q19. I expect sugar-free and low calorie health products	Between Groups	3.703	3	1.234	.625	.601
	Within Groups	213.404	108	1.976		
	Total	217.107	111			
Q20. I expect more convenience and time saving with the additional products on offer at retail carts	Between Groups	1.845	3	.615	.737	.532
	Within Groups	90.119	108	.834		
	Total	91.964	111			
Q21. I expect shorter queues and faster service at carts	Between Groups	2.510	3	.837	.939	.424
	Within Groups	96.204	108	.891		
	Total	98.714	111			
Q22. I expect food that is not spicy or messy to eat on board at retail carts	Between Groups	1.179	3	.393	.276	.842
	Within Groups	153.567	108	1.422		
	Total	154.777	111			
Q23. I expect food and beverages at retail carts to be cheaper than a sit down meal at the airport	Between Groups	9.439	3	3.146	2.952	.036
	Within Groups	115.123	108	1.066		
	Total	124.562	111			
Q24. I expect a different choice of products on retail carts than what is already available in the terminal	Between Groups	.291	3	.097	.098	.961
	Within Groups	106.272	108	.984		
	Total	106.563	111			

Table 4.58 reveals that no statistically significant difference exists between age group, if applied to question 19, question 20, question 21, question 22 and question 24. A statistically significant difference does however exist between age group and question 23.

Table 4.59

## ANOVA Question: 5

Do you choose to travel on a low cost airline mainly because of Price, Convenience of Bookings, Availability of seats, and Frequency of Flights

		Sum of Squares	Df	Mean Square	F	Sig.
Q19. I expect sugar-free and low calorie health products	Between Groups	12.398	7	1.771	.900	.510
	Within Groups	204.709	104	1.968		
	Total	217.107	111			
Q20. I expect more convenience and time saving with the additional products on offer at retail carts	Between Groups	4.096	7	.585	.692	.678
	Within Groups	87.869	104	.845		
	Total	91.964	111			
Q21. I expect shorter queues and faster service at carts	Between Groups	4.759	7	.680	.753	.628
	Within Groups	93.955	104	.903		
	Total	98.714	111			
Q22. I expect food that is not spicy or messy to eat on board at retail carts	Between Groups	4.926	7	.704	.488	.841
	Within Groups	149.851	104	1.441		
	Total	154.777	111			
Q23. I expect food and beverages at retail carts to be cheaper than a sit down meal at the airport	Between Groups	4.917	7	.702	.611	.746
	Within Groups	119.645	104	1.150		
	Total	124.563	111			
Q24. I expect a different choice of products on retail carts than what is already available in the terminal	Between Groups	4.369	7	.624	.635	.726
	Within Groups	102.194	104	.983		
	Total	106.563	111			

Table 4.59 reveals that no statistically significant difference exists on reason for choosing a low cost airline and questions 19 – 24.

The interpretation on Tables 4.51 – 4.59 is the following:

-frequency of travel

A significant difference exists on questions 9, 11, 12, 13, 15, 16 and 23

No significant difference exists on questions 8, 10, 14, 17, 18, 19, 20, 21, 22 and 24

Hypothesis 3 is rejected on the variable frequency of travel

- Age group

A significant difference exists on questions 13 and 23.

No significant difference exists on questions 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22 and 24

Hypothesis 3 is rejected on the variable for age group

- Reason for travel

No significant difference exists on questions 8 - 24

Hypothesis 3 is rejected on the variable, reasons for travel on low cost airline

#### 4.6 Conclusion

This chapter presented the results of the study, using both inferential and descriptive statistics. Various research methods were employed to interpret results. Key variables were listed and significant relationships identified amongst certain variables.

The structure followed in Chapter four was a presentation of the results in the study, re-enforcing the objectives of the study, introducing descriptive statistics, comparative statistics, descriptive statistics on central tendency, overall comparative descriptive statistics and inferential statistics, in tabular format.

Chapter five will follow with a discussion on the results of the study.

## **CHAPTER 5**

### **DISCUSSION OF RESULTS**

The first objective of this study was achieved as findings on this study made a profile on the low cost traveler possible. Preferences, perceptions and expectations of low cost travelers will be linked to current offerings at JHB International Airport, with suggestions on a customized product, after applying the findings on this study to current products on offer in the terminal building.

#### Objectives

- To identify low cost passenger profiles in the domestic terminal at Johannesburg International Airport (by identifying their preferences, perceptions and expectations) and utilize this information to design tailor-made product offerings for the specific low cost passengers, departing from Johannesburg Airport
- To grow commercial retail revenue to Airports Company at JHB International Airport by offering tailor-made products to the low cost passenger segment

This study revealed that respondent's voiced strong opinions on:

- fast service
- sugar-free and low calorie health products
- food that is not spicy or messy to eat on board

This finding identifies the important service and product elements to the target market, which needs to be considered by Airports Company and the retailers at JHB International Airport.

A strong correlation was found on:

- fast service, retail carts to be placed closer to boarding gates and a selection of different products on one retail cart

- a belief that take away products sold at carts will be cheaper per category than a sit down meal in the airport and a belief that the option to purchase products before boarding will save time
- a belief that take away products sold at carts will be cheaper per category than a sit down meal in the airport and a belief that snacks and merchandise on retail carts will increase the total value for money offered and a belief that the option of buying from retail carts will be more convenient
- more convenience and time saving with additional products on offer at retail carts, shorter queues and faster service at carts, food and beverages at retail carts to be cheaper than a sit down meal at the airport and a different choice of products on retail carts than what is already available in the terminal

These findings indicate a strong inter-correlation and the opinions voiced from the target population on the benefits of retail carts, which include a need for fast service, that products would be cheaper per category, retail carts would increase the total value offered to the population and carts would be more convenient – which are all elements of importance to a passenger who has very little dwell time available before boarding of flights.

The findings on gender were:

- no significant difference exists for males and females on preferences
- a significant difference exists for males and females on perceptions
- a significant difference exists for males and females on expectations

Males and females have similar preferences when using low cost airlines, which include fast service on retail carts, however, perceptions and expectations differ on gender. Further research on gender specific perceptions and expectations can be undertaken to determine more specific buying behavior patterns between males and females.

A statistically significant difference on gender was found for frequency of travel and

- a wide choice of strong brands on retail carts
- retail carts to be placed closer to boarding gates

- a selection of different products on one retail cart
- take –away products at carts would be cheaper than a sit down meal at the airport
- snacks and merchandise on retail carts will increase the total value for money offered

Males and females, traveling once yearly, once monthly, once weekly, or more than 5 times monthly, indicated different opinions on the variables tested. The different views should be studied further as understanding influences on buying behavior can assist with a finer developed product offer to the selected target market.

This study revealed the following profile on low cost travelers,

The low cost traveler profile is someone who:

- travels once yearly (51.80%) – (26.80%) is female and (25%) male or once monthly (28.60%) - (12.50%) is female and (16.10%) male
- is a leisure traveler (51.80%) - (27.70%) is female and (24.10% ) is male or is a business traveler (42.90%) - (17%) is female and (25.90%) is male
- is male (53.60%) or female (46.40%)
- is between 31 – 43 years old (35.70%) – (16.10%) is female and (19.60%) is male and (33.90%) is in the age group of 18 – 30 years - (16%) is female and (17.90%) is male
- chooses a low cost airline because of price (44.60%) – ( 17.80%) is female and (26.80%) is male
- would choose to purchase snacks and merchandise at boarding gates (64.30%) - (31.30%) is female and (33%) is male
- would purchase muffins/croissants and pastries (33.90%), coldrinks (14.30%), books/magazines (13.40 %), sandwiches (11.60%) and (7.10%) low fat or sugar free sweets and snacks

The low cost traveler prefers:

- buying from a retail cart as it is faster and more convenient (70.50%)
- a wide choice of strong brands on retail carts (69.70%)

- fast service as time is limited (86.60%)
- retail carts to be placed closer to boarding gates (75.90%)
- a selection of different products on one retail cart (83.90%)

The low cost traveler believes:

- that take away products sold at carts will be cheaper per category than a sit down meal in the airport (62.50%)
- that an option to purchase products before boarding will save time (72.30%)
- that products from retail carts would be more accessible and visible (60.70%)
- that snacks and merchandise on retail carts would increase the total value for money offered to respondents (73.20%)
- the option of buying from retail carts will be more convenient (80.40%)
- that retail carts would be more attractive to buy from as only one specific type of product would be sold per cart (40.20%)

The low cost traveler expects:

- sugar-free and low calorie health products (55.40%)
- more convenience and time saving with additional products on offer at retail carts (82.20%)
- shorter queues and faster service at carts (86.60%)
- food that is not spicy or messy to eat on board at retail carts (74.10%)
- that food and beverages at retail carts would be cheaper than a sit down meal at the airport (80.40%)
- a different choice of products on retail carts than what is already available in the terminal (75%)

## **CHAPTER 6**

### **RECOMMENDATIONS**

#### 6.1 Introduction

This chapter will provide suggestions to Airports Company, on a customized product offer for the low cost passenger segment at JHB International Airport, utilizing the findings on this study, also reflecting the retail revenue opportunity available to Airports Company in targeting this specific segment.

#### 6.2 Profile on low cost travelers

A summary, based on the findings on this study, focusing on the typical low cost traveler profile reveals someone who mainly travels:

- once yearly
- for leisure
- is predominantly male
- is between 18 – 43 years old
- chooses to travel with a low cost airline mainly because of price
- would purchase snacks at the boarding gates
- has a preference for snacks and merchandize in the following order:
  - 1) muffins, croissants and pastries
  - 2) coldrinks
  - 3) books and magazines
  - 4) sandwiches
  - 5) low fat or sugar free sweets

The low cost traveler prefers:

- fast service as time is limited
- a selection of different products on one cart
- retail carts to be placed closer to boarding gates
- buying from a retail cart as it is faster and more convenient

The low cost traveler believes that:

- the option of buying from retail carts would be more convenient
- an option to purchase products before boarding would save time
- snacks and merchandise on retail carts would increase the total value for money offered to the traveler

The low cost traveler expects:

- more convenience and time saving with additional products on offer on retail carts
- shorter queues and faster service at carts
- food and beverages at retail carts to be cheaper than a sit down meal at the airport

6.3 Discussion on findings reflected in the tables 4.1 – 4.59 of this study:

6.3.1 Reflected in table 4.1 is that (51.80%) of respondents travel yearly and (28.60%) travel monthly. Table 4.2 supports this finding and reflects that the purpose of travel is mostly for leisure (51.80%) and (42.90%) for business.

These findings reflect that the majority of low cost travelers are leisure travelers and it is suggested that Airports Company tailor its products to attract leisure travelers, who would travel during peak holiday periods of december and april, also targeting long weekends in march, may, june, august and september, as well as school holidays in april, june and September.

The product mix on retail carts, available during these months, should be in line with the findings on table 4.7, which reflect that the most popular items of preference are:

- muffins, croissants and pastries 33.90% (already provided for at the Wimpy and Nescafe coffee shop in the terminal)
- coldrinks 14.30% (not provided on a retail cart at present and presents an opportunity to Airports Company)

Airports Company should make provision for coldrinks, as speed and convenience are important elements to low cost travelers

- books and magazines 13.40% (provided in a retail shop in departures on upper level at present, however, an opportunity exists for a retail cart with selected books at the boarding gates, on the lower level, where most low cost flights depart, for speed and convenience to low cost travelers)

Airports Company should partner with the existing retailer, Exclusive Books and offer a satellite kiosk with books to low cost travelers.

- sandwiches 11.60% (is provided in a kiosk at present and offered in coffee shops at departures)
- sugar- free or low fat sweets and snacks 7.10% (not provided at present and is an opportunity for Airports Company to provide a retail cart selling sugar- free or low fat sweets and snacks, to low cost travelers)

Airports Company can approach Cosmic Candy, the current retailer in departures and offer the business opportunity to Cosmic Candy.

- sweets and crisps 4.50 % - (not provided on a retail cart at present)

Airports Company can offer Cosmic Candy the opportunity of a satellite kiosk in departures to service this need.

6.3.2 The main reason for choosing a low cost airline is:

- price 44.70% (17.90% female and 26.80% male)
- frequency of flights 9% (6.30% female and 2.70% male)
- convenience of online bookings 8.10% (4.50% female and 3.60% males)

The sample population is motivated mainly on price in using low cost airlines (44.70%). It can be assumed that this customer will also be price sensitive when

choosing to purchase products in the terminal building and retailers, as well as Airports Company, should be careful in choosing a pricing strategy. As noted earlier, the major age group is between 18 – 43 years old and very knowledgeable on prices of goods sold in the market.

This is a consumer that is an intelligent and knowledgeable shopper and products should be:

- reasonably priced
- of the strongest brands
- of the latest technology on the market

Males find price a higher motivational factor on using low cost airlines, (26.80 %), if compared to females, (17.90%), which could indicate that males are even more price sensitive than females in their buying behavior. Airports Company, as well as retailers, should take note on the price sensitivity of its male customers, specifically.

6.3.3 Speed, time saving and convenience are important service components for the low cost traveler, as indicated in the following tables:

- table 4.8 - Time saving, speed and convenience are important to the low cost traveler, (70.50 %) respondents agreed
- table 4.10 - (86.60 %) respondents indicated fast service is important
- table 4.11 – ( 75.90 %) of respondents agree that retail carts should be placed closer to the boarding gates
- table 4.14 - reflects that (72.30 %) of respondents believe that an option to purchase products before boarding will save time
- table 4.15 - reflects that (60.70 %) of respondents agree to purchase products from retail carts than existing stores, as products would be more accessible

- table 4.17 - reflects that (80.40 %) of respondents agree the option of buying from retail carts will be more convenient
- table 4.20 - reflects that (82.20 %) of respondents have an expectation on more convenience and time saving with additional products on offer at retail carts
- Table 4.21 - reflects (86.60 %) of respondents have an expectation on shorter queues and faster service at carts

Passengers traveling on low cost airlines have a very critical need for fast service and convenience. Retailers and Airports Company should aim first and foremost to process these passengers through the terminal as fast as possible, have products available on carts that are easily accessible, easily recognizable, with staff that are knowledgeable and competent in delivering a professional service and fast service.

6.3.4 Table 4.4 reflects that the major age group of respondents is between 18 – 43 years old, (69.60 %)

Airports Company should allow for a product offer that considers a younger age group of 18 – 43 years old and the following products should be considered by Airports Company:

- Products that appeal to generation X (born in mid 60's and mid 70's), as this segment prefers buying music, computers, CD ROMS, using online services, purchases video games, watches DVD's, travels on budget, visits bars, drinks alcohol and eats predominantly fast food.
  - Retail carts should offer the latest CD's, DVD's, playstation games and electronic goods
  - Stylishly designed internet café's should be available in the terminal to allow for online services and entertainment
- The generation Y segment, (born in the 80's), has been exposed to instantaneous global communication, are the most seasoned customers and is

choosy where they spend their money. They make a decision on purchasing very quickly, are very brand conscious, with knowledge on the latest technology

Retail carts should be introduced by Airports Company and sell:

- the latest brands on shoes, clothing and accessories
- The latest cellular phones, cameras, DVD's and CD's should be sold

#### 6.3.5 Respondents would purchase snacks and merchandise at the boarding gates

- Yes 64.30 % (31.30% female and 33% male)
- No 35.70 % (15.20% female and 20.50% male)

Airports Company has a captive market of (64%) of respondents that indicated a preference for snacks and merchandise at the boarding gates. The retail potential of this market is +- R 1 680 000.00 monthly, in revenue that Airports Company could collect. (An average of 350 000 passengers depart monthly, assuming 50 % utilize low cost airlines, with an average price of R15.00 spent per passenger in the terminal, of which 64% indicated they would purchase snacks)

#### 6.3.6 An expectation of sugar-free and low calorie health products offered on retail carts

- 55.40% agree ( 29.50 % female and 25.90% male)

Females are generally more health and body conscious than males, which explains why females would reflect a higher priority on low calorie and sugar free products. The male population is however also starting to become more health and body conscious and the gap reflected on gender can in time completely disappear, with both genders reflecting a similar preference for health products.

Airports Company should make provision for the health conscious market and introduce a retail cart to service the needs and requirements for this market, as the opportunity for additional retail revenue exists in this segment.

6.3.7 Table 4.3 reflects that 53.60% of the sample population is male and 46.40% are female travelers, with a further categorization on gender which reflects:

- Frequency of travel
  - yearly travel (26.80% female and 25% male passengers)
  - monthly travel (12.50% female and 16.10% male)

It is mainly male travelers of the sample population that travel monthly, if compared with females and Airports Company can investigate gender specific products, to target the male population. (Outdoor and adventure products, such as hiking or other sport's goods, can be investigated, also car and motorbike accessories). Further study is however required on this variable, as female travelers could also be targeted with gender specific goods, such as beauty and body products, fine linen, hair products and perfumes or cosmetics .

- Age group
  - 31 – 43 years (16.10% female and 19.60% male)
  - 18 – 30 years (16.10% female and 17.90% male)

The difference on gender is not significant in the age group 18 – 43 years old, which reflects that a similar number of males and females travel on low cost airlines, in this age group.

- Respondents would prefer buying from a retail cart as it would be faster and more convenient
  - 70.50% agreed (33 % female and 37.50 % male)

Speed and convenience are a higher priority for males than females, if this variable is considered, however, both females and males rate speed and convenience as a very important factor, 70.50% .

- Retail carts should be placed closer to the boarding gates
  - 75.90% agreed (36.60% female and 39.30% male)

The male population rated convenience and time saving as a higher priority than females, on the variable of placing carts closer to boarding gates and saving time. Overall, both males and females, (75.90 %), rated this variable as important.

- Snacks and merchandise on retail carts would increase the total value for money offered to the passenger
- 73.20% agree (38.40 female and 34.80 male)

The total value perceived to be offered by retail carts, is very important as it indicates the perception of the customer on retail carts specifically and ultimately the inclination to purchase products from retail carts. Females have a higher value perception on carts, if compared to males, although the overall perception of 73.20% is very high.

6.3.8 The results in table 4.39 reflect that respondents agree on the variables tested, namely a preference for fast and convenient service, a wide choice of strong brands, and retail carts to be placed closer to boarding gates, and a selection of different products on one retail cart.

A strong preference was indicated however, for fast service as time is limited.

6.3.9 The results in table 4.40 reflect that respondents agreed on the statements made that take away products would be cheaper per category, the option to purchase products would save time, products would be more accessible, snacks and merchandise on retail carts would increase the total value for money offered and the option of buying on retail carts would be more convenient.

The median on a belief that carts would be more attractive to buy from, as only one type of product would be sold, received an unsure response.

This response could indicate that the question was not properly formulated as two opinions were requested or that respondents could not indicate an opinion, on this statement.

The standard deviations indicated a variation between males and females on perceptions towards all the variables tested in table 4.40.

6.3.10 The results in table 4.41 reflect that the mean or the local measure most frequently used by respondents is 3 (unsure) on an expectation of sugar free and low calorie health products and 4 (agree) on an expectation of more convenience and time saving with additional products offered on retail carts, shorter queues and faster service, food that is not spicy or messy, food to be cheaper on retail carts than a sit down meal at the airport and a different choice of products on retail carts than what is already available in the terminal.

The value which had the highest time of occurrence is 5 (strongly agree) on expectation of sugar free and low calorie health products and food that is not spicy or messy. This reflects that respondents with an expectation on low calorie health products and food that was not spicy or messy, had very strong opinions on these two variables.

Further research is required as:

- the population sample was limited to JHB International Airport and is only relevant to departing passengers at Johannesburg International Airport, for this reason further research based on the findings of this study is required at other Airports Company owned airports such as Cape Town International Airport, Durban International Airport, George Airport, Port Elizabeth Airport and East London Airport, as low cost airlines have scheduled flights to these Airports Company owned airports as well
- Airports Company has a low cost carrier profile available, based on the findings of this study, which provides an opportunity for further research on gender specific perceptions and expectations, to determine specific buying behavior patterns between males and females, as well as requiring a study on price perception, as price was rated as the main reason for the sample population choosing a low cost airline

- research in an airport environment is challenging due to time constraints as passengers in domestic departures have limited dwell time available after checking in for flights, for this reason Airports Company should study its passengers processes, as speed is of the essence to low cost travelers and further ensure that passenger check in, passenger processing through security gates, service delivery at retail outlets and passenger processing at boarding gates are as efficient and fast as possible

Based on the findings of this study, Airports Company needs to:

- tailor product offerings to attract leisure travelers on low cost airlines during peak months
- provide cold drinks on retail carts
- partner with Exclusive Books to provide a satellite retail kiosk
- partner with Cosmic Candy to provide sweets and crisps , as well as low fat and sugar free sweets on retail carts, at the lower level boarding gates, where low cost airlines depart
- provide a product offer on carts to target a younger age group (that is tailored for generation X and Y)

#### 6.4 Conclusion

Airports Company had the foresight to identify a need for retail carts in the terminal building at JHB International recently, which has proven very successful as current retail offers were enhanced and a wider product mix provided to the traveler. A further need was later determined by the researcher and a gap identified, as a specific profile on low cost passengers was not available. A profile would identify the needs and requirements of low cost travelers and enable a specific product offer to this segment.

Identifying a gap between what was already on offer in the terminal and the specific requirements of low cost travelers would ensure higher retail revenue to Airports Company and a better service to this growing segment.

Airports Company should monitor all kiosks, restaurants and shops, on delivery times, ensuring a fast turnaround time for delivery on orders and goods, to ensure that passengers are not kept waiting. Kiosks should clearly indicate delivery times on menus for ordering and delivering on food items.

Business travelers should be targeted as an additional consumer segment with specific needs, as this segment comprises 42.90% of the number of respondents studied. To assist frequent travelers, a database should be prepared to speed up order processing, as the customer would become familiar to the retailer over time. A database will enable a better service as the needs of the customer will become known over time and the retailer can make every effort to focus on a better knowledge and retail offer to this customer.

Product offers that are male or female specific can be introduced, as 53.60% of the respondents studied were male and 46.40% female.

A relevant finding on this study is that the majority of respondents, 70%, are under 43 years old. This is a market that is technologically advanced and specific trends can be studied, together with product offers that are tailor-made to satisfy the age group under 43 years old. Music, clothing styles, specific food chain brands that are popular with this age group, should be investigated and introduced.

Further research is possible, based on the findings of this study, which will enable an even deeper understanding on the needs and requirements of the low cost profile that has been prepared in this study. Other Airports Company owned airports will also be able to offer a more customized product, which will in turn enhance revenue streams to Airports Company and assist with better service levels to the low cost passenger.

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Dear Passenger

We, at the Graduate School of Kwazulu-Natal, are conducting a survey which forms part of an MBA research project. We are collecting data on your choice of products in the terminal building and will welcome your opinion on the type of snacks or merchandise preferred before boarding of a low cost carrier aircraft. Your contribution is very important to our research, and will remain anonymous and confidential. Thank you very much for your cooperation.

Part 1: Background Information - Please tick the appropriate box below.

1. How regularly do you travel on low cost airlines?

Yearly	Monthly	Weekly	More than 5 times monthly
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Your purpose of travel is usually:

Business		Leisure	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. What gender are you?

Female		Male	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. What age group are you?

18-30	31-43	44-56	57 and over
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Do you choose to travel on a low cost airline mainly because of:

(Please indicate only one choice)

Price	Convenience of online bookings	Availability of seats	Frequency of flights
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. If you had a choice, would you purchase snacks and merchandise at the boarding gates:

Yes		No	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. Having an option, I would prefer a choice of the following snacks/merchandise to purchase before boarding of aircraft, in easy to carry containers or bags at the boarding gates:

Muffins/Croissants/Pastries	Soft toys	
Sandwiches	Model aircraft	
Hot dogs	Cigarettes	
Coldrinks	Perfumes	
Sweets/Crisps	Liquor	
Sugar free / low fat sweets and snacks	Accessories & Costume Jewellery	
Books/Magazines	Scarves	
Luxury chocolates or Biscuits	Top 20 CD's	
Soft drugs – Disprin, Panado, Bandages	Aromatherapy oils	
Toiletries and Body lotions	Gem stones & Crystals	

Please indicate other choices not included above:

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**Part 2: Preferences**

Please circle the number that indicates the level of importance of each statement to you. This section deals with your preferences on products on offer in the terminal building, before boarding of aircraft:

1= Strongly Disagree 2= Disagree 3=Unsure 4= Agree 5= Strongly Agree

8. I prefer buying from a retail cart as it is faster and more convenient	1	2	3	4	5
9. I prefer a wide choice of strong brands on retail carts	1	2	3	4	5
10. I prefer fast service as time is very limited	1	2	3	4	5
11. I prefer retail carts to be placed closer to boarding gates	1	2	3	4	5
12. I prefer a selection of different products on one retail cart	1	2	3	4	5

**Part 3: Perception**

Please circle the number that indicates the level of importance of each statement to you. These statements refer to your perceptions of products on offer in the terminal building, before boarding of aircraft:

1= Strongly Disagree 2= Disagree 3=Unsure 4= Agree 5= Strongly Agree

13. I believe that take away products sold at carts will be cheaper per category than a sit down meal in the airport	1	2	3	4	5
14. I believe the option to purchase products before boarding will save time	1	2	3	4	5
15. I would rather purchase products from retail carts than existing stores, as products will be more accessible and visible	1	2	3	4	5
16. I believe that snacks and merchandise on retail carts will increase the total value for money offered to me	1	2	3	4	5
17. I believe the option of buying from retail carts will be more convenient to me	1	2	3	4	5
18. I believe retail carts will be more attractive to buy from as only one specific type of product will be sold per cart	1	2	3	4	5

#### Part 4: Expectations

Please circle the number that indicates the level of importance of each statement to you. What do you expect in terms of what you paid for?

1= Strongly Disagree 2= Disagree 3=Unsure 4= Agree 5= Strongly Agree

19. I expect sugar-free and low calorie health products	1	2	3	4	5
20. I expect more convenience and time saving with the additional products on offer at retail carts	1	2	3	4	5
21. I expect shorter queues and faster service at carts	1	2	3	4	5
22. I expect food that is not spicy or messy to eat on board at retail carts	1	2	3	4	5
23. I expect food and beverages at retail carts to be cheaper than a sit down meal at the airport	1	2	3	4	5
24. I expect a different choice of products on retail carts than what is already available in the terminal	1	2	3	4	5

-Thank You-