The Airlines e-Ticketing System in Malaysia : A study on Customer Behavior

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Abstract—*The improvement of ICT has forced Airline organisations into hard competition. This technology will help to ease the process of online transactions (e-transaction) between company and customer because in this new era of technology usage, both company and customer are the important elements which the airline organisations are concentrating on, in order to manage customer relationship and customer satisfaction for a long term period. This paper report a study that investigated users' perception or behavior towards airline e-ticketing system in Malaysia. This paper also attempts to study on why people use this technology while some of them still stick with the manual system which is buying ticket at counter. The finding shows that, factors such as price, internet security, website design play an importants role in order to make customer purchase ticket online. However, further study need to be conduct in order to investigate another factors on customers behavior in making decision to use the internet as a mean of buying online rather than the traditional way.*

Keywords—*airline industry; e-ticketing; e-loyalty, online transaction;Customer behavior*

I. INTRODUCTION

With the modern technology and Internet in the late 20th century, many sectors including Airline companies have turned to IT in decreasing the cost of product or services. In order to improve their business profit and approach such as management skill, business planning and decision making (Buhalis, 2017). Recently we become witness to a major changes into a global community which is based on the Internet. In a society group, everyone would access to knowledge and learning. Not only in society but also in business industry especially airline. Nowadays, the airline industry is one of the most transformed in the website marketplace (Dutta & Segev, 2015).

Basically, airline customers are coming back to purchase ticket online because of the satisfaction feeling that they experienced in their previous purchasing. Airline e-ticketing website especially Air Asia website features would be organised into the following factors such as search capabilities, promotion and pricing, loyalty program, privacy and security, online payment, seat arrangement, trust, in-flight features and so on (Dutta & Segev, 2015). So, from these basic features, customers were considered as most important factors that need to review before make a purchase.

The purpose of this paper is to explore and understand the study on Air Asia e-ticketing system especially on the e-transaction cycle as now e-ticketing is become more popular electronic transaction among airlines companies globally.

II. LITERATURE REVIEW

Over the past decade, the growth of computer-related technologies and the wider acceptance of the Internet led to changes in internet user behaviours. Besides, e-commerce has increased highly in order to develop a new marketplace

for many industries, such as travel and tourism, entertainment, hotel, transportation, and also airline industry (June & Meiga, 2012). Thus, e-ticketing has been considered as an important contribution in the e-Commerce field.

Hence, according to ebookers.com (2015), e-ticket is a technology that is paperless and time-saving to various types of activities, such as amusement, travel, and many more. E-ticketing, in general, is a new way to buy a ticket using Internet application. This process involves two main parties between company and customer. This technology allows customers not only limited to buy a ticket, but allows customers to compare price, products, and other e-service facilities before they decide to make a purchase.

Based on Malaysia Internet User record, in 2011, about 65% of electronic buyers bought airline tickets online. This system has offered numerous benefits to customers, including decision-making before make a purchase (Sulaiman et.al, 2008). The past studies concluded that an airline e-ticketing system is not a new services provided to customer especially in Malaysia scenario. Hence, the e-ticketing services is not really new among customer nowadays because more than half customers have been purchase flight ticket using system for the last two decade. According to Sulaiman et.al (2006, 2008), the pioneer of e-ticketing system is AirAsia Berhad in 2005. This statement is also agreed Rafidah (2014). The AirAsia Company is also known as the low-cost carrier airline in Malaysia.

In fact, a high percentage of customers in Malaysia buys flight ticket rather than other types of tickets, such as entertainment, cinema, and sports. Perhaps, due to successful sales and promotion done by airlines in Malaysia, awareness among customers can be developed (Rafidah, 2014). Moreover, the airline e-ticketing system implemented by many airline companies in Malaysia, such as Malaysia airlines, AirAsia, Malindo, MasWing, and Firefly, and offering a low fare system.

E-ticketing System
E-ticketing can be defined as a model that allows approved agents to transmit ticketing information directly to database and all the details of customer will store in database. This means all the transaction will do electronically using website and customer will give a unique code (booking number / flight number) via internet like e-mail or over the phone if any (Randiwela, 2010).

Through the expanded use of e-ticketing system, airlines are able to reduce labour costs and in some cases eliminate commissions altogether so as to improve profit margins. An airline e-ticket is used to represent the purchase of a seat on a customer airline, usually through a website. An airline e-ticket combines the issue and delivery of the ticket into a single operation which is a more practical and faster option to conventional manual airline ticketing, effecting sizeable savings for both airlines and travel agent (Will, 2016).

e-Ticketing is not only available on web-based system. Customers also can buy using phone application, electronic kiosk and more (June & Meiga, 2012). For example, recently, many customers tend to purchase cinema tickets using mobile application or website rather than queuing at the counter. This activity is part of pre-purchase in

transaction cycle where customers perform prior to place an order (Alhiou, 2011; Lu & Fienberg, 2003; Khalifa & Shen, 2005).

According to Romano et al (2013), e-ticketing is gaining popularity vastly compared to other online shopping because can give many benefits to both company and customer. One of the benefits is its can reduce cost in term of printing a paper ticket at once can save time of both side. Other benefits can get by buying online ticket is customers can feel more convince because they no need to carry a paper ticket because recently airlines companies allowed their customers to check-in online over website and can choose their favourite seats. The long term relationship provides many potential benefits for many service companies in various industries especially in airline industry.

Customers' Behavior

Kotler (1999) defined consumer behaviour as "mental activity, as well as emotional and physical, that people use during selection, purchase, use, and disposal of products and services that will satisfy their needs and desires".

Meanwhile, the American Marketing Association (AMA) defined consumer behaviour as "dynamic interaction of effect and cognition, behaviour and the environment by which being conducted for the exchange aspects of their lives" (Usman et al., 2012; Benneth, 1995). This definition directly explains that both effect and cognition are important aspects in understanding the consumer behaviour concept.

Like manual purchase, online purchasing also needs to develop a good relationship with their customers even though they only use website as the platform to communicate. It is because; by using website, the company actually had more advantages to keep in touch and obtain feedback from the customers' side immediately compared to the manual system (Usman et al., 2012).

Basically, not only manual customers, but online customers also care much about the price of the products, but more importantly, customers need and hope for good services or e-services from the company (Wang & Huarng, 2002).

In addition, it is very important to satisfy customers by improving the relationship with customers for a long-term period. Besides, when the customers are satisfied with the product, they tend to re-purchase the product and will share with other people, but if they are dissatisfied, they will complain to a third party and this will cause a bad impression among others towards the company (Wang & Huarng, 2002).

According to Lee (1990) and Shahrazd et al., (2013), three factors are related to consumer behaviours before customers make a decision to buy a product, which are 1) environmental influences; which are more related to culture, social class, personal, family, and situation, 2) individual differences and influences; which focus more on customers resources, motivation, knowledge, attitude, value, and lifestyle, and 3) psychological influence; which looks more into information processing, learning, attitude, and behaviour change.

Furthermore, according to Sahar (2013), the first researchers who explored online consumer decision-making purchasing were McGaughey and Mason (1998). Based on their studies, the important contributions identified were the influence of the Internet on problem recognition, information search, alternative evaluation, purchase, and also post-purchase, which had been related to this study.

Rafidah (2014) study on user experience towards an e-commerce website in the context of airline industry. She choose Air Asia Berhad in her study because she explained Air Asia website is significant to attract user in revisiting and purchasing airline tickets because Air Asia website is one of the website that apply ease of use elements and having more comprehensive, appealing and attractive. At the same time providing the one-stop service and information. In addition, user experience and e-CRM features were used as a benchmark towards airline websites with booking procedure.

III. METHODOLOGY

A questionnaire was used to enquire about the respondets' perception on the usage of airline e-ticketing. The questionnaire was distributed in the area of Kuala Lumpur and Selangor including shopping mall and airports where the researcher can find the respondent since the target respondent is customer those had experience using airline e-ticketing system. A total 510 of random respondents contributed in this study.

The questionnaire was dived into few sections including the respondents demographic, items relate to oinline tramsaction cycle (pre-purchase, purchase and post-purchase) also has been highlighted in the questionnaire content. The medium used for this questionnaire is English since the target is Malaysian and Non-Malaysian user.

A 7 point of likert-scale was used for all items ranging from "strongly agree" to "strongly disagree". Besides, respondents indicated their level of agreement with carefully constructed statements that ranged from positive to negative. The data were examined and analysed using SPSS tools.

IV. FINDINGS

The sample group of this study consist of 510 respondents where equal to 24% response rate. It was found that the majority are using online platform to purchase air flight ticket while the minority of the group is still using manual system. In term of gender, about 53% of female respondents choose to purchase flight ticket online. This result are similar with Sulaiman et al (2009) study. Over the half of the respondents are age between 20 years – 40 years old. It is shows that these group of people are keen to use an internet in shopping or buying product. The Malay ethnic was dominated the respondets group with 65%. The respondents mainly are educated people with Degree and Master holder. Hence, it can be conclude that this profile actually reflects the profile of Malaysian people.

V. DISCUSSION

This study can be observed from the foregoing that there are some limitations in this study which is has restricted this work to the selection of e-ticketing on the WWW. Obviously, many options available must be investigated before some generalizing comments can be made to guide the development of the internet based activities.

This paper highlighted forward a comprehensively integrated framework that could be ised in understanding of the customers' behavior. Future reseach were required in order to examine more factors that relate to customer behaviors among Malaysia people with additional of samples. Hence, it is also needed to extend behavior intentions of customers about online ticketing in Malaysia.

VI. CONCLUSION

As a conclusion, the aim of this study to investigate the customer behavior in Malaysia towards e-tickeitng system in the context of airline industry. The study began by investigating the user perception of e-ticketing system. It could be concluded that e-ticketing services are not new to the customers in Malaysia.

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