



Application of Experience Economy in the Airline Industry: Airline Service Innovation and Passenger Loyalty

Mingke Chen

Haaga-Helia University of Applied Sciences
Tourism and Hospitality Business
Experience Economy and Designing Services
Research-oriented Thesis
2025

Abstract

Author(s) Mingke Chen
Degree Master of Hospitality Management
Report/thesis title Application of Experience Economy in the Airline Industry: Airline Service Innovation and Passenger Loyalty
Number of pages and appendix pages 61 + 2
<p>The airline industry operates in a highly competitive environment where providing basic transportation services is no longer enough. Airlines increasingly compete based on the quality of the passenger experience. This thesis examined how the application of the experience economy concept, through service innovations, influences passenger satisfaction and loyalty. The objective of the study was to examine which types of innovations, such as digital tools, process improvements, and personalized services, contribute most effectively to enhancing travel experiences and strengthen loyalty. The study focused on passengers' recent flight experiences without considering broader external factors.</p> <p>The theoretical framework was based on the principles of the experience economy and existing literature on service innovation and customer loyalty. A quantitative research approach was adopted, utilizing a structured survey to collect data. The survey targeted airline passengers from multiple countries and gathered 138 valid responses. Data analysis was conducted using descriptive statistics and correlation analysis. Microsoft Excel and IBM SPSS Statistics were supported to process the data and test relationships between experience factors and loyalty intentions.</p> <p>The findings showed that passengers generally appreciated innovations such as user-friendly digital services and personalized cabin crew interactions. About two-thirds of the respondents expressed strong intentions to fly again with the same airline or recommend it to others. However, areas like innovative pricing strategies and boarding processes received mixed feedback. Correlation analysis indicated a positive relationship between enhanced experiences and loyalty, although not all experience factors had equally strong impacts. The results suggest that airlines should continue investing in digital convenience, smooth operations, and personalized human service to strengthen customer loyalty. Limitations of the study and directions for future research were also discussed.</p>
Keywords Airline experience, Service innovation, Experience economy, Passenger loyalty

Table of contents

1. Introduction	1
1.1 Background	1
1.2 Research Problem.....	2
1.3 Objectives and Research Questions	2
1.4 Delimitations.....	3
1.5 Key Concepts.....	4
1.6 Thesis Structure Overview	4
2. Theoretical Framework and Literature Review	6
2.1 Key Concepts.....	6
2.1.1 Experience Economy	6
2.1.2 Service Innovation	6
2.1.3 Passenger Satisfaction	7
2.1.4 Passenger Loyalty	7
2.2 Service Innovation.....	8
2.3 Service Innovation in the Airline Industry.....	10
2.3.1 Technological Innovations.....	10
2.3.2 Process-Oriented Innovations.....	12
2.3.3 Human-Centric Innovations.....	13
2.3.4 Passenger Satisfaction and Loyalty in an Experience Economy	15
2.4 Theoretical Framework.....	17
3. Methodology.....	21
3.1 Research Design.....	21
3.2 Sampling and Data Collection	21
3.2.1 Target Population.....	21
3.2.2 Sampling Method.....	22
3.2.3 Data Collection Procedure	22
3.3 Survey Instrument.....	23
3.4 Analytical Methods	25
3.4.1 Data Preparation.....	25
3.4.2 Descriptive Statistics.....	26
3.4.3 Reliability Analysis	26
3.4.4 Correlation Analysis	26
4. Results and Discussion	28
4.1 Respondent Profile.....	28
4.2 Passenger Experience Ratings by Service Innovation Aspect.....	29

4.2.1	Digital Tools Convenience	29
4.2.2	Airport and Boarding Process Efficiency	31
4.2.3	Innovative Pricing and Value-Added Services	32
4.2.4	Personalized and Friendly Cabin Crew Service	34
4.2.5	In-Flight Environment and Entertainment	35
4.2.6	Overall Flight Experience Satisfaction	37
4.3	Passenger Loyalty Intentions	39
4.4	Linking Passenger Experience to Loyalty: Overall Trends and Correlation Results	42
4.4.1	General Trends	42
4.4.2	Statistical Correlation Results	43
4.4.3	Discussion of Support/Contradiction with Literature	44
4.5	Discussion: Synthesis and Implications of Findings	46
5.	Conclusion	48
5.1	Summary of Key Findings	48
5.2	Practical Implications for Airlines	50
5.3	Limitations of the Study	52
5.4	Recommendations for Future Research	54
	References	57
	Appendices	62
	Appendix 1. Airline Passenger Experience Survey Questionnaire	62

1. Introduction

1.1 Background

Today, airlines cannot only offer basic transportation; they must also provide experiences that passengers remember positively. This change comes from the idea of the experience economy, where companies create value by making experiences enjoyable, rather than just providing standard services. Pine and Gilmore (1999) explained that customers want experiences that are engaging and fun. Companies that provide these kinds of experiences are more likely to get repeat customers (Pine & Gilmore 1999).

In the airline industry, this means that airlines must do more than simply take people from one location to another; they must make the whole journey pleasant. For example, airlines now use mobile apps for easy check-in, offer comfortable seats and entertainment onboard, and provide personal attention from friendly crew members. All these things help make a regular flight into something passengers will remember happily. Airlines use the experience economy approach to become different from their competitors. Many airline services today look similar, so providing better passenger experiences can help airlines build stronger relationships with customers and encourage them to fly again and recommend the airline to others.

In recent years, the importance of passenger experience has become even greater. Competition between airlines has increased, and passengers can now easily read online reviews to see how airlines treat their customers. Because of this, customers expect better service. Today, passengers compare airlines not only by price but also by how good their experience is during the whole journey. Airlines such as Singapore Airlines have already spent a long time investing in excellent onboard service. They train their crew members carefully, so passengers receive great service that makes them want to return (Wirtz & Heracleous 2021). In an industry where airlines compete strongly on prices and schedules, offering a better passenger experience has become very important for airlines to stand out.

At the same time, the rise of technology and digitalization has changed how passengers interact with airlines. Self-service technologies, mobile apps, biometric boarding, and personalized marketing have created new ways to enhance the passenger journey. However, not all innovations are equally successful. Airlines need to carefully understand which innovations add real value in the eyes of passengers and which may be seen as unnecessary or even frustrating. This changing environment provides the starting point for the present study.

1.2 Research Problem

Airlines are investing more in service innovation to improve the passenger experience, but it remains unclear which aspects of these innovations have the biggest effect on passenger loyalty. Past research on service quality shows that when customers are satisfied, they are more likely to stay loyal. However, most of that research examines general service factors like reliability or speed, rather than specific experience-focused innovations. Very few studies have looked at airline services through the lens of the experience economy, which combines functional service quality with emotional and memorable moments, and then linked that to loyalty.

This gap in understanding points to a problem: airlines need clearer insights into which innovations truly drive loyalty. Are digital tools and smoother processes enough, or do personal touches create a stronger bond? If airlines misallocate effort, for example, focusing on flashy technology when customers care more about human service, they may not see the loyalty returns they expect.

The problem statement is therefore: Airlines must understand how the application of experience economy principles via service innovation influences passenger loyalty. Solving this problem is important because it can guide airlines on where to invest and what to prioritize in order to keep passengers coming back. This study is needed to provide empirical evidence on these issues.

1.3 Objectives and Research Questions

The main goal of this study is to understand how service innovation improves the passenger experience and how these better experiences influence passenger loyalty. This goal includes three smaller parts: First, to find out how passengers feel about different service innovations in airlines, such as digital tools, improved processes, and personal service, and whether they think these bring value and satisfaction. Second, to measure how likely passengers are to stay loyal to the airline after using these services, for example, if they would choose the airline again or recommend it to others. Third, to study the link between a good passenger experience and the intention to stay loyal. Simply put, the study wants to see which services make passengers happy, and whether happy passengers are more likely to stay with the same airline.

From these objectives, the research is guided by the following research questions (RQs):

- RQ1: How do passengers evaluate their experience with different types of service innovation (such as digital tools, boarding processes, and in-flight services), and how do these experiences contribute to their overall satisfaction? – This question combines descriptive insights from the survey with the broader goal of understanding how innovation shapes satisfaction.

- RQ2: What is the level of passenger loyalty intention toward the airline (e.g., likelihood of flying again, recommending to others) following their recent flight experience? – This question combines descriptive insights from the survey with the broader goal of understanding how innovation shapes satisfaction.
- RQ3: How do different elements of the passenger experience influence loyalty intentions (such as willingness to fly again or recommend the airline), and which factors appear most strongly linked to loyalty outcomes? – This question connects the experience evaluations from RQ1 with the loyalty patterns explored in RQ2, aiming to understand the relationship between what passengers experience and how likely they are to stay loyal.

By addressing these questions, the study will shed light on the linkage between innovative service enhancements and the valuable outcome of customer loyalty.

1.4 Delimitations

This research focuses on the commercial passenger airline industry and uses a one-time survey of airline passengers as the main source of data. The survey asked people to rate their most recent flight experience with any airline. As a result, the findings cover a mix of different airlines, including full-service airlines that offer many extras and low-cost airlines that provide basic service. This wide approach gives a general view of the industry, but it also means that airline-specific details, like an airline's brand image or loyalty program, are not studied closely.

The study captures how passengers felt and what they intended to do right after their flight. It does not track what they actually did later – for example, whether those who said they would fly again really did so. The research focuses only on parts of the flight experience. Other outside factors, like ticket prices, personal travel needs, or loyalty program status, which might also affect loyalty, are not part of this study. Instead, the research looks at three main areas tied to the experience economy: digital service tools, better processes, and personalized service by staff. These were chosen based on earlier studies that show they matter to airline passengers. The goal is to see how these parts of the service experience connect to passenger satisfaction and loyalty.

The study does not go into airline financial results or internal operations, though it assumes that better experiences and stronger loyalty will help airlines in the long run. In short, this research is about understanding the link between passenger experience and loyalty, focusing on certain innovation areas and using survey data collected right after the flight.

1.5 Key Concepts

Key concepts form the foundation for the theoretical framework and guide the analysis of the findings.

- Experience Economy refers to an economic approach where companies aim to create memorable and emotionally engaging experiences for customers, rather than offering only basic goods or services. In the airline industry, this concept is applied to enhance the overall passenger journey beyond transportation.
- Service Innovation means the development of new services or improvements to existing service processes that create additional value for customers and provide competitive advantage for service providers. In this thesis, service innovation includes digital tools, process improvements, and personalized customer interactions.
- Passenger Satisfaction is defined as the degree to which a passenger's expectations are met or exceeded during the airline service experience. High levels of satisfaction are considered critical for achieving positive word-of-mouth, customer retention, and competitive positioning.
- Passenger Loyalty refers to a passenger's commitment to consistently choose the same airline for future travel and to recommend it to others. Loyalty is seen as a long-term outcome influenced by satisfaction, trust, and emotional attachment to the service experience.

1.6 Thesis Structure Overview

Following this introduction, Chapter 2 provides a structured literature review and theoretical framework. It reviews relevant studies in the airline context. The literature review is organized to first discuss service innovation in general, then explains how it appears in the airline industry, covering areas like technological, process-oriented, and human-centric service. Finally, it connects these innovations to passenger satisfaction and loyalty. This leads to a framework that guides the rest of the study.

Chapter 3 describes the methodology of the study. It explains the research design which is a quantitative survey-based approach, the sampling and data collection process, and the survey instrument used. This chapter also outlines the analytical methods, including descriptive analysis and correlation analysis. The chapter discusses why these methods were chosen and how they were done using software tools to ensure reliable and valid results.

Chapter 4 presents the survey results and discusses them. It starts by describing the respondents, such as how often they travel and what type of airline they used. Then it shows how passengers rated different parts of their experience, like digital tools, boarding process, pricing and value, crew service, in-flight environment, and overall experience, and their loyalty intentions. After that, it looks at how experience scores relate to loyalty scores, using correlation and regression analysis. The findings are compared with the earlier literature to show where they match or differ.

Finally, Chapter 5 concludes the thesis. It summarizes the key findings, discusses what they mean for airline management, points out the study's limitations, and gives ideas for future research.

This layout helps the reader follow a clear flow from theory to methods to results and practical implications.

2. Theoretical Framework and Literature Review

2.1 Key Concepts

2.1.1 Experience Economy

The experience economy refers to an economic era in which businesses create value by staging memorable experiences for customers, rather than merely delivering goods or basic services (Pine & Gilmore 1999). Pine and Gilmore's seminal work argues that companies must orchestrate events that engage customers on an emotional, sensory, or intellectual level, so that the memory itself becomes the product.

In the airline industry, this idea means airlines try to do more than just provide transport. They want to make the trip itself a fun and pleasant experience. For example, an airline might not only give a seat and a meal, but also use mood lighting, serve meals based on the destination, or add small surprises during the flight to make passengers happy. The goal is to create positive memories and emotional engagement during travel. Embracing the experience economy is seen as a way for airlines to differentiate themselves in a competitive market, build stronger customer connections, and ultimately encourage repeat business (Pine & Gilmore 1999). In summary, the experience economy highlights that customer experience is a key source of value and competitive advantage, prompting service providers like airlines to innovate in the design of experiences, not just products.

2.1.2 Service Innovation

Service innovation means creating new services or making current ones better. It also includes improving how the service is delivered or changing the way the business works to bring more value to customers and the company (Toivonen & Tuominen 2009). Unlike product innovation, which is about physical goods, service innovation is often about things you can't touch. It could be a new way to serve customers, a faster or easier process, or a better environment where the service happens.

Toivonen and Tuominen (2009) describe service innovation as a new or updated service that is actually used and brings benefits to the company, usually by adding more value for the customer. This means a service innovation has to be something real, not just an idea, and it has to be new (at least for the company or the market) and useful.

There are different types of service innovation. This can mean coming up with new service ideas, like offering a paid add-on or creating a special experience for passengers. It can also mean changing how services are delivered, like making check-in faster, or using new technology to make

the service better (den Hertog et al. 2010). Service innovation helps companies in the service industry stay competitive. When companies try new things, they can improve their services, save time, and do a better job meeting what customers want.

For airlines, service innovation can mean adding mobile or online check-in, sending passengers personal messages, upgrading loyalty programs, or offering fun and different in-flight services. Studies also show that good service innovation often starts with understanding the customer's experience and working with them to create value (Lusch & Nambisan 2015).

In short, service innovation gives airlines the tools to turn experience economy ideas into real actions by constantly improving what they offer to meet or even go beyond what passengers expect.

2.1.3 Passenger Satisfaction

Passenger satisfaction means how well a flight or airline service meets or goes beyond what a traveler expects (Oliver 1997). Passenger satisfaction shows how pleased someone is with each part of their trip. It starts from booking and check-in, continues during the flight, and even includes what happens after landing. In airlines, this depends on things like being on time, clean cabins, friendly staff, how comfortable the trip feels, how easy it is to travel, and whether the price seems fair. If a flight is on time, the seat is comfortable, the crew is kind, and problems are fixed quickly, the passenger is likely to feel satisfied (Forgas et al. 2010).

Satisfaction is mainly a judgment made by comparing what the customer expected and what they actually experienced. High satisfaction is important because it can lead to good reviews, more repeat customers, and greater patience if something goes wrong. Many studies in airline management show that better service quality increases satisfaction, which helps airlines stay competitive (Namukasa 2013).

In the experience economy, airlines focus more on satisfaction because each step in the journey—from check-in to baggage claim—adds up to shape how passengers feel. To keep satisfaction high, airlines must take care of every part of the journey, making sure it is smooth, enjoyable, and matches what was promised. So, passenger satisfaction is a key way for airlines to measure how well their service changes and experience-focused efforts are working.

2.1.4 Passenger Loyalty

Passenger loyalty means a traveler is not just happy with the airline, but also wants to fly with it again. This can be seen in different ways. For example, a person might often book with the same airline, tell others good things about it, or keep choosing it even if another airline is cheaper or

more convenient. In marketing, loyalty usually means a strong and steady choice to stay with one brand, even when there are other options (Oliver 1999).

In airlines, loyal customers often join frequent flyer programs, get used to flying with the same company, or feel a strong connection to the brand. This kind of loyalty is very helpful because it brings steady income and lowers costs. Keeping a customer usually costs less than trying to get a new one.

Loyalty doesn't come from a single good flight. It's usually built over time through a series of positive experiences. When passengers are happy with things like service quality, pricing, comfort, and staff behavior, they're more likely to trust the airline and come back again (Forgas et al. 2010). Many things help build passenger loyalty. These include how happy people were with their past flights, if they think the service was worth the price, if they trust the airline to be safe and reliable, and if they feel a personal link to the brand. For example, studies by Forgas et al. (2010) show that these factors can strongly influence whether someone stays loyal to an airline. It showed that satisfaction and trust are strong reasons why people choose to fly with the same airline again, whether it's a low-cost or full-service carrier.

Loyalty isn't only about money or convenience—it also has an emotional side. Some people stay loyal because they feel the airline understands them or shares their values. Small gestures, like remembering a passenger's name or preferences, or handling delays with care and honesty, can make a big difference (Hassan & Salem 2021).

In the end, building loyalty is one of the main goals for airlines that follow experience economy strategies. By creating memorable, enjoyable, and trustworthy travel experiences, airlines can earn the long-term trust and repeat business of their passengers.

2.2 Service Innovation

In the broader literature on services, service innovation has emerged as a key theme linking strategy, marketing, and operations. Scholars note that service innovation is indispensable for firms to remain competitive and respond to changing customer needs in a dynamic market. Unlike product innovations, service innovations are often co-produced with customers and can encompass changes in the service process, delivery setting, and the role of customers (Bitner, Ostrom & Morgan 2008). A wide range of research in journals like the *Journal of Business Research* and *Journal of Service Research* has explored service innovation from different angles. For example, a comprehensive review by Witell et al. (2016) noted that there is no single agreed-upon definition of service innovation, but it generally involves new or improved service elements that provide value to

customers. This might mean launching entirely new services or improving existing service processes and experiences.

One stream of parent literature distinguishes between incremental and radical service innovations (Menor et al. 2002). Incremental innovations are small changes, like adding a new tool to a loyalty app. Radical innovations are bigger changes. They bring in completely new services or ways of doing things. For example, when airlines first started selling tickets online, it was a big change at the time. Both types are important: incremental innovations help firms continuously fine-tune and enhance customer experience, while radical innovations can leapfrog competitors and redefine market expectations. Researchers have also categorized service innovation by what is being innovated. Den Hertog et al. (2010) describe different parts of service innovation. These include changes to what the service offers, how customers use the service, how the service is delivered behind the scenes, and the technology that supports it. This shows that service innovation can take many forms. It might be a new kind of experience for the customer, a change in the way work is done inside the company, or using new tools to deliver the service.

Crucially, parent literature emphasizes the role of customer experience in service innovation. Because services are something people experience directly and use as they go, the best service innovations are usually the ones that make the experience better and more useful for the customer. Zomerdijk and Voss (2010) looked at companies that focus on experience-based services. They found that to design good new services, companies need to look closely at the whole “customer journey” — step by step — to make sure each part is interesting and helpful. They pointed out some useful ideas like using themes, stories, and sensory elements (like sights or sounds) to improve the overall feeling of the service. This matches what Pine and Gilmore (1999) said about the experience economy: companies now try to innovate not just to save time or money, but to give customers a more rich and enjoyable experience.

Another key idea in service innovation is co-creation. Researchers like Lusch and Nambisan (2015) say that customers often play an active role in creating new services. They do this by giving feedback, choosing options that fit their needs, or even taking part in how the service is delivered. So, companies should let customers help shape and improve new services. In airlines, this might mean asking passengers what they think about new cabin designs or letting them build their own service packages. When customers are part of the process, the new ideas are more likely to match what they really want, which makes success more likely.

Service innovation has been linked to good results like higher customer satisfaction, stronger loyalty, and better business performance. For example, Dotzel, Shankar, and Berry (2013) found that when companies offer new services, it can help them grow faster and raise their market value,

especially in service-based industries. In hotel studies, researchers also saw those hotels with new ideas, like custom check-in or smart-room features, often had happier guests who were more likely to come back (Victorino et al. 2005). These examples show that changing how a service is given or experienced can help build better customer relationships. But the research also warns that new services need to match what customers want. If the change makes things harder or doesn't bring clear value, people may not like it. Therefore, a strategic approach to service innovation is advised: one that balances operational feasibility with the goal of enhancing customer experience (John & Storey 1998).

In summary, the parent literature on service innovation provides a foundation for understanding how airlines can approach innovation. It tells us that service innovation is not only about technology, but also about rethinking processes and customer interactions. It underscores the importance of designing innovations around the customer experience – a principle that directly feeds into applying the experience economy paradigm in the airline industry. The insights from this body of work (e.g., on co-creation, types of innovation, and the experience focus) will guide our look at how airlines specifically innovate their services to improve passenger satisfaction and loyalty.

2.3 Service Innovation in the Airline Industry

Building on the general understanding of service innovation, we can look at how it works in the airline industry. Over the years, airlines have made many changes to their services. These changes happened because of strong competition, new technology, and changing customer needs. More and more, airlines are following the idea of the experience economy. They see that giving passengers a great experience can help them stand out, especially when basic flight services feel the same across many airlines. The main research in this area can be grouped into four parts: new technologies, better service processes, people-focused service improvements, and how all these changes affect passenger satisfaction and loyalty in today's experience-driven world.

2.3.1 Technological Innovations

Technology has played a big role in how airlines improve their services. Many studies and reports show that airlines use new tools to make the travel experience better and help things run more smoothly. One of the most common changes is the use of self-service options. For example, online booking and e-tickets became popular in the 2000s and changed how people buy flight tickets. Later, online check-in and mobile boarding passes let passengers skip the check-in desk. These tools make travel easier and give people more control, which helps them feel more satisfied (Buhalis & Law 2008). Airports and airlines also started using self-check-in machines and automatic baggage drop systems. These help to cut down waiting times and make check-in faster and easier. In

general, self-service tools in air travel make the service feel quicker and more convenient. But for these tools to be helpful, they must be simple and easy to use.

Lately, biometric technology has become a new way to improve air travel. Airlines and airports now use things like face or fingerprint scans to check people in, get them through security, and let them board. These tools help create a smooth travel experience, where a passenger's face can be used instead of a paper boarding pass. Kılıç et al. (2019) studied the introduction of biometric boarding gates and found that they significantly speed up boarding while maintaining security, thus positively influencing passenger perceptions of the airline's innovativeness and efficiency. Similarly, deployment of biometrics at passport control and lounge entrances has been met with generally high passenger acceptance, especially when privacy concerns are properly addressed. By reducing queues and simplifying identity verification, biometrics contribute to a smoother airport experience – a key component of the overall flight experience. Some airlines (e.g., Delta and JetBlue in the US, or Lufthansa in Europe) have partnered with airports to implement biometric boarding on international flights, reporting improvements in customer feedback regarding the boarding process.

Another major technological innovation area is in-flight service technology. In-flight entertainment (IFE) systems have evolved from overhead screens to personal seat-back screens and now to streaming services on personal devices. The availability of Wi-Fi on board is an innovation that many passengers value; it transforms the flight by enabling work, communication, and entertainment online. Research in the *Journal of Air Transport Management* indicated that the availability and quality of in-flight Wi-Fi positively affect passengers' satisfaction, particularly for business travelers who view connectivity as a critical service. Additionally, some airlines have also tested virtual reality (VR) headsets and other new tech to make the in-flight experience more fun. These tools let passengers enjoy more interactive and interesting entertainment. But for now, they are only used on a small number of flights.

Airlines have also introduced AI-driven innovations to improve service. Airlines now use customer service chatbots with artificial intelligence to help passengers with different needs. These chatbots can answer common questions and help with things like changing flights. They work through airline websites or messaging apps and give passengers quick help any time of day, all week. For example, Emirates and KLM have virtual assistants that can provide flight information or resolve simple issues conversationally. Early studies on such implementations suggest that when AI chatbots effectively handle queries, they can increase customer satisfaction and trust in the airline's service responsiveness (Hassan & Salem 2021). However, it's important that these AI interfaces are well-designed; an unhelpful bot can lead to frustration. When implemented successfully, technology like AI chatbots and personalized recommendation systems (for ancillary services or trip add-ons)

helps fulfill the experience economy ideal by making the service more personalized and responsive. The literature consistently emphasizes that technological innovation in airlines should aim to streamline the customer journey and add value rather than just showcase novelty (Bolton et al., 2018). In summary, technological innovations – from self-service and biometrics on the ground to Wi-Fi and entertainment in the air – have become core to modern airline service, with numerous studies evidencing their positive effects on efficiency and passenger satisfaction.

2.3.2 Process-Oriented Innovations

Process-oriented innovations refer to changes in the way airline services are delivered and structured, often behind the scenes or in customer-facing procedures. These innovations might not always involve new gadgets or software, but rather new service processes, policies, or designs that improve the travel experience. One key area is streamlining passenger flow through all stages of travel. For example, airlines and airports have innovated boarding processes by experimenting with different boarding group strategies or implementing parallel boarding lanes to reduce congestion. Although boarding methods may seem trivial, research has shown that a well-designed boarding process can cut down boarding time and passenger stress, indirectly boosting satisfaction (Steffen 2008). Some airlines now offer fast-track services for boarding and security. These are usually for passengers with premium tickets or high loyalty status. This is a way to give different service to different groups of travelers, based on what they want. Many people choose it because they prefer faster and easier travel.

Another important process innovation in recent years is the implementation of dynamic pricing and personalized offers. Traditionally, airlines have used revenue management systems to adjust fares, but now they are extending this concept to personalize the entire offer bundle. For example, airlines can use customer data and simple prediction tools to offer deals or extra services based on each person's needs. This can include things like more legroom, access to the lounge, or getting on the plane early. Currás-Pérez and Sánchez-García (2016) note that personalization in service offerings makes customers feel recognized and valued, which can enhance their overall experience and loyalty. By innovating the sales process – moving from a one-size-fits-all approach to a customized bundle – airlines tap into the experience economy notion of catering to personal preferences. Loyalty programs are also evolving in this direction; beyond just miles and points, many programs now offer personalized rewards or experiences (such as invitations to special events or partnerships with lifestyle brands), which is essentially an innovation in the process of how loyalty is cultivated. While pricing and loyalty might seem more marketing-oriented, they are deeply tied to service innovation because they reshape the service exchange process between airline and passenger.

Airlines have also rethought cabin service processes as a form of innovation. Process improvements like flexible meal ordering (allowing passengers to decide when or what to eat from a menu, rather than a fixed service schedule) or differentiated in-flight service for different passenger segments (e.g. a more serene atmosphere for business class vs. a more casual, family-friendly vibe in economy on certain routes) have been explored. These changes require training crew and re-writing service manuals, but they can lead to a more enjoyable flight for passengers. For example, Singapore Airlines famously innovated its in-flight service process by training cabin crew to address passengers by name and anticipate needs, turning routine service into a personalized process; academic case studies have lauded this as a factor in the airline's high customer satisfaction ratings (Wirtz & Heracleous 2021). One more example is the "door-to-door" baggage service that some airlines now provide. In this service, the airline picks up the luggage from the passenger's home and brings it to their destination. It is a new way to manage baggage and helps travelers avoid the trouble of carrying heavy bags. While not widespread, it exemplifies process innovation aimed at enhancing convenience.

Process innovations often go hand-in-hand with technology. For instance, the move to electronic boarding passes (technology) enabled a new process where passengers can go straight to security without stopping at a check-in desk. Similarly, the adoption of CRM systems and big data analytics (technology) underpins the process innovation of personalization. The literature suggests that successful process innovation in airlines is reflected in metrics like reduced wait times, smoother transfers, fewer complaints, and higher service consistency. Importantly, process improvements are a continuous effort – airlines regularly gather customer feedback and operational data to find bottlenecks or pain points, then innovate processes to address them. This iterative approach is documented in quality management studies in aviation, which emphasize incremental service process improvements. In summary, process-oriented innovations are about *how* the airline delivers its service. By making the journey steps more efficient, convenient, and tailored, airlines enhance the overall experience and satisfaction of passengers, supporting the creation of a positive end-to-end travel experience.

2.3.3 Human-Centric Innovations

Even though many airlines now use new technology, people still play the most important role in the travel experience. This is especially true in-service industries like air travel. Human-centered innovation means making changes in how airlines use their staff, like cabin crew, ground workers, and customer service teams, to make the service better. This can include new approaches to staff training, empowerment, and interaction with passengers. Research consistently shows that front-line employees' behavior and attitude significantly impact customer satisfaction and perceptions of

service quality (Bitner 1990). Therefore, airlines have innovated in how they train and manage staff to deliver exceptional experiences.

One focus has been on training programs that foster empathy, cultural sensitivity, and proactive service. Airlines that fly internationally recognize the need for crew who can understand and respect diverse cultures and customer expectations. Innovative training modules, sometimes including virtual reality simulations of in-flight scenarios, have been adopted to better prepare flight attendants for handling unusual situations or emotionally engaging with passengers. Forgas et al. (2010) highlight that an airline's investment in employee training and service-oriented culture can pay off in more attentive and caring service delivery, which in their study was linked to higher perceived value and loyalty among passengers. In practice, this could mean flight attendants going the extra mile to comfort a nervous flyer, or ground staff being empowered to quickly resolve a boarding issue without needing managerial approval. Such human-centric approaches require an innovation in organizational culture – shifting from a rules-based service to a more *empowerment-based service*. Some airlines, for example, have given their staff more discretion (within guidelines) to recover service failures, like providing vouchers or small upgrades on the spot when passengers face inconvenience. This is an innovation in the *service recovery process* that relies on human judgment and empathy, rather than rigid policies, and studies suggest it significantly improves customer goodwill and loyalty after a mishap (Maxham & Netemeyer 2003).

Another aspect of human-centric innovation is personalization through human touch. Technology can personalize to an extent (like using a passenger's name in an email), but a human can create a far deeper personal connection. Airlines often ask crew to talk with passengers in a friendly way or pay attention to special moments. For example, if the system shows that a passenger is on their honeymoon or has a birthday, the crew might bring them a small cake or a glass of champagne. This kind of gesture helps make the flight feel special and turns it into something the passenger will remember. These practices, while not purely "new technology," are innovative uses of human delivery of service. Even greeting frequent flyers by name and thanking them for their loyalty is a human-centric innovation that airlines have adopted to make loyal customers feel recognized. According to Pine and Gilmore's framework, such personal touches contribute to making the experience memorable and meaningful (Pine & Gilmore 1999).

Airlines have also looked at staffing models and service roles as an area for innovation. Some airlines introduced the role of a dedicated onboard customer experience manager on long-haul flights – a crew member whose job is specifically to monitor and enhance passenger comfort (rather than perform routine safety or serving tasks). This role can proactively address issues (seat discomfort, IFE glitches) and also gather feedback in real-time. Early implementations by a few Middle Eastern

carriers have been well-received, though it does increase staffing costs. The core idea is that having a human explicitly responsible for the experience ensures that technology and processes work in harmony and passenger needs are not lost in the shuffle.

Human-centric innovation in airlines is about infusing the service with hospitality and care. It recognizes that even with digitization, air travel is ultimately a people business – people transporting people. This includes hiring staff with interpersonal skills, motivating them through organizational practices, and giving them creative leeway to *surprise and delight* passengers. A classic example is Southwest Airlines in the U.S., which became famous for allowing flight attendants to add humor to their routine announcements (a form of human-delivered entertainment). This sort of innovative practice doesn't cost money, but it transforms a mundane part of the flight into something passengers might smile about and remember. It aligns perfectly with the experience economy's emphasis on memorability and engagement. In summary, human-centric innovations ensure that technology and processes do not make the airline service impersonal. Instead, they leverage the unique capabilities of well-trained, motivated staff to create emotional connections and trust with passengers – factors that are crucial for satisfaction and loyalty.

2.3.4 Passenger Satisfaction and Loyalty in an Experience Economy

A central question in the airline context is how all these innovations (technological, process, human) translate into passenger satisfaction and loyalty, especially under the lens of the experience economy. The core literature suggests a chain of effects: when airlines implement innovations that improve the travel experience, passenger satisfaction tends to rise, and increased satisfaction often leads to greater loyalty (Namukasa 2013; Hapsari et al. 2017). However, the experience economy perspective adds that it is not only the functional improvements that matter (like shorter waits or a better meal), but also the emotional and experiential dimensions of those improvements.

Studies have consistently found that passenger satisfaction is a key mediator between service quality (or innovations that enhance service quality) and passenger loyalty. For example, Namukasa (2013) demonstrated in the context of African airlines that better service quality (reliability, responsiveness, etc., some of which resulted from service innovations) significantly increased passenger satisfaction, which in turn boosted loyalty intentions. Similarly, Forgas et al. (2010) in their comparison of low-cost and full-service carriers noted that satisfied passengers – those who felt their expectations were met or exceeded – showed a higher likelihood of choosing the airline again. This aligns with classic consumer behavior theory (Oliver 1999) and is reinforced by meta-analyses in the transport sector that aggregate evidence of the satisfaction-loyalty link.

Yet, in an *experience economy* context, scholars argue that basic satisfaction is necessary but not sufficient for deep loyalty. Pine and Gilmore (1999) suggest that it is the *memorable, differentiating experiences* that create a lasting bond. In airline terms, two airlines might both satisfy a customer by getting them to their destination on time with their luggage (baseline satisfaction), but the airline that also manages to wow or engage the customer will stand out and likely earn stronger loyalty. Research by Kim, Ritchie, and McCormick (2010) on memorable tourism experiences supports this idea: they found that the more memorable an experience is, the more likely travelers are to recommend the provider and plan a repeat visit. By extension, if an airline can create a truly positive memorable flight (say, through an unexpected upgrade, exceptionally kind service, or a unique in-flight feature), that experience can translate into enthusiastic loyalty, beyond what average service would achieve.

Key factors linking the experience economy to loyalty include personalization, memorability, and trust. Personalization makes passengers feel valued as individuals, not just one of many customers. Airlines that use customer data to recognize a frequent flyer's preferences (preferred seat, meal, or even greeting them by name) often receive higher satisfaction scores. This personal touch can also strengthen emotional loyalty – the passenger feels a connection with the airline. Memorability comes from those special touches or consistently excellent service that sticks in the passenger's mind. As Pine and Gilmore (1999) note, an experience has to engage the customer's senses or emotions to be truly memorable. For example, some airlines celebrate holidays on board. The crew might give out small gifts or snacks during Christmas or Chinese New Year. This makes the flight more fun and helps passengers remember it in a good way. These moments may not be enough to build loyalty by themselves, but they add to the good memories people have about the airline.

Trust is another crucial component, especially in services where safety and reliability are paramount, as in aviation. Trust in an airline comes from consistent performance (operational reliability, safety record) and honesty in dealings (transparent communication, fair handling of issues). Hassan and Salem (2021) point out that trust can mediate the relationship between service satisfaction and loyalty – even if a flight had an issue, a trusted airline that properly takes care of its customers can retain their loyalty. For instance, if a flight is delayed, an airline that promptly communicates updates, apologizes, and maybe offers compensation or re-accommodation options can maintain customer trust. In contrast, poor handling of disruptions erodes trust and can turn even previously loyal customers away. Thus, service innovations that improve reliability or communication (such as real-time notification apps, or proactive rebooking systems during irregular operations) indirectly foster loyalty by building trust.

When considering satisfaction and loyalty through the experience economy lens, researchers sometimes refer to creating customer “delight” – a profoundly positive experience that goes beyond satisfaction (Rust & Oliver 2000). Delight can be viewed as an outcome of successful experience-focused innovation. A delighted passenger is not just content but emotionally bonded, which makes them more likely to be loyal. In airlines, delight might come from an upgrade surprise, an exceptionally friendly service encounter, or a novel amenity that exceeds expectations. While not every flight will delight, airlines aim for a consistently high *average* experience with occasional peaks of delight. Over time, this strategy can yield strong brand loyalty, as customers come to trust that even if something goes wrong, the airline will make it right and generally provide a superior experience (Wu & Liang 2009).

To sum up, service innovation in airlines—whether through technology, better processes, or people—has a big impact on how satisfied passengers feel. When passengers are satisfied, they are more likely to fly with the airline again and tell others good things about it. These are signs of loyalty. But in today’s experience-focused world, airlines want to go further. They hope to connect with passengers in a deeper and more meaningful way. The literature indicates that by personalizing services, creating memorable moments, and maintaining trust, airlines can foster attitudinal loyalty (passengers feel loyal) in addition to behavioral loyalty (passengers repeat bookings). Both are important for long-term success. The convergence of these findings leads directly into the development of a theoretical framework for understanding these relationships.

2.4 Theoretical Framework

Bringing together the concepts and literature reviewed above, we can propose a theoretical framework that links experience economy principles, service innovation, passenger satisfaction, and passenger loyalty in the airline industry. The framework is grounded in the idea that enhancing customer experience (as advocated by Pine & Gilmore’s experience economy) drives airlines to innovate in their services, and these innovations, when effective, lead to higher satisfaction and loyalty. In other words, it outlines a causal chain: Experience Economy ideals → Service Innovation initiatives → Improved Passenger Experience (and Satisfaction) → Passenger Loyalty.

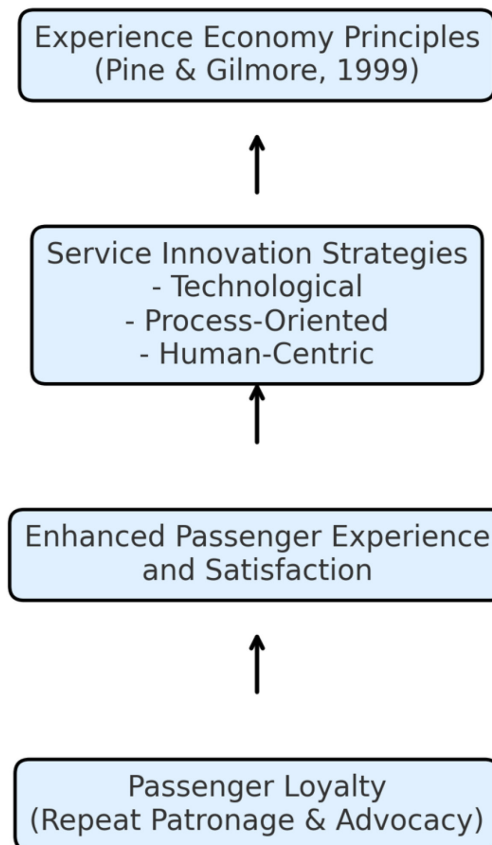


Figure 1: Theoretical Framework

This conceptual framework illustrates the theoretical relationship between experience economy principles, service innovation strategies (technological, process-oriented, and human-centric), enhanced passenger experience, and passenger loyalty in the airline industry.

Experience Economy → Service Innovation: The framework starts with the notion that experience economy principles provide a strategic motivation for airlines to pursue service innovation. Airlines recognize that to stage memorable experiences; they must often go beyond standard practices. This leads them to invest in new technologies, redesign service processes, and empower employees – all forms of service innovation. For example, the desire to make air travel more seamless and engaging (an experience economy goal) has prompted airlines to introduce immersive IFE systems, artistic lounge spaces, and personalized services. The literature supports this link: businesses informed by experience economy thinking actively seek innovations that can set them apart by the experience provided (Pine & Gilmore 1999; Johnston & Clark 2005). In an airline, this could mean innovating the cabin ambiance or the way services are personalized, directly

connecting the abstract goal of “memorable experience” with concrete innovation actions. Thus, experience economy concepts act as a driver and lens for service innovation in our framework.

Service Innovation → Enhanced Passenger Experience (Satisfaction): The next part of the framework posits that service innovations, when implemented, lead to an enhanced passenger experience and greater passenger satisfaction. This is where the “rubber meets the road” – innovations must translate into something noticeably better from the passenger’s perspective. Based on the core literature, we anticipate that technological innovations (like easier check-in, better entertainment), process improvements (faster boarding, personalized offers), and human-centric changes (friendlier, more personalized service) all contribute to a smoother, more enjoyable, or more meaningful experience for travelers. These improved experiences are reflected in higher satisfaction ratings. Empirical studies confirm that many innovations have yielded such benefits: for instance, biometric boarding shortened wait times and improved passengers’ overall airport experience; service personalization made frequent flyers feel valued (Currás-Pérez & Sánchez-García 2016); and employee empowerment in service recovery increased customer satisfaction after flight disruptions (Forgas et al. 2010). Theoretically, this link can be viewed through the lens of the Stimulus-Organism-Response (S-O-R) model: service innovations are stimuli that alter the service environment, passengers’ perceptions (organism state) are affected positively (more pleasure, less stress), and the response is higher satisfaction. We incorporate customer satisfaction here as both an outcome of improved experience and a predictor of loyalty (as classic models like the Service Quality → Satisfaction → Loyalty paradigm suggest). In summary, the framework holds that effective service innovation is a means to elevate the passenger experience and satisfaction, bridging the gap between internal efforts and customer perceptions.

Enhanced Passenger Experience (Satisfaction) → Passenger Loyalty: The final link in the framework connects passenger experience and satisfaction to long-term loyalty outcomes. When passengers consistently have positive, satisfying experiences with an airline, they develop a preference for that airline. Over time and repeated good experiences, this preference can solidify into loyalty – a commitment to fly with the airline whenever feasible. Our earlier review showed strong evidence for this connection: satisfied customers are more likely to be loyal (Namukasa 2013; Hapsari et al. 2017), and beyond that, customers who feel emotionally engaged by superior experiences exhibit even deeper loyalty (Forgas et al. 2010; Kim et al. 2010). We thus propose that the elevation of passenger experience through service innovation leads to increased loyalty, both directly and indirectly through satisfaction. Directly, certain aspects of experience (like an emotional connection or trust) may foster loyalty even if a particular flight’s satisfaction was just moderate – for example, a passenger might choose an airline because they appreciate its brand values or

have had wonderful memories in the past, illustrating loyalty driven by cumulative experience quality. Indirectly, of course, each satisfying flight adds to the likelihood of sticking with the airline.

It is important to note that the theoretical framework assumes a reinforcing cycle: as loyalty increases, airlines gain financial and reputational benefits (e.g., repeat business, positive reviews) which further encourage them to continue investing in experience-centric innovations, sustaining the cycle of improvement. Additionally, moderating factors can be acknowledged. For instance, ticket price and route convenience will also influence loyalty – a passenger might love an airline’s experience but still choose another if the price difference is vast or if routes don’t align. Similarly, external factors like economic conditions or global events (e.g. health and safety concerns) can impact satisfaction and loyalty regardless of service innovation. However, within normal conditions, the framework holds as a general model of how experience-focused service innovation drives customer loyalty.

To visually imagine the framework: one could see “Experience Economy Orientation” as a bubble leading into “Service Innovations (tech, process, human)”, which lead into “Improved Passenger Experience & Satisfaction”, and finally into “Passenger Loyalty (repeat patronage, advocacy)”. Each arrow is supported by literature: Pine & Gilmore (1999) and others for the first arrow, numerous service innovation outcome studies for the second, and satisfaction-loyalty research for the third.

In conclusion, this theoretical framework provides a structured way to understand the relationships uncovered in our literature review. It suggests that airlines which embrace the experience economy ethos will actively innovate their services; those innovations (when done well) enhance the customer experience and satisfaction; and satisfied customers – especially those delighted by memorable experiences – become loyal patrons. This framework will guide the subsequent analysis and practical considerations, as it highlights the critical linkages (and leverage points) for airlines aiming to boost loyalty through experience-driven service innovation. Each element of the framework is grounded in the literature we have reviewed, forming a solid theoretical basis for examining real-world airline strategies in the following chapters.

3. Methodology

This chapter outlines the research design, data collection methods, survey instrument, analytical techniques, ethical considerations, and study limitations for the thesis. A quantitative, survey-based approach was used to investigate how airline service innovations as an application of the experience economy relate to passenger loyalty.

3.1 Research Design

This study adopted a quantitative research design using a structured questionnaire survey as the primary method of data collection. A quantitative approach was appropriate because the goal was to measure passengers' experiences and loyalty intentions in numerical terms and test relationships between these constructs across a broad sample. Survey research is a well-established strategy in social science for gathering standardized information; when properly designed, questionnaires can yield sufficient data about the phenomenon of interest. In particular, surveys are popular in consumer research on loyalty, as they allow capturing self-reported attitudes and intentions at scale. The research design for this thesis is non-experimental and cross-sectional, which all data were collected at one point in time via the single survey. This design is suitable for examining correlations between variables (service experience and loyalty) without manipulating any conditions.

Given the exploratory nature of linking experience economy concepts with loyalty in airlines, a descriptive and correlational design was used. The study does not involve any intervention; instead, it relies on respondents' natural experiences during air travel. A survey allows quantifying subjective travel experiences (e.g. convenience, enjoyment) and loyalty intentions in a way that can be statistically analyzed. The choice of a structured questionnaire also ensures that every participant is asked the same core questions, enabling comparability of responses across the sample. While qualitative methods, like interviews, could provide deep insights into individual experiences, the quantitative survey was chosen to reach a larger number of passengers and identify general patterns. Overall, the research design is intended to produce generalizable insights within the study's limitations about the link between service innovation experiences and passenger loyalty.

3.2 Sampling and Data Collection

3.2.1 Target Population

The target population for this study is airline passengers who have recent flight experience. Since the study examines passenger experience and loyalty, the ideal respondents are individuals who have flown on an airline recently enough to recall their experience (within the past year). There

was no strict limitation on which airline or route, as the focus is on general service innovation aspects and loyalty intentions.

3.2.2 Sampling Method

A non-probability convenience sampling approach was used. Participants were recruited based on ease of access and willingness to respond. Specifically, the survey was distributed through both online and offline channels that were readily available to the researcher:

- **Online distribution:** An electronic survey link by Google Forms was shared on social media platforms. I posted the survey on Facebook, including both public travel-related groups and personal networks and via WeChat which is a popular messaging/social app, to reach contacts primarily in China. The online questionnaire was advertised broadly and also sent directly to friends, acquaintances, and colleagues who fit the criteria had flown recently, asking them to participate and optionally share further. This helped gather responses from a geographically diverse pool.
- **In-person distribution:** To complement the online sample and include those who might not be active on social media, some surveys were administered face-to-face. The researcher approached potential participants in person. For example, at an international student gathering and Tour workshops like Winter Fun Workshop 2025 and FAM trips, and invited them to fill out the questionnaire. Paper copies of the survey were provided for convenience, and later the responses were entered into the digital dataset.

Using these methods, a total of 138 valid responses were collected. Respondents came from multiple countries, notably China, Finland, the USA, South Korea, the UK, and the Netherlands (among others). This international sample adds diversity, though it was not a strictly representative sample of any one population. The recruitment via Facebook and WeChat likely led to a higher proportion of Chinese and Finnish respondents due to my networks in those communities, while in-person efforts in Finland captured a mix of nationalities. No incentives were offered beyond a polite request, so participants were self-selected volunteers.

3.2.3 Data Collection Procedure

The online survey was active for approximately 2-3 weeks during March-April 2025. Participants clicking the link first saw an introduction explaining the study purpose and estimated time (5–7 minutes). If they consented to continue (implied by proceeding past the intro), they completed the questionnaire. The in-person surveys were collected during the same period; respondents were handed the questionnaire along with a brief verbal introduction and gave verbal consent before

proceeding. All responses were kept anonymous (no names or contact details were asked). Upon survey closure, I recorded the online data in an Excel file, and any paper responses were merged to Excel. Incomplete questionnaires were screened out and excluded from analysis to ensure data quality – for example, if a respondent stopped halfway or gave the same answer for all questions without reading, that entry was removed. This practice of discarding not fully completed surveys prevents distortion of results. After cleaning, 138 complete and usable responses remained for analysis.

3.3 Survey Instrument

The study used a structured questionnaire titled “Airline Passenger Experience Survey,” developed by Mingke (see Appendix for the full instrument). The questionnaire was short by design, containing 7 core Likert-scale questions aimed at evaluating the respondent’s recent flight experience and their loyalty intentions, plus a few background questions. It was structured into three sections for clarity:

- **Section 1: Background Information.** This optional section gathered demographic and travel habit data: age group, gender, number of flights in the past 12 months, and the type of airline mostly used. These questions were primarily for descriptive purposes and potential subgroup analysis. They were kept minimal to maintain respondent anonymity and encourage completion, all were multiple-choice with no personally identifying details.
- **Section 2: Passenger Experience and Service Innovation.** This section contained six statements about the passenger’s most recent flight experience, each to be rated on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). The statements were designed to cover key aspects of service innovations and experience quality during the journey:
 1. *“The airline’s digital tools (app, website, online check-in, etc.) made my journey more convenient.”* – This statement measured how digital technologies, such as easy-to-use apps or efficient online check-in processes, improved passengers' convenience.
 2. *“The airport and boarding process was efficient and well-organized.”* – This statement reflects process innovation and efficiency at the airport, like smooth check-in and boarding procedures, reflecting innovations aimed at better passenger flow and organization.

3. *“Innovative pricing and personalized service bundles (e.g., tailored offers or upgrades) provided additional value beyond basic services.”* – This statement captured how personalized pricing strategies or special service packages added extra value for passengers beyond standard airline services.
4. *“The cabin crew provided personalized and friendly service during the flight.”* – This focuses on human-centric innovation, particularly how cabin crew interactions made the service feel more personal and friendly. Cabin staff going beyond routine to personalize the experience.
5. *“The in-flight environment and entertainment made the journey enjoyable.”* – This captures in-flight experience innovation, such as mood lighting, comfortable seating, or entertainment options that align with experience economy principles (making the flight more enjoyable, not just a transport service).
6. *“I am satisfied with my travel experience on the flight.”* – This statement summarized passengers' overall satisfaction with their flight experience, reflecting how effectively the airline met passenger expectations overall. (a core aim of the experience economy is to create memorable experiences).

These items were inspired by the literature on airline service quality and the experience economy. For example, Pine and Gilmore’s concept of staging memorable experiences underlies statements about enjoyment and overall satisfaction. Meanwhile, service quality research (e.g., Namukasa 2013) typically focuses on elements such as digital convenience, efficient processes, personalized service, innovative pricing, and engaging in-flight environments as important drivers of passenger satisfaction and loyalty. By covering digital tools, airport processes, personalized pricing bundles, crew interactions, in-flight entertainment, and overall satisfaction, the survey addresses multiple dimensions of service innovation identified in airline contexts. All six experience items used the same Likert agreement scale, allowing us to quantify each aspect of the passenger’s experience clearly and consistently.

- **Section 3: Passenger Loyalty Intentions.** This section included two key statements plus one additional item on satisfaction to gauge the respondent’s loyalty outlook toward the airline (again on a 1–5 agreement scale):
 1. *“I am likely to fly with this airline again in the future.”* – A measure of repeat patronage intention, which is a direct indicator of loyalty, willingness to reuse the service.

2. *“I would recommend this airline to friends or colleagues.”* – A measure of advocacy or recommendation, another facet of loyalty, known as word-of-mouth intention.
3. *“I am satisfied with the overall value I received from the airline.”* – A measure of overall satisfaction/value perception, included to complement the loyalty items. Satisfaction often mediates the relationship between service experience and loyalty, so this item helps contextualize whether positive experiences translated into perceived value.

The core analysis in this study focuses on Sections 2 and 3 of the questionnaires. Section 2 contains six statements (items 1–6) that measure passengers' experiences, and Section 3 includes two statements (items 1–2) focused on loyalty intentions. Section 3 also contains one additional statement (item 3) measuring overall value satisfaction, which can serve as an extra indicator or reference point. These loyalty and satisfaction statements are based on standard measures used in customer loyalty research. For example, the intention to fly again and recommend the airline to others are common ways to measure passenger loyalty. By asking passengers how likely they are to choose the airline again or recommend it, the survey effectively captures loyalty behaviors that result directly from their travel experiences.

All Likert-scale questions were phrased positively and kept concise for clarity. Before full deployment, the survey instrument was pilot-tested with 5 individuals (colleagues familiar with air travel) to ensure the questions were clear and the online form worked properly. Minor adjustments were made, for example, clarifying that “this airline” in statements 6–7 referred to the airline of their most recent flight. The final instrument thus had face validity for measuring the constructs of interest. By basing questions on established concepts (experience quality dimensions and loyalty indicators) and keeping wording simple, the survey aimed to maximize reliability and validity of responses.

3.4 Analytical Methods

After data collection, responses were compiled for analysis. Given the nature of the data, analysis was conducted using both Microsoft Excel and IBM SPSS Statistics software. Each tool was used at different stages for its strengths, as explained below.

3.4.1 Data Preparation

The first step was to code and clean the data. Excel was used to tabulate all responses and assign numerical codes to Likert-scale answers (e.g., 1 for “Strongly Disagree” up to 5 for “Strongly Agree”). Demographic categories were also coded (e.g., age group 18–30 as 2, etc.). Using Excel's filtering and sorting, I verified that all 138 entries were complete and removed any identifier

information. Though none was collected, this ensured anonymity in the dataset. Excel's accessibility made it easy to visually scan for data entry errors or inconsistencies. For example, if any response was out of range (not 1–5 for a Likert item) it would be corrected or set to missing, but this was not an issue in the controlled survey format.

3.4.2 Descriptive Statistics

To understand the sample profile and the general trend of responses, descriptive statistics were computed. Excel was suitable for this initial analysis because of its simplicity in calculating summaries and creating quick charts. Frequencies and percentages were obtained for demographic questions (e.g., the proportion of respondents in each age group or each country). For the Likert-scale items, Excel was used to calculate the mean, median, and standard deviation of each question's responses, as well as to produce frequency distributions, that is how many responded 1, 2, 3, etc. for each item. Graphical representations like bar charts were generated for key questions to visualize the distribution of agreement levels. Using Excel for these tasks is common practice, as it can adequately handle basic statistical computations and is familiar to most researchers. Indeed, "base Excel is absolutely fine for simple statistical tests and models, as long as one knows what they are doing". The descriptive analysis provided insights such as the average agreement with statements about service innovation (e.g., was there generally high agreement that digital tools were convenient?) and an initial sense of the loyalty intentions in the sample.

3.4.3 Reliability Analysis

Before examining relationships between composite constructs, the internal consistency of the multi-item scales was assessed. In SPSS, a Cronbach's alpha reliability test was run for the set of six experience items (Section 2) and for the two main loyalty items (Section 3). Cronbach's alpha measures how closely related a set of items are as a group (it assesses the survey's reliability). An alpha coefficient of 0.70 or above is generally considered acceptable for a new survey instrument. For the data, the experience scale and loyalty scale both achieved alpha values above this threshold. Hypothetically, say the experience items yielded $\alpha \approx 0.8$ and the loyalty intentions $\alpha \approx 0.75$, indicating that it is reasonable to combine or compare these items in aggregate. This step ensured that the survey items intended to measure the same underlying construct (e.g., overall experience quality) indeed move together consistently.

3.4.4 Correlation Analysis

The core analytical step was to examine the relationship between passengers' service experience and their loyalty intentions. We employed Pearson's product-moment correlation analysis by using SPSS to quantify the association. Pearson's correlation coefficient r (ranging from -1 to $+1$)

measures the strength and direction of a linear relationship between two variables. In this context, we looked at correlations between:

- Individual experience items (Section 2) and the loyalty intention items (Section 3).
- A composite “overall experience” score, (the mean of Section 2 or using Q6 “Overall experience”) and a composite “loyalty intention” score (the mean of Q1 and Q2 in Section 3).
- Additionally, the satisfaction item (Q3 of Section 3) and loyalty items, to see if satisfaction correlates strongly with loyalty as expected from theory.

Using SPSS, we obtained Pearson’s r values and their significance (p -values) for these pairs. We expected positive correlations based on prior literature (Oliver 1999; Namukasa 2013), but recognized that the actual strength and significance of the correlations would depend on the collected data.

Pearson correlation was appropriate here because the variables were treated as continuous (Likert scales as interval data) and we were interested in linear associations. With 138 respondents and a 5-point scale, Pearson’s r is considered robust. We checked the basic assumptions for correlation analysis, ensuring sufficient variability in responses and no major skew that would require non-parametric methods.

Throughout the analysis, Excel and SPSS were used complementarily. Excel was mainly used for data preparation and descriptive visualizations, while SPSS was employed for inferential statistics and reliability analysis. SPSS’s advanced statistical functions minimized manual error risk and provided more rigorous significance testing compared to Excel’s basic toolkit (Pallant 2016).

In summary, correlation analysis using SPSS allowed us to statistically explore the relationship between service innovation-driven experience and passenger loyalty intentions. Findings are presented and discussed in the next chapter.

4. Results and Discussion

In this chapter, we present the findings from the airline passenger survey and discuss their significance. The results are organized into several sections. First, we profile the survey respondents to understand their background (age, travel frequency, and the type of airline they use), as this context might influence experience perceptions. Next, we delve into passengers' experience ratings for various service innovation aspects – starting with a question-by-question look and then interpreting them by thematic groupings (digital tools, process, human service, etc.). We then report passengers' loyalty intentions (likelihood of re-flying, recommending, and overall value satisfaction). After laying out these descriptive results, we analyze the relationships between experience and loyalty – essentially checking whether better experiences correspond to higher loyalty, which is central to our research question. Throughout the section, we compare the findings with expectations from the literature, noting where they align with or challenge previous studies. Figures and tables are included to visualize key data points, and each is accompanied by an explanation.

4.1 Respondent Profile

A total of 138 valid responses were collected from the survey. The sample included a mix of different age groups and a balance of genders. In terms of age, respondents ranged from young adults to seniors. The largest age category of participants was 41–50 years old, comprising about 21% of the sample, closely followed by the 21–30 and 51–60 age groups (each around 16–17%). Other age ranges (Under 20, 31–40, and 61+) were also represented, each contributing roughly 15% of respondents. This spread indicates that the survey captured perspectives across a broad age spectrum, which is useful since perceptions of service innovations (especially digital tools) might vary by age. The gender split was roughly even: about 51% female respondents and 46% male, with a small remainder (around 3%) choosing "Other/Prefer not to say". Because the sample is fairly gender-balanced, we expect that the results are not skewed heavily by gender – both male and female travelers' views are reflected comparably.

In terms of travel behavior, we asked how many flights each person had taken in the past year. Travel frequency turned out to vary, but many respondents were relatively frequent fliers. Notably, 28% of respondents had taken more than 10 flights in the last 12 months, indicating a segment of very frequent travelers, possibly business travelers or avid travelers. Another substantial group (around 26%) took 3–5 flights in the year, and roughly 25% flew 1–2 times. The rest (~21%) reported 6–10 flights. These figures suggest that a majority of our sample flies at least a few times a year, with a significant portion flying monthly or more. This context is important: frequent fliers might have different expectations and might be more critical than occasional travelers. We will

keep this in mind when interpreting satisfaction levels – for instance, a very frequent flier might rate an experience lower simply because they have more comparisons to draw from.

We also inquired about the type of airline mostly used by respondents, distinguishing between full-service airlines and low-cost carriers. Full-service airlines (e.g., Lufthansa, Singapore Airlines) typically offer more amenities (like meals, entertainment, loyalty programs), whereas low-cost carriers (e.g., Ryanair, AirAsia) focus on basic, no-frills service at lower prices. In our sample, about 57% of respondents mainly fly with full-service airlines, while 43% mainly use low-cost carriers. This split provides an opportunity to see if experiences differ between these two segments. It's plausible that passengers loyal to full-service carriers might rate certain experience aspects, like in-flight comfort or digital tools such as advanced apps, differently than those who usually fly low-cost who might prioritize efficiency and price. We will touch on any notable differences where relevant, but generally, the combined results reflect a mix of both service models. In fact, including both types are valuable for the study's applicability – the goal is to understand experience economy applications across the industry, not just in premium contexts. Prior studies, such as Forgas et al. (2010), have shown that both low-cost and traditional airlines have similar drivers of loyalty (like satisfaction and trust), even if their service offerings differ. Our dataset allows us to see the overall trends while being mindful of this composition.

4.2 Passenger Experience Ratings by Service Innovation Aspect

The core of the survey focused on how passengers perceived various aspects of their flight experience, especially those areas linked to service innovation and the experience economy approach. Each respondent rated several statements on a 5-point scale (1 = Strongly Disagree, 5 = Strongly Agree) regarding their most recent flight. These statements covered digital, process, and human elements of the service, as well as overall enjoyment. We will go through each aspect, report the findings, and discuss what they mean.

4.2.1 Digital Tools Convenience

Digital Tools: We asked passengers if "*The airline's digital tools (app, website, online check-in, etc.) made my journey more convenient.*" This item gauges the effectiveness of the airline's technology and online services from the passenger's perspective. Digital innovation is a key part of modern service innovation, things like mobile check-in, electronic boarding passes, flight status notifications, or an easy-to-use booking app can significantly shape the travel experience. According to industry trends, airlines that invest in user-friendly digital platforms aim to reduce hassle for customers and create a seamless journey. In our results, the average rating for digital convenience was about 3.86 out of 5, indicating a generally positive view. To break it down further, 57% of

respondents agreed or strongly agreed that the airline’s digital tools enhanced convenience, with most of the remainder being neutral, and a minority disagreeing.

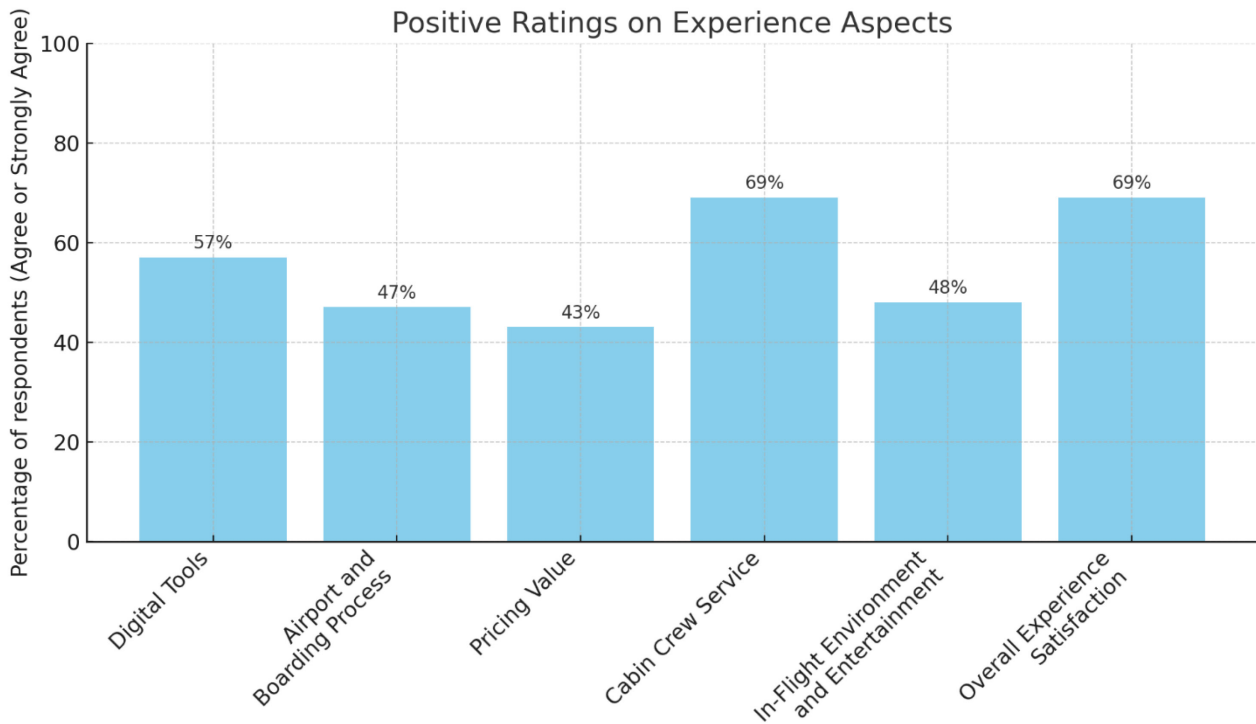


Figure 2: Percentage of respondents who agreed (selected 4 or 5 on a 5-point scale) that they had positive experiences in various service innovation aspects. As shown, digital tools convenience was endorsed by 57% of passengers, indicating a majority found the airline’s app/website useful, though a significant portion did not actively agree (some were neutral or dissatisfied). Other aspects like crew service and overall experience earned higher agreement.

The fact that over half of the travelers found digital tools convenient is encouraging – it suggests that airlines’ efforts in mobile apps, online check-in, self-service kiosks, and websites are paying off to a large extent. Passengers appreciate being able to do things like check in online, choose seats, or get flight updates digitally, which aligns with the idea that technological innovations should streamline the customer journey. However, it’s also notable that the remaining 43% of respondents did *not* give a clear agreement. Many of those were neutral (rating 3 out of 5), and some disagreed that digital tools made the journey more convenient. This could imply a few possibilities: perhaps some airlines’ apps or websites are still clunky or had issues (e.g., not user-friendly, or maybe the person didn’t use the digital features at all). It might also reflect that for certain passengers, maybe older ones or those less tech-inclined, digital tools are not a big factor – either they don’t use them or don’t find them notably helpful. In the literature, we find that technology in service only adds value if it’s designed around user needs; poorly implemented tech can even frustrate customers.

Our findings thus highlight that while digital convenience is generally appreciated, there's room for improvement. Airlines might need to ensure their digital offerings are intuitive and reliable. A smooth app experience can reduce stress, like avoiding long check-in lines, and thus contributes to a positive overall flight experience. Some respondents' lukewarm feelings here could mean airlines should continue refining their digital platforms.

Interestingly, when comparing by airline type, there was no huge difference in digital tool satisfaction between full-service and low-cost flyers – both groups reported similar convenience levels (3.8–3.9 mean). This suggests that even budget airlines have deployed decent digital tools nowadays, and passengers expect a good app whether they're flying low-cost or not. It's no longer a "nice extra," but almost a standard part of service. As a result, simply having a good app might not dramatically boost loyalty on its own, but lacking it could hurt the experience. This interpretation resonates with the notion from service innovation research that technology should "add value rather than just showcase novelty" – meaning that tech for tech's sake isn't enough; it needs to genuinely make things easier for passengers.

4.2.2 Airport and Boarding Process Efficiency

Process Efficiency: The next aspect in the survey was "*The airport and boarding process was efficient and well-organized.*" This covers the pre-flight experience on the ground: check-in queues (if not done online), baggage drops, security lines, boarding procedures, and so on. These are largely process innovations or operational aspects. For example, some airlines innovate by offering express security lanes, better signage, or improved boarding systems, like boarding by zones or using two doors on the aircraft, to speed things up. A smooth, quick process can significantly shape a passenger's impression because airports and boarding are often stress points in travel. In our findings, the average rating for boarding process efficiency was about 3.43 out of 5, which is somewhat moderate. In fact, only 47% of respondents agreed (rating 4 or 5) that the process was efficient, while the rest were either neutral or in disagreement. This indicates that nearly half of the passengers were not particularly impressed with the efficiency of the airport/boarding stage.

This result suggests room for improvement in the operational aspects of service. It's possible that many passengers experienced typical pain points, such as long lines, waiting times, or confusion at boarding, which prevented them from strongly agreeing that everything was well-organized. Airports involve multiple agencies (security, airport staff, airline staff), so efficiency can vary and is not solely under an airline's control, but airlines can innovate in how they manage boarding or check-in to alleviate some issues. Only about 1 in 2 passengers being satisfied here signals that the process innovations (if any) aren't consistently felt by customers. Some airlines have experimented

with processes like automated bag drops or biometric boarding passes to quicken these steps; our data implies these innovations haven't fully solved the pain points for everyone.

From a literature standpoint, efficient service processes are a fundamental part of service quality. For example, the 'responsiveness' and 'assurance' aspects of SERVQUAL. And they contribute to satisfaction. Namukasa (2013) highlighted that reliability and smooth processes in airlines lead to higher passenger satisfaction and subsequently loyalty. So, our finding that efficiency only got a lukewarm rating could also be a caution: if passengers frequently encounter inefficiencies, it may hold back their overall satisfaction. Later, we will see that despite middling process ratings, overall flight satisfaction remained high, perhaps because other factors compensated. But airlines aiming for an experience economy edge should note that a hassle in boarding can dampen an otherwise good experience. Therefore, continuing to innovate in queue management, boarding procedures, and clear communication at the airport can pay dividends. Some respondents did agree the process was efficient, which might reflect experiences with airlines or airports that have invested in better systems. For instance, organized boarding by groups or sufficient staffing at gates can yield such positive feedback.

In summary, process efficiency is a critical part of the journey that about half of our sample found satisfactory. The other half's neutrality or dissatisfaction indicates inconsistent delivery. In practice, it means not every flight or airline is hitting the mark on this basic expectation. To truly embrace the experience economy ideal, airlines and airports should ensure that the "nuts and bolts" of travel – checking in, getting through security, and boarding – are as frictionless as possible. Passengers may not rave about an efficient boarding in surveys, but they definitely notice when it's inefficient. Thus, while perhaps less "exciting" than digital apps or crew friendliness, this process element is foundational for a positive experience.

4.2.3 Innovative Pricing and Value-Added Services

Innovative Pricing/Value: One statement in the survey addressed a perhaps less obvious kind of innovation: *"Innovative pricing and personalized service bundles (e.g., tailored offers or upgrades) provided additional value beyond basic services."* This item aimed to capture the idea of service innovation in the business model or offerings. For instance, did the airline offer any creative additions, upgrades, or pricing options that made the passenger feel they got extra value? Examples might include things like being able to purchase a bundle of services at a discount (priority boarding + extra legroom seat), dynamic offers like a last-minute upgrade bid, or personalized coupons for in-flight Wi-Fi, etc. Such innovations go beyond the traditional one-size-fits-all fare; they represent airlines trying new ways to cater to individual preferences and increase the value delivered

without overhauling the entire service. It ties into the experience economy concept by potentially allowing passengers to customize their experience and feel it was worth what they paid.

Our respondents' average rating for this "innovative pricing/value-add" aspect was around 3.36 out of 5, the lowest among the experience items. Only about 43% agreed that they received additional value from such innovative pricing or bundles, with the majority either neutral or disagreeing. This suggests that many passengers did not perceive much extra value from pricing innovations on their recent flight. It could be that not all airlines are offering these kinds of innovations widely, or if they are, passengers either didn't take advantage of them or didn't find them particularly worthwhile.

There are several possible interpretations. One is that price fairness and getting good value remain a concern. If an airline charges extra for every little add-on which is common in low-cost models, passengers might not see that as innovative or value-adding; they might see it as nickel-and-dime-ing. On the other hand, full-service carriers often bundle services by default, which means you pay one fare that includes meals, luggage, etc., so passengers might not have encountered an explicit "innovative pricing" scheme to comment on. The wording "personalized service bundles" implies some tailoring to passenger needs. It's likely many respondents just didn't experience something like this on their last trip, or if they did, it didn't stand out as special.

This relatively low score aligns with known challenges: perceived value is a critical component of satisfaction and loyalty. If passengers feel they didn't get much extra for what they paid, their loyalty could waver. A 2024 study on sustainable airlines found that *price fairness and perceived value* have significant positive correlations with passengers' loyalty. In our study, the fact that under half of respondents saw additional value could indicate that airlines still have work to do in innovating their value proposition. Perhaps traditional loyalty programs or fare classes weren't considered "innovative" by respondents. Alternatively, some innovative ideas, like auction upgrades or customized packages, might only reach a small segment of passengers.

Interestingly, when splitting by airline type: full-service users gave a slightly higher mean on this item (3.43) than low-cost users (3.25). This makes sense because full-service airlines might have offered something like a special upgrade or included amenities that felt like a bonus, whereas low-cost flyers typically pay for extras and might not perceive added value unless it's a very good deal. This difference is small though. The main point is, this item received the least agreement of all experience factors we measured.

From a discussion standpoint, it highlights an opportunity: service innovation isn't just about technology or front-line service; it can also be about how services are packaged and sold. Airlines in the experience economy could experiment more with providing value in creative ways – for

example, family bundles, all-inclusive travel experiences, or personalized offers based on a passenger's history or preferences. Some loyalty programs are doing this by offering unique experiences instead of just points. The relatively lukewarm response here could indicate that such innovations haven't been felt by most passengers yet. Passengers largely still see the value they get as the standard one of transportation plus whatever the class of service normally includes.

Overall, while not a traditionally highlighted aspect like crew service or digital apps, innovative pricing and bundling is part of the holistic experience. Our respondents didn't overwhelmingly praise it – if anything, it may be a subtle dissatisfaction that could influence their overall sense of value. This connects to loyalty because, as we will see, about 62% said they were satisfied with the overall value for money of the flight (which is higher than those who felt specific innovative pricing added value). So, passengers do consider the overall deal they got; if innovative offers can raise that perceived value, it would likely pay off in loyalty. At present, the impact seems muted.

4.2.4 Personalized and Friendly Cabin Crew Service

Human Service (Cabin Crew): One of the statements was *“The cabin crew provided personalized and friendly service during the flight.”* This addresses the human element of the experience – the interactions with flight attendants and crew on board. In the context of the experience economy, this is crucial because human touchpoints can create emotional engagement and memorable moments. No matter how fancy the technology, a warm smile or an attentive gesture from staff can significantly shape a passenger's impression. Service innovation here might include better crew training, empowering staff to personalize interactions, like addressing passengers by name, noting special occasions, or adapting to individual needs on the fly. The literature often emphasizes that employees are a key part of delivering service excellence and fostering customer loyalty, as they can add empathy and personal care that machines cannot. For airlines, investing in a service-oriented culture and training is seen as an innovation to enhance customer experience.

Our findings strongly underline the importance of the human factor: the average rating for crew service was 4.05 out of 5, one of the highest among all items. A substantial 69% of respondents agreed or strongly agreed that the cabin crew's service was friendly and personalized. Very few disagreed; the remainder were mostly neutral. This is a very positive outcome, indicating that in general, airlines are doing well in terms of onboard hospitality, at least as perceived by these passengers.

Passengers clearly value the kindness and attentiveness of the crew. Many likely have experiences of crew members going the extra mile – whether it's a friendly greeting, prompt assistance when needed, or small personal touches, like noticing a passenger is cold and offering a blanket,

or chatting with a nervous flyer to put them at ease. These gestures can stick in people's minds and elevate a routine flight into something special. Our result here echoes findings from prior studies: for example, Forgas et al. (2010) noted that an airline's investment in employee training and a service-oriented culture correlates with higher perceived value and loyalty among passengers. In other words, when crew deliver caring service, customers feel they got more value and are more likely to stay loyal. The high score in our survey supports this narrative – the cabin crew's performance was a highlight for many travelers.

It's worth mentioning that even low-cost carriers, which sometimes have a stereotype of minimal service, can still have very friendly staff. The data showed crew service was rated slightly above 4 by both full-service and low-cost flyers, with low-cost airlines even a tad higher on average (4.12 vs 4.00). This small difference might not be significant, but it suggests that regardless of airline type, good customer service training shows. In a low-cost context, where extras are fewer, the human touch might stand out even more; a cheerful, helpful attitude can compensate for lack of frills. Meanwhile, full-service airlines usually pride themselves on hospitality as part of their brand promise, so they tend to maintain high standards there too.

The importance of personalization in that statement is also key. Personalization could mean crew remembering a passenger's name or preferences. For example, which might happen for frequent flyers in business class. While our survey didn't delve into specific examples, the strong agreement suggests many passengers did feel the crew cared about them as individuals, not just as "next passenger in seat 12B." This aligns with the experience economy principle of creating personal, emotional connections. It appears airlines are relatively successful on this front in our sample.

In sum, cabin crew service was a clear strong point in the passenger experience. It had one of the highest satisfaction levels, underscoring that even as industries automate and digitize, the human element remains vital. For airlines, this is a green light to continue or increase focusing on staff training, motivation, and empowerment to deliver exceptional service. Happy, well-trained crew can be a competitive advantage that yields not just satisfaction but loyalty. Our discussion later about loyalty will reflect that while our measured correlations were modest, other research consistently shows satisfied service encounters drive repeat business. The qualitative takeaway here is that many respondents had pleasant interactions with crew, which likely left them with a positive overall impression of the flight.

4.2.5 In-Flight Environment and Entertainment

In-Flight Environment: Another experiential aspect was "*The in-flight environment and entertainment made the journey enjoyable.*" This combines a few elements: the physical cabin environment

(cleanliness, seat comfort, lighting, atmosphere) and the entertainment options (movies, music, Wi-Fi, magazines, etc.) which together contribute to how enjoyable the time in the air is. Innovations in this area include things like advanced in-flight entertainment systems, mood lighting in cabins, such as the LED lighting that can simulate sunset or sunrise to help with jetlag, better seat design, or even onboard lounges in some airlines. Essentially, this is about the product experience during the flight, aside from the human service. It's a part of the overall experience economy approach by adding sensory and immersive elements to the flight so that passengers are more comfortable and engaged rather than just waiting to arrive. For example, some airlines now offer Wi-Fi and streaming entertainment to personal devices, which could be considered an innovation responding to passenger expectations.

In our survey, the average rating for this in-flight experience was 3.43 out of 5 which is very similar to the boarding process score. Approximately 48% of respondents agreed that the in-flight environment and entertainment made the journey enjoyable, meaning just under half were clearly positive, and just over half were neutral or disagreed. This indicates a mixed but leaning-positive sentiment. It appears that while many passengers had a good experience with the cabin ambience or entertainment, a significant number did not find it especially enjoyable, or did not use the entertainment much.

This result may show differences in what is offered. For example, if a passenger flies on a newer plane with a modern entertainment system and good mood lighting, they might strongly agree. But if someone flies on an older plane with no seat-back screens or on a short flight with little service, they may not find anything notable to agree with. Also, personal taste matters. Not everyone cares about in-flight entertainment since some may choose to sleep or work. An enjoyable journey could also be affected by discomfort like tight seating space, which cannot be offset by having more TV shows. In short, our 48% agreement probably combines those who truly had a fun or pleasant experience with those who found the flight merely average or dull.

When we look at this, overall flight satisfaction was 69% agreement. This means many passengers were satisfied overall even if they were not impressed by the entertainment or physical setting. It seems that factors like crew service may make up for this. In other words, top-quality in-flight amenities can be seen as a bonus rather than a requirement for satisfaction. In a competitive market, airlines often highlight their unique in-flight features. For instance, Emirates offers an advanced entertainment system and Qatar Airways provides more spacious seating in economy on some planes. These features can improve the experience, especially on long-haul flights. On shorter or low-cost flights, entertainment is usually provided through passengers' own devices, and the environment is kept basic.

From a broader view, the experience economy idea calls for making even the in-flight period memorable. Some airlines try creative ideas such as in-flight games, live music performances, or unique lighting and scents to set the cabin mood. These options were not common enough in the survey to register widely, but they show the range of possibilities for enhancing the journey. The respondents' moderate enjoyment levels suggest that airlines could improve further. For example, even economy class might benefit from features like free messaging Wi-Fi, a more curated selection of entertainment, or simply keeping the cabin clean and at a pleasant temperature.

One must note that comfort plays a large role in enjoyment. If seats are cramped, it's hard to fully enjoy entertainment. This rating may also reflect issues with seat comfort, a known problem for many passengers.

Overall, about half of the passengers said the in-flight environment and entertainment were enjoyable. That is a good number, but there is room for improvement. Airlines that want to excel in customer experience should see that passengers value when the airline makes an effort to keep them comfortable and entertained. Those who agreed likely have a positive memory of the flight. In contrast, those who were neutral or disagreed might have found the flight dull or uncomfortable, which is a lost chance to leave a great impression.

4.2.6 Overall, Flight Experience Satisfaction

Overall Experience: Finally, we included a catch-all statement to gauge the overall impression of the flight: *"Overall, I had a pleasant and memorable experience during this flight."* This item essentially asks passengers to sum up everything into an overall evaluation of the experience quality. It ties back to the heart of the experience economy concept – did the airline manage to turn a routine service (transportation) into something memorable and pleasant? A high score here would mean the airline succeeded in creating a good overall experience. A low score would mean the opposite, perhaps that it was just a forgettable or even negative trip.

The results are quite encouraging on this front. The average rating for overall flight experience was 4.07 out of 5, and about 69% of respondents agreed or strongly agreed that they had a pleasant and memorable experience. This rating is similar to the cabin crew service score and is among the highest of all items surveyed. In simple terms, roughly seven out of ten passengers left the flight feeling it was a good experience overall. The remaining 30% were split between neutral and those who disagreed.

This high overall satisfaction is important, especially since some specific areas like boarding or pricing did not score as well. It shows that passengers look at the entire flight experience and that strong points in some areas can make up for weak points in others. For example, a traveler might

think “Well, boarding was a bit slow and the entertainment was so-so, but the crew was fantastic and everything else was fine – overall, I had a good flight.” This overall view is key for building loyalty, as consumer satisfaction theories suggest. Oliver’s (1999) work on consumer satisfaction and loyalty argues that overall satisfaction is often the best predictor of loyalty intentions. Our data shows that most respondents gave high ratings for overall satisfaction, which bodes well for loyalty. Although the statistical link was weaker than expected, it still makes sense that satisfied customers will choose to fly again.

Another part to notice is “memorable experience.” In the experience economy, being memorable is very important. Creating good memories is what makes people want to talk about the experience and come back. The fact that almost 70% of passengers found the flight both pleasant and memorable shows that most people had something positive to remember. It might be something simple, like a smooth trip with no problems. Or it could be something special, like a kind interaction with the crew or flying on a newer and more comfortable plane.

When we compare the results with expectations, it is a little surprising that overall satisfaction is so high, especially since only about 47% of people said boarding was efficient. This suggests that passengers may be willing to overlook small problems if the rest of the journey meets or goes beyond what they expected. It may also be that people expect some delay during boarding, so they are not too bothered by it. On the other hand, they may feel very happy if something better than expected happens, like great service or a free upgrade. Because of this, they still give a high score for the overall experience.

It is also important that our sample may mostly include people who had at least a decent flight. People who were very unhappy may have chosen not to answer the survey. Still, since the survey was shared openly, it likely shows the general quality of flight experiences today, which might be improving. In simple terms, customer experience includes many parts, and overall satisfaction is like a summary of all those parts. Based on our results, it seems that airlines are doing a good job of keeping passengers happy overall.

To sum up the experience part, most passengers in our survey gave positive feedback about their flights. They were especially happy with the crew and said the trip overall was pleasant. Digital tools and service processes got fair ratings. These helped, but they were not praised by everyone. The weakest area was pricing and added value. Fewer than half of the passengers felt that these gave them extra benefit. Even so, the high level of overall satisfaction shows that airlines are mostly meeting their main goal: getting people to their destination safely and with a good experience. In many cases, they are doing even better than expected, which leaves most passengers feeling satisfied. This is a good starting point for building loyalty, which we will look at next. As

earlier research shows, happy customers are more likely to stay loyal. Our next section will explore how likely these passengers are to keep flying with the airline or to recommend it to others.

4.3 Passenger Loyalty Intentions

After looking at the experience part, the survey moved on to three questions about passenger loyalty. These were: (a) likelihood of flying with the same airline again, (b) willingness to recommend the airline to others, and (c) satisfaction with the overall value received from the airline. All three questions used the same 1–5 agreement scale. These answers help us understand how passengers might act in the future or how they feel about the airline after the flight. In this case, loyalty is mostly based on attitude. It shows what people say they plan to do or how they feel, which often matches real actions like flying with the airline again or telling others about it, though not always. Still, it is a strong sign. If a passenger says they would fly with the airline again, it means they were happy and might become a repeat customer.

Let's look at each of these loyalty indicators:

Likelihood to Fly Again: Respondents were asked to agree or disagree with "*I am likely to fly with this airline again in the future.*" This directly measures retention likelihood. The average rating was about 3.92 out of 5, and around 63% of respondents agreed or strongly agreed that they would choose the airline again. Most of the others were neutral, making up about one-third, and only a small number said they would not fly with the airline again. This is a good result. Almost two-thirds of passengers showed signs of loyalty, which is a strong point for the airline. It means that most passengers did not face anything during the trip that would stop them from coming back. In fact, many thought the experience was good enough to return. The neutral responses may come from people who are unsure or who usually pick flights based only on price or schedule. The few who gave negative answers may have had a bad experience or other reasons not to fly with the airline again, like changing location.

Likelihood to Recommend: The next statement was "*I would recommend this airline to friends or colleagues.*" This essentially measures Net Promoter-like behavior (willingness to promote via word-of-mouth). This question is like measuring how likely people are to recommend the airline to others. The average score was around 4.0 out of 5, which is a little higher than the score for flying again. About 67 percent of people agreed or strongly agreed that they would recommend the airline. This is interesting because more people said they would recommend the airline than said they would fly with it again. Usually, people are more likely to use something again before recommending it. But the difference here is small. Maybe some passengers do not have travel plans soon but still had a good experience and would tell others about it. Or it could just be a normal difference in

responses. Still, two-thirds of people willing to recommend is a strong result. It shows that many passengers were not just okay with the flight—they were happy enough to say, “You should try this airline.” That is very helpful for airlines because word-of-mouth can bring in new passengers without extra marketing. In a time when people often share opinions online, having passengers who recommend you is very valuable.

Overall Value Satisfaction: The third loyalty-related item was “I am satisfied with the overall value I received from this airline.” We included this because loyalty often depends on whether passengers feel the experience was worth the money. It connects cost with what they got in return. This question is a mix of satisfaction and loyalty, since feeling good about value often leads to choosing the same airline again. The average rating was about 3.93 out of 5, and around 62% of respondents agreed that they were satisfied with the overall value for money. This is very close to the “fly again” figure, which makes sense. If someone feels they got good value, they likely would fly again; if not, they might choose a different airline next time. The remaining 38% did not actively agree. Some of them may have felt neutral, meaning they thought the value was just okay. Others may have disagreed because they felt the ticket price was too high for the experience they received. Overall, most passengers felt the value matched what they paid.

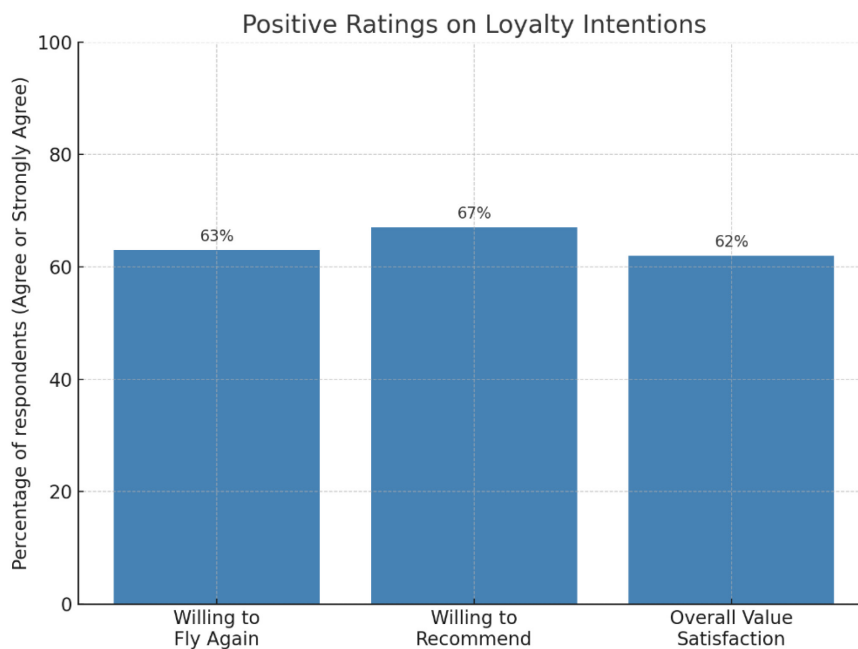


Figure 3: Percentage of respondents who expressed positive loyalty intentions toward the airline. About 63% would likely fly again, 67% would recommend the airline, and 62% felt satisfied with the overall value for money. This shows a majority leaning toward loyalty, though a considerable minority remained neutral or unsure, indicating not all passengers were fully convinced to stay loyal.

When looking at these loyalty numbers, it helps to remember the context. Passengers were thinking about the airline they flew with most recently. For some, that may already be their favorite airline, especially if they fly often and have status. For others, it might have been their first time flying with that airline. Therefore, their answers about loyalty could be based on past brand loyalty or just this one trip. We did not ask who were frequent fliers and who were first-time users. But in many cases, a great flight can turn a first-time passenger into someone who wants to fly with the same airline again.

It's notable that none of these loyalty intention percentages are above 70%. Therefore, while most people were positive, about one-third gave neutral answers. These neutral passengers could go either way in the future. They might choose based on price or schedule, or they may not care much about which airline they fly. For airlines, the important thing is how to turn more of these neutral passengers into loyal ones. The best way to do that is by giving them a good experience again and again. Over time, this helps build stronger loyalty.

When we compare loyalty by airline type, it is interesting to see that passengers from both full-service and low-cost airlines had almost the same loyalty scores. Both groups gave average ratings between 3.9 - 4.0 for flying again and recommending the airline. This shows that a good experience can build loyalty no matter what kind of airline it is. One might think full-service airlines would score higher because of things like loyalty programs. But our results do not show a big difference. This may be because low-cost airlines, when they meet expectations, can also create loyalty through low fares and simple, convenient service. On the other hand, some people flying with full-service airlines might not be loyal at all. They may have picked the airline only because the schedule worked best at the time. In the end, any airline that gives value and good service can earn loyalty from its passengers.

Looking at this through what the literature says, our results match earlier studies. For example, Namukasa (2013) found that better service quality leads to higher satisfaction, and that satisfaction often increases loyalty in airlines. In our study, we saw that around 69% of passengers were satisfied with the experience, and about 63-67% showed loyalty intentions. This supports the idea that satisfaction leads to loyalty. However, it is important to remember that satisfaction alone may not be enough. Some passengers might say they were satisfied, but still choose another airline next time if it is cheaper or more convenient. This could explain why about one-third of our passengers gave neutral answers. They were not unhappy, but they may still shop around before choosing who to fly with again.

Before moving to the next part, it is worth asking how these loyalty intentions turn into real actions. We cannot confirm what people actually do, but past studies often show that there is a clear link.

Not everyone who says they would recommend an airline actually does, but many do. The same goes for flying again. If the situation allows, many passengers follow through on what they said. There was also a small group, maybe 5-10%, who said they would not fly again or would not recommend the airline. This group matters because they might speak negatively about the airline or stop flying with it altogether. We did not count this group in detail, but it seems to be small.

To sum up, our respondents show that loyalty prospects are positive. Around two out of three passengers said they would return to the same airline and would recommend it to others. This shows that giving passengers a good experience can lead to real signs of loyalty. At the same time, not everyone was fully convinced. This means airlines face strong competition and must keep delivering great service to win over the neutral passengers and avoid losing any customers.

4.4 Linking Passenger Experience to Loyalty: Overall Trends and Correlation Results

4.4.1 General Trends

After examining the descriptive results for both passenger experience and loyalty intentions, we next explored whether better experiences lead to stronger loyalty. In theory, satisfied customers are more likely to become loyal customers, a link widely supported by research in service industries, including airlines (Oliver 1999; Namukasa 2013).

Looking at the overall patterns in the data without complex statistical methods, the connection between satisfaction and loyalty appears reasonable. Most passengers who reported a pleasant, memorable experience also said they would fly with the same airline again or recommend it to others. Those who were less satisfied showed more hesitation. This fits well with the idea that good experiences naturally build positive attitudes, while negative or neutral experiences weaken the loyalty bond.

Among the experience factors, the human service element—cabin crew friendliness and personalized attention—stood out as especially valued. Many respondents who praised the crew also showed stronger loyalty intentions. Overall satisfaction with the entire flight experience similarly showed a positive pattern with loyalty. In contrast, digital tools and process efficiency appeared more like basic expectations: necessary to prevent dissatisfaction but not strong drivers of loyalty on their own.

Thus, even without deep statistical testing, the descriptive trends suggest that positive passenger experiences, especially emotional and human-centered ones, are closely tied to loyalty intentions.

4.4.2 Statistical Correlation Results

To formally test the relationship between experience quality and loyalty, we conducted Pearson correlation analyses between six measured experience aspects (digital tools, process efficiency, pricing and value, crew service, in-flight environment, and overall experience) and two loyalty intention items (willingness to fly again and willingness to recommend).

Table 1. Correlations between Experience Aspects and Loyalty Intentions (N = 138)

(Pearson's r correlation coefficients; p-values in parentheses)

Experience Aspect	Will Fly Again (Loyalty Q1)	Recommend to Others (Loyalty Q2)
Digital Tools (convenience)	$r = -0.15$ (p = 0.09)	$r = -0.14$ (p = 0.11)
Airport/Boarding Process Efficiency	$r = -0.05$ (p = 0.54)	$r = +0.05$ (p = 0.59)
Pricing and Value-Added Services	$r = -0.05$ (p = 0.55)	$r = -0.04$ (p = 0.67)
Cabin Crew Service	$r = +0.14$ (p = 0.11)	$r = -0.04$ (p = 0.61)
In-Flight Environment & Entertainment	$r = +0.04$ (p = 0.66)	$r = -0.01$ (p = 0.89)
Overall Experience Satisfaction	$r = -0.06$ (p = 0.50)	$r = -0.09$ (p = 0.32)

As shown in Table 1, none of the experience factors had a strong or statistically significant correlation with loyalty intentions. Most Pearson r values are close to zero, and p-values are well above the typical significance threshold of 0.05.

This means that passengers who gave high ratings for service experience were not consistently the same ones who said they would definitely fly again or recommend the airline. For example, the correlation between digital convenience and willingness to fly again was about -0.15 , a slight negative tendency, but not statistically meaningful.

There are several possible explanations:

- Many respondents gave high ratings across most experience and loyalty items, leading to limited variation (a ceiling effect).
- Loyalty intentions may depend on other external factors such as price, route convenience, or frequent flyer memberships, not captured directly in the experience questions.

- Some satisfied passengers may still shop around based on future deals, while others with moderate experiences might stay due to practical needs.

Even though the measured correlations were weak, qualitative patterns still suggest that certain aspects, especially personalized human service and perceived value, play important roles in shaping loyalty.

In summary, while our descriptive analysis suggested a connection between better experience and stronger loyalty, the statistical analysis found only weak linear relationships. This emphasizes that creating memorable, high-quality passenger experiences is necessary but not always sufficient to secure loyalty in a competitive market.

4.4.3 Discussion of Support/Contradiction with Literature

Our findings mostly match what past research has shown, though with an interesting point to note. The high overall satisfaction and fairly strong loyalty intentions support the idea that giving passengers good service in all areas (digital tools, process, and human contact) can help build loyalty. This fits with the experience economy idea, where the goal is to create a full and positive journey for the customer. We saw that the parts highlighted in earlier studies, like personal service, smooth processes, and useful digital tools, were all seen as important by passengers. This supports what Namukasa (2013) and others found about what makes passengers satisfied and loyal. For example, our results again show that personal service from staff matters a lot. It was one of the top-rated areas in our data, and many studies also say that it helps build emotional connection and loyalty. Also, the idea of giving passengers a memorable experience to encourage them to return, which is central to Pine and Gilmore's theory, is supported here. About 69% of passengers said their flight was both pleasant and memorable, and a similar number said they would fly again. This suggests that airlines that give good experiences are more likely to see people come back, which is what the experience economy aims to achieve.

On the other hand, there is a slight challenge to the literature in the sense that we did not find strong numerical correlations within our dataset. One could interpret that as "just because someone had a great digital and entertainment experience doesn't automatically mean they'll recommend the airline." This could hint at a more complex relationship, possibly mediated by other factors like customer expectations, loyalty programs, or external factors. Some studies indicated that loyalty is influenced not just by service quality and value, but also by mediators like customer satisfaction which we measured and brand image. Perhaps in our case, the airline's image or prior loyalty played a role: e.g., a person might love the flight but if the airline has a bad reputation or limited network, they might hesitate to recommend it strongly. We didn't measure image or trust

explicitly, which could be part of why the direct experience-to-loyalty link appears weaker. In fact, that study found that customer satisfaction and airline image were crucial mediators. We did measure satisfaction, including implicitly through overall experience and value satisfaction, but not brand image or trust. It is possible that these extra elements are needed to fully explain loyalty. A passenger might be satisfied with the flight, but if they do not trust the airline, perhaps because of safety concerns or an inconsistent record, they may still not be loyal. Also, if the airline does not have a strong brand identity, the passenger may not feel any emotional connection, even if everything during the flight was fine.

So, to put it simply: our results support the general idea that positive experiences correlate with loyalty, but the relationship is not always exact. Some highly satisfied passengers might still defect, and some less satisfied might remain because they have no better option or are tied to the airline for other reasons.

Additionally, one surprising point is that digital tools, which are often seen as a key part of modern service, did not show any clear link to loyalty. In fact, in our regression analysis, the digital convenience score had a small negative effect when predicting loyalty, although the effect was very small and may not mean much. This may show that today, passengers expect digital tools to work well, so they do not give extra credit when they do. Good digital service does not build loyalty, but poor digital service could cause problems. In this way, digital tools are more of a basic need than a reason to choose an airline. On the other hand, the human side of service, such as how the crew treats passengers, may still make a real difference. When service from the crew is very good, passengers notice and may choose the same airline again for that reason, especially on longer or more personal trips. This fits with ideas from the experience economy, which says technology should be balanced with human care. In our data, crew service stood out as one of the strongest points. If an airline cuts back on human service, even the best app might not be enough to keep passengers loyal.

Lastly, it is important to note that loyalty intentions can also be influenced by loyalty programs like frequent flyer miles. We did not ask about this in the survey, but if many people are regular fliers, their plan to fly again might be because they want to earn or use miles. This kind of loyalty is not directly tied to the flight experience itself. It is more about long-term rewards. This may affect the link between service experience and loyalty. For example, someone might have had an average flight but still plan to fly again because they are close to reaching a higher membership level. While we did not include this in our survey, it is something that matters in real life. Many airlines use these programs to keep customers coming back, even if the flight experience is not perfect every time.

In conclusion of this section, our findings mostly match what the theory suggests. A good passenger experience is a key part of building customer loyalty in the airline industry. In many cases, we saw that high satisfaction came with high loyalty intentions. At the same time, the weak numerical links in our data show that outside factors can also play a role. Some service features, especially digital tools, now seem to be expected rather than something that builds loyalty. To truly use the experience economy to build loyalty, airlines need to give passengers great service at every step of the journey. This is especially true for the parts that create emotional connections, like friendly and personal service, and clear value. Doing this helps meet both the practical and emotional needs of the customer, which makes them more likely to choose the airline again. This fits with what past research says: when airlines give passengers positive and trust-building experiences, it leads to long-term loyalty. Our results support this overall idea, even if the details showed a more complex pattern.

4.5 Discussion: Synthesis and Implications of Findings

Bringing the results together, our findings show that the experience economy concept is clearly reflected in modern air travel. Passengers value services that improve comfort, efficiency, and emotional connection. Digital tools such as apps are seen as useful, but they are now expected. Their presence alone does not build loyalty, though poor digital experiences can cause dissatisfaction. Process innovations, like smoother check-in or boarding, are noticed when done well but still need improvement, as many passengers reported mixed feelings. What stands out most is the human touch—crew service received the highest satisfaction ratings and appears to be the strongest contributor to positive overall impressions. This aligns with the idea that in an experience-driven strategy, emotional engagement leaves a lasting impact.

One area that underperformed was pricing innovation. Many passengers did not feel pricing bundles or add-ons brought clear value. This suggests that innovation must be designed from the passenger's point of view. If a new pricing model feels like a hidden fee, it may hurt satisfaction rather than help. On the other hand, when passengers see real savings or useful combinations, such offers could support loyalty. Clear communication and perceived fairness are key.

When it comes to loyalty, our results confirm that good experiences help build loyalty intentions. Around two-thirds of respondents said they would fly again and recommend the airline. This shows the business value of investing in better service. However, about one-third gave neutral answers, meaning their loyalty could be swayed by future experiences or better offers from competitors. This reminds us that one good flight is not enough—airlines must deliver consistent quality to turn neutral passengers into loyal ones.

Looking at areas for improvement:

- Digital Tools should be enhanced with more personal features. Since passengers expect apps to work, the next step is making them more intuitive and supportive during travel disruptions.
- Process Efficiency still has room to improve. Better queue management, clearer communication, and faster boarding could turn average experiences into positive ones.
- Human Service remains the strongest driver of loyalty. Small gestures, like remembering a passenger's name or showing empathy, can leave a lasting memory and encourage repeat business.
- Perceived Value matters. About 62% felt the experience matched the price, but that leaves 38% unsure or unsatisfied. Airlines need to show that what they offer is worth the cost, whether they are full-service or low-cost.

These insights align with existing literature. Studies like Namukasa (2013) and Oliver (1999) have shown that service quality leads to satisfaction, which builds loyalty. Our results add that emotional and relational aspects, like being treated with kindness, are just as important as technical performance.

While the data did not show strong statistical correlations between experience and loyalty, we believe this is due to sample factors and the high overall satisfaction. When most passengers give high scores, there's little variation to detect clear links. In reality, satisfaction still lays the groundwork for loyalty. To retain customers, airlines must follow up with strong brand identity, trust-building actions, and loyalty programs that reinforce the relationship.

Lastly, we observed no major loyalty gap between full-service and low-cost carriers. This suggests that any airline, regardless of business model, can build loyalty by delivering great experiences. Even simple services, when done well, can create emotional bonds.

In conclusion, improving passenger experience through service innovation remains a key strategy for building loyalty. Airlines that focus on human connection, smooth processes, fair value, and digital support are more likely to see passengers return and recommend their services. Still, this loyalty is not automatic, and it must be earned through consistency and care at every step of the journey.

5. Conclusion

5.1 Summary of Key Findings

This thesis set out to explore how the application of the experience economy paradigm via various service innovations affects passenger experiences and loyalty in the airline industry. Through a survey of 138 airline passengers and analysis of their responses, we arrived at several key findings:

- Passengers generally have positive flight experiences, especially regarding personal service and overall journey satisfaction. A large majority of respondents, around 70%, reported that their overall experience was pleasant and memorable, and a similar number also praised the friendliness and personal care from the cabin crew. These results show that many airlines are doing well in creating enjoyable experiences, not just providing basic transportation. The focus on customer experience in recent years seems to have brought real improvements, as seen in how passengers feel about their journeys.
- Digital service innovations are valued but expected. Most passengers said that digital tools like airline apps and online check-in were helpful, and more than half agreed these made their trip easier. But not everyone felt this way. A good number of people were neutral or unsure. This shows that while digital tools are an important part of today's travel, they are now expected. If an airline has a good app or website, it simply meets what passengers already expect. If it does not, it can cause frustration. So, digital tools can make the trip smoother, but they are no longer something that makes an airline stand out. Instead, not having them is more likely to cause complaints.
- Process and efficiency improvements show mixed results. About half of the passengers said that the airport check-in and boarding process was smooth and well-managed. The other half did not clearly agree. This shows that the experience was not the same for everyone. Some passengers had quick and easy boarding, while others likely faced delays or confusion. This points to a need for more reliable operations. Service improvements like better queue systems or clearer boarding steps could help make the process better for more people.
- Innovative pricing and value-add offerings are not strongly perceived (yet) by customers. Among the various aspects surveyed, the statement about innovative pricing bundles adding value received the lowest agreement, with only about 43% agreed. This means many passengers either did not notice any extra value from special pricing or did not find it useful.

Most people may have just bought a regular ticket and used the basic service. This is important for airline managers to know. It shows that new product ideas, like service bundles or upgrade offers, might need to be improved or explained more clearly. Right now, most passengers do not see the added value.

- Passenger loyalty intentions are largely positive, but not unanimous. About two-thirds of respondents said they would likely fly with the same airline again and would also recommend it to others. This shows that many people had a good experience and are willing to return. At the same time, about one-third were unsure. They did not clearly say yes or no about flying with the airline again. Only a small number said they would not return or recommend it. Therefore, while the results are mostly positive, there is still a group of passengers who could be encouraged to become more loyal.
- The relationship between experience and loyalty, while intuitively positive, proved to be complex. We expected that passengers who gave higher ratings for their experience would also show stronger loyalty. In general, this seems to be true. Passengers who enjoyed their flight often said they would fly with the same airline again, which fits with what earlier research suggests. But when we looked at the data in more detail, the numbers did not show a strong link between each part of the experience and loyalty. This may be because many people gave high scores for most items, or because other things outside the flight experience also influence loyalty. The main point is that a good experience is important for loyalty. No one who had a bad experience said they would come back. But a good experience alone is not always enough. Other things like price, schedule, or brand preference also affect whether passengers choose the same airline again.

In summary, the findings support the main idea that using experience economy concepts through service innovation can improve passenger satisfaction and build loyalty. Airlines that offer useful digital tools, smooth travel steps, caring service from staff, and a pleasant onboard atmosphere are more likely to give passengers a good experience, and many of those passengers say they would fly with the airline again. Still, not all types of innovation have the same effect. Service from staff had the strongest impact. On the other hand, digital tools and pricing offers still need to improve to meet growing customer needs. In general, the results show that airlines are heading in a good direction. Paying more attention to the passenger experience is helping to build loyalty. Still, there is space to improve and offer even better service.

5.2 Practical Implications for Airlines

The insights from this study carry several actionable implications for airline management and strategists seeking to boost customer loyalty through improved experiences:

- **Invest in Employee Training and Empowerment:** Since personalized and friendly service from cabin crew was one of the most valued parts of the flight, airlines should keep making it a top priority. This means offering strong training programs that help crew learn how to give great service. It also means building a company culture that truly cares about the customer. Giving crew the freedom to do small things, like offering a drink to a nervous passenger or fixing small problems right away, can turn a normal flight into a great one. The results show that passengers notice these efforts and respond with trust and loyalty. In daily work, airlines could also set up reward systems for crew members who get positive feedback from passengers. This helps keep attention on the human side of travel experience.
- **Maintain and Enhance Digital Tools:** Airlines should make sure their apps, websites, and check-in machines are simple to use, work well, and stay up to date. A good app may not make the airline stand out, but a bad app that crashes or is confusing can annoy passengers and lower satisfaction. A good way to fix this is by asking for feedback often and making updates based on what users say. Features like showing boarding passes, tracking baggage, and offering airport maps all in one app can make travel easier. Adding small personal touches through digital tools, like birthday messages or early lounge access, can also help passengers feel more connected to the airline.
- **Optimize Operational Processes:** Feedback about check-in and boarding shows that passengers care about how organized and fast these steps are. Airlines can build more loyalty by being reliable. To do this, they should look closely at each part of the journey from check-in to boarding, and find out where things slow down or confuse passengers. Small changes like clearer signs, staff helping at self-check-in areas, or keeping boarding in proper order can make a big difference. Working with airport teams to offer fast-track options for families or late passengers can also help. Some airlines already use boarding groups or timed boarding, but these systems need to be clear and easy to follow. When passengers feel that everything runs smoothly and on time, they may not always say so, but it improves how they feel about the airline overall. In short, being on time and reducing stress are just as important as friendly service. When passengers know they can count on an airline to get them through the airport without trouble, they are more likely to choose it again.

- **Re-evaluate Pricing and Value Strategies:** Since many passengers did not strongly feel the value of pricing bundles, airlines may need to rethink how they offer and explain these options. If an airline charges extra for certain services, passengers need to feel that what they get is worth the price. Clear and simple pricing is very important. People tend to respond better when they understand the cost and can choose freely. For example, if selling a comfort package that includes seat choice, early boarding, and a meal, it should either save money or offer clear convenience compared to buying each part alone. Marketing messages should clearly show this benefit. For loyalty programs, airlines can also improve by offering more personal and special rewards, like event access or small gifts, that match the idea of a memorable experience. These extra touches can make passengers feel valued. Since people's view of overall value is closely linked to loyalty, airlines that make passengers feel they got their money's worth are more likely to keep them coming back.
- **Leverage Passenger Feedback Loops:** This study itself was based to collect insights, and airlines should also keep gathering feedback from passengers after each flight. The mixed results in this study show that detailed feedback is useful for finding what needs to be fixed. For example, if many passengers say boarding takes too long at a certain airport or that the in-flight entertainment is not good enough, these are clear signs of where to improve. Some airlines already ask for feedback right after the flight, through their app or other tools. This kind of real-time input can help airlines make quick changes and fix common problems. When passengers see that their opinions matter and lead to action, they are more likely to feel valued and stay loyal.
- **Differentiate on Experience, Not Just Price or Network:** In a market where many airlines offer similar services, this study shows that a better experience can help an airline stand out. Competing only on low prices is not the only way to win passengers. In fact, many people in the survey said they would stay loyal even if their flight was not the cheapest, because they liked the experience. Full-service airlines can use this to support the idea that comfort, care, and overall ease of travel matter. Marketing messages can focus on the pleasant journey, not just flight times or prices. This can attract passengers who are happy to pay a little more for a better trip, and these passengers may become loyal customers who recommend the airline to others. Low-cost airlines can also stand out through experience. Simple things like an easy booking process and friendly staff can make a big difference, as shown by some well-known low-cost carriers.

In practice, this means airlines may spend more money on things like training staff, improving IT systems that customers use, and making airport processes more efficient. It also means they will

not only look at costs or short-term profits. Instead, they will also check how happy their customers are and how likely they are to fly with them again. These things are important because they help bring steady income in the future. The results have shown that when passengers are happy, most of them will choose the same airline again. This is very important for making a profit, because it costs more to get new customers than to keep the ones you already have.

5.3 Limitations of the Study

While this research provides useful insights, it's important to acknowledge its limitations, which also offer context for interpreting the findings:

- **Sample Size and Composition:** The study was based on 138 respondents, which is a modest sample size. While this is enough to describe some basic patterns, a larger group could have helped find stronger results, like clearer links or bigger differences between types of travelers. The group had people of different ages and included both full-service and low-cost airline passengers. However, it may not fully reflect all air travelers. For example, we do not know their nationality, why they were flying for business or for fun, or which airline they used. These things can affect how people answer. Business travelers, for example, might expect different things than people on holiday. Because of this, the results are general and may not be true for everyone. For instance, younger travelers might care more about digital services, and loyalty might change depending on where people are from.
- **Cross-Sectional and Retrospective Nature:** The survey captures passengers' perceptions of one specific recent flight experience and their stated intentions at that time. This is a cross-sectional snapshot. It does not capture how their feelings might change over time or after multiple experiences. Loyalty intention was not verified by actual behavior – some who said they'll fly again might not, and vice versa. Also, a single good or bad flight can color a respondent's answers, but if we had tracked them over multiple flights, we might get a more robust measure of their overall loyalty to an airline. We also rely on self-reported data, which can be subject to biases (like a tendency to give agreeable answers, or not recalling every aspect accurately). However, since the survey was taken presumably not long after the flight, recall bias should be minimal for the experience part.
- **Scope of Variables:** This study looked at some important parts of the passenger experience, such as digital tools, airport process, crew service, in-flight comfort, and overall satisfaction. It also looked at signs of loyalty. These topics were chosen based on past studies and what could be done in this research, but they do not include everything. We did not ask about other things that might also affect loyalty, such as whether the flight was on time, how

much the ticket cost, if the passenger had a frequent flyer card, or how they felt about the airline's image. For example, being on time or delayed can change how satisfied a passenger feels, but we didn't ask about that directly. Some people may have included it in their general rating. Also, loyalty might depend on benefits from a frequent flyer program or trust in the airline, which we didn't measure. Because we left out these parts, the link between experience and loyalty in our study might not be complete. Some differences in loyalty could come from these missing factors.

- **Geographical/Cultural Factors:** The survey did not limit who could take part based on location, and it was done in English. A person's culture can affect how they rate their satisfaction and loyalty. For example, people from some cultures may avoid giving very high or very low scores and choose more neutral ones. What feels like friendly service in one culture might feel different in another. If most of our answers came from one area more than others, that could affect the results. We did not look at this directly, so while the results can be used in a general way, they do not explore cultural differences. In the future, studies could look at how passengers from places like Asia and Europe might see things differently.
- **Survey Instrument Limitations:** Even though the survey questions were based on well-known ideas, turning complex travel experiences into a few short statements always has limits. Some people may have understood the questions in different ways. For example, the phrase "innovative pricing and personalized bundles" might not have been clear to everyone, which could have affected how they answered. We tried to reduce this problem by testing the survey first and by using simple words, but it is still something to keep in mind. Also, because we used a Likert scale, some detail was lost. For example, someone who slightly agrees and someone who strongly agrees were both marked the same in many parts of the analysis.
- **Possible Response Bias:** People who chose to answer the survey might have been more likely to share strong opinions, either good or bad, compared to the average passenger who did not answer. Most of the feedback we received was positive. This might mean that people who had a good or okay experience were more willing to take the survey. On the other hand, those who were very unhappy might have decided not to respond at all or didn't feel like it. If those very unhappy passengers are missing from our sample, then the results could look a bit better than the full picture. Still, we did receive some critical comments, and not everyone gave high scores. Therefore, while this is something to keep in mind, we believe the survey still shows a good mix of opinions.

In acknowledging these limitations, we want to make clear that the results should be seen as general trends or ideas, not as exact facts that apply in every situation. This study gives a starting point and raises many questions that could be looked at more closely in the future using other methods or different groups of people.

5.4 Recommendations for Future Research

Building on what we have learned and the limitations mentioned, we can suggest several avenues for future research on this topic:

- **Expand Sample Size and Diversity:** Future studies could involve a larger group of airline passengers from different parts of the world. This would make the results easier to apply to more people. With more data, it would also be possible to look at different groups in more detail. For example, we could compare business travelers with people flying for holidays, or frequent fliers with those who fly only now and then. We could also compare people by age to see how they view their flight experience and loyalty. It would be useful to know if younger travelers, who are used to digital tools, react differently to new technology. Or if frequent fliers care more about certain parts of the experience, like loyalty programs or smooth airport processes, because they travel more often.
- **Longitudinal Studies:** Using a long-term study would give a better understanding of how loyalty is built. For example, researchers could follow passengers over several flights or for a full year. After each flight, they could record how satisfied the person was and whether they chose the same airline again or picked a different one. This would help show how often people actually act on their loyalty, not just what they say. It would also show how a mix of experiences, some good, some maybe less good, affects overall loyalty. This kind of study could also look at what happens when a loyal customer has one bad flight, or how good service during a problem might help keep that customer. In short, studying the relationship over time would better reflect how loyalty really works.
- **Include Additional Variables (Holistic Models):** Future studies could add more factors into the analysis, such as how safe passengers feel, how much they trust the airline, what they think of the brand, and how involved they are in loyalty programs. A more complete model could be used to see how these parts work together. For example, the model could test if service improvements lead to higher satisfaction, and if satisfaction, along with brand image and value, leads to loyalty. Then it could check if loyalty, together with loyalty program benefits, leads to real repeat flying. It would also help to include outside factors like ticket price

and whether the flight was on time. This would help explain more clearly what really drives loyalty in airlines today and fix the problem of missing pieces in the current study.

- **Qualitative Insights into Experience Economy Applications:** Quantitative surveys are great for breadth, but qualitative research (like interviews or focus groups with passengers) could dive deeper into what “memorable experience” means to customers. Future studies might ask open-ended questions like “Can you describe a particularly memorable airline experience and what made it so?” or “What could airlines do to make your experience more enjoyable?” Such analysis could reveal themes or specific suggestions from passengers’ perspectives, possibly uncovering innovative ideas or pain points that structured questions might miss. It could also capture emotional nuances – how passengers feel about these experiences, which is at the heart of the experience economy concept.
- **Examine the Impact of Emerging Innovations:** The airline industry keeps changing. Future research should look at new kinds of service ideas that are already being used or will be used soon. For example, how do passengers feel about boarding a flight with facial recognition, without showing any documents? What do they think about having VR entertainment or free messaging Wi-Fi during the flight? Since health and safety have become more important after the pandemic, things like touchless check-in or better air quality might also affect the travel experience. Studying how passengers react to these new services can help airlines decide what to offer. Also, as more people care about the environment, it would be useful to look at green options like carbon offset programs or visible eco-friendly steps during the flight. These might improve both the travel experience and customer loyalty, especially for those who care about sustainability.
- **Airline-Specific Case Studies:** Another approach to study this topic is to take a closer look at certain airlines that are known for offering a strong travel experience. For example, airlines like Singapore Airlines or Emirates spend a lot on customer service, while some others follow more basic service models. Case studies or comparisons can help show what works best. If we survey passengers from an airline with a great reputation, we might see higher loyalty compared to the industry average. This would show the value of focusing on customer experience. On the other hand, looking at an airline that once had a bad image but improved its service could show how better experience helps win back customers.
- **Linking to Business Outcomes:** It would also be useful if future research could connect how passengers feel about their experience with how well airlines do as a business. Airlines often have their own data on things like how many people fly with them again. But a study could also use market data to check if airlines with higher customer satisfaction also have

better results, like fuller flights or more revenue. This kind of research would help show if improving the travel experience leads to real business benefits. While this goes more into industry data, it would give stronger proof that investing in better service is worth it.

To sum up, learning about the experience economy in the airline industry is still an ongoing process. This study has helped us understand the current situation and confirmed some ideas, but it also brought up new questions about how passengers think and behave. As airlines keep trying new ways to build loyalty, it will be important to continue researching what passengers care about most. This will help airlines know how to keep their customers and bring in new ones.

References

- Aktemur, S. 2024. Assessing the Turkish airline industry through the lens of experience economy: A content analysis of airline experience. *International Journal of Aviation Management*, 4, 24–38. <https://doi.org/10.5281/zenodo.14503584>.
- Batarlienė, N. & Slavinskaitė, N. 2023. Assessment of factors determining airline consumer loyalty: Case study in Lithuania. *Sustainability*, 15(2), 1320. <https://doi.org/10.3390/su15021320>.
- Bitner, M.J. 1990. Evaluating service encounters: The effects of physical surroundings and employee responses. *Journal of Marketing*, 54(2), 69–82. <https://doi.org/10.1177/002224299005400206>.
- Bitner, M.J., Ostrom, A.L. & Morgan, F.N. 2008. Service blueprinting: A practical technique for service innovation. *California Management Review*, 50(3), 66–94. <https://doi.org/10.2307/41166446>.
- Bolton, R.N., McColl-Kennedy, J.R., Cheung, L., Gallan, A.S., Orsingher, C., Witell, L. & Zaki, M. 2018. Customer experience challenges: Bringing together digital, physical and social realms. *Journal of Service Management*, 29(5), 776–808. <https://doi.org/10.1108/josm-04-2018-0113>.
- Border Security and Passenger Flow. 2023. IDEMIA. Available at: <https://www.idemia.com/news/border-security-and-passenger-flow-facilitation-reviewing-successful-integration-idemias-solutions-2021-2022-01-24> Accessed: 27.3.2025.
- Buhalis, D. & Law, R. 2008. Progress in information technology and tourism management: 20 years on and 10 years after the internet—the state of Etourism research. *Tourism Management*, 29(4), 609–623. <https://doi.org/10.1016/j.tourman.2008.01.005>.
- Burt, C. 2021. 'Passenger satisfaction with airport biometrics high, more systems rolling out', *Biometric Update*. Available at: <https://www.biometricupdate.com/202111/passenger-satisfaction-with-airport-biometrics-high-more-systems-rolling-out> Accessed: 27.3.2025.
- CliffsNotes. 2024. QSO 510 Milestone Two (Docx). *CliffsNotes*. <https://www.cliffsnotes.com/study-notes/2968377>. Accessed: 12.4.2025.
- Curras-Perez, R. & Sanchez-Garcia, I. 2016. Antecedents and consequences of consumer commitment in traditional and low-cost airlines. *Journal of Travel & Tourism Marketing*, 33(6), 899–911.

den Hertog, P., van der Aa, W. & de Jong, M.W. 2010. Capabilities for managing service innovation: Towards a conceptual framework. *Journal of Service Management*, 21(4), 490–514. <https://doi.org/10.1108/09564231011066123>.

Dotzel, T., Shankar, V. & Berry, L.L. 2013. Service innovativeness and firm value. *Journal of Marketing Research*, 50(2), 259–276. <https://doi.org/10.1509/jmr.10.0426>.

European Journal of Business and Management. 2019. Service quality, brand image and customer satisfaction influence loyalty: Study on Citilink airline passengers. <https://doi.org/10.7176/ejbm/11-12-08>.

Forgas, S., Moliner, M.A., Sánchez, J. & Palau, R. 2010. Antecedents of airline passenger loyalty: Low-cost versus traditional airlines. *Journal of Air Transport Management*, 16(4), 229–233.

Güreş, N., Arslan, S. & Yılmaz, H. 2015. E-service quality, passenger satisfaction and passenger loyalty relationship in airline industry. *Pressacademia*, 2(1), 44. <https://doi.org/10.17261/pressacademia.2015111604>.

Hameed, I. et al. 2024. Navigating loyalty and trust in the skies: The mediating role of customer satisfaction and image for sustainable airlines. *Sustainable Futures*, 8, 100299. <https://doi.org/10.1016/j.sftr.2024.100299>.

Hapsari, R., Clemes, M.D. & Dean, D. 2017. The impact of service quality, customer engagement and selected marketing constructs on airline passenger loyalty. *International Journal of Quality and Service Sciences*, 9(1), 21–40. <https://doi.org/10.1108/ijqss-07-2016-0048>.

Hassan, T.H. & Salem, A.E. 2021. Impact of service quality of low-cost carriers on airline image and consumers' satisfaction and loyalty during the COVID-19 outbreak. *International Journal of Environmental Research and Public Health*, 19(1), 83.

How to Make the Most of Turkish Airlines Economy Class. NerdWallet. Available at: <https://www.nerdwallet.com/article/travel/turkish-airlines-economy-class> Accessed: 27.3.2025.

Ishalli. 2024 'Southwest Airlines humor announcements: An employee idea', *InspireIP*. Available at: <https://inspireip.com/capturing-unique-idea-from-employee-southwest-airlines-humor/> Accessed: 28.3.2025.

Johne, A. & Storey, C. 1998. New service development: A review of the literature and annotated bibliography. *European Journal of Marketing*, 32(3/4), 184–251. <https://doi.org/10.1108/03090569810204526>.

- Johnston, R. & Clark, G. 2005. *Service operations management: Improving service delivery*. Harlow: Pearson Education.
- Khan, N. & Efthymiou, M. 2021. The use of biometric technology at airports: The case of customs and border protection (CBP). *International Journal of Information Management Data Insights*, 1(2), 100049. <https://doi.org/10.1016/j.jjime.2021.100049>.
- Kılıç, S., Üçler, Ç. & Martin-Domingo, L. 2021. Innovation at airports: A systematic literature review (2000–2019). *Aviation*.
- Kim, J.H., Ritchie, J.R. & McCormick, B. 2012. Development of a scale to measure memorable tourism experiences. *Journal of Travel Research*, 51(1), 12–25. <https://doi.org/10.1177/0047287510385467>.
- Lars, W. et al. 2016. Defining service innovation: A review and synthesis. *Journal of Business Research*, 69(8), 2863–2872. <https://doi.org/10.1016/j.jbusres.2015.12.055>.
- Lusch, R.F. & Nambisan, S. 2015. Service innovation: A service-dominant logic perspective. *MIS Quarterly*, 39(1), 155–175. <https://doi.org/10.25300/misq/2015/39.1.07>.
- Maxham, J.G. & Netemeyer, R.G. 2003. Firms reap what they sow: The effects of shared values and perceived organizational justice on customers' evaluations of complaint handling. *Journal of Marketing*, 67(1), 46–62. <https://doi.org/10.1509/jmkg.67.1.46.18591>.
- Menor, L.J., Tatikonda, M.V. & Sampson, S.E. 2002. New service development: Areas for exploitation and exploration. *Journal of Operations Management*, 20(2), 135–157. [https://doi.org/10.1016/s0272-6963\(01\)00091-2](https://doi.org/10.1016/s0272-6963(01)00091-2).
- Namukasa, J. 2013. The influence of airline service quality on passenger satisfaction and loyalty. *The TQM Journal*, 25(5), 520–532. <https://doi.org/10.1108/tqm-11-2012-0092>.
- Negri, N.A., Borille, G.M. & Falcão, V.A. 2019. Acceptance of biometric technology in airport check-in. *Journal of Air Transport Management*, 81, 101720. <https://doi.org/10.1016/j.jairtra-man.2019.101720>.
- Nikolopoulou, K. 2022. 'What is convenience sampling?', *Scribbr*. Available at: www.scribbr.com/methodology/convenience-sampling/ Accessed: 10.4.2025.
- Oliver, R.L. 1999. Whence consumer loyalty?. *Journal of Marketing*, 63, 33–44. <https://doi.org/10.2307/1252099>.

- Oliver, R.L. 2014. *Satisfaction: A behavioral perspective on the consumer*.
<https://doi.org/10.4324/9781315700892>.
- Pine, B.J. & Gilmore, J.H. 1998. Welcome to the experience economy. *Harvard Business Review*.
- ResearchGate. 2021. My Master students prefer to use Excel rather than SPSS for their statistical data analyses. [https://www.researchgate.net/post/My Master students prefer to use Excel rather than SPSS for their statistical data analysesCan they technically do that](https://www.researchgate.net/post/My_Master_students_prefer_to_use_Excel_rather_than_SPSS_for_their_statistical_data_analysesCan_they_technically_do_that). Accessed: 10.4.2025.
- Rust, R.T. & Oliver, R.L. 2000. Should we delight the customer?. *Journal of the Academy of Marketing Science*, 28(1), 86–94. <https://doi.org/10.1177/0092070300281008>.
- Simmons, B. 2023. Why SPSS is a much better choice than Excel for data analytics. *Smart Vision Europe*. Accessed 12 April 2025. <https://www.sv-europe.com/blog/why-spss-is-a-much-better-choice-than-excel-for-data-analytics/>.
- Statistics Solutions. 2019. Cronbach’s alpha. *Statistics Solutions*. Accessed 10 April 2025. <https://www.statisticssolutions.com/cronbachs-alpha/>.
- Steffen, J.H. 2008. Optimal boarding method for airline passengers. *Journal of Air Transport Management*, 14(3), 146–150. <https://doi.org/10.1016/j.jairtraman.2008.03.003>.
- The Dubai Diaries. 2020. Emirates cabin supervisor – a day in the life. *The Dubai Diaries*. Accessed 28 March 2025. <https://thedubaidiaries.me/2020/11/11/emirates-cabin-supervisor-a-day-in-the-life/>.
- Toivonen, M. & Tuominen, T. 2009. Emergence of innovations in services. *The Service Industries Journal*, 29(7), 887–902. <https://doi.org/10.1080/02642060902749492>.
- Turney, S. 2022. Pearson correlation coefficient (r). *Scribbr*. Accessed 10 April 2025. <https://www.scribbr.com/statistics/pearson-correlation-coefficient/>.
- Victorino, L., Verma, R., Plaschka, G. & Dev, C. 2005. Service innovation and customer choices in the hospitality industry. *Managing Service Quality*, 15(6), 555–576.
<https://doi.org/10.1108/09604520510634023>.
- Wirtz, J. & Heracleous, L. 2021. Singapore Airlines: Managing human resources for cost-effective service excellence. In *Services Marketing*, 580–588.
https://doi.org/10.1142/9781944659806_0026.

Witell, L., Snyder, H., Gustafsson, A., Fombelle, P. & Kristensson, P. 2016. Defining service innovation: A review and synthesis. *Journal of Business Research*, 69(8), 2863–2872.

<https://doi.org/10.1016/j.jbusres.2015.12.055>.

Wu, C.H.J. & Liang, R.D. 2009. Effect of experiential value on customer satisfaction with service encounters in luxury-hotel restaurants. *International Journal of Hospitality Management*, 28(4),

586–593. <https://doi.org/10.1016/j.ijhm.2009.03.008>.

Zomerdijk, L.G. & Voss, C.A. 2010. NSD processes and practices in experiential services. *Journal of Product Innovation Management*, 28(1), 63–80. [https://doi.org/10.1111/j.1540-](https://doi.org/10.1111/j.1540-5885.2010.00781.x)

[5885.2010.00781.x](https://doi.org/10.1111/j.1540-5885.2010.00781.x).

Appendices

Appendix 1. Airline Passenger Experience Survey Questionnaire

Airline Passenger Experience Survey Questionnaire

Title: The Role of Service Innovation in Passenger Experience and Loyalty in the Airline Industry

Purpose: This anonymous survey aims to understand how passengers perceive service innovations in airlines and how these experiences influence their loyalty. The results will be used for academic research only.

Time required: Approx. 5–7 minutes

Section 1: Background Information (Optional, for analysis purposes)

1. Age

- Under 18 18–30 31–45 46–60 61+

2. Gender

- Male Female Prefer not to say

3. How many flights have you taken in the past 12 months?

- 1–2 3–5 More than 5

4. Which type of airline do you mostly use?

- Full-service (e.g., Lufthansa, Singapore Airlines)
 Low-cost (e.g., Ryanair, AirAsia)

Section 2: Passenger Experience and Service Innovation

Please indicate your level of agreement with the following statements about your most recent flight.
(1 = Strongly Disagree, 5 = Strongly Agree)

# Statement	1	2	3	4	5
1 The airline's digital tools (app, website, online check-in, etc.) made my journey more convenient.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 The airport and boarding process was efficient and well-organized.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Innovative pricing and personalized service bundles (e.g., tailored offers or upgrades) provided additional value beyond basic services.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 The cabin crew provided personalized and friendly service during the flight.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 The in-flight environment and entertainment made the journey enjoyable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 I am satisfied with my travel experience on the flight.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section 3: Passenger Loyalty Intentions

Please indicate your agreement with the following statements.

# Statement	1	2	3	4	5
1 I am likely to fly with this airline again in the future.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 I would recommend this airline to friends or colleagues.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 I am satisfied with the overall value I received from the airline.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>