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MARKETING MIX ANALYSIS TO ATTRACT MORE  
CUSTOMERS  
CASE STUDY: SITA AIR PVT. LTD.

Degree Programme in International Business  
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## MARKETING MIX ANALYSIS TO ATTRACT MORE CUSTOMERS CASE STUDY: SITA AIR PVT. LTD.

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The purpose of this thesis was to study and analyse the current marketing mix following by Sita Air to attract more customers and evaluate the enhancing process to attract more customers.

The theoretical part of the thesis includes explanations about the 7Ps of marketing mix in aviation, SWOT (Strengths, Weaknesses, Opportunities, Threats) in aviation, PESTEL (Political, Economic, Social, Technological, Environmental, Legal) in aviation and STP (Segmentation, Targeting and Positioning) in aviation.

Research methodology is mentioned in the empirical part where data collection process and method used during the research are explained. Primary data was collected via email interviews and survey. Survey was done via google drive and at Tribhuvan International Airport, Kathmandu with the help of Operation quality manager of case company. Survey questions were printed in paper form and distributed among the customers at airport premises. In total, 101 responses were collected and analyzed. Two interviews were conducted via e-mail with Operation quality manager and Marketing manager of Sita Air. The final section combines up with different research findings along with some recommendations for case company. The findings are analyzed, and conclusion is made.

The author has a two years of experience of working as a freelancer photographer at Tribhuvan International Airport, Kathmandu. During that period, author was able to learn about aviation business and its aspects. Personal ideas and views of the author has also been added in this thesis.

The survey showed that the customer satisfaction matches with Sita Air's personnel opinions regarding the customers' experience. This signified that Sita Air is doing well in terms of service offerings. Services that are appreciated highly by most of the customers include ground handling, baggage claim, pilot's communication, flights information, etc. However, there are areas such as space facilities, easiness of booking via online, cleaning tools, etc. requires improvements. Thus, innovative renovation ideas were also collected from the discussions.

## CONTENTS

1	INTRODUCTION.....	1
1.1	Purpose of the study.....	2
1.2	Research methods and limitation.....	2
1.3	Structure of the thesis.....	3
2	RESEARCH OBJECTIVES AND RESEARCH QUESTIONS.....	3
3	THEORETICAL FRAMEWORK.....	5
3.1	7Ps of Marketing mix theory.....	5
3.1.1	Product.....	6
3.1.2	Place.....	7
3.1.3	Price.....	9
3.1.4	Promotion.....	10
3.1.5	People.....	11
3.1.6	Physical evidence.....	12
3.1.7	Process.....	14
3.2	Marketing strategic planning process.....	15
3.2.1	SWOT analysis.....	15
3.2.2	PESTEL analysis.....	17
3.3	Segmentation, Targeting and Positioning (STP) Strategy.....	21
4	RESEARCH METHODOLOGY.....	23
4.1	Research methods.....	23
4.2	Data collection.....	24
4.3	Reliability and Validity.....	25
5	CASE COMPANY SITA AIR.....	26
5.1	Introduction.....	26
5.2	Current Marketing Strategies.....	27
5.3	Vision, Mission, Goals and Objectives.....	30
5.4	SWOT, PESTEL and STP analysis of Sita Air.....	30
6	RESEARCH FINDINGS.....	34
6.1	Product.....	37
6.2	Price.....	40
6.3	Place.....	42
6.4	Promotion.....	44
6.5	Physical evidence.....	46

6.6	People.....	48
6.7	Process .....	51
7	SUMMARY AND CONCLUSIONS.....	53
8	RECOMMENDATIONS .....	54
	REFERENCES.....	57
	APPENDICES	

## 1 INTRODUCTION

Today, world has become a global village. Globalization in past years has led to connection of different countries across the globe. One of the prime factors of globalization is the inventions of various transportation methods. Airplanes are considered as the most common and easy means of long-distance travel. The world has been highly influenced by several services of airlines which has been commonly used among us. Statistics show that about 3.77 billion people have flown by air in the year 2016 and the number is increasing year by year. According to aviation analysts Ascend, the total number of aircraft currently in service is approximately 23,600 - that includes passenger and cargo aircraft. It reckons there are 2,500 more in storage (Website of Telegraph, 2018)

Although Nepal has a tremendous potential in aviation services, the services are still below international standard. Nepal is a developing country with total population of around 30 million. Roadways are the major means of transportation. The use of air transport as a means of travel has been increased in recent years. Though, more than ten airlines companies have been operating their services in the country, it is less popular among aviation passengers. The unpopularity of services is due to presence of various constraints which shall be discussed in detail in the thesis. (Website of Civil Aviation Authority of Nepal, 2018)

The thesis mainly focuses on current marketing strategies to be applied in aviation business and services to make aviation popular among passengers. As a result, number of passengers traveling by air increases. This soars revenue which is a good indicator of the successful business.

## 1.1 Purpose of the study

The purpose of this thesis is to study and analyse the current marketing mix adapted by Sita Air to attract more customers and evaluate if the current strategies can be developed more to grab high market share including sales increase. The study will be very helpful to make decision for changes that will be needed for further growth. Identifying the weaknesses of the company and customize those weaknesses helps to lure more customers.

Sita Air was chosen as a case company for this thesis because the airline business in Nepal is booming and the author's interest in aviation is high. As the country faces difficulties in the field of transportation due to geographical structure, citizens must depend on air transportation. Sita Air has a great potential in growing with proper marketing strategies. Sita Air mainly focuses on rural areas where road transportation is extremely difficult and dangerous.

## 1.2 Research methods and limitation

In the research, the author has used quantitative research method. Survey and interviews were two major tasks in this research. The survey was conducted online and at Tribhuvan International Airport with the help of Operation quality manager of case company. Survey questions were printed in paper form and distributed among the customers at airport premises by Operation quality manager. The questions were set in Google drive. Later, the link of the google drive was shared through Facebook pages. Altogether 101 responses were received. The questions were related to 7Ps of marketing along with demographic information of the respondents.

Later, the survey answers were analysed, and the weak strategies of the company were highlighted. Furthermore, some effective strategies were suggested to implement for the growth. In addition, email interviews with the case company's personnel were taken to study the current marketing strategies of the company.

There are some limitations and boundaries of the thesis. The thesis excludes information about the financial situation of the company, human resources and confidentiality of financial figures.

### 1.3 Structure of the thesis

Overall, this thesis carries out seven important sections, viz. Introduction, Research objectives and questions, Theoretical background, Methodology, Empirical study, Findings and Conclusions and Recommendations.

The first section of the thesis is 'Introduction' which gives an overview of the whole study including its purpose. Research objectives and questions include the main aim of writing the thesis and questions that research will answer. Theoretical framework includes explanation of 7Ps of marketing, SWOT, PESTEL and STP (Segmentation, Targeting and Positioning) in accordance to aviation industry. Furthermore, research methodology is mentioned where data collection process and method used during the research are explained. Reliability and validity of the research are also mentioned to justify whether the research is reliable and valid or not.

Finally, last section combines up with different researched information. The findings are analyzed, and conclusion is made along with some recommendations for the case company.

## 2 RESEARCH OBJECTIVES AND RESEARCH QUESTIONS

Every successful project has a clear and comprehensible objective related to the topic. The objectives of this thesis were:

1. To study about the goals and objectives of Sita Air
2. To study about the current marketing strategy of Sita Air.
3. To find strengths, weaknesses, opportunities and threats of Sita Air.

The main goal of the study was to explain the following questions:

1. What is the current marketing mix that Sita Air is following to attract more customers?
2. How to enhance the marketing mix to attract more customers?

### **Conceptual Framework**

Conceptual framework is a graphical illustration of the relationships of the concepts that will be handled. The framework helps to focus and visualize the research. (Marketing teacher, 2017)

The main thing to know about conceptual framework is that it supports and informs about a research that is planning to study, the key factors and relationships among them. It is either in graphically or narrative form. Conceptual framework is something which is created, not found. (Naidu, Babu & Rajendra 2006, 14)

Framework which is shown below explains the whole content of the research. Firstly, purpose and objectives of the research is explained. Later, comes the theoretical framework. This includes some marketing tools that the research needs. PESTEL and SWOT analysis are the part of the marketing environment while STP and 7Ps of Marketing are the part of marketing strategy. Furthermore, empirical part includes information about the research methods and data collection method. Later, the data are collected and analyzed. And finally, conclusion is made with some recommendations for the case company.



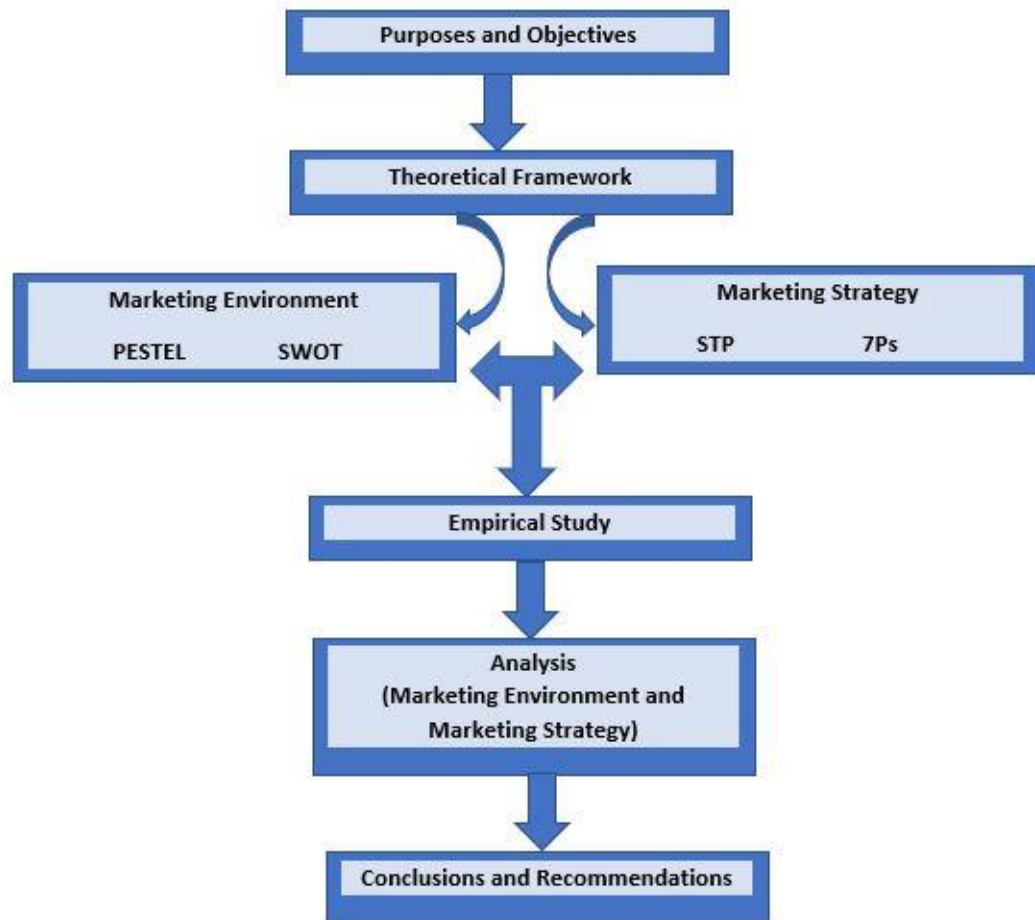


Figure 1. Conceptual framework of the Marketing Mix analysis.

### 3 THEORETICAL FRAMEWORK

#### 3.1 7Ps of Marketing mix theory

“Marketing is the management process which identifies, anticipates, and supplies customer requirements efficiently and profitably.” (Blythe 2012, 4)

There are several activities that are involved in Marketing. For any serving organization, it is very important to decide on the target group of customers. Once the target group is fixed, the organization then place their product in the market with suitable

price, product, place and promotional efforts. However, these mixes must be set in an appropriate proportion to achieve the marketing goals. This mix of product, price, place and promotional efforts is known as Marketing Mix. (Kotler & Armstrong 2016, 95)

According to Philip Kotler “Marketing Mix is a set of controllable variables that the firm can use to influence the buyer’s response”. (Kotler 2013, 4-5)

The 4Ps of marketing have the capacity to establish a highest level of customer satisfaction which later lead an organization to obtain its objectives. Therefore, it is very important to assemble these mixes according to target customers. Marketing mix is different in every organisation which is built according to feasible resources and the objectives. The marketing mix had to be extended due to the large number of service-based products. A well implemented marketing mix can create a brand value and strong competitive advantage to the customers. The modified marketing model of 4Ps is the 7Ps model and is generally used in service industries. The elements must be integrated and coordinated very crucially in a way they support each other in a perfect way. (Kotler & Armstrong 2016, 95)

### 3.1.1 Product

The term ‘product’ refers to any goods, ideas, information, objects or services that fulfil the want of individuals. It can be tangible or intangible where the user must pay something to acquire the benefits. The product mix is all the available products that are made available to provide to the customers. Such product services must meet the customer’s requirements and made suitable to the target markets. A continuous research and improvement will attract more customers if done properly. (Kotler & Armstrong 2004, 56)

According to Kotler, products consists of three types. They are Core product, Actual product and Augmented product. Core product refers to the intangible benefit which the consumer desires and thus gives a value to the product. The actual product is tangible which is offered in a physical form to the consumer. The augmented product is

an addition to the actual product. Marketing strategy can be directly affected by the product characteristics. (Kotler 2006, 548)

Product in aviation is wide because this portfolio includes all the services from the beginning of ticket buying procedures till the destination airport. If any service fails in between the travel process, the goal of satisfying customer fails. This can lead to lose customer and the process of building a good customer relationship also fails. Thus, managing the product variable efficiency is a must. The company should consider in providing a wide offer in product selection. Simplicity and functionality cabin design, luxury lifestyle onboard, flatbed seat, space for luggage, seating comfort, cleanliness, noise level, entertainment system, etc. are some of the crucial and most appealing services that passengers would love to have onboard. (Shaw 2007, 151)

Airline companies serve their customers through various means in their product portfolio. Some operates small planes like Twin-otter, Dornier, etc. while some operates bigger planes like Airbus A380 or Boeing 747. Airline companies offer services in both personal and professional level in terms of passengers flying in first class, business class and economy class. First class services are the most premium ones as they include beds, minibars, adjustable seats, etc. Business class passengers are offered with USB, laptop charging point, etc. while Economy class passengers are offered with plenty of food items. Different sources of entertainment inside the flight and wide variety of choice for food items are provided under product portfolio. (Website of MBA Skool, 2018)

### 3.1.2 Place

In marketing mix, place is the location where and how a product is served. Location is irrelevant to some businesses. However, the right location can attract more customers. The charge for the location can be high. So, placing the services in a wrong location can drain more money and lead to unprofitability. During the buy and sell process, there may include various intermediaries such as, wholesalers and retailers. (Kotler & Armstrong 2004, 56)

Some factors that need to be considered before selecting a location are; target customers, competitor's location, characteristics of the place and people, etc. Location is also important to the customers. The internal and external atmosphere of the location can affect customer's preferences. Internal refers to the things like, decorations, furniture, etc. and external things like, landscapes, parking area, windows, etc. Distribution channels is an important aspect in place mix. This involves various intermediaries to process the product and delivering them to the right customer. A strong distribution channel can be an advantage to the company. In today's world, logistics management is a part of a business and thus carries and controls all the order processing and transportation. (Kotler & Armstrong 2006, 890)

Placing in aviation refers to the area or location where the services are provided by an airline company to their customers. Airline companies should keep in mind that place plays a very important role in attracting customers. The terminals should not be crowded and difficult to reach. Customers appreciate accessibility. Thus, they are attracted more to buy tickets or services where they feel comfortable with less effort. The tickets are sold in different places by airline companies. Such as, internet, travel agents, airports, etc. (Grob & Schroder 2007, 46)

Every airline has their own hub airport where they provide services from. For instance, Emirates operates from Dubai which is the central hub for all the international routes that connects eastern and the western cities of the world. There are numerous numbers of airline who serves in long routes. Singapore airlines operates in Singapore-New York route which takes almost 18 hours and 25 minutes covering 9,534 miles. While some airline company operates shorter routes as well. Olympic Air of Greece operates Friedrichshafen of Germany to St. Gallen- Altenrhein of Switzerland which takes only 5 minutes and covers 12 miles. This route is travelled by a small Twin-Otter aircraft. Airline companies have their own distribution strategy that involves sale of tickets. The sale is done through various travel agents and tour operators. Tickets can be bought from the website of respective airline companies. Some other services that are provided under place portfolio are cancellation of tickets, rescheduling of flight, check-in counters, security checks, aircraft boarding, baggage claim, etc. Different periodical offer and discounts are also offered occasionally. (Website of MBA Skool, 2018).

### 3.1.3 Price

“Price is the amount of money charged for product or service”. (Kotler & Armstrong 2006, 621)

In general, price is the value to exchange with the product or service that is needed. It is the most vital means of commercial transaction. Price is determined with the evaluation that the buyers are willing to pay, and the sellers are willing to accept. It is always a complicated task to set the right price because setting lower prices may lead to unprofitability and setting higher prices can lose potential customers. On the other hand, it is always an easy task to change the price according to the market situation. (Kotler & Armstrong 2004, 56)

Marketers always should be clear about pricing strategies, objectives and methods that have a direct influence in price setting. Discounts and allowances must be taken into consideration in some transactions. There are many factors that enhance in defining the suitable price for goods and services. Such as, costs, competition, company's objectives, etc. In order to be a competitive in market, competitive pricing is very important. This can bring changes in customer flow, turnover and investments and revenues. (Kotler 2006, 628)

Pricing in aviation is far more challenging in today's environment. Thus, the airline companies have developed a sound pricing policy in managing the sale of seats. Under the policy, airline companies decide on the total number of seats they are selling and in what currencies. The fares need to be confirmed by IATA (International Air Transport Association). Profit maximization is the primary aim of all airline companies. There are three basic functions of price which play a role. They are yield, utilization control and positioning. The ticket prices are designed and fixed by the yield management which makes sure that the utilization will be available in maximum capacities to position the product in the market. Such tactical price policy ensures high occupancy rates. (Shaw 2007, 184)

Every airline companies have their own hub airport where they provide services from. Airline companies follows various pricing strategy and fix the price for their destinations. Some low-cost carrier airlines such as, Ryanair, Wizz air, etc provide tickets in low price as the services provided by these airlines are so poor. Such airline companies generate revenue through volumes. This means they operate more flights in a same route every day. While some airlines provide premium price policy for their premium customers. These customers are provided with luxurious and customised services in flights. It is very crucial for an airline to identify the needs of the customers and their different financial statuses. (Website of MBA Skool, 2018)

#### 3.1.4 Promotion

Promotion is the major key of marketing. The act of making any product visible in the market is promotion. It is the act of gaining awareness, increasing interest of costumers in products and services, bringing changes in the reputation and convincing the costumers to buy the product. Providing the services in an excellent way can lead in building trust and commitment with them. Sales promotions, advertising campaigns, etc. can be very fruitful to the company and thus helps to create word-of-mouth. Use of internet has become a growing form as a promotional tool of promotion. Especially many small-scale companies can increase their business in a relatively low cost. (Cowell 1993, 162-179)

Promotional mix helps to interact with costumers in a different way. These ways, like advertising, sponsorship, campaign, etc are some examples of promotion in commercial field which helps in attracting more clients. (Kotler & Armstrong 2004, 58)

Promotion and business go hand in hand in an airline business. Airline companies engage themselves in different promotional activities. This is done through magazines, newspapers, websites, television, radio, social medias, etc. For example, Emirates sponsored the ICC cricket world cup in 2011 and 2015 which enhance the company's reach to the millions. Often airline companies offer promotional discounts to the costumers during the off season to attract more customers. Running different innovative campaign is also a good idea to promote the company. (Website of MBA Skool, 2018)

Promotion increase product awareness. The stimulate demand can enlarge through promotional techniques. It is one of the most important strategies that airline companies should concentrate. A continuous improvement is also needed in time to time. Since the promotional cost can cut revenue, airline companies follow different steps to cut down those costs. For example, issuing flight tickets along with boarding pass electronically. The printing costs are transferred to passengers. This can also save time during the check-in procedures at the airport which makes the service quick. The promotion approaches that are mostly followed by the airline companies are; printed materials including newspaper and magazines, social media including Facebook and Instagram, friends and families, hoarding boards, shop signs, etc. The booking and management system are being ensured by easy to handle software and plenty of online search engines are established which helps to open new distribution channels. This can lead to increase demand. (Shaw 2007, 279)

### 3.1.5 People

In commercial way, People means all the individuals who are and will be using the product or service offered by any firm by paying the price. People mix is taken as the crucial part of marketing mix. They are the most important factor in business world as well because all the product or services are produced for them. People are commonly referred as consumers and they can affect any successful business processes. (Lovelock & Wirtz 2010, 302)

The service provider plays a vital role in company's advantages and disadvantages. The way they behave influence the customer's choice and trust. They must present their product and service in a way that customers feel ease and comfortable. One small wrong move can degrade the image of the company. Therefore, they should build up with good characteristics like; helpfulness, polite, friendliness, etc. The company should not hesitate to invest in human resource. A strong investment and training create a huge competitive advantage. This can bring a drastic change in the revenue. A well performance by a well-trained staff attract more customers and build a customer

loyalty. Thus, it is very important to train the staffs and motivate them. A correct management can build a strong loyal team and significantly bring changes in the revenue. (Kotler & Armstrong 2004, 59)

People in aviation refers to the staff of the organization. The staffs represent the organization and deliver the services to the customers. The employee must be qualified with appropriate communication skills and service knowledge. If the employee is not well qualified, it will build a bad impression. The customer service strategy must be effective and well known by the customers. Better the customer service, more the customers. Thus, the crews must be well trained to deliver high quality service and satisfaction to the maximum. (Shaw 2007, 81)

It is very important to have a strategy of always focusing on customers and treat them according to their need. Airline companies have a huge number of employee force. For example, Emirates have more than 50,000 people worldwide. Such huge workforce includes, pilots, crews and other staffs. The staffs must possess caring attitude, responsiveness and problem-solving ability. The airline provides services to more than 50 million passengers worldwide every year. (Website of MBA Skool, 2018)

### 3.1.6 Physical evidence

Physical evidence is one of the crucial factors in marketing mix as it refers to the way how a products and services appears from outside. A customer's perception can be affected by the service provider's location and atmosphere. In terms of restaurant, the comfort of seats and sofa, the arrangements of tables, the materials provided for consumers, etc. are the physical evidence. (Cowell 1993, 228)

The tangible objects for use of consumers which are included in price and have impact on business growth is physical evidence. In terms of shopping market, a nice clean building, easy location and free parking spaces makes the shopping more attractive. Customer feel comfortable in choosing such markets because they are sure that there won't be facing any problems during the shopping. This can bring changes in the revenue without any doubt. (Zeithaml 2006, 215)



Not only the outside environment, the inside environment also plays a significant role. The inside environment refers to furniture, temperature, smells, lighting, etc. The customer's expectation must meet with the services that are made available to them. All the services must be functional and comfortable for customers and the service provider. (Kotler & Armstrong 2004, 59)

Physical evidence in aviation is the environment of an airline company which allows the customers to make judgements on the company. Customer have high expectations. Therefore, the staffs should always keep in mind that the environment for the customers is clean and comfortable. Customer satisfaction is the goal of every airline companies. For this, they focus more on customer experience. Different airline companies provide a lot of services under physical evidence portfolio. For example, Emirates is one of the leading airline companies in middle east. It has got a well maintained state-of-the-art terminal facility in Dubai. The company is equipped with big and modern fleets of airplanes that serves thousands of passengers every day. All fleets are equipped with latest entertainment system. Stylish offices, lounges to first class and business class passengers, inflight entertainment system, etc reflects the luxury and quality of services provided by Emirates. (Website of MBA Skool, 2018)

Customer disappointment can result in customer searching. The services should carefully balance and optimize. The harmful inconsistency must be avoided which will enhance in providing a superior service quality. People are likely to choose airline which is easy and convenient to contact. The available infrastructures play a vital role in attracting more customers towards an organization. The easier customers feel, the more will be the customer flow. Therefore, the employers must keep in mind that the customers are god to them and should treat nice towards them. Factors like, Point-of-Sale Service, Reservations and Overbooking, Airport Service and Airport Service must be closely monitored in a regular basis because the airline business is a very sophisticated business. One mistake can bring down the whole business. (Shaw 2007, 168-173)

### 3.1.7 Process

A bunch of systematic actions that are taken to complete or achieve certain target is known as process. In simple way, the steps of completing the task is process. There is a process for every task in our general life to professional life. It shows a concept of how a whole system works. This starts with a communication followed by information on product or services, their availability, making an order and finally the delivery process. (Cowell 1993, 73-74)

This process mix refers to all the marketing activities that are done from delivering a product or service to the customer, checking and controlling and finally analysing the achievement the objectives and satisfaction of the customer. (Kotler & Armstrong 2004, 59)

The management of the process includes 8 stages. They are; planning and controlling, layout design, time planning, inventory control, quality control, operations control, planning of operations and finally forecasting. All these stages are aimed in meeting the company's goals and objectives by delivering services to the customers in a right time. The operation management plays a vital role as it looks after all the facilities performed by product and services, their availability, quality, and finally forecasting the demand. (Cowell 1993, 243)

Process in aviation refers to the system in which an airline company run. This enhance the company to provide their services to the customers. Airline focuses a lot to provide better services to their customers. Airline provides different services under process portfolio. Such as; the availability of different lounges at the airports, extra special services, additional services, etc. Every operation and services are closely monitored by the management department of the company and customer services are highly prioritised. Therefore, the airline must constantly offer high quality service so that the airline can retain the customers. (Website of MBA Skool, 2018)

Processing all the services provided by a certain airline company is very stressful and difficult. Dealing with numerous numbers of customers, their choices, their feedbacks,

etc. are the most challenging. But, on the other hand, this can provide a tremendous opportunity to those people who want to uplift their standard of living from this exciting and fascinating industry. (Shaw 2007, 294)

### 3.2 Marketing strategic planning process

It is a process where a proper study of a certain company's capabilities is carried out. Later, it is combined with the market situation to establish the company's objectives and implement them. This requires a proper understanding of customer's needs and demands. The planning process is done in consideration of SWOT analysis and STP (Segmentation, Targeting and Positioning) strategy.

#### 3.2.1 SWOT analysis

According to Marketing Guru, Prof. Philip Kotler, SWOT analysis is for the overall evaluation of company's **Strengths, Weaknesses, Opportunities and Threats (SWOT)**. It gives a wide information on company's internal and external capabilities. Strength and weakness fall under internal whereas opportunities and threats come under external capabilities. By using SWOT framework, any company can sketch a strategy that separates the company from their competitors so that they can compete easily in the market. New businesses can use SWOT-analysis with their planning process. This can put any organization into correct track in no time and can save a lot of time and the hassles as well. (Doyle 2002, 86)

#### **Strengths**

Strengths of a company can be considered from internal perspective and from the customer's point of view in the market. It can be identified from a company's characteristics. Strength of a company can be known in a better way if it is compared in a relation with the competitors. For instance, if our competitors are selling high quality products, then a well-managed production process is not our strength; it is our obligation. (Kotler & Armstrong 2016, 80)

Every airline companies have a certain strength within them. Perfect timing can be one of them. We might have experienced delays during our flights. Such situation can bring a negative image of the company in the customer's mind. The well-trained staffs and crews could be another strength. Only the qualified and skilful employers can handle the customers properly and efficiently. This can enhance in attracting more customers. Similarly, well equipped infrastructures and safety record can help in building a good brand in the whole world.

### **Weaknesses**

Weaknesses can be identified through both internal and external perspective. If our competitors are doing good and better in the market than us, there must be some weaknesses within us. And, it is very important to be realistic now and bring some changes in the company as soon as possible. It can bring the company's competitive advantage down and loses the value. (Fleisher & Bensoussan 2003, 92)

Just like any other organization, airline companies also have some weaknesses that affects the revenues continuously. Lack of professional staffs and infrastructures, being the most prevailing in most companies. The management system getting weaker is another negative part. Poor marketing plan, debts and inability to recover them, insufficient company policies, etc. are some of the well-known weaknesses of a company.

### **Opportunities**

Checking on our strengths and asking our self whether we can bring some opportunities through our strengths is a very useful approach. Similarly, our weaknesses can be eliminated to open new opportunities. Successful business constantly checks the market situation to build up new opportunities. (Fleisher & Bensoussan 2003, 92)

Airline industry is a leading business sector in the world. The number of stakeholders willing to invest in airlines are increasing. The aviation around the world is growing and airline companies can grab this opportunity to increase capital and enlarge the economy of a country.

## **Threats**

Threats includes the external factors that can harm the business and affect the ability to perform. Therefore, a plan must be made beforehand so that if any threats occurs, the company can have some ways to act quickly and recover from it. (Kotler & Armstrong 2016, 81)

With the increase in the number of airplanes and aircrafts, it is likely to happen that there will be shortage of airports and airport facilities. In order to minimize this, the airline companies should build their own airports with enough parking bays for their aircrafts. The fuel price is in increasing trend in today's market. This can lead in lowering down the investment in the airline companies.

### 3.2.2 PESTEL analysis

PESTEL analysis is a part of business strategy used by firms to cope up in the environment that is changing according to time. It can be used during the process of making both short-term and long-term strategy. While making the strategies, the company needs to identify several external and internal factors that have direct or indirect on the operation. PESTEL analysis is one of the most popular tools used for analysis. It consists of political, economic, social, technological, environmental and legal factor which cover almost all the criteria. Therefore, PESTEL analysis is a tool used for marketing, when analysing the macro-environmental factors of the target country, which are the political, economic, social, technological, environmental and legal aspects. (Kotler, Keller, Brady, Goodman & Hansen 2009, 171)

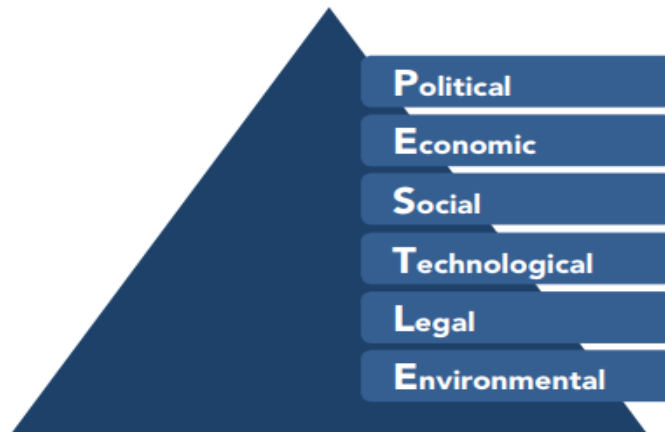


Figure 2. Different factors of PESTEL analysis

### **Political Factors**

The political factor indicates the situation to what extent does the government interventions impact the operation and growth of any business in any country. Every country has its own rules and regulations for national and international business. The business must follow the governmental criteria to function. Employment laws, consumer rights, political situation, taxation, trade laws, environmental protection law, corruption, bureaucracy, war and terrorism are some major areas covered by political factors of PESTEL analysis. (Kotler & Armstrong 2016, 98; Kotler, Keller, Brady, Goodman & Hansen 2009, 171)

Changes in the system and the business environment can take a lot of time and thus, can be fatal to the company. The political situation of the country must be stable. The management of the government and corruption can affect the airline's policy and operation. And, this can bring uncertainty in the airline industry. Wars and terrorist attacks have a sudden and negative impacts for an airline. With such instabilities, it is likely that the airline companies should ensure new security measures in the airports and airplanes. (Shaw 2007, 50-51)

### **Economic Factors**

Economic factors are the most important criteria that the business must consider as it has a direct impact on the output and profitability. Operation without profit won't survive for long and to maintain the profit the level, the economic factors need to be

handled carefully. The interest rate, cost of raw materials, labour cost, unemployment rate, exchange rate, inflation, cost of living are some economic factors effecting the market strategy. If the economic factors are favourable for business, the profit rises and vice-versa. (Jobber 2007, 81; Kotler & Armstrong 2016, 106; Kotler, Keller, Brady, Goodman & Hansen 2009, 163)

It is true that if the world economy rises, the number of people using airlines is also expected to rise too. This can give a big opportunity to the airline industry. Tourism industry plays an important role in the development of economy in a country. For this, the available tourist destinations must be improved and extended. If the economy of a country increase in a certain year, it is likely that the air travel also rises. This is a challenge to accommodate the growth. Therefore, sustainable development and suitable infrastructures should be managed beforehand. (Shaw 2007, 65)

### **Social factors**

Every society has their own norms and living structures that decides the market style around them. Thus, a marketer should always keep in mind about the social issues as it helps to identify what the consumers in certain area prefer. As example, selling pork in Muslim society is the most stupid marketing policy. Overall, the social factors are related to emotion that has huge impact while making marketing strategies. Demographics, Work ethic, Lifestyle trends, Cultural Taboos, Consumer attitudes and opinions, Consumer buying patterns, ethical issues, major events and influences, buying access and trends and religious beliefs are some major social factors of PESTEL analysis. (Jobber & Fahy 2015, 37)

The airline industry creates employment opportunities to hundreds of people. Highly skilled manpower is employed to fulfil the required manpower strength. The working life becomes busier than before. The living standard rises as the income grows. It is likely the employer would like to spend their holidays in a different country with their loved ones. Because of the changing world, the airline should re-think about their marketing approaches. The facilities provided on ground and on planes must be re-arranged since the competition is very high. (Shaw 2007, 69-70)

**Technological factors**

The operational method of business is changing rapidly now. The elements or innovations that affect the business operation positively or negatively is known as the technological factors. This factors mainly effect the way of producing, distributing and communicating process. Research and innovation, digital change, entrance of Roberts, automation are some main elements of technological factors. (Jobber 2007, 97)

Use of modern technology in aviation business has become must in today's world. There are so many cases of terrorism and theft that incur in the airports around the world. Two biggest aircraft manufacturing companies; Airbus and Boeing, are spending millions of dollars in building a well technically equipped aircraft. On the other hand, the airlines should equip the airports with enough infrastructures that can detect any faults beforehand and save any disaster from happening. Only ticket system also flourishes with the use of latest technology. (Shaw 2007, 72)

**Environmental Factors**

The elements that makes an impact on ecological aspect and environment of surroundings are covered by environmental factors. It is also related with corporate social responsibility that aims to keep the society healthy and pollution free. The regulations related to environmental issues are getting stricter than earlier. Recycling procedures, carbon footprint, waste disposal and sustainability, contamination are some main functions of environmental factors. (Jobber 2007, 81)

Airlines are tending to fly such aircrafts that are eco-friendlier and more fuel-efficient. Climate change has been the major issue and airlines are suggested to implement 'green flying' procedure for safe environment. Recycling and reducing the waste materials, etc. are some policies that are applied by some airlines like British Airways, Virgin Atlantic Airways, etc. (Shaw 2007, 73)

**Legal Factors**

Law is the vital criteria every business must follow to operate in certain area. The business may suffer or must pay huge penalty if the law and regulations are not fulfilled in appropriate way. And the company need to know what is and is not legal



beforehand to get rid of sudden loss. Discrimination laws, antitrust laws, employment laws, consumer protection laws, copyright and patent laws, health and safety laws, and money laundering laws are some main legal issues the company must consider. (Kotler, Keller, Brady, Goodman & Hansen 2009,171)

Every air traffics are controlled by laws that are formulated for the safety of passengers. Airline companies are required to run under the laws and regulations that are managed by International Air Transport Association (IATA). Airline should run under those laws and offer safe travel. It is the airline's responsibility for any crash or disaster.

### 3.3 Segmentation, Targeting and Positioning (STP) Strategy

#### **Segmentation**

The concept of market segmentation was developed by Wendell R. Smith states in his article that 'Product Differentiation and Market Segmentation as Alternative Marketing Strategies' observed 'many examples of segmentation' in 1956. Nowadays, market segmentation is an essential tool of marketing where marketer's problems are solved by dividing market into different sectors. It eases the market plan and helps to plan better product as per requirements of the sector. Targeting whole market can cost more and takes more time. Therefore, to reduce such cost and time, an organization divides the entire market into segments which are accessible, profitable and have a good potential of growth. (Doyle 2002, 61)

Every airline companies have a different market segmentation strategy depending upon the policies of the company. There are costumers who are willing to pay any price for additional services while some are price sensitivity. Every segments are different and include distinct needs and approaches. The services provided under each segments differ. The mostly known market segments in airline industry are:

1. Purpose of travel (business, leisure, etc.)
2. Length of travel (short haul, long haul, importance of in-flight services, etc.)
3. Country of origin (dietary, religious, etc.)

## **Targeting**

A target market is second important tool for marketers. It is the sets of customers sharing common needs and wants that business decides to target. After the marketer identified the segments, the marketer should draw a picture how to target the customers according to the segmentation. Market targeting is mainly categorized into three different marketing sectors which are undifferentiated marketing, differentiated marketing and concentrated marketing respectively. (Kotler & Armstrong 2016, 232)

Airline companies separate their customers in a certain category and provide services differently under each category. Such category can be; Upper class, Middle class, Corporates, etc. Upper class people relatively fly with high class and quality services are offered. Middle class services are also offered with quality but the number of facilities they will be offered are less in comparison to the people flying with high class. Corporates can be both higher class or middle class depending on their willingness to pay.

## **Positioning**

Positioning refers to initiating service or product so that consumers can take benefits from it. Company must analyze the consumer's behavior and place their product in a meaningful way because it is one of the key ways in attracting customers. (Jobber & Fahy 2015, 132)

Airline companies position themselves as a Low-cost carrier or Premium carrier in the market. This makes easy to the customers to choose airline company according to their standard. People with average salary relatively fly with Low-cost. The fares are low with a smaller number of services. The onboard food needs to be bought by the customers. Ryan Air, Wizz Air, EasyJet, etc. are some of the low-cost carries flying now. While, Premium airlines are mostly flown by higher class people. The fares are high, and services are extra ordinary. Emirates, British Airways, Singapore Airlines, etc. are some of the premium airline companies.

## 4 RESEARCH METHODOLOGY

### 4.1 Research methods

Research method is a bunch of multiple process for collecting data from sources for further analysis which helps to make a conclusion. There are many simple and complicated stages of research process. Observation, recording, making notes, interview are some examples of research stages. Basically, the outcomes can be analysed in two ways. Firstly, if the findings are summarized based on empirical evidence, it is called induction method and if the conclusions are made based on theoretical logic, it is called deduction. Research methods are mainly divided as Descriptive and Analytical, Applied and Fundamental, Quantitative and Qualitative, Conceptual and Empirical. (Robert 2000, 134)

For data collection and analysis process, quantitative research method is used in this thesis.

#### **Quantitative Research**

Quantitative research is used to evaluate the issues in the form of numerical data. Those numerical data can be later transformed into a usable statistic. It is used to specify opinions, views, behaviours and the results are concluded from a large sample population. Quantitative research is more systematic and logical than qualitative research method. This research method includes a large and various forms of surveys, for example, paper survey, telephone survey, online polls, face-to-face interviews and precise observations. This research method uses data that can be measured to define facts and discover the complicated patterns during the research. (J.K. 2008, 201-202)

As per the nature of the research, author has used quantitative research. The primary data were collected via e-mail interviews and survey questionnaires. Interviews were conducted with two personnel from case company. The personnel represented Marketing manager and Operation quality manager. Similarly, survey was done via google drive. Questions were set on google drive and link was shared via Facebook pages. Survey was also done at Tribhuvan International Airport with the help of Operation

quality manager. Survey questions were printed in paper form and distributed among the customers at airport premises. Altogether, 101 responses were analysed.

For interviews, there were 7 questions and each question were related to the 7Ps of marketing. In survey questionnaire, there were altogether 13 questions in which 7 questions were related to 7Ps of marketing. Customers were asked to rate the services that Sita Air is providing under each P. 3 questions were related to the demographic data of the customers, viz. age, gender and profession. 2 questions were related to the targeted customers and potential customers of Sita Air. And last question was asked for any recommendations for improvement.

The analysis was done in accordance with the 7Ps of marketing. First, the Personnel expectation about customer feedback is obtained from the interview, then the actual survey result is analyzed. Then, the survey result was mapped to author's 2-scale classification and compared with the personnel expectation. Obtained customer remarks and recorded observations are further discussed at the end of each analysis.

#### 4.2 Data collection

Data for the research purpose is known as the raw materials needed for processing for the outcome. It is one of the most important aspects of research process. Data collection is the process of collecting the information from various sources for the specific purpose. In data collection process, the researcher needs to decide beforehand about which data to collect, how to collect, when to collect and how to proceed ahead. In most cases, data are collected from two types of source for the research purpose. The primary data source and secondary data source. Primary source of data reflects the original data collected by the researcher for the aim of the research. It is also known as first hand data which is not published anywhere. The reliability and validity of primary data is high as it is done originally by oneself and the producer its origin and the way of processing. In contrast it is costly and time consuming. Different surveys, interviews, questionnaire, live observation are some example of primary source of data. Secondary source of data are those data which is already published by someone else. The user has no idea of its origin or its purpose. It is also called second hand data. The

secondary data can be easily obtained from literature, compilations, surveys, journals and publications. Sales report, annual reports, printed books, newspapers and internet are some main sources of secondary data. (J.K. 2008, 116)

In the research, the data were collected via e-mail interviews and questionnaires. The interviews were done with Marketing manager and Operation quality manager of case company. Questionnaire was done with customers in Nepal via google drive. Link of the drive was shared through Facebook pages. Questionnaire were also given to the customers at Tribhuvan International Airport, Kathmandu with the help of Operation quality manager. Survey questions were printed in paper form and distributed among the customers at airport premises. All in all, 101 responses were analysed.

#### 4.3 Reliability and Validity

Reliability and Validity are essential part of any project as it is interrelated with findings and has impact on conclusion and recommendations. Reliability measures the consistency and validity highlights the accuracy of outcome. Reliability is the measurement of stability of outcomes in any tests performed. It implies that the score or result must be the same or similar in each time when the test is performed. Whereas, Validity is the measurement of believability in any research. It identifies if the score or findings are genuine or not. Basically, it implies the process if it is done in correct way or not. The valid test is always reliable, but the reliable test is not always valid. (Burns 2000, 136)

In the research, the author has used official and authentic resources to keep it reliable and valid. The information was collected from the official site of case company. E-mail interviews were done with the Marketing officer and Operation quality manager. Questions were set on google drive and link was shared through Facebook pages. In addition, the questions were also given to the customers at Tribhuvan International Airport Kathmandu with the help of Operation quality manager. Survey questions were printed in paper form and distributed among the customers at airport premises.

## 5 CASE COMPANY SITA AIR

### 5.1 Introduction

Sita Air is one of the domestic airline companies in Nepal with its hub based in Tribhuvan International Airport, Kathmandu. The airline was founded in the year 2000. The company faced some political issues and was unable to operate till 2003. Later, on 6th February 2003 the airline was finally able to gain the air operating certificate and started its service with one single aircraft. Sita Air has been operating in Nepal for 13 years and is now a leader in the Nepalese STOL (Short Take-off and Landing) domestic market which needs very short runways for take-offs and landings.

Currently, Sita Airs' fleet is composed of Dornier Do-228 whose average age is 19 years. The company's aim is to provide top quality commercial air transportation services for domestic passenger and cargo in Nepal and to establish itself as the most preferred domestic airline. It is planning to take advantage of the inadequate air services in the domestic market coupled with the increasing demand for schedule and charter passenger travel and cargo transport on rural area falling in STOL routes. STOL routes connected by air from Kathmandu to Jomsom, Jumla, Simara, Bharatpur, Simikot, Tumlingtar, Lukla, Khanidandha, indicate that an established airline providing air service connecting rural areas could capture a significant portion of the current air transport business from those hubs. (Website of Sita Air, 2018)

The airline has been providing following air services within the nation:

1. Schedule Flights
2. Non-schedule Flights
3. Charter Flights
4. Cargo Flights

## 5.2 Current Marketing Strategies

Although Sita Air is providing its services to most of the domestic sectors in Nepal, the progress has not seen positive changes. The company have a smaller number of planes than before. The management is so poor, and corruption is in the high level. The political situation of the country has also played a vital role in the degradation aviation industry. There is no safe environment for airline companies to operate peacefully. (Sharma, personal communication on 12.12.2018)

As the demand of planes increasing, the company couldn't buy more planes to enlarge its services. On the other hand, the company itself is unable to provide quality services. Lack of transparency has led to suspend services provided by the company and the activities are hugely corrupted. The market demand is high, but the company cannot afford more to provide quality services to the customers. The government is unstable and corrupted. Because of this, the whole system has become a mess. Operation of Dornier aircraft has some significant benefit to cater to domestic network. The airline is operating on almost all prominent popular hub airports with high utilization based on price advantage. (Sharma, personal communication on 12.12.2018)

Based on the interviews conducted with the Marketing manager and Operation quality manager of Sita Air, the following information on current marketing strategies, SWOT, PESTEL and STP were identified:

### **Aircraft advantages**

Dornier 228 is a very popular aircraft all over the world. The aircraft that the company have all the navigational and other equipment's to meet the compliance requirements of CAA Nepal and there are no extra costs to upgrade or retro-fit required. The aircraft parts are still being manufactured and are readily available. The airline plans to use its existing fleet of four Dornier 228 aircraft, connecting tourist and STOL air-fields from hub airports. Later, the company has planned to dry lease one more Brand-new Dornier 228NG aircraft and operate on STOL airports as future, in order to cope with the demand and for providing safe, reliable and efficient services. Period of lease purchase is expected to be of 7 years with 20% down payment upfront. Aircraft value is set at US\$9m each. (Sharma, personal communication on 12.12.2018)



Figure 3. Dornier Do-228 of Sita Air at Kathmandu Airport.

### **Reservations advantages**

Many airports in Nepal lacks modern technology and has poor security checking system. This has become a major problem. Many new airports are being constructed in the country because of the growing demand. This is actually, a very good news for the airline company as they can extend their services and bring changes in the number of destinations. Sita Air is one the first airline companies in Nepal to start online ticket service. People from all over the world can book their tickets whenever they like. Also, the number of people using internet in Nepal has also increased over the years. The internet connection has reached most of the places. The existing airline use customized online reservation system which has many advantages leading to overall cost savings with increasing number of passengers. (Sharma, personal communication on 12.12.2018)

There are number of authorized sales agents and travel agents available within the country. Nepal is growing in aviation business. More than 10 airline companies operate domestic flights to different destinations every day. The demand for tickets and flights are increasing. Sita Air has got good opportunity in adding more planes and earning better market share. The economy of the country is increasing. Because of this, many people can afford travelling through planes. Political stability and restructuring of the country are expected to require more air services. Furthermore, domestic tourism is on the rise with more intra-country movements by air. (Sharma, personal communication on 12.12.2018)



**Cargo advantages**

Sita Air is one of the leading cargo operators in Nepal as there are not many cargo service providers in airline business. The cargo services are mainly provided to the rural areas like, Lukla, Simikot, Rara, etc. Sita Air only operates the German made aircraft; Dornier DO-228 whose average age is 19 years. The aircraft was selected considering multiple factors. It is one of the best cost-effective airplanes with operational parameters aided with latest technology. It has got high dispatch reliability. The maintenance support is in South Asia and Singapore. The aircraft is equipped with latest technology in turbo prop category. (Sharma, personal communication on 12.12.2018)

**Employer's advantages**

The airline has created employment opportunities to hundreds of people. Except the management personnel, the senior technical engineers are hired from abroad to fulfil the required manpower strength initially. The company has endeavour to build its own technical manpower by recruiting locally available engineers (AMEs) and sending them to type rating training at approved training centres. The strong strength of the company is the highly qualified and experienced professionals. Only qualified people in a company can do better and can bring changes in the revenues. The services of the company are managing by efficient management teams. Not only the services, but they are also emphasizing on controlling costs, marketing and monitoring budgets, etc. The aircraft Dornier Do-228 has proven the performance record in Nepal. It is the newer fleet of aircraft and has got good performance level worldwide. Furthermore, the company consists of professional and experienced technical team including pilots and engineers. (Sharma, personal communication on 12.12.2018)

### 5.3 Vision, Mission, Goals and Objectives

#### **Vision**

To be known as the most desired domestic air operator based on management principle and customer services. (Website of Sita Air, 2018)

#### **Mission**

To provide safe, efficient and reliable scheduled passenger, cargo and charter air services covering all domestic sectors. (Website of Sita Air, 2018)

#### **Goals and Objectives**

1. To provide safe, reliable and efficient services.
2. Care for the customer's needs with honesty and fair.
3. Provide top quality customer services.
4. Maintain safety first attitude.
5. Guarantee value for money always.

(Website of Sita Air, 2018)

### 5.4 SWOT, PESTEL and STP analysis of Sita Air

#### SWOT analysis

##### **Strengths**

The strong strength of the company is the highly qualified and experienced professionals. Only qualified people in a company can do better and can bring changes in the revenues. The services of the company are managed by efficient management teams. Not only the services, but they are also emphasizing on controlling costs, marketing and monitoring budgets, etc. The aircraft Dornier Do-228 has proven the performance record in Nepal. It is the newer fleet of aircraft and has got good performance level worldwide. Furthermore, the company consists of professional and experienced technical team including pilots and engineers. (Shrestha, personal communication on 12.12.2018)

### **Weaknesses**

Weaknesses can be very expensive and is a major factor for any organization. As per the interview, the main weakness of the company is the competition with established airline companies, such as, Buddha Air, Yeti Air, Summit Air, etc. Another weakness is the political system of Nepal. Due to the unstable government and corruption, the airline is struggling to maintain growth in the market. Various issues like technical and mechanical has led the airline to ground planes time to time. The fault in the mechanical part of the aircraft has become a major issue now. The airline consists of only 4 aircraft, which is not enough. Domestic rivals like Buddha Air, Yeti Air, and Summit Air has got more planes than Sita Air. In-order to sustain in the market, the passengers are being overcharged and flights are delayed. (Shrestha, personal communication on 12.12.2018)

### **Opportunities**

The biggest opportunity for the company is the geographic situation of the country. Road transport is almost impossible in many rural areas. In such situation, air transportation is the only option for the country. Nepal is growing in aviation business. More than 10 airline companies operate domestic flights to different destinations every day. The demand for tickets and flights are increasing. Sita Air has got good opportunity in adding more planes and earning better market share. The economy of the country is increasing. Because of this, many people can afford travelling through planes. Political stability and restructuring of the country are expected to require more air services. Furthermore, the domestic tourism is on the rise with more intra-country movements by air. (Shrestha, personal communication on 12.12.2018)

### **Threats**

Sita Air is one of the leading airline companies in domestic sector and it has got its threats. the airline is facing difficulty in maintaining the faults that keeps on occurring in the aircrafts. Because of this, the operational cost and staff cost has risen. In addition, the present socio-political environment in the country is not compatible and changes are more likely to happen. New airlines companies are emerging in the market which is

also a major threat for the Sita Air as the company do not have enough planes to fly. (Shrestha, personal communication on 12.12.2018)

PESTEL analysis

### **Political**

The political situation of the country is unstable. The management of the government is poor, and corruption has affected the airline's policy and operation. This has brought uncertainty in the airline industry. Nepal is an economically poor country but over the years, the average income has shown a positive change. The per capita income is rising. This can bring more opportunities to the airline industry in the future. But, as the price of the fuel has been increasing, this can bring changes in the passenger flow. (Sharma, personal communication on 12.12.2018)

### **Economical**

Different plane crashes have left an impact on the airline industry in Nepal. The unstable political condition, fluctuations in oil prices, etc. are affecting the growth of the industry. Airline companies are fighting with a smaller number of customers, high fuel prices, competition with other airline companies and the maintenance costs. Furthermore, the crash news of Sita Air is affecting the airline to attract more customers. (Sharma, personal communication on 12.12.2018)

### **Social**

The airline has created employment opportunities to hundreds of people. Except the management personnel, the senior technical engineers are hired from abroad to fulfil the required manpower strength initially. The company has endeavour to build its own technical manpower by recruiting locally available engineers (AMEs) and sending them to type rating training at approved training centres. (Sharma, personal communication on 12.12.2018)

### **Technological**

Sita Air only operates the German made aircraft; Dornier DO-228 whose average age is 19 years. The aircraft was selected considering multiple factors. It is one of the best cost-effective airplanes with operational parameters aided with latest technology. It

has got high dispatch reliability. The maintenance support is in South Asia and Singapore. The aircraft is equipped with latest technology in turbo prop category. (Sharma, personal communication on 12.12.2018)

### **Environmental**

Aircrafts of Sita Air is one of the best pollution effective airplanes. The aircrafts are aided with latest technology that creates less pollution in comparison to aircrafts flown by other domestic airline companies. In addition, the waste materials from the flights are disposed in the right place. Sita Air is very concerned about the environment pollution and acts under the policies outlined by Civil Aviation Authority of Nepal. (Sharma, personal communication on 12.12.2018)

### **Legal**

Sita Air mainly focus on safety, reliability, standard, sustainability, effectiveness and easily accessible services to the general public. Policies are often updated to emphasize on active participation in the air transport services. New laws are implemented regarding how the airline treat their passengers. (Sharma, personal communication on 12.12.2018)

Segmentation, Targeting and Positioning (STP) analysis

### **Segmentation and Targeting**

Sita Air is still in the growing stage and has not been able to create a formal segmentation and targeting strategy till date. However, it is known that, the company targets every Nepali citizens from all age group along with foreigners. This includes middle class people to corporates and tourists. (Shrestha, personal communication on 12.12.2018)

### **Positioning**

Sita Air mainly serves in rural areas in Nepal. It operates from Tribhuvan International Airport in Kathmandu. The company is neither a premium or low-cost carrier. The company is still in the growing stage and is not able to position themselves on the right

category till date. It provides services like reservation, baggage handling, flight entertainment, facilities at the airport, flight information, etc. (Shrestha, personal communication on 12.12.2018)

## 6 RESEARCH FINDINGS

The interviews were conducted with two Sita Air personnel via e-mail. All questions were related to the 7Ps of marketing mix.

The survey was conducted via google drive. The link to the drive was shared via Facebook. Also, survey was carried out in the paper form at the Tribhuvan International Airport with the help of Sita Air's Operation quality manager. All the questions were in rating style and related to the 7Ps of marketing mix. From 'Excellent' to 'Poor', customers were asked to rate the services that are provided under the 7Ps of marketing. All together 101 responses were analyzed.

To make analysis simple and more reliable, author classified actual ratings under only two scales; Satisfactory and unsatisfactory. 'Excellent', 'Very Good' and 'Good' is classified as Satisfactory and 'Fair' and 'Poor' as Unsatisfactory.

Table 1. 2-Scale Classification

Satisfactory	Excellent, Very Good and Good
Unsatisfactory	Fair and Poor

The analysis was done in accordance with the 7Ps of marketing. First, the Personnel expectation about customer feedback is obtained from the interview, then the actual survey result is analyzed. Then, the survey result was mapped to author's 2-scale classification and compared with the personnel expectation. Obtained customer remarks and recorded observations are further discussed at the end of each analysis.

## Demographic Information

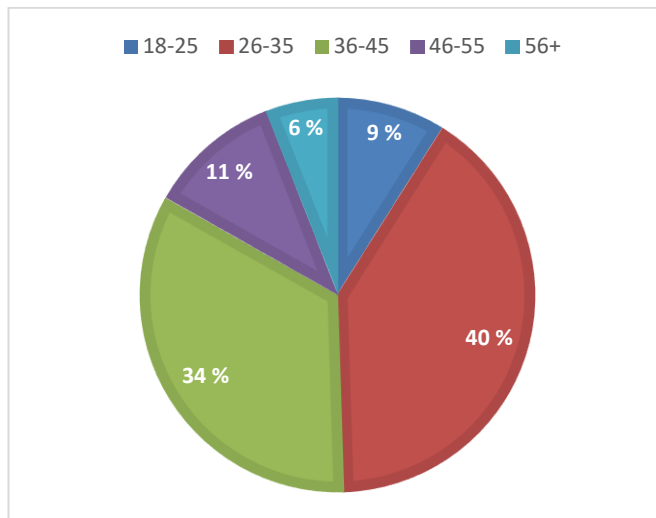


Figure 4. Representation of survey results according to age-group

Figure 4 shows the age group of respondents participated in the survey. Among the respondents, the highest number of people were from age group 26-35 with 40% and lowest from 56+ with 6%. 34% of respondents were from 36-45, 11% from 46-55 and 9% from 18-25 years of age. Thus, the survey includes people from young age to old retired people residing in Nepal.

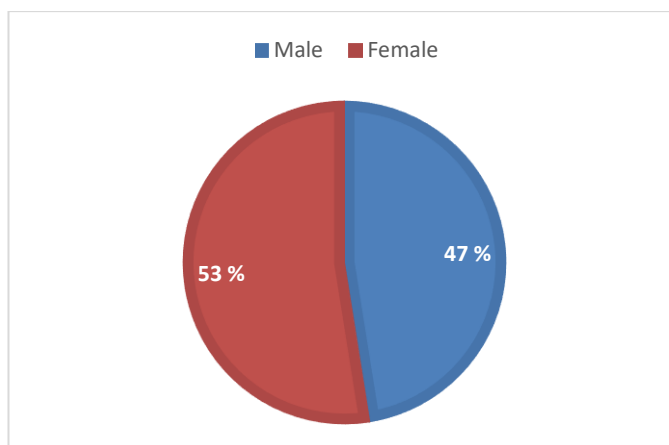


Figure 5. Representation of survey results according to Gender.

Figure 5 shows the gender of the respondents participated in the survey. Among the 101 respondents, 53% were female and remaining 47% were male. Apparently, female respondents were more in comparison to male respondents.

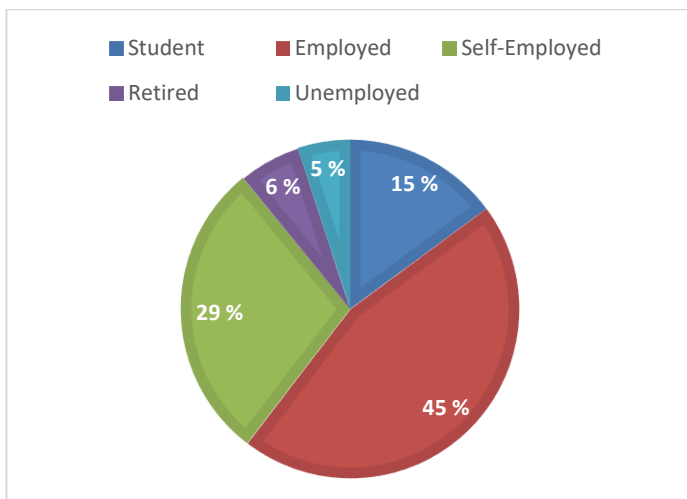


Figure 6. Representation of survey results according to Profession.

Figure 6 shows the profession of the respondents participated in the survey. Among them, highest respondents were employed in some sort of business. The employed respondents mark 45%. While, the least respondents were unemployed with 5%. 29% of respondents were self-employed, 15% were students and 6% were already retired.

### Customer type

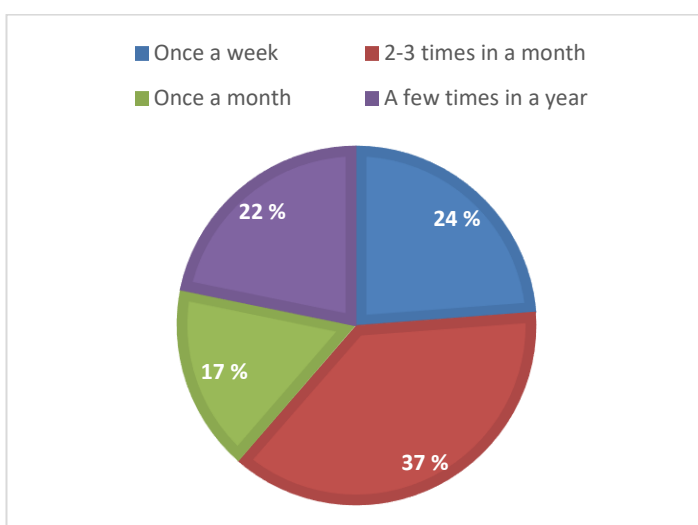


Figure 7. Representation of survey results according to how often people fly



Figure 7 shows the results according how often people fly. The question enhanced in knowing about the potential customers who chooses to fly via planes rather than car or pubic transport. Most people with 37% fly 2-3 times in a month. The least with 17% of respondents fly once a month. 24% of respondents fly once a week and 22% a few times in a year.

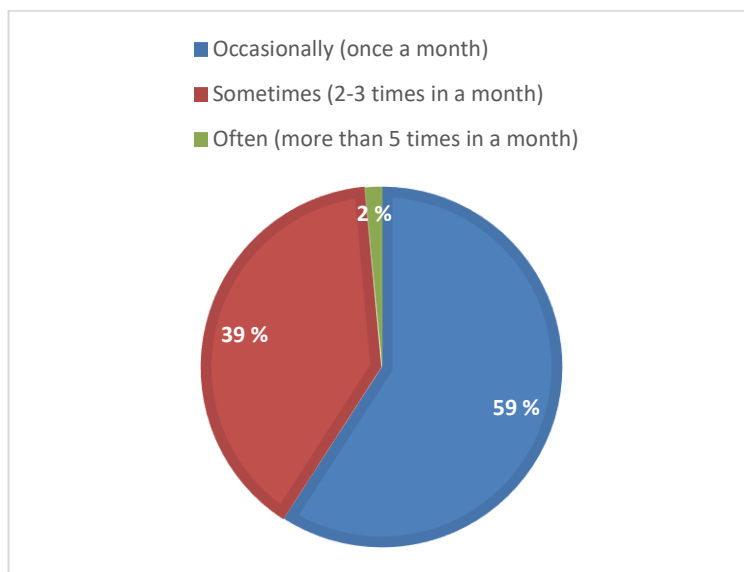


Figure 8. Representation of survey results according to how repeatedly people fly with Sita Air

Figure 8 shows the survey results about how repeatedly people fly with Sita Air. The theme to ask this question was to know about the target customers of Sita Air. Among 101 respondents, 59% fly with Sita Air occasionly or once a month. 39% fly some-times or 2-3 times in month and only 2% fly often or more than 5 times in a month. Thus, there are few number of target people who fly more with Sita Air

## 6.1 Product

The product survey consisted rating questionnaires in related to six services, viz. space for luggage, cleanliness, entertainment system, seating comfort, noise level and quality of food and drinks.

According to interview answers collected from Sita Air personnel on ‘Product’ question, it is understood that the company operates one type of aircraft; Dornier Do-228. The aircraft flies in 10 destinations and provide services like space facilities, clean environment, entertainment system during the flights, comfortable seats with less noise, and foods and drinks onboard.

The personnel opinion on expected customer ratings for all six product services is shown in Table 2.

Table 2. Ratings from Sita Air’s personnel under Product mix.

Services	Ratings
Space for luggage	Satisfactory
Cleanliness	Satisfactory
Entertainment system	Satisfactory
Seating comfort	Satisfactory
Noise level	Satisfactory
Quality of food and drinks	Satisfactory

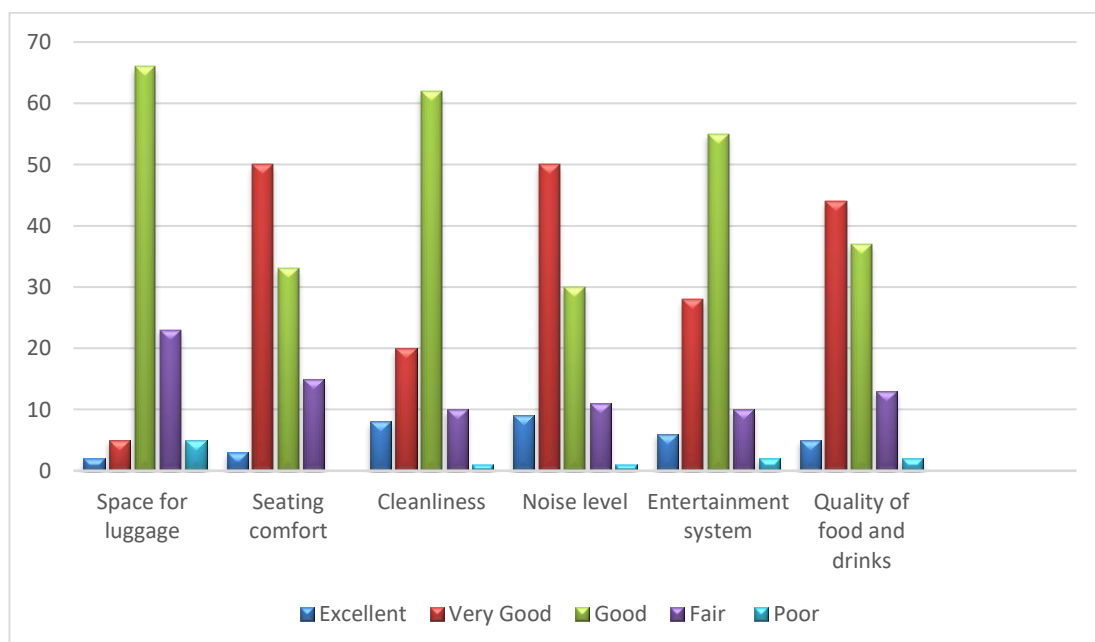


Figure 9. Actual survey results of the services provided under Product mix. (n=101)

Figure 9 shows ratings of services provided under product mix from 101 respondents. Services such as space for luggage, cleanliness and entertainment system were rated

‘Good’; and Seating comfort, Noise level and quality of food and drinks were rated ‘Very Good’ by most of the respondents.

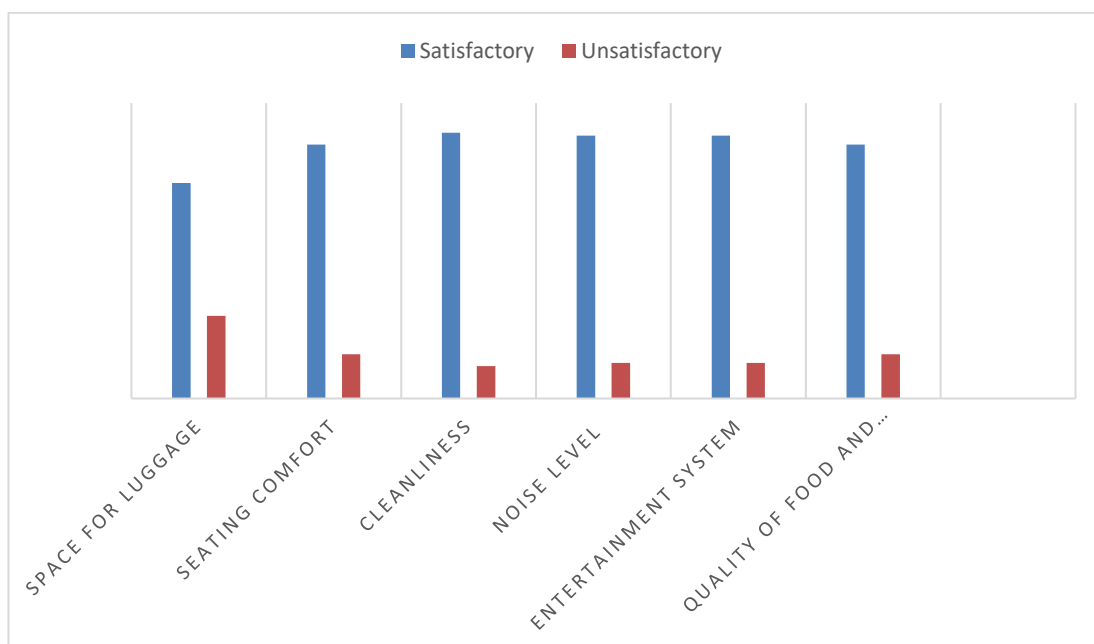


Figure 10. Representation of survey results for Product mix in 2-scale classification

Figure 10 shows the survey result for Product mix in simplified scale. Most of the customers seems to be satisfied with all the six services with a very small amount of dissatisfaction recorded for each service. This shows, in overall, customer seems satisfied with Sita Air’s services under Product mix.

Comparing customers survey result from Figure 10 with personnel opinion from Table 2, both Sita air personnel’s opinion and customer’s experience on six product services matches and are all ‘Satisfactory’.

From the analysis, obtained remarks and discussions, it can be understood that the space for seats is fine but there seems to be inadequate space to cabin baggage. The overhead bin might be too small and needs enlargement. Although, it is said that the aircraft is cleaned every time before and after the flight, customers does not seem fully satisfied. A proper use of advanced cleanliness tools is necessary. Company provides different newspapers and magazines for the entertainment of the flyers. Passengers

would enjoy more if better entertainment system with screens were available passengers to watch movies or listen to songs. On board wi-fi could possibly be one very good option as most of the people like surfing internet and stay connected all the time.

## 6.2 Price

The price survey consisted rating questionnaires in related to two services, viz. air fares and fares in comparison with competitors.

From the interview answers collected from Sita Air personnel on ‘Price’ question, it is clarified that the company consider various factors in setting the price of services. The price of fuel, airport charges, landing and takeoff costs, etc. are some of the factors. In addition, the company also needs to follow the rules of AOAN (Airlines Operators Association of Nepal). The price is very competitive and fluctuates every day because the price of fuel is not the same always.

The personnel opinion on expected customer ratings for price services are listed in Table 3.

Table 3. Ratings from Sita Air’s personnel under Price mix.

Services	Ratings
Air fares (Value for money)	Satisfactory
Fares in comparison with competitors	Satisfactory

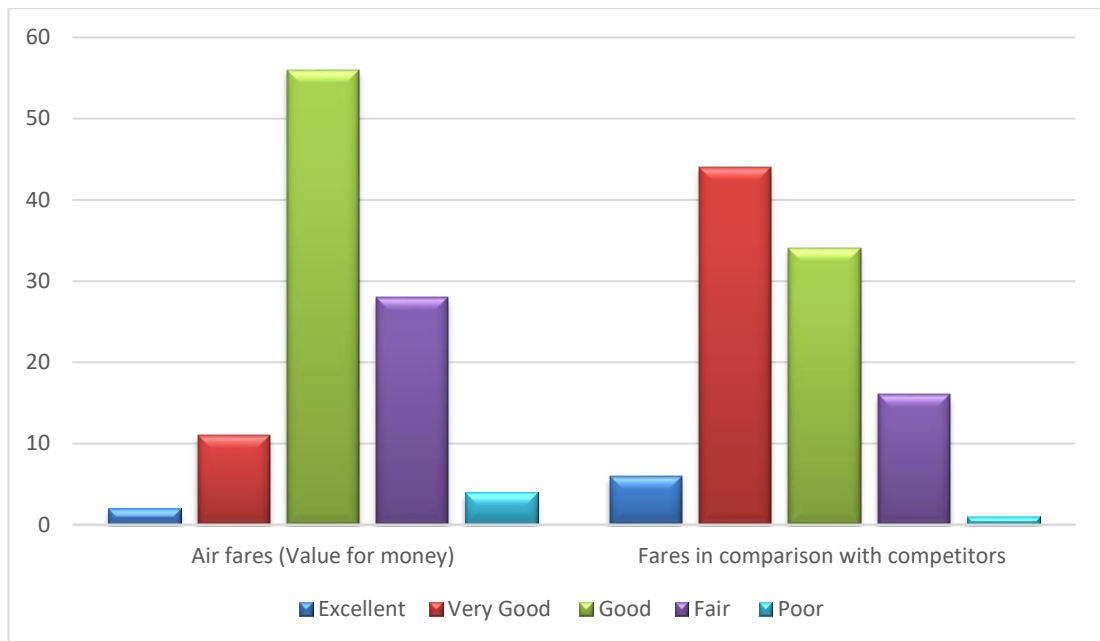


Figure 11. Actual survey results of the services provided under Price mix. (n=101)

Figure 11 shows ratings of services provided under price mix from 101 respondents. Air fares (value for money) was rated 'Good' and fares in comparison with competitors was rated 'Very Good' by most of the respondents.

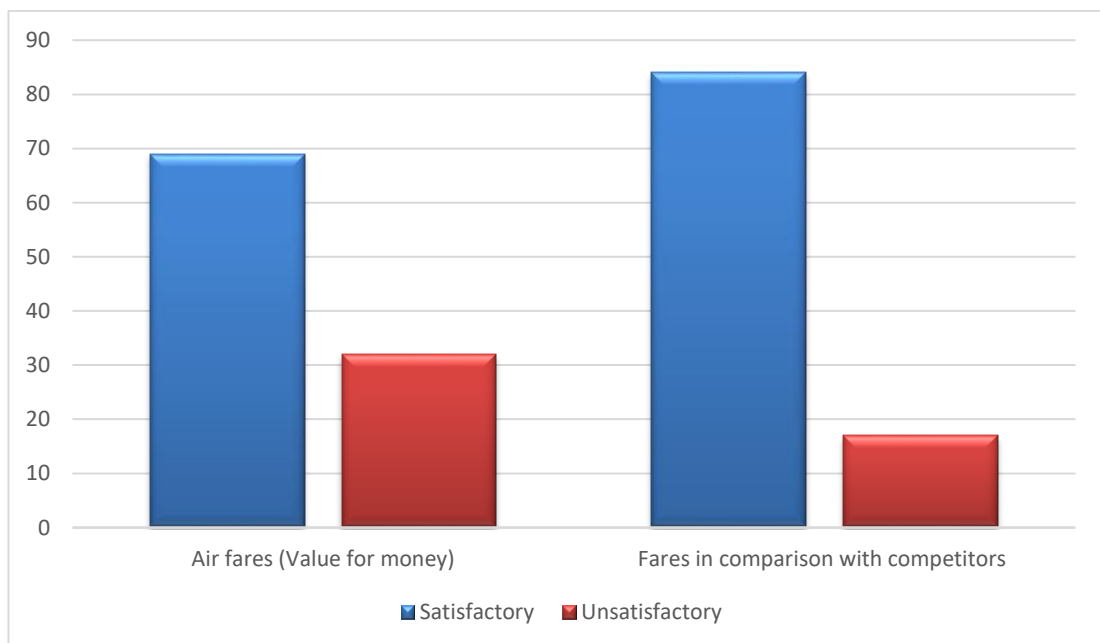


Figure 12. Representation of survey results for Price mix in 2-scale classification

Figure 12 shows the survey result for Price mix in simplified scale. Most of the customers seems to be satisfied with the air fares with a very small amount of dissatisfaction recorded in each service. In overall, customers seem satisfied with the air fares and fares in comparison to competitors of Sita Air.

Comparing customers survey result (Figure 3) with personnel opinion (Table 3), it is understood that Sita air personnel's opinion about the customer satisfaction on air fares services seem to be same and 'Satisfactory' as that of actual customers ratings.

From the obtained additional remarks, it can be figured out that most of the respondents are satisfied with the air fare. Although, there are dissatisfied respondents as well. Special discounts to the students, old people and children under 5 years of age can be very effective. Offers during the festival seasons could be another good option.

### 6.3 Place

The place survey consisted rating questionnaires in related to three services, viz. easiness of booking via travel agent, easiness of booking online and access to airport.

According to interview answers collected from Sita Air personnel on 'Place' question, it is understood that Sita Air have numbers of authorized travel agents within the country. Such travel agents provide services like flight tickets, flights information, reservation, etc. In addition, people can buy services of Sita Air through their website as well. Sita Air counters are also available at the domestic terminal of Tribhuvan International Airport.

The personnel opinion on expected customer ratings for three place services are shown below:

Table 4. Ratings from Sita Air's personnel under Place mix

Services	Ratings
Easiness of booking via travel agent	Satisfactory

Easiness of booking online	Satisfactory
Access to airport	Satisfactory

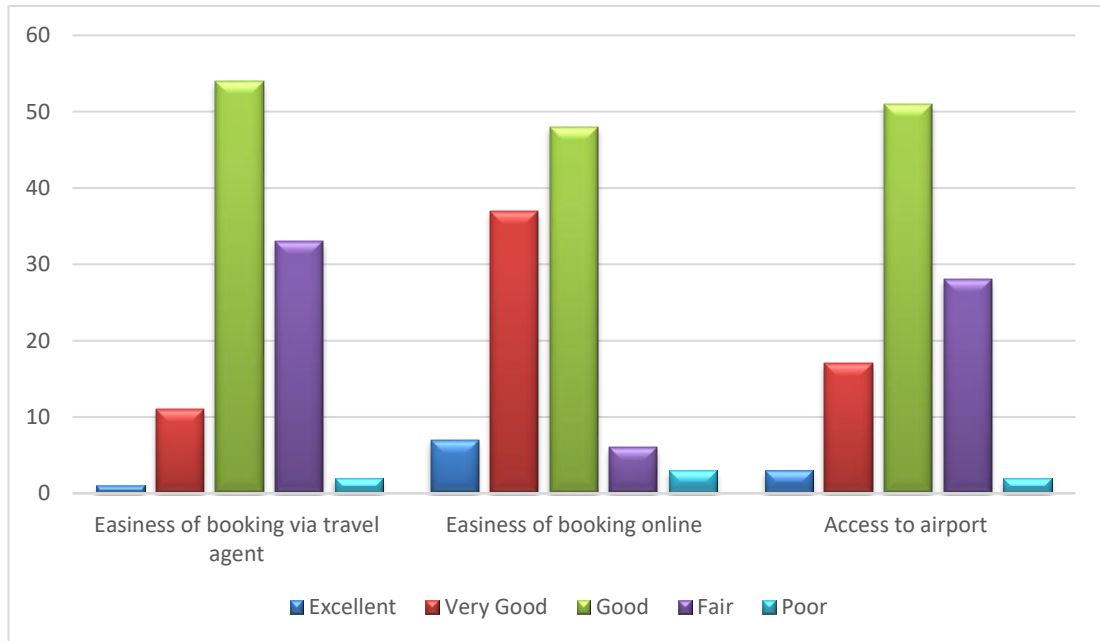


Figure 13. Actual survey results of the services provided under Place mix. (n=101)

Figure 13 shows ratings of services provided under place mix from 101 respondents. All services were rated 'Good' by most of the respondents.



Figure 14. Representation of survey results for Place mix in 2- scale classification

Figure 14 represents the survey result for place mix in simplified scale. In overall, most of the customer seems satisfied with the services provided under place mix with some dissatisfaction records as well.

Comparing Figure 14 and Table 4, all the services under Place mix resulted as ‘Satisfactory’. This demonstrates that Sita air personnel’s opinion about the customer satisfaction on three Place services seems to match exactly as that of actual customer’s ratings.

Most of the respondents are satisfied with the services provided by Sita Air under Place mix. However, there are few respondents who are not satisfied in all three services. The online ticket website is only in English language. This has created problems to the customers who cannot understand English. Therefore, Sita Air should add a translation option (English to Nepali) in their website.

#### 6.4 Promotion

The promotion survey consisted promotional approaches Sita Air is following to aware the customers about their products and services, viz. printed media, social media, friends and families and hoarding boards.



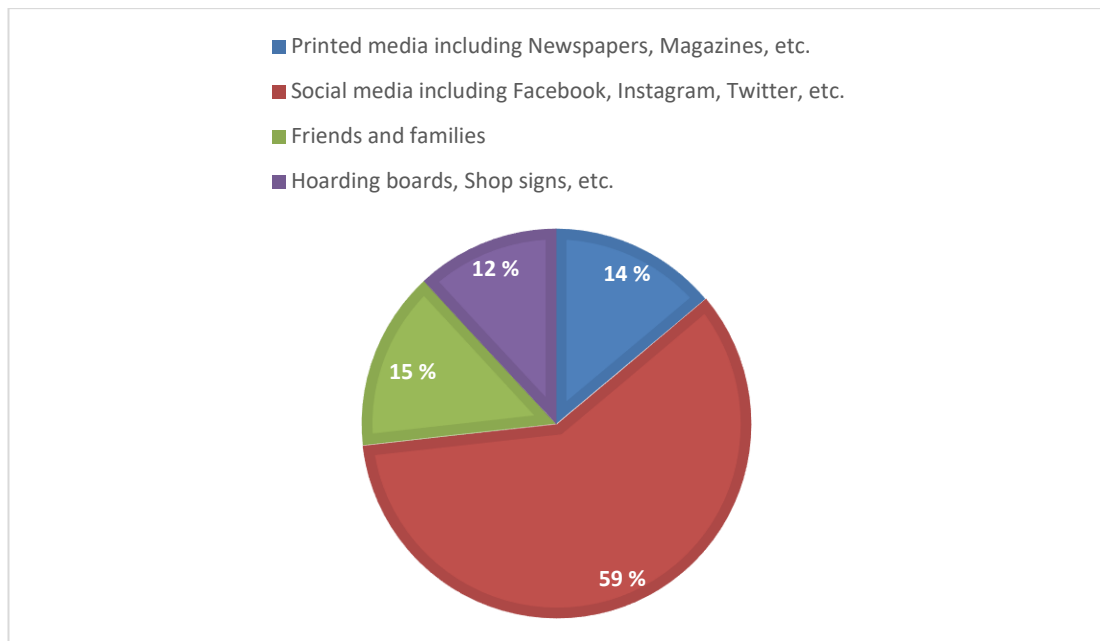


Figure 15. Representation of survey results for Promotion mix (n=101)

Figure 15 shows the survey results of Promotional approaches followed by Sita Air from 101 respondents. Most of the respondents heard about Sita Air via social medias. This includes Facebook, Instagram, Twitter, etc. Hoarding boards and Shop signs have the least number of ratings.

From the interview conducted with Sita Air personnel, the company promotes mostly about their services via social medias since the internet users in Nepal is increasing. The internet connection has reached most of the places. Company use printed medias rarely and there are few hoarding boards.

Comparing customers survey result with personnel opinion, it is understood that the amount of time and money invested to promote via social medias has been able to create awareness within the customers. Other promotional methods have also been effective but with lower ratings. From further analysis, it can be understood that social media is playing a vital role in promoting various services. The company should consider investing more and continuing this approach.

## 6.5 Physical evidence

The physical evidence consisted rating questionnaires in related to 7 services, viz. ticket counters, check-in counters, security checks, ground services, aircraft boarding, baggage claim and in-flight entertainment.

From the interview answers collected from Sita Air personnel, it is understood that the company has just shifted their office to new domestic terminal which is huge with plenty of services. Sita Air have added more ticket counters, check-in counters and security checks counters to stamp out the delay situation. Passengers are carried out by bus up to the aircraft to board. Baggage are handled by our staffs and carried by tractors. Soon, CAAN (Civil Aviation Authority of Nepal) will be adding conveyor belt at the airport to enhance the baggage facility. Similarly, the company provides inflight entertainment to the passengers during the flight. Varieties of newspapers and magazines are distributed.

The personnel opinion on expected customer ratings for seven physical evidence services are shown in Table 5.

Table 5. Ratings from Sita Air's personnel under Physical evidence mix

Services	Ratings
Ticket counters	Satisfactory
Check-in counters	Satisfactory
Security checks	Satisfactory
Ground services	Satisfactory
Aircraft boarding	Satisfactory
Baggage claim	Satisfactory
In-flight entertainment	Satisfactory

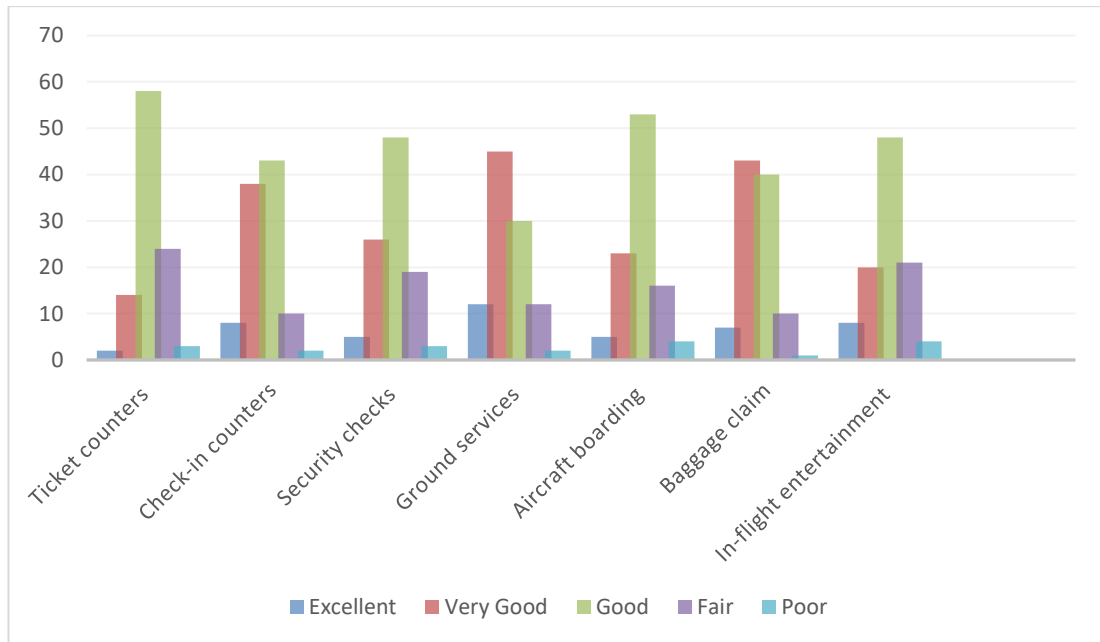


Figure 16. Actual survey results of the services provided under Physical evidence mix. (n=101)

Figure 16 shows rating of services provided under Physical evidence mix from 101 respondents. Services such as ground services and baggage claim were rated ‘Very Good’; and ticket counters, check-in counters, security checks, aircraft boarding and in-flight entertainment were rated ‘Good’ by most of the respondents.

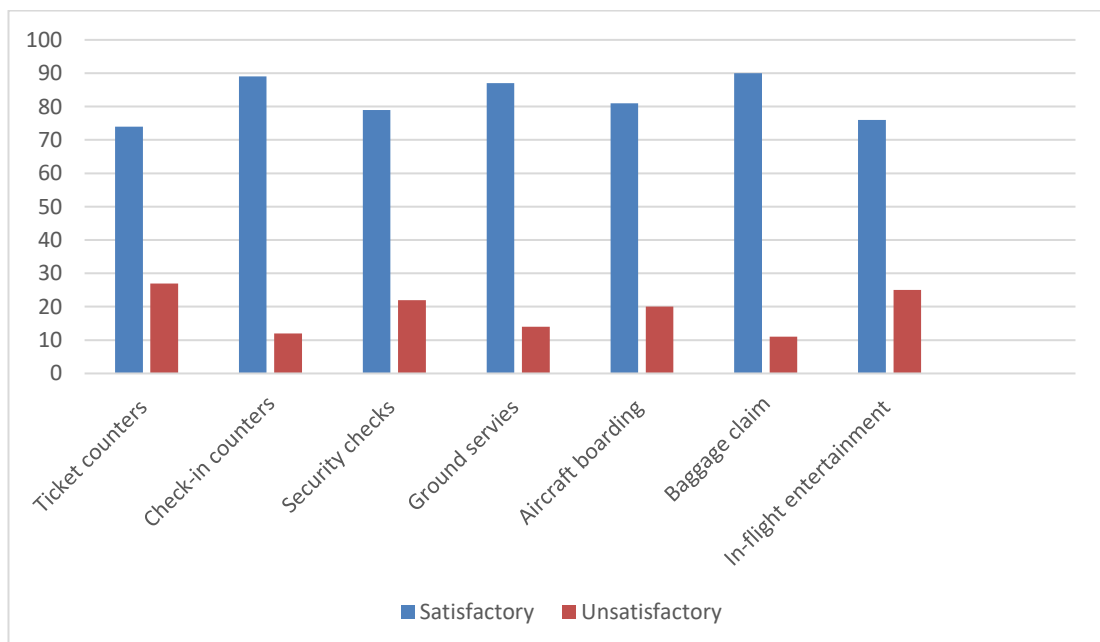


Figure 17. Representation of survey results for Physical evidence mix in 2-scale classification

Figure 17 shows the survey result for Physical evidence mix in simplified scale. Most of the customers seem to be satisfied with all the seven services with some dissatisfaction recorded for each service. This shows, in overall, customer seem satisfied with Sita Air's physical evidence services.

Comparing customers survey result from Figure 17 with personnel opinion from Table 5, all the services were rated 'Satisfactory' and this shows that Sita air personnel's opinion about the customer satisfaction on seven services of Physical evidence matches with that of actual customers ratings.

From the analysis, obtained remarks and discussions, it can be understood that ground services and baggage claim services of Sita Air is impressive. The customers are happy with the easiness of booking tickets via various travel agents however increase in the amount of travel agencies would be appreciated. Infrastructures in ticket counter offices are not enough for the customers. Company should add more chairs and benches. Along with metal detector, advanced body scanning tool could be good option for the safety of airport and passengers. The airline lacks boarding tools for the disabled people. Assistance tools for wheelchair users can make travelling more comfortable.

## 6.6 People

The people survey consisted rating questionnaires in related to four services, viz. flight attendant's hospitality, pilot's communication, performance of service desk and flight comfort.

From the interview answers collected from Sita Air personnel on 'People' question, it is understood that the senior captains and captains are sent for training in every one year to Singapore. Other crews including first officer and cabin crews are sent in every six months for training in Singapore. While, the service desk personnel are trained in Nepal in every six months. Such trainings have helped in building confidence within our crews and provide smooth flights and services to our customers.

The personnel opinion on expected customer ratings for four people services are shown in Table 6.

Table 6. Ratings from Sita Air's personnel under People mix.

Services	Ratings
Flight attendant's hospitality	Satisfactory
Pilot's communication	Satisfactory
Performance of service desk	Satisfactory
Flight comfort	Satisfactory

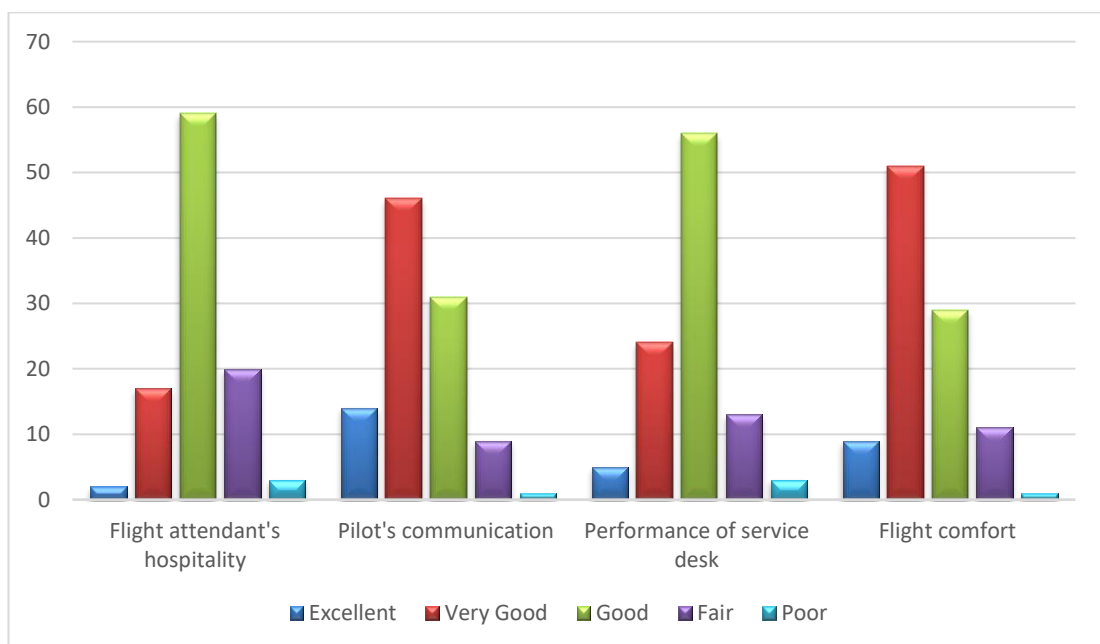


Figure 18. Actual survey results of the services provided under People mix. (n=101)

Figure 18 shows rating of services provided under place mix from 101 respondents. Services such as pilot's communication and flight comfort were rated 'Very Good'; and flight attendant's hospitality and performance of service desk were rated 'Good' by most of the respondents.

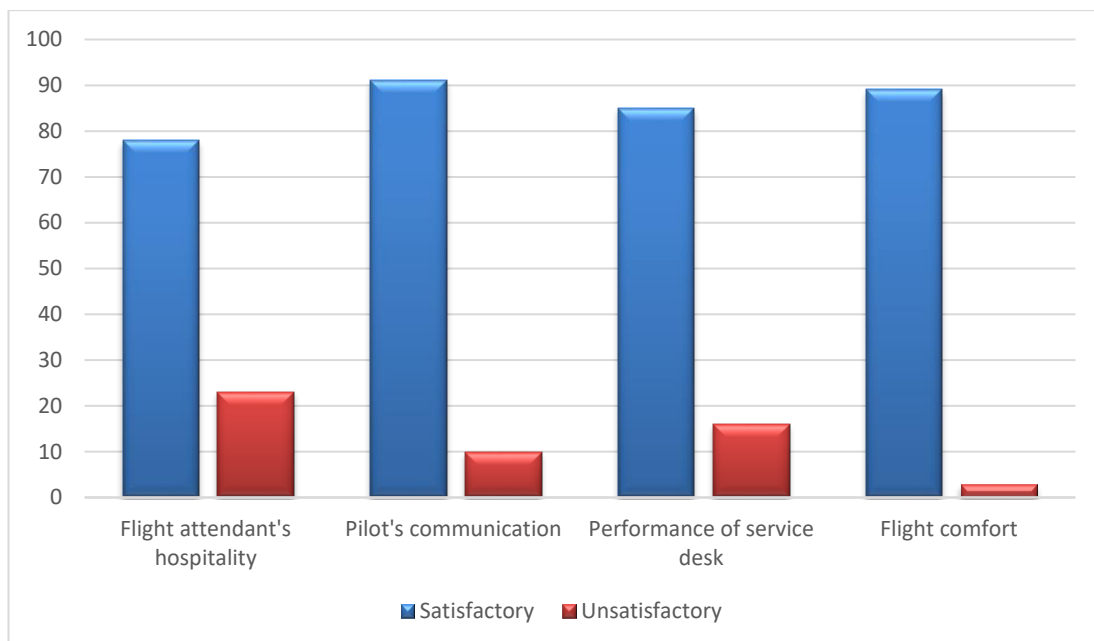


Figure 19. Representation of survey results for People mix in 2-scale classification

Figure 19 shows the survey result for people mix in simplified scale. Most of the customers seems to be satisfied with all the four services with a very small amount of dissatisfaction recorded for each service. This shows, in overall, customer seems satisfied with Sita Air's people services.

Comparing customers survey result (Figure 19) with personnel opinion (Table 6), it is understood that the Sita air personnel's opinion about the customer satisfaction on four services seems to be all 'Satisfactory' which is exactly same as that of actual customers ratings.

From the analysis, obtained remarks and discussions, it can be understood that pilot's communication and flight comfort is praiseworthy. The English level of some flight attendant's is poor. Reaction time is much more. Sita Air should increase the training level with effective language skills as well. The flight desk personnel should treat customers politely and with respect. Some respondents have felt rudeness in their speech. Company should act and train them properly.

## 6.7 Process

The process survey consisted rating questionnaire in related to two services, viz. reservation and flight's information.

From the interview answers collected from Sita Air personnel of 'Process' question, it is understood that the company has numbers of travel agents available in the country. Such travel agents provide services like flight tickets, flights reservation, etc. Tickets can be reserved and bought online through Sita Air's official website. Since, the internet service has reached most of the places in Nepal, most of our customer get their tickets online which is must faster and easier.

The personnel opinion on expected customer ratings for two process services are shown in Table 7.

Table 7. Ratings from Sita Air personnel under Process mix.

Services	Ratings
Reservation	Satisfactory
Flight's information	Satisfactory

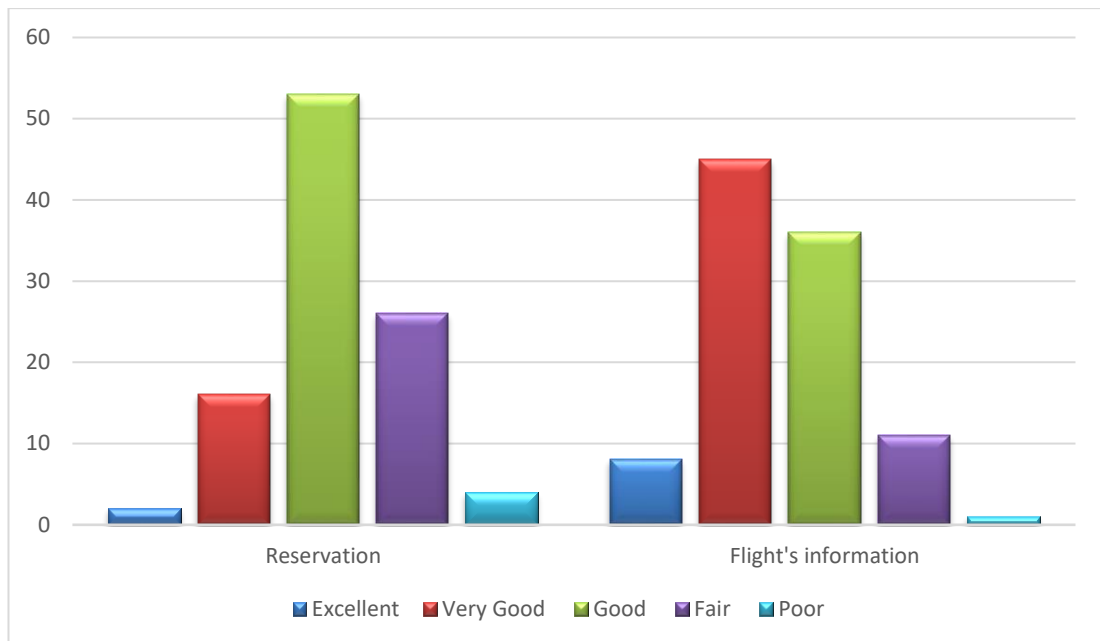


Figure 20. Actual survey results of the services provided under Process mix. (n=101)

Figure 20 shows ratings of services provided under process mix from 101 respondents. Reservation was rated 'Good' and flight's information was rated 'Very Good' by most of the respondents.

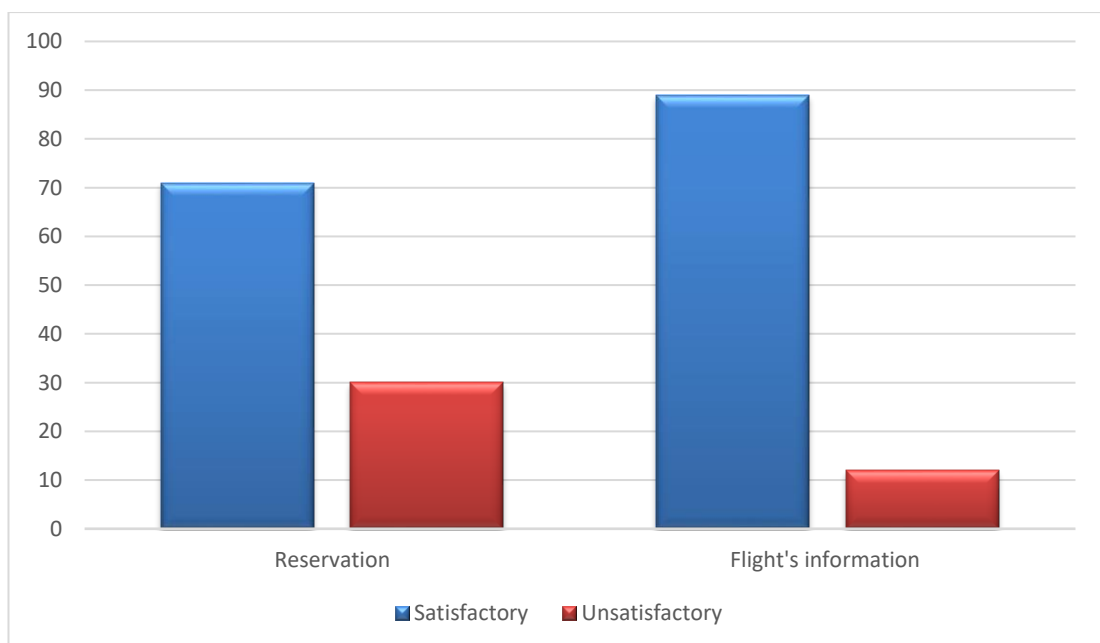


Figure 21. Representation of survey results for Process mix in 2-scale classification

Figure 21 shows the survey result for process mix in simplified scale. Most of the customers seems to be satisfied with all the two services with a very small amount of



dissatisfaction recorded for each service. This shows, in overall, customer seems satisfied with Sita Air's process services.

Comparing customers survey result (Figure 21) with personnel opinion (Table 7), it is understood that the Sita air personnel's opinion about the customer satisfaction on two services seem to be all 'Satisfactory' and matches with that of actual customers ratings.

From the analysis, obtained remarks and discussions, it can be understood that customers are satisfied with the flight's information. However, there seems to be some problem with the reservation service. Telephone at the booking offices stays busy most of the time and many customers must wait long to book the seats. Company can add more telephone numbers to provide service to more people. The online ticket website is only in English language. This have created problems to the customers who can't understand English. Therefore, Sita Air should add a translation option (English to Nepali) in their website.

## 7 SUMMARY AND CONCLUSIONS

The main purpose of this thesis was to study about the current marketing mix of Sita Air and to enhance the services in order to attract more customers and improve sales. While conducting the research, immense pleasure and a very high motivation was achieved by author. Many useful information regarding the case company was obtained throughout this research and is included in this thesis. The analysis and the review of the outcome of this research is expected to attract more customers for the company and helps in profit increment and improving competitiveness.

Sita Air is a well-known domestic airline company in Nepal. Most of the rural areas still lack road service, air transportation is the only option for travelling. Sita Air have got a great opportunity in serving those areas and earn more revenues. Sita Air operates Short Take-offs and Landings (STOL) aircrafts which need short runways. It operates the German made 4 Dornier aircrafts and serve 10 destinations within the country.

The author was looking for effective strategies that case company could follow to attract more customers. For this, various analysis of the case company was done, viz. SWOT, PESTEL and STP. The outcome of the analysis enhanced to highlight the weak strategies. With the hope that Sita Air will closely monitor the outcome of the research, the author has collected information which are reliable and valid. Data were collected through academic books and official websites. Furthermore, interviews with Marketing manager and Operation quality manager of case company added more information about the strategies of the company. Sita Air personnel opinion were quite clear that they think their service offerings were quite in line to aviation industry standards and they expect customers are fully satisfied with all their services in all marketing mix.

Survey questionnaire with 101 customers assisted in acquiring the customer's experiences with Sita Air. The questions were specific towards 7Ps of marketing mix and solely targeted to understand the customers' experience. From this survey, varieties of results were obtained for different services under different marketing mix. The survey results when mapped to 2-scale classification showed a majority of customer satisfaction for all services under all marketing mix.

This showed that the customer satisfaction matches with Sita Air's personnel opinions regarding the customers' experience. This signifies that Sita Air is doing well in terms of service offerings. However, there are many areas of improvements and many innovative improvement ideas were collected from the discussions.

## 8 RECOMMENDATIONS

In the globalized business environment, a proper marketing strategy is an essential tool for all business companies. Before finalizing any marketing strategy, a proper study of the market and the customers residing in that market is very crucial. The outcome of

the strong marketing strategies is noticeable in the annual report of the business company. In addition, many improvements can be seen in the competitive advantages, customer satisfaction, loyalty, and financial performance. Airline companies should build sustainable relationship with the customers and increase customer satisfaction. A good quality service helps to maintain customers flow successfully, strengthen customer loyalty and even tries to retain previously lost customers.

The survey result showed majority of the customers are satisfied and happy. There exist less but significant number of customers still unsatisfied. More effort is needed in satisfying these unhappy customers; as dissatisfaction is one of the major cause of losing customers which in-fact is a great loss to the company. The overall analysis of Sita Air's marketing mix has revealed many ideas for various services that could be improved.

Passengers are not satisfied with the space facilities of Dornier aircraft of Sita Air. Since, the space facilities cannot be improved because the aircraft is designed accordingly, Sita Air can put the space facility into top consideration when buying a new aircraft in the future. Better entertainment system with screens and Wi-fi will keep customers occupied on board. Clean environment inside the aircraft is very important. In order to clean the aircrafts, modern tools can be used. Different aged people fly with Sita Air every day. Use of advanced tools to board aircraft for disable people has become very important at the current situation. Air fares in comparison with the competitors is much better than the Sita Air's own fare. In-order to simplify the price strategy, special discounts can be given to students, old people and children below five years of age. Sita Air should add a translation option in their website. Customers who do not understand English is finding difficulties in buying tickets online. Similarly, modern body scanning tools are necessary for the safety of passengers and staffs. More trainings classes should be provided to the staffs and encourage them to provide better quality service.

This thesis gave author, a positive confident in understanding the marketing mix in aviation business. The knowledge that were gained in the university have provided

useful skills and broaden knowledge about the marketing strategies and research methods. The author is confident that outcome will be useful and applicable to not only this case company but also to many other airline companies around the world.

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SURVEY QUESTIONS

Marketing Mix Analysis

Dear respondent,

This survey is a part of my bachelor's thesis that will be submitted to Satakunta University of Applied Sciences, Rauma. The purpose of the study is to analyse the current marketing mix adapted by Sita Air to attract more customers and evaluate if the current strategies are efficient for its growth or can be developed more to get higher market share including sales increase. The information received in the survey will be treated confidentially. Completing the questionnaire will take no longer than 5-10 minutes.

Thank you for your contribution!

Truly yours,

Sundar Lamichhane

P.S.: Please answer the survey questions listed below.



## Personal Information

1.

Age	
18-25	<input type="checkbox"/>
26-35	<input type="checkbox"/>
36-45	<input type="checkbox"/>
46-55	<input type="checkbox"/>
56+	<input type="checkbox"/>

2.

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

3.

Profession	
Student	<input type="checkbox"/>
Employed	<input type="checkbox"/>
Self-Employed	<input type="checkbox"/>
Retired	<input type="checkbox"/>
Unemployed	<input type="checkbox"/>

## Consumer's Opinions

4.

Product					
	Excellent	Very Good	Good	Fair	Poor
Space for luggage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Seating comfort	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cleanliness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Noise level	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entertainment system	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of food and drinks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5.

Price					
	Excellent	Very Good	Good	Fair	Poor
Air fares (Value for money)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fares in comparison with competitors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6.

Place					
	Excellent	Very Good	Good	Fair	Poor
Easiness of booking via travel agent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Easiness of booking online	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Access to airport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7.

<b>Promotion</b>	
<b>Where did you hear about Sita Air?</b>	
Printed media including Newspaper, Magazines, etc.	
Social media including Facebook, Instagram, Twitter, etc.	
Friends and families	
Hoarding boards, Shop signs, etc.	

8.

<b>Physical evidence</b>					
	Excellent	Very Good	Good	Fair	Poor
Ticket counters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Check-in counters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security checks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ground services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Aircraft boarding	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Baggage claim	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In-flight entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9.

<b>People</b>					
	Excellent	Very Good	Good	Fair	Poor
Flight attendants hospitality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pilot's communication	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance of service desk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flight comfort	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10.

<b>Process</b>					
	Excellent	Very Good	Good	Fair	Poor
Reservation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Flight's information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Customer Type

11.

How often do you fly?	
Once a week	<input type="checkbox"/>
2-3 times in a month	<input type="checkbox"/>
Once a month	<input type="checkbox"/>
A few times in a year	<input type="checkbox"/>

12.

How repeatedly do you fly with Sita Air?	
Occasionally (once a month)	<input type="checkbox"/>
Sometimes (2-3 times in a month)	<input type="checkbox"/>
Often (more than 5 times in a month)	<input type="checkbox"/>

13. Any recommendations for improvement.

.....

.....

## APPENDIX 2

### INTERVIEW QUESTIONS

The interview was taken with two personnel from Sita Air. One represented Marketing Department while other represented Operation Department.

Interview Questions:

7 P's	P's Title	Questions
P1	Product	What are products and services offered by Sita Air?
P2	Price	What is the price strategy followed by Sita Air? Is price competitive?
P3	Place	Where can the customers reach Sita Air?
P4	Promotion	What are the ways to promote your products and services?
P5	Physical Evidence	How are passengers managed in airports and in flights?
P6	People	Did your employees have training in last one year? How frequent is the training?
P7	Process	How can customers buy your products and services (ticket)? Which ticket buying method is popular and why?