

# Improving Customer Retention through Service Quality Dimensions in Nigeria's Airline Industry

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**Abstract:** The study investigated the effect of service quality on customer retention within Nigeria's airline industry. The chosen research design for this study is the cross-sectional survey research design. The population of the study consists of customers of airline companies in Delta State, Nigeria. The Cochran's formula was used to calculate the sample size of 384 participants. The study utilized the judgmental sampling technique. The primary data for this study was collected using a structured questionnaire with a five-point Likert scale response format. Content validity and test retest reliability were used to test the research instrument for relevance. The acquired data were analyzed using descriptive and inferential statistical methods to arrive at a conclusion. The study's findings demonstrate that service reliability ( $\beta = 0.202, p < 0.05$ ), service responsiveness ( $\beta = 0.130, p < 0.05$ ), and service assurance ( $\beta = 0.723, p < 0.05$ ) positively impact customer retention. The study concluded that companies aiming to enhance customer retention focus particularly on improving service reliability and assurance. These two dimensions have demonstrated the strongest influence on customer retention. By prioritizing these aspects, companies can build stronger relationships with their customers, thereby enhancing loyalty and reducing churn rates. The study recommended that organizations should focus on building confidence in their services by ensuring that their employees are well-trained and knowledgeable, which can lead to higher customer satisfaction and loyalty.

**Keywords:** Customer Retention, Service Quality, Service Reliability, Service Assurance

## 1. INTRODUCTION

In Nigeria's airline industry, the competitive landscape has intensified as airlines vie for customer loyalty and market share. Amid this competition, service quality has emerged as a pivotal factor in determining customer retention. As passengers have more choices than ever, their expectations for high-quality service continue to rise, making it crucial for airlines to understand and address the key drivers of customer loyalty. Organisations are actively in search of strategies to establish and sustain a continuous relationship with their customers in order to safeguard their long-term interests. Quality in a service industry is now commonly defined as the degree to which the service delivered satisfies the customer's expectations. The significance of service quality in global organisations cannot be overstated, as it determines the success and longevity of the organisation in the highly competitive contemporary market (Abdul-Qadir, Abubakar, & Utomi, 2021). Service quality involves the ongoing expectation of customers regarding the service provider's performance. For the purpose of distinguishing their service from others, airlines in competitive markets employ greater quality (Jahmani, 2017). An essential determinant of airline competitiveness is the level of service provided. Owing to the growth of the aviation sector and technological advancements, the airline industry is now experiencing unprecedented levels of competition (Spicer, 2018). Contemporary travellers take advantage of the competitive landscape characterised by a diverse range of airline services and cost-effective price points. Airline service quality pertains to the level of cooperation between airlines and civil aviation companies in delivering airline services that effectively cater to the safety, timeliness, convenience, and comfort requirements of passengers (Lu, Lei, & Han, 2017). It also encompasses the subjective perception of passengers regarding the effectiveness and usefulness of the services facilitated by the service provider. Aviation service quality, being the primary determinant for customers to assess airline services, is a constraint on the growth of the civil aviation service sector (Li, Wu, Han, & Li, 2022). The enhancement and refinement of airline service quality not only facilitate the advancement of the civil aviation industry and increase airline passenger revenue (Ma, 2021), but also have the potential to amplify the global impact of airline services (Zhang, 2019). Conducting an objective assessment of airline service quality is essential for enhancing airline service quality and broadening the consumer base of airline firms.

This study focuses on three critical dimensions of service quality: reliability, responsiveness, and assurance. Reliability, which pertains to an airline's ability to consistently deliver promised services, is fundamental to building trust with customers. Responsiveness, or the willingness and ability of staff to assist customers and provide prompt service, directly impacts customer perceptions and satisfaction. Assurance, which involves the competence, courtesy, and credibility of service providers, plays a significant role in creating a sense of security and confidence among passengers. Understanding how these dimensions affect customer retention is vital for airlines operating in Nigeria. As the industry continues to evolve, the ability to retain customers by meeting or exceeding their service expectations will be a key differentiator. High service quality can not only attract repeat business

but also foster positive word-of-mouth, which is invaluable in a competitive market. Service quality improvement has become an integral aspect of the overall quality management in nearly all companies globally, and it is now included as a significant element in the strategic plans of these businesses. Indeed, the fundamental idea of overall quality management is mostly focused on implementing effective methods that seek to promote customer satisfaction. These efforts may include improving services, processes, and products (Nagarajan, 2018). Hence, several corporations have implemented quality programs that measure consumers' assessments of quality and their associations with certain service characteristics. The reason for this is that service quality is now widely seen as a crucial determinant in distinguishing different service brands and a significant element in establishing a competitive edge (Kusumadewi, & Karyono, 2019). Consequently, enhancing the quality of services offered has become the primary strategy to ensure customer satisfaction, which can be associated with customer loyalty, word-of-mouth referrals, market share, and company reputation (Jiang, & Zhang, 2016; Fida, Ahmed, Al-Balushi, & Singh, 2020).

Airlines play a crucial role in the tourism business within the aviation sector, which is experiencing rapid growth and intense competition. Moreover, the intricate characteristics of human behaviour and perception have become the field of customer satisfaction a captivating subject of study within the airline corporate sector. Indeed, dissatisfied travellers may choose not to interact with airline companies. Furthermore, customer satisfaction also influences the way individuals perceive the airline firm, specifically the corporate image (Calisir, Basak, & Calisir, 2016). Predictably, the level of pleasure among customers and the way the airline company is perceived will subsequently impact passenger loyalty. To secure a desirable market position, airlines must comprehend how they might distinguish themselves from other competitors in their business environment. Previous research has identified that low pricing and strong service standards are two crucial factors for passengers (Loureiro & Fialho, 2017). The study will concentrate on the second facet, specifically the service standards necessary to meet the expectations of airline customers. This is because there has been a notable rise in passengers' consciousness and concern regarding service quality in recent years. The AIRQUAL scale will be used to assess the service quality in this study. This choice is based on its inclusion of industry-specific items and its underexplored status resulting from its recent introduction.

Amidst intense corporate rivalry, there is a noticeable shift in competition among companies to allocate more resources towards cultivating a loyal customer base (Javed, 2017). Higher demand for the service quality provided by airline carriers has been driven by a growth in air passengers (Oghojafor, Ladipo, & Rahim, 2016). Within the airline sector, ensuring the provision of excellent service quality has become a strategic marketing approach to endure the intense competitive forces. Hence, airline operators should develop their own strategies to meet the specific service expectations and dimensions of service quality that are most important to air passengers in order to capture passenger satisfaction, trust, and loyalty (Leong, Hew, Lee, & Ooi, 2015). The competitive variable of service quality is highly emphasised and serves as a key driver of customer perceived value, airline image, and loyalty towards airlines (Hapsari, 2017). This study aims to provide insights into the relationship between service quality and customer retention in Nigeria's airline industry. By examining the impact of reliability, responsiveness, and assurance, the research seeks to offer practical recommendations that can help airlines enhance their service offerings. Ultimately, this study aspires to contribute to the development of strategies that promote long-term customer loyalty, ensuring sustained growth and competitiveness for airlines in the region.

## **1.2 Statement of the Problem**

Notwithstanding the well-established privately owned airlines from Europe, the Middle East, and Africa, most airlines in Nigeria face intense and intensifying rivalry from major airline alliances on the international stage, regional alliances in Africa and the Middle East. Maintaining customer retention has been a persistent challenge for most airlines. Consequently, if these airlines fail to prepare and formulate targeted strategies to address the impending competitive pressure, the outcomes could be quite undesirable. Several factors contribute to the increasing phenomenon of customer disloyalty. Study has demonstrated that inadequate service quality has had a detrimental and substantial impact on consumer loyalty within the airline sector. Consequently, any degradation in the quality of service results in a cascading adverse impact on the degree of customer retention. Therefore, it is imperative to guarantee the retention of customers to ensure the attainment of financial objectives by the organisation. Personnel mismatch, inadequate training, employee exhaustion, misinterpretation of customers' expectations, and insufficient staff involvement can impact the quality of services provided to customers. Inadequate quality can result in many business-related repercussions. The predominant factors include customer attrition, reduced efficiency, and escalated expenses. In certain instances, substandard quality might also result in accusations of product liability. Under certain circumstances, substandard quality can also result in legal proceedings against the service provider.

The existing body of literature has extensively examined the relationship between service quality and various outcomes such as customer satisfaction, loyalty, and corporate image in the airline industry across different regions. For instance, Li et al. (2022) assessed the service quality of full-service and low-cost airlines in China, revealing that while full-service airlines generally provided

better service, there were variations in service quality across different categories like in-flight service and ticketing. Similarly, Hassan and Salem (2022) explored how service quality during the COVID-19 outbreak influenced customer satisfaction and loyalty in Saudi Arabia, emphasizing that responsiveness was the most critical dimension of service quality. Other studies, such as those by Ali et al. (2021), Giao and Vuong (2021), and Njeru et al. (2019), have also highlighted the significance of different service quality dimensions on customer satisfaction and loyalty in various contexts, including Pakistan, Vietnam, and Africa. Despite the rich insights provided by these studies, a significant gap in the literature remains regarding the specific effect of service quality on customer retention within Nigeria's airline industry. While existing research has often focused on customer satisfaction and loyalty, the direct relationship between service quality and customer retention in Nigeria remains underexplored. For example, studies by Lopentus and Erdiansyah (2020) and Thapa et al. (2020) have primarily centered on how service quality influences satisfaction and loyalty but have not explicitly addressed customer retention, which is crucial for the long-term profitability of airlines. Furthermore, while prior studies have examined various geographic contexts, there is limited empirical research that specifically addresses how Nigeria's unique socio-economic, cultural, and operational factors influence the relationship between service quality and customer retention. The Nigerian airline industry faces distinct challenges, such as infrastructure constraints, fluctuating service standards, and diverse customer expectations, which may affect how different dimensions of service quality contribute to retaining customers. This study aims to fill this knowledge gap by providing a detailed examination of the impact of service quality on customer retention in Nigeria's airline industry. By focusing on the specific dimensions of service reliability, responsiveness, and assurance, this research will offer insights into how these factors uniquely influence customer retention in the Nigerian context. This study will contribute to the literature by offering empirical evidence on the strategies that Nigerian airlines can adopt to enhance customer retention, ensuring sustained competitive advantage in a challenging market environment.

## 2. REVIEW OF RELATED LITERATURE

### 2.1 Conceptual Review

#### 2.1.1 Concept of Service Quality

Service quality refers to the assessment of the anticipated level of service and the actual level of service received (Saleem & Raja, 2014). Organisations recognise service quality as a crucial instrument for establishing and sustaining a continuous engagement with customers (Yousuf, 2017). Service quality refers to the discrepancy between the service expectations of customers and their actual assessment of the service. When the expectations exceed the actual performance, the perceived quality falls below adequate, leading to consumer discontent. Maintenance of service quality is a crucial responsibility for all employees within a certain organisation. Service quality is determined by comparing the services clients anticipate with the services they actually receive (Bhatta & Durgapal, 2016). The impact of service quality, namely the transparency of projected work time, on customer desire to revisit is both favourable and substantial (Issn et al., 2019). In the SERVQUAL model, service quality is defined as the difference between customers' expectations and their actual perception (Zeithaml, Berry, & Parasuraman, 1996). According to the gaps model, service quality is considered high when the perceived performance of the service exceeds the corresponding expectations.

#### 2.1.2 Service Quality Dimensions in airline industry

Kim and Lee (2011) characterize the five dimensions of service quality in airline industry as reliability, responsiveness, tangibles, empathy, and assurance.

*i. Reliability:* The proficiency of airline personnel and system to carry out and sustain operations in both regular and unforeseen situations, including timeliness, effectiveness of check-in processes, precise ticketing, and convenient booking. The concept of reliability refers to the consistent performance and dependability of services provided by service providers, ensuring that the quality and form of the services remain constant (Mwendwa et al., 2016). The concept of reliability also encompasses the preparedness or suitability of personnel to deliver services or products. Furthermore, reliability can be seen as the duration during which an employee is able to provide the requested service. It also pertains to the capacity to deliver services in accordance with customer expectations in terms of speed (the speed at which the transaction is executed), accuracy (the correctness of the transaction in terms of withdrawing money), and whether the equipment functions uninterrupted for 24 hours as anticipated (Ejigu, 2016). Reliability, in the context of service providers, refers to their capacity to consistently and accurately deliver promised services. Reliability, in a broad sense, refers to the organization's ability to meet its commitments about service provision, price, delivery, and problem resolution (Khan, Lima, & Mahmud, 2018).

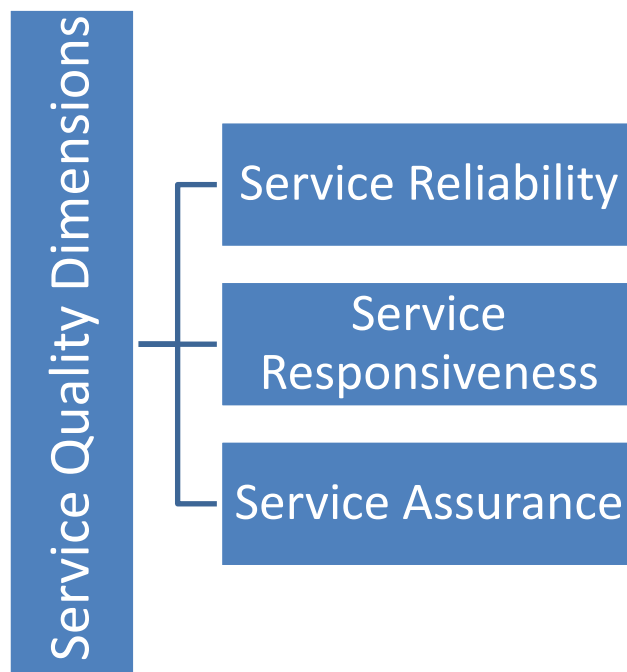
*ii. Responsiveness:* The readiness to assist travellers in resolving service issues such as flight cancellation, lost luggage, prompt response to emergency circumstances, and precise deliver of luggage. The level of responsiveness towards consumers should be determined by the duration of their waiting time for assistance, resolution of their enquiries or issues, and hence, the enhancement of service quality via responsiveness (Khan et al. 2018).

*iii. Tangibles:* The physical amenities of the aircraft and ground facilities include factors such as seat comfort, seat space, legroom, in-flight entertainment services, staff appearance, food service, airport services distribution, and communication materials. Physical

aspects refer to the observable characteristics of physical facilities, equipment, and service provider staff. The characteristics of this dimension include contemporary equipment, aesthetically pleasing facilities, well-groomed and professional staff, and materials appropriate to visually appealing services (Setiono, & Hidayat, 2022). The provision of suitable equipment and the physical presentation of personnel employed to cater to customers can establish a lasting impression that is readily retained by consumers. The physical attributes, such as the amiable demeanour of staff, might give rise to psychological symptoms that manifest as a protracted reaction from clients (Makanyeza & Chikazhe, 2017). Consumers see favourable conditions when engaging in transactions for services provided by the organisation. Therefore, the physical presence and extended availability of staff members contribute to the employees' improving ability to meet consumer demands promptly.

**iv. Empathy:** Emphasises personalised service, such as offering the seat that a client chooses, preparing meals in advance, and implementing a frequent flyer program. The concept of empathy pertains to the provision of personalised attention by service providers to their clients. The characteristics of this dimension include providing personalised attention to consumers, workers exhibiting exceptional caring towards customers, placing significant importance on consumer interests, employees comprehending customer wants, and maintaining convenient operating hours (Setiono, & Hidayat, 2022).

**v. Assurance:** Providing personalised and attentive service to passengers by addressing their enquiries, ensuring their safety, and displaying appropriate courtesy towards them. The characteristics of airline service quality, including service reliability, service responsiveness, and service assurance, are depicted in Figure 1.



**Figure 1 Service Quality Dimensions**

### 2.1.3 Service Reliability (SRB)

Service reliability pertains to the consistency with which an airline delivers services as promised, including punctual departures and arrivals, precise booking systems, and reliable in-flight services. Enhancing customer service reliability results in heightened trust in the airline, thereby generating greater rates of client retention. Kashif et al (2015) define reliability as the company's capacity to deliver its services punctually. In their study, Arsanam and Yousapronpaiboon (2014) argued that reliability refers to the company's capacity to deliver the services it has promised to its clientele. Therefore, it can be inferred that reliability refers to the company's capacity to deliver services as promised within the specified timeframe. Hamed, Kamarudin, and Kamaruzziman (2015) evaluated the impact of service quality reliability on customer satisfaction among Libyan E-Commerce consumers and determined a significant correlation between reliability and customer satisfaction. The reliability of the website refers to its capacity to accurately complete purchases, deliver products and services expeditiously, and safeguard personal and confidential information. The study conducted by Amani (2017) examined service quality in higher education in Tanzania and reached a similar conclusion that reliability is the primary aspect of service quality. Consequently, enhancing service dependability would significantly enhance clients' overall sense of service quality. The capacity to deliver precise and reliable service would enhance customers' perception of service excellence and boost satisfaction. In 2014, Watiki conducted a study on hotels in Nairobi, while, Oanda (2015) investigated the service quality

at Barclays bank of Kenya. The findings of all these research indicate that service dependability has the most robust correlation with customer satisfaction in comparison to the other characteristics of SERVQUAL.

#### **2.1.4 Service Responsiveness (SRS)**

Service responsiveness is defined as the airline's ability to address customer needs and complaints promptly and effectively. In the fast-paced airline industry, quick and efficient responses to customer inquiries, changes in travel plans, or issues faced during travel can significantly enhance customer satisfaction. Responsiveness refers to the company's capacity to promptly and effectively address consumer issues. Responsiveness is a component of service quality that pertains to the ability of service providers to promptly assist clients and deliver services. The characteristics of this dimension include: providing clients with information regarding the reliability of service delivery time, delivering prompt service to customers, demonstrated eagerness to assist customers, and preparedness to address customer enquiries (Setiono, & Hidayat, 2022). According to Kashif et al (2015), responsiveness refers to the degree of accuracy achieved by a corporation in addressing consumer concerns. According to Yousuf (2017), responsiveness may be defined as the ability of a corporation to effectively address customer enquiries and offer resolutions to their issues. Responsiveness refers to the preparedness and eagerness of a corporation to deliver services to customers at appropriate times (Arsanam & Yousapronpaiboon, 2014).

#### **2.1.5 Service Assurance (SAR)**

Service assurance involves the competence, courtesy, and trustworthiness of airline staff, as well as the safety and security measures in place. When passengers feel assured of their safety and well-being, and trust the airline's employees to handle their needs with professionalism, they are more likely to remain loyal. Assurance refers to the level of knowledge and politeness exhibited by personnel, as well as their capacity to establish trust and confidence. The characteristics of this dimension include the capacity of personnel to establish client confidence, ensure customer safety throughout transactions, maintain a consistently courteous demeanour, and effectively address customer enquiries (Setiono, & Hidayat, 2022). Kashif, Suzana, Shukran, and Rehman (2015) argued that assurance pertains to the extent to which a corporation can effectively address consumer enquiries. Moreover, Arsanam and Yousapronpaiboon (2014) defined assurance as the level of confidence displayed by customers in a company's ability to deliver optimal service. By displaying politeness in service provision, employees indirectly assure clients that they will effectively address all customer issues (Khan & Fasih, 2014). Service assurance refers to the capacity of a firm to establish consumer confidence in the services it provides.

#### **2.1.6 Customer Retention (CR)**

Brand loyalty is the capacity of a corporation to convert clients into loyal buyers and discourage them from moving to a rival. This metric assesses the satisfaction of current consumers with a product and the level of service quality. Customer retention is the measurement of a company or product's capacity to maintain its customers for a certain duration. High customer retention refers to the tendency of customers of a product or service to either return, continue to purchase, or refrain from switching to another product or business, or to abandon their usage altogether. Customer loyalty is a crucial factor for the firm, as the profitability of the company is mostly determined by customers who exhibit the highest level of loyalty. Companies find loyal customers more appealing due to their lower propensity for price sensitivity and tendency to repeatedly buy firm items (Sandada & Matibiri, 2016). Customer loyalty refers to the deliberate decision-making process of consistently purchasing just the chosen products or services of a company (Kajenthiran, 2018). Effective service quality can greatly enhance customer loyalty by generating high levels of customer satisfaction (Seesaiprai, 2016). The company's capacity to fulfil customer expectations in order to generate satisfaction, which in turn has a substantial beneficial impact on consumer intents to return visits (Bahadur, Aziz & Zulfiqar, 2018). Research by Tripathi (2018) has shown that customer loyalty is positively and significantly influenced by the perceived level of customer satisfaction with the total services provided by the organisation.

### **2.2 Theoretical Review**

#### **2.2.1 Assimilation-Contrast Theory**

The Assimilation-Contrast theory, presented by Anderson (1973), posits that when a product or service falls slightly below expectations but is within the customer's acceptable range, assimilation will occur to make its performance acceptable and any discrepancies will be ignored. Nevertheless, if it lies within the spectrum of rejection, contrast will function and magnify the difference, therefore rendering the service or product unsatisfactory. Customer satisfaction is defined as the extent to which consumers compensate for the discrepancies between their anticipated and actual performance of a service or product, in order to align it with their expectations. However, this compensation is contingent upon the discrepancy being minimal (Rao & Sahu, 2013). This theory is relevant to the aspect of service quality known as service reliability, which refers to the preparedness of service providers to deliver timely services and comprehend the needs and desires of consumers in order to meet precise service requirements. Management of companies should prioritise service reliability to deliver the services they have promised to customers,



so meeting their expectations and ensuring that the perceived performance is acceptable to the customers. This will enable the customers to overlook any discrepancies and enjoy satisfaction.

### **2.3 Empirical Review**

Li, Wu, Han, and Li (2022) examined the quality of airline service in China using a variance evaluation approach that relied on complaint statistics. An optimal scale analysis approach was employed to determine the relationship characteristics between domestic and international airline complaints and the time factor. Subsequently, an airline service quality measurement (ASQM) model was developed using the Civil Aviation Passenger Service Evaluation (CAPSE) index. Using the ASQM model, the service quality of 26 full-service airlines and six low-cost service airlines in China was assessed. The study revealed that the temporal distribution of airline complaints is uneven, exhibiting a relative concentration of annual, seasonal, quarterly, and monthly complaints. The peak of complaints occurs in August each year. Furthermore, there is a strong correlation between all variables related to airline complaint types and time variables. However, there are variations in the specific focus of complaints at different times. Specifically, summer and autumn demonstrate not only a high volume of airline complaints but also a variety of complex complaint types. China's full-service airlines demonstrate superior quality in all services offered compared to low-cost service carriers. Over all, the level of service provided by the "in-flight service and ground service" remained rather consistent, but the quality of service provided by the "ticketing service" declined notably. Maintaining the service quality of in-flight service is challenging.

Hassan and Salem (2022) investigated the influence of service quality provided by low-cost carriers on the perception of airlines and the happiness and loyalty of consumers in Saudi Arabia during the COVID-19 Outbreak. A modified SERVQUAL scale was used to collect data from a total of 299 passengers at two international airports. The results indicated that the quality of service was a prominent factor in predicting customer satisfaction, airline image, and customer loyalty. The factor of responsiveness was the primary determinant of service quality, since it accurately predicted all other dimensions, including satisfaction, loyalty, and brand image. The brand image and loyalty of airlines were found to be independently linked to their tangible components and reliability. These findings suggest that low-cost carriers (LCCs) should customise their future strategic plans to focus significantly on enhancing several service quality indicators, especially in the area of responsiveness.

Ali, Jusoh, Qasim, and Abro (2021) assessed the perceived service quality of airline services among Pakistani customers and its subsequent influence on customer satisfaction and loyalty. This study employed Partial Least Square Structural Equation Modelling (PLS-SEM) to quantify the link. The study employed a self-administered questionnaire that integrated the AIRQUAL measuring paradigm. An online survey was distributed to 168 respondents who had journeyed from Pakistan to Malaysia. Employing convenience sampling, the findings indicated that airline tangibles, personnel services, and image exhibit a positive and statistically significant correlation with customer happiness. Conversely, empathy and terminal tangibles had a negligible correlation with customer contentment. Furthermore, it is imperative for the airline and airport service management to reassess the services they offer to shoppers travelling from Pakistan to Malaysia.

Giao and Vuong (2021) investigated the influence of service quality on passenger loyalty and the intermediary functions of relationship quality in a research conducted on domestic flights operated by Vietnamese low-cost airlines. A survey was carried out with 321 passengers who have utilised low-cost airline services in the domestic terminal in Vietnam. The data was then analysed using the Smart PLS 3.0 program through partial least squares structural equation modelling (PLS-SEM). The findings suggested that there was a favourable correlation between service quality and passenger loyalty. The discovery also indicated that airline managers should possess a comprehensive understanding of customers' expectations and passenger loyalty pertaining to low-cost airlines in order to effectively attract new customers and improve customer retention.

Lopentus and Erdiansyah (2020) investigated the impact and consequences of service quality and perceived value on the levels of customer satisfaction and loyalty among passengers of Garuda Indonesia airline. Using the non-probability sampling technique, data were collected from 200 respondents and analysed using the SmartPLS 3 software. Analysis revealed that service quality, perceived value, and customer satisfaction had a substantial impact on customer loyalty.

Customers' satisfaction with domestic airlines in Nepal was examined by Thapa, Devkota, and Paudel (2020). Regression analysis is employed to produce statistically significant results in a research. Furthermore, statistical tools are used to conduct ANOVA test and reliability test. Customer satisfaction is maximised when staff exhibit exemplary behaviour and airlines provide them with appropriate services and information. Furthermore, the research demonstrates a notable correlation between customer satisfaction and the criteria of tangibility, reliability, responsiveness, empathy, and assurance. The primary determinant in choosing airlines is the level of security they provide and the punctuality of their flights. Therefore, if airline businesses duly considered these factors, it would contribute to the enhancement of consumer satisfaction.

Park, Lee, and Nicolau (2020) investigated the mechanisms behind the quality of service characteristics in US airlines: Factors that contribute to satisfaction and those that cause dissatisfaction. Analysis of 157,035 consumer data from online evaluations was conducted to accomplish the research goal. The results indicated that the quality of specific service characteristics, such as cleanliness, food and refreshment, and in-flight entertainment, influences the fluctuations in favourable ratings as a determinant of

satisfaction. Additional airline service characteristics, such as customer service and the process of checking in and boarding, impact the magnitude of negative evaluations as a source of dissatisfaction. In addition to airline characteristics, the specific properties and categories of airline items have been assessed to enhance the comprehension of these connections.

Utilising SERVQUAL metrics, Song, Ruan, and Park (2019) investigated the causal connections between the perceived service quality, corporate image, customer trust, and corporate reputation of Asiana Airline in South Korea. An on-site study was carried out among Korean passengers. The findings indicated that the dimensions of responsiveness and reliability of service quality have a substantial impact on both corporate image and customer trust. However, tangibles, empathy, and assurance of service quality were not shown to be major factors influencing corporate image and customer trust. Furthermore, it has been shown that the corporate image and customer trust have a substantial impact on the business reputation. In this study, the theoretical significance and practical consequences of these discoveries are examined.

Njeru, Cheruiyot, and Maru (2019) investigated the impact of service quality on customer loyalty among a selected group of African airlines. The study utilised an explanatory survey research approach. The research focused on a sample of 256,254 customers selected from 9 Airlines operators in Africa. A sample of 750 clients was selected using stratified and simple random sampling methods. This study employed questionnaires as a means of gathering data pertinent to the research. The hypotheses were examined using a Multiple Regression Analysis modelling approach. The research results indicated that the qualities of tangibility, reliability, responsiveness, assurance, and empathy had a very important and favourable impact on consumer loyalty within the airline business. This implies that in the airline industry, the quality of service is a necessary condition for determining client loyalty. Therefore, it is of utmost importance for the airline to guarantee indisputable and dependable services. Furthermore, managers must implement policies that promote responsiveness, consistency, and empathy in airlines.

### **3. Methodology**

#### **Research Design**

The chosen research design for this study is the cross-sectional survey research design. This approach allows researchers to uncover actual events occurring within an organization, rather than solely relying on reported data. Gaining a clear understanding of the challenges companies face is beneficial for establishing a foundation or conducting initial research.

#### **Population of the Study**

The population of the study consists of customers of airline companies in Delta State, Nigeria. By focusing specifically on this group, the study aimed to gain a broad understanding of the unique challenges and opportunities related to improving customer retention for airline companies in the region. However, the researchers do not have an exact figure for the total number of airline customers in Delta State.

#### **Sample and Sampling Technique**

In studies where the total population size is not precisely known, researchers often use Cochran's formula to calculate the sample size (Onobrakpeya & Bayagbon, 2024). This method involves making assumptions regarding the necessary level of precision, the desired confidence level, and the anticipated proportion of the population exhibiting a specific characteristic or behavior.

The formula for the Cochran sample size calculation is as follows:

$$n = z^2(PQ) / e^2 \dots \dots \dots (1)$$

Where:

$$n = \frac{3.8416 \times 0.5 \times 0.5}{0.0025}$$

$$n = 384$$

The study utilized the judgmental sampling technique, which involved deliberately selecting certain groups for inclusion in the sample based on the researchers' understanding of the group and the specific traits they sought. Leveraging their expertise, the researchers identified individuals who were most likely to offer valuable and pertinent data for the study.

#### **Sources of data**

The primary data for this study was collected using a structured questionnaire with a five-point Likert scale response format. This questionnaire allowed the researcher to gauge public opinion at a specific point in time. Surveys were selected as the most effective method for conducting scientific research. The researchers administered validated questionnaires to participants in a face-to-face setting. The accompanying letter provided a comprehensive explanation of the study's purpose and emphasized the importance of obtaining reliable data. Its aim was to encourage respondents to provide honest and meaningful answers to the survey instrument.

To ensure the research instrument was effective, the researchers conducted a pilot study to thoroughly evaluate it and identify any potential issues before full implementation. This preliminary study involved distributing 15 copies of the survey to a group of participants in Enugu State, Nigeria, with the goal of testing the questionnaire and assessing its validity and reliability. Content validity and test-retest reliability were chosen to test the research instrument for relevance due to their complementary roles in ensuring both accuracy and consistency. Content validity was employed to ensure that the research instrument comprehensively covers all relevant aspects of the constructs being measured, thereby confirming that the questions are representative of the study's objectives. This step is crucial for establishing the instrument's relevance and appropriateness for the specific context of the research. Test-retest reliability, on the other hand, was used to assess the stability and consistency of the instrument over time. By administering the same instrument to the same respondents at different points in time and comparing the results, test-retest reliability helps to confirm that the instrument produces consistent outcomes, thereby reinforcing its dependability. Together, these measures ensure that the research instrument is both relevant and reliable, providing a solid foundation for the study's findings.

**Table 1** Reliability coefficients of study constructs

Dimension of study constructs	Items	Cronbach's Alpha
Service reliability	4	0.745
Service responsiveness	4	0.743
Service assurance	4	0.739
Customer retention	4	0.732

Source: Field Survey, 2025.

It can be inferred from Table 1 data that each variable has a Cronbach's alpha value exceeding 0.7. These results indicate that each variable has met the required criteria, suggesting that the indicators used to measure the variables are considered reliable.

### Methods of Data Analysis

The acquired data were analyzed using descriptive and inferential statistical methods to arrive at a conclusion. The demographic features of the respondents were analysed using basic percentages as descriptive statistics. The statistical techniques employed were correlation and multiple regression analysis, both of which are inferential in nature. Spearman ranked correlation analysis was employed to quantify the degree of association between the variables under investigation. Multiple regression was used to evaluate the statistical significance of the associations between the variables. The analysis was performed using the SPSS for Windows programme, specifically version 25.

### Model Specification

The following model specification was developed for the study:

$$CR = F(SQD) \dots \dots \dots (2)$$

$$CR = F(SRB, SRS, SAR) \dots \dots \dots (3)$$

$$CR = \beta_0 + \beta_1SRB + \beta_2SRS + \beta_3SAR + \varepsilon \dots \dots \dots (4)$$

Where:

$\beta_0$  = Constant Coefficient

$\beta_1$ -  $\beta_6$  = Coefficients

CR = Customer Retention

SRB = Service Reliability

SRS = Service Responsiveness

SAR = Service Assurance

### 4. Results of Data Analysis

This section is dedicated to the analysis of the data obtained from the participants.

**Table 2** Response rate

S/N	Description of Response	Number	Ratio (%)
1	Total questionnaires administered	384	100
2	Questionnaires retrieved and properly filled	375	98

Source: Field Survey (2025)



Table 2 displayed a response rate of 98%. The researchers considered a 98% response rate sufficient to continue with the analysis.

**Table 3** Sample demographics (n= 375).

Variable	Category	Number	Ratio (%)
Gender	Male	191	51
	Female	184	49
Age	18-28	45	12
	29-38	79	21
	39-48	98	26
	49-58	86	23
	59-68	67	18
Marital status	Single	116	31
	Married	214	57
	Divorced	45	12
Education level	SSCE	45	12
	OND	128	34
	HND/ B.Sc.	165	44
	Postgraduate degree	37	10

Source: Field Survey, 2025.

According to Table 3, 51% of the samples were classified as male, while the remaining 49% were classified as female. The survey revealed that 12% of the respondents fell within the age range of 18 to 28, while 21% were aged between 29 and 38. Additionally, 26% of the participants were between the ages of 39 and 48, 23% were aged between 49 and 58, and 18% were in the age group of 59 to 68. The survey revealed that 31% of the participants were not married, 57% were married, and 12% were divorced. Majority of the (44%) participants have an educational background that includes either a Higher National Diploma (HND) or a Bachelor of Science (B.Sc.) degree.

**Table 4** Effect of service quality dimensions on customer retention

Predictors	Standardized Coefficients		Collinearity Statistics			ANOVA <sup>a</sup>		Model Summary	
	Beta	T	Sig.	Tolerance	VIF	F	Sig.	R Square	Adjusted R Square
						481.519	.000 <sup>b</sup>	.796	.794
1(Constant)		-.786	.432						
Service reliability	.202	6.283	.000	.534	1.871				
Service responsiveness	.130	5.453	.000	.966	1.035				
Service assurance	.723	22.413	.000	.529	1.891				

a. Dependent Variable: Customer retention

b. Predictors: (Constant), Service reliability, Service responsiveness, Service assurance

Source: Field Survey (2025)

Table 4 shows that service reliability ( $\beta = 0.202$ ,  $p < 0.05$ ), service responsiveness ( $\beta = 0.130$ ,  $p < 0.05$ ), and service assurance ( $\beta = 0.723$ ,  $p < 0.05$ ) positively affect customer retention. The VIF for service reliability (1.871), service responsiveness (1.035), and service assurance (1.891) in relation to customer retention are all below 10. This means there is no multicollinearity. Service reliability has a tolerance of 0.534, service responsiveness is 0.966, and service assurance is 0.529, all of which are greater than 0.1. However, independent variables accurately measured airline companies' service quality. This was supported by the F value of 481.519 ( $p < 0.05$ ). The model was statistically significant. An adjusted R square value of 0.794 showed that service quality dimensions explained customer retention variances. Therefore, service quality dimensions explained 79% of customer retention variances.

**Table 5** Relationship between the variables

S/N	Predictors	SRB	SRS	SAR	CR
1	Service reliability	1			
2	Service responsiveness	-0.053	1		
3	Service assurance	0.686**	0.081	1	
4	Customer retention	0.700**	0.163**	0.890**	1

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

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

Source: Field Survey (2025)

Table 5 showed that service reliability has a strong positive relationship with customer retention ( $r = 0.700$ ). Service responsiveness positively correlates with customer retention ( $r = 0.163$ ). Service assurance has a strong positive correlation with customer retention ( $r = 0.890$ ).

#### 4.1 Discussion of results

The study's findings demonstrate that service reliability ( $\beta = 0.202$ ,  $p < 0.05$ ), service responsiveness ( $\beta = 0.130$ ,  $p < 0.05$ ), and service assurance ( $\beta = 0.723$ ,  $p < 0.05$ ) positively impact customer retention. Specifically, Table 4 indicates that all three service quality dimensions significantly contribute to retaining customers. Table 5 further reinforces these results, showing that service reliability has a strong positive relationship with customer retention ( $r = 0.700$ ), service responsiveness positively correlates with customer retention ( $r = 0.163$ ), and service assurance has a particularly strong positive correlation with customer retention ( $r = 0.890$ ). These findings are consistent with the results of several studies. Thapa et al. (2020) identified a significant relationship between customer satisfaction and the dimensions of tangibility, reliability, responsiveness, empathy, and assurance. Similarly, Song et al. (2019) found that responsiveness and reliability significantly affect corporate image and customer trust, though they noted that tangibles, empathy, and assurance were not significant antecedents. Additionally, Njeru et al. (2019) concluded that all five service quality dimensions positively influenced customer loyalty in the airline industry. However, the findings of this study differ from those of Hassan and Salem (2022), who found that responsiveness was the most critical dimension of service quality in predicting satisfaction, loyalty, and brand image.

The implications of these findings suggest that companies aiming to enhance customer retention should focus particularly on improving service reliability and assurance. These two dimensions have demonstrated the strongest influence on customer retention. By prioritizing these aspects, companies can build stronger relationships with their customers, thereby enhancing loyalty and reducing churn rates. Furthermore, while responsiveness is also important, its impact is relatively weaker, indicating that it should be balanced with other dimensions of service quality.

#### 5. Conclusion

In conclusion, this study underscores the significant role that service reliability, responsiveness, and assurance play in customer retention. The findings suggest that while all three factors are important, service assurance and reliability are particularly influential. Organizations that focus on these aspects of service quality are likely to achieve higher levels of customer retention, which is crucial for long-term success. The study therefore recommended that

- Companies should invest in processes and systems that ensure consistent and dependable service delivery. By minimizing service disruptions and errors, companies can strengthen customer trust and retention.
- Organizations should focus on building confidence in their services by ensuring that their employees are well-trained and knowledgeable, which can lead to higher customer satisfaction and loyalty.
- While responsiveness is important, companies should ensure that it complements other aspects of service quality. A balanced approach will help in creating a comprehensive service experience that retains customers.

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