

Decision factors affecting online flight tickets booking.
Can loyalty programme effects be observed?



Master's Thesis

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Abstract

This thesis' aim was to identify the customers' decisional factors when booking a flight ticket online and to search the loyalty programme effect on the path to purchase. The study was based on the Consumer Decision Journey model proposed by Edelman (2010).

The need for this research was identified to challenge the classical decision making model and marketing principles, where a customer is able to identify and choose always unambiguously best alternative and obediently follow the marketing efforts of the company.

The study was centred around the main research question '*What decision factors are important to consumer when booking flight tickets online?*' and the sub-question '*What is the influence of a loyalty programme membership and the perception of its benefits on the Consumer Decision Journey?*' The theoretical background of this search was grounded in theories on decision making, loyalty, loyalty programmes and online environment and presenting the uniqueness of the case of online flight tickets booking.

Generation Y participants were interviewed and went through hypothetical search scenarios combined with think-out-loud technique which provided a deep insight into their online behaviour, with commentary on the aspects that are considered important when booking the flight tickets.

The findings of the thesis showed that customers overall value mostly the convenience of the flight-in a matter of duration and schedule, and they are willing to trade-off price, which was of equal importance as convenience, for the more suitable connection. Other factors making customers more prone to book certain airlines over other appeared to be: past experience with the airline (not necessarily a positive one) and trustworthy design of the website.

Loyalty programme effect on the path to purchase was unnoticeable, which makes a loyalty programme and loyal customer link strikingly weak, or exposes the inapplicability of the model due to the wide availability of the comparison websites-intermediaries, which provide the customer with the transparent comparison of the prices, and diminishes the loyalty effect.

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Chapter 1: Introduction

People make decisions every few minutes (Szmigin & Piacentini, 2015). Even simple decision like choosing tea or coffee, rye bread or a muffin requires a split of a second thought, and there are many decision factors that affect such decision. When people are trying to make an informed, rational decision they seek out for information about relevant factors like in this case: calorie content, nutritional values, choice of others etc. Today's world is fast-paced and the amount of alternatives are countless, and the Internet provides an easy access to many options, with all the information about it, which can overwhelm a customer, but it can also help making more knowledgeable purchase (Eyal & Hoover, 2014).

Booking flight tickets is rather particular case of decision making, as people purchase a service that will happen in the future. Like in a case of a concert, however in case of flights there are many providers that can perform such a service. Therefore the question is: What makes people choose one over another? While marketers' questions is: How to make them choose our airline every time?

Customer loyalty, nowadays, seems to be even more important than ever. Most of the companies strive for loyal customers as they believe that loyal customer equals less money spent and more money gained (Griffin, 2002). However today, the loyalty is becoming more and more difficult to achieve, as the client can easily compare the prices among providers and as easily switch, due to the wide availability of other products (Sharp, 2010). He can read reviews from people in specific age group, of people with similar preferences, and he can often see the photos of every detail of the product/service he wants to purchase. We live in a true information age. Customers can know everything if they just properly search for it and the information is available within few clicks and seconds- whether on a smartphone, tablet or on a computer that customers always have around (Sparrow et al. 2011).

The still popular way to tie customers with a brand are loyalty programmes. They are omnipresent in today's marketing practices of most of the companies, especially airlines. The outcome of having such a programme should make customers more loyal and valuable

customer for the company, which should translate into increase in revenues, profits and market share (Butscher, 1998).

There are, however, few studies that assess the actual effectiveness of such loyalty programmes, and even fewer that assess investment profitability of implementing such a programme (Meyer-Waarden, 2008). The recognised research gap was found in the literature, as those papers that compare expenses of the members and non-members of the loyalty programmes fail to explore what the person's purchase behaviour was like before joining the programme, and that is crucial in order to assess the effectiveness of the programme. Another problem with the current literature on the topic is that it does not study whether the loyalty programmes are realistically profitable approach (Sharp, 2010).

However this paper does not aim to entirely close this research gap, as that would require a large scale studies, it aims to explore what factors are considered to be important while booking flight tickets and what is the loyalty programme effect on the online consumer behaviour.

The motivation to write this thesis is to confront classical consumer behaviour schemes, with a more recent model and to assess whether these tools really represent what is the path to purchase of a young adult from generation Y, when he is booking a flight ticket. Primary aim of this thesis is to assess what are the factors that make people choose one of the alternatives among others, and secondarily whether their loyalty programme membership would cause change in their online consumer behaviour.

Classical consumer behaviour literature claims that people go through five stages of a decision making, however they notice that an effort in decision making (Fig. 2) may vary depending on the cost of the decision, frequency etc. which may affect this decision making scheme (Solomon et al. 2006). This volatility had also been noticed by Edelman (2010) and he and his colleagues had proposed a new model of the way people purchase. The difference was that instead of lowering the amount of considered options along the progress in the decision making, in the Edelman's model, the amount of alternatives considered initially, raises- before being narrowed down to the selected one. That is an easily observable phenomenon, considering how fast people can reach for information, and can effortlessly find out about competing offers, which then, extends their consideration set. Edelman

(2010), however also claims that people, once are loyal to a brand, they would skip stages of consideration and evaluation of alternatives entirely and go directly to 'buy' stage, which could have been the same as a routine response to a perceived problem, but with actually stating that people do not take other alternatives into consideration at all.

It is a very tempting assumption, and the author of the paper had decided to look into it. The research, based on in-depth interviews and hypothetical search scenario with think-out-loud technique, conducted for the thesis analyses the behaviour of customers who were faced with flight ticket purchase decision. Their decision factors were assessed including the loyalty programme membership and potential effect on the path to purchase was searched. The thesis seeks an answer of what is important to customers when they book a flight ticket and what is the role of loyalty programme in such decisions.

To guide a reader through the thesis, it is divided in chapters, where first chapter introduces the outline of the problem that is tackled by the thesis, its research question and delimitation to explain the placement and scope of the research. The second chapter provides the literature related to the topic, and theoretical framework with presentation of the model that was used to guide the research. Chapter three explains the methodology used in order to answer the research question, the reasoning behind it and the limitations of the research. The third chapter also provides the design and explanation of the interview guides and the hypothetical search scenario, with explaining the usage of the model previously explained in detail in the chapter two. Chapter four provides results and presents them in the same order dictated by the model that guides the interviews. Chapter five links the results with the literature and discusses the possible explanation and implications of the outcomes with the support of the theory. It also provides recommendation for the applicability of the research in the industry. Following chapter six provides the final conclusions and heading towards the end, last section of the thesis is devoted for future research proposal.

1.1. Research Question

After reviewing the literature on the combination of the topics related to the classical concept of consumer decision making, the new consumer decision journey, then loyalty and loyalty programmes with contrasting views, adding to that the online environment dynamics, the author poses a research question that this thesis seeks an answer to:

What decision factors are important to consumer when booking flight tickets online?

The problem comes from a research gap found in the literature on the matter, and it builds on and deepens the research done by other students from Copenhagen Business School about online consumer information search. This research looks into the process of booking flight tickets alone and dwells on the reasoning behind the choice. It is structured according to Consumer Decision Journey, which is further explained in chapter two. The model is also a ground for the sub-question of the paper, which is:

What is the influence of a loyalty programme membership and the perception of its benefits on the Consumer Decision Journey?

It focused on the impact of the loyalty programmes and sought the difference in online behaviour between the members and non-members, following the Consumer Journey Model.

1.2. Delimitation

The spotlight focuses on the online information search, as it is currently the most used channel for booking flight tickets (IATA Global Passenger Survey, 2014). The research is limited to the European airlines that fly from Copenhagen airport, Kastrup, as it is the only commercial airline airport in the surroundings of Copenhagen and the author of the paper and the interviewees live in the area of the capital of Denmark. The hypothetical search scenario that interviewees were following was limited to the short trip in Europe.

The thesis does not base on the cooperation with any airlines or intermediaries, as the aim is the assessment of the loyalty programme membership influence on the online consumer behaviour. The research is conducted from an outsider perspective.

The selected interviewees are all from the Generation Y, also called Millennials, who were born between 1980 and 1994 as used by Kuron et al. (2015). Additionally the researched group consisted solely of the expatriates. The reason for choosing this specific group is introduced in further detail in the Research Strategy part (Data collection method).

Chapter 2: Literature review and theoretical framework

This chapter provides a review of theories that are related to the topic of the research. It gives an insight into consumer behaviour, the decision making process, customer loyalty, loyalty programmes, and online environment. It presents different theories about the loyalty, which sets the ground for the discussion of the results. Finally it introduces the theoretical framework of the new decision making journey, that was used for guiding the interviews with explanation of each stage of the model.

2.1. Consumer behaviour

Consumer behaviour *'is the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires.'* (Solomon et al., 2006, p. 6).

Consumers can be perceived as individuals, with all their personal experience and psychological traits that are discretely distributed. Another approach is to treat the customers *'as decision makers'* (Solomon et al., 2006, p. 255) where their taken steps to the purchase are analysed and can be generalised. A person becomes a consumer at the point of identifying a need or desire that can be satisfied by a product or a service. Statt (1997) tries to grasp the factors influencing the decision making and groups them generally into

individual and social. The individual factors are those that are unpredictable and independent of other aspects. The elements of the individual differences are: perception, personality, learning and motivation. On top of those elements that are individually distributed there are some that allow some sort of generalisations and also seek the reasons for those individual behaviours. Those are: family influences, social and developmental influences, influence of small groups, social class, cultural influences and attitudes (Statt, 1997).

Decision making process had been studied over last century once marketers had realised that there are many points when they are able to reach their potential customers one way or another. (Buchanan & O'Connell, 2006) The classical decision making model which is still used and taught in marketing classes starts with Need recognition or Problem recognition. That is the first thing pushing people to make a purchase decision. It is the moment when the hypothetical consumer is realising that there is something missing in his life, or that he would like to improve his life. (Solomon et al., 2006) or as put by Statt (1997) *'[...] the "problem" in this model is therefore to close the gap between their actual state, the one they are currently in, and the desired state they would like to be in.'* (Statt, 1997, p.230-231).

As we live in the developed world this is not the moment when it is probable that such a person would discover or invent something ground-breaking that would have changed a civilisation, through his need recognition, but he can realise, that his life would be much easier if he had for example: a bike. It is a simple need, and there exists a 'simple way' of fulfilling the need- to simply buy a bike. That is the era we live in. A person needs something, he goes and buys it, or even better, he does not even have to go anywhere as the online shopping is providing the comfortable option of getting everything delivered to his doorstep within a few workdays. But until such a package ends up on the doorstep, there is a step that the company cannot do for the customer: DECIDE.

He needs to decide what sort of bike does he want to get, what brand, what technical features should it have, and the purchase should preferably fit into his budget. So how does such a person decide what to buy? The classical marketing model is presented in Figure 1.

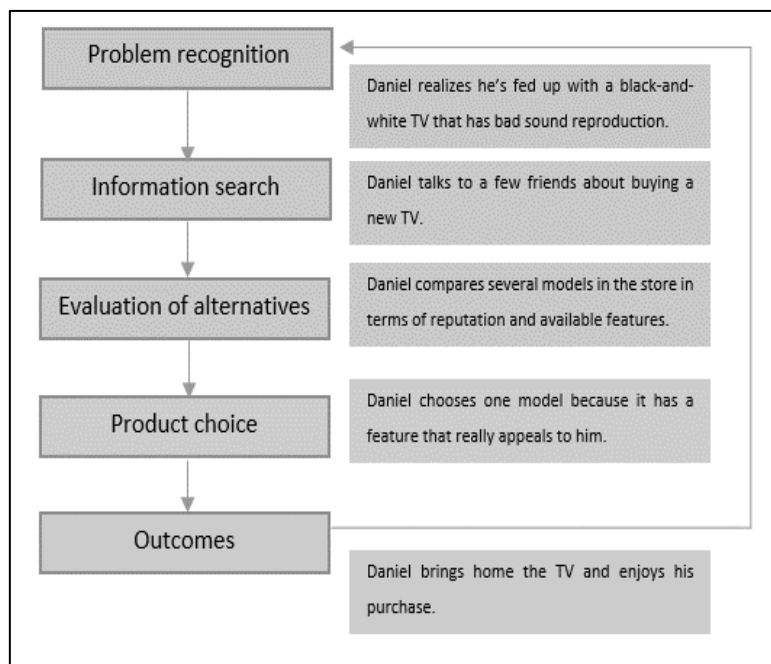


Figure 1, Stages in consumer decision-making, source: Solomon et al. 2006, p. 258.

According to Solomon et al. (2006) the next thing after recognising the problem (need) a customer does is the information search. Depending on the level of involvement in the decision the customer would spend more or less time gaining expertise on the topic of the purchase. He spends his time and energy to find the perfect product that fulfils the need in a phase called Information search, he talks to his friends, he researches online, he goes to the bike shop to get an overview of what he can get. In this decision making process model, the idea is that from the large amount of options that are there, he narrows down the choice as he learns more about the products' features. The evaluation of alternatives is the third step when an informed customer searches for his preferred features and compares products that would suit his needs and budget. After he has chosen the option- he purchases the product or service (Product choice step) which creates Outcomes- that can be favourable for the product or not, but it informs his next decision. Edelman (2010) compares this model to a funnel, as in this theory the consumer starts with a larger set of brands, then continuously narrowing it down, until he will have selected the one that matched his perceived need.

The traditional decision process purchases assumes one important thing: people are rational and people want to maximise their gain (enjoyment) from the purchase. Verweij et al. (2015) notice that the rational decision making models assume that the decision makers are informed about the all possible alternatives including their preference about it and after making a cost-benefit (rational) analysis of those one can make a decision that would be unambiguously better than others. Statt (1997) however argues with that saying that *'often, therefore, we are not really trying to the best possible alternative; what we are really looking for is good enough alternative.'* (Statt, 1997, p. 228).

There are many factors that can alter this decision process- by making it longer and more thorough, or by shortening it significantly. According to Solomon et al. (2006) the complexity of the decision can be measured in the effort the customer is putting in solving his Problem.

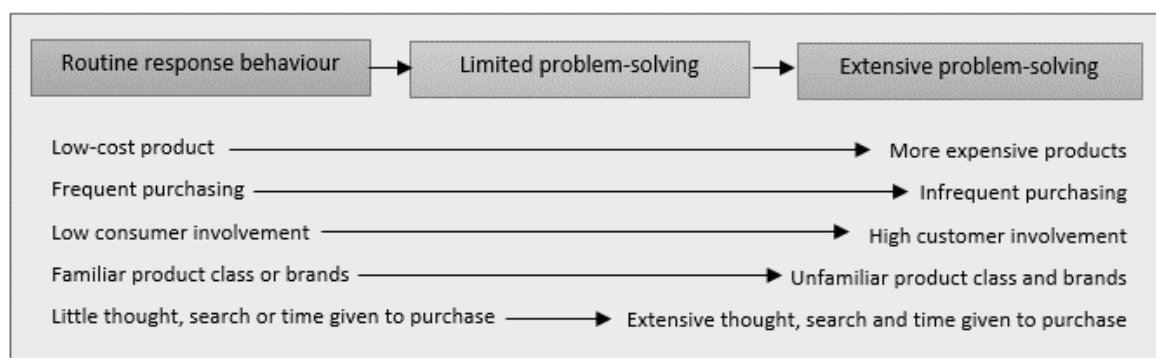


Figure 2, A continuum of buying decision behaviour, source: Solomon et al. 2006, p 261.

The Routine Response Behaviour can prevail when the product is cheap, when the purchase is frequent, when the decision is the one of the low involvement, when the person is familiar with the product class and brands, when the customer does not have sufficient time to dwell on the decision. Each of these factors may alone cause a routine response behaviour, but habitual buying may be also an outcome of a combination of these factors. (Solomon et al., 2006). The opposite (extensive problem solving) happens when the consumer is facing more expensive product purchase, when the product class he purchases is infrequent, when the involvement is high, when he is not familiar with the product class and brands and when he is given long time to finalise the purchase. Then the decision takes longer, the customer

spends more time to make a fully informed decision. Solomon et al. (2006) notice that the *'decision involving extended problem-solving correspond most closely to the traditional decision-making perspective'* (Solomon et al. 2006, p. 261).

This is where the loyalty becomes evidently important- all marketers' dream is to have the product that people just habitually buy, with little consideration to other brands. What marketers work on- is how to predict the behaviour and how make sure that the customer will choose their product. They try to predict that through measuring (among other things) attitudes towards the brand and products, which depending on whether positive or negative should be reflected in person's behaviour. Solomon (2013), however, argues that all of those attitude measuring have one problem in common: *'in many cases, a person's attitude doesn't predict her behaviour.'* (Solomon, 2013, p. 284). The experts of loyalty then are looking for other ways.

2.2. Loyalty

By the definition of Cambridge Dictionary customer loyalty is *'the fact of a customer buying products or services from the same company over a long period of time'* (Dictionary.cambridge.org, 2016).

Loyalty is difficult to measure as marketers argue whether attitudes should be measured or the behaviour (Anderson & Srinivasan 2003). Additionally, the strategies towards earning loyalty are various, as most of the classical marketers assume, it is worth to invest in the customers who are loyal and it is a good idea to reward them for their loyalty. There are also opponents like Ehrenberg and Sharp - who look for and expose empirical evidences that on a large scale loyalty does not significantly matter and investing in it, does not pay off.

According to Griffin (2002) *'customer loyalty is alive and well.'* (Griffin, 2002, p.1) she does, however, notice the challenges of the current marketplace where the information is not solely pushed onto the customer, but instead the customer would rather actively pull (seek) the information he considers important. She also notes that the technological

development offers new ways of communication with the client and the data collected allow more sophisticated ways of reaching the desired customers.

The important distinction that Griffin (2002) marks is that customer satisfaction does not automatically mean that the customer will buy the product/service again, which also follows aforementioned Solomon (2013) - the attitude and behaviour discrepancy. Griffin argues that the measurement of the customer satisfaction is self-reported, therefore often faulty and biased. A loyal customer's purchase is '*not a random event*' (Griffin, 2002, p.5) and the word loyalty also conveys that the behaviour occurred at least twice. (Griffin, 2002, p.5). Griffin stresses the importance of the behavioural loyalty, over the attitudinal loyalty.

The most common strategy to win loyal customers, is the market share strategy (Griffin, 2002) which aims to get as many customers as possible, with little attention to the existing customers. Griffin (2002) argues that it is not the right approach, as customers like being taken care of. She also claims that the market share strategy is more expensive than investing in loyalty, as the market share investment often involve coupons, sales promotions etc. Therefore even though Griffin (2002) does not support attitudinal loyalty idea, she tries to win the behaviourally loyal customer through pleasing the current customers.

Griffin explains that the longer the customer is the client of the company, the more profitable the customer is for the company. '*A company can boost profit 25-85 percent though increasing retention by as little as 5 percent.*' (Griffin, 2002, p. 12).

The increase of the sales from the loyal customers should come from the fact that these customers should be buying more with the brand, and at the same time spend less with the competition, which would both increase sales, and strengthen the position on the market. Griffin (2002) also claims that loyal customers are so loyal that they should not be tempted by competing offers.

In the dynamic marketplace with tough rivalry '*[...], a loyalty program, [...] is usually introduced to build customer loyalty through the planned reward scheme based on a customer's purchase history*' (Yi & Jeon, 2003, p. 1), therefore the next literature section discusses in the detail the goals of loyalty programmes.

2.3. Loyalty programmes

Loyalty programmes are '*structured marketing efforts that reward, and therefore encourage, loyal buying behaviour.*' (Sharp, 2010, p. 171). The general way of using such programmes is that the customer is rewarded for the purchase with points that he can collect and after reaching certain threshold, redeem for a real reward. The system is supposed to tie a customer to the specific brand and make the customer more loyal, as he wishes to get the rewards sooner (Sharp, 2010).

The loyalty programmes', or as called by Butscher (1998), customer clubs' '[...] *primary purpose is to build a relationship with the customers that turns them into long-term loyal customers [...]*' (Butscher, 1998 p. 43). However the overall goal of such a programme is to increase revenue, profit and share of the market, through those long-term relationships. In order to achieve this goal, five other goals needs to be fulfilled as those goals contribute to the main financial goal. Those constituents are: customer loyalty, wining new customers, building a strong database, support other company departments and create communication opportunities (Butscher, 1998, p.44). These goals are further broken down into: increasing visit frequency at point of sale, increase usage and purchase frequency, develop problem solutions, support public relations of the company, improve product, brand and company image, additionally there may be also some case specific goals that the club is trying to fulfil.

Assuming, therefore, that loyalty programme members are actually behaviourally loyal, following Griffin's and Butscher's expectations, it would seem like such a programme should be a panacea to all of the company's struggles.

For the purpose of the research it is assumed that the loyalty programme membership should be synonymous to the loyalty.

Sharp (2010) admits that loyalty programmes are big part of business and probably will be for another while as the companies have difficulties to withdraw from them. Customers are not happy to lose their acquired benefits, so the companies continue the practice. Sharp and Sharp had conducted a large scale study on the Australian market to assess whether a

company with a loyalty programme had an outstanding loyalty for the market share they have, the results had shown a weak effect of the loyalty programme (Sharp & Sharp, 1997a).

The problem with the measurement of the effect of the loyalty programme is that it would require longitudinal studies to see the difference between the behaviour before joining the programme and after joining the programme. The behavioural marketers however provided the benchmarks of loyalty related with the market share of the company, basing on so called Dirichlet model, which is a scientific theory on marketing (Sharp, 2010).

Using the very model, it allowed the Sharps to see the variance from the predicted by the Dirichlets benchmarks loyalty level- recognised as a repeat purchase, to the one measured (and see whether it is higher than predicted), as Sharp (2010) says the efficient loyalty programme should have features of a niche company- with low penetration and high loyalty. Sharp and Sharp (1997) praised the model for its applicability: *'The Dirichlet fitted extremely well in all three of the markets we examined, indicating that the markets are behaving in the normal manner expected of competitive repeat- purchase markets around the world.'* (Sharp & Sharp 1997, p.485).

Out of six loyalty programme brands examined in the search only two had shown excess repeat purchase loyalty beyond forecasted level, however the same variation occurred among the non-members, which suggests that there were other reasons for this sort of increase.

The main problem with the loyalty programmes according to Sharp (2010) is that the loyalty programme focuses on the heaviest buyers, who are interested in being *'rewarded for doing what they already do'* (Sharp, 2010, p. 175), Sharp also notices that the heavier buyers have more opportunities to stumble upon the communication of the programme, and then to join. Therefore following his thought, the programmes do not meet the goals of winning new customers, or to make the current ones more loyal buyers (Sharp & Sharp 1997).

Sharp's (2010) idea of successful marketing therefore, was opposing to Griffin (2002) who would invest in the loyal customers to make them more loyal. His idea is to increase the mental and physical availability of the product, both of those make the *'brand easy to buy'* (Sharp, 2010, p. 180). Mental availability means that the product must be distinctive and

clearly branded so people would have the easiness of association the brand and have it 'mentally available' to choose. The physical availability comes down to the product or service being there for the customer to choose, therefore the success bases on the distribution.

Except for the loyalty programmes studies Sharp has grouped together a set of rules involving the loyalty investments, which are highly relevant for this research, they are presented in the following section.

2.4. Sharp's new marketing view

Sharp offers a set of new laws that rule the market according to his and other behavioural marketers' view. Some of the selected laws are presented here, which may provide explanation of the results obtain in the research. The first is double jeopardy law, which says that brand with the lower market share naturally has less buyers and that they are a little bit less loyal (in their purchases and attitudes) (Sharp, 2010). The retention double jeopardy also states that the loss of the customers is also proportionate to their market share (Sharp, 2010). This law goes against the idea *'[...]that niche marketing enables customer needs to be better matched, and as a result, the niche marketer can charge a substantial mark-up over costs because of the added value'* (Toften & Hammervoll 2013), and that small, targeted brands have more loyal customers.

Another Sharp's idea: *'Attitudes and brand beliefs reflect behavioural loyalty'* (Sharp, 2010, p. viii) – that law explains that people express more messages about the brands they are using and they speak very little about the brands they do not (Sharp, 2010). It is followed and closely linked with another law called 'Usage drives attitude (or I love my Mum and you love yours)' (Sharp, 2010, p. viii) which dwells deeper into the Solomon's (2013) idea of inconsistency of attitude and behaviour, as Sharp provides evidence that the customers tend to give same attribute to the brand they are currently using- which means that the user of brand A expresses similar attitude to brand A, as the user of the brand B to the brand B (Sharp, 2010).

One more interesting observation on the topic was noted by Winchester et al. (2008) who went in depth with the analysis of customers' usage driving the attitude- depending on whether they are new customers, defecting customers, non-users or they continue to use the same product. The results of his research had shown that 53% of people who expressed positively about the brand, still have left the company, and were 5% less favourable in their opinion about the brand. Those expressing the negative beliefs, after they defected from the brand they expressed even more negatively about the brand (Winchester et al. 2008). However those who were staying seem to adjust their beliefs to the more positive side, both those who were expressing positively and negatively express more favourable opinions at the second point of the measurement (after continuation of the usage of the brand) (Winchester et al. 2008).

The last law mentioned from principles of Sharp is the aforementioned Dirichlet model. It is a scientific model of *'how buyers vary in their purchase propensities'* (Sharp, 2010, p. viii). It predicts the loyalty measures basing on the market share of the category, and is used as a benchmark- where the benchmark is lower than the measured loyalty- it can be classified as the outstanding loyalty- which however should be measured on the large scale and at different points of time to be sure of the results (Sharp, 2010).

All of those laws disrupt the classical loyalty theories, therefore when reaching the result of the analysis it is interesting to see whether the loyalty programmes seem to be following the Butscher's theory and supporting Griffin's ideas on investing in loyalty, or whether Sharp's laws are true even for this small sample.

The following section of the literature review introduces Online Environment complexity and focuses on its influence on the decision making, as the researched evaluation of alternatives takes place in the virtual reality.

2.5. Online environment and its impact on decision making

There are many factors influencing the decision that are available in no-time. *'For example, decisions are influenced when accessing social media sites via desktop and mobile sites plus communications in traditional channels.'* (Chaffey, 2015, p. 42). The Figure 3 shows

the complexity of the decision influencers and possible path to purchase- which is defined by Chaffey as *'the different sites, channels, devices and information sources that consumers use to in, form their purchase decision for a product or service. Also known as conversion pathway on a site'* (Chaffey, 2015, p. 42). Chaffey follows the traditional model of the consumer purchase decision and shows how, and what kind of websites affect these decisions for the first time consumers.

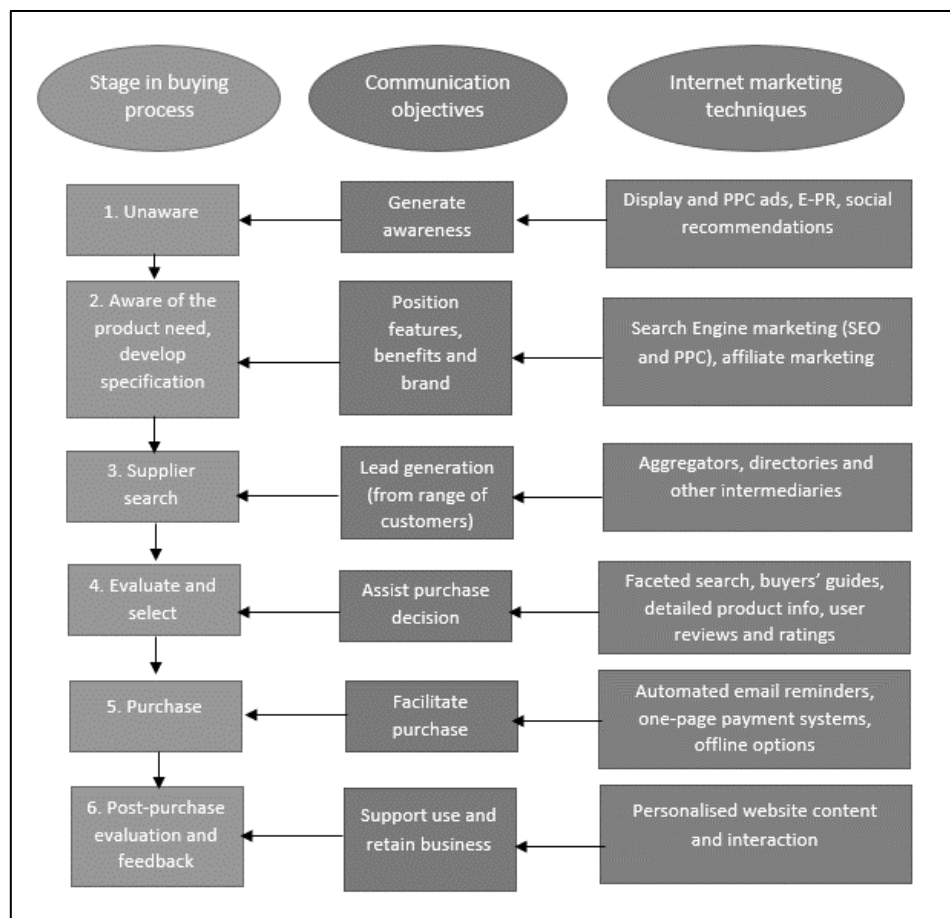


Figure 3, Influence of Online Marketing on the purchase decision for the new buyer, source: Chaffey, 2015, p. 401.

That is the new decision making journey (Figure 3) – shows how different World Wide Web addresses provide the customer with as much information as he is willing to retrieve from it, and support his decision making along all the steps. The Internet provides the opportunity of reaching a customer who does not really have a need or a problem (1-Unaware), as the PPC (pay per click) advertisements or E-PR and social recommendation

allow reaching the customer who would not think of owning a certain product or trying a certain service. The (2) is as in Solomon's model the moment of need recognition, and that is when the customer starts actively learn about desired product or service and find the desired need specifications, supported by search engines that are available in the customer's country, which provide a large set of answers that are sorted according to the relevancy to the query. In the search of supplier (3) the customer visits intermediaries, influencers or media sites to gain an insight in the category they are researching on. These include: social networks, price comparison websites, affiliates, etc. These websites, however, do not offer the Online Value Proposal, which is '*a statement of the benefits of e-commerce service that ideally should not be available in competitor offerings or offline offerings.*' (Chaffey, 2015 p. 51), as those they only serve as the intermediary and base on earning the commission. The initial online boom allowed the direct communication with the company without the need of the middle man, also known as disintermediation. Later, amount of businesses that operate online had grown so rapidly that all of a sudden people were lost again, and were in need of the intermediaries again, it is called re-intermediation (Chaffey, 2015).

The subsequent part of the model (4) offer the assistance for decision by available previous customer's experience reviews, ratings and usage advices. The purchase (5) part is facilitated by the online payments systems, which enable one to pay directly on the website, and receive and automatic confirmation of finalising the transaction. The post-purchase (6) part of the online path to purchase is giving the customer the ability to interact and to give feedback to the company, and also network with other users of the same product or service by providing review and rating input.

The way this new environment is affecting the decision making is that the options are multiplying subsequently with the search, not lowering like in the traditional decision purchase model. Intermediaries find use in sorting the options depending on the desired factors like price, product or service specification (like for example flight duration). That is the reason why companies make an effort to distribute their product through different channels- to reach as many customers as possible. Internet offers the opportunity of direct trade with the customer, the companies have their own websites to sell the airline tickets. In the re-intermediation times it is also important that the company appears on the

intermediaries websites- in case of flight tickets e.g. Skyscanner, Momondo, Kayak, etc. where the consumer can compare the prices and buy the ticket, often through a third party, not the airline official website.

As it was mentioned, Griffin (2002) said that these days the pull media takes over the push media, IATA (2014) proves that majority of the flight tickets are currently booked online, and Chaffey (2015) confirms that Internet is '*an example of pull media*' (Chaffey, 2015, p. 405). It means that the customers decide which websites they visit, following the Figure 3 scheme. The choice of websites visited depend on the mental availability (Sharp, 2010) and when the customer knows what is he searching for, he is '*proactive and self-selecting*' (Chaffey, 2015, p. 405). The implication of this shift in the way of communication is that the marketers have less control.

However this model is very compelling and provides a deep insight in the dynamics of the online environment, this thesis second focal point is the loyalty affecting the decision making, precisely loyalty prevailing in the loyalty programme membership. Therefore another model is needed to describe the path to purchase being altered by loyalty.

The model used to base the research of this thesis is therefore explained in detail in the following literature review section.

2.6. The Consumer Decision Journey model

The new revised model of the consumer decision journey has been proposed by Court (McKinsey & Company, 2009) then described in Harvard Business Review (Edelman, 2010), who had also suggested that the digital age we currently live in, had changed the points where the company is able to influence the decision making and also the ways the company communicate with the customer (Edelman, 2010). This model shows the behaviour of the loyal customers, who do not evaluate and assess all the other options- because they already have their preference set.

This model had been chosen as it combines the classical decision of purchase model, with the technological advancement impact and it takes into account the loyalty influence on the extent of the analysis of the alternatives.

It is used as a theoretical framework for this thesis to guide the interviews and the analysis, as it analyses the process and it sheds light on the habitual buyers who do not always evaluate their purchases, but may just follow their loyal habits.

The subsequent steps of the model are described in detail, introducing important features of each step.

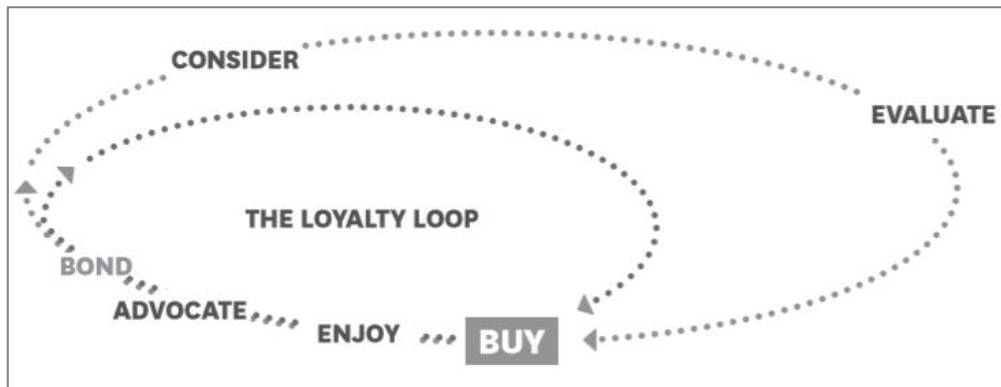


Figure 4, The Consumer Decision Journey, source: Edelman, 2010.

2.6.1. Consider

This journey starts with ‘top-of-mind consideration set: products or brands assembled from exposure [...]’ (Edelman, 2010, p. 3). This is rather limited amount of brands that is the effect of the person’s past experience, being exposed to advertisements, on topic conversation etc. (McKinsey & Company, 2009). That is what is called by Sharp ‘mental availability’ – it concludes all the laws of the new marketing world view (Sharp, 2010). Following Sharp’s laws a person who was asked about the gyms in their city would probably name those that he goes to and then the biggest gyms that are in the city (due to the number of possible encounters with them that makes the mental availability easier), which falls in line with double jeopardy law and the Usage drives attitude rule.

The number of the brands in the initial consideration step is limited opposite to the funnel approach, where that would be the step where the customer would be considering the biggest amount of brands (Solomon et al., 2006).

McKinsey and Company had shown the influence of different communication means on the three steps of the purchase, without taking into account loyalty loop, which for the initial consideration were: Company-driven marketing, having vast 39% of the influence, then past experience which accounted for 28%, Consumer driven marketing that got 21% and the Store interaction which reached 12% (McKinsey & Company, 2009) (Figure 5).

Court also states that the brand that can be found in the initial consideration step is three times more likely chosen as a final purchase, than the brand that does not appear in the initial consideration set (McKinsey & Company, 2009). That falls in line with Albarracin & Wyer Jr (2000) statement that *'People who have behaved in a certain way at one point in time are likely to do so again'* (Albarracin & Wyer Jr, 2000, p. 1), therefore the past behaviour is considered to be a good indicator of the future actions.



¹Based on research conducted on German, Japanese, and US consumers in following sectors: for initial consideration—autos, auto insurance, telecom handsets and carriers; for active evaluation—auto insurance, telecom handsets; for closure—autos, auto insurance, skin care, and TVs; figures may not sum to 100%, because of rounding.

Figure 5, The influence of various factors at the different decision stages, source: McKinsey & Company, 2009.

2.6.2. Evaluate

The next step, the evaluation, or as called in the McKinsey Quarterly Journal – the Active Evaluation step. That is the moment when the customer starts his analysis of other available options (therefore expanding his consideration set) that did not come to his mind as the first

options, and also establishes his decision factors basing on what he is able to find (Edelman, 2010). This is where the marketers' role changes as instead of classically used push mechanisms, and consumers buying what they know they can buy, nowadays the pull marketing takes over, with the prospect customer actively searching for more information about the product (Edelman, 2010) as also supported by the Chaffey's online purchase model (Figure 3).

However with this search the potential buyer also finds other options matching his criteria, finds reviews, comments and, in the meantime may contact a friend who knows more about the category he wants to make a purchase in (McKinsey & Company, 2009).

It is visible in the decision factor influence graph that the Company-driven marketing loses its advantage held in the initial consideration, and reaches 26% losing 13% from the initial consideration, past experience rates only 10%, losing 18%, while Customer-driven marketing sky rockets with 37%, increasing 16% from the initial consideration. The Store Interaction gained 14% from the initial consideration- reaching 26 % in the active evaluation step (Figure 5). Therefore, at this stage of the decision making the greatest marketing influence have: customer driven marketing – rating websites, forums, social media, and company driven marketing and store interaction equally influence active evaluation- which points to high importance of the communication at the purchase site.

Sector	Share of purchases, %			Average number of brands	
	Initial consideration	Active evaluation	Loyalty loop ¹	In initial-consideration set	Added in active consideration
Autos	63	30	7	3.8	2.2
Personal computers	49	24	27	1.7	1.0
Skin care	38	37	25	1.5	1.8
Telecom carriers	38	20	42	1.5	0.9
Auto insurance	13	9	78	3.2	1.4

¹ For skin care, includes consumers who purchased their current brand 2 or more times in past 3 months and for whom current brand made up at least 70% of total category purchases in past 3 months; for all others, includes consumers who purchased same brand on current occasion as on previous occasion and did not consider any other brands.

Source: McKinsey consumer decision surveys: 2008 US auto and skin care, 2008 Germany mobile telecom, 2009 US auto insurance

Figure 6, Share of purchase at each step, source: McKinsey and Company, 2009.

Contrary to the funnel approach belief in the Consumer Journey model the Active Evaluation step extends the number of considered brands beyond those initially considered, due to the extension of knowledge about the searched category. The number by which the active evaluation increases the pool of considered brands significantly differ between the industries which is shown in figure 6. The figures showing the share of purchases exhibits in which stage the brand was chosen- whether it was the one from the initial consideration set, the one added in the active evaluation or was it due to the loyalty loop that the customer is in (McKinsey & Company, 2009). The categories chosen in this example clearly point to the difference between the subscription loyalty- like in case of auto insurance, which bases on the renewal subscription (Sharp et al. 2002), and limits the customer to choose only one provider, as he just needs one auto insurance, or in the case of telecom companies (however more brand switching occurs comparing to the auto insurance), where a customer is not limited to having only one company dealing with telecommunication systems he owns, therefore it is so called free choice subscription (Sharp et al. 2002). Other categories may be more of a repertoire buying, which is further explained in the subsequent section.

What has not been mentioned in the Edelman's article is how long each step takes. Of course these vary from person to person and the value of the decision (it usually takes much longer to purchase a house than to purchase a ski set). The author of the thesis wants to draw the attention to how nowadays the active evaluation stage is available in our pocket- though our smartphone. *'We live in a world where being away from email and text messages for even an hour means that we are concerned that decisions have been made without our invaluable input'* (White 2010). When a customer knows nothing about a certain kind of brand of a category, within a matter of seconds or minutes he can get an idea of what are the prices he can get, and what are the quality brands and which are not and what are his desirable traits of the product.

Google is continuously researching this so-called Zero-Moment-of-Truth (often referred as ZMOT) which as Chaffey (2015) explains is *'a summary of today's multichannel consumer decision making for product purchase where they search, review ratings, styles, prices, comments on social media before visiting a retailer'* (Chaffey, 2015, p. 665). According to Google's data *'82% of smartphone users say they consult their phones on purchases they*

are about to make in a store. ' (Adams et al. 2015). Interestingly the mobile search is already outrunning the PC searches, which was the result of the Google's research basing on 10 countries including the US and Japan (Adams et al. 2015).

2.6.3. Buy

Buying is the moment of actual purchase, when the decision is made. The customer decides, and pays for his transaction. According to Edelman this point nowadays is being put off, preferably until the customer can go personally to the shop and see the product (Edelman, 2010).

In the case of the flight tickets the buying process is a little bit different due to the fact that the customer cannot touch the product and usually does not go anywhere to finish the purchase. The uniqueness of the online flight ticket booking is explained in further detail after the description of the model.

What is however important and very different from the traditional purchase process is that the buy step is not only followed by post-purchase, but it is the beginning of the potential interaction with the customer as a loyal customer. The post purchase evaluation informs the next purchase decisions turning the linear funnel of traditional marketing into the cycle (Edelman, 2010).

The next steps: Enjoy, Advocate and Bond may be the start of the Loyalty Loop, which would hopefully turn the customer into a loyal customer, and the customer's purchase path may be shorter due to the already chosen preference for this product category (Edelman, 2010).

2.6.4. Enjoy, Advocate and Bond

These are the steps that are only shallowly explained by both Edelman and his colleagues from McKinsey. However, according to the model these steps are required for the customer to become a loyal customer, therefore these purchase phases should not be overlooked in the marketing investments (Edelman, 2010).

According to Edelman (2010) *'When consumers are pleased with a purchase, they'll advocate for it by word of mouth, creating fodder for the evaluations of others and invigorating a brand's potential. Of course, if a consumer is disappointed by the brand, she may sever ties with it—or worse'* (Edelman, 2010, p. 3). It is quite the contrary what other publishers, like Dixon et al. (2010) think about the delighting the customer. In their article Dixon et al. (2010) argue that consumers may be prone to change the provider regardless or the company efforts. *'Twenty percent of the "satisfied" customers in our study said they intended to leave the company in question; 28% of the "dissatisfied" customers intended to stay.'* (Dixon et al. 2010). That also follows aforementioned Winchester et al. (2008) with their empirical proof of the attitude not being consistent with behaviour, therefore even a satisfied customer may defect, and a dissatisfied may continue being a client of the company.

What is however of great importance, according to Dixon et al. (2010) is that the customer service is nowadays a must. However, its existence and its excellence can increase the loyalty insignificantly, its lack, or misbehaviour can greatly weaken the customer loyalty. *'Although customer service can do little to increase loyalty, it can (and typically does) do a great deal to undermine it. Customers are four times more likely to leave a service interaction disloyal than loyal.'* (Dixon et al. 2010).

Additionally people are more willing to share the bad experience which is creating the negative word-of-mouth, as the numbers in the very same article show- 65% of surveyed people were likely to speak negatively, while only 25% of customers would share their positive experience (Dixon et al. 2010).

However it is not the main focus of this thesis, the interviews also assess the importance of the brand satisfaction and its importance in decision making.

Being loyal to the brand also occurs on another level nowadays, there are many ways in which the consumer can bond with the brand, however also very few customers are truly loyal to the brand, according to Sharp et al. (2002) who bases their conclusions on empirical findings. They also distinguish two different types of bonding – when the brand is simply a part of brand-repertoire, or whether the customer uses the brand on the base of subscription, which was aforementioned in the active evaluation section.

The case of online flight tickets may be categorised as a repertoire purchases, which means *'these have few solely loyal buyers as most buyers allocate their category requirements across several brands in a steady fashion.'* (Sharp et al. 2002). That is the case for leisure travellers, who book their tickets personally and through the regular channels. For the repertoire brands, the loyalty is mere dream according to Sharp et al. (2002) as all of the laws that Sharp has listed before apply to them, while the subscription market product violates some of the laws, including possible escaping from the double jeopardy law, and having more loyal customers (Sharp et al. 2002).

Consequently, according to Sharp et al. (2002) flight ticket should not be then expected to be bought through the loyalty loop, however the loyalty programme ideals seem to hope otherwise. That is what is therefore researched as a sub-question of this thesis.

2.6.5. The loyalty loop

The loyalty loop behaviour, is called by Sharp (2002, 2010) sole loyalty- that is when the customer purchases only this brand, as Edelman (2010) claims when the customer enters the *'enjoy-advocate-buy loop that skips the Consider and Evaluate steps entirely'* (Edelman, 2010, p. 3). In other words, Edelman (2010) claims that the solely loyal consumer does not even consider other alternatives, and whenever needed this product category, he goes directly to the brand he is loyal to.

As it has already been discussed, this kind of decision making would be characteristic to the routine purchase, as Figure 2 presented- consumer's effort is lowered when he is making a habitual decision, and since he is behaviourally loyal, he just chooses his preferred brand. It seems then that the Loyalty Loops should be achievable in some cases and that it could tie the customer with the certain brand. However keeping in mind the Sharp's brand repertoire loyalty metrics, the author of the thesis wants to research how powerful is the effect of loyalty programme and whether it really translates into the Loyalty Loop.

The next part of the literature review presents a specific case of a decision making, which is booking flight tickets, which is purchasing a service of transportation.

2.7. The uniqueness of booking flight tickets service

This section introduces a number of reasons of why booking flight tickets is a unique example of current dynamic decision making in online environment.

The outcome of the researched, in this thesis, decision process is the service of transportation that takes the passenger to his desired destination within a time slot of the specific day that was chosen by the consumer. It is therefore a service, where *‘in exchange for money, time and effort, service customers expect value from access to goods, labour, professional skills, facilities, networks and systems; but they do not normally take ownership of any of the physical elements involved.’*, as quoted in Lovelock and Wirtz. (2011, p. 37).

Services are different from goods in many ways, and they were grouped by Wilson et al. (2012) into four main characteristics that differentiate services from goods. They are: intangibility of the service, compared to the tangible goods, heterogeneity of the service, compared to the standardised product, inseparability of the production and consumption of the service, opposed to the distinction of these two when talking about goods, and lastly the goods are non-perishable, while services are perishable (Wilson et al. 2012).

All of those characteristics make services a more fragile ‘product’ to sell, as there are many variables that affect the service and the quality of it. For example, even though the action of the transportation is tangible (people move from one place to another) and it is directed in the tangible human body, the service remains vulnerable to the intangibility of the service. The intangibility means that the consumer takes nothing out of such a flight, nothing, but the fact that he is in a different place than few hours before. The challenge of the intangibility is that it makes more difficult to position a service, in the mind of the customer, than a product.

Except of the physical intangibility the services are also ‘mentally intangible’ which means that, without previous familiarity, it is hard to imagine what it is like to experience the service (Lovelock and Wirtz, 2011). In the case of flying, that could be stressful for the customers who have never flown before. Those who have experience flying, however may also be affected by this service characteristic, as for example, they may still be reluctant to

fly with an unknown airline brand, as they cannot predict whether they would have enjoyed the flight.

Nowadays, however, especially among the young adults the flying experience is so well known that it largely removes this obstacle. If they were first time flyers- they would have to learn how to use the service. In the case of the flight there are many steps to learn: book the flight ticket, go to the airport, check in the luggage, go to the security check, then find your gate and board the plane when they announce the boarding, then fasten your seatbelt, listen to the security demonstration, comply to the blinking signs and the crew commands, allow the pilot to take you and other passengers to the destination and get off, pick up your luggage and find your way out of the airport. That is, nevertheless, not the end of potential worries for the passengers.

The heterogeneity means that the service can be not equal from day to day or even from hour to hour- as it largely depends on the people who are performing the service, additionally it is strongly linked with another characteristic – the inseparability, which largely contributes to the heterogeneity of the service. Inseparability is the fact that one usually cannot separate a customer from others, whether it is a restaurant, or an airplane, all the customers (most of them, there are some very rich and special exceptions) are bound to share the space. The implication of that is that naturally, the behaviour of each and every customer can alter the experience of other people who are purchased the service taking place in the same location (Wilson et al., 2012). It is very important trait of the services, as it can significantly disturb or enhance the customer experience- and then his satisfaction.

There is a link of the inseparability with the heterogeneity, which can be explained by an example: one day a customer may have a very pleasant flight with certain airline, with very pleasant passengers. Another day the plane can be full of loud and disturbing passengers which can make his experience very different from the first flight. Therefore, in a way, passengers are becoming a part of the product- for example well behaving passengers can contribute to the good service perception.

For the booking flight tickets, however, the perishability of the service is the most important characteristic. It is also strongly connected to the intangibility, but in this case, the timing of the service is important. From the customer perspective, this timing limits the availability

compared to the product. The customer can buy products round the clock in the big cities, and absolutely round the clock online. While if he buys a ticket for the certain flight, the service does not occur earlier or later than stated at the ticket, therefore the passenger cannot just go to the airport and use his ticket for other flight, and again if he confused the day of the departure and his flight left yesterday he cannot get his seat back, because the service he bought is already gone.

In this thesis only the booking of the flight tickets is dwelled, however it is important not to forget that no first-time flyers were questioned, therefore those are the customers who already know what to expect from the flying experience.

Booking the flight tickets is a quite unique example of the purchase behaviour. What is different from other online shopping experience is that it is often far in advance when the customer books the tickets. Consumers therefore pay for the service they will only receive in the future, and usually not within few workdays, like in the case of the mail delivery. It could be compared to paying for the event tickets (like play, concert, etc.) where customers pay in advance to receive a delayed product of the purchase. The difference is that with the event or play customers usually have limited options to choose from, while with the European airlines fierce competition, the selection becomes wide, and allows passengers to adjust the flight to their personal needs.

The decision factors that make person choose one airline over another were studied to understand the preferences and important features of the airline services. The following section introduces the researched setting to place the study in real scape.

2.8. Presentation of the researched environment

This section clarifies the researched case, which is a market of the largest airport in Denmark- Copenhagen- Kastrup. The basic information about the market are provided along with the small insight into the two most popular loyalty programmes rules, in order to offer elementary understanding of programmes' outlines.

The most used airlines flying from Copenhagen Kastrup airport are: Scandinavian Airlines (SAS), Norwegian, and Ryanair. SAS breaks the charts having over three times more

passengers than Norwegian, and Ryanair has a little less than a half of Norwegian passengers, basing on the data of monthly seats from November 2015 provided by OAG Schedules Analyser (Anna.aero, 2015).

It is interesting and important to notice that it is currently second time Ryanair is entering the Copenhagen airport market, as in July 2015 after the row of protests of labour unions, it was forced to significantly withdraw from the market (Financial Times, 2015). Breaking through the initial failure, Ryanair managed to reach the 3rd market share of the Kastrup airport, without a loyalty programme.

The most popular loyalty programmes among the participants are the programmes of two most popular airlines flying from Copenhagen, which quite substantially vary among each other. The SAS Star Alliance EuroBonus programme is a programme basing on the points collected from flights with Scandinavian Airlines and from other airlines which are members of Star Alliance, which is the largest alliance in the world that gathers 28 airlines. (staralliance.com, 2016). In order to join the programme, one must sign up online, and will receive a card via mail. The conversion of the points is roughly 3500 points = 100 DKK (as that is the gift card one can purchase for 3500 points) and in order to collect 3500 points one must fly 7 times. Considering that for 7 flights one would pay presumably around 3500 DKK, the discount one gets from the programme is 2.8%. The cheapest award in the EuroBonus shop is 1000 EuroBonus points, which is, in fact, a donation to charity, while a 400 g of sweets requires 1500 points, therefore a minimum of three flights (Saseurobonusshop.com, 2016).

Norwegian Rewards programme allows airline travellers to collect, so called, Cash Points. The sign up procedure is very simple, as simply when one wishes to save their personal details for next flight one is automatically signed up for the Norwegian Rewards, and it does not require any cards. However, 1 Cash Point is earned when you spend 100 DKK, and when it comes to use 1 Cash Point's value is 1 DKK, but it can be spent already for the next flight. Therefore the loyalty programme gives a customer 1% discount (Norwegian.com, 2016).

The next chapter presents the methodology that was used to design the research for it to answer the research question in a most effective and efficient manner.

Chapter 3: Methodology

This chapter provides a thorough explanation of used methods that were used to answer the research question. It is based on the modified Research Onion proposed by Saunders et al. (2015) so all of the required fields of the research set up are fulfilled.

Firstly it goes through the research paradigm that is used for the description of the phenomena, then the logic of the research is explained. Following part discusses the choice of the data collected for answering the research question and then the final part of the methodology delivers information of how exactly the data was collected.

The methodology insight is introduced basing on *The Research Onion* by Saunders et al. (2015) and adapting the respective onion layers to the chosen structures in the thesis, which is one by one explained in detail. The adjusted onion is presented below:

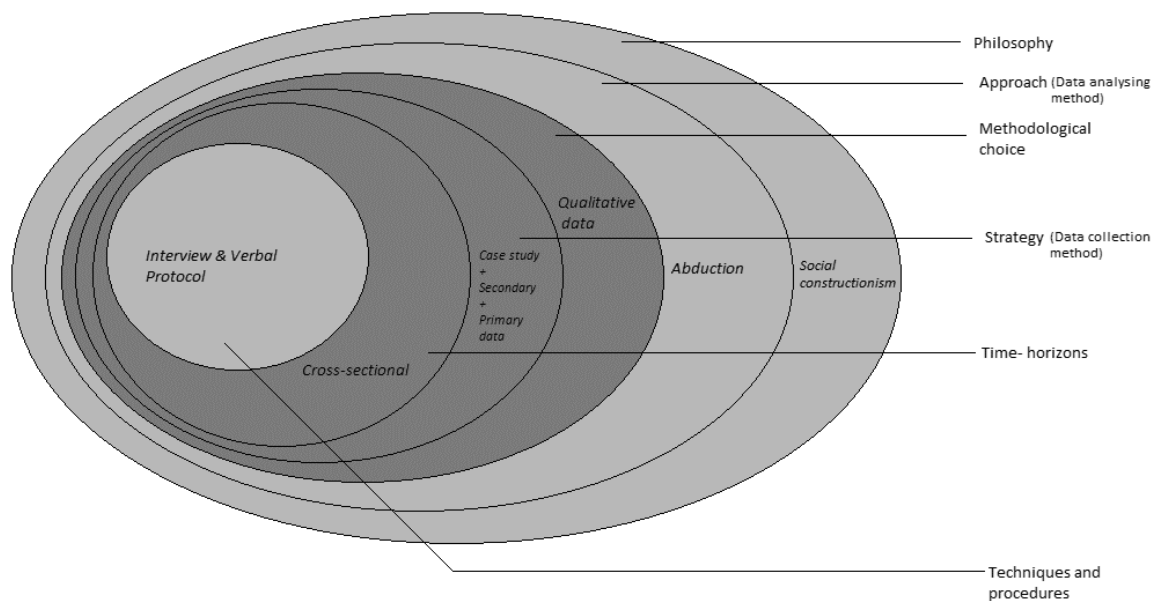


Figure 7, *The Research Onion of the thesis, adapted from Saunders et al. 2015.*

3.1. Philosophy of science

The research paradigm, being the first layer of the onion, sets out the background of theoretical ideas, ontological and epistemological assumptions (Blaikie, 2009). The Social constructionism philosophy which states that *'reality is constructed through social interaction in which social actors create partially shared meanings and realities.'* (Saunders et al., 2015, p. 130) was chosen as a ground of this research.

The ontological assumptions guiding this research background is the 'idealist', which assumes that the reality is created by the human mind, and the social reality is built on a collection of shared understandings that members of this society, which is continuously altering with the deviations in the society (Blaikie, 2009). Those assumptions therefore require a matching epistemology, which in this case is 'constructionism'. Constructionism assumed that the knowledge is the result of people having to find meanings in the confrontations with the physical world, and the social scientific understanding comes from interpretations of these encounters (Blaikie, 2009). Due to these constraints constructionists argue that it is impossible to observe the outside world without a skew coming from the researcher's set of beliefs and experience, therefore the outcomes of such research reflects the researcher's viewpoint and the observation is theory-laden (Blaikie, 2009).

3.2. Data analysing method

The second layer of the research onion discusses the research approach (Saunders et al. 2015), while Blaikie (2009) calls it research strategy. Despite of the framing, it relates to the logic of the research and how the theory is used- whether it is a base of the research, or if the theory is developed through the research, what are the philosophical assumptions of the approach, and what is the way of understanding and explaining the phenomena (Blaikie, 2009). Following the Blaikie's table of the logic of research strategies (approaches), the Abductive strategy (approach) was chosen, as it is grounded in the social constructionism paradigm and the aim of this research is to *'describe and understand social life in terms of social actors' meanings and motives'* (Blaikie, 2009, table 4.1., p. 84). The starting point of such a research is to recognise ordinary concepts, motives and meanings, then the modelled account is created basing on this, finishing with the developed theory that should be

iteratively elaborated. The advantage of this research approach is the aim of research the motivation behind the action, which is neglected by other approaches. The goal is therefore to *'discover why people do what they do, by uncovering the largely tacit mutual knowledge, the symbolic meanings, intentions and rules, which provide orientations for their actions'*. (Blaikie, 2009, p.89). In this type of strategy (approach) the theories are the possible answers to the research question, and they are used to guide the further stages of the research, therefore the use of theory differs from the Deductive approach, where the theory is the ground of the research, here the theoretical framework is used to design the study, but the outcomes may show some deviations from the pattern assumed by the model, which may lead to developing another theory that explains the findings.

Data of the interviews was analysed basing on the thematic analysis. *'Thematic analyses seek to unearth the themes salient in a text at different levels, and thematic networks aim to facilitate the structuring and depiction of these themes.'* (Attride-Stirling 2001). The themes were developed basing on the model, which was explained in detail in the previous chapter, and it is further use is discussed for the interview guide design. The overlapping key words were developed basing on the quotes of the participants from their interviews and verbal protocol from the think-out-loud comments. The quotes were coded according to the themes by the author of the paper, the similarities between the respondents were found and used for the analysis. The table of the key words is available in Appendix A.

3.3. Methodological choices

The methodological choices that are the third layer of the onion, are chosen to be the qualitative data, as this research's aim is to understand the phenomena. The quantitative methods do not investigate the meaning behind the number, and that is the core meaning of this study. Using qualitative methods enables understanding the process from the viewpoint of the respondent, accepting his subjective perspective (Ghauri and Grønhaug, 2005).

This study also builds on the outcomes of the researches that were previously conducted and analysed on related topics, in order to enhance the design of the research.

3.4. Data collection

Getting closer to the core of the onion, the third from the inside layer delimits the research strategy, which discusses the method of data collection. This research is placed among young adult expatriates living in Denmark. This case has been chosen due to the fact that in studies of Østergaard and Möller (2014) researching on online information search, it had been shown that Generation Y shows no brand loyalty in their behaviour. Those findings are, therefore, used to guide the primary data collection. As it is a single case study research, the argument for choosing this generation is the clear distinguished behaviour of the generation Y, comparing to other age groups in Østergaard and Möller (2014) results. It follows the arguments of it being a critical case of loyalty, (Yin, 2009) and test the applicability of the model on this specific age group.

3.4.1. Sampling method

The expatriate community has been chosen due to the availability and convenience, as the author of the thesis is an expatriate herself. Yet beside of this reason, the case had been chosen due to the growing importance of expats in Denmark. Following the Statistics Denmark (2016), there were 534 213 immigrants (without including their descendants) living in Denmark at the end of the year 2015, and this number had grown by 7% throughout the year 2015. That amounts to 9% of the general Danish population, which by the end of the year 2015 was 5 699 220. The sample chosen is not, however, representative for all the population, as only students and people who finished master's degree were interviewed, therefore the generalisation about generation Y expatriates in Copenhagen is not possible. The group of pilot interviews were conducted with 4 females and 1 male, and the actual interviews with 13 females and 3 males. The groups were not equal and the author of the thesis did not strive for it, as in the Østergaard and Möller's (2014) thesis, the gender did not seem to differentiate the results of the search.

The group of respondents consisted of 12 nationalities: Italian (3 respondents), Greek (2 respondents), Latvia (2 respondents), and Icelandic, Norwegian, Polish, Dutch, German, Bulgarian, Ukrainian, Swedish and Chinese with one respondent from each country. The age of the respondents have varied from 23 to 30 years old.

The sampling method used in this research was therefore a judgemental sampling, which is a non-probability method, where the participants are selected due to representing a particular type (Blaikie, 2009). In this case the pre-requisites were: being a generation Y expatriate and living in surroundings of Copenhagen. However, additionally all of the participants were students or graduates, which limits the possibility of generalisation of the results to the entire population of expatriates. The loyalty programme membership could have not been a pre-requisite for the participation as that would have revealed the interest of the thesis which could have biased interviewees' behaviour.

3.5. Time- horizon

Due to the time constraints it was not possible to conduct longitudinal studies, which would have provided a deeper insight and change in consumer behaviour. Therefore cross-sectional study was conducted, which provide a 'snap-shot of reality' (Saunders et al. 2015). However, thanks to the choice of the research technique (the interview) the researcher was able to ask for past experience and previous purchase behaviour, and for more details and reasons for decisions, which enables to see the patterns of behaviour.

3.6. Research techniques

The research techniques used in this study combines a semi-structured interview and think-out-loud technique. The Interview provides understanding from the interviewee's reflexion of the experience from the beginning until the end (Seidman, 2006).

The semi-structured interview follows a guide and approximate questions that are to be asked, yet the order of the questions may be changed following the flow of the conversation and some questions may be added or not asked (Blaikie, 2009). The semi-structured interviewing is considered extremely useful and undepreciated research method, as it can *'[...] open up new possibilities in understanding complicated phenomena often accepted as unproblematic'* (Galletta & Cross, 2013). The questions cover the themes that are dictated by the model used, which is explained in further detail in the theoretical framework section- the themes and their measurements are depicted in Table 1.

The initial interview guide was tested by conducting five pilot interviews, which enabled evaluation of the effectiveness and usefulness of the guide. After conducting the pilot interviews, some questions were added and some changed, to improve the understanding of the questions and to deepen the insight of the process. All the interviews were conducted personally by the author of the thesis, and recorded both in audio and the live-screen recording when participants were performing the search scenario, which allowed tracking the respondents' actions online, with their real-time commentary.

The reviewed interview guide, which served both for loyalty programme members and non-loyalty programme members is available in Appendix B. The difference between the loyalty programme members' questions and non-members was that last ten questions were only asked if the person stated that he is an airline loyalty programme member after performing the search scenario.

Theme	Measure
Consideration	<ul style="list-style-type: none"> - Asked about purchase patterns - Asked about past flights experience - Asked about purpose of the flights. - Asked if the person usually book their flights
Active evaluation	<ul style="list-style-type: none"> - Analysis of the actual and real time search process - Asked about decision factors, - Analyse number of compared airlines, - Analyse number of websites visited (intermediaries/airlines website)
Buy	<ul style="list-style-type: none"> - Asked (after selecting the flight) which factor was crucial in the decision, and what are the weights of other the decision factors
Enjoy Advocate Bond	<ul style="list-style-type: none"> - Asked about the expectations of the flight, based on past experience or based on brand perception. - Asked (If the person had previously flown with airlines) about the possibility of recommendation of the airlines to colleagues/family, if not the question would be skipped. - Asked if the person is a member of the airline's loyalty programme (if the airline has one) - Asked if the person is a member of any other frequent flyer programme. - Asked how that affects her/his decision making.
Loyalty loop	<ul style="list-style-type: none"> - Asked about the perception of the brand the person is loyal member of - Asked about the possible recommendation of the brand - Asked about perception of the attractiveness of the LP membership - Asked about the loyalty influence on the purchases - Asked about the loyalty programmes influence on purchases

Table 1, Themes and measurements, self-elaborated, based on Edelman (2010).

The question about the programme could have not be asked sooner (therefore it was not possible to create separate interview guides for members and non-members) in order to avoid the anchoring effect, which could negatively affect the study and the outcomes. That follows the paper of Schkade & Kahneman (1998) which refers to Schwarz (1996) research where the subjects were asked first ‘how happy are you’ and then ‘How many dates did you have last month’ which showed vague correlation of 0.12, while when the questions were asked in the reverse order the correlation was 0.66, which implies that people then anchor their happiness on the fact that they had many dates (or exciting dates) which had made them more happy.

The think-out-loud technique was used when the subjects were performing the hypothetical search scenario, which fulfilled the theme of Active Evaluation of the model. The think-out-loud technique is considered to be *‘the most complete and detailed description of the information-seeking processes [...]’* (Branch, 2000) as it prevails *‘the specific search terms and decision-making steps [...]’* (Branch, 2000) as quoted in (Nielsen et al. 2002). Combination of observing interviewees who were searching for their flight tickets with their thought process deepened the understanding of the decision making, and the factors that are important for them.

The design of the interview guide was led by the model developed by McKinsey, which was further reviewed in Harvard Business Review. The first 4 questions were the routine demographic questions, and then the questions were fulfilling the themes of the interview.

The initial consideration as stated in the model description consists mostly on the company driven marketing, then past behaviour related to the category of purchase, consumer driven marketing and the store/agent interaction. The only part that was considered to be available for assessment was the past behaviour, which ultimately is the most important interest, as once the behaviour had already occurred it is very probable that it will occur again (Albarracin & Wyer Jr 2000) while being exposed to the company driven marketing effect is difficult to measure as there may be more factors involved (King 1968).

Therefore following questions were investigating the past flight experience, assessing the number of flights taken in one year (2015) combining with the questions about what airlines were used for these flights. The interviewees were asked to estimate what is their most often

travelled airline (MOTA) and what is their 2nd most often travelled airline (2nd MOTA) since they have moved to Denmark. Alongside to understand whether the subjects were the actual decision makers in the process, they were asked how the tickets were booked, and what channel was used. That question clarified as if booking tickets through the online booking platforms is the regular way the participant booked their tickets in the past and therefore also shown whether he is familiar with the system. The final question of the consideration step was examining if the interviewee has a frequently travelled destination and what is the purpose of travelling there, and what airlines does he usually use to get to this destination.

The active evaluation theme assessment was conducted in a way of an experiment. Subjects were given a scenario of winning money, having days off in a specifically determined period of time and planning a trip to London for 3 days. The purpose of the flight was shopping. The dates and the destination was pre-determined as that enabled to see the variation of airline selection and all option selection among the participants, when they fly to the same destination in the same time. London was chosen as there is a wide selection of airlines flying to this destination, from low-cost carriers to the regular mainline carriers. However the interviews were not conducted on the same day, therefore the prices were different between the participants of the interview.

After introducing the scenario to the interviewee he was to find a suitable for him flight in the way he would normally do it. In the meantime he was asked to explain his motivations and their moves on Web.

After the choice of the flight, the subject was asked of what were the most important factors that were guiding their decisions. Further he were asked to weight these factors on the scale from 1 to 5, where 1 meant that the factor was insignificant and 5 meant that it was very important. If the airline brand did not come up in the decision factors, it was added by the interviewer, as it was important to scale the influence of the brand on the purchase decision, as the loyalty programmes are linked to the brands.

This stage had consisted yet of another hypothetical search scenario, where the participant was flying to another pre-determined destination (Barcelona) on the pre-determined dates. Barcelona was chosen as it is not so easy to get there, there are only two airlines flying directly there, and the other carriers require stop-overs that would show the

airline/convenience trade-off. Once again after the choice of the flight the participant was asked to state the decision factors and weight them, then similarly, if the airline brand was not mentioned the interviewer asked about weighting this factor on the decision.

At that point, if the interviewed person was using intermediaries (price comparison websites like skyscanner , momondo , google flights, etc.) he was asked of what are the advantages of using such websites, and whether they are actually finalising their purchase through the intermediary, or if they go to the airline website to buy their ticket directly at the provider's website. This question was added after the pilot interviews, where it became clear that the intermediaries play significant role in the search. Another added question was a question related to avoidance of certain airlines. During the pilot interviews it seemed as if a lot of people were reluctant or even completely avoiding Ryanair flights, therefore this question was added to look into the reasons for this sort of attitude, and the effect of it on the purchase.

In the enjoy theme, the interviewee was asked if they had previously flown with the chosen airlines and what are their expectations towards the flight (both if they had flown with the airlines and if they had not).

The advocate theme was fulfilled by asking the respondent of what would they tell their friends or family about the airline they had chosen.

In order to assess the bond to the brand, the questions related to the attitude towards the brand were asked and whether the interviewee was a member of the chosen airline loyalty programme, and if he is a member of any other airlines' loyalty programmes.

The subsequent ten questions were asked only if the interviewee was a member of any airline's loyalty programme, which fulfils the last theme of Loyalty Loop. The aim was to determine possible influence of the programme membership on the purchase behaviour and the perception of the loyalty programme. Firstly the interviewee was asked of what was the reason of joining the loyalty programme. Then questions were asked to measure again the: enjoy, advocate, bond and buy, themes with the loyalty brand. The participant was asked of what is his brand perception of the airline of which he is a frequent flyer of and what would he tell his friends or family about the brand. Further he was asked about his view on the

benefits of the loyalty programme. The bond and buy theme questions were aiming to estimate the influence of availability, image and loyalty programme on the purchase decision. The subsequent questions were assessing the influence of the loyalty programme on the purchases with airline partners (where one can also earn points) and competitors (whether the programmes makes them fly less with other airlines). Finally the last question was asking of what the interviewee had used their points (or miles) for, and if he did not, what does the person intend to use the points for.

3.7. Limitations

There are multiple limitations that are inhibiting this research. The biggest obstacle is the time obstacle and the inability to collect the data in the longitudinal manner, which would be more insightful for the case. Time limited the chosen sample, which hinders the ability to generalise, as it is very narrow and not representative to the entire population.

Subsequent constraint comes from the page limit, which does not allow to go in depth with some of the interesting matters surrounding the research, like for example: The prices of the tickets chosen by the participants were not analysed due to that limitation.

The recommendations for extending the current study were placed after the conclusions, in section 7. Another restriction is the fact that the author of the thesis was for the first time in a role of the interviewer, which could lead to potential imperfections of the way the questions were asked and the answers that would not gain satisfactory insight.

The interview bases on the interviewees honesty and on self-reported answers. Yet the customer experience is personal, therefore their emotions, current situation affect their perception of the experience and therefore may affect the answers to be biased. Due to the scope of this paper it is impossible to assess the impact of the company and consumer driven marketing and in store interaction, as it is not possible to know all the encounters with the brand, and the way it positioned the brand in the respondent's mind.

3.8. Validity and reliability of the research

The next paragraphs address the methodological threats that could potentially make the study invalid.

Addressing the construct validity threats this research had aimed to limit the self-report questions to the minimum, however they could not be avoided, because of the character of the study. The main measures- the decision factors were a product of a self-report of participants, after they have made the decision. That way was chosen due to the anchoring effect mentioned at the interview guide design section. If a person would have thought about the decision making factors before, it may have altered his online behaviour. The decision factors were measured with direct questions, which left no room for misunderstandings and it had proved to be successful during the pilot interviews. The sub-question was focusing on the loyalty programme membership influence on the Consumer Decision Journey, which was measured by tracking online consumer behaviour. This measure leaves no doubt for the success, as it was not self-reported, and the questions about the loyalty programme memberships were asked after fulfilling the Active Evaluation theme of the study, which eliminated the possibility of those questions to affect the behaviour, as that was already measured.

To confront the internal validity risk, the big causality assumption that was taken at the very beginning to the research design is that loyalty programme equals loyal customer. This assumption is however challenged itself by the research. Therefore this research does not base on explaining causality, but rather exposing that it does not exist, for which there may be many reasons, that however is not within the scope of this paper.

The external validity is considered to be intact, as the research is built up on the findings from other researches that had obtained similar results- the precedent research was however focused on one airline and many generations booking their flights, while this research was more narrowed in audience, but more general in airline selection. Nevertheless both studies show similar behaviour prevailing among the generation Y participants for their leisure travels. This study could be a fundament for the generalisation attempt, however larger sample should have been interviewed with participants from more diverse backgrounds.

The reliability of this study could have been improved by extending the number of participants, which could allow to quantify the results, however the character of this research was to understand the reasoning behind the online consumer behaviour and to see the causality (or rather lack of it) between path to purchase and the loyalty programme membership. Investigating customer behaviour is always personal, biased and affected by both researcher and interviewees. However considering that the results were mostly coherent among 16 participants and 5 pilot interviews the author of the paper would argue that the results should be considered reliable and valid.

Chapter 4: Research findings

This chapter presents the results of the research and is grouped according to the themes that were used in the interview guide- i.e. the Consumer Decision Journey model. The analysis in this chapter provides general trends that prevail among the data collected in this research with no attempt to link those outcomes with the theories presented in the literature review. That can be found in chapter 5- discussion.

Thematic analysis is divided in five themes: initial consideration, active evaluation, buy, enjoy, advocate and bond analysed together as an attitude measurement, and if the respondent stated to be a loyalty programme member the loyalty loop- with the subcomponents of enjoy, advocate and bond were questioned again.

4.1. Initial consideration

The first few questions of the interview were assessing previous flying behaviour, since moving to Copenhagen and its surroundings and in year 2015 (while living in surroundings of Copenhagen) for more specific numbers.

The number of the flights taken was expressed by one way flight counting as one. The number varied across the respondents from 4 to 34, with reaching the highest frequency at 10 flights- taken by 4 participants.

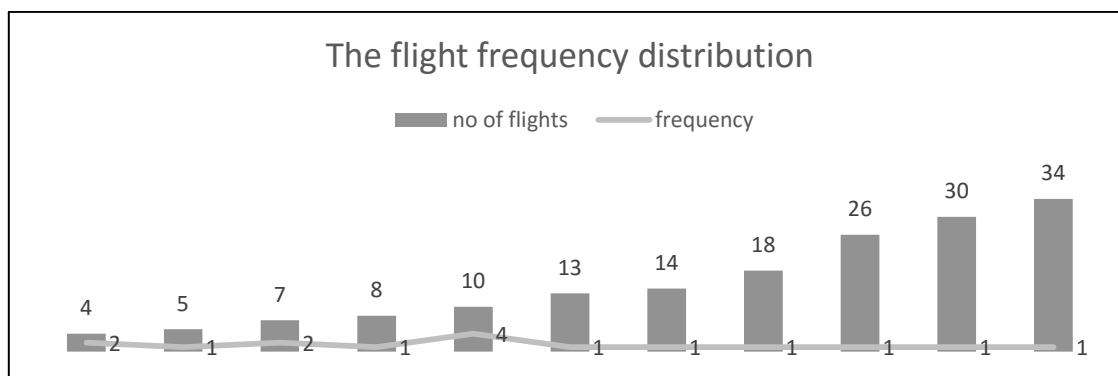


Figure 8, Flight frequency distribution source: own elaboration.

The flights the respondents took in year 2015 had two purposes: visiting family and leisure. Out of all the respondents only two did not have a frequently travelled flight destination, one due to being too far from home (China) to travel there frequently and other was too close to her hometown, so she did not use airways to visit (Northern Germany). From all of those who had one specific frequently travelled flight destination, the purpose of going there was to visit family or close friends. In one case only the frequently travelled destination was different from the country of origin, for other 13 respondents the frequently travelled destination was their hometown.

Out of the 14 respondents who have frequently travelled destination, only two of them had stated that they use only one airlines to reach the destination. One case is flying to Iceland, and the reason for her to choose Icelandair every time is because she is an employee of the airlines, which makes the case unique and is considered to be an outlier of the general trend. The second person choosing solely one airlines is the loyal customer of SAS, who uses only their service to fly to Milan. The rest of the flyers have mentioned at least two airlines they choose between, when they fly home.

What is important to mention is that for two respondents who have frequently travelled destination there are no direct flights between Copenhagen airport and their hometown. One of them is Varna in Bulgaria, and the other is Kiev in Ukraine. All the other flyers have direct connections between Copenhagen and their hometowns, or the airports that is in the surroundings of it.

Interviewees were questioned what is the reason they would choose one airlines over another, the most important for the respondents and the most relevant for the research factors are presented below.

4.1.1. Price

Price appeared to be the most important decision factor when choosing the airline that takes them to the frequently travelled destination. Polish participant who holds no membership of any loyalty programmes, even though, she used to fly often with Scandinavian Airlines to fly to Poland said: *'When it comes to Wizzair it's definitely the price, because it's probably like ten times cheaper than going with SAS. It takes me longer, but since it's so much cheaper it still makes sense to me.'* (Polish, no LP). She is willing to trade-off on the convenience of flying from Malmo instead of Copenhagen airport, as the price difference is so big.

One of the Italian interviewees who flew 30 times in year 2015 also said that price is more important, even more important than convenience and comfort of flying with non-low fare airlines, as he said: *'[...] When the price of Ryanair tickets are higher than that, I take SAS [...] The airport of Ryanair is closer to my house so that also counts, but basically the cheapest price, which is Ryanair over SAS only because of the price only.'* (Italian, LP member).

4.1.2. Price/convenience trade-off

Price was marked as the most important factor for the flight selection, however, the participants were also mentioning that they choose the flights (and therefore- airlines) basing also on the convenience of the flight. Convenience meaning- whether the flight is direct and what is the schedule of the flights. The SAS loyalty programme member, Norwegian interviewee said: *'Because they actually have the cheapest ones that are direct. Sometimes they have special offers on Norwegian, but if I have to spend more time I will not choose it, I will go directly even though it's a little bit more expensive.'* (Norwegian, LP member).

For the Ukrainian participant who does not have a direct flight to Kiev, the choice of a good flight may mean that her travel will significantly shorten, or with a bad connecting flights, it could get much longer. She is, therefore, willing to trade-off on price for the convenience as she said: *'[...] Sometimes I would have flights to Kiev for example, which would be much cheaper but then the connecting flights would be much longer, so I weigh my expenses and the time I have to spend at the airport.'* (Ukrainian, LP member).

4.1.3. Price/luggage price trade-off

For the frequently travelled destination, which is usually a hometown of the participant the price of a luggage has high importance. Whether it is included in the ticket fare or not, had a big impact on choosing a certain airline. The Polish participant, who started flying with Wizzair after they opened a route from Malmo to Poznan, while before she would have always taken SAS explained: *'The other reason for me to choose SAS is also when I take luggage with me, like bigger one, cause then it actually makes sense to still go with SAS more than with Wizzair, because they charge a lot for luggage at Wizzair.'* (Polish, no LP).

The luggage being included in the price automatically in non-low-fare airlines is appealing to the participants, as when booking with the budget airlines, all the costs come separately and it may end up being more expensive, as noticed by an Italian interviewee, who was arguing of choosing SAS over Ryanair, which are both flying on the same route to Bologna. He said: *'Because actually they are doing the student fare, young fare, and it's cheaper sometimes, and if it's cheaper, at the end is kind of same price as Ryanair, and if you consider that with SAS Scandinavian Airlines you also have luggage included'* (Italian, LP member).

4.1.4. Loyalty programme importance in frequently travelled destination

The loyalty programme importance in the frequently travelled destination was not directly measured due to the design of the study, which might have suggested and biased the answers to the following questions. However, a few of the participants had mentioned the programmes as the part of their decision making influences.

Interviewees, when explaining how they get to their frequently travelled destination, were pointing out the airlines they use and what would be the reason they would choose one over another. The loyalty programmes were mentioned three times in the argumentation for choice of certain carrier, the further motivation for using the airlines of the loyalty programme is examined in detail in loyalty loop section. The Italian participant who flew 30 times in year 2015, which had gained him a Silver Tier level in EuroBonus programme, keep that in mind when booking his flight home as he said: *'[...] and since I have the silver card I get two bags [...]'* (Italian, LP member).

The Norwegian participant also notices: *'Also I have EuroBonus programme from SAS, so I kind of feel like, even though I have to pay a little more sometimes, I will get some benefits.'* (Norwegian, LP member) which points that it is also somewhat motivation for choosing those airlines.

The Dutch participant who flies Norwegian Airlines had also mentioned the loyalty system at this stage of interview, and the easiness of using the points, as she said: *'I like their loyalty system as well, the Cash Point that you gather and how easy you can actually use them straight away on the next flight.'* (Dutch, LP member), which was however the only mention of the Norwegian loyalty system at this phase of the interviews, and overall Norwegian Rewards being a decisional factor to buy a ticket.

The table available in Appendix C summarises the flying experience of the interviewees in year 2015, with indication of the frequently travelled destination, the most often travelled airline overall- since moving to Denmark (MOTA), the second most often travelled airline (2nd MOTA) and the number of flights that were taken with those airlines in year 2015.

Out of all loyalty programme members -13, outstanding 11 of the MOTA was the airline the interviewee was a member of. For the 2nd MOTA, 7 interviewees were also using an airline within the loyalty programme.

4.2. Active evaluation

Active evaluation phase of the process was tested by the hypothetical search scenario with tracking and recording the respondent's moves across the web alongside with their comment on the subsequent steps and reflexions. The table below presents the partial summary of the steps that were taken by the participants in order to reach the final purchase of the flight tickets in two hypothetical search scenarios- one for flight to London (LON) and one for flight to Barcelona (BCN). The complete table of all participants' steps is available in Appendix D.

Airline website	Intermediary website	Search engine	Other	* redirected	! new tab	@ continued	\$ no LP membership
1	LON	Skyscanner	Ryanair *				
	BCN	Skyscanner !	Momondo	Vueling *			
2	LON	Dohop	Ryanair *	Dohop @	EasyJet *		
	BCN	Dohop.is @	Vueling *				
3	LON	Google search	Momondo	Fly4Free!	Ryanair *		
	BCN	Momondo @	Fly4Free !	Vueling *	Google search	Vueling	

Table 2, Part of Active evaluation table, source: Appendix C.

The steps to purchase had varied from 1 to 9 websites among the respondents. The frequency of using certain amount of steps is shown on the graph below:

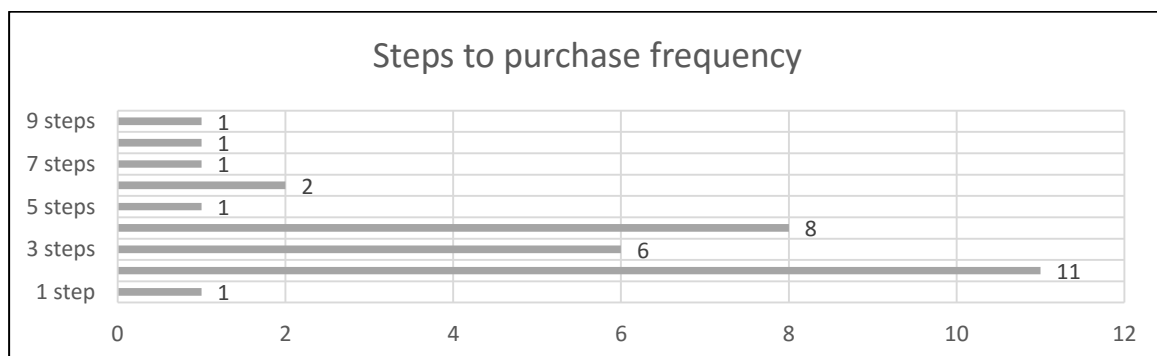


Figure 9, Steps of purchase frequency, source: own elaboration.

The highest frequency fell between 2 and 4 steps, amounting to 25 choices out of all - 32 choices. There was only one person who managed to finalise her purchase on one website, and there were just six decisions, where the participant needed more than 4 steps to find their suitable flight.

4.2.1. Loyalty programme influence on the decision journey

As stated before, 13 out of 16 participants are members of loyalty programme, which should and could potentially affect somehow their decision making, which could have been seen in the online path to purchase. However, out of all of the participants only one person went directly to the airline website with omitting firstly the intermediary website, and the website was not a loyalty programme carrier (Ryanair). In a new tab he opened intermediary website (momondo) to discover his options and he continued his search from there. No perceived difference between the path of member and non-member of loyalty programme was noticed.

Intermediaries

Except for this incident, which still led to the intermediaries, all the rest of the participants were using intermediaries greatly. Interestingly, most of the participants were just sticking to the first intermediary they decide on and continue their search from there.

Generally, all the participants were saying that the intermediaries save time and that they allow to get a quick idea of what is the price of the ticket, and which airlines fly to the desired destination. The Chinese participant had commented on usefulness of the intermediaries saying: *'I can find the cheapest flight, I can have a general understanding of what company flies there most often'* (Chinese, LP member). The Dutch interviewee had noticed that the intermediaries give: *'Quick overview, it saves time, plus you can get inspired with the flight time'* (Dutch, LP member). The Swedish participant of the interview had added: *'I really trust momondo, so you know that the price is ascending, and then I check if the flight is direct.'* (Swedish, LP member), which expresses the confidence the users put in the flight search engines.

The intermediaries were scarcely used for the finalisation of the purchase in this research and the interviewees were stating that they prefer to book through the airlines directly. That was also the most often stated way of booking tickets to the frequently travelled destinations. Chinese participant who had flown 34 times in year 2015 said: *'I always buy the ticket on the airline website.'* (Chinese, LP member), and one of the Italians who also books his tickets through airline website explains: *'I think it's more comfortable (to book through the airline website) because when you have to check in, you use the reference number the company gave you, so you don't have to look for some other reservation number, it's better.'* (Italian, LP member).

The Icelandic interviewee, however, said that she would compare the prices between the intermediary and the airline website first and she would consider finalising purchase on the intermediary website if the price was better. She gives details: *'Sometimes when I've already chosen a flight for example on momondo or dohop, then I go to the airline's website to see if they have the same prices, before I book the flight'* (Icelandic, no LP). Few other participants have, also expressed the need for intermediaries when booking flights with multiple carriers, as Dutch interviewee stated: *'If I'm using different airlines I would book through intermediary.'* (Dutch, LP member).

4.3. Buy

Buy theme discusses what a person does once they come to the decision of buying, the moment of when all the decision factors are already assessed and determined, and the final alternative selected. Buying online has a lot of variety, due to the large amount of available options- there are many carriers to choose from, with, usually, few flights per day. On top of that, the respondents were asked of the decision factor priorities that guided their decision of choosing certain airlines. The graph below shows the overall choice of airlines in the two search scenarios.

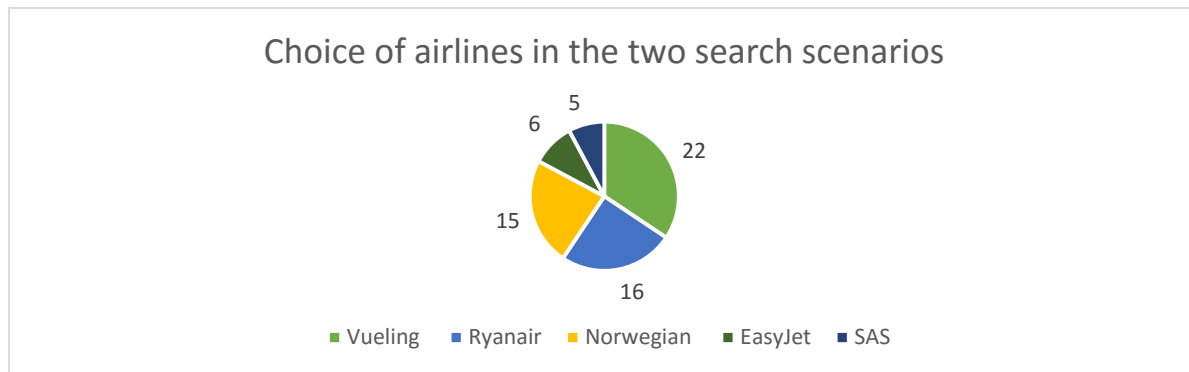


Figure 10, Choice of airlines in the two search scenarios, source: own elaboration.

As presented in the figure 10, the airlines that got the most of the flights was Vueling-gaining 22 flights to Barcelona, then Ryanair with 16 flights to London. Following by Norwegian winning 15 flights, which was an option to choose both to London and to Barcelona. The remaining flights were 6 covered by EasyJet and 5 covered by SAS, both on the London route.

4.3.1. Decision factors when flying to London

The decision factors that came up for the flight to London were: schedule, price, direct flight, and then the airline brand was added by the interviewer in order to be able to evaluate its importance in the decision making process. All of the factors were measured on a scale from 1 to 5, where 1 means that it is not important and 5 means that it is very important.

For the London flights the most important factor was clearly the fact whether the flight was direct, which had gained 4.6 on average. Even though it was not mentioned by all the participants, as some of them did not even consider in-direct flights, and chose option in flight searches to show directly flights only. The price of the flight was also very important for the participants, reaching 4.4 on the same scale, and this factor was mentioned equally by all of the respondents, and its minimum value was 3.

The next decision factor that was mentioned by everyone was schedule convenience, which reached 3.7 on average. The airline brand factor reached average of 2.9, however only one participant gave it 5, and two gave it 4, pointing to rather low importance.

The choice of the airlines when flying to London was depicted in Figure 12. Flights were considered separately- the outbound flight and the inbound flights, due to some respondents taking different airlines for both of these. Ryanair reached 16 of all the flights. Even though it was also one of the most often mentioned airlines as the one to avoid. After Ryanair EasyJet won 6 bookings, and SAS gained the same amount of flights as Norwegian- 5.

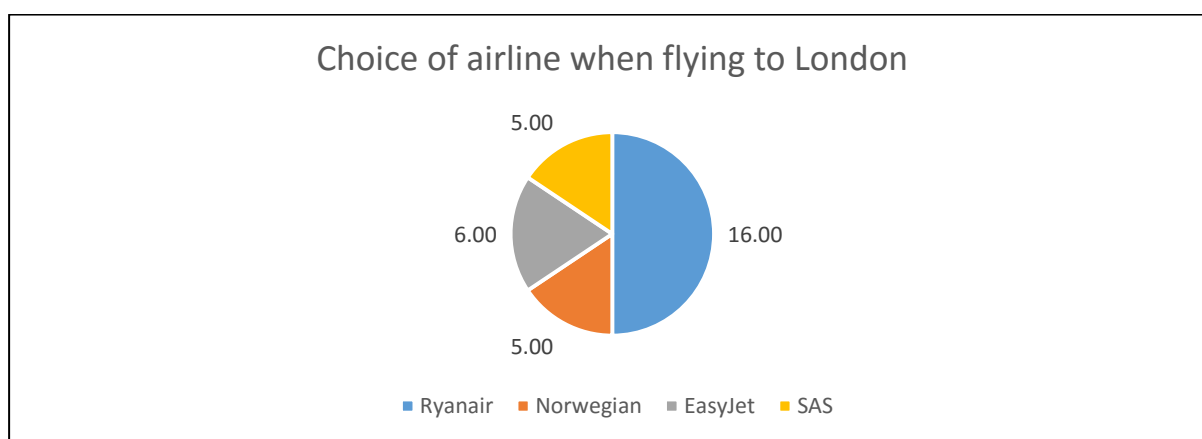


Figure 11, Choice of airlines, flight to London, source: own elaboration.

4.3.2. Decision factors when flying to Barcelona

The decision factors when flying to Barcelona were measured in the same way as the London flight factors. The outcomes were similar to the London flight, the fact that the flight was supposed to be direct reached 4.5 on average. The second collectively most important factor was the price, reaching 4.1 on average. The lowest importance assigned to price was 1, which shows that the participants were willing to pay a little more for the convenience of the flight (it being direct and not very early in the morning) as there were not many of the direct flights comparing to London flight.

As the Chinese participant notes: *'I would accept to pay more to fly to Barcelona'* (Chinese, LP member), which visualises that the interviewees' expectation that the flights to Barcelona would be more expensive than flights to London.

Airline brand also had slightly less importance than in London flight, reaching 2.7, as most of the participants were not familiar with Vueling airlines. Flights to Barcelona were only distributed through Vueling (22) and Norwegian (10) as no one of the respondents had decided on an in-direct flight, even though the prices of tickets were significantly more expensive than those to fly to London.

4.3.3. Decision factor overall trends

This section presents the overall trends that prevailed in the findings based on the decisions made for the flights to the two destinations.

Direct flights

The trip that the participants were taking was a two or three- night stay, and all of them have booked a direct flight for both destinations. It was clearly stated to be the most important requirement in the search for the flight, with many participants excluding entirely in-direct flights during their search. The reason for that was most of all saving time, as the Icelandic interview said: *'I eliminated flights with stop-overs because when you're going only for three days you don't want to spend a whole time travelling'* (Icelandic, no LP). Latvian participant's comment also supports the importance of the flight being direct, as she said: *'I always make sure that the flight is direct, I don't want to do any stopovers.'* (Latvian, LP member).

Price

Price as in the frequently travelled destination case, played one of the most important role to most of the participants of the hypothetical search scenario, and was the main indicator of the chosen flight. One of the interviewees, notices that the length of the holidays affect the price and says: *'For such a short flight the most important to me is the price'* (Italian, LP member). Another participant chose her flight solely basing on the price, as she did not know anything about the brand she would have flown with. She commented on her choice

by saying: *'Again I would go for the cheapest one, although I don't know the company.'* (Greek, LP member).

Interestingly, it appeared that the competing offers and the ones that were appearing on the intermediary website first were important point of reference for the prices, as it was noted by a German participant who said: *'As soon as you see the first offer (the cheapest offer on the intermediary website) then you feel like "ok, I can actually get it to this price and I really want to get it to this price"'* (German, no LP). Other signs of that referencing is overall visible by the participants being willing to pay more for the flights to Barcelona, as one of the interviewees noticed: *'This should be the reasonable price, because all the flights are about this much.'* (Dutch LP member).

Convenience of the schedule

Since the trip was so short, the schedule of the flights seemed to be very significant for most of the participants, so they could enjoy their weekend to the fullest. It was important to them, as they wanted, like a participant mentioned: *'[...] on Friday I want to have something out of the day'* (Norwegian, LP member). Another interviewee also said that the hours of the flight play significant role in choice of the flight, as she said: *'I would prefer to leave in the morning from Copenhagen and leave in the evening from London'* (Greek, LP member).

Price/convenience trade-off

Despite the price being one of the most important decision factors, the participants were trading off in order to find a suitable flight connection. The participants were willing to pay more for more convenient flight schedule or direct flight. When asked for the most important factor when booking the flight one participant said: *'It's hard to say only one factor, it's more like a combination of price and whether it's a direct flight, or in general how long is the flight, cause I can compromise on the price, if the flight is shorter.'* (Bulgarian, LP member). Other interviewee had noticed the same trade-off and commented:

'If I'm flexible on times, price matters more, if I'm not then I'm willing to pay more for the more suitable flight.' (Dutch, LP member). Another participant had given more insight in her decision making by comparing the prices between the in-direct flight and direct ones, she stated: *'[...] I will take, obviously a direct flight, because it's 300 DKK more than the cheapest and it's direct'* (Greek, LP member).

Past experience

As it was stated in the initial consideration stage- past experience affects the perception and the participants being more prone to choose the brand they are familiar with and have used before. The participants were choosing more easily the airlines they already know. As one of the Greek participant mentioned: *'And also the name of the company, because British Airways is a good company, but I've never flown with them, I know that they have a good reputation, but I just use what I know.'* (Greek, LP member). Another interviewee supports the importance of this factor being important by saying: *'I also have experience with flying with Vueling, that's something I like'* (Icelandic, no LP).

Another participant also mentioned being familiar with the booking system of the airline she has flown with before and not being willing to learn a new system. She commented: *'Since Norwegian is usually cheaper than others I'll go directly to their website, and also because I'm familiar with their system already and I've never flown with Vueling, if that was the first one to pop up and only that one then maybe I would think it's worth to look into it, but it'll take too much time to get used to the system, plus I like this one.'* (Dutch, LP member).

Design of the airline website

The appearance and the usability of the websites that were used to book the flights seemed to have high importance to a few of participants, they were looking for simplicity and transparency. While a participant was moving across the web she commented: *'They have so much commercial in here, I'm really annoyed by these things, I just want it to be as simple*

as possible.' (Chinese, LP member). The design significance was also mentioned while enumerating the advantages of her chosen airline, when the Dutch participant said about Norwegian Airlines: *'Transparent website, it's easy, flexibility in choosing whatever you want'* (Dutch, LP member). Norwegian airlines had also gotten praised from other participant who notices the ease of use of their site: *'I know it's easy for me, visually. [...] With other sites, it was very inconvenient for me to use it, visually, and it also takes time'* (Ukrainian, LP member).

Airline brand

Airline brand as mentioned earlier, did not score very high on the scale of importance among all of the interviewees. However, for some participants the brand could be potentially a reason not to fly with them, or on the contrary, may be the exact reason someone would have chosen the flight. Once again the length of the trip seemed to be playing a role when choosing an airlines, and putting less stress on the comfort, as a participant commented: *'[...] for the short flights the brand doesn't matter too much'* (Chinese, LP member).

However the choice of the airline brand may also be a factor influencing positively the decision, like stated in the observation of one interviewee: *'Plus it's Norwegian and I like to travel with them'* (Bulgarian, LP member).

There were also brands that overall were rather notorious, like for example Ryanair or Aeroflot, which were mentioned most often as airlines that the participants would have avoided, although many participants did ultimately choose Ryanair (half of the flights to London), the decision came with a little hesitation and reluctance, yet the price was the final winning factor, like the Polish interviewee said when choosing Ryanair: *'It's still the cheapest option, which is still the most important, but if I would go with my girlfriend, who's very against Ryanair, then we would probably not take Ryanair.'* (Polish, no LP).

4.3.4. Loyalty programme influence signs in purchase

The table in Appendix E presents the choice of the hypothetical scenarios of the participants and their membership of the loyalty programme. Basing on the decision of purchase, 15 out of 64 flights were booked within the loyalty programme, the participant is the member of. Out of those 15 flights, only 5 were within the SAS EuroBonus programme, while 10 were booked within Norwegian. All of the SAS flights were booked solely by loyalty programme members, however there were another 19 chances were the members could have chosen SAS flights but they did not. For the Norwegian members - not only the members were booking the flights, but also other participants, and members had missed the opportunity of flying with Norwegian 10 times in this search. Therefore out of all 36 flights that could have been potentially an opportunity of earning points and the benefits, the participants ignored those possibilities all together 21 times.

4.3.5. Way of booking tickets

Among all 32 bookings (all the respondents were booking two flights) only 5 tickets were booked through the intermediary website, despite the high usage of the intermediary websites- as 47 steps taken by all participants all together were with the intermediaries. Airlines websites were visited 44 times by all the participants and that is where 27 direct bookings took place.

4.4. Enjoy, Advocate and Bond

In the real life consumer decision journey, this is the moment when the buyer starts using the product, however, in this research the participants did not go for their hypothetical city-breaks. Nevertheless most of them have chosen airlines they have flown before, and even if they had not, they still held certain expectations about their flights. Those post-choice impressions are grouped into the airline brands to present a holistic picture of the brand perception, and in order to distinguish different perceptions of brands.

4.4.1. Impressions of selected by participants airlines

Ryanair

Ryanair, even though was mentioned many times as the airline to avoid, after participants have chosen it, they had also good things to say about it. One of the Latvian interviewees who did not fly with Ryanair before, when she chose it she expressed her expectations with: *'Ryanair compares really well with EasyJet, meaning good value for money, cheap flights, yet very decent service and the aircraft is okay as well. So, that's what I've heard'* (Latvian, LP member). Others were less enthusiastic, yet still positive in their expectations and anticipated *'Just a normal flight. I don't expect anything, just to arrive where I'm supposed to.'* (Bulgarian, LP member), as Ryanair appears to be perceived as: *'really basic, just bring me from point A to point B, it's kind of, like, efficient, because it's always on time.'* (Italian, LP member). The efficiency of Ryanair was not enough for other participants who were complaining about the airports being remote and the queues to the gates. Like the German participant who strongly spoke against the brand, yet still chose it for her flights explained: *'I dislike the fact that you lose out time, because airports are so far away. I dislike that there's no food, you have to buy that extra. And sometimes they're very strict with luggage. [...] I just feel cheated.'* (German, no LP). Other comments on the airline inefficiency were mentioning the same problems, like the Swedish participant stated: *'You have to queue there, that makes me annoyed. [...] I don't think the staff is particularly nice. [...] The airport is far, they're very harsh on your luggage'* (Swedish, LP member).

SAS

Scandinavian Airlines as they have the biggest flight share in Copenhagen Airport and are the flagship of Scandinavia, the expectations participants held for the flights were including more than just being 'taken from A to B'. The lowest expectation was stated as: *'I expect a reliable service.'* (Italian, LP member). Other participants were noticing that *'[...] they're very professional, the staff before, during and after the flight are very helpful,'* (Greek, LP member). Additionally the on-board service received a little attention from one of the interviewees who said: *'I like that they give me tea, and the fact that I can put my luggage*

for free’ (Italian, LP member). However that was not enough for some participants who complained about the on-board meals not being included in the ticket fare, as one of them commented: *‘The only thing about SAS I don’t like is that you have to pay if you want to eat something, because only coffee and tea are for free.’* (Greek, LP member).

Norwegian

Norwegian airlines appear to meet their clients’ expectations and making them happy, as there were no negative comments coming from people when asked about their anticipations of the flight. One participant praised their efficiency in fixing problems when he said: *‘I think they have really nice customer service. Cause for example this summer I had to change my flight, [...], so I just called them and they fixed it in no time.’* (Bulgarian, LP member). The Dutch, loyalty programme member of Norwegian who had chosen two flights with the airline was saying that: *‘They’re responsible, straight forward. If they were delayed they were very good at communicating it. Nothing annoying.’* (Dutch, LP member).

EasyJet

EasyJet was chosen for 5 flights to or from London, the comments were quite similar to Ryanair, yet with no avoidance or reluctance atmosphere. A Greek participant who chose the airline said: *‘I’m happy because they have cheap flights, and they have many direct flight from Copenhagen- to many cities’* (Greek, LP member). Another interviewee made a straight-forward comparison to other low cost carriers by saying: *‘I compare it to Ryanair, Transavia and Norwegian [...] I think they’re all low-budget, very simple service ones’* (Dutch, LP member). The negative comments were mostly about the luggage that has to meet the specific requirements, like one of the participants said: *‘I don’t like the fact that you have to fit your luggage into a small room.’* (Greek, LP member). The same interviewee had also complained about the prices on-board stating that: *‘It’s too expensive to buy even a bottle of water on the plane.’* (Greek, LP member).

Vueling

Vueling, with having reached the sky-rocketing number of over a third of all chosen flights, appeared to be a rather unknown airline among the participants. One of them commented: *'I've never heard of them'* (Latvian, LP member). Those who did know the brand, had rather basic expectations, like one of them said: *'It's like Ryanair, I don't expect anything. It's a cheap way to travel, but since it's expensive like that it bothers me a little bit.'* (Italian, LP member), and the overall attitude towards the airlines could be summarised by: *'Neutral. It's not my favourite, I don't have any good or bad feelings about it.'* (Polish, no LP).

4.5. Loyalty loop

Those participants that were loyalty programme members were interviewed about their attitude towards the company they are a member of, why have they become a member and how do they perceive the benefits of the programme. Thus the assessment aimed the loyalty loop they should be currently in. Additionally they were questioned about the perception of the importance of the loyalty programme in their decision making. Out of all 16 respondents 3 were not a member of any loyalty programme. The statistics looks as follows:

Loyalty programme	Frequency	Percentage of all	Percentage of LP members
EuroBonus (SAS- Star Alliance programme)	9	56%	69%
Norwegian	5	31%	38%
KLM	3	19%	23%
AirBaltic	2	13%	15%
Aegan	1	6%	8%
Austrian Airlines	1	6%	8%
Emirates	1	6%	8%
No loyalty programme	3	19%	n/a

Table 3, Loyalty programmes prevalence among respondents, source: own elaboration

SAS with the EuroBonus Star Alliance programme stands out significantly in the comparison, 9 of all respondents are members of EuroBonus loyalty programme. Norwegian follows with the 5 members from all of the interviewees. These two airlines are also the most often used airlines from Copenhagen airport and the most popular loyalty programme among the respondents, which seems to be no accident.

The reasons for joining the programmes were all alike- the participants were simply using the airlines intensively, or they were planning to do so in the near future and they did not want to miss out on the opportunity of getting something extra, like the Latvian participant said: *'I use the airlines quite often and I thought that there might be some perks maybe'* (Latvian, LP member). Another participant was also hoping for a reward, as she said: *'I flew with them a lot when I lived in Norway, so I just thought: why not, I mean, when you get like the bonus or whatever.'* (Norwegian, LP member). There were also interviewees who were planning for the future loyal behaviour, like the Greek KLM loyalty programme member who explained her membership by saying: *'I have a friend who lives in Amsterdam now, so I'm supposed to do many trips to Amsterdam'* (Greek, LP member).

4.5.1. Enjoy Advocate and Bond of Loyalty Loop

Most of the participants have expressed positively, about the company they are the member of the loyalty programme and would recommend using their service to their friends or families. The results are focused on the two most popular loyalty programmes: EuroBonus- from Scandinavian Airlines (SAS) and Norwegian Rewards.

SAS

As previously mentioned, all of the flights booked with SAS during this research were booked by the loyalty programme members. The members of EuroBonus programme seem to enjoy the service the Scandinavian Airlines provide. One of the participant sums up to: *'It's just more comfortable, like travelling is more comfortable with them, because they have like more customer focus I feel like, but the price is a little bit higher.'* (Norwegian, LP member).

Overall perception of the brand is very positive and the members praise the company for connecting the main airports and being reliable, as commented by a participant: *'It's a good company. [...] I never had delays, also the service is good, and the planes are really good, they fly to main airports.'* (Italian, LP member). However some of the loyalty programme members remained critical about SAS, sometimes for their pitfalls, like in a case of the Chinese interviewee who shared her experience and image of SAS by saying: *'They are supposed to be really high level decent company, but my flight to China was delayed for 4 hours and I missed the 2 connecting flights and a wedding. [...] They didn't give me explanation.'* (Chinese, LP member). While some of the complaints were towards the general conduct of company, the missing on-board meals were mentioned again, by another Greek participant, who said: *'[...] they don't give you anything. They give you just coffee and water, and I mean you're hungry on the plane!'* (Greek, LP member). Another complaint expressed trust in the company, but addressed the overall ambience of the company by being 'not very modern', by saying: *'I think that that's a good brand, but they're not very modern. But if my family was flying with SAS I would say "Don't worry"'* (Ukrainian, LP member).

Norwegian

The second most popular airline in Copenhagen Airport is the one that had nearly no complaints, and both members and non-members of its loyalty programme were expressing positively about the brand. The members value the customer service, and the free on-board Wi-Fi, which was mentioned by many participants. Like one of the Latvian participants stated her opinion by saying: *'They have quite nice service. The crew is usually quite nice and I like that they have WI-FI on board'* (Latvian, LP member).

Two of the participants, when expressing their opinion, compared Norwegian to SAS. The opinion of the Dutch interviewee was more favourable to Norwegian by saying: *'Norwegian feels a little more personal than SAS, SAS is more minimalistic in their approach'* (Dutch, LP member). Another comparison inclined more towards SAS's superiority, when the Swedish participant stated: *'I can't trust them the way I trust SAS, there're usually delays*

and that really bothers me' (Swedish, LP member). That was, however, the only negative comment the Norwegian brand received throughout the research.

Loyalty programme influence on decision making

The participants were answering questions of whether the loyalty programme is important for them when they book their flights, and if they find the potential benefits attractive and if they go a distance- to the partners of the airlines for the points and how the programme affected their bookings with the competitors. The perception of the benefits was usually rather weak both for Norwegian and SAS members, most of the participants have not used their points yet, as the reward target threshold is not easily reachable, and those who did were moderately satisfied with the rewards. Only a couple of participants had used the partner airlines of SAS, all the rest of the participants knew nothing about who the partners are (of SAS, while Norwegian has no partners).

Some of the participants are not even aware of what are the benefits of the loyalty programme they are members of, like the Bulgarian participant who said: *'Well, that's the problem when you fly with so many companies. You don't remember which ones offers you what. For example I really don't remember what's the loyalty programme of Austrian or Norwegian.'* (Bulgarian, LP member). Others, who know what they are able to get from the programmes still remain sceptical about the benefits. Swedish interviewee commented on the EuroBonus rewards perception by saying: *'I mean I don't get that much from it. The only thing I got was one free flight, and I've been member since 2010'* (Swedish, LP member).

Additionally, many of the interviewees expressed their uncertainty if the points will even come in use, like one of the Greek participants, who said: *'If the target was easier to reach, then I would have thought about it more. But since I'm collecting the points so maybe I could get a free ticket in some years..., it's not so important.'* (Greek, LP member).

When asked, the participants' idea of using the points still however mostly comes down to getting discounts on flights or flights for free. The participant who flew 34 times in year 2015, even though flying so often, said: *'But I never used the discounts or anything yet.'*

[...] I don't really know how I can use it. I will most preferably use it for the discount on my next booking, or for shopping on board.' (Chinese, LP member). Another interviewee's comment on the wish of spending points falls in the same line, as she said: *'A free flight, if I have gathered enough miles.'* (Greek, LP member), expressing at the same time the disbelief of reaching the threshold of the rewards.

The participants, however, when questioned about the loyalty programme, kept on pointing on the general priority of the price and convenience when booking the flight, over the loyalty programme. Nevertheless for some of them were willing to pay a little more for the flight with their favourite carrier, though some of the participants were specific that it is not the programme that would be a factor in such decision, like the Silver Tier EuroBonus holder who said: *'No, I'm not that loyal [...] The convenience, the price is more important than points'* (Italian, LP member), or one of the Greek participants who claimed: *'Personally I don't care the benefits that much, It's a supplementary reason'* (Greek, LP member).

Next section discusses the implication of the findings in the relation to the theory and the model.

Chapter 5: Discussion

This chapter links the results presented in the findings section with the theories that were presented in the literature review. It seeks the answers to the main research question and to the sub-question of the thesis. Following the Consumer Decision Journey model used for the data collection, this chapter trails the same structural logic. Additionally it offers managerial implications, of how this research results could find application in real life.

Initial consideration

The initial consideration step was, as mentioned earlier a difficult step to assess and it has not been examined to its full potential. The Zero-Moment-Of-Truth makes this initial

consideration step less and less relevant, as even before one forces its brain to seek for the answers that may be hidden there, she can pull out the smartphone and quickly search for the answer to the baffling problem, the answer that one can be sure of (Adams et al. 2015). The study was focusing on past experience, whilst it completely disregarded the initial consideration set of brands before entering the active evaluation stage in the hypothetical search scenario. It could have been easily enhanced by a short question of which airlines would a person consider when going to a chosen destination, could have shown what the initial consideration set is and how that affects the following steps.

The past experience examination yet still have provided a set of important for the research question results. When a person was faced with different providers that offered a transport to the same destination (his frequently travelled destination) the most important differentiating factors were: price, convenience of the schedule, and luggage being included in the ticket.

Convenience and price seem to be the obvious important factors for the flight selection. The luggage, however, which is becoming more and more expensive to travel with within Europe, is probably this important among the chosen sample, due to the fact that the expatriates are quite specific group of travellers. They usually appreciate having check in luggage whenever they travel to and from their hometown, as they bring goods from their motherland to the place they currently reside, as the author's personal experience show.

When enquired about the decisional factors when flying to frequently travelled destination, the loyalty programmes mentions were linked with the benefits of having two items of luggage free in a case of Scandinavian Airlines Silver Tier members and with collecting points in the CashPoint system of Norwegian, which was however the single mention of the Norwegian rewards being a decisional factor in the entire study.

Active evaluation

The active evaluation phase was aiming to capture the real life search for the flights within the specifics of the scenario given in the interview. According to the model of the Consumer Decision Journey that would be the part of the decision process that would have been

completely avoided by the loyal customers, as those customers would have gone directly to the chosen provider. As the research revealed, none of the participants have prevailed such a behaviour. That shows the inapplicability of the model for the online flight ticket booking as all of those, presumably loyal interviewees actually did assess different options instead of going straight to their preferred airline. Another potential reason for the inapplicability of the model in this case would be that the loyalty programme member does not really mean loyal customer, which would then in turn, point to the ineffectiveness of the loyalty programmes.

The participants took from 1 to 9 steps to find the flight that would match the criteria of the scenario and their personal preference. It was interesting to see that all but one person had started with the search engine or intermediary website, which the author of the paper argues-replaces the initial consideration stage, as that is the source of inspiration of what airlines are flying to the desired destination, at what times and what prices. The omnipresence of the intermediaries in those steps is a clear example of reintermediation, which brings the intermediaries back to the business after firstly excluding them from the purchase process, due to the disintermediation (Chaffey, 2015).

The interviewees were praising intermediaries for showing the cheapest available flights, and giving them a quick overview. It appears that participants were putting a lot of confidence to those websites and trusting the reliability of the information they provide. Nevertheless, the intermediaries did not hold the large percentage of the finalising the purchase. Majority of the participants booked their ticket directly at the airline website, which is an interesting difference between previous usage of intermediaries- before the digital age (like travel agents) and after the reintermediation- as now the intermediaries mostly are 'just' a source of inspiration, and then the purchase still continues through another website. Intermediaries' role is however still vital, as that is the primary source of information for the generation Y customers, which has also been the result of the Østergaard and Möller's (2014) studies.

The ways this part of the research could have been improved would be by giving the people another scenario for a longer trip, which could have shown the important factors without the scarcity of time.

Buy

The next, buy stage of the results provides detailed information about the reasoning for ultimately choosing one flight over another, which were extracted from the verbal protocol produced from the thinking-out-loud comments, during the hypothetical search scenario and the following questions afterwards.

Surprisingly, even though Ryanair was mentioned most often as an airline the participant would have avoided, it was chosen for half of the flights to London. It is interesting to see that the customers are not quite repelled by the negative opinion they hold about a certain brand, as they continue to buy the brand, which follows the findings of Winchester et al. (2008) The consequence of that is that unless people are presented with another available for them option (mentally, financially and physically) they will continue using the service, even though they may not like it, as it ‘does its job’, which is clearly the most important thing for the customers.

The findings have shown that the most important for all of the participants was a matter of a flight being direct, which in Europe is an understandable request, as the distances are not long, and when the hypothetical scenario had limited the time of the travels, the participants were very strict about not choosing any flights with stopovers. None of the interviewees had chosen an in-direct flight. The second most important decision factor among the interviewees was price, even though the participants were given hypothetical money on the trip (4000 DKK), the participants were free to choose what they will spend the money on. They evidently wanted to keep the flight price as low as possible in order to save the money for the rest of the hypothetical trip.

However this is the part of the research that is missing as stated in the limitations -the prices of chosen flights were not analysed due to the scope of the paper. It would have been interesting to see the budget allocation of young people, and what is their idea of a ‘good’ price for the flight is. What was found, nevertheless, an interesting observation, was that the first price that was displayed on the intermediary website appeared to be a very significant one. According to the author of the paper- it creates a benchmark in the mind of

the inquirer, and then when that person sees different prices- that is the benchmark they refer to of whether it would be a good or bad price for the flight. The author of the thesis considers that to be a very valuable side finding, which should be used for the further research and then used for the pricing strategies across industries, not just airlines.

The third most important factor was the convenience of the schedule that also made the participants trade-off with the price. The interviewees were willing to pay more to get the flight that would match their preferred schedule. It was even more important as the study had limited the time for the trip that one was to take according to the hypothetical search scenario. This should be also taken into account when pricing the flights, that those at more convenient time can have a luxury of being more expensive, and still may be chosen by the customers.

Other factors affecting the decisions of the interviewees appeared to be: past experience and the design of the airline website. The past experience factor caused people to choose what they know and they are familiar with, which follows the theory of Sharp of 'I love my mum, you love your mum' (Sharp, 2010) that people follow what they know as it is safe and even if not perfect, it has been already tested and it works. The past experience also affects the mental availability (Sharp, 2010) of the brand, making the brand more easily available in the consideration set, if it has been used before. According to the McKinsey & Company (2009) if the brand finds itself in the initial consideration stage it is three times more likely that it will be chosen, than if it was not. It therefore shows a clear link, as in the model- between the initial consideration and the active evaluation, as people indeed were more prone to choose the brands they knew.

The implication of those findings is that people are reluctant to change the brand they are used to, which poses a challenge to the marketers. People would have to sample the product or service in order to have an experience which may turn into the purchase, and then, optimistically, repeat purchase. In the case of flights, however, that would be very expensive promotional marketing effort, and then after the sampling the product or service has to be available for purchase, to sustain the effect of positioning- the author argues in line with Sharp (2010).

The interviewees had also mentioned that they would be unwilling to switch to a new booking system (of a new, unknown airlines) which drew author's attention to the design of the website, which has appeared to be also an important factor.

The trustworthy and transparent website seems to be a significant value of an airline. It should be 'as simple as possible', giving the 'flexibility of choosing whatever you want' and 'visually easy'. The author argues that the usability of the website makes the flight booking more accessible and smooth. It should potentially reduce points when the customer could be having trust issues, as those could potentially make him feel resentful and in the effect it may direct him to another carrier. Additionally, as mentioned before, the participants despite using the intermediaries intensively as their source of inspiration, only few of them booked their tickets through those websites, which also shows lack of trust towards the websites that are not the airline's official website. This topic, however, arose organically from the research and it has not been a focus point of this study, it could be a good idea to look into the problem of the websites trustworthiness and transparency.

Airline brand overall did not appear to have significant importance, as the self-reported assignment of the weights shown. Participants were mostly booking low fare companies, and the company they have never heard of. Though the loyalty programme did not seem to play a role in the active evaluation phase of the search, when it came to making decision, 10 flights (out of 64 all together) were chosen within the loyalty programme of Norwegian and 5 within EuroBonus. It draws attention to Norwegian standing out before Scandinavian Airlines, despite its 2nd position in the Copenhagen airport market share. That shows the outstanding behavioural loyalty, especially as all together there were 15 tickets booked with Norwegian, while only 5 with Scandinavian Airlines. SAS reaching mere half of the Norwegian bookings, would definitely escape the predictive Dirichlet benchmarks.

A potential reason for those results could be that, even though EuroBonus programme is the most popular among the participants and more financially beneficial (as it offers 2.8% discount, as mentioned before) it is more difficult to reach the threshold of using the points, while Norwegian offers the points for use right away. Another potential reason could be that Norwegian is cheaper than SAS, and as shown, for the generation Y, the price appear to play a vital role when choosing a flight. This brand/price relation, nevertheless, makes it

impossible to clearly state that the selection of those tickets was caused by the loyalty programme, and the tickets would have not been chosen without the membership.

Enjoy, advocate and bond

The enjoy advocate and bond steps had shown that people even though may be using some airlines may remain critical about it, or the opposite- even if they do hold negative beliefs about certain company, they may choose it and then try to find positive things to say about it to justify their choice. That is a perfect example of Sharp's (2010) and Winchester's (2008) findings of people's attitude changing in respect with their behaviour. It also points to the fundament of people choosing airlines they do not consider the best- but satisfying the need of transportation to the desired destination.

This contradicts the notion that people strive to choose the unambiguously best alternative among others. At times 'good enough' is their chosen option (for example: the airport that is not as conveniently located as others, but the price is much more attractive), as their priorities do not lay in the most comfortable flight, but in 'getting from point A to point B' as cheaply as possible, which follows Statt (1997). The consequence of that is decreasing importance of certain comforts related to travelling, especially on short-haul distances, and prioritising the availability in the matter of flight connection and the price. It lays a big challenge to the mainline airlines that are losing their market share to the low cost carriers. Budget airlines disrupt the airline industry in Europe among the leisure travellers, with their very basic service, but large number of the connections and extremely competitive prices.

Apart from getting to the desired destination, the features that were important to the participants were: good value for money, good customer service, reliability, availability, included on-board drinks, luggage being included in the ticket fare. Good customer service was linked by the interviewees with effective and efficient problem solving and communication and made them express positively about the airline brands.

The negative perceptions about the airlines the participants had chosen and had used before were mostly about lack of on-board meals, which is currently a usual practice among all of the airlines that were selected by the interviewees (including SAS). For low cost carrier the

complaints are that the airports are sometimes very remote, and that the luggage limits are very strict. Another aspect which could diminish the trust the participant puts into the airlines are delays. Expected delays were mentioned in connection with some low fare airlines that were selected by the interviewees, yet still did not prevent them from choosing it. It follows the Winchester's (2008) findings that even though the consumers may hold negative perceptions of the brand, they may continue using the brand.

Knowing these characteristics that are making customers express positively and negatively about their flying experience, the airlines can focus their efforts and invest in well trained staff to deliver excellent service, effective communication and consider adding on-board snacks, which, considering the current tendency of cutting those meals could make a big difference in the brand perception. At the same time they should not try to delight the customer, and raising his expectations of the service, but provide simple, smooth experience, and being 'nothing annoying'.

The way the Enjoy, Bond and Advocate step could have been improved, would have been inquiring the participants of the amount of flights previously taken with the airline they have chosen during the hypothetical search, not just whether they had or had not flown with the airlines. That question could have prevailed the behavioural loyalty, which may not be perceived as self-reported loyalty.

This could largely improve reaching the answer to the sub-question of this paper, which is examining the loyalty programme effect. It could have been a case that there are people more behaviourally loyal to Ryanair than to SAS- while SAS could have probably scored higher in the self-report (attitudinal) loyalty, and therefore denying the programme to affect the behavioural loyalty.

The loyalty loop

The loyalty loop part of the model is supposed to express what people do once they find themselves loyal to the brand. As already shown, in the active evaluation part of the model that is not the way the participants of this research had behaved.

The past experience assessment linked with the loyalty programme membership among the participants had provided a proof of people being members of those airlines that they already use, which follows the theory of Sharp (2010), who states the same. The customers who mentioned the benefits of the EuroBonus programme were those who were and are flying with SAS at least 10 times per year to hold their Silver Tier membership. They are, therefore, behaviourally loyal customers, and they are happy to receive the additional benefits for their behaviour.

That shows that the loyalty programme does not affect the less frequent travellers, and therefore- does not contribute to the market share growth or winning new customers, as Butscher (1998) was assuming. The implication of that finding is that the loyalty programmes are beneficial only for the customers who are actually already loyal, therefore rewarding them may in turn actually decrease the company's revenue. Making the loyal customer, more loyal in the case of airlines- would mean making people fly more, and more with the carrier of the programme. Making people fly more is a rather difficult task, as they usually fly when they need to or want to, the aim of the loyalty programme would be, however to make sure that this loyal customer would choose their company whenever they can, which was further studied in the subsequent parts of the model.

Another law mentioned by Sharp- Double Jeopardy Law that prevails in the results is the membership of the loyalty programmes, which falls in line with the Copenhagen airport market share. The most popular airlines have the most of the members in the group of the participants- SAS, the 2nd most popular- Norwegian has the 2nd most members among the interviewees. Due to the low amount of the participants in the research- it cannot be observed on a larger scale, therefore the subsequent loyalty programmes are considered to be insignificant and random. This law is also linked with the Dirichlet model which states that the loyalty benchmarks are following the Double Jeopardy law- the bigger the market share- the bigger the loyalty, therefore those two airlines are natural leaders of the Copenhagen market, and it appears that their loyalty memberships follow the benchmarks, however the large scale study should be conducted in order to confirm those presumptions.

Further, the interviewees' attitudes towards the brand they are loyalty programme member of, were measured, with the results of those being mostly positive, however there were some

instances where the participants were disapproving the practices or the facilities of the airlines. The questions about attitudes were following the model, however, as Griffin (2002) stated that the satisfied customer does not equal a loyal customer, and Solomon (2013) also declares that the attitude is not an indicator of behaviour. The model is, therefore, guilty of basing the loyalty predictions on attitudes.

What was noticed to be an important difference among the airline brands and whether they are low-fares or regular fares was the difference in expectations the interviewees had. For the budget airline to meet the expectations it appears to be enough to be ‘nothing annoying’. While the mainline airlines are accused of not serving food on board, poor customer service and not being ‘very modern’. It appears that customers simply expect more when they pay more.

SAS had collected a few critics from the EuroBonus members, whose expectations were not met, while the participants who are Norwegian Rewards members seemed genuinely pleased with the service of Norwegian, which had gotten only one mildly negative comment and many positive ones- most of them mentioning the free Wi-Fi on board and good customer service.

The final questions of the interviews were focusing on the opinion on the loyalty programme benefits and the ways the interviewees were using or were planning to use the points for. There were some participants who were unfamiliar with the benefits they can get for being a member of the programmes, which points to ineffective communication of the airlines.

Most of people had never received any rewards from the programme they’re member of, and those who did, did not consider it valuable. Both SAS and Norwegian programmes fail to make customers happy about the benefits their programme offer, or rather, how unreachable they are. Most of the interviewees would like to book a free flight or get a significant discount on their flight for their points, but that may be ‘in some years’ once they will have reached the threshold.

This part of the research was difficult to perform for better results, as all of those questions were self-reported, therefore biased.

General discoveries discussion

Overall this study has been very insightful, however, into too many directions on not enough depth. The data collected was more than enough for this research and not all of the data was used in this research, as it would not contribute to answer the research question of this thesis. That could have been avoided by focusing the interview questions on the topic, and not going astray with all of the interesting problems.

The model used in the research had shown one significant fault. Since the attitude is usually not an indicator of the behaviour, the Enjoy, Advocate and Bond stage, does not necessarily determine whether the customer will or will not enter the loyalty loop. It should be rather called ‘meet the needs’, as most of the participants were looking for ‘good enough’ flights, which falls in line with Statt’s (1997) idea of people not always maximising their decisions. However that ‘good enough’ or even if it is perfect option they still do not ensure the loyalty loop to occur in airlines industry. Due to the current technology advancement and availability, the Active Evaluation is currently so easy and comfortably accessible from the large screens of the smartphones, that people can check the better options within few seconds, which proves that online flight tickets booking is a repertoire purchase (Sharp et al. 2002) which then automatically means very little sole loyalty. The author of the paper however admits following Solomon (2006) that the loyalty loop may be true for routine purchases, for the low involvement decisions. For now, booking flights still appears to be a higher involvement decision, which however may change soon- as people fly more and more often.

The next paragraphs discuss the overall concluding trends among the researched area that go a little beyond the research question scope.

Is then loyalty really ‘alive and well’ as Griffin (2002) stated? Perhaps. Perhaps not. The loyalty programme link with the loyalty, however, is becoming obviously weak, the loyalty programme did not alter the path to purchase anyhow. At times, though, people did choose their loyalty brands, but the reasons behind this decision seem to be different than

the loyalty programme alone, other factors are clearly more important to the flyers, like direct flight, good price, and good time of the flight.

The loyalty programmes attract those who often use the airlines, and who want to get something more out of it, which was the finding of this study and it supported theories of Sharp (2010). Therefore, those are buyers who are already using the brand, and probably will continue using it. If there was no loyalty programme would they stop doing what they are doing? Do people cease to fly with Ryanair as they are not getting additionally rewarded for their behaviour? No. Do they cease to fly with Ryanair even though it is not perfect? No. Because Ryanair offers many flights, which are very attractive due to their price.

The author of the thesis would argue that the programmes do not affect the behaviour of the customer, as if they are already loyal customer- there is a reason to it. It is most likely because the route the airline offers is convenient for the customer, and the price offered is suitable for him. Those seem to be the main requirements.

Those all factors for the behavioural loyalty do seem to boil down to the availability, Sharp (2010) claims to be a success formula. That includes mental availability and the physical availability. The customer must know about the company- it is best if it is in his initial consideration set-as mentioned before. The physical availability however determines the feasibility of using the brand. If the brand exists in the consideration set of a customer, but the airline does not fly to his desired destination- there is no possibility he will choose it.

The findings of this research together with the theories used are offering wide applicability in business, which is further described in the managerial implications section.

5.7 Managerial implications

This section presents the ways this study could be found useful for the companies in order to improve their performance.

The major learning that prevails in the literature provided and that is supported by the findings of the research is that the loyalty programmes target mostly customers who already use the brand and are searching for additional benefits. At the same time, among leisure

travellers, the programme matters very little, and the moments where it might appear to matter, do not unambiguously point to the very programme being a reason for it.

Customers search for convenience, availability and all must fit their budget. The points gained along the booked flight may potentially change that, but customers see very little value in the benefits of the programmes, and are rather sceptical about ever reaching it. It brings the first implication of questioning whether the investment in the loyalty programmes for leisure travellers is not a missed investment, as those rewarded are people who already use the brand.

Another suggestion would be that those programmes should be simple, rules should be straight forward, easy to follow and communicate, as people easily forget about the benefits they can get if the rules are too complicated. The simplicity and transparency also should apply to the airline website design, which contributes to the customer feeling safe and enhances the trust he attributes to the airline.

The side parts of the research findings that the airlines should look into is the price benchmarking through the intermediaries and the popularity of the intermediaries overall, which should not be disregarded, as it is the primary touch point with the young generation, who soon will become the main customers of the airline industry.

For the future strategy development of the airlines the author of the paper suggests that online ticket booking may become more widely a routine purchase, which may make the Consumer Decision Journey more relevant and true- meaning that the loyalty importance could potentially behave like the model assumes. This would require additional effort into becoming this preferred airline for the people, so they could directly visit just one website. That would require increasing the availability of the airline- both mental and physical availability, meaning increasing amount of routes and improving branding.

Chapter 6: Conclusions

This chapter provides the final answers to the research question and the sub-question of the thesis, and presents the most valuable findings of the study.

This thesis follows the current fast-paced world of decision making, where the consumers' behaviour starts to go beyond the models that were, once, supposed to capture it. The marketers' impact on the decision making seems to be lowering due to the transformation towards the pull marketing, rather than push marketing. The analysed case was aiming to express the challenges of today's marketing. Booking flight tickets process was chosen, with its specifics of being a service, however usually long postponed in time, basing mostly and almost solely on the pull marketing. Another notion that is put on trial while booking a flight tickets is customer loyalty.

This thesis had been centred on the decisional factors that are affecting the choice of the airlines, and additionally going in depth with the loyalty programme affecting the path to purchase.

The main research question of the thesis was:

'What decision factors are important to consumer when booking flight tickets online?'

To reach the answer to this question the research was based on self-reported answers of the interviewees with including the assessment of their past experience.

The loyalty focused sub-question of the research was:

'What is the influence of loyalty programme membership and perception of its benefits on Consumer Decision Journey?'

Which was measured by a complete participant's path to purchase, with the aim to expose the effect (or lack of it) of the loyalty programmes on this path.

Overall, this thesis' research was based on personal interviews, including a hypothetical online flight tickets booking, with generation Y expats, living in Copenhagen area. They were giving the self-reported decisional factors of their actions online. The answers and

participants' moves around the World Wide Web were recorded and analysed to provide the results for answering the research questions.

The literature review presented three models aiming to describe the path to purchase and then followed with one of them – Consumer Decision Journey, which is considered to be a contemporary view on the decision making, including the loyalty factor, which was necessary to reach the answer of the sub-question. This model, contrary to the precedent model does capture the increase in the amount of evaluated alternatives, (while the classical model assumes the funnel approach) with the entrance to the active evaluation stage, which had proven to be the right choice, as people were assessing the whole variety of the airlines, including those that they had not known. The complete model was used to structure the interview guide and its themes directed the result findings, while the loyalty loop part of the model was challenged by the sub-question of the thesis.

The Enjoy, Advocate and Bond parts of the model were found to be limited to the self-reported answers and attitudes, which cannot capture the loyalty that prevails in the behaviour, but rather in attitudes, and throughout the research it has been exposed that attitudes should not be used as an indicator of behaviour, which falls in line with Griffin (2002), Sharp (2010) and was ultimately researched by Winchester (2008).

The answer to the main research question, however rather simple and straight forward, should be taken with reservations to the limitations that were constraining this research. The main factors which showed to be playing the crucial role for choosing the flight ticket for a short trip in Europe, taken by a generation Y expat living in Copenhagen area were: direct flight and price, following by convenience of the schedule. Those were the factors the interviewees were trading off among. Other factors that were found affecting the decisions of the participants were: past experience and design of the website. The airline brand did not play an important role basing on the self-report scale of importance of the decision factors.

For the frequently travelled destinations, which were mostly hometowns of the interviewees, the factors were very similar. All of the participants were choosing direct flight whenever possible. Other factors that were influencing the choice were: price, convenience of the schedule, however the participants had also favoured luggage being

included in the ticket- this is a decisional factor considered to be specific for the expatriates travelling to their home country.

The answer to the sub-question is not as straight forward. The findings revealed that the loyalty programme either does not equal loyalty or that this loyalty does not cause people to behave like model assumes them to – that is, excluding the active evaluation phase entirely. The participants were all using intermediaries to inform their decision- thus entering the evaluation stage, whether they were or were not, the loyalty programme members. The perception of the programme benefits did not contribute significantly to the decisions, as the benefits are perceived difficult to reach and not being valuable.

To conclude, booking flight tickets appears to be still a high involvement decision, people would spend considerable amount of time researching and finding what will suit them best in a matter of duration of the flight and schedule convenience. For the expatriates travelling home- also based on the luggage price. The loyalty programme does not alter the path to purchase as the current availability of quick online comparison of the connections promotes transparency and loyalty rarely wins with that and as members see very little value in the programme benefits.

7. Future research

This research due to the number of limitations could not be explored at its full potential, which however may serve as a pilot study towards further investigations of the related topics.

Firstly, for continuation of exploring the decision factors of the online search, including the loyalty programme, it would be interesting to research the problem among even younger audience than generation Y, to establish whether the next generation is behaving similarly or not- in order to develop a forward-looking strategy that would meet their demands.

For taking some research findings to a greater detail, it could be an interesting idea to research the pricing of those decisions and to go in depth with the price benchmarking concept in order to explore the potential uses of it, for the business advantage. Additionally

the research could have been extended by allowing the participants to also book their accommodation at their destination, which would have given the valuable insight of the travel budget allocation, depending on the duration of the stay. The author of the thesis supposes that people would be willing to spend more money on a flight when going for longer holidays- as overall such a trip would be more expensive- therefore the flight budget allocation could have been larger, however the importance of the schedule could be lower, as people would have more freedom to take the flights at any time of the day.

On top of those the author of the thesis suggests that the need for the new model that would capture the complexity of the online consumer behaviour in today's world seem urgent, as even the more contemporary model does not capture it without faults.

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Appendices

Appendix A: Prevailed key words basing on the thematic analysis

Theme	Definition	Keywords
Initial Consideration	The decision factors based on past experience and the reasons for the Frequently Travelled Destination	<ul style="list-style-type: none"> - Visiting family - Leisure/holidays - Direct flight - Convenience - Price - Price/convenience - Luggage - Loyalty programme
Active Evaluation	The path to purchase and reasoning behind the moves online	<ul style="list-style-type: none"> - Quick overview - Inspiration - Intermediaries - Cheapest
Buy	The decision factors ultimately deciding on the chosen alternative	<ul style="list-style-type: none"> - Direct flight - Price - Schedule convenience (time of flight) - Price/convenience - Past experience influence - Design of the website - Airline brand
Enjoy Advocate Bond	The after-math of the choice, brand perception and the attitude measuring	<ul style="list-style-type: none"> - Positive characteristics - Negative characteristics - Ryanair - SAS - EasyJet - Norwegian - Vueling
Loyalty Loop	Membership of the loyalty programme, reasons of membership.	<ul style="list-style-type: none"> - Being a customer already - Looking for benefits
Enjoy Advocate Bond of Loyalty Loop	Perception of the loyalty programme benefits	<ul style="list-style-type: none"> - Positive characteristics - Negative characteristics - Difficulty in reaching the reward threshold - SAS - Norwegian - Free/discounted flight - Amount of money to pay for flying with LP

Appendix B: Interview guide.

Interview guide- loyalty programme members.

As the questions about loyalty programme membership are only asked at the end, not to affect the interviewee responses, if the interviewee is not a loyalty programme member the questions marked in grey are not to be asked.

Intro:

For the purpose of my master thesis researching on online consumer behaviour I would like to ask some questions related to your online flight tickets booking, and perform a hypothetical situation of you booking your flight tickets. The money involved in the search scenario are hypothetical and you will not receive it in the end. The results of the interview and search evaluation will be used for the analysis in my thesis, therefore the interview will be recorded, both in audio and the screen recording. Questions are based on your knowledge, past experience and search behaviour.

The interview will be conducted in English and it will take around 30-40 minutes, if anything would be unclear please do not hesitate to interrupt me and raise your concerns.

We can begin when you are ready.

The first few questions are the general questions about yourself.

Question no 1: How old are you?

Question no 2: Where are you from?

Question no 3: For how long have you lived in Denmark?

Question no 4: What do you do for a living?

The following few questions will be related to your flying experience. (Since moving to Denmark)

CONSIDERATION STEP

Question no 5: How many times have you flown last year? (One way flight counting as one)

Question no 5a: Do you remember with what airlines were you flying?

Question no 6: With what airlines have you travelled most often (Since moving to Denmark)?

Question no 7: Can you estimate how many of the last year's flights were with this airline?

Question no 8: What was the primary purpose of these flights?

Question no 8a: How were the tickets booked? (Did you book them by yourself or were they booked for you)

Question no 8b: If the tickets were booked by you, what channel did you use?

Question no 9: With what airlines have you travelled second most often? (Since moving to Denmark)

Question no 10: How many of the last year's flights were with this airline?

Question no 11: What was the primary purpose of these flights?

Question no 11a: How were the tickets booked? (did you book them by yourself or were they booked for you)

Question no 12: What is your frequently travelled destination?

Question no 12a: What is the purpose of flying to this destination?

Question no 12b: What airlines do you use to fly to this destination?

Question no 12c: What is the reason you choose these airlines?

ACTIVE EVALUATION STEP

Now we will start the hypothetical search scenario.

The first hypothetical scenario is as follows:

Today you win 4000 DKK, you decide to go shopping in **London** with your friend. Both of you will take a day off work on Friday, so your trip will be Friday-Sunday, 18th of March to 20th of March. You start searching for flights. Please stop only at the final purchase of the flight. Please say out loud what is your thinking process and what do you consider.

Websites visited (in order):

Chosen airline to London:

Chosen time of departure:

Arriving to: (airport)

Question no 13: What were the factors important to you when choosing a flight to London?

Question no 13b: Which is the most important factor to you?

Question no 14: Please assign the decision weight (1-5, where 1 means not important and 5 very important) to each of the mentioned factors.

If this factor did not come up:

*Question no 14a: How important is airline brand to you? (On the same scale)

The second hypothetical scenario is as follows:

Today you win 4000 DKK, you decide to go to **Barcelona** with your partner for a few days. You start searching for flights, Friday to Monday – 18th of March – 21st of March. Please stop only at the final purchase of the flights. Please say out loud what is your thinking process and what do you consider.

Websites visited (in order):

Chosen airline to Barcelona:

Chosen time of departure:

Arriving to: (airport)

*If the person will choose to visit intermediaries (like Google Flights/Momondo/Skyscanner/etc.) websites: Questions:

1. What are the advantages of using intermediaries?
2. How do you finalise your purchase (whether on the intermediary website or airline website)

Question no 15: Are there any airlines you avoid using? Why?

BUY STEP

Question no 16: What were the factors important to you when choosing a flight to Barcelona

Question no 16a: Which is the most important factor to you?

Question no 17: Please assign the decision weight (1-5, 1 being not important, 5 very important) to each of the mentioned factors.

If this factor did not come up:

*Question no 17a: How important is airline brand to you? (On the same scale)

ENJOY STEP

Question no 18: Have you flown with these airlines before? Is there anything you particularly like or dislike about these airlines?

LONDON:

BARCELONA:

Question no 19: What are your expectations towards the flight?

LONDON CARRIER:

BARCELONA CARRIER:

ADVOCATE STEP

Question no 20: If you have flown with these airlines before, what would you tell your friends/family about the airlines?

LONDON CARRIER:

BARCELONA CARRIER:

BOND STEP

Question no 21: How would you describe your attitude towards the airline brand?

LONDON CARRIER:

BARCELONA CARRIER:

Question no 22: Are you a member of this airline loyalty programme? (If there is one)

LONDON CARRIER:

BARCELONA CARRIER:

Question no 23: Are you a member of any other airline loyalty programme?

Question 23a: If yes, which?

LOYALTY LOOP

Question no 24: What was the reason of joining this/ those loyalty programme?

ENJOY: Question no 25: What is your brand perception of the airlines you're a member of?

ADVOCATE: Question no 26: What would you tell your friends/family about the brand?

Question no 27: What is your perception of the attractiveness of the loyalty programme benefits?

BOND & BUY:

Question no 28: How the airlines availability affects the frequency of choosing them?

Question no 28a: How airlines image affect the frequency of choosing them?

Question no 28b: How the loyalty programme membership influences your purchases with airlines?

Question no 28c: How much more would you be willing to pay for your flight with X ?

Question no 29: How the loyalty programme membership influences your purchases with airlines partners? (That also give you points)

Question no 30: How the loyalty programme membership affects your purchases with competitors?

Question no 31: What have you been using your points for? (*If you haven't used your points yet, what do you intend to use your points for?)

Appendix C: Summary table of flights of respondents in year 2015

The asterisks placed next to the most often travelled airlines indicates that it is an airline that the participant is a loyalty programme member of.

No	LP	FTD	Airlines used for FTD	Flights in 2015	MOTA	Flights with MOTA in 2015	2 nd MOTA	Flights with 2 nd MOTA in 2015	Other in 2015
1	SAS, Emirates	Bologna	Ryanair, SAS	5	SAS *	4 (80%)	Ryanair	0 (0%)	Emirates
2	No LP	Reykjavik	Icelandair	5	Icelandair	3 (60%)	Vueling	2 (40%)	
3	SAS, Norwegian, KLM	Stavanger	SAS, Norwegian	10	SAS*	5 (50%)	Norwegian*	3 (30%)	Ryanair
4	No LP	Poznan	SAS, Wizzair	18	SAS	7 (38%)	Wizzair	5 (28%)	LOT, AirBerling, Vueling, Norwegian
5	Norwegian, AirBaltic	Riga	AirBaltic, Norwegian	14	AirBaltic*	6 (43%)	Norwegian*	4 (29%)	Ryanair, KLM
6	AirBaltic	UK	EasyJet, Norwegian	4	AirBaltic*	0	Norwegian	4 (100%)	easyJet
7	Aegan	Athens	Aegan	8	Aegan*	6 (75%)	SAS*	2 (25%)	
8	SAS	Milan	SAS	10	SAS*	10 (100%)			
9	SAS, KLM	Athens	Aegan, SAS	10	Aegan*	5 (50%)	SAS*	3 (30%)	KLM
10	SAS	No FTD	n/a	34	SAS*	12 (35%)	Norwegian	6 (18%)	easyJet
11	Norwegian, KLM, SAS	Amsterdam	Norwegian, KLM, SAS	13	SAS*	5 (38%)	Norwegian*	4 (31%)	KLM
12	No LP	no FTD	n/a	7	AirFrance	4 (57%)	Norwegian	2 (29%)	
13	SAS	Milan	SAS, Ryanair	30	SAS*	15 (50%)	Ryanair	7 (24%)	Norwegian, Lufthansa
14	Norwegian, Austrian	Varna	Norwegian, Austrian, Wizzair, Charter flights	10	Wizzair	5 (50%)	Austrian*	2 (20%)	Norwegian, Charter flights
15	SAS	Kiev	AirBaltic, Austrian	26	Norwegian	8 (31%)	AirBaltic	8 (22%)	Austrian, Emirates, Ryanair
16	SAS, Norwegian	Stockholm	SAS, Norwegian	4	SAS*	4 (100%)	Norwegian*	0	easyJet

Appendix D: Complete Active Evaluation table.

Airline website	Intermediary website	Search engine	Other	* redirected	! new tab	@ continued	\$ no LP membership
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		1	2	3	4	5	6	7	8	9
1	LON	Skyscanner	Ryanair *							
	BCN	Skyscanner !	Momondo	Vueling *						
2	LON	Dohop	Ryanair *	Dohop @	EasyJet *					
	\$ BCN	Dohop.is @	Vueling *							
3	LON	Google search	Momondo	Fly4Free!	Ryanair *					
	BCN	Momondo @	Fly4Free !	Vueling *	Google search	Vueling				
4	LON	Momondo	Ryanair							
	\$ BCN	Momondo	Wizzair !	Momondo	Vueling					
5	LON	Google search	Flights.Go ogle	Google search	Norwegia n					
	BCN	Google search	Flights.Go ogle	Norwegia n !						
6	LON	Google search	Skyscanner	Ryanair *						
	BCN	Google search:	Momondo	Vueling *						
7	LON	Google search	Airtickets.gr							
	BCN	Airtickets.gr @								

8	LON	Skyscanner.net	Flybillet	Google search	SAS !					
	BCN	Flybillet @	Vueling *	SAS !	Vueling @					
9	LON	Google search	Momondo	EasyJet *	Google search	Skyscanner	EasyJet @			
	BCN	Momondo @	CheapOAir *	Skyscanner !	CheapOAir @					
10	LON	Google search	Skyscanner	Ryanair !						
	BCN	Skyscanner @	Vueling !							
11	LON	CheapTickets.nl	Easyjet !							
	BCN	CheapTickets.nl @	Norwegian !							
12 \$	LON	Google search	Momondo	Google maps !	Google search !	VisitBritainShop *	Ryanair !	Momondo @	Ryanair *	
	BCN	Momondo @	Vueling *							
13	LON	Ryanair	Momondo !	SAS !	Google search	Norwegian *	Flysas @	Norwegian @	Easyjet !	Norwegian @
	BCN	Momondo @	Flysas @	Google search	Flights.Google	Norwegian @	Momondo @	CheapOAir *		
14	LON	Skyscanner	Ryanair							
	BCN	Skyscanner @	Norwegian							
15	LON	Bing search	Momondo	Google search !	Norwegian *					
	BCN	Momondo @	eDreams.co.uk *	Norwegian @						
16	LON	Bing search	Momondo	Ryanair *	EasyJet !@	BravoFly.co.uk *	Ryanair @			
	BCN	Momondo @	CheapOAir.co.uk *							

Appendix E: Loyalty programme membership and choice of carriers

The light grey marks participants being a member of the loyalty programme and whether their choice represents the loyalty programme they belong. Dark grey is marked for when a loyalty programme member did not choose the airline they are the member of.

	Flight	Loyalty programme	London Flights	Barcelona flights
1	London	YES	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
2	London	NO	EasyJet	Vueling
	Barcelona		EasyJet	Vueling
3	London	YES	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
4	London	NO	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
5	London	YES	Norwegian	Norwegian
	Barcelona		Norwegian	Norwegian
6	London	YES	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
7	London	YES	SAS (Regular)	Vueling
	Barcelona		SAS (Regular)	Vueling
8	London	YES	SAS (Regular)	Vueling
	Barcelona		SAS (Youth Fare)	Vueling
9	London	YES	EasyJet	Vueling
	Barcelona		EasyJet	Vueling
10	London	YES	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
11	London	YES	EasyJet	Norwegian
	Barcelona		EasyJet	Norwegian
12	London	NO	Ryanair	Vueling
	Barcelona		Ryanair	Vueling
13	London	YES	SAS (Youth Fare)	Vueling
	Barcelona		Norwegian	Vueling
14	London	YES	Ryanair	Norwegian
	Barcelona		Ryanair	Norwegian
15	London	YES	Norwegian	Norwegian
	Barcelona		Norwegian	Norwegian
6	London	YES	Ryanair	Norwegian
	Barcelona		Ryanair	Norwegian