Assuring Travelers Loyalty as a Competitive Advantage (A case Study of EGYPTAIR)

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Abstract

This mixed methods research study explores assuring travelers' loyalty as a competitive advantage and develops a model of success factors of airlines loyalty programs. This research aims to evaluate EGYPTAIR Plus program in order to suggest a recommendation for them. The main issue identified with regards to traveler's loyalty is frequent flyer programs (FFPs). Semi-structured interviews and a questionnaire survey were developed to explore experts and traveler's approach to the concept of FFPs. This study explores the nature of the impact of DEEPLIST and TPB to assure traveler's loyalty. The findings illustrated the important aspects which the airlines should follow in order to have success in their FFP. These findings led to the development of a model assuring travelers' loyalty as a source of competitive advantage. Additionally the findings stressed the necessity of developing policies and practices used by the airlines to facilitate the success of FFP.

Keywords: EGYPTAIR; Customer relationship; Travelers; Airline; Environmental; Star alliance

Introduction

One of the most challenging issues affecting the travel and tourism sector is the airline industry and understanding the nature of travelers' demand [1]. In a rapidly-changing marketing environment, many techniques such as product differentiation, customer relationship management (CRM), and e-marketing are becoming important for any airline company [2].

Furthermore, most airline companies understand that travelers' satisfaction is the core of all marketing efforts. Frequent flyer programmes (FFPs) are loyalty programmes offered by many airlines. Typically, airline customers enrolled in the programme accumulate frequent flyer miles corresponding to the distance flown on that airline or its partners. Acquired miles can be redeemed for free air travel; for other goods or services; or for increased benefits, such as travel class upgrades, airport lounge access or priority bookings [3]. Therefore, these companies implement customer relationship management (CRM) to achieve their targets.

Stone point out that the costs involved in retaining customers are considerably lower than finding new customers. To explain, the costs of gaining new travelers' are up to seven times the costs of turning a traveler into a loyal one [4,5]. However, Petrick indicates that customer loyalty can be considered as a source of competitive advantage which is hard to copy by the competition as it involves the emotions of the customer [6]. Ziliani adds that loyalty is a state of mind and involves emotions like motivation, trust, confidence and shared values. Moreover, loyalty programmes often fail to create true loyalty as customers participate at various schemes or switch to the brand which offers the most affordable price [7,8]. Moreover, Novo declared that despite customers being "satisfied" or "very satisfied" with services provided by companies, many customers still complain [9]. Ziliani reported that in spite of travelers' being very satisfied with services and facilities offered by airline companies, these companies cannot ensure their loyalty because there are other variables which have an impact on travelers' loyalty, such as choice, convenience, price, and income [7]. Therefore, it is important to recognize that customer loyalty is time-specific and non-permanent and, thus, requires continuous and

consistent investment [7]. Hence, the factors affecting passenger's loyalty in this surrounding environment will be addressed.

To assure travelers' loyalty as a competitive advantage through identifying the most appropriate loyalty programmes for airline companies through finding out the variables and factors affecting travelers'. Most of studies are focused on analyzing loyalty programmes of US, Asian and European airlines [10-12]. Therefore, this study will explore EGYPTAIR frequent flyer programme as the first airline in the Middle East and Africa, and the seventh in the world to join IATA [13]. This aim will be reached through evaluating EGYPTAIR frequent flyer programme from the travelers' and experts perspective. In line with the above objective, the following research question was devised: What are the recommendations to enhance the frequent flyer programme of EGYPTAIR?

Internal and external factors affecting airline travelers'

DEEPLIST analysis (external factors): There are several frameworks for analyzing the external factors affecting an industry. The most common analysis method is the PESTEL or PESTLE framework. The letters represent the initial letters of the analysis components political, economic, social, technological, environmental and legal. These are the core elements of most of the frameworks. Sometimes, depending on the environment to be analyzed, also other variations are necessary. One can also use, for instance, demographics and regulations as additional factors. Demographics are integrated in the DEEPLIST analysis [14]. Most of the external factors can be combined in DEEPLIST analysis and therefore matches to the conducted research

DEEPLIST analysis will be used to understand the external

factors affecting airlines loyalty. DEEPLIST is an abbreviation of (Demographics, Economic, Environmental, Political, Legal, Informational, Social and Technological. Finlay used the Acronym DEEPLIST as a way of prompting readers of the key areas or constraints that needed to be explored when looking at the "remote environment for the business" or the environment in which the business operates, which it cannot control or influence [14].

Demographics are important elements. It analyses travelers'" age, gender, education income and lifestyle. DEEPLIST is concerned with the economic factor as it analyses factors such as taxation and competition policies of target markets. Environmental factor analyze the perception of the environment in airline sector and the attitudes of travelers' to environmental or green issues. In the political environment, DEEPLIST explore hinders face airlines. Legal factor highlight the limits or constraints on what travelers' do. Informational factor concerns with the data that airlines have and the role of internet and social media on airline travelers' as the connected world changes with ever increasing use of the internet. Social factor explores the needs and wants of both target markets, social attitudes to the types of products and services you offer and how airlines are seen by the outside world. Technology factor is considered as one of the important factors in DEEPLIST. It explores the changing in the world of technology which will impact airline services. This will include new innovations, adaptations and adoption rates of new technologies.

Theory of planned behavior (TPB) (internal factors): Indeed, there may be a range of behavioral barriers that hinder the performance of the behavior and make it not entirely volitional as explained by Smith and Biddle when testing the theory in exercise. Thus, Ajzen developed TPB to address behaviors that were not under the person"s volitional control. This research will use TPB to understand the factors affecting airline travelers' to achieve competitive advantage. From the perspective of TPB, the occurrence of the behavior is determined by the individual's behavioral intentions and that, the intention is in turn determined as a result of three main constructs: attitudes towards the behavior, perceived normative pressure and PBC.

The perceived behavioral control (PBC) is defined as:

The perceived ease or difficulty of performing the behavior and is assumed to reflect past experience as well as anticipated impediments and obstacles (Ajzen, 1991).

Ajzen and Driver indicated that person beliefs about the behavior are formed from different sources: personal experiences, observation, information and normative expectations. In addition to the effects of the behavioral and normative beliefs which were discussed with the PBC mediates the effects of the individual"s beliefs about the presence of facilitating or inhibiting factors to perform the behavior (control beliefs). Interestingly, Ajzen demonstrated that having control over the behavior is important but it is not an assurance or even sufficient for the actual performance of the behavior. Therefore, Cheung "it is plausible to posit that a lower level of PBC will lead to a weaker effect of intention on behavior, whereas a higher level of PBC will lead to a stronger effect".

Davies classified the factors that may interfere with the control over the behavior as internal and external to the individual. The internal factors, for example, may include: skills, abilities and knowledge whereas the external factors may be related to time, opportunity and cooperation of others. The PBC is, therefore, an important component of TPB to identify the obstacles in performing the behavior and to reflect people"s beliefs as to how easy performance of an action is likely to be.

EGYPTAIR plus (A case study of airline loyalty programmes)

The official airline of Egypt joined Star Alliance on 11 July 2008 becoming the second African airline [13]. The airline joined following its 75th anniversary the previous year, the event which the EGYPTAIR used to subsequently re-launch its image and brand [13]. Star Alliance has two premium levels, silver and gold, based on a customer's tier status in a member carrier's frequent flyer programme. Each of the member and regional airlines recognizes star silver/gold status, with a few exceptions (mainly pertaining to airport lounge access). The statuses have no specific requirements of their own; membership is based solely on the frequent flyer programmes of individual member airlines. Many member airlines also have an additional premium status beyond Gold which is not recognized across star alliance.

Benefits of star alliance silver membership: priority reservations wait listing and priority airport stand-by. Star alliance gold status is awarded to customers who have reached a high level of a member airline's frequent flyer programme. Benefits of star alliance gold membership are priority reservations wait-listing and priority stand-by, priority boarding, priority airport check-in, priority baggage handling, additional checked luggage allowance of 20 kg (or one extra piece where the piece concept applies), airport lounge access to designated star alliance gold lounges and the No.1 traveler lounge in London's Gatwick airport's south terminal on the day and at the place of departure, on presentation of a valid Star Alliance boarding pass [13].

To become a member, EGYPTAIR Plus asks to fill in an application form and send it through the website or to be sent to the nearest EGYPTAIR Sales office or mail it to the marketing department. Application forms are available at all EGYPTAIR Sales and Reservations Offices, Cairo Airport, and in-flight Magazine as well as on EGYPTAIR website. Points accumulated can be converted to airline tickets, upgrades, and more [15].

Classic blue card after enrolling with EGYPTAIR Plus for the first time, the classic blue card will be issued. Silver card when travelers' account reflects a total number of points, you are automatically upgraded to the silver level that provides more privileges, golden card when travelers' accumulate exact number of points, your membership is upgraded to the highest level offering you more and more services and privileges. Platinum card: When travelers' account reflects a total number of points, you are automatically upgraded to the Silver level that provides more privileges [15].

EGYPTAIR Plus offers a wide range of facilities and services to its members. Baggage members of EGYPTAIR Plus are offered extra baggage allowance on all classes of travel. Check-in: EGYPTAIR Plus travelers' will be entitled to check-in at the EGYPTAIR. Plus or VIP counters. Reward Tickets: these can be obtained against points deducted from members account. The number of points depends on the destination and the class of travel. Upgrading: Travelers' can upgrade to class of travel against points from their account. Access to first class lounge: This service is offered to some members. Wait list priority: All members are placed at the top of any wait list on fully booked flights. Family bonus points members can now earn more points when they join their cards with their families' cards. Purchasing points: members can purchase points to issue a reward ticket or upgrade your class of travel. This facility is available at all EGYPTAIR Sales Offices [15].

To conclude, EGYPTAIR is a star alliance member since July 2008,

where customers can enjoy the exclusive services offered by EGYPTAIR Plus. Currently, EGYPTAIR's is serving more than 80 destinations in 60 Countries fulfilling the needs of both business and leisure travelers'.

The Research Methodology

This study adopted a mixed research approach [16]. In order to find the factors affecting travelers' loyalty in the airline industry, mixed methods approach offers a great deal of flexibility; whereby theories can be developed qualitatively and tested quantitatively or vice versa. The main aim of using a mixed method is to improve the reliability and validity of the research outcomes.

Firstly, 5 semi-structured interviews [17] were conducted involving academic professionals from Cardiff Met University and marketing experts from EGYPTAIR. A combination of tape recording and note taking was utilized during interview sessions to maximize the validity of data collected aimed at minimizing the weaknesses of both methods [18]. In this study a semi-structured interview approach that consisted of both structured and un-structured techniques [16] were employed. Interviews were conducted to gather valid and reliable data that are relevant to research questions and objectives. A sample of academic professionals from Cardiff Met University and EGYPTAIR marketing experts were chosen. Interviews were held in person rather than by telephone, allowing more flexibility for both interviewer and interviewees. Ethical standards were adopted in this research through coding al respondents' names.

In this research, questionnaires with EGYPTAIR travelers' are employed to analyze the factors affecting travelers' loyalty in airline industry. The questionnaire was distributed to a sample of EGYPTAIR loyalty card holders. With regards to EGYPTAIR travelers' questionnaire, a sample of 21 loyalty card holders was chosen to evaluate this programme. This questionnaire was distributed to a sample from EGYPTAIR experts. Snowball sampling was used to contact the targeted sample which depends on recommendation from others. This research used electronic survey to collect data from the targeted samples. It used the Cardiff Met electronic survey system to do it. This system allows the respondents to answer the survey questions online. To overcome the relatively small sample size, mixed method approach was used. Symonds and Gorard indicated that sample size is not a descriptor of any one research paradigm, nor is it attributable to method [19]. Therefore, the quality of generalizations is not restricted to any particular sample size, or to a specific research paradigm. Hence, Bamberger reported that the purpose of mixed methods is to draw on the strengths of both qualitative and quantitative approaches and integrate them to overcome their weaknesses [20].

EGYPTAIR travelers' questionnaire analysis

Reasons of joining EGYPTAIR plus: Five of EGYPTAIR experts were asked to rate their agreement or disagreement of the reasons which encouraged them to join EGYPTAIR Plus. Table 1 represents the ordinal data summarized in terms of the median and upper and

lower quartiles for each question with regards to respondents' attitudes towards joining EGYPTAIR Plus. Reasons of joining EGYPTAIR Plus were measured by six statements with a five-point Likert scale, ranging from strongly agree (1) to strongly disagree (5).

As can be seen in Table 1 two statements received a median score of 2, indicating the respondents viewed those two reasons as the most-mentioned reasons which encouraged them joining EGYPTAIR Plus. Those statements are to accumulate mileage for related flight redemption and to enjoy additional baggage weight. However, this is in agreement with Proussaloglou and Koppelman as they stated that travelers' like to use their points in flight redemption and therefore airline should clearly convey the redemption rules as well as the expected responsibilities to make travelers' more comfortable with the restrictions imposed.

The respondents got the choice to state any other reasons encouraging them joining EGYPTAIR Plus. The respondents mentioned other reasons as follows. They supported the notion that travelers' think that they can use their credit card offers mileage accrual for the selected FFP programme. This reason indicated that airlines should implement some rules to join their FFP with the major credit card suppliers.

Some of the respondents indicated that they are always on business travel and this is the official airline of their company, therefore they can enjoy mileage accrual. Two respondents highlighted the importance of star alliance on EGYPTAIR Plus. They indicated that they choose to join EGYPTAIR Plus to use the other services provided by star alliance members.

Meeting the expectations of EGYPTAIR plus travelers': The respondents were asked if the EGYPTAIR Plus services meet their expectations or not. Table 2 represents the nominal data summarized in terms of the frequencies and percentages for each question with regards to respondents' expectations.

From the answers presented in Table 2, it could be seen that 57.1% of the respondents indicated that EGYPTAIR Plus services did not meet their expectations. While, 42.9% of the respondents highlighted that they like the services provided by EGYPTAIR Plus and it met their expectations. The next question is explaining the reasons of these answers.

How EGYPTAIR plus met the expectations of travelers: The respondents were asked to rate their agreement or disagreement of the reasons why they think that their expectation are met by EGYPTAIR Plus. Table 3 represents the ordinal data summarized in terms of the median and upper and lower quartiles for each question with regards to respondents' attitudes towards their expectation of EGYPTAIR Plus.

As can be seen in Table 3 two statements received a median score of 2, indicating the respondents viewed those two reasons as the most-mentioned reasons which they think that EGYPTAIR Plus is doing

Attribute	N	Median	Lower quartile	Upper quartile
To accumulate mileage for related flight redemption	21	2	1	3
To accumulate mileage for lifestyle product redemption	21	3	2	4
For enjoying personalized In-flight services	21	3	2	4
For enjoying quicker check-in services at designated check-in counters	21	3	1	3
I can enjoy additional baggage weight	21	2	2	3
I can enjoy airport lounge service	21	4	3	5

Table 1: Reasons of joining EGYPTAIR Plus.

	Frequency	Percentage
Yes	9	42.9
No	12	57.1

Table 2: Meeting the expectations of EGYPTAIR Plus travelers.

Attribute	N	Median	Lower quartile	Upper quartile
They memorized my personal details and preference	21	4	3	5
They increased my luggage allowance	21	2	2	4
They upgrade my seat class whenever possible	21	4	1	3
I can redeem tickets easily with my mileages	21	2	2	4
I can earn mileages with my credit card purchase	21	5	3	5
The items available for redemption cover most of the categories which I am interested	21	3	3	5
The partnership with credit card company means I can earn miles with credit card purchase	21	5	3	5

Table 3: How EGYPTAIR Plus met the expectations of travelers.

Attribute	N	Median	Lower quartile	Upper quartile
There is no service differentiation between member and non-member	21	4	3	5
The redemption process is too complicated	21	4	2	4
They are not able to provide any customized service	21	3	1	3
The pre-boarding lounge is no use to me	21	3	2	4
The lifestyle products for redemption are too limiting	21	3	3	5
My FFP is not linked with any credit card company	21	2	3	5
I am not permitted to use the pre-boarding lounge	21	2	3	5
Mileage validity is too short, miles always expires before you have accumulated enough for redemption	21	1	2	4
Redemption awards are not attractive	21	3	3	6

Table 4: How EGYPTAIR Plus did not meet the expectations of travelers.

to meet their expectations. Those statements are EGYPTAIR Plus increased their luggage allowance and redeeming tickets easily with earned mileages. However, this is in agreement with Chin as he stated that enjoying an additional baggage weight allowance and redeeming miles for flights are considered as important reasons eager travelers' to join FFPs [21].

Five other reasons received a median score 3 or more which means that EGYPTAIR Plus needs to address these issues to meet the travelers' expectations. These reasons include: sending emails, text messages, mails to members as a mean of communication through memorizing their personal details and preferences. Linking credit card purchase with earning miles is important through making partnership with credit card companies. Making more partnerships with non-airline partners is vital to offer more items for redemption. Trying to

encourage travelers' to join EGYPTAIR plus through upgrading seat class whenever possible.

The respondents got the choice to state any other reasons which they think that EGYPTAIR Plus is doing to meet their expectations. The respondents mentioned other reasons as follows. They supported the notion of the membership of EGYPTAIR with star alliance is one of the important factors which is valuable to them. This is due to the fact that they can enjoy the other services offered by the other members of the star alliance. Some of the respondents indicated that they enjoyed using special services during the check-in in different airports.

How EGYPTAIR plus did not meet the expectations of travelers: The respondents were asked to rate their agreement or disagreement of the reasons why they think that their expectation are not met by EGYPTAIR Plus. Table 4 represents the ordinal data summarized in terms of the median and upper and lower quartiles for each question with regards to respondents' attitudes towards their expectation of EGYPTAIR Plus.

As can be seen in Table 4 three statements received a median score of 2 or less, indicating the respondents viewed those two reasons as the most-mentioned reasons which related to their expectations of EGYPTAIR Plus. Those statements are mileage validity is too short, miles always expires before accumulating enough for redemption, EGYPTAIR Plus is not linked with any credit card company and the lifestyle products for redemption are too limiting due to the limiting number of non-airline partners of EGYPTAIR Plus.

The respondents got the choice to state any other reasons which they think that EGYPTAIR Plus is not doing to meet their expectations. The respondents mentioned other reasons as follows. Five of the respondents supported the notion that reservation agents do not have the personal traits that enable them to deal with travelers' complaints about EGYPTAIR Plus and they always refer to check the EGYPTAIR Plus website or asking to send an email or to phone the number of the EGYPTAIR Plus in Egypt. Most of the respondents reported that they want a flexible miles-plus-cash payment option when redeeming rewards and they consider non- flight rewards as a valid alternative to flight rewards. One of the respondents reported that on Emirates airlines, he had been given complimentary upgrades at the gate multiple times although he is not a gold member and this never happened with Gold membership with EGYPTAIR.

Recommending EGYPTAIR plus to friends and others: Those who are EGYPTAIR Plus members were asked to indicate their willing to recommend EGYPTAIR Plus programme to others. Table 5 shows the nominal data summarized in terms of the frequencies and percentages with regards to respondents' attitudes towards recommending EGYPTAIR Plus programme to others.

Table 5 illustrated that most of the respondents were not willing to recommend EGYPTAIR Plus programme to others (66.7%). On the other hand, 33.7% support the idea of recommending EGYPTAIR to others. The reasons of these answers will be explored in the next section.

The willing to recommend EGYPTAIR plus to others: This question was designed to illustrate travelers' opinion towards the

	Frequency	Percentage
Yes	7	33.3
No	14	66.7

Table 5: Recommending EGYPTAIR Plus to friends and others.

reasons of their willing to recommend EGYPTAIR Plus to others. This is shown in Table 6.

Results tabulated above pinpointed that 45.5% of the respondents think that the additional benefits that they can get from EGYPTAIR Plus when they recommend someone to join the programme is the reason which encourage them to recommend other to EGYPTAIR Plus. One of the respondents reported that he got 500 miles as a bonus when he recommends someone to EGYPTAIR Plus. On the other hand, 36.4% of the respondents support that the benefits of EGYPTAIR Plus is valuable and therefore they would like to recommend other to this programme.

The respondents got the choice to state any other reasons which they think are the reasons which encourage them to recommend others to EGYPTAIR Plus. The respondents mentioned other reasons as follows. Two of the respondents supported the notion that they do recommend others to join EGYPTAIR Plus because of the benefits that they can get for their companies as they are always paying for the ticket for their employees to travel abroad for a business.

The unwilling to recommend EGYPTAIR plus to others: This question was designed to illustrate travelers' opinion towards the reasons of their unwilling to recommend EGYPTAIR Plus to others. This is shown in Table 7.

From the answers presented in Table 7, it could be noted that 75% of the respondents choose other reasons which stop them from recommending EGYPTAIR Plus to others. Most of these respondents agreed that there is no clear way on EGYPTAIR website to make a recommendation. They suggested that EGYPTAIR Plus should build a special section on their website to make recommendation to other explaining the benefits on the new and existing members from doing so. Some of the respondents mentioned that it should be more partnerships between EGYPTAIR and non-airline companies which should have an impact on the idea of recommendation. For example: the respondents reported that some non-airline companies which has a partnership with an airline company give up to 2000 miles as an award for any one recommend their companies. However, five respondents reported that EGYPTAIR Plus offer limited bonus miles after making a recommendation as they reported that other airlines such as Swiss Air give up to 15000 miles as a bonus compared to EGYPTAIR which give 500 miles approximately.

On the other hand, 16.7% of the respondents reported that they do not have the willing to recommend EGYPTAIR Plus as there are not any added benefits for the existing members. While 8.3% of the respondents clarified that they do not like the idea of recommendation to others.

	Frequency	Percentage
The additional FFP benefits for me	5	45.5
The benefits of the FFP on the new member	4	36.4
Others (Please Specify…)	2	18.1
Total	11	100

*Possibility of more than one choice

Table 6: The willing to recommend EGYPTAIR Plus to others.

	Frequency	Percentage
There are not any added benefits for membership	4	16.7
I do not like the idea of recommendation to others	2	8.3
Others (Please Specify…)	18	75
Total	24	100

Table 7: The unwilling to recommend EGYPTAIR Plus to others.

More customized in-flight services (e.g. meal,	4	17.4
Pre-boarding lounge service	2	8.7
More flexible ticket redemption services	3	13.1
More flexible lifestyle products redemption	7	30.4
Others (Please specify…………………………)	5	29.4
Total	21	100

*Possibility of more than one answer

Table 8: The services which EGYPTAIR Plus should concentrate on.

	Frequency	Percentage
Yes	8	38.1
No	13	61.9
Total	21	100

Table 9: Using more than one FFP.

The services which EGYPTAIR plus should concentrate on: The respondents were asked to indicate their preferences to the services provided by EGYPTAIR. Table 8 represents the nominal data summarized in terms of the frequencies and percentages for each question with regards to respondents' attitudes towards their preferences of EGYPTAIR Plus.

As can be seen in Table 8, 29.4% of the respondents choose other factors which EGYPTAIR Plus should concentrate on to promote their programme. For instance, some respondents clarified that communication with members is the most important issue to be considered from EGYPTAIR Plus. This communication should be ranged from the traditional types like letters to the technological types like sending emails and mobile text messages. Other respondents highlighted the importance of redeeming miles through using credit cards. On the other hand, 30.4% of the respondents reported that EGYPTAIR should concentrate on redeeming more flexible lifestyle products for their members through making more partnerships with non-airline companies.

It could be seen that 17.4% of the respondents indicated that special in-flight services for EGYPTAIR Plus members is important in order to retain their loyalty. However, 13.1% of the population declared that EGYPTAIR Plus should concentrate on providing more flexible ticket redemption services. Finally, only 8.7% of the respondents reported that pre-boarding lounge service is very important to them.

Using of more than one FFP: Results tabulated above pinpointed that 38.1% of the respondents are members of other FFPs in addition to EGYPTAIR Plus. On the other hand, 61.9% of the population reported that they are not members of any other FFPs except EGYPTAIR. Most of the respondents who are just members of EGYPTAIR plus revealed that due to the fact that they are Egyptian and they are always travelling to Egypt; they preferred to have EGYPTAIR Plus membership (Table 9).

On the other hand, most of the population who are members of other FFPs reported that they like to have other FFPs to enjoy their benefits. They indicated that they are members of the following programmes: Miles and More, Swiss Airlines, Estonian Air. They indicated that they enjoy different services rather than EGYPTAIR Plus and they recommend that EGYPTAIR Plus should be improved as follows:

- Offering no limit time for the mileage validity compared to the current.

- EGYPTAIR programme which limited it to 36 months.

- Receiving bonus miles from using credit cards associated with the airline.

- Receiving more baggage allowances.

- Enjoying bonus miles from using the official Facebook page of the airline such as Estonian Airlines.

- Receiving bonus miles from using the services of non-airline companies associated with the programme.

- The flexibility of communication with the programme management as they can contact them either by phone, email, fax and mail compared to EGYPTAIR Plus which is doing the same except the difficulty of calling them through the phone especially if you are outside Egypt. One of the respondents reported that he tried to contact them by phone while he was abroad but he could not do that as he tried to contact the local office abroad but they could not help him and they told him that he should contact EGYPTAIR Plus by email which may take up to 10 days to be answered.

- Another area of improvement is the lounges in Cairo airport. Although the lounges in terminal 3 are better than the ones in terminal 1, the respondents reported that other airport lounges (e.g. Malaysian in Kuala Lumpur and Thai in Bangkok) have shower facilities and a relaxation room where one can lie down for a bit.

- The food selection can be greatly improved to include more hot items. The respondents reported that the lounges in Cairo airport are relatively small.

- The respondents suggested that EGYPTAIR should involve in online Frequent Flyer Community groups such as Flyer talk and Facebook ones to give frequent travelers' insights on any upcoming changes and improvements.

EGYPTAIR academic and experts' interview analysis

Reasons of joining EGYPTAIR plus: The respondents were asked to rate their agreement or disagreement of the reasons which they think that encouraged EGYPTAIR travelers' to join FFP.

The respondents viewed two reasons as the most-mentioned reasons which encouraged travelers' joining EGYPTAIR Plus. Those statements are to accumulate mileage for redemption on flights, to enjoy quicker check-in services at designated counters and to get more benefits from cooperative loyalty schemes between airlines. However, this is in agreement with the EGYPTAIR travelers' survey as they stated that they like to use their points in flight redemption.

The experts got the choice to state any other reasons encouraging travelers' joining EGYPTAIR Plus. The respondents mentioned other reasons as follows. They reported that some travelers' are always travelling to Egypt as a part of their business and therefore they can accumulate miles which entitle them for discounts and offers. Three respondents highlighted the importance of Star Alliance compare to other alliances like one world.

Reasons of not joining FFPs: The respondents were asked to rate their agreement or disagreement of the reasons which prevented them from joining FFPs. Most of the statements indicating the respondents viewed the most-mentioned reasons which stopped them from joining FFPs are neutral. However, one of the statements achieved indicates that travelers' find the redemption goal is hard to reach. Another

statement received a median score of 2 which indicates its importance. This reason is using different airlines by respondents to use the cheapest airline is one of the reasons which stopped them from joining FFPs. This is evident in the airline industry where competition reduces the airfares and travelers' prefer to book the cheapest airfare. They supported the notion that travelers' prefer to travel with an airline offer lower price rather than concentrating on FFPs.

Perception of the importance of the reasons of selecting airlines: The respondents perceived price as the most important dimensions in selecting airlines followed by Frequent Traveler Program, in-flight services, feeling of security and schedules (frequencies/times). One research study has indicated that travelers' who are more concerned about prices are less loyal [22].

The results support the notion that loyalty programmes sometimes fail to create true loyalty as customers switch to the airlines which offer the most affordable price [23].

DEEPLIST analysis from the perspective of EGYPTAIR experts

In this stage of analysis, some external factors which might affect travelers' choice of FFPs are explored through DEEPLIST analysis. These factor are derived using Finlay's DEEPLIST (Demographic, Environmental, Economic, Political, Legal, Informational, Social and Technological), which requires developing each theme through analyzing its impact on FFPs [14]. The respondents were asked to rate their agreement or disagreement of these factors.

The respondents viewed this reason as neutral for them as they do not neither agree nor disagree with this statement. This indicates that airline taxation has no direct impact on airline travelers' choice of FFPs. However, comparing prices to achieve the cheapest fare has an impact on travelers' choice of FFPs. This reason indicates that different prices between airlines affect travelers' as they want to use the cheapest airline.

The impact of ecological factors on travelers' FFPs choice was investigated. In particular, to what extent do respondents rely on FFPs provided by green airlines. The respondents think that travelers' like the FFPs provided by green airlines. Airline travelers' generally prefer airlines which apply ecological polices to save the environment [24]. Given this fact, it may be wise to the airlines loyalty programs to engage travelers' with environmental policies used.

The dimension of political impacts on FFPs choice is related to whether the travelers' would consider political issues when they choose FFPs or not. The respondents agreed about the importance of political impact on their choice of FFPs.

There is no doubt that stable political environment has an impact on travel industry [25]. However, EGYPTAIR experts indicated that there is evidence that political issues could affect travelers' choice of their FFPs. The respondents agreed that regulations and legal aspects of FFPs would affect travelers' choice of FFPs.

All respondents agreed with the technological statements. The respondents confirmed the importance of advertisements and other promotional tools as the main influences on travelers' choice to buy ticket. The respondents highlighted the importance of FFPs offers which come directly to travelers' computer desktop. The results support the notion that CRM technology enables the concurrent management of customers in a mass consumer market to implement loyalty programmes [26,27].

Most airlines FFP do not focus purely on leisure travel. They focus more on business travelers'. A business traveler may be required to choose from the list of airlines recommended by his company. Schedule is his top priority. Hence recommendation is the conditional, if not the critical factor, in the choice of airline for business trip.

However, a higher proportion of business travelers' as compared to leisure travelers' choose the flag carrier of their country of residence. EGYPTAIR Plus business travelers' prefer to enjoy airport lounge services, to enjoy quicker check-in services at designated counters and to enjoy personalized in-flight services.

Suggestions to develop EGYPTAIR plus

Three of the experts indicated that EGYPTAIR Plus website is improving and it offers a wide range of services to members. These services ranges from joining the programme online, adding family members to one card and redeeming EGYPTAIR Plus miles and upgrade on star alliance carrier members. They suggested that EGYPTAIR plus website should continue it is improving to include more services such as claiming reward tickets and excess baggage online. Two of experts highlight the lack of offers provided to blue card members and they stated that it should be more attractive offers to be added to this category.

Discussion

Through a questionnaire survey of a sample from both loyalty EGYPTAIR travelers' and experts on their perceptions of FFPs, third objective of the study has been achieved. It is noted that for those who are members with EGYPTAIR Plus, most of them are business travelers' who are using business tickets and they are looking at the best price. It is therefore critical for airline companies to address the issues associated with leisure travelers' by establishing special strategies (e.g., rewards to upgrade from economy class to higher class if they join FFP) in order to gain confidence of travelers'. This result implies that there is existing price competition in the current airline market in the world and FFP is not the only way that travelers' can rely on when they purchase tickets. However, that price factor should be addressed by airlines when they design an FFP. The results highlighted the reasons which encourage travelers' to recommend EGYPTAIR Plus to other and via versa. The most important reason of not recommending EGYPTAIR Plus to other is lack of using co-branded credit cards strategy from EGYPTAIR.

The findings indicated that EGYPTAIR Plus viewed ecological factors as vital issue for them. Therefore, it is very important for airline companies to assure that they are saving the environment and trying to advertise that in order to assure travelers' loyalty. It is interesting to discover from the survey that there is a political and legal influence on travelers' decision when they join a specific FFP. The results indicated the importance of using EGYPTAIR Plus websites as well. It could be concluded that there is a big role for this website which should be always improved. With regards to the technological factors affecting FFPs, the respondents confirmed the delivering more online information for EGYPTAIR Plus travelers'. The respondents suggested some recommendations which might have a positive impact on the performance of EGYPTAIR Plus in the future.

Recommendations for EGYPTAIR airlines

Based on the results obtained from the qualitative and quantitative analysis, the following recommendations could be suggested to airlines in order to ensure travelers' loyalty as a competitive advantage as they should:

Economic

1. Employ more attractive pricing strategies for students, youth, non-professionals, leisure travelers' and economy class travelers' in order to attract them to join FFPs.

2. The FFPs should have a wide range of offers for travelers' such as discounts on ground services, personalized in-flight services, using the membership card with different airlines (e.g. on star alliance, loyalty card holder can enjoy using his privileges in any star alliance partner).

3. Develop the idea of using co-branded credit cards and linking it with earning miles through making partnership with credit card companies.

4. Making more partnerships with non-airline partners is vital to offer more items for redemption.

5. Offer complimentary upgrades at the airplane gate as a way of promoting FFP.

Environmental

6. Improve the level of advertisement about their strategies towards saving the environment especially in promoting their FFPs and trying to engage travelers' in this issue.

7. Saving the environment advertisement campaigns should show how airlines address that issue with regards to their FFPs.

Social

8. Conduct integration with online channels of distribution and travel agencies to enable them promoting their FFPs.

9. Take into consideration the impact of word of mouth on promoting their FFPs especially when they are designing their FFPs.

10. Develop online community groups with the existing bodies such as Facebook and Flyer talk to give frequent travelers' bonus miles and insights on any upcoming changes and improvements.

11. Communicate with members through sending emails, mobile text messages, mails to members as a mean of communication by memorizing their personal details and preferences.

Technological

12. The level of addressing airline travelers' to join a FFP should have more technological strategies.

13. Ensure that travelers' trust their FFPs by comparing it to its benefits. An auditing process from travelers' perspective and airline experts' perspective to FFPs strategies should be carried out to ensure the quality of FFPs.

14. Develop new advertising and promotional tools about FFP such as promoting FFP at the online check out on the airlines website and the other channels of distributions site.

Behavioral

15. Making attractive offers to travelers', ensuring satisfaction of travelers' after finishing their trip and considering the influence of social groups on travelers' should be taken into consideration when designing FFPs.

16. Increase the awareness of loyalty and non-loyalty card holders about FFPs and its privileges through online channels of distribution and travel agencies.

17. It is recommended to encourage travelers' to participate in suggesting attractive FFPs privileges.

18. Increase the mileage validity to give travelers' the opportunity to accumulate enough miles for redemption.

19. Train the reservation agents to enable them to deal with travelers' complaints about FFP rather than referring travelers' to check the airline website or to send an email.

20. Improve the airline website to let travelers' making recommendations to others through it.

21. Improve the level of programme privileges to include more services such as claiming reward tickets and excess baggage online.

22. Offer more attractive services to the first time card members.

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