

Low-Cost Airline Attributes. A Case Study @Citilink 2018

Arissetyanto Nugroho^{1*} Jeffry Sudirja² Tri Djoko Sulistiyo²
1.Department of Management, Universitas Mercu Buana, Indonesia
2.Department of Hospitality, STP Trisakti, Indonesia

Abstract

The competition of the low-cost airline is growing, the proposition of the services from the full-service airline and the low-cost airline determine the consumer choices toward the airline services. The research is exploring the service proposition for the low-cost airline service in Indonesia, which is the Citilink. Exploratory factor analysis conducted for the period 2018, there are 555 tweets extracted for further analysis from the @citilink communication channel. The results show that @Citilink delivering proposition toward the target market by delivering the hospitality and also the product promotion @Citilink.

Keywords: @Citilink, Unstructured Dataset, Airline Attributes

DOI: 10.7176/EJBM/11-34-08

Publication date: December 31st 2019

1. Research Background

Indonesia is one of the growing and prospective countries that have a competitive environment. In the competition, the producer should understand the needs of the consumers and keep on delivering well-qualified services. Services failure, the producer could also understand which is the priority of attributes that are expected by the consumers. Therefore, the producer should deliver the optimal quality of services.

The service quality improvement and consumer satisfaction are related. Nevertheless, the competitiveness of the market is forcing the airplane to reduce the cost of operations to reach an efficient business operation and also improving the service quality and the sustainability of consumer satisfaction.

One of the airplanes that are growing in Indonesia is the low-cost carrier. There is a high competition for the low-cost carrier between Air Asia, Citilink, and also Lion Air.

The airlines are competing in the market for a low-cost carrier. Therefore they are improving the quality of services. It is interesting to look for the dominant attribute that they are focusing on convincing the target market, and how every airline developing a different positioning compare with the other airline services.

Since the airplane for the low-cost carrier is growing and potentially will growing fast since the tourism industry is also improving (Diposumarto, Purwanto, & Ramdan, 2015). Therefore, the low-cost carrier service proposition competitiveness within the low-cost carrier services in the market will go stronger.

@Citilink is the case study for this research since Citilink got this recognition from the World Travel Awards in 2010, 2011, and 2013. Therefore, we would like to know what is the service proposition that @Citilink offers to the target consumers that could convince the consumer to book and also going places with the Citilink.

2. Theoretical Review

Citilink airplane should develop a combination of the promotion, trust, and also the security in the airplane services. Some research shows that these are the main attributes delivered by the low-cost carrier airplane to the target market.

Research conducted by (Sihite & Nugroho, 2017) shows that the low-cost airline, which is Air Asia, delivers a vacation promotional package that offers the ticket of the airplane and the hotel. Air Asia also delivers price promotions for the ticket to the target market. This promotion package promotes a bundling of hotel and ticket that propose a more significant value to the customer. The bundling also promotes the target market to go places at a reasonable price.

This kind of promotion is different from the price promotion offered by the other low-cost airline. Nevertheless, the value from this bundling package is still the same, which is lower cost compare with higher benefits for the customer.

Research conducted by (Nugroho & Sihite, 2015) shows that the social networks of low-cost airline @citilink for the end period 2014 and the beginning 2015 promote the routes, quizzes, and ticket promotion, call center information, tourism destination exposure and Citilink promotional gimmick's. The findings show that the Citilink prefer to retweet the smooth landing and on-time performance attributes. These attributes seem to be the positioning delivers from Citilink to the target market.

The research findings show the consistency in terms of the price promote in the low-cost airline Citilink. Therefore many tweets delivered to the netizen promote the discount and also the low price of Citilink ticket.

(Sihite, Harun, & Nugroho, 2015) Show that the low-cost airline consumer is more price-sensitive compared with the promotion and trust in brand variables. Therefore, low-cost airline twitter delivers the price promotion of

the ticket targeting the customer. This finding is consistent with the other exploratory factor analysis research found that show the low-cost airline social media deliver the price promotion to the netizen.

The service proposition toward the targeted market is based on the requirement of the consumer's needs and wants. These preferences are essential for consumers to make a decision related to choosing the priority of airline services.

The research explores the attributes of the service provider related to how the consumers will choose and allocate the resources that are available for selective services. This research will show the importance of the attributes from the Citilink to the target market.

There are varieties of preferences and attributes. Therefore, the background of the culture, psychology, and also the social economy will determine the decision-making process of the consumer. To look for consumer preference related to the attributes, therefore it is necessary to explore the product attribute from the @Citilink twitter.

3. Research Method

@Citilink is Indonesia leading low-cost carrier airline, therefore selected as the unit analysis to represent the airline attributes. The dataset extracted from January until December 2018. There are 555 tweets, consist of 540 tweets and 15 retweet datasets that represent @Citilink attributes.

The data process starts with data extraction, data preparation, exclude double posted tweets (Figure 1). Moreover, Provalis Research software utilizes to uncover the insight from 555 unstructured datasets into selected themes (Figure 1).

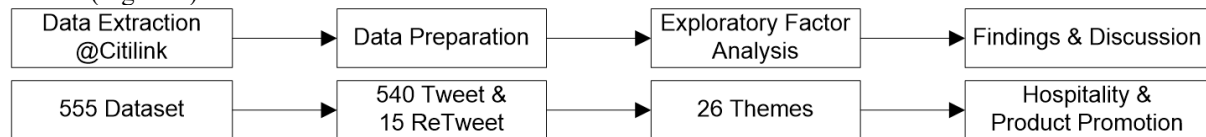


Figure 1. Research Process

The exploratory factor analysis looking for specific relationships within the data (Hair, Anderson, Tatham, & William, 1998), exploratory factor analysis conducted since there is a lack of theory related to the airline attributes (Wijanto, 2008). Therefore, the twitter data set are relevant to explore the airline attribute. The exploratory factor analysis method had been tested in several industry such as the airline (Sihite & Nugroho, 2017), hospitality (Nugroho, 2018) (Nugroho, Sihite, & Harwani, 2019), Online fashion retail (Nugroho, 2019), kitchen appliances (Sihite, 2019b), stock exchange (Faisol & Sihite, 2019), National Tourism Organization (Nugroho & Sihite, 2018; Sihite & Nugroho, 2018) (Sihite & Nugroho, 2017), online transportation (Sihite, 2019a), ready to drink tea (Harwani & Sihite, 2019), political marketing (Sihite, Assauri, & Halim, 2018), University (Nugroho & Sihite, 2015a, 2015b), bread store (Nugroho, 2019), Syariah Bank (Nugroho & Sihite, 2016), and coffee shop (Harwani & Sihite, 2019).

The cluster analysis technique selected since the technique reduces the data complexity (Campbell, Pitt, Parent, & Berthon, 2011). The technique could identify the keywords and the relationship between keywords with the co-occurrence method (Silver & Lewins, 2014).

4. Results and Discussion

The findings show that there are several propositions delivered by @citilink. @citilink promoting a green zone, which is different from the regular zone that proposes to choose the seat and also a food complement for the @citilink ticket. Nevertheless, the passenger will have to pay another additional cost for this benefit. @Citilink is a low-cost carrier airline; most of the low-cost airlines did not give the customer facility to choose a seat. Therefore, this additional feature will meet the consumer expectation that wants to select the seat and snack on board.

@citilink also proposes a super shield program. The super shield is insurance that covers several activities, which are the flight delays, the baggage lost, and also if the flight postpone or canceled. The super shield will improve the passenger traveling experience with the peace of mind. The super shield program will also improve the benefit of the passenger @citilink and make the customer convinced that the service offered guaranteed by the insurance.

As a company that promotes a good relationship with the consumer, @citilink also has a loyalty program, which is super green. The super green relate to the point earned for the passenger traveling activities. The point will be redeemed for a bonus of gift or a ticket of Citilink.

@Citilink also promote routes and destination such as Padang, Manado, Palembang, Medan, Labuan Bajo. Some of these routes propose a promotion discount for the ticket. There is also a program like an auction for the ticket to Labuan Bajo. This kind of activity to promote the ticket with a discount is a typical low-cost airline promotion program, which gives the target market value for a low-cost traveling experience.

Citilink delivers other promotions such as quiz for the consumers with the ticket price. There is also a promo

for the Citilink that relate the promotion with the Independence Day. The promotion offered is a cashback, a hotel discount, and also a ticket discount for the elderly.

@citilink also participating in the GATF (Garuda Travel Fair). In this event, there is also a good ticket promotion offered to the consumer. Furthermore, there is also a cooperation with CIMB Niaga bank for a cashback, credit card payment.

Citilink also develops collaboration with the restaurant, hotel in the destination. The customer could use the boarding pass to buy products and goods in the destination or store.

Finally, @Citilink also focuses on hospitality by promoting cabin crew safety support. The possibility of a pregnant mom to check the safety of the baby before traveling. This kind of statement shows that @citilink try to relate with the consumers, and showing that they care about the safety of the consumers.

Furthermore, some tweets originated from the observation that elaborated in the next section; this tweet is essential. Therefore, several tweets will be elaborated to support the reference of attributes that propose by @Citilink to the customer.

Table 1. @Citilink Frequent Topics

NO	NAME	KEYWORDS	EIGENVALUE	FREQ
1	GREEN ZONE; SPESIAL	ZONE; GREEN; SPESIAL; PILIH; HOT; MEALS; SEAT; SERTA; MILES; HARGA; APP; HEMAT; TAMBAHAN; TIKET; KREDIT	10.12	239
2	PADANG; MANADO	PADANG; MANADO; PALEMBANG; CICILAN; MEDAN; LAINNYA; MAKASSAR; LANSIA; CIMB; NIAGA; DESTINASI; SURABAYA; POTONGAN; DAPAT; TIKETNYA	5.59	202
3	KG; BAGASI	KG; BAGASI; BARANG; CM; EKSTRA; KABIN; MEMBAWA; SEBAGAI; HOT; QC; CITILINK; PEMBELIAN; TERMASUK; CCMRPS; MENGUNAKAN	4.28	629
4	BELANJA SENILAI; PEMENANG	SENILAI; PEMENANG; BERUNTUNG; BELANJA; MENDAPATKAN; CITILINKQUIZ; CITILINK	3.34	347
5	MILEAGE; SUPERGREEN	MILEAGE; SUPERGREEN; GARUDA; GARUDAMILES; KLIK; DAPATKAN; CHECK; MEMBER; BELANJA	3.08	671
6	CITILINKMERDEKA; BERBAGAI	CITILINKMERDEKA; BERBAGAI; CASHBACK; HINGGA; DISKON; HOTEL; APPS; PEMBELIAN; PROMO; RUTE; TIKET; LANSIA; MILES; NIKMATI; CITILINKERS	3.00	423
7	TRAVEL; BOOTH	TRAVEL; BOOTH; CITILINKGATF; GARUDA; KUNJUNGI; CICILAN; LELANG; CITILINK; DISKON; NIKMATI; TIKET; CITILINKKTF; CITILINKJFF	2.82	368
8	IBU HAMIL; MEMBAWA	HAMIL; IBU; MEMBAWA; AGAR; CHECK; PESAWAT; BERIKUT; MELAKUKAN; KURSI	2.67	383
9	SUPER SHIELD; PERJALANAN	SUPER; SHIELD; PERJALANAN; DUDUK; AIR; SEBAGAI; DAPAT; MENIKMATI; SELURUH	2.46	517
10	AWAK KABIN; KESELAMATAN	AWAK; KABIN; KESELAMATAN; MELAYANI; PENUMPANG; SELAMA; PENERBANGAN; JENDELA; CITILINKERS; CM; PESAWAT; PERJALANAN	2.33	371
11	KREDIT; CIMB NIAGA	KREDIT; CIMB; NIAGA; DAPATKAN; CASHBACK; HINGGA; LANSIA; POTONGAN; PEMBELIAN; DISKON; TERBAIK; MENGUNAKAN; MENGINAP; PP; CITILINKERS	2.28	439
12	LABUAN BAJO; LELANG TIKET	LABUAN; BAJO; LELANG; HARGA; PENANG; CCMRPS; KINI; FLIGHT; TIKET	2.25	880

NO	NAME	KEYWORDS	EIGENVALUE	FREQ
13	BOARDING PASS; MENGUNAKAN	PASS; BOARDING; MENGGUNAKAN; CITILINK; MENGINAP	2.15	872

The twitter account @Citilink is delivering information for the pregnant passenger on 18 December 2018. @Citilink posting a twitter that question whether the pregnant woman could fly? Moreover, the tweet said that, of course, the pregnant woman could fly, but you should pay attention to the pregnant woman healthy and also the baby. If you want to go by plane, you should have a medical permit from the doctors on check-in.

On 4 September @Citilink delivering a promotion. The Citilink passenger could get a 70% discount to stay in a hotel. 30% discount to stay in selected destinations, and there is also a 25% discount to eat in the restaurant and buying a souvenir in the selected merchant. You should keep your Citilink boarding pass and should show it on the merchant that are collaborating with Citilink when you bought the products and services. Nevertheless, there is no further information relating to how to redeem or use the promotion nor the boarding pass.

@Citilink also delivering a tips tweet on 8 December, which is the tips to have a vacation on a rainy season. @Citilink said that you should check the weather forecast, select your destination, and do not forget to bring an umbrella or a weather coat. You should also use the hot clothes, bring your medicine and also do not go to places that have high disaster risk.

@Citilink also sending tweets related to passenger safety information. On 25 December, @Citilink delivering information about safety instruction located under the chair for every passenger, and how to use it. The passenger also could see and read the procedure to use the safety jacket in the safety instruction card, which is in the passenger pocket chair.

On 7 September, @Citilink delivering a tweet related to information about the flight. This time @Citilink explains the holding area. Holding areas is a place located in the airspace, a place for the airplane to wait in the sky. They are waiting to keep on circling until the queuing for the landing arrives.

Furthermore, one of the @Citilink passenger @zifen asks the number of Citilink terminal in Soekarno Hatta. @zifen is posting a tweet on the 12 November. @Citilink answers that the terminal for domestic flight is in 1B and for the international flight is in terminal 3.

Then on 10 October, @Citilink delivering information to the passenger that they could use the Wi-Fi facility onboard for free. For the information, the CityLink passenger could see the website Citilink.co.ID.

On 19 December, @Citilink inform the passenger that depart or arrive at or from the airport. The departure and arrival for the domestic route are in 1C. Furthermore, the international route is terminal 3.

There is one of the @Citilink passengers that are posting recorded vlog, the tweet mention that He/she is glad to sit by the window — enjoying the beautiful scenery on the flight from Jakarta to Surabaya. There is also the link of the youtube <https://youtu.be/....> @Citilink.

On 1 December, @Citilink arranging an event called #citycylink Bike to Nature Banyuwangi. Only with 1.8 million rupiahs, you could explore Banyuwangi.

@Citilink also delivering an Interesting vacation promotion. On 10 September, @Citilink promoting a trip from Jakarta to Malang for only 1 million rupiahs. The program includes the Citilink ticket and also staying in the hotel for three days and two nights if they are taking the hotel and the airplane promotion.

@citilink also delivering information for the passengers to order food via the website. The pre-book meal services could be accessed and registered for at least 24 hours before departure, and also, it could book with the ticket order or booking.

On 24 September, @Citilink promoting one of the menus, which are "nasi kapau Bukit Tinggi" with 45,000 rupiahs, included the mineral water.

From 7-9 September, Kompas is conducting a travel fair. The visitor could come to Citilink booth and ask for the attractive discount available. On 6 September, @Citilink tweet that if the consumer wants to order the Citilink ticket, they could get a discount for a 10% one-way ticket and a 5% return ticket, so it is at 10% and 5% for purchase in the Kompas travel fair.

@Citilink also delivering a discount for consumers, such as the tweet @Citilink on 28 September. There is a discount for 20% Seat and Meals, a direct discount for 150,000 rupiahs from CIMB Niaga, and also a voucher to stay at Tauzia hotel. The consumer could also have two nights plus a free for one night, order the ticket via the Citilink mobile app. The promotion only for 16 September until 31 October 2018.

@Citilink also delivering discounts for the passenger of Citilink for the flight Kertajaya-Medan. The consumer could also enjoy a return ticket for a 10% discount + 25% discount for the senior citizens and also the children.

@Citilink on 15 October delivering statement and tweet that stated start from 1 November 2018, there is a new direct flight from Surabaya to Penang. You could enjoy a free 10 kg baggage, direct discount for 250,000 from Clamab Niaga, and an extra 200 GarudaMiles. All the prices include hot meals. You could also book now via <http://bit.ly/SurabayaPenangTW>.

On 15 September, @Citilink giving a discount for the consumer that order the ticket and a 25% discount for children and senior citizens. The consumer also could enjoy a 20% discount at the Green Zone and meals, this direct discount for 150,000 from CIMB Niaga, and also a video from Tauzia hotels.

Next, on the 31st December, @Citilink stated that for the consumers that are flying with Citilink will have free cabin baggage for 7 kg, 20 kg for domestic route baggage, and 10 kg for the international route.

This time @Citilink is delivering a discount for the member of the Citilink for a 20% discount and also a flight to Jakarta starting Rp 456,800 and an additional 200 miles (Citilink point member) for every transaction.

On 29 October, @Citilink is delivering information related to the first Citilink airplane that landing for the first time in the Komodo Airport, Labuan Bajo, NTT. This direct flight from Labuan Bajo start on 29 October 2018.

@Citilink also delivering tweet that informs that starting 1 November 2018, Citilink will have more flights from Jakarta to Denpasar, Jakarta to Penang, Balikpapan to Denpasar, Surabaya to Banjarmasin and Surabaya to Denpasar.

5. Conclusion

Finding shows @Citilink is delivering promotions related to the ticket price, a discount for the senior citizen and also the children, and also if the consumer wants to buy meals bundling with the ticket. Most of the information related to product promotion.

Nevertheless, @Citilink also delivering information related to the availability of the route, which is related to the product proposition. There are some new routes that open and also more schedule to the target market.

Finally, @Citilink also delivering hospitality related to the consumers when they want to book the airplane, and also all information related to the convenience when they are using the services at Citilink.

The findings show that @citilink is not only a low-cost carrier but also promoting an additional feature for the consumers to have a more comfortable situation and open for choices to the consumers.

This additional feature shows that @citilink also targeting for middle-cost passengers, which prefer not only low ticket prices but also comfortable seats.

These propositions show the low-cost carrier is promoting a discount on the tickets and also a primary benefit for using the Citilink services. Nevertheless, the @citilink not only look for a transaction, but they care to make a relationship and develop a good connection with the consumers. Therefore, we could see many conversations relate the Citilink with the target market.

References

- Campbell, C., Pitt, L. F., Parent, M., & Berthon, P. (2011). Tracking Back-Talk in Consumer-Generated Advertising: An Analysis of Two Interpretative Approaches. *Journal of advertising research*, 51(1), 224. doi:10.2501/jar-51-1-224-238
- Diposumarto, N. S., Purwanto, W., & Ramdan, I. (2015). Analysis of Tourism Destination Image and Promotion through Social Media Towards Purchasing Decision for Bali Tourism Product by Foreign Tourist. *Mediterranean Journal of Social Sciences*, 6(5 S5), 175.
- Faisol, D. A., & Sihite, J. (2019). Stock Exchange Frequent Topics @NYSE. *Research Journal of Finance and Accounting*, 10(16). doi:10.7176/rjfa
- Hair, J. F., Anderson, R. E., Tatham, R. L., & William, C. (1998). Multivariate data analysis.
- Harwani, Y., & Sihite, J. (2019). The Marketing Mix Element of the Coffee Shop. A Case Study @CoffeeBeanIndo. *European Journal of Business and Management*, 11(18), 169-174. doi:10.7176/EJBM/11-18-20
- Harwani, Y., & Sihite, J. (2019). The Ready to Drink Tea Element of Promotion, Place & Price. A Case Study @pucukharumid. *European Journal of Business and Management*, 11(24).
- Nugroho, A. (2018). The Hospitality Marketing Communication Attribute. A Case Study @hrhbalı (Hard Rock Hotel Bali). *Journal of Marketing and Consumer Research*, 50.
- Nugroho, A. (2019). The Attributes of The Bread Store. A Case Study @BreadtalkIndo. *Journal of Marketing and Consumer Research*, 59. doi:10.7176/jmcr
- Nugroho, A. (2019). The Online Fashion Retail Complaint Management. A Case Study @ShopeeID. *Journal of Marketing and Consumer Research*, 59. doi:10.7176/jmcr
- Nugroho, A., & Sihite, J. (2015a). Is It A Relational Marketing Strategy? Cluster Analysis @Universitasmercubuanajakarta Facebook Post and Comment. *Manajemen MIX*, V(2).
- Nugroho, A., & Sihite, J. (2015b). Is It Traditional or Contemporary Marketing Strategy? A Textual Cluster Analysis @MercuBuana_Reg. *Mediterranean Journal of Social Sciences*, VI(5).
- Nugroho, A., & Sihite, J. (2015). Tweeting And Retweeting Tourism And Airline Service Attributes. *Thomson Reuter Indexed Proceeding. International Geographical Union & Lombok International Conference. University Mataram*.
- Nugroho, A., & Sihite, J. (2016). Exploratory Factor Analysis Syariahmandiri and Bankmandiri Service Attributes

2015. . *The Social Sciences*, 11, 4896-4901.
- Nugroho, A., & Sihite, J. (2018). ASEAN Tourism Destination: A Strategic Plan. *European Research Studies Journal*, 21(3), 293-298.
- Nugroho, A., Sihite, J., & Harwani, Y. (2019). The Promotion, Product and the People of Luxurious Hotel: A Case Study @hrhbalı 2018. *Journal of Tourism, Hospitality and Sports*, 41, 73-78. doi:10.7176/JTHS/41-01
- Sihite, J. (2019a). The Online Transportation Marketing Mix CoCreation: A Case Study @gojekindonesia. *Journal of Marketing and Consumer Research*, 57, 44-50. doi:10.7176/JMCR/57-05
- Sihite, J. (2019b). The Promotion and Process Attribute for the Kitchen Appliance. A Case Study @KitchenAid_Indo. *European Journal of Business and Management*, 11(18), 164-168. doi:10.7176/EJBM/11-18-19
- Sihite, J., Assauri, S., & Halim, R. E. (2018). Brand Promise and Reputation Against the Campaign of a Political Party. *European Research Studies*, 21, 227-240.
- Sihite, J., Harun, T. W., & Nugroho, A. (2015). The Low Cost Airline Consumer Price Sensitivity. An Investigation on The Mediating Role of Promotion and Trust in Brand. *International Research Journal of Business Studies*, VII(3).
- Sihite, J., & Nugroho, A. (2017). Brand Extension In The Marketspace *Journal of Economic & Management Perspectives*, 11(3).
- Sihite, J., & Nugroho, A. (2018). *Exploring the Indonesian Tourism Destination via Indonesia.Travel @indtravel*.
- Silver, C., & Lewins, A. (2014). Using software in qualitative research: a step-by-step guide.
- Wijanto, S. H. (2008). Structural Equation Modeling dengan LISREL 8.8: Konsep dan Tutorial.