

Assessing the Impact of Service Quality Dimensions on Customer Satisfaction in Budget Airlines

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ABSTRACT

In the highly competitive airline industry, budget carriers must focus on customer satisfaction as a critical strategy to sustain loyalty and differentiation. This study aims to investigate the factors influencing customer satisfaction with AirAsia in Malaysia, specifically examining the roles of price, service quality, food service, assurance, and empathy. A quantitative approach was employed using survey data collected from AirAsia passengers, and regression analysis was conducted to assess the influence of these variables. The results reveal that empathy, assurance, and food service significantly affect customer satisfaction, with empathy emerging as the strongest predictor ($\beta = 0.480$, $p < 0.01$). Assurance also demonstrated a positive influence ($\beta = 0.203$, $p < 0.05$), followed by food service ($\beta = 0.178$, $p < 0.1$). Together, these variables explained 66.1% of the variance in customer satisfaction ($R^2 = 0.661$). In contrast, price ($\beta = 0.059$) and service quality ($\beta = 0.069$) showed no significant impact. These findings underscore the importance of prioritizing empathetic service, trust-building, and food quality enhancements over pricing strategies alone. The study provides both theoretical insights into customer satisfaction determinants in low-cost aviation and practical guidance for airlines seeking to strengthen customer experiences and maintain competitiveness.

Keywords: Airline Industry; Budget Airlines; Customer Satisfaction; Service Quality; Passenger Experience

INTRODUCTION

Aeroplanes are no longer a type of transportation that only the rich can afford. In Malaysia, with the rise of low-cost airlines such as AirAsia, air travel makes it easy to travel shorter distances between locations (Sukati et al., 2015). AirAsia is a pioneering low-cost airline headquartered near Kuala Lumpur, Malaysia, reshaping the aviation industry since its inception.

An entrepreneur from Malaysia named Tony Fernandes founded AirAsia in 1993. Tony Fernandes and Kamarudin Meranun purchased an ailing airline with two aircraft and 200 staff (AirAsia, 2023). AirAsia's transformation after its takeover by Tune Air in 2001 marked a turning point for the airline and the airline industry in Malaysia. Inspired by successful international airlines like Ryanair and Southwest Airlines, AirAsia adopted a boldly low-cost airline model under Tony Fernandes's leadership (Man & Justine, 2011). AirAsia was only flying two planes and owed RM 40 million at the time of takeover. Fernandes used a low-cost airplane model to change the airline's fortunes. To attract more customers, he reduced expenses, eliminated unprofitable routes, and used innovative marketing strategies. In November 1996, AirAsia launched its first flight from Kuala Lumpur to Langkawi. By the end of 2001, the airline had transported more than one million customers (Lim, 2023).

AirAsia's mission is to serve the underserved; it has connected people and places and has largely been credited for democratizing air travel in the region. AirAsia's vision is to be the largest low-cost airline in Asia. The tagline 'Now Everyone Can Fly', AirAsia rapidly grows, enabling millions of Southeast Asian customers to experience budget-friendly air travel for the first time (AirAsia, 2023). AirAsia's objective is to provide reliable and reasonably priced flying services without sacrificing customer satisfaction or safety.

AirAsia is an excellent example of the low-cost carrier model since cost-effectiveness is at the core of its business strategy. This "no-frills" approach eliminates unnecessary in-flight luxuries and focuses instead on affordability, allowing AirAsia to offer competitive fares without sacrificing essential quality or safety. A significant AirAsia strategy is its use of a homogeneous fleet, primarily composed of Airbus A320 aircraft. This homogeneity reduces maintenance complexities and lowers costs associated with pilot and crew training, enabling the airline to run operations with greater consistency and fewer logistical challenges (Vizologi, 2025).

The emphasis on customer satisfaction has been a consistent component of AirAsia's success. AirAsia has appealed to budget-conscious travelers across Southeast Asia, who prioritize price over luxury by focusing on affordability and straightforward service. Studies highlight that AirAsia's model aligns with the needs of these customers, positioning it as the preferred choice for many domestic and regional routes. This customer-centric approach was particularly evident during the COVID-19 pandemic, when AirAsia prioritized both customer satisfaction and employee well-being. For instance, the airline maintained a supportive workplace environment for its staff, which helped sustain morale and stability during a challenging period. This commitment to supporting its workforce not only reinforced AirAsia's brand reliability but also fostered customer loyalty by showing that the company prioritized its people as well as its passengers.

In recent years, AirAsia has gone beyond aviation and expanded into digital and lifestyle services under its parent company, Capital A Berhad. Recognizing the potential of digital transformation, AirAsia launched the AirAsia Super App (rebranded as AirAsia MOVE), which now offers a broad array of services, including travel booking, ride-hailing, food

delivery, and financial services through its BigPay platform. This “super app” model reflects AirAsia’s vision of becoming more than just an airline, evolving into a lifestyle brand that meets various consumer needs in one integrated platform. By diversifying into these areas, AirAsia has adapted to changing consumer demands and reinforced its presence across Southeast Asia. This digital expansion not only enhances customer satisfaction but also positions AirAsia as an innovative player in the market, appealing to tech-savvy customers who seek a seamless, multi-functional service experience (AirAsia, 2023).

Today’s customers demand more than low fares; they expect reliable services, personalized experiences, and a balance between cost-effectiveness and service excellence. Post-COVID-19, heightened expectations for hygiene, safety, and innovative in-flight services have further redefined customer satisfaction benchmarks. Broader trends, such as the influence of social media and the desire for tailored experiences, continue to shape consumer expectations in the airline industry, making customer satisfaction a multidimensional and evolving construct.

This study aims to bridge gaps in the existing literature by examining the interplay of key satisfaction factors such as price, service quality, food service, assurance, and empathy within Malaysia’s budget airline market. While prior research has highlighted the importance of customer satisfaction in the airline sector, limited attention has been given to localized contexts where cultural expectations, consumer behavior, and market structures may differ significantly. The research objective is to determine the extent to which these factors influence customer satisfaction in the budget airline setting, thereby advancing a more nuanced understanding of passenger priorities and preferences.

The significance of this study lies in its focus on uncovering not only the traditional determinants of satisfaction, such as price and service quality, but also the softer aspects of service delivery, such as assurance and empathy, which remain underexplored in budget airline research. Its novelty is reflected in the integration of service-related and relational variables within a single framework, highlighting the importance of emotional and interpersonal dimensions in shaping customer perceptions in a low-cost travel environment.

The contribution of this study is both theoretical and practical. Theoretically, it enriches the literature on airline service management by providing empirical evidence on the relative importance of tangible and intangible service factors. Practically, the findings offer actionable recommendations for budget airlines to enhance in-flight food services, implement customer-focused training programs, and strengthen assurance measures to build trust and confidence. By doing so, the study provides strategic insights to foster stronger brand loyalty, increase customer retention, and sustain long-term competitiveness in an increasingly challenging industry landscape.

LITERATURE REVIEW

Price

The amount of money a consumer is willing to pay for goods and services is referred to as the price. It stands for the perceived worth of the good or service and plays a significant role in influencing customer decisions. Price can affect decisions about what to purchase. This willingness to pay is shaped by a variety of factors, depending on including the cost of the product, quality standards, and the level of customer happiness. Pricing acts as a significant influence on customer satisfaction since buyers frequently link the cost of a good or service with the total value they expect to receive (Sahadah & Maulana, 2024). According to Singh and Band (2021), pricing plays a critical role in

shaping customer satisfaction, as it directly impacts customer expectations and perceived value. Customers are more satisfied and loyal to a product or service when they believe the price is reasonable and as well as keeping with the quality or advantage they receive. Human interaction has a major role in the variation of customer experiences in the context of service delivery, which in turn causes variation in satisfaction levels. Furthermore, businesses operating in the digital space face additional challenges in understanding the complexities of pricing in online transactions. According to [Wei et al. \(2023\)](#), Pricing in online marketplaces has a big impact on products, consumers' choices, and how much they think they get. By satisfying their expectations and giving them a sense of fairness and value in the transaction, a well-balanced pricing plan can affect customer satisfaction. Overall, businesses must recognize the multi-faceted nature of pricing, considering its influence on consumer behavior, satisfaction levels, and the overall success of their offerings in competitive markets.

H1: Price positively affects AirAsia's customer satisfaction.

Service Quality

Service quality is a key factor in business success because a company's ability to retain consumers through excellent service is an essential element for its long-term growth. Service quality is characterized by providing authentic, prompt service that meets customer satisfaction ([Oh et al., 2023](#)). It is not just about meeting a checklist of standards, but understanding what customers value most and continuously achieving their expectations is more important than simply following a set of rules. Service quality is measured by the extent to which a company's performance aligns with what customers were promised or expected. Customers feel appreciated when a business goes above and beyond with their service, which contributes to a satisfying experience that keeps them coming back. Achieving customer satisfaction, which frequently promotes positive word-of-mouth since customers who are satisfied are more likely to suggest the business to others, requires high service quality ([Sukati et al., 2015](#)). Gaining and maintaining the satisfaction of customers is one of the most effective methods for a business to expand. Perceived service quality refers to how customers evaluate the overall excellence of the service they receive. It is based on their personal experiences and whether those experiences live up to their expectations ([Aryani et al., 2022](#)). By focusing on these aspects, businesses can create meaningful connections with their customers and stand out in competitive markets.

H2: Service quality positively affects AirAsia's customer satisfaction.

Food Service

Food service is very significant in determining customer satisfaction, especially in an industry where the quality of food offering directly impacts the overall experience. Businesses must deliver high-quality food service as a necessary component to satisfy customers' expectations and satisfaction. Food service highlights that it includes several components, including the freshness of ingredients, temperature of the food when served, the taste and flavor, variety of options available, presentation of the meal, and healthy options ([Zhong & Moon, 2020](#)). Each of these elements shapes the customer's perception of quality and value. Businesses should place equal emphasis on the quality of the food, service, and environment in order to satisfy their customers. Providing high-quality service and décor, as well as a variety of food and beverage options, should be provided to meet diverse customer satisfaction and needs. The importance of high-quality food service lets customers feel satisfied. By focusing on these essential aspects of food service, businesses can differentiate themselves from competitors and establish a strong reputation for excellence. This is particularly relevant for AirAsia, where

delivering exceptional food service can significantly enhance the travel experience for passengers.

H3: Food service positively affects AirAsia's customer satisfaction.

Assurance

Assurance refers to services that include support, feedback, and other elements that help build customer satisfaction in the service provided. Assurance describes to the staff to communicate with customers in an efficient manner, be respectful and polite, and deliver high-quality service. Assurance includes the ability of the service provider, the credibility, and the security of the transactions. These elements are crucial in shaping customer perceptions and ensuring that their experiences are both reliable and satisfying. For example, as a flight service provider, maintaining aircraft in top condition is essential for ensuring safety. This commitment to safety is not only vital for operational success but also for fostering customer satisfaction. Transparent reporting on aircraft condition enhances credibility, helping passengers make informed, safe choices (Teoh et al., 2023). The relationship between assurance and customer satisfaction is positive, with high levels of assurance leading to improved customer satisfaction. When customers feel assured about the quality and safety of the services they are receiving, it creates a sense of reliability that enhances their overall experiences. This is especially true in industries like aviation, where safety and security are non-negotiable priorities. Delivered through respectful communication, reliable services, and secure transactions, directly contributes to improved customer satisfaction (Shukri et al., 2020).

H4: Assurance positively affects AirAsia's customer satisfaction.

Empathy

Empathy involves providing personalized attention to each customer to make them feel valued and appreciated. This personalized approach can significantly influence customers' opinions, attitudes, and assessment of a business's goods and services. By focusing on individual needs, businesses demonstrate their commitment to customer satisfaction and create a deeper emotional connection with their customer (Suki, 2014). Empathy is a firm's ability to care for and assist customers in a personalized manner by showing interest in understanding their needs. It involves sensitivity, accessibility, and effort in addressing customer satisfaction (Chew et al., 2018). According to the aforementioned research, empathy and customer satisfaction are significantly correlated. Consumers value services that contribute to people's value and increase their sense of pleasure, safety, and harmony, which are all outcomes of empathy. Businesses that show real concern and understanding are able to satisfy their customer's emotional as well as functional needs. Therefore, empathy can influence customer satisfaction (Lin et al., 2023).

H5: Empathy positively affects AirAsia's customer satisfaction.

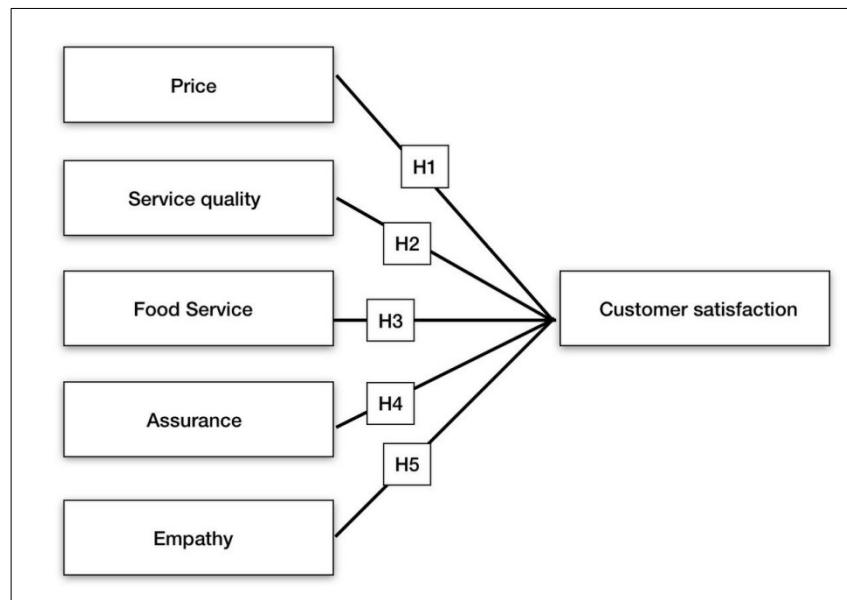
Customer Satisfaction

Customer satisfaction refers to the consumer's attitude, assessment, and emotional response to the product they purchase and the service they experience. It is a critical factor that reflects how well a business is meeting its customers' needs and expectations (Pérez-Morón et al., 2022). According to a previous study, customer satisfaction arises from comparing a product's performance to the customer's initial expectations. When a product's performance is compared to expectations, customer satisfaction can be positive or negative. Customer satisfaction and dissatisfaction are post-purchase assessments in which the option chosen either meets or exceeds the customer's satisfaction, while dissatisfaction arises when the outcomes fall short of expectations.

(Kee et al., 2023). Customer satisfaction plays a vital role in determining a company's reputation and competitive edge. Customer satisfaction can be achieved by delivering high-quality products and services that their offerings are reliable, efficient, and tailored to meet the needs of their target audience. Customer satisfaction is a crucial post-purchase assessment that shows how well a product or service performs in relation to the expectations of the customer. The organizations should provide efficient and effective customer service to increase customer satisfaction. This involves understanding customer needs and creating a positive customer experience. Customer satisfaction is the most valuable resource to a company, as it directly influences customer loyalty and brand trust. Satisfied customers are more likely to recommend the products to their friends and family members, thereby expanding the company's reach and reputation through positive word-of-mouth referrals.

The framework of this study is presented in Figure 1.

Figure 1. Research Framework



RESEARCH METHOD

Sample and Procedure

This study aims to explore the factors that have a positive impact on AirAsia customer satisfaction in Malaysia. For our data collection to study the factors affecting AirAsia's service satisfaction in Malaysia, we adopted Google Forms and designed a set of refined questionnaire surveys for customer groups. We collected our data and samples online and conducted in-depth surveys from multiple dimensions in order to obtain more detailed, realistic, and reasonable substantive information. At the same time, we divided these data and samples into primary data and secondary data so as to better investigate and study the factors that affect AirAsia's service satisfaction in Malaysia.

Primary Data

Primary data is a type of data collected by the researcher through interviews, surveys, or experiments (Stewart, 2024). The primary data was gathered by using a Google form that serves as a questionnaire. The Google Form is distributed to respondents using social media such as WhatsApp, Instagram, and Telegram. The questionnaire was divided into three parts that allowed a possible evaluation of the variables identified for this research. The first part is demographic personal data. The second part includes five independent variables that influence customer satisfaction, such as price, service quality,

food service, assurance, and empathy. The third part is about customer satisfaction through AirAsia. For the second and third parts, the researchers use a five-point Likert scale (see Table 1).

Table 1. Five-Point Likert Scale

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

Secondary Data

The researcher uses secondary data to support the evidence obtained from the respondents. Secondary data refers to the analysis of data that was collected by someone else (Crossman, 2019). We use internet resources such as journals, company websites, articles, and related research papers to collect information.

IBM SPSS Statistics 26 was used to analyze the collected data for significance and reliability. Self-reported response biases and possible impacts on public opinion outside of sustainability are among the limitations. The use of digital surveys restricted the use of follow-up and direct probing questions. Although every attempt was made to ensure that the questions were clear, outcomes may be impacted by differences in interpretation and comprehension. To overcome these challenges, the researchers created simple research questions.

RESULTS

Table 2. Summary of Respondents Demographic Profile (N=150)

	Frequency	Percentage (%)
Gender		
Male	48	32
Female	98	65.3
Other	4	2.7
Age		
18-25 years old	58	38.7
26-35 years old	29	19.3
36-45 years old	40	26.7
46-55 years old	14	9.3
Above 55 years old	9	6
Ethnicity		
Malay	26	17.3
Chinese	90	60
Indian	31	20.7
Iban	3	2
Education Level		
Secondary school or equivalent	25	16.7
Bachelor's degree	95	63.3
Master's degree	13	15.3
PhD	6	4
Woker	1	0.7
Frequency of using AirAsia		
Once a week	1	0.7
Once a month	31	20.7
Once a year	58	38.7
Rarely	44	29.3
First-time user	6	4

Never used	10	6.7
Monthly Income		
T20	15	10
M40	51	34
B40	61	40.7
Prefer not to disclose	23	15.3

Table 2 shows that 65.3% (N=98) of the respondents are females, 48 respondents (32%) are males, and 2.7% (N=4) are others. Most of the respondents are 18-25 years old (N=58, 38.7%), while fewer respondents are above 55 years old (N=9, 6%). Besides that, the ethnicity shows that most from Chinese, which is 60% (N=90). For the education level, most of the respondents have a bachelor's degree qualification (N=95, 63.3%). 58 respondents use AirAsia once a year. For monthly income, the majority of the respondents are from the B40 (N=61, 40.7%).

Table 3. Descriptive Statistics, Cronbach's Coefficient Alpha, and Zero-Order Correlations for All Study Variables

Variables		1	2	3	4	5	6
1	Price	0.904					
2	Service quality	0.550**	0.885				
3	Food service	0.349**	0.688**	0.948			
4	Assurance	0.619**	0.511**	0.329**	0.838		
5	Empathy	0.654**	0.477**	0.454**	0.624**	0.751	
6	Customer Satisfaction	0.599**	0.556**	0.531**	0.633**	0.759**	0.852
Number of items		5	8	6	6	4	3
Mean		4.3027	3.9175	3.8011	4.3300	4.2717	4.2644
Standard deviation		0.77917	0.74774	1.03205	0.60092	0.71180	0.69331

Note: N = 150; *p < 0.1, **p < 0.05, ***p < 0.01. The diagonal entries represent Cronbach's Coefficient Alpha.

Table 3 presents the descriptive statistics, reliability coefficients, and zero-order correlations among the study variables. All constructs demonstrate strong internal consistency, with Cronbach's alpha values ranging from 0.751 to 0.948, exceeding the commonly accepted threshold of 0.70. The mean values, all above 3.8, indicate that respondents generally hold favorable perceptions toward the service attributes measured. The correlation analysis further reveals that price, service quality, food service, assurance, and empathy are all positively and significantly correlated with customer satisfaction, with coefficients ranging from 0.531 to 0.633. These results suggest that each of the service dimensions is associated with higher levels of customer satisfaction, thereby providing initial empirical support for the hypothesized relationships.

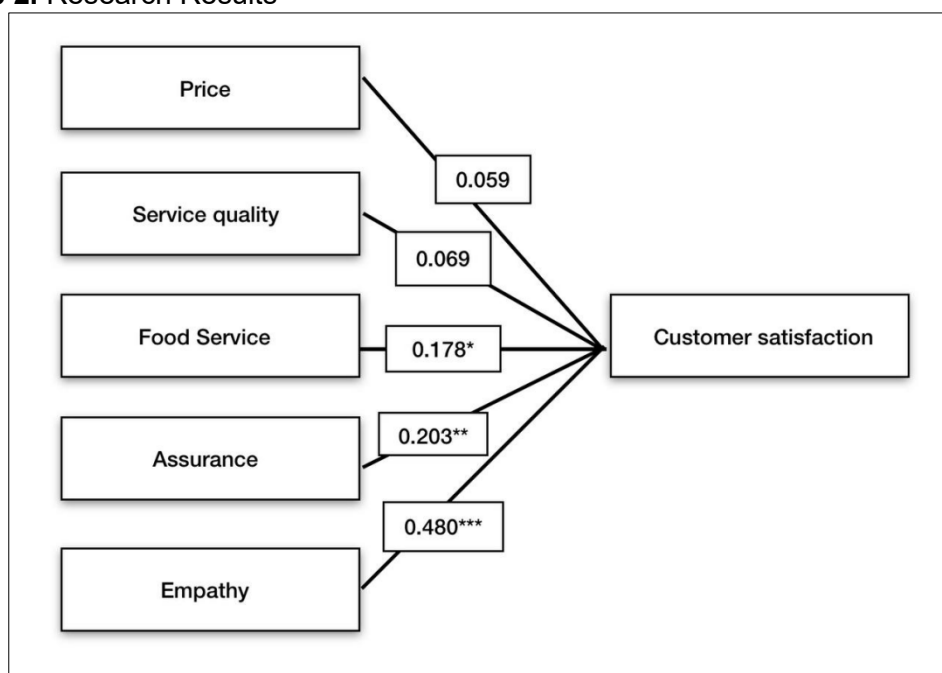
Table 4. Regression Analysis

Variables		Customer satisfaction
1	Price	0.059
2	Service quality	0.069
3	Food service	0.178*
4	Assurance	0.203**
5	Empathy	0.480***
R ²		0.661
F value		56.180

Note: N = 150; *p < 0.1, **p < 0.05, ***p < 0.01

Table 4 reports the results of the regression analysis, which evaluates the combined influence of the independent variables on customer satisfaction. The model demonstrates a strong explanatory power, with an R^2 value of 0.661, indicating that 66.1% of the variance in customer satisfaction can be accounted for by the predictors. Among the service dimensions, empathy emerges as the most influential factor ($\beta = 0.480$, $p < 0.01$), highlighting its critical role in shaping customer perceptions. Assurance is the second strongest predictor ($\beta = 0.203$, $p < 0.05$), followed by food service ($\beta = 0.178$, $p < 0.1$), both of which show significant positive effects. Conversely, price ($\beta = 0.059$) and service quality ($\beta = 0.069$) do not exert significant effects in the multivariate context, despite their significant correlations with customer satisfaction in Table 3. This indicates that while customers acknowledge the importance of affordability and overall service quality, their direct contributions to satisfaction are overshadowed by relational and experiential factors such as empathy, assurance, and food service. In terms of hypothesis testing, these findings support H3 (food service), H4 (assurance), and H5 (empathy), while H1 (price) and H2 (service quality) are rejected due to their lack of significant impact in the regression model (see Figure 2).

Figure 2. Research Results



DISCUSSION

The result indicates that price has no significant direct impact on customer satisfaction, with a regression coefficient of 0.059. This suggests that although price is not a major determinant of customer satisfaction, it shapes consumers' opinions in general. It is due to the fact that most of the respondents feel that AirAsia did not frequently offer low-fare promotions. Therefore, AirAsia can increase the frequency and visibility of low-cost promotions to target more customers. For example, offering weekly or seasonal promotions and early bird discounts can attract budget-conscious customers. Customers are reminded of AirAsia's value proposition as a low-cost airline by the company's constant use of promotions that promote affordability. To overcome these challenges, AirAsia should invest in service improvements while keeping pricing low, guaranteeing consistent customer satisfaction at all price points. Even though a study by Ban and Kim (2019) highlights that factors such as the "value of money" are critical in shaping customer satisfaction, our study is unable to find support for the positive effect of price

on customer satisfaction. Airlines need to balance competitive pricing with perceived value to meet customer expectations. The study emphasizes that pricing strategies must align with service quality to maintain customer satisfaction.

Similarly, the result indicates that service quality has no significant impact on customer satisfaction, with a regression coefficient of 0.069. Most of the respondents were dissatisfied with "AirAsia operates flights on time as scheduled" and "AirAsia flights depart and arrive punctually." From the article, AirAsia wins. AirAsia received the majority of complaints due to flight rescheduling, flight cancellations, and online bookings. To address dissatisfaction with AirAsia's flight punctuality, AirAsia can analyze the main reasons for delay. AirAsia takes action by thoroughly investigating the causes of flight delays, including problems with air traffic control, ineffective ground management, and aircraft delays. By recognizing and resolving these problems, preventable delays can be decreased. Even though previous research showed that in fast food and similar service industries, the quality of service had significantly affected customer satisfaction, shaping their overall satisfaction, our study is unable to find support for the positive effect of price on customer satisfaction. Companies that want to increase customer satisfaction should put a high priority on understanding and meeting customer expectations through regular service quality evaluations and staff development initiatives that emphasize providing outstanding customer satisfaction (Zamani et al., 2020).

Food service showed a significant positive impact on customer satisfaction with a beta value of 0.178 and p less than 0.1. This is because some respondents have been unsatisfied with "AirAsia ensures that the quality of its food is high." The article highlights AirAsia's poor quality and the cleanliness of in-flight meals. Customers have expressed dissatisfaction with meals being unclean or not meeting expected standards (Abdul Jamal, 2023). This suggests that AirAsia should provide staff training and awareness. AirAsia should teach cabin staff how to properly handle and serve food, making sure it is presented in a hygienic and professional manner. AirAsia can reduce service errors and improve the overall dining experience. High-quality food service is often evaluated based on factors such as food presentation, taste, freshness, variety, and respect for customer preferences. Research indicates that maintaining hygiene, providing options based on customer preferences, and guaranteeing consistency in food quality can increase customer satisfaction. For instance, in the fast food sector, delivering orders on time and accurately is critical aspects of food service that positively affect customer satisfaction (Lin et al., 2023). In applying this to the airline industry, AirAsia could focus on improving the quality, presentation, and customization of in-flight meals. Regular feedback collection on food preferences could effectively meet customer satisfaction.

Assurance emerged as a significant predictor of customer satisfaction ($\beta = 0.203$, $p < 0.05$) and demonstrated a strong positive correlation with it ($r = 0.633$, $p < 0.05$). It is because most of the respondents are satisfied with "AirAsia crew were polite." To maintain this, AirAsia should provide a lot of training to its crew. From AirAsia Newsroom (2022), all AirAsia's pilots and cabin crew are regularly trained for mandatory refresher courses and ongoing retraining so that they are always performing at the top of their job. Investing in regular training to improve staff knowledge about flight procedures, ticketing, and customer interactions can help enhance assurance. The assurance has been found to significantly affect customer satisfaction in service sectors. Assurance refers to the ability of service providers to convey trust and confidence through knowledgeable and courteous employees who inspire customer trust. Research emphasizes that assurance is a critical factor because it builds a perception of reliability and competence that directly influences customer satisfaction (Teoh et al., 2023).

The findings of this study indicate that the empathy of AirAsia services is the most significant factor influencing customer satisfaction with ($\beta = 0.480$, $p < 0.01$). Among all the empathy-related statements, "AirAsia crew understood your specific needs" received the highest score. Customers highlighted the crew's friendliness and helpfulness, both at the airport and onboard, as key contributors to their positive experiences. Thai reflects how the ability of AirAsia staff to recognize and meet individual customer needs enhances satisfaction (Wedberg, 2019). To maintain and improve empathy in its services, AirAsia can focus on continuous employee training and real-time feedback mechanisms. Provide crew members with the skills to manage a variety of customer needs, especially in high-stress situations such as flight cancellations or delays. Incorporate role-playing and sensitivity training to enhance their ability to understand and respond to individual passenger concerns. Besides, use surveys conducted during or after the flight to get immediate input on customer experiences and staff performance. Utilize this information to pinpoint areas where compassionate care is lacking and adjust upcoming training sessions appropriately. Previous research highlights that empathy plays a critical role in enhancing customer satisfaction within the airline industry (Iqbal et al., 2023).

CONCLUSION

The primary objective of this study was to examine the influence of price, service quality, food service, assurance, and empathy on customer satisfaction in the context of AirAsia as a leading low-cost airline. The findings revealed that customer satisfaction is shaped by a combination of tangible and intangible factors, with some variables exerting a stronger influence than others. The results emphasized that empathy, followed by assurance and food service, played the most crucial role in shaping positive customer experiences, while price and service quality, although traditionally viewed as central to airline competitiveness, showed weaker direct impacts.

Empathy emerged as the strongest predictor of customer satisfaction, highlighting the importance of personalized care, attentiveness, and understanding of customer needs. This indicated that in a highly competitive market, airlines that demonstrate genuine concern for passengers' well-being can achieve higher levels of satisfaction and loyalty. Assurance, reflected in professionalism, courtesy, and competence of AirAsia's crew, was also found to be a key determinant, underlining the significance of continuous staff training and development to inspire passenger trust and confidence. Food service, although less dominant, still contributed significantly to satisfaction, particularly in terms of hygiene, presentation, and quality, demonstrating that even in budget airlines, passengers expect value-added services.

In contrast, price and service quality showed no significant direct impact on customer satisfaction. This result suggests that customers may perceive affordability and operational efficiency as baseline expectations rather than factors that differentiate their experience. While low fares attract passengers, the study indicated that they do not guarantee satisfaction or loyalty if other experiential factors are neglected. Thus, AirAsia must ensure that its competitive advantage goes beyond pricing and efficiency to emphasize relational and experiential dimensions of service delivery.

From a theoretical perspective, this study contributes to service quality and customer satisfaction literature by reinforcing the importance of emotional and experiential dimensions over purely functional aspects in shaping customer perceptions of airline services. The novelty lies in establishing empathy as the most dominant factor influencing satisfaction, which provides a new lens for understanding consumer behavior in the low-cost aviation sector. This expands existing theories of service quality and customer satisfaction by demonstrating that intangible human-centered elements are

more critical than traditional cost and efficiency factors in determining positive customer outcomes.

From a managerial perspective, the findings offer actionable recommendations for AirAsia and other low-cost carriers. Airlines should prioritize staff training programs that cultivate empathy and assurance, ensuring that customer interactions reflect genuine care, professionalism, and reliability. Improvements in in-flight food service quality and hygiene should also be considered, as even small enhancements in this area can significantly elevate customer experiences. Price competitiveness and operational efficiency remain important but should be treated as foundational elements rather than the central drivers of satisfaction. By integrating human-centered strategies with its low-cost identity, AirAsia can strengthen its market position and secure long-term customer loyalty.

Finally, this study opens avenues for future research. First, further investigation across other low-cost and full-service airlines in different cultural and geographical contexts could provide a comparative understanding of satisfaction drivers. Second, longitudinal studies could capture how customer expectations evolve over time, particularly as digital innovations and sustainability initiatives reshape the airline industry. Third, qualitative approaches such as interviews or focus groups may uncover deeper insights into the emotional and psychological aspects of customer experiences that cannot be fully captured by quantitative measures.

In conclusion, the findings demonstrate that AirAsia's long-term success depends not only on maintaining affordability and efficiency but also on delivering empathetic, trustworthy, and experience-driven services. By focusing strategically on these elements, AirAsia can enhance satisfaction, strengthen loyalty, and ensure resilience in the increasingly dynamic and competitive global aviation industry.

LIMITATION

This research has several limitations. The findings may lack applicability as they focus on AirAsia customers, and subjective responses could introduce biases. The study is restricted to five independent variables, which may cause it to miss other important aspects that affect customer satisfaction. This study was based on AirAsia customer satisfaction, which could change according to time, lifestyle, and other factors. Besides that, there was the possibility of a gap between what respondents may have thought and the survey responses they actually chose due to a lack of time and having to rush to get their work done.

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DECLARATION OF CONFLICTING INTERESTS

The authors declared no potential conflict of interest.

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