Customer Retention Strategies: A Panacea to Reducing Attrition in the Zimbabwean Airline Industry

Siphiwe P. Mandina
Midlands State University

Josephine Karisambudzi
Midlands State University

In order to form long-term relationships with customers, and reap the ensuing benefits of increased profitability, trust, loyalty, the paradigm of relationship marketing calls for organizations to view their customers and other stakeholders as partners and invest in retention strategies. The authors took a post-positivism approach in order to uncover the truth about the effectiveness of customer retention strategies in reducing attrition in the Zimbabwean Airline industry. A sample size of 200 business class travellers on the Harare/Johannesburg/Harare route and 40 employees from four airlines was used. Simple random sampling and purposive sampling techniques were used as authors took advantage of respondents conveniently located and willing to participate in the survey. Questionnaires and semi-structured interviews were used as research instruments. Findings revealed that customer retention strategies if fully implemented, result in effective retention as customers want airlines to provide efficient frequent flyer programs, practice service recovery and fulfil the promises made to customers through reliable schedules and lucrative in-flight services as well as the need to settle claims on time. The industry may continue to take advantage of the current frequent flier retention strategies and also explore other strategies like promise fulfillment and service recovery in maximizing retention.

INTRODUCTION

The airline industry has been facing numerous challenges in terms of retaining customers who keep on changing from one airline to another and this has greatly impacted on the survival and success of airlines operating in Zimbabwe. There is an observable trend of customer attrition in the airline industry due to seeming failure to deliver service on promise and competition among airlines on the Johannesburg route, therefore this study seeks to explore the effectiveness of customer retention strategies in managing customer attrition.

Buttle (2008) defines customer retention (CR) as “the maintenance of continuous trading relationships with customers over a long term”. Oliver (1999) as cited in McMullan & Gilmore, (2008) defines customer loyalty as a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts”. It is cheaper and profitable to retain a customer than to recruit a new one (Chokera & Dube, 2011) through referrals and reduction in operating costs.

Studies on customer retention have been done in other sectors in Zimbabwe but none were carried out in the airline industry and that greatly motivated this study. In Zimbabwe Basera, (2014) carried out a research on how fast food retailers in Masvingo can increase customer retention through loyalty programs in the industry. The results concluded that there is need for players in this sector to use loyalty programs to retain customers than to keep acquiring new ones.

Another research done by Moyo & Makore (2013) on customer retention was carried out in the telecommunications industry and their focus was on the customer retention strategies used by the mobile service providers. The findings were that though there are many customer relationship management activities that are employed in the Zimbabwean cellular industry, the most effective are those related to quality of service, affordability of service and provision of customer support services. The study seeks to fill a gap in the under researched area by assessing the effectiveness of customer retention strategies in managing customer attrition in the airline industry in Zimbabwe.

The past decade has seen many airlines being faced by a lot of operational challenges. Some of the airlines have closed up for various reasons for example the Zimbabwe Express airline was grounded due to economic problems from loss of market share. Some of the surviving airlines are operating below breakeven because they are trying to survive under these harsh economic conditions and this has led to wars between airlines fighting to retain the few customers that the market has to offer. This has led to a situation where by airlines invented the use of customer retention strategies. The preliminary investigations from the management of the four airlines has it in common that the airlines are using loyalty programs and customer service to retain customers available in a move meant to improve their competitiveness, help increase repeat purchase, financial security and improve service delivery which is meant to boost customer retention. Despite the efforts by airlines to enhance customer satisfaction and loyalty, customers are still defecting to competition (Mostert, De Meyer & Rensburg, 2009).

THE GLOBAL PERSPECTIVE

In the global arena, so many studies have been carried out due to the availability of resources. In Indonesia, a study on service quality and price effects on loyalty and satisfaction in commercial flights industry done by (Mahmud, Jusoff & Hadijah, 2013) found out that customers become loyal to an airline after being satisfied by service and that price fluctuations have no influence on satisfaction and loyalty. Another research was carried out on customer acquisition and retention in the airline industry in India by (Shukla, 2013) who adds that customer retention should focus on increasing sales through satisfying and serving customers so that they keep coming back to the same provider. Shukla (2013) further reiterates that the quality of service needs to go beyond the expectations of customers and also identifying and predicting customer future needs so as to retain them.

Dolnicar, Grabler, Grun & Kulnig (2011) in Austria investigated airline loyalty drivers in different segments like business travellers and leisure travellers and findings were that airline management needs to segment their travellers to come up with programs that fit different categories. In South Africa a research was carried out by (Mostert & De Meyer, 2010) focusing on customer retention strategies and their effect on building relationships with customers on customer satisfaction, loyalty and ultimately retention in the South African domestic passenger airline industry. The findings indicate that future patronage and relationship with an airline is influenced by service recovery efforts by an airline.

Molapo & Mukwada (2011) carried out a study on the impact of customer retention strategies in the South African cellular sector and notes that competitors offer better deals in a move to attract customers and win them. In South Africa another study was carried out by (Sulrujlal & Dhurup, 2011) on customer retention strategies implementation to retain customers in commercial health and fitness clubs in the Gauteng province. Sulrujlal et al (2011) pointed out that regular communication and improved service quality as important elements to customer retention. It is important for product or service provider to emphasise on the quality of product or service. In Malaysia a study on loyalty card program for retailers by (Abdul, Jasmani, 2010) supports that customer retention and loyalty are crucial to all businesses and contribute to better company performance. Lin & Wu, (2011) states that there is a statistically significant relationship between quality of service and future use of product, as retention is influenced by repeat purchase.

ZIMBABWEAN PERSPECTIVE

The fact that Zimbabwe is a landlocked country makes the airline industry suitable to the development of the whole nation through connecting the country to the whole world. The airline industry provides air transport services for passengers and freight, the industry traces its history back to the formation on 01 June 1946, as Central African Airways (CAA), which was a joint airline of Southern Rhodesia (now Zimbabwe), Northern Rhodesia (now Zambia), and Nyasaland (now Malawi), with 50%, 35% and 15% respectively of the shareholding which was held by the three countries. The industry comprises of only one commercial airline the national carrier Air Zimbabwe but faces a lot of competition from foreign airlines that operate in Zimbabwe. (http://airzimbabwe.aero). There are locally licensed private firms in the industry (as shown in table 1).

LIBERALIZATION OF THE AIRLINE INDUSTRY

The 5th freedom given to foreign airlines to ply the Zimbabwean airspace through the open skies policy by the government, (National Transport Policy 2012-2016) has brought fierce competition in the industry. Weil (2010) alludes that liberalization allows competitors with lower costs than established ones to add capacity in anticipation of market share growth and under-price the established competitors. In addition to this development, the Zimbabwean economy dollarization marked the entrance of a number of players in the airline industry in the past two years, for example Emirates Airline, Egypt Air, Air Namibia and KLM Royal Dutch Airline. The focus of this study is the Johannesburg route and the airlines operating currently are South African Airways (SAA), British Airways Comair (BA), Air Zimbabwe (UM), and South African Airlink.

MARKET SHARE ANALYSIS

Customer retention has become an issue in the airline industry as the polygamous behaviour of customers has seen most airlines losing their market share to competition (CAAZ 2014). Figure 1 shows the market share analysis, while table 2 shows the frequent flyer programs of the four airlines under study. Because of such developments firms in the airline industry are now faced with huge challenges of how they can attract and retain their customers in order to have repeat patronage, increased profits from referrals and reduction on the operating costs. The industry airports and other complimentary services such as hotels all meet the international standards. The effect of service failure on customer's relationships with airlines will also be considered as negative service experience that could results in customers defecting to competition (Fluss, 2007). Airline customers are not satisfied with the service delivered for example flight cancellations, connection challenges, delays on scheduled flights and losing their luggage and this has prompted the polygamous behaviour of customers in search of better service (CAAZ Statistics, 2014).

Grant (2008) notes that when American Airlines tried to control customer switching in 1981 and build relationships with its customers, it was the first to introduce frequent flyer programs and other major airlines followed suit. The Frequent Flyer Programs (FFP) offers benefits on flown miles as follows:

- Free airline tickets
- Upgrades to higher classes for free
- Allowances for excess baggage
- Check-in priority
- Departure lounge access. (www.iata.org)

CUSTOMER ATTRITION DEFINED

Ahmad & Buttle (2002) propounded that customer attrition relates to losing a business to competitors, occurs when a dissatisfied customer decides to withdrew from hiring or purchasing services and products and find substitutes to satisfy needs that an organization failed to deliver. Chokera et al (2011) points out that it cost at least five times more to get a new customer than to retain an existing one. Zero defections by Reicheld and Sasser (2003) are described as retaining every profitable customer the company can serve. Heavy users constantly signal their escalating dissatisfaction by reducing their usage and purchases and moving their business to competition.

Therefore, customer attrition as claimed by Reicheld et al (2003) is a threat and retaining customers is an opportunity. Roberts, Varki & Brodie (2003) supports Reicheld et al (2003) and notes that if customer needs are not met or they receive poor quality products or have breakdown in service delivery, customers attrite and take their business to competitors. Karam (2009) argues that organizations incur heavy costs in acquiring new customers and existing customers generates profits than new ones therefore customer attrition has severe effects on profitability. In view of the aforementioned definitions, it has been noted that customer attrition is when consumers leave for competitors with similar products or services and stop using the other service provider’s services.

CUSTOMER ATTRITION DETERMINANTS

The following determinants were reviewed as posited by (Athanasopoulou, 2009), widening gaps, role of management, termination factors, value creation and service quality, to access the effectiveness of customer retention strategies in managing customer attrition.

Role of Management

Wolnik et al (2012) propounds that the golden rule of business as not to be in the position of losing customers, but making management’s concentration and awareness of all customers important. Reicheld and Sasser (1990) as cited in Karam (2009) states that ambitious organizations and managers often want to link their business strategies to success stories, but in order to have success stories, the Board of directors and the organization as a whole must sometimes examine their failures in the past. Reicheld et al (1990) as cited in Karam (2009) adds how vital defected customers can be in providing insights towards business improvements and the importance of winning back these customers.

Tokman Davis & Lemon (2007) cited in Wolnik et al (2012) adds zero defect culture implementation within the organization and the importance of collectively working towards the goal of keeping customers for retention, by establishing common initiatives for a more cohesive approach to attrition problem and educating employees. However, it is the role of the management to come up with customer focused decisions through empowering employees to achieve the organization’s desired goals, thereby controlling customer attrition.

Widening Gaps

Parasuraman et al (1985) cited in Wolnik et al (2012) points that widening gaps as a “gap between perceived service and expected service in different functions of production in a service organization” Day (2011) alludes that it is important to determine the gap between market demand and organization capacity to meet demand and the reasons why the gap is widening should be understood in trying to maintain and win back defectors. Day (2011) further reiterates that profitability and future market competitiveness will be at stake if the organizations gap is widening. Gronroos (2008) argues that perceived quality is an evaluation process where the customer compares the service received with expectations. The perceived service quality depends on promises in adverts and prices charged for the service, this will influence the expected service. Gronroos (2008) adds that technical and functional quality should be reflected in the marketing activities of the organization to avoid increasing expectations that lead to customers not satisfied due to the level of service they receive.

Parasuraman et al (1985) as cited in Wolnik (2012) have developed a service gap model that shows the relationship between customers and the organization in different gaps. Two aspects of possible gaps have been raised; the customer and the company's point of view. Parasuraman et al, (1985) cited in Zeithaml, Bitner, Dwayne, Gremler, (2010) depicts how the quality of service can be perceived, customer's assessment of service quality received is shown in different gaps in the model. Generally what causes customer attrition is the gap between what customers expect from organizations and what they receive. Organizations should come up with ways of narrowing this gap so as to manage customer attrition.

Termination Factors

Customer's opinion of quality service will always be subjective when they are consuming products or services as the customers will observe the service performance of the organization at the same time (Wolnik, 2012). Even though service quality affects behavior intention and customer satisfaction, it does not always lead to behavior change. Customers are very sensitive to price (Girish 2010) purports that any increase in price can lead to the termination of a relationship and this attrition can happen only if customers are offered better options by competitors when an organization increases its prices. Keaveney (1995) as cited in Murad (2011) first developed a model to explore why service industry customers terminate relationships with suppliers. Eight principal factors are identified in the model: involuntary switching, core service failures, attraction to competitors, service encounter failures, pricing, inconvenience, employee response to service failures and ethical problems. Keaveney (1995) as cited in Murad (2011) argues that termination of relationships and switching to different organization can be done by customers who are satisfied. Therefore, in this context customer attrition is influenced by customer behavior, satisfaction and the way the service is delivered.

Service Quality

Perceived service quality influences the customer behavior intentions and signals whether or not a customer will attrite as stated by (Zeithaml et al 2010). Shepard (1999) cited in Wolnik et al (2012) purports that salespeople in an organization play a critical role when measuring service quality. Girish (2010) adds that a slightest problem in service standards will lead to customer attrition since customers have varied options to choose from. The channel used when delivering a service should not vary during the time of the relationship. Customers tend to attrite when they feel the service rendered is not meeting their expectations. Roberts et al (2003) adds four dimensions of the quality of a relationship as effective conflict, trust, satisfaction and commitment. Roberts, Varki & Brodie (2003) as cited in Wolnik (2012) argues that relationship quality is a better predictor of behavioral intentions than service quality.

When a customer is completely satisfied as claimed by Jones & Sasser (1995) cited in Wolnik (2012) they remain loyal to a relationship and thus relationship quality is achieved. The organization can easily lose a customer who is just satisfied since loyalty varies. Finally, Jones and Sasser in the same paper state that if a customer is dissatisfied, they may terminate the relationship, thus the relationship quality is considered weak. Therefore, it is important for organizations to consider service and relationships quality so as to meet and exceed customer expectations.

Creation of Value

Hills & Jones (1998) cited in Wolnik et al (2012) states that "value creation occurs when a firm is able to advance and come up with something that is unique for its customers, something that fulfils and satisfies the customer's needs". Reicheld (1996) cited in Wolnik et al (2012) stresses that when looking at the loyalty aspect in a relationship between an organization and a customer, the value that a customer perceives is the most important factor. Reicheld (1996) in the same paper further reiterates that losing focus on the value is the reason why many organizations and firms fail and start losing customers, they examine different measures and analysis instead of focusing on value creation and become purely profit-driven, when customers start leaving, they adopt short term solutions. Defecting customers had long relationship with the organization and possess the most valuable information.

Errget & Ulaga (2002) as cited in Wolnik et al (2012) adds that competition and value creation can be compared, if an organization offers services or products with more benefits than competitors they have a sustainable competitive advantage and offer greater value in the market. Errget et al (2002) as cited in Wolnik et al (2012) notes that an organization that focuses on creating real value will have long-term profitability and success. Therefore, it can be said that sustainable competitive advantage is derived from creating value by meeting and exceeding customer expectations in which failure to do so will result in customer attrition.

WHAT IS CUSTOMER RETENTION?

The way in which organizations focus their efforts on existing customers in an effort to continue doing business with them is called customer retention according to (Mostert, Meyer & Rensburg (2009). Customer retention holds both economic and non-economic benefits for the organization. Mostert et al (2009) outlines that though organizations know the benefits associated with customer retention, they end to ignore it during strategy development, where emphasis is often placed on acquiring the customer than retaining which leads to customer attrition. Buttle (2009) posits that customer retention is long term maintenance of continuous trading relationships with customers. Gronroos (2008) further reiterates that customer retention is the ability to withstand competition through keeping customers for repeat business over a long period of time.

Research has it that all activities that are used to capture, appeal, retain and delight customers in such a way that they would patronize a business are customer retention (Sharma 2009, Zeithaml 2003). Conventionally customer retention is defined as the number of customers doing business with a firm at the end of a financial year, expressed as a percentage of those who were active customers at the beginning of the year (Gummesson, 2008), the true image of attrition is customer retention, the higher the retention the lower the attrition. Lombard (2009) alludes that in today's business, customers are valuable assets that need to be protected and nurtured for exploitation by organizations rather than just a source of revenue. It is noted that customer retention is a deliberate move by organizations to focus all their marketing resources on retaining existing customers (Hoffman and Bateson 2011)

CUSTOMER RETENTION STRATEGIES

Loyalty Programs

Loyalty programs have been equated by (Karam, Silva, Schmidt and Carneiro 2009) to commitment to re-buy or patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior. Reicheld et al (1990) cited in Wolnik states that loyal customers are willing to do repeat purchases despite the fact that there are attractive competitive substitutes that cause switching, try products or services across the firm's product line offerings, refer other customers to the company, and give the company feedback about their need and expectations.

Research has it that customers are members in different loyalty programs and these programs are being used in creating customer relationships that are profitable and long-term (Uncles et al 2003) cited by Reinekoski (2009). Mahajar & Yunus (2010) concurs with Uncles et al (2003) that loyalty programs are an incentive offered by marketers to entice a customer to remain loyal to an organization. Bishop (2013) further posits that for organizations to make profits, customer loyalty programs are used as marketing tactics to entice customers into provision of purchasing preferences and loyal purchasing behaviour. Research shows that the generic goal of loyalty programs is to protect the existing customers from attrition (Bishop, 2013, and Crofts 2011). In addition, companies may also carryout loyalty programs to make profits, maintain sales levels and margins (Buttle 2009, Kotler & Keller, 2009). The implementation of loyalty programs proffers rewards for repeat purchase and encourage customers to have long term relationships with the organization (Asamoah 2012).

In contrary Dowling and Uncles (1997) cited in Crofts (2011) argues that setting up and maintaining loyalty programs is expensive and there is little or no evidence that any changes in behaviour justifies the expenses incurred. Lambin (2012) further argues that loyalty programs are easily copied by competitors and it is difficult to obtain competitive advantage. Customer loyalty programs proliferation in industries reflects a changing market (Liu & Yang 2009) characterized by increased competition and consumers who are more demanding and knowledgeable. Liu et al (2009) furthers argues that this shift causes companies to develop relationship marketing and customer relationship management in a bid to retain customers.

Research shows that frequent flyer programs (FFP) are common loyalty programs offered in the airline industry (Burgos 2011, Mostert 2010) and are structured in two stages that give value to members. Members are issued with points in the first stage after purchasing and using an air ticket. In stage two members redeem points for free air travel, upgrades and lounges access among other benefits. Liu et al (2009) postulates that points have value only after redemption and before that, only members place value to their points in anticipation of benefits in future after accumulation of points makes the relationship between the organization and the customer to be long term.

Research has shown that loyalty programs if fully implemented results in retaining customers, as supported by (Bishop 2013) who postulates that loyalty programs are used to protect existing customers from attrition. Reichheld (1990) also states that loyal customers are willing to do repeat business with an organization even if there are substitute services or products available. Loyalty programs entice and encourage customers to have re-buy intentions and to form long term relationships with organizations (Asamoah 2012). Loyalty programs migrate customers to become advocates and or partners who will give the organization repeat business (Payne 2006). Loyalty programs may be marketing tactics to entice customer preferences and customer retention (Bishop 2013).

Customer Service

Customer service should be viewed by organizations as a tool that facilitates attainment of a competitive advantage (Kotler et al, 2009), apart from enhancing profitability and improving customer satisfaction (McGuinn, 2009). Customer service involves different activities which in the airline business includes knowledge, courtesy and respect accorded to customers by sales force (Mostert et al, 2009); high level of quality in product and service offerings (Buttle 2009, Gronroos 2008 and Lovelock & Wirtz, 2007), and service procedures that encourage customer participation (Chokera et al 2011). However, customer service in its perspective includes the practices that should serve the needs of the customers in a mutually beneficial scenario to build customer loyalty, satisfaction that have an effect on customer retention (McGuinn 2009, Gummeson, 2008 and Sheth & Pavartiyar, 2002). It has been noted that customers in the hospitality industry usually want to do business with organizations that extends an olive branch through offering quality services that provides core benefits (Skaalsvik 2013, Chokera et al 2011, Zeithmal et al, 2009 and Kandampully, 2007).

The organization must employ customer orientation, customer relationship management if they are to succeed in offering quality service (Kotler & Keller 2012, McCarthy & Perreault Jr 2008 and Gulati 2007). Park and Roberson (2005) identified customer service principles that an organization in the airline industry should observe when offering services to the customers that include the following courtesy of employees, neat appearance of employees, on time performance, personal attention, knowledgeable employees and willingness to help customers. In addition to the basic principles mentioned above, several authors advocated for the organization to implement golden rules in customer service (Zeithmal et al 2009, Buttle 2009, Lovelock et al 2007 and Payne 2006).

The organization should learn to listen to the concerns of customers (Kotler 2010); promise what the organization can deliver (Lovelock et al 2007) responding to customer concerns in the shortest period of time (Zeithmal et al 2009) and always try and avoid arguing with the customer (Nilsson & Sandberg 2010, and Payne 2006) Research shows that customer service should be accompanied by employee empowerment in their area of responsibility (Ghosh 2013, Heathfield 2012). Research shows that observing business principles of customer service leads to the organization responding to customer needs in the shortest possible time and delivery the promises which positively influence customer retention (Ziethaml et al 2009). Commensurate customer services that are tuned to the customer requirements and above the expectations of the customers do not only satisfy the customers but leave some love marks that will make customers to come back for more (Lovelock et al 2007, 2004)

OTHER CUSTOMER RETENTION STRATEGIES

Services organizations need to design customer retention strategies in order to reap the rewards of developing long term relationships with customers. Some of the benefits highlighted above include repeat purchases and overcoming competition (Gronroos 2008) as well as reduction in number of customer attrition (Zeithaml 2003) mentioned customer delight. Jobber (2010) postulates the strategies that bring the benefits above when he outlined six customer retention strategies i.e. targeting customer for retention, bonding, internal marketing, promise fulfillment, service recovery and building trust, however for the purpose of this study the authors focused on service recovery and promise fulfillment.

SERVICE RECOVERY

Zeithaml & Mary (2003) defines service recovery as response to a service failure through actions taken by an organization. Johnston (1995) adds that removal of dissatisfaction by an organization is service recovery. Actions taken by a company to correct a service failure is service recovery as postulated by (Buttle, 2009; Gronroos, 1988: Hart, Heskett, & Sasser, 1990) concurs with Zeithaml et al (2003) that responding to service failure is service recovery. Similar features were identified in each of the above definitions. Therefore, for service recovery to occur they must be a breakdown in the service delivery process which was attributed to as service failure by Zeithaml & Mary (2003) and Buttle (2009) or as dissatisfaction by Johnston (1995) and finally as poor service quality by (Gronroos et al 1988).

Reasons for Service Failures

Service fail for many different reasons according to Buttle (2009) these may include service quality failure, functional quality and technical quality failure. At other times the fault lies with network member, the customer or the organization. Zeithaml (2006) adds other reasons which result in failure of service such as late delivery, uncaring employees delivering the service and not delivering the services as promised. These failures bring negative feelings and outcomes from customers and if they are left unfixed they can result in customer attrition, bad word of mouth with spread after these experiences. Customer can challenge or report the organization to the associations of customer rights (Zeithaml 2006). Biyan Wen and Christina Geng-qing Chi (2012) outlines the refusal to take on service recovery as the biggest reason for customer attrition.

Mechanisms of Service Failure Feedback

There are two feedback mechanisms available that are exit and voice according to (Hirschuman 1970). Buttle (2009) agrees with Hirschuman (1970) when he pointed out that customers have a choice of doing nothing or voicing their displeasure after a service failure. Customers who select the voice mechanism can make their complaints to the organization, to a third party like the association of customer rights and to their own network personally such as family and friends. Hirschuman (1970), voice is when customers make their complaints direct to the service provider and exit implies that the customer move to the competitor and stop buying from the company. Supposing that organization act on customer complaints, these customers will be introduced to a new service circle which is service recovery.

Influence of Service Recovery on Customer Loyalty

Research has it that service recovery if successfully implemented will increase customer loyalty to the customers who would have experienced service failures or problems than new customers Ziethaml et al 2009, Nilsson et al 2010). Service recovery does not only solve problems faced by customers but to prevent the occurrence of such problems (Ziethaml et al 2009). Service recovery gives a guarantee of choice to customers before they could enjoy the services (Worsfold, Worsfold and Bradley, 2010). Customers who perceive treatment as fair after service failure usually engage in positive behavior including spread of positive word of mouth, repeat purchase and then loyal to the service or products.

PROMISE FULFILLMENT

Promise fulfillment is defined by (Kotler 1993) as meeting and exceeding customer service quality expectations. Jobber, (2004) defines it as fulfilling promises to customers. The common characteristics of both definitions are meeting customer expectations. However, Kotler (1993) one of the most recognized marketing guru in his definition of promise fulfillment went on to include the process of exceeding customer expectations. Jobber (2004) adds three activities in fulfilling promises and maintaining relationships, setting realistic promises, keeping the promises during service delivery and enabling staff and systems to deliver as promised. Berry (1995) cited in Gronroos (2009) claims that the foundation of customer retention is fulfilling promises through maintaining relationships with customers.

Gronroos (2009) adds that "employees in the organization regardless of their position are involved in fulfillment of promises" Bitner (1995) calls it enabling promises. Therefore, one can safely say that for organizations to control customer attrition there is need to avoid disappointments through meeting promises. The diagram below shows service delivery before, during and after delivery of promises enabling customer satisfaction.

SOURCES OF PROMISES

Past Experience

Kotler (1993) alludes that the quality of service is promised to customers through past experience. Kotler (1993) shares the same sentiments with Kurtz (2002) who points out that customer past experience is the most important factor affecting customer expectations of a service. Past experience includes experience with a particular service provider, experience with other providers within the same industry and experience with related services. From the analysis above it can be concluded that what customers went through or always get from the service provider is what they always expect for their repeat purchases hence failure to meet and exceed their past experiences will result in dissatisfaction.

Word of Mouth

The source of information used by customers to shape expectations is the word of mouth according to Kurtz (2002). Seeking the opinion of others before a purchase is generally what customers often do. Three sources of word of mouth communication are personal, expert and derived sources and these can establish the level of service predicted. To establish ideal and desired level of service when customers have no experience and knowledge of the service, word of mouth is used as a source of promise (Nilsson 2010). Information from friends, work colleagues and relatives constitute personal sources. Customers believe that experts will provide better information than personal sources especially in high involving purchases. The way customers were treated by the organization personnel is discussed in personal sources whereas expert's sources normally provide information that customers use in forming expectations about the technical nature of services. Derived sources are third party information sources used to form expectations by customers for example advertisement testimonials (Kurtz 2002).

Marketing Communications

Customers form predicted level of service for a particular organization through promises made in adverts and sales promotions (Kurtz 2002). Kurtz (2002) agrees with Jobber (2004) who proposes that through marketing communications channels such as public relations, advertising, sales promotion and personal selling, promises are made. Consumer's desired level of service, adequate level of service and zone of tolerance can be modified by advertising (Zeithaml & Parasuraman 2003). In an effort to get contracts, sales personnel make promises to potential customers and these promises are translated into expectations of customers from these promises will affect the zone of tolerance and the predicted service expectations which will result in customer dissatisfaction.

MANAGING CUSTOMER EXPECTATIONS AND SERVICE PROMISES

Coordinating the vows made by all external and interactive marketing sources to ensure that they are consistent and feasible is managing service promise (Zeithaml and Bitner 2003). Zeithaml et al (1990) concluded that perceived service quality is the extent to which an organization serves customer's evaluation of the expected service and experience. Several authors concur that actual service performance and customer's expectations measure the service quality when the two are compared (Markovic, Raspor & Segaric 2010, Gronroos 2008, Parasuraman et al 1988 and Barrington & Olsen 1987). Markovic et al (2010) posits that customer decisions are complex because customer expectations are ever changing. Therefore, understanding and meeting customer expectations is very important and telling customers that the organization may not always deliver the level of service they desire.

Educating Customers

Customer education is the extent to which employees equip customers with abilities and skills to critically utilize the information about organization services or products (Kotler and Keller 2010). Eisingerich and Bell (2006) posits that organizations that provide understandably clear information are trusted by customers. Research shows that if customers learn how to effectively execute service related function the organization production will be increased (Zeithaml et al 2009). It can be said that customer education creates value for both the organization and the customers.

Internal Communication

Research has it that internal communication is an important management function since every employee should receive information concerning their jobs, fostering an atmosphere in which all people in the organization respect each other in a working relationship (Bauer 2013). Steingrimsdottir (2011) argues that internal communication is the social glue in an organization that ties people together. Customer expectations should be aligned to the form of communication within the organization across all functions be it horizontal, lateral, grapevine and vertical (Bauer 2013). Quirke (2008) argues that communication is an ever ending process and its goal should be to share the thinking and not announcing conclusions. However, communication tools should be used to compliment internal communication like use of displays, bulletin-boards, internal subjective meetings and inserts and enclosures.

Pricing

The price of the service affects customer expectations. Generally higher prices make customer expectations of the service to be higher and the zone of tolerance will be narrowed as alluded by Zeithaml et al (1993) cited in Campos and Nobrega (2009). Fair pricing build trust and have a long term positive effect on customers as postulated by Berry (2001 pp 60) cited in Asamoah (2012). Abrams (2008) adds that quality goes with price, low quality with low price and high quality with high price. Most customers seek value for their money. Therefore, if customers' expectations are not met there will be dissatisfaction and attrition (Adams 2008).

Physical Evidence

Physical evidence which relates to tangible components (Zeithaml and Bitner 2003) facilitates performance of service, a place where the organization and customers interact as well as the environment in which the service delivery takes place. The interior and exterior appearance of the company is a package in delivering a service (Hoffman and Bateson 2006) cited in (Gbettor, Avorga, Danku and Atatsi 2013) and customers use this to assess the level and quality of service from an organization through physical evidence. Wilson (2006) argues that the gap between service delivery and customer expectations in service delivery can be closed by physical evidence.

Physical environment consists of the appearance of physical structure landscaping, ambience, appearance of the interior and exterior of the facility vehicles, cleanliness, interior furnishing, service systems design, point of purchase displays, equipment, uniforms, personnel competence, signs, printed materials and other visible cues that provide evidence of service quality (Zeithaml and Bitner 2003). For most services the appearance of the service personnel is very important for example customers have certain expectations concerning the appearance of airline flight attendants and pilots. Variations from the norm have an impact on what customers expect resulting in dissatisfaction or satisfaction. This automatically implies well dressed and presented employees shows a sense of order and organized institution.

Image of the Firm

Nasser (2012) points out that the fundamental image of the organization applies to the type of association customers get from the service organization and the brand name. Nasser (2012) further indicated that image is an important component of customer satisfaction. Image is a result of adding good reputation to its customers, being reliable, having contributions to society and being professional and inventive (Skinner, Von Essen and Mersham 2008). The three factors of corporate image include corporate behavior, corporate design and corporate communications which all have an impact on creating reliance and trust on the outer and inner mass on an ongoing basis (Karadeniz 2009 and Zeithaml et al 2009). Nasser (2012) also reiterates that customers' evaluation of a service is influenced by corporate image. Corporate image in this study can be defined as the influence on customer perception by the image of the organization or service provider. The image consumers have of a firm will have high expectations and if the image is low, expectations will be low. Any mismatch on the desired expectations dissatisfaction or satisfaction will be the end result. Gronroos (2008) purports image as an alternative to product differentiation in an organization. In conclusion corporate image can make customers satisfied and loyal to service organization and also ensure desired service quality.

METHODOLOGY

The authors used post-positivism philosophy which has a sensory phenomenon described as the only form of knowledge. The philosophy provides the creation of thinking space in the social science debate. The approach also allows critical analysis of the data and discussion of findings to arrive at an informed decision. Survey methods were used in this study to get information about the effectiveness of customer retention strategies in reducing customer attrition in the airline industry. The research design facilitated the gathering and analysis of data to obtain answers to the research questions after using the appropriate research design in line with the nature of the required data. The authors adopted both exploratory and descriptive research designs.

SAMPLE FRAME

The sample frame for this study was drawn from all airline employees and frequent business class travellers of the following airlines under study in Harare only, (British Airways Comair, Air Zimbabwe, South African Airways and South African Airlink). All parties involved in reducing customer attrition were made part of the sample frame and were represented fully.

SAMPLING PROCEDURE

The authors used simple random to select customers, employees that represented the population in this study. Customers were picked randomly as they depart or arrive at the Harare International airport. The authors used this method since all employees and customers had an equal chance of being chosen and the findings were generalized to the whole population. Purposive sampling was also used whereby the authors relied on their judgment and is only representative as far as the authors' skills permit. Purposive sampling also enabled the authors used those respondents that willing and easy to find.

SAMPLE SIZE

After careful analysis from different scholar's views of sample size determination of customers, the authors used (Saunders, M, Lewis, P & Thornhill, A. 2009) who set a minimum of 30 for sample size to be a true representation of population under study randomly chosen from a finite customer population estimated at 340000 based on the JNB seat capacity per year by carrier for the selected airlines between 06 March to 06 April 10, 2014 (CAAZ). The authors used a sample size of 200 customers. The population comprised of regional passengers that have travelled at least once in the last 12 months and had knowledge about the services being offered by the airlines. A sample size of 40 employees was chosen using Saunders, (M, Lewis, P & Thornhill, A. 2009) to give a true representation of the population under study from an estimated 1260 employees according to company records kept in the Human resources departments of the different airlines being studied. The authors used census method to pick all 4 managers one representing each airline.

DATA COLLECTION PROCEDURES

Interviews

Face to Face Interviews

This method will be widely used in this study to gather data through conversations in which roles of interviewer and respondent continuously change. The method will attempt to provide valid measures and reliable data from respondents through face to face interactions. The authors probed for more information and also took advantage of better observation of behaviour and social cues such as body language, voice intonation of the interviewee. The value of social cues was added to the verbal answers. Clarification of issues by the authors was made possible using this method though some respondents felt uneasy. The authors got a higher response rate through the use of this method. The appointments for interviews were done with management and employees. Interviews were carried out with the help of an interview guide. The responses were all written down and the interviews lasted for less than 15 minutes each.

Questionnaires

Drop and Pick Method

The authors dropped the questionnaires to employees and then collected them after completion on the specified period, an allowance of 2 days was given to the respondents because of the nature of their jobs they were not able to complete them whilst the authors were waiting. This method gave respondents more time to consider their responses, and it sounded a convenient method to the authors. The rest of the questionnaires were distributed to customers with the assistance of airport check-in agents, upon obtaining airport authority permission from Civil Aviation Authority of Zimbabwe (CAAZ). The targeted customers completed the questionnaires in the departure lounge and the questionnaires were collected before respondents boarded their flights. Personally administered questionnaires were used on executive class passengers in the respective business class lounges before boarding. The questionnaires were made simple and easy to understand which helped the respondents to answer and return on time.

VALIDITY AND RELIABILITY

Validity places emphasis on the quality of data gathered and the accuracy of the same. During the use of questionnaires and interviews, reliability of information that was collected using the above mentioned techniques increased when various questions were used to measure the variable of interest. A pilot study was done before sending the questionnaires to the respondents of this study, the authors gave 5 questionnaires to Air Zimbabwe employees to complete and the interview guide was also studied by these employees. The pilot study allowed the authors to establish a sequence of the questionnaire, the instructions and time taken to complete the questionnaire. After suggestions, the questionnaire was corrected and revised before being given to the actual respondents. This enabled the identification and correction of areas of weakness of the instruments before the restructured ones were dispersed to the respondents.

ETHICAL STATEMENT

The success of this research depended on the full participation from all the airline companies under study that ply the JNB route. Complete anonymity was given to all employees, customers and management who participated in this study. To instil confidence, company and individual names of respondents were not required during completion of questionnaires and interviews.

DISCUSSION OF FINDINGS

Analysis of results from questionnaires was done using SPSS and those from interviews were done using content analysis. The response rate for employees and business class travellers was 82.5 percent and 82 percent respectively. More importantly the response rate was high due to the high travel frequencies per day. This therefore enabled the authors to administer the questionnaires to the respondents without much hassles.

The major findings are that the customer retention strategies if fully implemented results in successful retention of customers as customers want airlines to provide efficient frequent flyer programs, practice service recovery and fulfil the promises made to customers, through reliable schedules and lucrative in-flight services as well as the need to settle claims on time. The following is a summary of the research findings

CURRENT AIRLINE RETENTION STRATEGIES

According to findings, the four airlines under study have been using one common loyalty program that is, the Frequent Flier Program, which is effective in retaining customers on those airlines that were said to have effective loyalty programs such as SAA which has a 67 percent rating of being very good and 33 percent of good frequent flyer program.

Results show that customer service has been shown to have positive effects on repeat purchase as shown by 58 percent of the employees who strongly agree and 24 percent of employees who agree that customer service increase repeat purchase and results in retaining customers.

Business class travellers shows that they do not rely on one airline but rely mostly on the airline that is currently offering lucrative loyalty deals as shown by 52 percent of customers who stayed for less than one year with one airline, while 38 percent of business travellers switch to other airlines even after experiencing satisfactory services. 10 percent of the respondents stayed with the airliner not by choice but because they were mandated to do so by their employer who is the government, as long as they travel on company business.

Findings revealed that 53 percent of business class travellers are more concerned with the in-flight service apart from their own safety, while 47 percent consider efficient baggage handling, ticketing and reservation services in-order to re-patronize the airline.

SERVICE RECOVERY

The airlines are making use of complaint handling systems which are dominated by complaint register 39 percent and toll-free numbers 33 percent. This trend encourages customers to complain in the event of service failure and mostly important to provide priceless advice to the organization so that it can improve on service delivery. Encouraging complaints and practicing service recovery will result in more satisfied customers that can easily be retained by the organisations.

PROMISE FULFILLMENT

Reliability of services has an effect of retaining customers since those airlines that command the highest levels of reliability are the current market leaders in the route that is, South African Airways, British Comair, South African Airlink and Air-Zimbabwe in their order. The findings on reliability are that 36 percent of the business class travelers view SAA as highly reliable and 41 percent said it's reliable.

Settlement of claims by airlines was found wanting shown by 49 percent of business class travelers who strongly disagree, 31 percent who disagree that claims were being settled on time. The employees from different airlines also indicated that their companies take time to settle claims. It can therefore be concluded that if airlines fulfill what they promise customers, satisfaction and customer retention is evident.

Claims are not getting high priority in settling for at least 28 percent of the respondents showed that claims take more than 3 months to settle in all the airlines plying the route. The period appears not reasonable and this practice makes service recovery fail to build loyalty. Therefore, it can be concluded that service recovery if well implemented results in customer retention.

CONCLUSIONS

Following the above findings, the authors made the following conclusions: It is therefore concluded that customer retention strategies are a panacea in reducing customer attrition. Business class travelers want justice to be done after experiencing a service failure through compensation and re-routing so that they do not lose much business. Compensation has been used mostly in these four airlines as customers strongly agreed 45 percent and agree 36 percent that the airlines really compensate for any cancellation of flights, lost baggage depending with the circumstances and other problems. Business class travelers also judge reliability of service in the airline based on cancellation of flights. Therefore, if airlines are reliable and service recovery well implemented, will result in customer retention.

RECOMMENDATIONS

The authors made the following recommendations:

Operating in isolation cannot encourage alliances and code sharing can help organisations to retain customers. There is need for the airlines on the Harare/Johannesburg/Harare route to fully utilise co-opetition rather than competition

There is need for airlines to provide the greatest customer service since most of the customers are educated and knowledgeable and know exactly their expectations from service providers

The airline industry can try to act quickly in responding to customer queries through empowering their employees to make quick decisions in regards to customer service issues.

Exit interviews may be undertaken with defecting customers so as to enhance service recovery and customer retention than not only encouraging complaints.

The airlines may use a hotline to receive, analyse and give prompt feedback to the customers. This will enable them to manage customer attrition.

To reduce attrition, the airlines may adopt a strategy of under promising and over delivering promises so that customers will be delighted when they get services they were not expecting.

Airlines might also take advantage of strategic alliances such as Star Alliances and One World to increase customer retention through giving customers more options to travel across the globe.

AREA FOR FURTHER RESEARCH

This study was limited to four competing airlines that ply the Harare/Johannesburg/Harare route. A sample size of only 200 customers was used out of a total population of 340000 per year on the route under study. This therefore might hinder validity of results. A similar study may be conducted for domestic airlines and a much bigger sample size maybe used in order to allow for generalization of results. The research focuses on customer attrition leaves a gap that needs to be closed on customer bonding so that airlines will find solutions on how to convert the customers they have acquired into partners or advocates through different levels of bonding. Bonding usually result in locking in the customers that they will not deflect to other competing airlines but the question not yet answered is on how to take the acquired as prisoners.

REFERENCES

Ahmad and Buttle, F. (2002) Customer retention management: a reflection on theory and practice. Marketing Intelligence and Planning, Vol. 20(3), pp. 149–61.

Asamoah, G (2012) Factors which influence the buying behavior of customers with multiple regular cards. Arcada

Athanasopoulou, P., (2009). "Relationship quality: a critical literature review and research agenda". *European Journal of Marketing,* Vol. 43 Iss: 5/6, pp. 583 – 610.

Barlow, J. & Moller , C (2008) A complaint is a gift(2nd ed) San Francisco California.

Basera, H.C,(2014) Maximising customer retention through loyalty programs in perfect competition markets: A case of fast foods retail business in Masvingo Urban Zimbabwe

Bishop, J. (2013), Public interest Advocacy Contemporary 1204-0ne Nicholas St Ottawa, Ontario KIN7 7B7

Burgos, A. Curtis, C., Zhao, J. (2011) Perceived value: How changes to frequent flyer rules and benefits can influence customer preferences. School of Hospitality and Tourism Management Florida International University.

Buttle, F (2009) Customer relationship Management Concepts and Technologies; second edition, Butterworth-Heinemenann.

Buttle, F (2008) Customer relationship Management Concepts and Technologies; second edition, Butterworth-Heinemenann.

Byju, KPM. (2013) International Marketing; Employee does matter, Department of International Business Pondicherry University Puducherry 605014 vol 3 number 5.

Campos, D.F & Nobrega K.C (2009) Importance and zone of tolerance of customer expectations of fast food services Journal of Operations and Supply chain management 2(2) pp 56-71 International conference of the production and Operations management society.

Chase, B (1994) Make your service fail safe, Sloan Management Review pp 64-79.

Chokera, F & Dube, R (2011) Relationship Marketing Strategy, 1st edition. Booklove Publishers, Zimbabwe.

Clemer &Schneider, B. (1996) Fair Service Vol 5 Greenwich JAI Press.

Crofts, C. R. (2011) “An Exploratory study of casino customer loyalty programs” UNLV Theses. Nevada, Las Vegas.

Dawkins PM & Reichheld (1990) Customer retention as a competitive weapon, Directors and Board, USA.

Day (2011) “Closing the marketing capabilities Gap” Journal of marketing Vol 75 Department of business studiesUppsala.

Deutsch, M (1985), Distributive Justice, A Social Psychological Perspective, New Haven, Yale University Press doi:10.1509/jmkg.73.1.93

Dolnicar, S., Grabler, K., Grun, B. & Kulnig, A. (2011). *Key drivers of airline loyalty*. Tourism

Eggert, A. & Ulaga, W. (2002). “Customer-Perceived Value: A Substitute for Satisfaction in Business Markets”. *Journal of Business and Industrial Marketing*, Vol. 17, No.2-3, pp. 107-118.
Eisingerich, A. B and Bell, S.J (2006) Educating customers: Its impact on consumer trust and implications for management consulting, Cambridge.
Evenson, R (2007) Customer Services Training 101: Quick and Easy Techniques that Get Great Results, 2nd Edition, AMACOM, USA
Fluss, D. (2007). Customer Retention is a priority for Mobile Phone Providers.
Gbettor, Avorga, Danku& Atatsi (2013) Physical Evidence and Quality Service Delivery in Public Hospitals International Review of Management and Marketing Vol. 3, No. 4, 2013, in Ghana.
Ghimire, A. Jibi (2012), Service quality and customer satisfaction in restaurant business. Case study of restaurant Sagarmatha in Vantaa.
Ghosh Ajit Kumar (2013), Employee Empowerment: A Strategic Tool to obtain Sustainable Competitive Advantage University of Burdwan, India, International Journal of Management Vol. 30 No. 3 Part 1 Sept 2013 95.
Grant, R. (2008) Cases to Accompany Contemporary Strategy Analysis. Blackwell Publishing Ltd.
Gronroos, C (1988), Service Quality, The Six Creteria of Good Perceived Service Quality, Review of Business 9 (Winter) 10-13.
Gronroos, C (2009) Marketing as promise management, Regaining customer management for marketing Journal of Business & Industrial Marketing 24/5/6 351–359.
Gronroos, C. (2004), “The relationship marketing process: Communication Interaction, Dialogue, Value”, Journal of Business and Industrial Marketing, Vol.19 No.2, USA.
Gronroos, C.N. (2007) *Service Management and Marketing: Customer Management in Service Competition*, John Wiley& Sons, Ltd, Chichester
Gulati, R (2007) Silo busting; How to executive on the promise of customer focus; Harvard Business Review pp 98-108.
Gummesson, E. (2008) Total Relationship Marketing management, relationship strategy, CRM and a new dominant logic for the value –creating network. Third Edition, Butterworth, UK.
Hart, C. W.L., Heskett, J. L and Sasser, E. Jr. (1990). "The Profitable Art of Service Recovery". *Harvard Business Review*, Vol. 68, No.4, pp. 148-156.
Hashed Ahmed Nasser, Salniza Bt Md. Salleh, Hamid mahmood Gelaidan (2012) Factors Affecting Customer Satisfaction of Mobile Services in Yemen. American International Journal of Contemporary Research Vol. 2 No. 12;
Heathfield, S.M. (2012). Empowerment Definition and Examples of Empowerment. Retrieved from: http://humanresources.about.com/od/glossarye/a/empowerment_def.htm.
Hirschman, A.O. (1970). *Exit voice and loyalty: Responses to Decline in Firm, Organizations, and States.* Cambridge, MA: Harvard University Press.
Hill, C. W.L., & Jones, G. R., (1998). *Strategic Management: An Integrated Approach.* 9th Edition. South-Western Cengage Learning., USA.
Hoffman, D, Bateson, J and Wood, E, Kenyon, J (2009), Services, 1st Edition, Linden Harris, China.
Hoffman, K.D. and Bateson, J.E.G. (2011). Services Marketing: Concepts, Strategies and Cases. 4th Edition, South-Western. Cengage Learning.
Jobber, D, (2004), Principles & Practice of Marketing, 4th Edition, McGraw-Hill, UK.
Jobber, D (2010), 6th Edition, Principles and Practices of marketing; Maidenhend Berkshire McGraw-Hill.
Johnston, R (1995), Service Failure & Recovery Impact, Attribute and Processes, JAI Press.
Jones, T.O., and Sasser, Jr, W. E., (1995). “Why Satisfied Customers Defect”. *Harvard Business Review*, Vol. 73, pp. 88-99.
Kamin, M (2012) Customer Service Training, 2nd Edition, Elsevir Ltd, USA.
Kandampully, J and Kim (2010), Exploring customer loyalty following service recovery; The relationship of perceived justice, commitment, trust and loyalty, Prentice-Hall.
Kandampully, JS (2007) Service management. The new paradigm in hospitality, Prentice-Hall.

Karadeniz, PH.D. Mustafa, NAV. CDR. (2009) The importance of creating a successful corporate identity and corporate image for enterprises in marketing management Journal of Naval Science and Engineering Vol. 5, No.3, pp. 1-15.

Karam, K A, da Silva, J F, Schmidt, F H, Teixeira, J M. Carneiro, M (2009). Customer Defection: Insights from A Major Brazilian Newspaper Publisher.

Keaveney, S. M. (1995) Customer switching behaviour in service industries: an exploratory study. *Journal of Marketing*, Vol. 59, pp.82.

Kheng, Mahamad, Ramayah, Mosahab (2010) The Impact of Service Quality on Customer Loyalty: A Study of Banks in Penang, Malaysia International Journal of Marketing Studies Vol. 2, No. 2; Phoenix, USA.

Kotler, P (2002), Principles of Marketing 3rd Edition European Edition, Prentice Hall, India.

Kotler, P and Keller KL (2012) Marketing Management 15th Edition Pearson Education Ltd.

Kotler, P, (1993), Marketing: An Introduction, Prentice Hall International, New Jersey.

Kotler, P. & Armstrong, G. (2008). Principles of marketing (12th ed.). Upper Saddle.

Kotler, P. & Keller, K.L. (2006). Marketing management (12th ed.). Upper Saddle.

Kotler, P. and Armstrong, G. (2010). Principles of marketing. India: Pearson Education Ltd.

Kotler, P. and Keller, K. L. (2009) *Marketing management* (13th end). New Jersey:

Kurtz, D (2002), Services Marketing, Himal Impression, New Delhi, India.

Lambin, (2012), Market driven management; 2nd Edition.

Lind, E & Tyler R (1988), The Social Psychology of Procedural Justice, New York Plenum.

Liu, Y., & Yang, R. (2009). Competing loyalty programs: Impact of market saturation, market share, and category expandability. *Journal of Marketing, 73 (1),* 93-108.

Lombard, M.R. (2009). Customer retention strategies implemented by fast food outlets in the Gauteng, Western Cape, and Kwazulu-Natal provinces of South Africa-. *African Journal of Marketing Management.* Vol (1) Management, 30, 51-62.

Lovelock, C. and Wirtz, J. (2007). *Service Marketing: People, technology, Strategy (6th ed),* Pearson Prentice Hall, New Jersey.

Mahajar, AJB, & Yunus, JBM (2010) The relationship between customer commitment and satisfaction on the loyalty card program of department stores in Malaysia.

Mahmud, A. Jusoff, K& Hadijah, ST, (2013) The Effect of Service Quality and Price on Satisfaction and loyalty of Customer of Commercial Flight Service Industry.

Marković, S. Raspor. S, Šegarić, K: (2010) 'Does Restaurant Performance Meet Customers' Tourism and Hospitality Management, Vol. 16, No. 2, pp. 181-195, 2010 Opatija, Croatia.

Mascareigne, J (2009) Customer retention –Case studies of agencies in the professional service sector. Lulea University of Technology.

McCarthy, EJ and Perreault, W.D Jr (2011) 15th Edition, Basic Marketing, Irwin.

McGuinn, C. (2009), The future of customer service, Irish Marketing Review 20 (1) Mercury Publications.

Molapo, Motshedisi Elizabeth & Mukwada Geoffrey (2011) University Of The Free State Private Bag X 13, Phuthadijhaba, 9866 South Africa *International Journal Of Business, Humanities And Technology Vol. 1 No. 2.*

Morgan, R.M. and Hunt, S.D. (1994) The commitment trust theory of relationship marketing. *Journal of Marketing* 58, 20± 38.

Mostert, P.G., De Meyer C.F. &. Rensburg, L.R.J (2009), The influence of service failure and service recovery on airline passengers' relationships with domestic airlines: an exploratory study. Southern African Business Review Volume 13 Number 2. *Papers/Capstones.* Paper 1096.

Mostert, P. De Meyer, C (2010), *Building customer relationships as retention strategy in the South African domestic passenger airline industry.*

Moyo, Talak & Makore, Albert (2013) Customer Retention Strategies by mobile phone Service providers in Zimbabwe: Case of Masvingo City.

Murad, M.M.M (2011) Direct and Marketing factors affecting customer switching intentions. An empirical study on bank of Palestine and Cairo Amman Bank in Gaza Strip.
National transport Policy. Ministry of Transport and communication (2012-2016).
Nilsson & Sandberg (2010) Building customer loyalty by service recovery-turning frustration into sensation, University of Gothenburg.
Oliver, R (1997), A Cognitive Model of the Antecedence and Consequences of Satisfaction Decisions, Journal of Marketing Research, 17, September, 46, Greenwich, JAI Press.
Pal Piyali (2011) Customer retention through service recovery; International Journal of Research in commerce and Management Vol, 2 issue 12.
Parasuraman, A., Valarie A., Zeithaml and Leonard L., (1985). "A Conceptual Model of Service Quality and Its Implications for Future Research". *Journal of Marketing,* Vol. 49, No. 4, pp. 41-50.
Payne, Adrian (2006) A handbook of Customer Relationship Management: Achieving excellence in customer management; Heinemann, Oxford.
Ramachandran, S. (2006). Top 7 key skills for customer service jobs. Available: http://top7business.com/?Top-7-Key-Skills-For-Customer-Service-Jobs&id=2200 Accessed April 10, 2014.
Ramakrishnan, K. (2006). Customer retention: the key to business performance (online).
Reicheld, F. (1996). "Loyalty Effect: The Hidden Face behind Growth, Profits, and Lasting Value". *Harvard Business School Press*.
Reichheld, F. F. (1996) The Loyalty Effect: The Hidden Force Behind Growth, Profits, and Lasting Value. Boston, MA: Harvard Business School Press.
Reichheld, F.F. and Sasser, E. (1990), Zero defections: quality comes to services", *Harvard Review.*
Reinekoski I (2009) The Pursued Benefits of Customer Loyalty Programs, River, NJ: Prentice Hall.
Roberts, K., Varki, S., and Brodie, R., (2003). "Measuring the quality of relationships in consumer services: an empirical study". *European Journal of Marketing*, Vol. 37 Iss: 1/2, pp.169 – 196.
Robinson, D. (2011) Customer Loyalty Programs: Best Practices. Haas School of Business, Schloaoplp Eoefn Bruasninteas Us N Iivnetresrintay Toifo Nteaclh Mnaorlkoegtyi N G.
Saunders, M, Lewis, P., & Thornhill, A. (2009). Research Methods for Business Students (5th ed.). Harlow, United Kingdom: FT Prentice Hall.
Shanin, A & Ghasemaghaei, M (2010) Service Poka Yoke, Department of Management, University of Isfahan Iran.
Sharma, K., (2009) *Marketing Management. How to Create, Win and Dominate Markets*. India: Global India Publications.
Sharma, K., (2009). *Marketing Management. How to Create, Win and Dominate Markets*. India: Global India Publications.
Sharman, R, Raghav H, Raghu R (2009), Exploring the Grand Challenges for the Next Generation E-business, Phoenix, USA.
Shepherd, D., (1999). "Service Quality and the Sales Force: A Tool for Competitive Advantage". *The Journal of Personal Selling and Sales Management*, Vol. 19, No. 3 pp. 73-82.
Sheth and Parvatiyar (2002) Customer Relationship management: Emerging practice, process and discipline: Journal of economics and social research 3(2).
Shukla, L Dr (2013) A Case Study on Customer Acquisition and Retention on the Airline Service Industry. India.
Skaalsvik, H (2013) Understanding Service Failures: Suggesting a Competency Perspective. J Tourism Res Hospitality 2:2.
Skinner, D, Von Essen, R. Mersham (2008) 8^{th} ed, Handbook of Public relations SA Prentice Hall.
Steingrímsdóttir, H (2011) The Relationship between Internal Communication & Job Satisfaction Copenhagen Business School Master's Thesis.
Sulrujlal, J, Dhurup, M (2011) Customer retention strategies in fitness and health centers, Gauteng, South Africa.

Tax, SS & Brown, SW (1998), Customer Evaluation of Service Complaint Experiences, Journal of Marketing, 62 (April), 60-76.
Tokman, M., Davis, L. M., and Lemon, K. N., (2007). "The WOW factor: Creating value through win-back offers to reacquire lost customers". *Journal of Retailing*, Volume 83, Issue 1, pp 47–64.
Uncles, M. D., Dowling, G. R. and Hammond, K. (2003). Customer loyalty and customer loyalty University of California, Berkeley.
Weil, H. B (2010) Why markets make mistakes MIT Sloan School of Management, Cambridge, Massachusetts, USA Vol. 39.
Wen, B, & Chi, C.G. (2012) International Journal of Contemporary Hospitality Management.
Wilson, A. (2006) Marketing research: An intergrated Approach 2nd Edition Prentice Hall.
Wolnik, K and Svraka, A (2012) A case study investigating in customer defection. with Multiple Regular Customer Cards, Degree Thesis International Business.
Worsfold, K, Worsfold, J and Bradley, G (2010) Interactive effects of proactive and reactive service recovery strategies: The case of rapport and compensation: International Journal of research in commerce and management.
Worthington, S. and Fear, J. (2009). The Hidden Side of Loyalty Card Programs. Australian Centre for Retail Studies.
Zeithaml and Berry (1985). "A Conceptual Model of Service Quality and Its Implications for Future Research", Journal of Marketing, vol. 49.
Zeithaml, V.A and Bitner, M. J. (2003), Services Marketing: Integrating Customer Focus across the Firm, 3(Ed.) New York: McGraw-Hill Irwin.
Zeithaml, V.A., Bitner, M.J., Gremler, D.D. (2006), Service Marketing. Integrating Customer Focus across the Firm. Singapore: Mcgraw Hill.
Zeithaml, V.A., Bitner, M.O., and Gremler, D.E. (2009) *Services Marketing: Integrating Customer Focus Across the Firm*, Mcgraw-Hill/Irwin, New York.
Zeithmal, A (1993), The Nature and Determinants of Customer Expectation of Service, Journal of the Academy of Marketing Science, 21 (1), 1-12.
www.airlineupdate.com (accessed 25/03 2014)
www.airzimbabwe.aero (accessed 25/03 2014)
www.comair.co.za (accessed 25/03 2014)
www.flyairlink.com (accessed 25/03 2014)
www.flysaa.com (accessed 25/03 2014)
www.wikipedia.com (accessed 25/03 2014)

APPENDICES

TABLE 1
AIRCRAFT OPERATORS WITH VALID CERTIFICATES IN ZIMBABWE

Name of Operator	Ownership Status	Operations
Air Zimbabwe	Government	Scheduled passenger airline
Avient Aviation	Private	Cargo Airline
Solenta Aviation	Private	Scheduled passenger airline
Debon Air	Private	Commercial Charter Operator
Hours of Freedom	Private	Commercial Charter Operator
Excecutive Air	Private	Commercial Charter Operator
Zambezi Air Charter	Private	Commercial Charter Operator
W.G Raynor	Private	Commercial Charter Operator
Zambezi Helicopters	Private	Commercial Charter Operator
Wheelson Air	Private	Commercial Charter Operator
Delta Cooperation	Private	Commercial Charter Operator
Sefofane Wilderness	Private	Commercial Charter Operator
Mbembesi Air	Private	Commercial Charter Operator
Guthrie Aviation	Private	Commercial Charter Operator
Central Aviation	Private	Commercial Charter Operator
HuniHalsteds	Private	Commercial Charter Operator
Medical Air Rescue	Private	Commercial Charter Operator

Source: (CAAZ, Department of flight safety standards, 2013)

TABLE 2
FREQUENT FLYER PROGRAMS

Airline	Frequent flyer program	Source
South African Airways	Voyager	www.flysaa.com
British Airways Comair	Executive club	www.comair.co.za
Air Zimbabwe	Rainbow club	www.airzimbabwe.aero
South African Airlink	Voyager	www.flyairlink.com

FIGURE 1
MARKET SHARE FOR JNB ROUTE