

ERILYIANA BINTI AMRAN

BTMM

2015

UTeM

EXPLORING THE EFFECT OF PROMOTIONAL  
MIX ELEMENTS ON BRAND AWARENESS IN  
AIRLINE INDUSTRY

ERILYIANA BINTI AMRAN

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

EXPLORING THE EFFECT OF PROMOTIONAL MIX ELEMENTS ON BRAND  
AWARENESS IN AIRLINE INDUSTRY

ERILYIANA BINTI AMRAN

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

‘I hereby acknowledge that I have read this and in my opinion this work sufficient in terms of scope and quality for the award of a Bachelor Degree In Technopreneurship’

Signature:

Supervisor name: Ms. Sitinor Wardatulaina Binti Mohd Yusof

Date:

Signature:

Panel name: Dr. Juhaini Binti Jabar

Date:

EXPLORING THE EFFECT OF PROMOTIONAL MIX ELEMENTS ON BRAND  
AWARENESS IN AIRLINE INDUSTRY

ERILYIANA BINTI AMRAN

The report submitted in partial fulfilment of the requirements for the Bachelor Degree of  
Technology Management (High Technology Marketing)

Faculty of Technology Management and Technopreneurship

Universiti Teknikal Malaysia Melaka

JUNE 2015

“I hereby declare that the work of this research is mine except for the quotations summaries that have been duly acknowledged”

Signature:

Name: ERILYIANA BINTI AMRAN

Date:

## DEDICATION

Special thanks to my beloved parents:

Amran Bin Latip

Zalina Binti Baharuddin

Thanks to:

My family members

My beloved friends

My all lecturers

My panel:

Dr. Juhaini bt. Jabar

Special thanks to my beloved supervisor:

Miss Siti Nor Wardatulaina bt. Mohd Yusof

Special thanks for all because always giving me the moral support during doing the research.

## ACKNOWLEDGEMENT

First and foremost, I am most grateful to Allah S.W.T for giving me the strength to complete my final year project research of my final year. Alhamdulillah with His Blessing and finally I was able to complete my final year project research. I would like to thank my supervisor, Miss Siti Nor Wardatulaina bt. Mohd Yusof for her support, advice and guidance throughout the entire preparations of this dissertation. I am greatly touched by the commitments and dedications her have shown. Without the support and guidance, I would not be able to complete this first research.

I also would like to thank my beloved family for support and understanding throughout the course of the completion of this research. Their endless support had been invaluable and was the force that pushed me to go on.

I also would like to thank to the other lecturers who direct or indirect help me, give me some guidance throughout my studying in UTeM especially my panel Dr. Juhaini Binti Jabar. Not forgetting also my fellow course mates who had provide assistance and support encouragement throughout the completion of this research.

Last, I truly feel happy when my first research was finished and every contribution made from various parts means a lot to me in this research.

## ABSTRACT

Nowadays, the rate of the consumer to buy the product or service is based on awareness of a brand product. Consumers are more likely to know more about the product before they decide to buy the product or services. Promotion of the product in the market can develop the brand awareness among consumers. Not only that, the successfulness of the promotional tools can give the big impact on the consumers to use the products. Therefore, the purpose of this study was to explore and analyze the effect of promotional mix elements on brand awareness. This study employs a quantitative method of using a sample of 150 users make a decision the effect of promotional mix elements on brand awareness. In addition, researchers will be using Statistical Package for Social Science (SPSS) version 15.0 for analysis of user feedback. The originality that comes out from this research is this study explored the brand awareness in Malaysia airline industry to help the aircraft industry identify the promotional mix elements in order to develop the brand awareness.



## **ABSTRAK**

*Pada masa kini, kadar pengguna untuk membeli produk atau perkhidmatan adalah berdasarkan kesedaran pengguna terhadap sesuatu jenama produk tersebut. Pengguna lebih cenderung untuk mengetahui produk dengan lebih mendalam sebelum mereka membuat keputusan untuk membeli. Promosi produk di pasaran boleh membangunkan kesedaran jenama di kalangan pengguna. Bukan itu sahaja, kejayaan sesuatu elemen campuran promosi boleh memberi kesan yang besar kepada pengguna untuk menggunakan produk. Oleh itu, tujuan kajian ini adalah untuk meneroka dan menganalisis kesan elemen campuran promosi mengenai kesedaran jenama. Kajian ini menggunakan pendekatan kaedah kuantitatif iaitu dengan menggunakan sampel serami 150 orang pengguna dalam membuat keputusan faktor persepsi pengguna terhadap pilihan jenama melalui kesedaran jenama. Selain itu, penyelidik akan menggunakan Statistical Package for Social Science (SPSS) version 15.0 untuk membuat analisa dari maklum balas pengguna. Keaslian yang keluar dari kajian ini ialah kajian ini diterokai kesedaran jenama dalam industri penerbangan Malaysia untuk membantu industri pesawat mengenalpasti elemen campuran promosi dalam usaha untuk membangunkan kesedaran jenama.*

## TABLE OF CONTENT

CHAPTER	TITLE	PAGES
	<b>DECLARATION</b>	<b>ii</b>
	<b>DEDICATION</b>	<b>iii</b>
	<b>ACKNOWLEDGEMENT</b>	<b>iv</b>
	<b>ABSTRACT</b>	<b>v</b>
	<b>ABSTRAK</b>	<b>vi</b>
	<b>TABLE OF CONTENT</b>	<b>vii-x</b>
	<b>LIST OF TABLE</b>	<b>xi-xiii</b>
	<b>LIST OF FIGURE</b>	<b>xiv-xv</b>
<b>CHAPTER 1</b>	<b>INTRODUCTION</b>	
	1.1 Research background	1-3
	1.2 Problem statement	4
	1.3 Research question	5
	1.4 Research objective	6
	1.5 Scope	7
	1.6 Significant of the study / Importance of the study	8
	1.7 Summary	9

**TABLE OF CONTENT (Continue)**

<b>CHAPTER</b>	<b>TITLE</b>	<b>PAGES</b>
<b>CHAPTER 2</b>	<b>LITERATURE REVIEW</b>	
	2.1 Overview of Airline Industry	10-13
	2.2 Promotional mix	13-14
	2.3 Brand awareness	15-16
	2.4 Promotional mix elements	
	2.4.1 Brand advertising	17-19
	2.4.2 Sales promotion	20-22
	2.4.3 Public relations	23-25
	2.5 Hypothesis	
	2.5.1 Hypothesis 1	25
	2.5.2 Hypothesis 2	26
	2.5.3 Hypothesis 3	26
	2.6 Theoretical Framework	27-28
	2.7 Summary	29
<b>CHAPTER 3</b>	<b>RESEARCH METHODOLOGY</b>	
	3.1 Introduction	30-31
	3.2 Research Design	32
	3.3 Data Collection	33
	3.4 Time Horizon	34
	3.5 Data Analysis	34-35
	3.5.1 Reliability	36
	3.5.2 Correlation	37
	3.5.3 Multiple regression	37
	3.6 Pilot testing	38
	3.7 Construct measurement	38
	3.7.1 Nominal scale	39
	3.7.2 Ordinal scale	40

**TABLE OF CONTENT (Continue)**

<b>CHAPTER</b>	<b>TITLE</b>	<b>PAGES</b>
	3.7.3 Likert scale	41
	3.8 Summary	41
<b>CHAPTER 4</b>	<b>DATA ANALYSIS AND FINDING</b>	
	4.1 Introduction	42-43
	4.2 Reliability analysis	43-44
	4.2.1 Cronbach's Alpha for 50 respondents	45
	4.2.2 Cronbach's Alpha for 150 respondents	46-49
	4.3 Analysis of the main survey	49
	4.3.1 Gender	50
	4.3.2 Age	51-52
	4.3.3 Nationality	52-53
	4.3.4 Highest level of education	53-54
	4.3.5 Marital status	54-55
	4.3.6 Monthly income	56
	4.3.7 Profession	57
	4.3.8 Frequency of use	58-59
	4.3.9 Main purpose	59-60
	4.3.10 Type of airlines companies preferred	60-61
	4.4 The correlation between independent variables and dependent variable	62-63
	4.4.1 Validity for pilot test (50 respondents)	64-65
	4.4.2 Validity for 150 respondents	65-66
	4.5 Multiple regression analysis (MRA)	66
	4.5.1 Effect of promotional mix elements on brand awareness in Airline industry	67
	4.5.2 Regression analysis	68

**TABLE OF CONTENT (Continue)**

<b>CHAPTER</b>	<b>TITLE</b>	<b>PAGES</b>
	4.5.3 ANOVA analysis	69-70
	4.5.4 Regression Coefficient and Hypothesis Testing	70-75
	4.6 The most effectiveness promotional mix elements in brand awareness	76-77
<b>DISCUSSION AND CONCLUSIONS</b>		
<b>CHAPTER 5</b>	5.1 Discussion	78-79
	5.1.1 Research objective 1	80
	5.1.2 Research objective 2	81
	5.1.3 Research objective 3	82
	5.2 Conclusions	83
	5.3 Research limitation	84
	5.4 Recommendation for future research	85-86
	<b>REFERENCES</b>	<b>87-92</b>
	<b>APPENDICES (Literature and gantt chart)</b>	<b>93-98</b>

## LIST OF TABLE

TABLE	TITLE	PAGES
Table 2.1	Factor analysis and reliability test on service s branding's dimensions	13
Table 2.2	Stage of product awareness	14
Table 4.2.1	Reliability Test of All Variables	45
Table 4.2.2	Reliability Test of dependent variable, brand awareness	46
Table 4.2.3	Reliability Test of independent variable, brand advertising	46
Table 4.2.4	Reliability Test of independent variable, sales promotion	47
Table 4.2.5	Reliability Test of independent variable, public relations	47
Table 4.2.6	Reliability Test of All Variables	48
Table 4.2.7	Reliability Test questions in dependent variable and independent variables	49

**LIST OF TABLE**  
**(Continue)**

Table 4.3.1	Respondent's gender	50
Table 4.3.2	Respondent's age	51
Table 4.3.3	Respondent's nationality	52
Table 4.3.4	Respondent's level of education	54
Table 4.3.5	Respondent's marital status	55
Table 4.3.6	Respondent's monthly income	56
Table 4.3.7	Respondent's profession	57
Table 4.3.8	Respondent's frequency of use	58
Table 4.3.9	Respondent's main purpose	59
Table 4.3.10	Respondent's airlines companies preferred	60
Table 4.4	Correlation analysis	62
Table 4.4.1	Validity result for 50 respondents (pilot test)	64
Table 4.4.2	Validity result for 150 respondents	65-66
Table 4.5.1	Effect of promotional mix elements on brand awareness	67
Table 4.5.2	Regression analysis	68
Table 4.5.3	ANOVA analysis	69
Table 4.5.4 (a)	Regression coefficient analysis	70

**LIST OF TABLE**  
**(Continue)**

Table 4.5.4 (b)	Result of the hypothesis	71
Table 4.6	The most effectiveness promotional mix element in brand awareness	76
Table 1	List of appendices	93



## LIST OF FIGURE

FIGURE	TITLE	PAGES
Figure 2.2	The awareness pyramid	16
Figure 2.6	Theoretical framework	28
Figure 3.7.1	Figure of nominal scale's question	39
Figure 3.7.2	Figure of ordinal scale's question	40
Figure 3.7.3	Figure of likert scale's question	41
Figure 4.3.1	Percentage of respondent's gender	50
Figure 4.3.2	Percentage of respondent's age	51
Figure 4.3.3	Percentage of respondent's nationality	52
Figure 4.3.4	Percentage of respondent's level of education	53
Figure 4.3.5	Percentage of respondent's marital status	54

**LIST OF FIGURE**  
**(Continue)**

Figure 4.3.6	Percentage of respondent's monthly income	56
Figure 4.3.7	Respondent's profession	57
Figure 4.3.8	Percentage of respondent's frequency of use	58
Figure 4.3.9	Percentage of respondent's main purpose	59
Figure 4.3.10	Percentage of respondent's airlines companies preferred	60

## CHAPTER 1

### INTRODUCTION

In this chapter an introduction to the study is provided, the research background, problem statement, research question, research objective, scope and significant of the study.

#### 1.1 Research background

Airlines industry is very important industry in every country to bring the tourist come to the country. The good service that every company in airline industry that give to the customers can bring the positive impact on the awareness of the services. And this view was supported by Gustafsson, Fredrik, and Bo (1999), customer demands and expectations are altering in today's world, in the airline industry a lot of the airline companies have lost track of the exactly needs and wants of their passengers and are sticking to the out-dated views of what airlines services are all about.

Airline companies are particularly conventional airlines on experiencing aggressive competition due to the emergence of low carriers. Companies in airline industry are very competition instead to attract customers to use their services. The companies in airline industry need to train their employee how they will get the customers' attention. However, companies in airline industry are struggle to attract and retain more customers, their employ are primary weapon of choice, airlines realise that competing solely on price is a no-win proposition (Tseng & Chiu, 2008).

The bad publicity on the companies' product or service can affect the perception on the brand. Malaysia Airlines has lost two planes carrying 537 people, in the space of five months. The crash took place at the high of the holiday travel season for Europeans. This publicity from the tragedy happened on Malaysia Airline give the reflecting the loss of consumer confidence and effect on awareness of the brand (Gaurav & Jeffrey, 2014).

Promotion is one of the key factors in the marketing mix and has a key role in market success. Promotion used to ensure customers are aware of the products or services that companies are offering. The promotion mix is combination of the different channels that can be used in order to develop the brand awareness. The example of the different channels are; advertising, direct marketing, public relations and public relations, personal selling, sponsorship and sales promotion. There is evidence speaking for no long-term favourable effects for established brands. The prime reason is that the price promotion most of the times attract infrequent buyers and that the small number of attracted new buyers has a low tendency to repeat the purchase (Dawes, 2004).

Therefore, the purposes of the study are; firstly, is to explore the relationship between promotional mix elements and brand awareness. Secondly, to determine the promotional mix elements effect on brand awareness in airline industry. Thirdly, to identify the most important promotional mix elements effect on brand awareness in airline industry.

## 1.2 Problem Statement

Due to the fast change in the global market and increase in competition, management of brand has become importance in order to develop or increase the brand awareness. By this time, there are many companies involved in airline industry, they compete among themselves in order to attract the consumers choose their service by using the promotion that have been chose by them.

Companies do not know the best promotional mix elements use to promote the products or service; it can give the loss in companies' profit. The results that marketer actually achieves with advertising, sales promotion, and public relations are very uneven. It is often said that half of the money spent on these activities is wasted, but that most managers do not know which half (Perreault, Cannon, & McCarthy, 2011).

Consumers are not necessarily maintaining the product or service that they have been purchase through the promotion that they attracted. There is evidence from Alvarez (2005) says that customers who purchase the promoted brand due to attraction of the promotional activity may later go back to their favourite brand when purchasing a product later. Companies should know the importance of the brand awareness to their consumers recognize and recall their brand in the next purchase. From this problem, we can examine what promotional mix elements can be use in order to develop and increase of the brand awareness.

There have been very few studies which focused on promotional mix elements use in the airline industry which offer the guidelines for airline companies in Malaysia how they can make a decision in order to develop and increase the brand awareness of their services to consumers.

### 1.3 Research Question

According to the problem statement that we find out from the secondary data, we find the question that related to the problem statements, which are:

1. What are the customer's profiles in airline industry?
2. What are the promotional mix elements in brand awareness?
3. What are the most effectiveness promotional mix elements in brand awareness?

## 1.4 Research Objective

This study has to do with the importance of promotional mix elements on brand awareness in order to increase the profit of the companies. Keller (2003) stated that brand awareness can be referred to as the ability of consumers to distinguish a brand under various conditions. We find out the objective of this thesis, which is:

1. To identify the customer's profile in airline industry.
2. To determine the promotional mix elements in brand awareness.
3. To analyse the most effectiveness promotional mix elements in brand awareness.

To gain the information and this objective, we need to get the feedback from the consumers for some question that may ask by us in the questionnaires. We distribute the questionnaires; we will do a research from the internet source regarding the market environment and consumer reaction in the market.