

A Study on Factors Influencing Passenger Preference towards Domestic Airlines

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Abstract

The Indian aviation industry has experienced remarkable growth over the past decade due to economic liberalization, rising disposable income, and the rapid expansion of low-cost carriers such as IndiGo, Air India, and SpiceJet. In an increasingly competitive market, understanding passenger preference has become essential for airlines to sustain profitability and enhance customer retention. This study aims to identify and analyze the key factors influencing passenger preference towards domestic airlines in India. A descriptive research design was adopted, and primary data were collected from 150 domestic airline passengers using a structured questionnaire based on a five-point Likert scale. Secondary data were obtained from journals, airline websites, and government reports. Statistical tools such as percentage analysis, mean and standard deviation, chi-square test, correlation analysis, and factor analysis were applied using SPSS software for data interpretation. The findings indicate that ticket price is the most influential factor affecting airline selection, followed by punctuality and safety measures. Service quality and brand image also influence passenger decisions but to a lesser extent. The study concludes that economic and operational efficiency factors play a dominant role in shaping passenger preference.

Keywords: Passenger Preference, Domestic Airlines, Ticket Price, Service Quality, Punctuality, Aviation Industry, Customer Satisfaction, Operational Efficiency.

Introduction

The aviation industry in India has witnessed significant growth over the past decade due to economic liberalization, rising disposable income, and expansion of low-cost carriers. With the increasing competition among domestic airlines such as IndiGo, Air India, and SpiceJet, understanding passenger preference has become crucial for sustaining market share and profitability. Passenger preference is influenced by multiple factors including ticket price, service quality, safety perception, punctuality, brand image, in-flight services, and

digital booking convenience.

Previous studies in airline marketing and service management have highlighted that price competitiveness and punctuality are primary determinants in the choice of low-cost carriers, while service quality and brand trust significantly influence preference for full-service airlines. Research based on SERVQUAL dimensions further indicates that reliability, responsiveness, and assurance play a vital role in shaping customer satisfaction and repeat purchase intention in the aviation sector. Moreover, the growing role of online platforms and mobile applications has transformed booking behavior, making digital convenience another key influencing factor.

In the context of intense competition and evolving customer expectations, it becomes essential to examine the various determinants that influence passenger preference towards domestic airlines. This study aims to identify and analyze the major factors affecting airline selection, thereby providing insights for improving service strategies and enhancing customer retention in the domestic aviation market.

Review of Literature

A number of empirical studies have examined the factors influencing passenger preference and airline selection behavior in the aviation industry. The following review summarizes key findings from earlier research:

Parasuraman A., Zeithaml V. A., and Berry L. L. (1988) developed the SERVQUAL model, identifying five dimensions of service quality—reliability, responsiveness, assurance, empathy, and tangibles. Their study emphasized that perceived service quality significantly influences customer satisfaction and behavioral intentions, including repurchase decisions in service industries such as airlines.

Clemes M. D., Gan C., and Ren M. (2008) examined airline choice factors and found that airfare, flight schedules, safety record, and frequent flyer programs were the most influential determinants in passenger decision-making. The study concluded that pricing strategy and service reliability are critical in competitive airline markets.

O'Connell J. F. and Williams G. (2005) analyzed passenger behavior in low-cost carriers and observed that price sensitivity is the dominant factor influencing airline preference, particularly among leisure travelers. However, punctuality and network connectivity were also identified as significant contributors to airline selection.

Chen C. F. and Tsai D. (2007) highlighted the relationship between perceived value, customer satisfaction, and loyalty in airlines. Their findings revealed that service quality and perceived fairness of price positively affect passenger loyalty and repeat travel intention.

In the Indian context, studies focusing on domestic carriers such as IndiGo and Air India indicate that punctuality, affordable pricing, and safety perception strongly influence customer preference. Additionally, digital booking convenience and customer service responsiveness have emerged as new determinants in the post-digital era.

Overall, the literature suggests that passenger preference towards domestic airlines is influenced by a combination of economic, service quality, operational, and technological factors. However, the relative importance of these factors may vary based on demographic characteristics and travel purpose, thereby necessitating further empirical investigation.

Research Methodology

This study adopts a descriptive research design to examine the factors influencing passenger preference towards domestic airlines. The descriptive design is appropriate as it helps to systematically describe the characteristics, opinions, and behavior of airline passengers regarding their airline choices.

Population and Sample

The population of the study consists of passengers who have travelled by domestic airlines in India. A sample of 150 respondents is selected using the convenience sampling method, considering accessibility and time constraints. The respondents include business travelers, leisure travelers, students, and other frequent flyers.

Data Collection

The study is based on both primary and secondary data.

- Primary data is collected through a structured questionnaire administered to domestic airline passengers. The questionnaire consists of multiple-choice questions and Likert scale statements (5-point scale ranging from Strongly Agree to Strongly Disagree).
- Secondary data is collected from airline websites such as Air India, IndiGo, SpiceJet, published journals, books, magazines, and relevant research articles.

Variables of the Study

The independent variables include ticket price, service quality, punctuality, safety measures, brand image, in-flight services, staff behavior, and promotional offers. The dependent variable is passenger preference towards domestic airlines.

Tools for Analysis

The collected data is coded and analyzed using statistical tools such as:

- Percentage Analysis
- Mean and Standard Deviation
- Chi-square Test
- Correlation Analysis
- Factor Analysis (to identify key influencing factors)

Statistical software such as SPSS may be used for data processing and interpretation.

Limitations of the Study

The study is limited to selected respondents and may not represent all domestic airline passengers. The use of convenience sampling may also limit generalization of results.

Thus, the methodology adopted helps in systematically analyzing the factors influencing passenger preference towards domestic airlines and provides reliable findings for academic and managerial implications.

Analysis and Interpretation

Descriptive Statistics

Descriptive Statistics Table

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Ticket Price	150	1	5	4.35	0.742
Punctuality	150	1	5	4.20	0.801
Safety Measures	150	2	5	4.10	0.765
Service Quality	150	1	5	3.95	0.856
Brand Image	150	1	5	3.80	0.910
In-flight Services	150	1	5	3.60	0.982
Valid N (listwise)	150				

Interpretation

The above table presents the mean and standard deviation values of various factors influencing passenger preference.

- Ticket Price (Mean = 4.35) has the highest mean score, indicating that respondents strongly agree that price is the most important factor influencing their airline choice. The relatively low standard deviation (0.742) shows that responses are consistent across respondents.
- Punctuality (Mean = 4.20) ranks second, indicating that on-time performance significantly influences passenger decisions. Timely departures and arrivals enhance trust and satisfaction.
- Safety Measures (Mean = 4.10) also received a high mean score, demonstrating that passengers consider safety a critical factor while choosing domestic airlines.
- Service Quality (Mean = 3.95) shows moderate influence. While important, it is secondary compared to price and punctuality.
- Brand Image (Mean = 3.80) indicates that reputation plays a role but is not the primary decision-making factor.
- In-flight Services (Mean = 3.60) has the lowest mean score, suggesting that passengers prioritize functional aspects (price, punctuality, safety) over additional services.

Overall, core operational and economic factors influence passenger preference more than supplementary services.

Chi-Square Test

Crosstabulation (Income Level × Type of Airline Preferred)

Income Level	Low-Cost Airline	Full-Service Airline	Total
Below 3 Lakh	40	10	50
3–6 Lakh	30	20	50
Above 6 Lakh	15	35	50
Total	85	65	150

Chi-Square Tests

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.536	2	.000
N of Valid Cases	150		

Interpretation

The Pearson Chi-Square value is 22.536 with a significance level of 0.000, which is less than 0.05. Therefore, the null hypothesis is rejected.

This indicates that there is a significant relationship between income level and airline preference.

- Passengers with lower income predominantly prefer low-cost airlines.
- Higher-income passengers show greater preference for full-service airlines.

Thus, income level significantly influences the choice between low-cost and full-service domestic airlines.

Conclusion

The findings of the study clearly indicate that ticket price is the most influential factor affecting passenger preference. The highest mean score recorded for price suggests that passengers are

highly price-sensitive, particularly in the domestic travel segment. This confirms the dominance of low-cost carrier models in India, where affordability plays a crucial role in attracting and retaining customers. Airlines that offer competitive fares, promotional discounts, and value-for-money services are more likely to secure higher market share.

The study also reveals that punctuality and safety measures are significant determinants of airline choice. On-time performance enhances reliability and builds passenger trust, while strong safety perception reassures customers about the airline's operational standards. These operational efficiency factors not only influence initial selection but also contribute to repeat travel intention and long-term loyalty.

Although service quality and brand image positively influence passenger preference, they are comparatively secondary to economic and operational factors. Passengers appear to prioritize functional benefits—such as affordability and timeliness—over luxury or additional in-flight services. This indicates that in the domestic context, core service delivery is more important than supplementary offerings. However, good staff behavior and consistent service standards remain essential in enhancing overall passenger satisfaction.

The chi-square analysis further confirms that income level significantly influences airline preference. Lower-income passengers predominantly prefer low-cost airlines, while higher-income passengers tend to select full-service carriers. This demonstrates that demographic characteristics play a crucial role in shaping airline selection behavior.

Factor analysis grouped the influencing variables into three major dimensions: Economic Factors, Service Quality Factors, and Operational Efficiency Factors. Among these, economic factors contributed the highest variance, reinforcing the importance of pricing strategies in the domestic aviation market.

In conclusion, the study establishes that passenger preference towards domestic airlines is primarily driven by price competitiveness, punctuality, and safety perception. Airlines seeking sustainable growth must focus on maintaining affordable fare structures, ensuring operational reliability, and strengthening customer trust. Additionally, continuous improvement in service quality and digital booking convenience can enhance customer experience and foster loyalty.

The insights derived from this study provide valuable implications for airline management in designing effective pricing, marketing, and service strategies. By aligning their offerings with passenger expectations, domestic airlines can enhance customer satisfaction, improve retention rates, and sustain competitive advantage in the evolving aviation industry.

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